

Economic Development Committee

Date: 29 March 2000

Venue: Committee Room 2, National Assembly for Wales Building

Title: Objective 1: Implementation Progress Report

Purpose

1. To report on the progress of preparations for implementation of the Objective 1 programme. The Committee is invited to advise on any matters it wishes taken into account.

Background

2. This paper covers five main areas:

- agreement of the SPD with the European Commission and the preparation of a Programme Complement;
- establishment and development of the Welsh European Funding Office (WEFO) as the Programme Executive;
- agreement to a structure of Action Plans to deliver Programme objectives;
- launch of the Programme.
- evaluation arrangements

(a) SPD

3. The partnership meets the European Commission on 30 March at which it is hoped agreement on the core elements of the SPD will be reached. A draft SPD will be submitted to the Assembly for debate on 12 April. Subsequently, the European Commission will follow its own internal approval processes which should result in a formal decision approving the Programme in early June. At that point, a Programme Monitoring Committee may be officially established.

4. Responsibility for the Programme Complement, detailing the Measures and associated financial allocations for the Programme, will rest with the Monitoring Committee. However, partnership work on the Complement will start as soon as the Assembly has decided the content of the SPD (and will be supervised by the shadow Monitoring Committee). Approval of the Complement by the Monitoring Committee is planned within 4 weeks of the Commission's approval of the SPD.

(b) WEFO

5. The Chief Executive, John Clarke, formally took up his duties on the 23rd March. WEFO officially commences on 1st April 2000 and will operate from offices at Mountain Ash, Cathays

Park and Machynlleth. John Clarke will have a base at all three locations.

6. A four division structure is being created and three of the four Heads of Division have been appointed. They are:

- i. Sheila Maxwell – ERDF Programme Management
- ii. To be appointed - ESF/EAGGF Programme Management
- iii. Peter Fullerton - Local Action Plans Programme Management
- iv. Phil Gray – Head of Corporate Planning & Services

7. The staff of WEFO will comprise 45 to be transferred from the European Affairs and Urban & Rural Development Divisions of the Assembly plus 43 from the Welsh European Programme Executive Committee (WEPE). Detailed staffing arrangements to operate from 1st April have been agreed in consultation with staff. This provides for the slotting-in of all existing staff and a decision to recruit urgently for 11 further posts.

8. All WEFO staff were brought together at a "Welcoming Day" held on 24th March 2000. Incoming staff from WEPE have also received a comprehensive range of introductory training and visited the Assembly Chamber at Cardiff Bay.

9. New stationery is being printed and staff will answer the telephone identifying themselves as WEFO from 1st April 2000. A basic elementary Question and Answer guide is being prepared for all staff to use on a reactive basis when answering telephone enquiries. The offices at Mountain Ash and Machynlleth have been connected to the Assembly's OSIRIS computer system and there will be full integration from 1st April.

10. WEFO will assume responsibility for servicing the next meeting of the shadow Monitoring Committee which will take place on 3rd May.

(c) Action Plans

11. The shadow Monitoring Committee has requested for its next meeting:

- that various bodies should initiate partnerships, adopting the one-third principle, to develop further the proposals for Regional Action Plans;
- that separate examination should be given to the linkages between Regional, Sub-Regional and Local Plans.

12. The shadow Monitoring Committee will be asked on 3 May to endorse a preliminary

structure of Plans at various spatial levels, subsequently to form the basis of detailed submissions for funding. In addition to work at Regional level, the WLGA has agreed to bring together reports on the preparation of local Action Plans by local authorities. Officials have also adopted a programme of meetings with individual local authorities for more detailed discussion of their plans for the Objective 1 Programme. One-third of authorities within the area have been covered to date and the visit programme will be completed before 3 May.

(d) Programme Launch

13. Delivery of the Programme will be managed strategically through partnership-led Action Plans at the Regional Sub-regional and Local level. At its first meeting, the shadow Monitoring concluded that establishment of a new system of detailed Action Plans, and the appointment of "lead" and Accountable Bodies, would take time to complete. It was unlikely that a fully-fledged new system could be operational before Autumn 2000.

14. However, bearing in mind the financial profile set by the Commission, and the public pressure for an early start, the shadow Committee agreed that plans should be drawn up for a "fast track" launch of the Programme before the Summer ie by end July. Partners have already been notified of this proposal and will be discussing the options for consideration by the Committee at its next meeting. The timetable will be tight:

- detailed guidance will need to be issued quickly to the partners;
- preparation of proposals for funding by the partners will have to take place alongside development of the Programme Complement;
- the launch will have to be Programme wide and within the framework of Action Plans already in preparation. It should aim for a balanced start and demonstrably contribute to the targets set out in the SPD and the Programme Complement.

15. An indicative timetable is attached at Annex A.

(e) Evaluation

16. EDC-07-00 (p.4) outlines a proposed mechanism which the Committee might put in place for the evaluation of Structural Funds programmes.

17. European Regulations impose separate requirements on the partnership and the Monitoring Committee regarding implementation reports and the evaluation of programmes. These are summarised at Annex B. The Economic Development Committee may wish to consider the extent to which these separate requirements might be dovetailed with consideration of its own role in the evaluation process.

Conclusion

18. The Committee is invited to note the above progress report and to offer any views that it wishes taken into account.

INDICATIVE TIMETABLE

April

1 WEFO established
12 Assembly Plenary debate
Work begins on Programme Complement
April Consultation with Partnership on

- draft guidance for submission of Action Plans.
- draft assessment criteria

Partnership discussion on linkages between Regional, Sub-regional; and Local Action Plans.

May

2 Shadow Monitoring Committee considers:

- structure of Regional Action Plans
- guidance to Partnerships on Action Plans
- guidance on Accountable Bodies
- assessment machinery and criteria for bids
- criteria for "fast track" launch
- communications strategy for Objective 1

Early Formal invitation to Partnership to submit funding proposals for 1st tranche
Agreed guidance issued to Partnership
WEFO discussions with lead bodies on "fast track" bidding round.

June

Mid Commission Decision on SPD
Mid Monitoring Committee established
End June Bids for 1st Tranche received
Programme Complement agreed

July

End	Partnership decision on funding proposals 1 st Tranche of awards announced
Sept/October	Full Action Plans considered Action Plans approved Lead and Accountable Bodies nominated

ANNEX B

REPORTING AND EVALUATION

European Regulations deal with the principles and provisions governing prior appraisal, monitoring, interim assessments and ex-post evaluation of the Single Programming Document (SPD).

Annual Reports

2. Following examination and approval by the Monitoring Committee, the managing authority ie the Assembly, is required to submit an implementation report to the Commission within six months of the end of each full calendar year of implementation ie if the assistance is approved in 2000, the first report is required in the first six months of 2002.

3. The annual reports would include:

- any change in general conditions relevant to the programme eg the main socio-economic trends, changes to national, regional or sectoral policies;
- a report on progress on the implementation of each Priority and each Measure;
- the progress of the financial plan;
- steps taken by the managing authority and the Monitoring Committee to ensure the quality and effectiveness of implementation;
- the steps taken to ensure compatibility with other Community policies;
- progress and financing of major projects.

Evaluation

4. Within the framework of the partnership, the Commission and the Member State must co-operate to ensure that effective systems for monitoring, appraisal and assessment are in place.

5. For ESF, ultimate responsibility for evaluation lies with the Regional Committees. However, an evaluation steering group for all ESF in the UK will be established for the 2000-2006 programming period. This group will agree a common framework for the evaluation of ESF, so that comparable information is gathered to assess the impact of ESF with reference to the

NAP. The group will also commission research so that lessons can be learnt and good practice identified. The evaluation of ESF activity in the programme will be carried out in line with the common framework. Each Monitoring Committee within the UK will of course be free to carry out its own specific research and evaluation.

Ex-ante evaluation

6. Prior appraisal of the SPD is the responsibility of both the Member State and the Commission and is to be carried out through the partnership. The results of the prior appraisal are an integral part of the SPD.

Mid-term evaluation

7. The managing authority, in co-operation with the Commission, is responsible for arranging an independent mid-term evaluation of programme progress. This evaluation measures the initial results of the programme and will include a critical analysis of the data collected through monitoring, including those forming part of the annual reports. It will measure the extent to which the objectives pursued are being met, explain any discrepancies and forecast the programme outcome. It will also express a view about the appropriateness of the operations in progress and their relevance to programme objectives. It will enable the Programme Monitoring Committee to propose adjustments to the programme.

8. The Mid Term evaluation has to be carried out by an independent assessor, is submitted to the Monitoring Committee who then send it to the Commission. The Commission should receive the evaluation as a general rule three years after adoption of the programme and no later than 31 December 2003. The evaluation would inform any revision to the programme.

Ex Post Evaluation

9. Ex post evaluation will be the responsibility of the European Commission in accordance with Article 43 of the General Regulation.