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Barcelona, 21st April 2006

Managing and programming Structural Funds: local and regional points of view

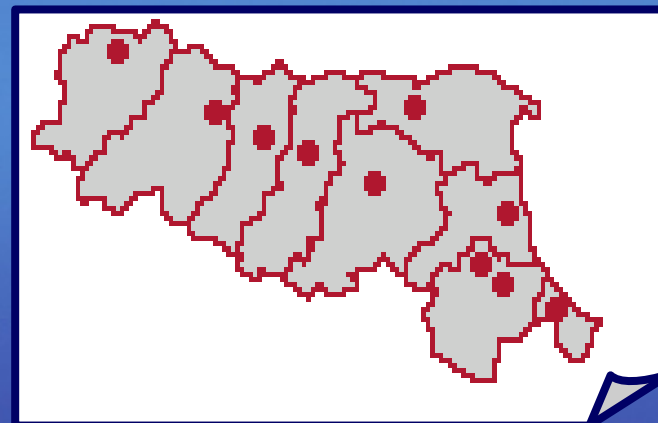
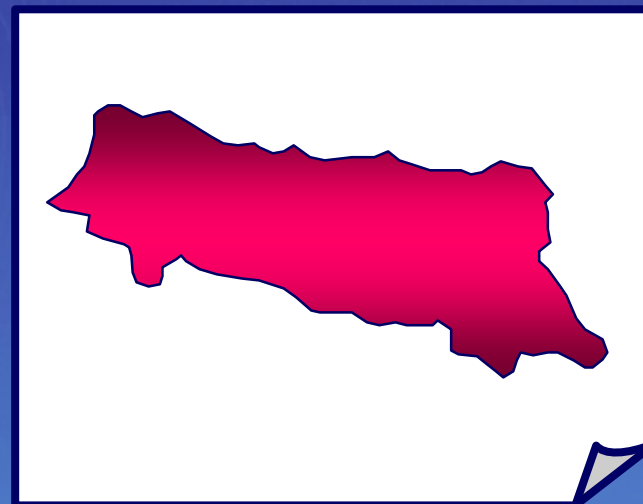
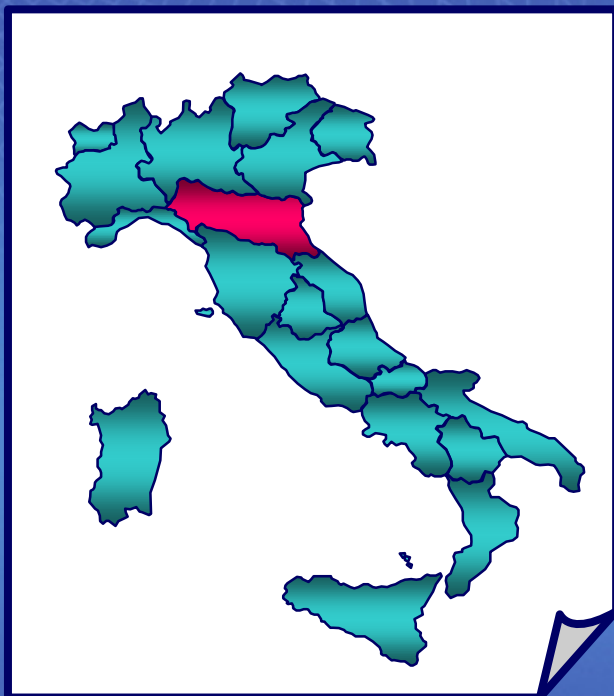
The Emilia Romagna experience

Stefania Sommacal





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Programme basic data

SPD Objective 2

Managing Authority

General Directorate for Industry, Commerce and Tourism (Emilia Romagna Region)

Total cost:

240 million Euro (EDRF 48,52%, local, regional and state funds 48,84%)

Duration:

27 November 2001- 31 December 2006

Actors involved:

- **Central level: Emilia Romagna Region**
- **Local level: 9 Provinces (Intermediate Bodies), public and private stakeholders**



Objective 2 area

130 Municipalities (38% of Regional municipalities)
387.651 inhabitants (9,8% of Regional inhabitants)
166.609 workforce (9,3% of the regional workforce)
25.347 enterprises (8,4% of the total enterprises)



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*Key approaches
of the Programme strategy*

Territorial

Integrated

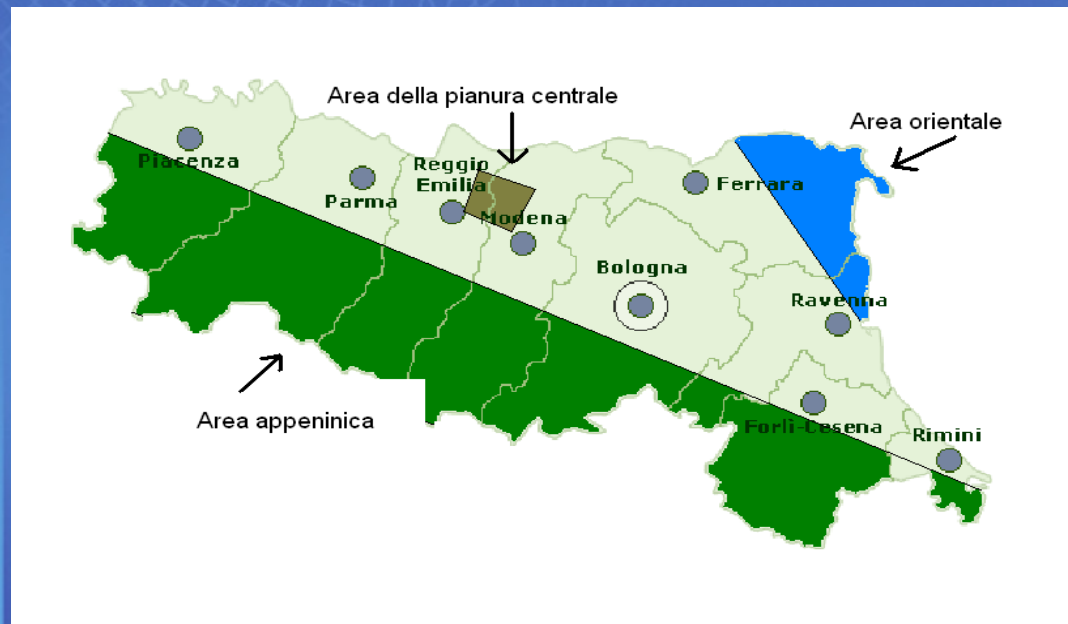
**Negotiated/
Partnership based**





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TERRITORIAL APPROACH



active role of local institutions, either in the definition of the development programmes for their own areas or in their management and implementation





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INTEGRATED APPROACH

SPD focuses on strengthening three main aspects of integration



Integration among programmes

Integration among institutional subjects

Integration among projects and interventions





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NEGOTIATED APPROACH

Vertical



Between 9 Provinces and MA of the Programme

Horizontal



Among institutional, public and private socio-economic stakeholders of specific areas (Municipalities, Mountain councils, business associations, trade unions, NGOs, etc.)

Active



These subjects are directly involved in the definition of the programme as well as in its management





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The role of partnership

ACTIVITIES INVOLVED

Programming

Projects selection

**Management and
implementation**

Co - financing





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Partnership in the programming phase

Outline of the partnership process

- identification of relevant territorial areas,
- definition of territorial specific needs and goals, and of territorial strategies per each Measure of intervention

- definition of the development programmes at Provincial level (within the Local Development Plans), in compliance with guidelines provided by the MA giving general framework for formats and contents. This ensures coherence with overall regional strategies.

- according to the needs outlined in the LDPs, the MA wrote up the Area Development Plans: hence, through the Programme Complement, the strategy of intervention per each specific area was defined.





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Partnership in the programming phase

Outline of partnership process

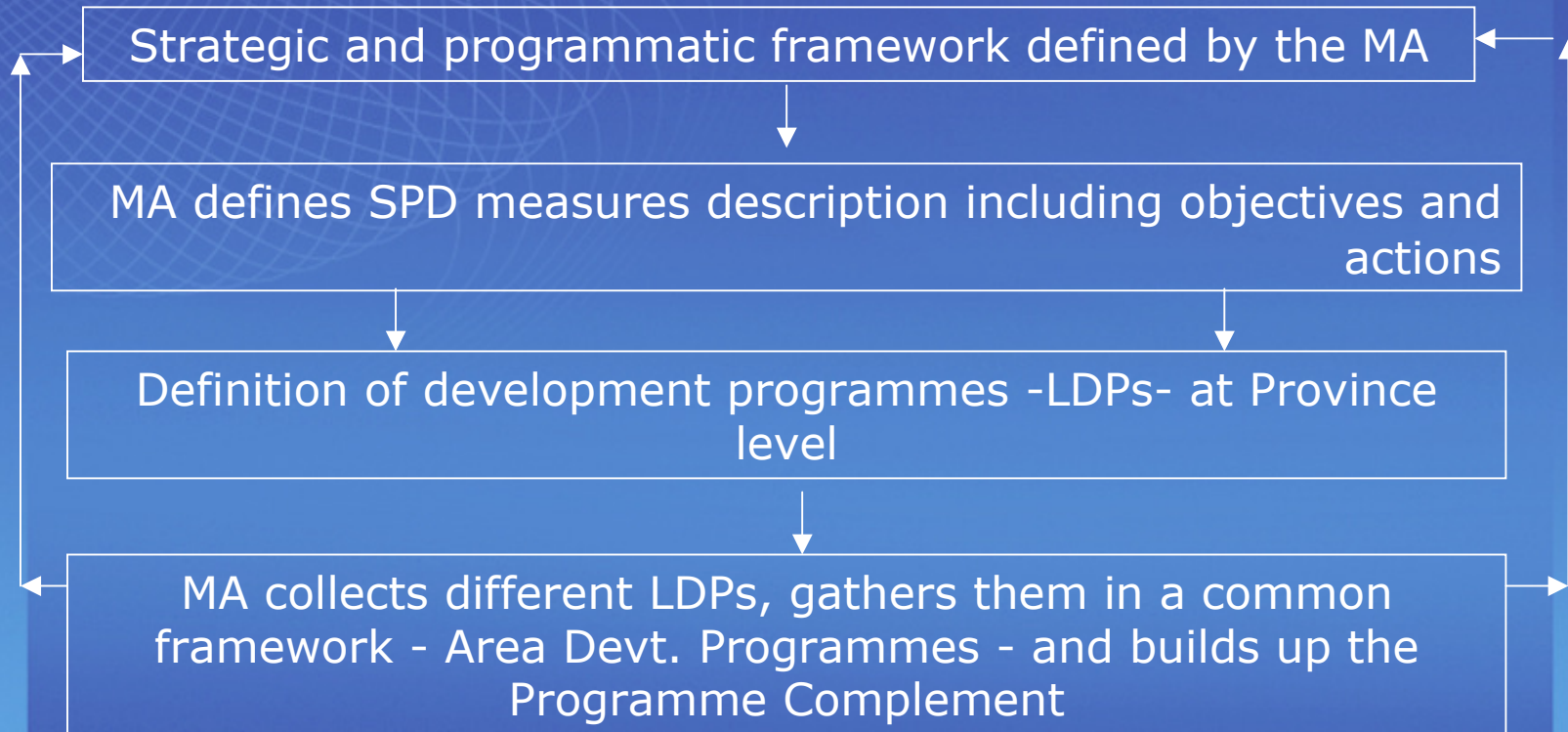
- 1) Organisation of meetings with policy-making representatives, in order to share strategic choices and define modalities regulating programme implementation (by regional and local institutional representatives)
- 2) Involvement of the Province in the elaboration of programming documents





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Partnership in the programming phase



The Programme Complement also assigns financial resources at measure level, and defines two working periods: Ist and IInd three-years period (MA)





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Partnership in the programming phase

Tools :

- 1) LDP - Local Development Programme and
ADP - Area Development Programme
- 2) Definition of a formal step for the “participated”
agreement on final strategy: the Programme
Conference





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Partnership in the implementation phase

Selection of projects with negotiating procedure

- 1) Select projects according to their degree of coherence with territorial specific requirements/needs
- 2) Foster major integration with other programmes/strategies conducted at the local level in the framework of the same sectors and/or more in general with on-going local development plans



Devolve at the local level the co-decision process with actors belonging to economic and social partnership and the responsibility for the management of interventions





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Selection of projects with negotiated procedure

Tools:

- 1) Model for the collection of the Expressions of Interests
- 2) Evaluation criteria to define co-financing %





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*Partnership in the
implementation phase*

The co-management of the programme

Involvement of the Province in the management of the programme

Involvement of the Province and the Final Beneficiary in the co- financing of the projects



High level of co - responsibility
(from a technical and political point of view)
in the results of the programme





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Partnership in management

Intermediate Bodies:

- ➔ **check for each project the compliance of the expenditures and make physical control**
- ➔ **transfer to MA all the acts concerning the financing of the project**
- ➔ **transfer to MA data on physical, financial and procedural monitoring**
- ➔ **co-operate with the independent evaluator in the preparation of the mid-term evaluation**





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Partnership in co-ordination

The Managing Authority:

- Regularly meets Provinces to share approaches and decisions on management aspects**
- Coordinates the Programme Conference**
- Supports and coordinates the project selection phase**
- Uses TA resources to inform the wide partnership about the progress of the programme**





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Achieved results

Concrete outputs

- **9 LDPs prepared and updated/reviewed**
- **18 Programme Conferences (2 per province) held**
- **728 projects approved, financed and implemented**
- **248 Meuro of investment realised**
- **More than 146 Meuro of Contribution**

Institutional outputs

- **Improvement in institutional capacity of Provinces (skills and methods) and in the governance of local development**
- **Overall convergence of the regional policies for local development**





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Critical aspects and success factors

At political level

- 1) Partnership intended as a process and not as a result
- 2) Distinction between a political role and a technical role within the partnership
- 3) Identification of operational modalities (decision-making process) for both political and technical levels
- 4) Identification of actors to be involved in each of the two types of partnership
- 5) Appointment of Provincial administrations as “Co-ordinating subjects” at the local level





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Critical aspects and success factors

At technical level

- 1) Availability of technical competencies at local level
- 2) Support from regional level, through provision of additional competencies, methodological guidelines and elaboration of working instruments
- 3) Financial support at local level, to enhance management and technical capacities





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Programme priorities and measures

Priority 1

- 1.1 Development of productive activities (N)**
- 1.2 Innovation and entrepreneurial qualification of small companies (P)**
- 1.3 Qualification and development of tourism and commercial companies (P)**
- 1.4 Development of self entrepreneurship and micro companies (P/R)**
- 1.5 Support to the start up of innovative companies (R)**
- 1.6 Development of innovation and research projects (R)**

Priority 2

- 2.1 Competitive reinforcing of the Eastern area (P)**
- 2.2 Valorisation of the mountain resources (P)**
- 2.3 Advanced qualification of the productive system of phasing out area (P)**

Priority 3

- 3.1 Technical assistance (R) (P)**

N= managed at national level
R= managed at regional level
P= managed at province level





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Regional Management of Structural Funds

Requirements:

Institutional capacity - administrative powers

Financial capacity - having its own budget,
commitment and expenditure capacity

Human resources capacity - direct management
of human resources





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Regional Management of Structural Funds

- Defining appropriate strategies for each regional context
- Increasing institutional capacity in managing EU funds
- Major involvement and commitment of local partnership
- Building consensus on regional policies
- Increasing integration among sectorial policies
- Smoothing procedures for the final beneficiaries

Coordination from the central level is necessary in order to achieve the reduction of the gap among regions and to strengthen the national negotiating power





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MA prerogatives

- Resources allocation
- Correction mechanisms
(increase competitiveness among territories,
N+2 rule, etc..)
- Delegates part of the selection, control and
monitoring procedures

Procedures are simplified also for the MA
without losing control
on the programme implementation





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Thank you for your attention!

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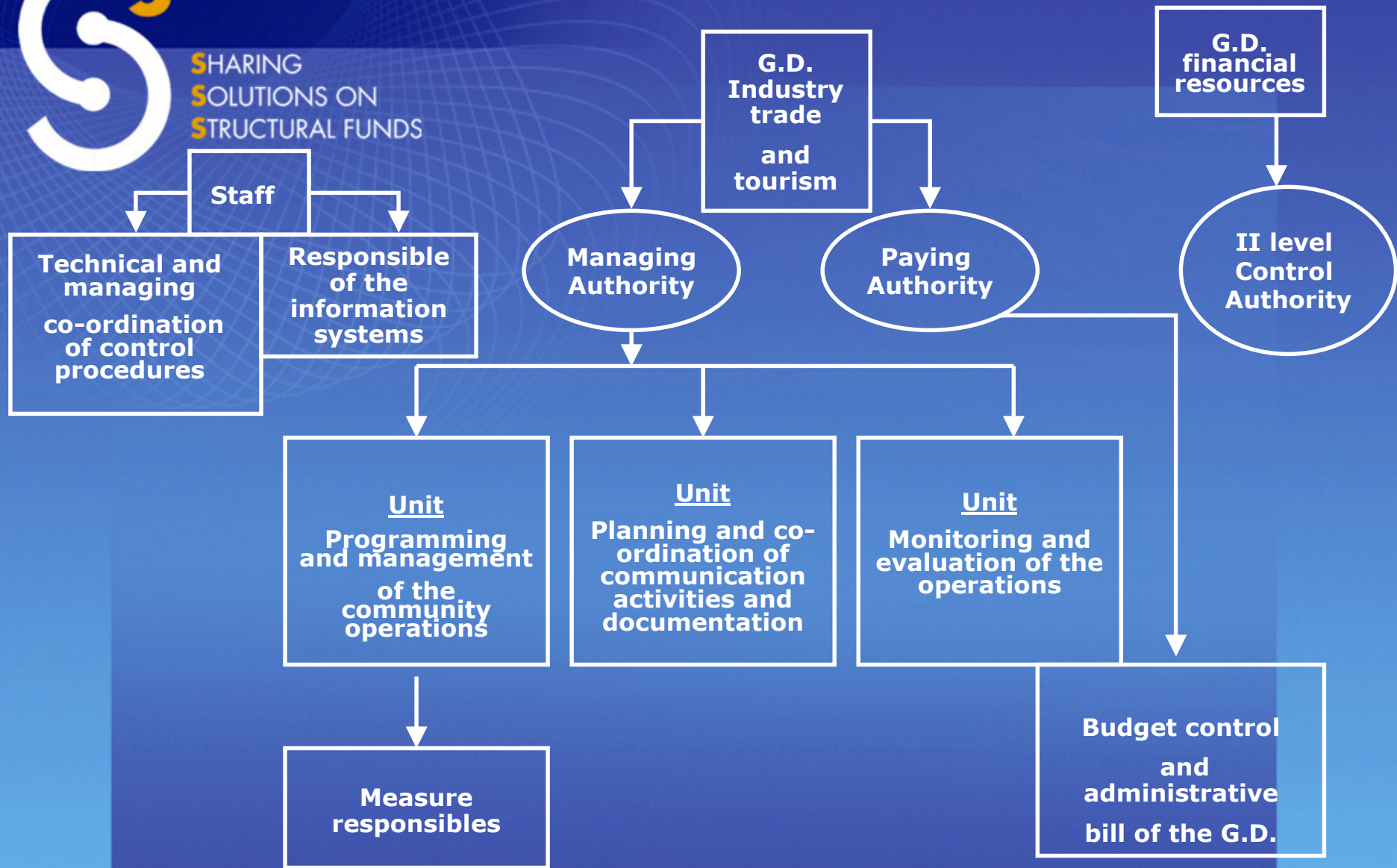
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Partnership-based local development policies in Emilia-Romagna

- Special Area Programmes
- Territorial pacts
- Programme contracts
- Framework Programme Agreements
- Three years Industry Programme - Priority 6
- Mountain Regulation - regional law
- Regional law 7/2000 - promotion of industrial research activities, innovation and technological transfer





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LDP - Local Development Programme
ADP - Area Development Programme

STRUCTURE

Socio-economic and environmental analysis of the area

The action strategy

Typologies of operations

Coherence and integration of the LPD with other local
programme

Partnership activated





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Selection of project with negotiated procedure

Description of the process :

- 1) The Managing Authority and the Provinces together:
 - design a model for Expressions of Interest,
 - organise working meetings addressed to final beneficiaries in order to explain objectives and working procedures

- 2) Provinces collect expressions of interest and through the negotiated approach, agree and share, with final beneficiaries, projects that could be financed

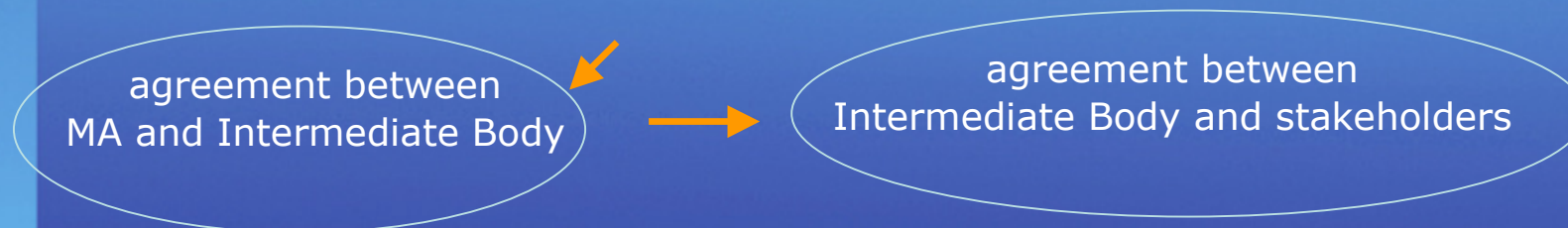




Selection of project with negotiated procedure

Description of the process

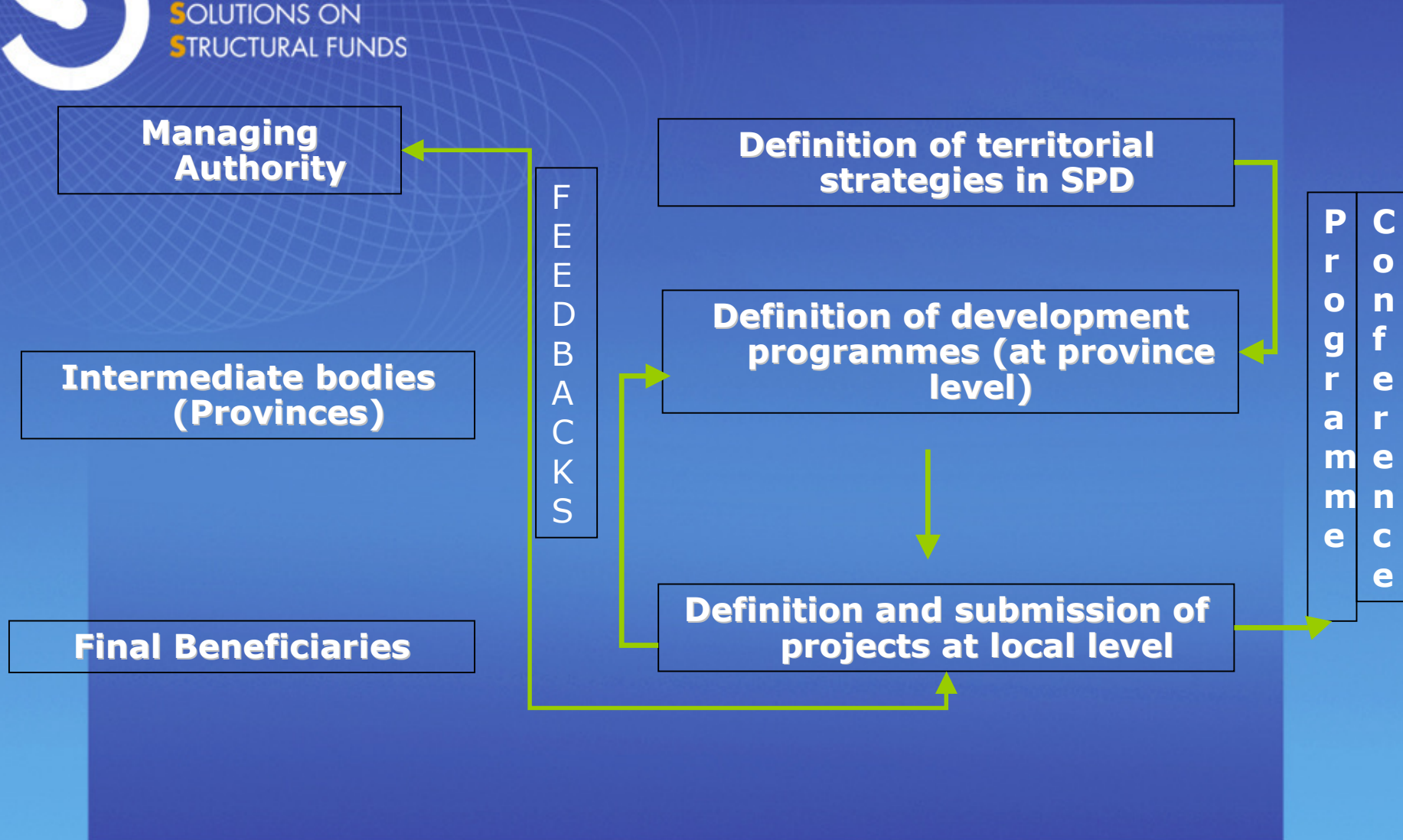
- 3) Province submit selected projects to the MA in order to check their eligibility
- 4) Final approval by the Province Programme Conference of a list of eligible projects to be financed through financial resources already allocated





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Project selection scheme





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The scheme for the Expression of Interest

The scheme for the Expression of Interest:

Data on the beneficiary and description of the process

Quantitative and qualitative elements in order to assess the eligibility for ERDF

Qualitative elements in order to assess coherence and integration

Procedural data and financial plan





Selection criteria to define co-financing %

Selection of projects

Province of Modena: an example

1. Objectives and typology of interventions defined in Modena LDP
2. identification of priorities within different typologies of intervention
3. Allocation of different co-financing percentage according to the priorities involved

environmental projects	70 %
telematic projects	70 %
projects with municipal added value	60 %
other projects	50 %





The covenants

Covenant signed between the MA and the implementing bodies

The MA signs with the implementing bodies a covenant defining roles and responsibilities. The most relevant issues defined in the covenant are:

- the quantification of the resources needed to finance the interventions approved by the Programme Conference
- the rules for the transfer and reallocation of these resources
- expenditure and implementation goals
- guiding principles for the implementing body - final beneficiary relationship
- the rules for the intermediate and final accounting process both at project and measure level
- cases and modalities of revocation

Covenant signed between the implementing body and the final beneficiary

Implementing bodies signs a covenant with the final beneficiaries taking into consideration the guiding principles set by the Managing Authority

