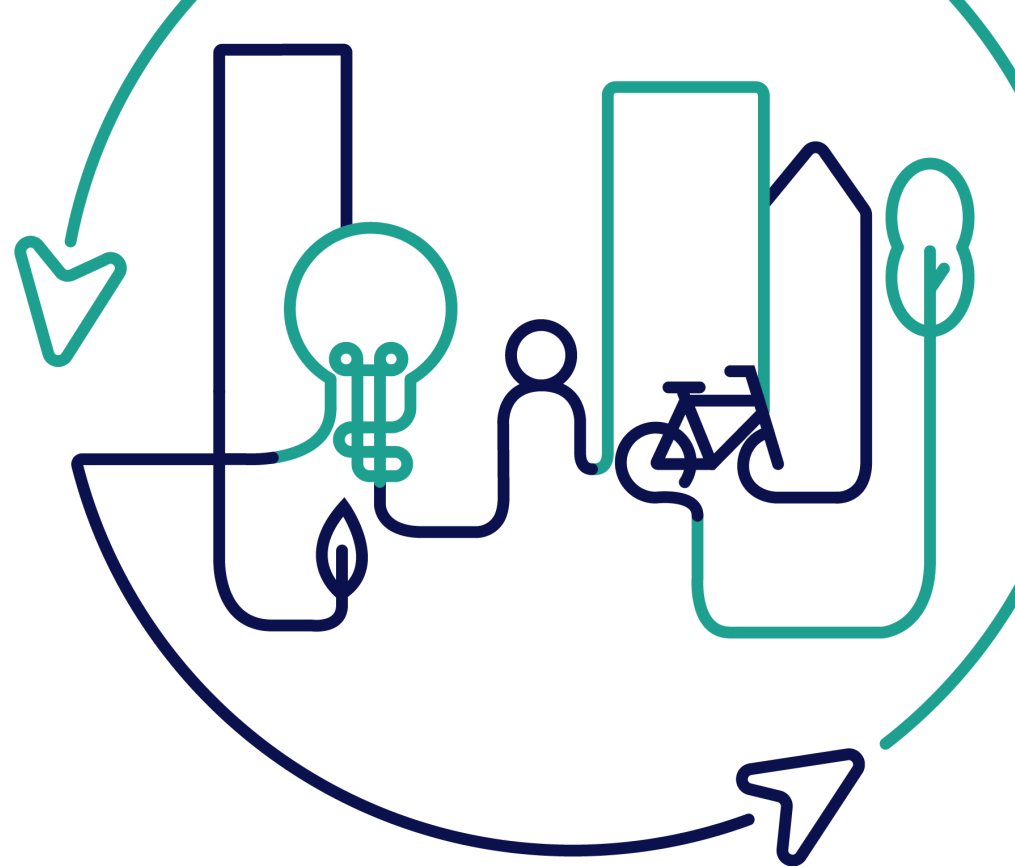


# EUROPEAN U R B A N INITIATIVE

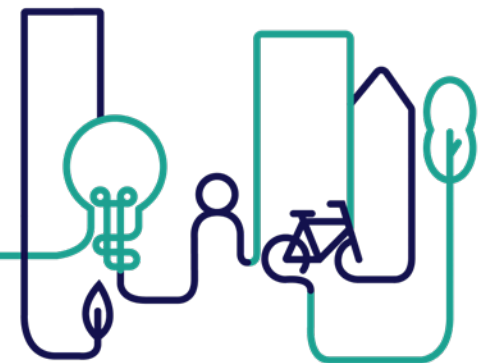


Co-funded by  
the European Union

# Measuring and demonstrating successful results

## Some challenges of monitoring and evaluating CLLD

Urszula Budzich-Tabor, Jean-Pierre Vercruysse  
Timișoara, 9 June 2023

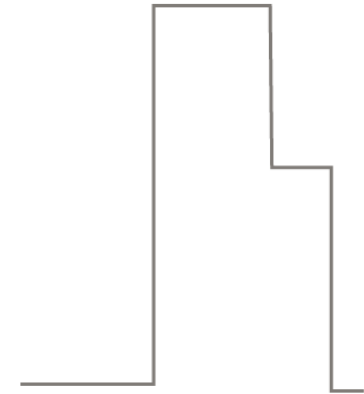


# Starting Point

## CURRENT SITUATION



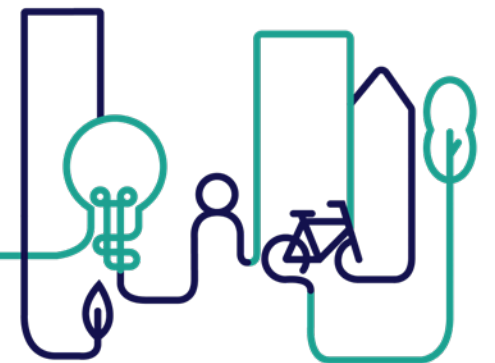
Programme  
objectives



Baseline & Target

## Why is it needed?

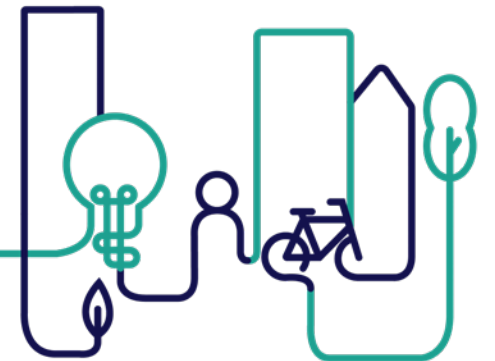
- Accountability for public funding
- The "value added" of CLLD is often questioned (cf. ECA report on LEADER/CLLD)...
- ...and it is not easy to measure!
- But it is mandatory
- It needs to start early in the programme cycle



# Output vs results

CPR 1060/2021, Art. 2 Definitions:

- Output indicator: to measure the specific deliverables of the intervention
- Result indicator: to measure the effects of the interventions supported, with particular reference to the direct addressees, population targeted or users of infrastructure



# The Outputs

DURING IMPLEMENTATION



OUTPUT: THE END-  
PRODUCT(S) OF A  
PROJECT



CONTRIBUTE  
ACHIEVING RESULTS



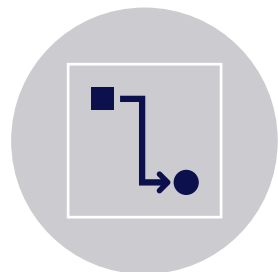
MONITORED BY  
MEASURING WHAT HAS  
BEEN DELIVERED

Outputs  
the products of the  
projects



Monitoring

# The Results



THE CHANGE IN THE LOCAL  
SITUATION ACHIEVED



ADVANTAGES FOR  
BENEFICIARIES OR END- USERS



EVALUATED ACCORDING TO  
THE EFFECTS OF THE  
INTERVENTION IN ACHIEVING  
THE OBJECTIVE

## FUTURE SITUATION

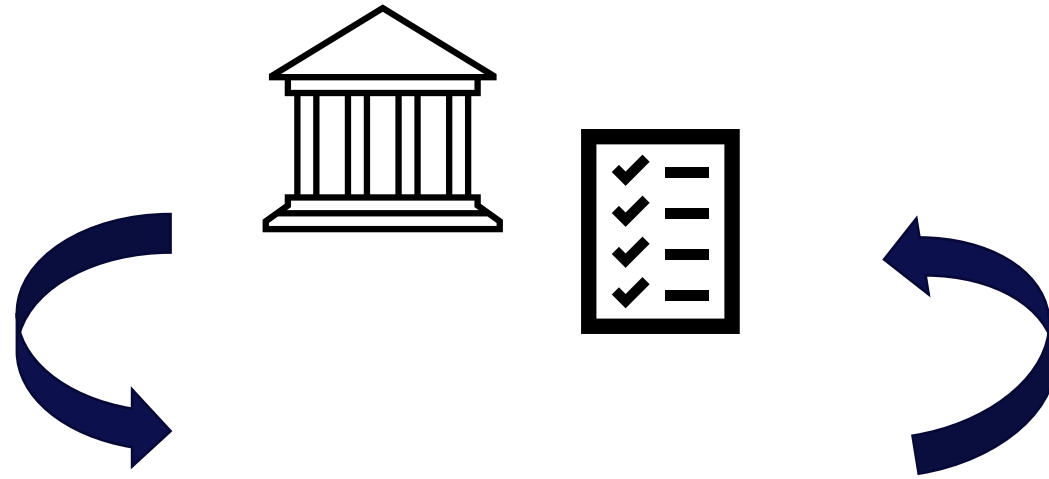
Intended Result



Evaluation

# Why can it be challenging?

- Programme level



- LDS level

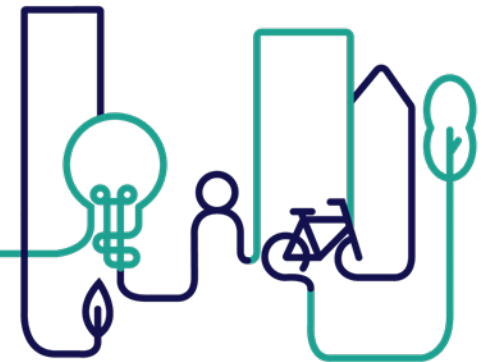


## Challenge at programming level

- MA defines broad objectives, indicators and targets
- LAGs define objectives relevant for their area, set own indicators (e.g. from a national menu) and targets

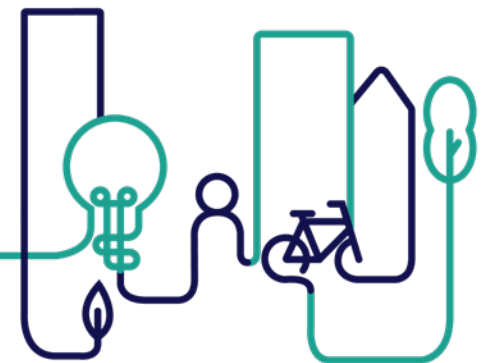


- How will this fit together?



## Challenge at monitoring level

- What information is needed at programme level?
- Who reports it, who collects it? Beneficiaries, LAGs?
- Who uses the information?
  - How can the MA use information collected at LAG level?
  - How can the LAGs use information collected at programme level?
- Balancing quality and quantity, avoiding administrative burden...



## Other challenges

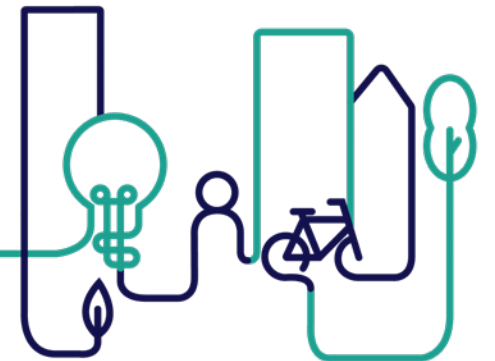
- Different requirements at EU level, depending on the funding source
- Common indicators in the performance framework:
- ERDF – only output indicators (no. of CLLD strategies)
- ESF+ – indicators linked to persons benefitting or SMEs supported
  - breakdown by age, gender, employment status etc.
  - participating in the activity (output) or what happens upon leaving (result)



## Example from cross-border CLLD (IT-AT)

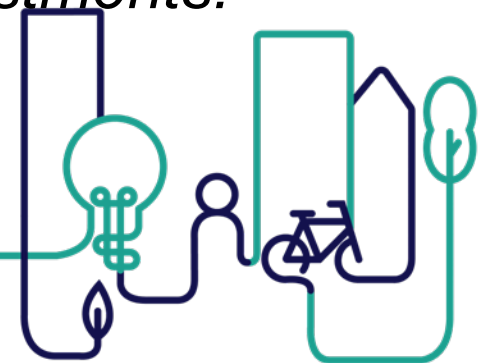
**Only seven common indicators for CLLD in Interreg IT-AT for 2021-27**

- o Number of projects
- o Amount of public funds committed and paid
- o New products/services
- o Jobs created/maintained (by gender)
- o Energy produced in kW/h
- o Income for local authorities
- o Number of people staying in the area as a consequence of employment availability and quality of living conditions



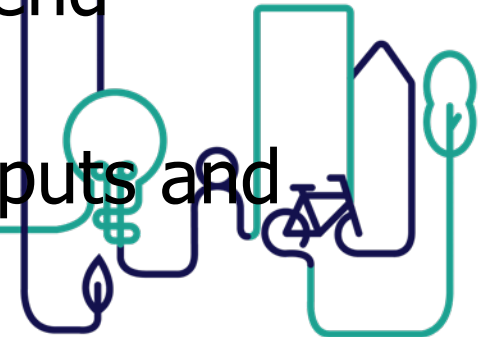
## Lessons from cross-border CLLD (IT-AT)

- *Reduce the number of monitoring indicators to the essential to allow better communication of the results whilst limiting the administrative burden.*
- *Choose indicators which can be used by politicians in their communication activities.*
- *For the LAGs, a more limited set of indicators will also reduce the administrative burden related to the collection of monitoring information.*
- *Undertake a summary of mid-term evaluations to assess the progress made by the programme and decide on possible adjustments.*



## Example from Bydgoszcz (PL)

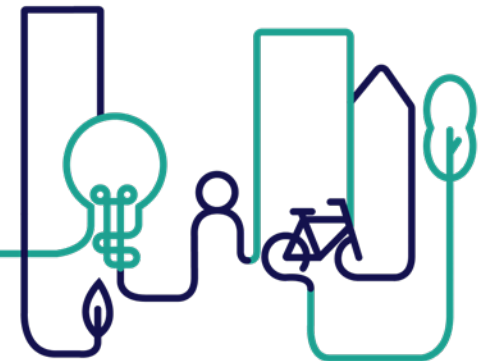
- A high number of indicators (9 for output, 5 for result)
  - partly from EU common indicators
  - partly decided at regional level
- Typical project: 6 months, lumpsum (EUR 12 000 – 24 000)
- Output indicators reported typically after 3 months from the start (number of people supported, by type of support and type of participant)
- Result indicators reported within a month of project end (participants looking for jobs or obtaining a job etc.)
- No financial reports needed – payment based on outputs and results!)



# Simplified Cost Options

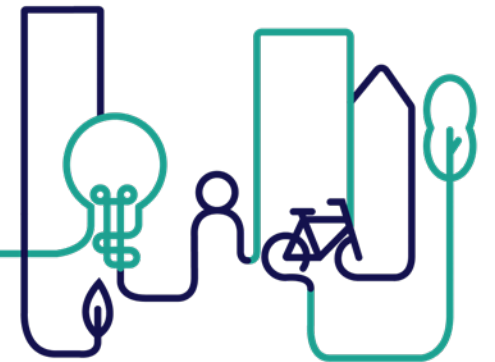
## Facilitating payment for results

Urszula Budzich-Tabor, Jean-Pierre Vercruysse  
Timișoara, 9 June 2023



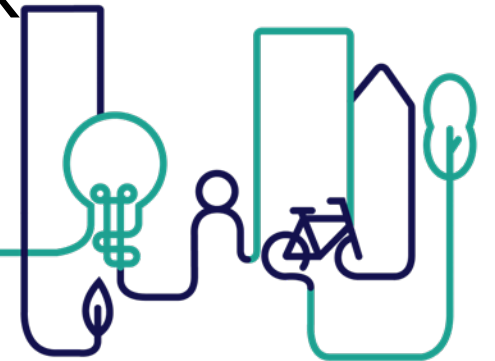
# Why use Simplified Cost Options?

- What do you think?



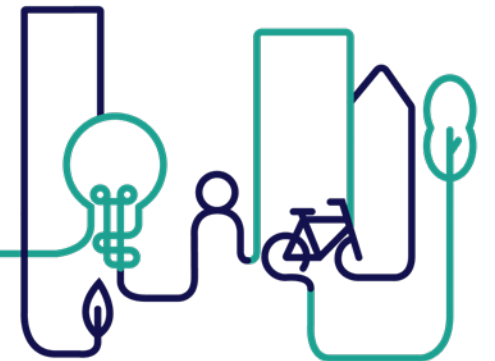
# Why use Simplified Cost Options?

- Reduce administrative burden for:
  - the beneficiary
  - the LAG
  - and also for the MA (after the initial investment in calculation)
- More audit-proof
- Reduce error rate
- Enable a focus on the result achieved, not paperwork
- ...



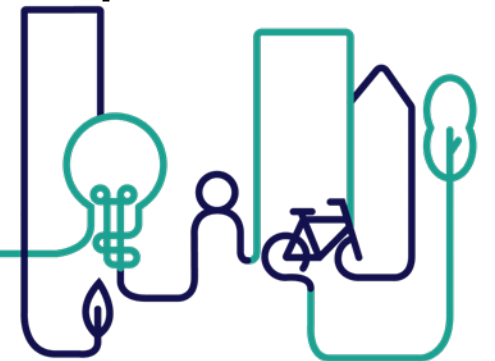
## Types of SCOs

- **Lump sum** (fixed amount linked with a specific output, e.g. a study)
- **Unit costs** (funding allocated per a specific unit, e.g. a participant trained)
- **Flat rates** (certain costs allocated as a proportion of other – documented – costs)



# Calculating SCOs

- A **fair, equitable and verifiable** calculation method based on statistical data, expert judgment, usual accounting practices or historical data from previous projects
- Rules applicable to **similar schemes** in EU policies or in national schemes
- **Draft budget:** presented by applicant and verified by the body selecting the operation – i.e. the LAG), treated as a lump sum in reporting (<EUR 200 000)
- **Off-the-shelf SCOs** – pre-defined in EU legislation

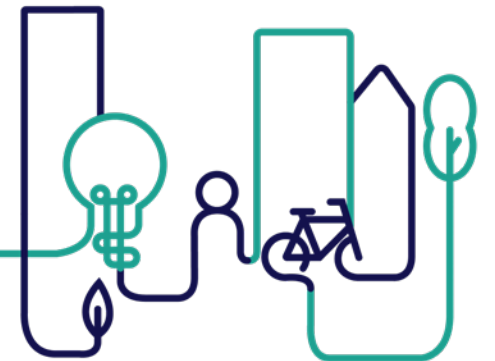


## Note

- **Under CPR 2021-2027, for operations under EUR 200 000, the EU funding must take the form of unit costs, lump sums or flat rates!**

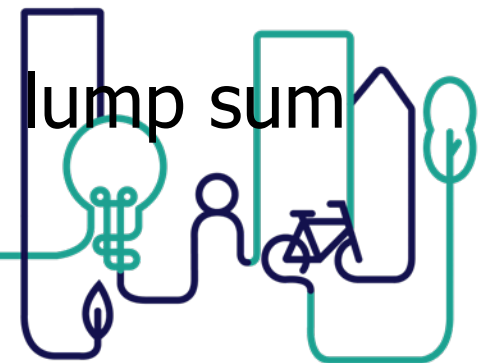
*(Exception: when state aid is in question*

*-> but note: CLLD support to SMEs below EUR 200 000 is not considered state aid!)*



# The use of SCOs in CLLD

- LAG running costs:
  - off-the-shelf indirect costs as 15% of direct staff costs
  - national legislation for travel costs
  - fully SCO-based running costs (Poland EAFRD)
- Small grants for local initiatives
- Renovation of buildings (DE)
- Business start-ups (PL)
- Small-scale social inclusion projects – draft budget + lump sum (e.g. Bydgoszcz)



# Lessons from Interreg IT-AT

## Draft budget methodology

Draft budget is a **methodology to establish Simplified Cost Options**:

- A project is approved with a detailed budget.
- Payment will take place when the planned outputs have been achieved.
- There will be no need for verification of individual cost claims.

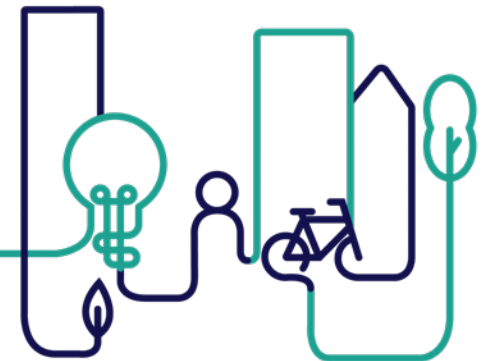
**But:**

More administrative burden for LAGs

- Need for capacity-building on the use of draft budget

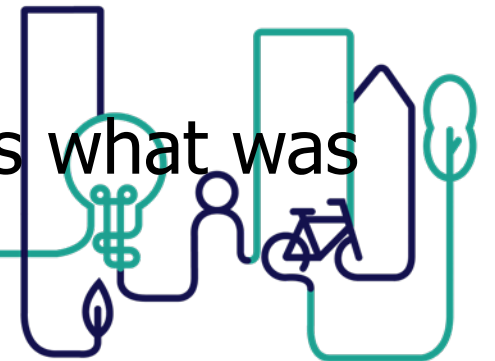
Risk for beneficiary and for LAGs if project needs modifications

- Allow the use of milestones in the draft budget:
- Payments made when each milestone is achieved.



## Small grants for local initiatives (LEADER, AT)

- Grants up to EUR 5 700
- Only non-commercial projects
- Up to 5% of total LAG budget, max. 3 times the same applicant
- Applicants hands in project description, output indicators and budget
- LAG approves the contents in relations to LDS and sets the amount of support (usually 70%)
- Formal approval by MA
- After implementation, project promoter demonstrates what was done and gets the funding without financial report



**Thank you**

