

EVALUATION OF THE EFFECTIVENESS OF THE PLANNING AND IMPLEMENTATION SYSTEM OF THE REGIONAL PROJECTS

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SUMMARY

BGI Consulting Ltd. (hereinafter - the service provider), on the basis of the agreement of the service provision concluded with the Ministry of Interior of the Republic of Lithuania (hereinafter - The Mol) on 24th August, 2009, has carried out Evaluation of The Effectiveness of the Planning and Implementation System of the Regional Projects. The general aim of the evaluation foreseen in the agreement is to enhance the planning and implementation system of the regional projects financed from the EU structural support in the period 2007-2013. The term "evaluation of the effectiveness of the system" is understood as the evaluation of such elements as relevance of the administrative system, legal regulation of the system and other aspects affecting the effectiveness of the system.

The evaluation was carried out according the evaluation questions set by the Mol and supplementary questions set by the service provider. The methods of the evaluation were selected in order to meet the aim of the evaluation and to answer questions of the evaluation.

The evaluation was greatly focused on the legal regulation of the planning and implementation system of the regional projects. Evaluators have analyzed Governmental acts, decrees of ministers, legal acts of regional level related to regional project planning and selection.

Various studies, research articles related to the subject of the evaluation and evaluation reports on management and implementation systems' of the other EU member states (Estonia, Czech Republic and Hungary) were invoked and analyzed.

Evaluators have extensively used in-depth interviews with the representatives of the Managing authority, the Mol as coordinating body, ministries, implementing agencies, regional development councils and secretariats.

The opinion of applicants and beneficiaries of regional measures was assessed by carrying out survey based on questionnaires. 52 institutions (37 municipal administrations, 7 governor administrations of counties, 8 other organizations) have responded by filling in the questionnaires.

In order to answer the evaluation question in a greater precision, the process of planning and implementation of the regional projects was divided into phases. The analysis of these phases is the main analytical part of the evaluation report.

Conclusions and recommendations of the evaluation focus on various dimensions and elements of the system to be improved and proposals laying grounds for higher effectiveness of the planning and implementation system of the regional projects.

It was founded that the role of the Ministry of Interior as coordinating body of the regional OP measures was limited in the process of programming and planning regional OP measures managed by the other Intermediate bodies. Despite a few cases, there was lack leadership and horizontal coordination of the Mol, especially having in mind that the Mol is responsible for the national regional policy. Such situation was partly determined by the fact that national legislature of the EU Cohesion policy management and implementation system of the period 2007 - 2013 only foresaw coordinating function of regional measures to the Mol, yet the content of the regulation was scarce and powers of the Mol were not detailed. On the other hand, the Mol did not sufficiently employed all of the tools and procedures of the national regional policy where it was responsible for the planning interventions and the overall system of the regional policy in central, regional and municipal levels. Except this, the Mol has direct interference into the implementation processes at the regional level via institutionalized structure and localized representatives of the Structural funds management division of the Regional policy department. Therefore the lack of the detailed functional regulation could be substituted by means and tools of the national regional policy leading to a better horizontal and vertical coordination and synchronization of the implementation activities at the level of regional development councils and regional development councils' secretariats.

The aim to incorporate regions into the planning, management and implementation phases of the Cohesion policy is limited by the overall structure of public administration which could be characterized as a "top-down" decision making and implementation system. The Cohesion policy system does not operate

separately from the national system and its preconditions. The deficiencies of regional strategic planning and its marginal role in the national framework of setting policy priorities limits disposition of the regional entities to plan the directions of the investment of the structural funds and volumes on their own. Instead in most of the cases regional entities have to stick to the investment framework set by intermediate bodies. Therefore one of the solutions which could strengthen regional dimension in the process of planning structural aid is a more intense application on partnership principle. The partnership should be promoted during the programming phase when the priorities and measures are set. This should be followed by intensive consultations when detailed guidelines for applicants are drafted. Regrettably the partnership between the central institutions responsible for the cohesion policy planning and implementation and regional (incl. municipal) entities is underdeveloped.

Evaluators have identified that the regional bodies which participate in the regional selection system are also poorly coordinated. This does not cover the disposition of self-governance but coordination of administrative process. One of the problems identified is the performance of the secretariats and coordination of their consultancy activities in the pre-selection procedures. In some instances secretariats communicate with the Intermediate Body or Implementing Agency in order to solve problems, interpret the guidelines for the applicants and on this basis provide consultancy for the applicants. This is usually done separately by all 10 secretariats therefore the outcome of their activity varies. Having in mind the fact that all regions plan and implements projects according unanimous OPs and guidelines for the applicants, coordination of information flow is necessary. It is important to assure that all the actors of the regional project selection system receive uniform information flow and assistance.

Activities of systemizing and spread of information could be implemented by the Mol as it is regulated in a scheme of distribution of functions and responsibility among the system actors in the period 2007-2013. This function of the Mol is also embedded into the rules of Division of the structural funds of the regional policy department. At a regional level this function could be carried out by the civil servants of the Division of the structural funds of the regional policy department which are located in every county. The functions of the civil servants and their activities in the secretariats should be clearly defined.

It was found that the asymmetry of information and consultation of the applicants is deepened by the fact, that the rules of administration and financing foresee a right for an applicant to address various questions for the Implementing Agency, yet the Implementing Agency is obliged to consult an applicant only after it's project is preselected (i.e. included into regional project list). In the meantime provision of information and consultancy during preparation of preliminary project proposals is not regulated and usually done by the secretariats.

The regional project selection rules and their provisions regulating generalization of preliminary project proposals in the secretariats are not sufficiently clear. Despite the fact that each region approves internal rules on screening the preliminary project proposals it is worth noticing that secretariats face uncertainty of how detailed and deep the screening should be. Moreover, the applications generated according approved regional project list, are fully appraised by implementing agencies i.e. independently from the screening activities done in the secretariats. This is seen as ineffective in terms of costs and also brings some confusion related to the requirement to provide information repeatedly and vague responsibility of multiple interacting bodies.

It was noticed that some of the terms (notions) are not fully detailed and explained in legal acts of the planning and implementation system of the regional projects and brings some challenges as well. For instance, the rules of regional project selection foresee that regional council can, except some particular occasions, amend an approved list of regional projects but not earlier than 1 year is passed after recent approval. In practice, the need to amend the lists of regional projects occurs much more often (for example when an applicant does not stick to the deadline to prepare an application set in the list), therefore regional councils try to overcome the regulatory requirement (1 year time span) by applying correction procedure. However application of correction procedure usually results in general amendment of regional project list.

The procedure of projects selection implemented by the regional development councils is based on consensus among members of the regional council where decisions are made by voting. The regional development councils set instruments and procedures for projects selection in order to select the most useful projects for the region. These practices differ a lot among regions. Some of the regions apply precise quantitative project appraisal methods; other relies on qualitative project selection approach. The application of different project selection practices is understood as self-sufficiency or regional entities and a way of bringing subsidiarity principle to practice.

Conclusions and recommendations of the evaluation were discussed with the Mol. The results of the evaluation were also presented for the other actors of the planning and implementation system of the regional projects.