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Subject: Cohesion Policy legislative package
- Presidency compromise on Monitoring and Evaluation

Delegations will find attached a compromise text on the Monitoring and Evaluation parts of the proposal for the Common Provisions Regulation.

The modifications highlighted in bold are those in comparison to the revised versions (corrigendum) presented by the Commission on 14 March 2012.

TITLE V

MONITORING AND EVALUATION

CHAPTER I

Monitoring

Section I

Monitoring of programmes

Article 41

Monitoring committee

1. Within three months of the date of notification to the Member State of the decision adopting a programme, the Member State shall set up a committee, **in accordance with national rules and practices**, to monitor implementation of the programme, in agreement with the managing authority.

A Member State may set up a single monitoring committee for **more than one** programme co-financed by the CSF Funds.

2. Each monitoring committee shall draw up and adopt its rules of procedure **within the institutional, legal and financial framework of the Member State concerned**.

Article 42

Composition of the monitoring committee

1. **The composition of the monitoring committee shall be decided by the Member State¹, provided that** the monitoring committee **is** composed of representatives of the **relevant Member State authorities** and intermediate bodies and of representatives of the partners **referred to in Article 5. [...]**.

The monitoring committee of a programme under the European territorial cooperation goal shall also include representatives of any third country participating in that programme.

2. The Commission shall participate in the work of the monitoring committee in an advisory capacity.
3. If the EIB contributes to a programme, it may participate in the work of the monitoring committee in an advisory capacity.
4. The monitoring committee shall be chaired by a representative of the Member State or of the managing authority.

Article 43

Functions of the monitoring committee

1. The monitoring committee shall meet at least once a year and shall review implementation of the programme and progress towards achieving its objectives. In doing so, it shall have regard to the financial data, common and programme-specific indicators, including changes in **the**

¹ The issue of involvement of several Member States in the context of ETC programmes will be covered in a horizontal provision in the ETC Regulation.

value of result indicators and progress towards quantified target values, and the milestones defined in the performance framework **referred to in Article 19(1), and, where relevant, the results of qualitative analyses.**

2. The monitoring committee shall examine [...] all issues that affect the performance of the programme.
3. The monitoring committee shall be consulted [...] on any amendment of the programme proposed by the managing authority.
4. The monitoring committee may **make observations** to the managing authority regarding implementation of the programme and its evaluation. It shall monitor actions taken as a result of its **observations**.

Article 44

Implementation reports

1. From 2016 until and including 2022, the Member State shall submit to the Commission an annual report on implementation of the programme in the previous financial year.

The Member State shall submit a final report on implementation of the programme by **31 January 2024** for the ERDF, ESF and Cohesion Fund and an annual implementation report for the EAFRD and EMFF.

2. Annual implementation reports shall set out **summary** information on implementation of the programme and its priorities by reference to the financial data, common and programme-specific indicators and quantified target values, including changes in **the value of** result indicators, and **beginning from the report submitted in 2017** the milestones defined in the performance framework. The data transmitted shall relate to values for indicators for fully

implemented operations and also, **where possible, having regard to the stage of implementation**, for selected operations. They shall also set out [...] any issues which affect the performance of the programme, and the [...] measures taken.

3. The annual implementation report submitted in 2017 shall set out and assess the information set out in paragraph 2 and progress towards achieving the objectives of the programme, including the contribution of the CSF Funds to changes in **the value of** result indicators, when evidence is available from evaluations. **It shall set out actions taken to fulfil the ex ante conditionalities not fulfilled at the time of adoption of the programmes.** It shall also assess the implementation of actions to take into account the principles set out in Articles [...] 7 and 8 and report on support used for climate change targets.
4. The annual implementation report submitted in 2019 and the final implementation report for the CSF Funds shall, in addition to the information and assessment set out in paragraphs 2 and 3, include information on [...] its contribution to achieving the Union strategy for smart, sustainable and inclusive growth.
5. The annual implementation reports referred to in paragraphs 1 to 4 shall be admissible where they contain all the information required in those paragraphs. **By derogation, the Member State may choose to report all the additional information set out in paragraph 3 and 4 in the progress report instead.** The Commission shall inform the Member State within 15 working days from the date of receipt of the annual implementation report if it is not admissible, failing which it shall be deemed admissible.
6. The Commission shall examine the annual **and final** implementation report and inform the Member State of its observations within two months of the receipt of the annual implementation report and within 5 months of receipt of the final **implementation** report. Where the Commission does not provide observations within these deadlines, the reports shall be deemed to be accepted.

7. The Commission may **make observations to the managing authority concerning** issues which **significantly** affect the implementation of the programme. Where such **observations** are made, the managing authority shall **provide all necessary information with regard to those observations and, where appropriate,** inform the Commission within three months of [...] measures taken.
8. A citizen's summary of the contents of the annual and the final implementation reports shall be made public.

Article 45

Annual review meeting

1. An annual review meeting shall be organised every year from 2016 until and including 2022 between the Commission and each Member State to examine the performance of each programme, taking account of the annual implementation report and the Commission's observations and recommendations, where applicable.
2. The annual review meeting may cover more than one programme. In 2017 and 2019, the annual review meeting shall cover all programmes in the Member State and shall also take account of the progress reports submitted by the Member State in accordance with Article 46 in those years.
3. The Member State and the Commission may agree not to organise an annual review meeting for a programme in years other than 2017 and 2019.
4. The annual review meeting shall be chaired by the Commission **or, if the Member State so requests, co-chaired by the Member State and the Commission.**
5. The Member State shall ensure that appropriate follow-up is given to [...] comments of the Commission following the meeting **concerning issues, which significantly affect the implementation of the programme.**

Section II

Strategic progress

Article 46

Progress report and strategic report

1. By **31 August** 2017 and by **31 August** 2019, the Member State shall submit to the Commission a progress report on implementation of the Partnership **Agreement** as at 31 December 2016 and 31 December 2018 respectively.
2. The progress report shall set out information on and assess:
 - (a) changes in the development needs in the Member State since the adoption of the Partnership **Agreement**;
 - (b) progress towards achievement of the Union strategy for smart, sustainable and inclusive growth, in particular in respect of the milestones set out for each programme **at the level of priorities** in the performance framework and the support used for climate change objectives;
 - (c) whether the actions taken to fulfil **the applicable** *ex ante* conditionalities not fulfilled at the date of adoption of the Partnership **Agreement** have been implemented in accordance with the timetable established. **This only applies to the 2017 progress report**;
 - (d) implementation of mechanisms to ensure coordination between the CSF Funds and other Union and national funding instruments and with the EIB;
 - (e) progress towards achievement of priority areas established for cooperation;

- (f) **where appropriate**, actions taken to reinforce the capacity of the Member State authorities and [...] beneficiaries to administer and use the CSF Funds;
 - (g) actions planned [...] in the programmes to achieve a reduction in the administrative burden for beneficiaries;
 - (h) the role of the partners referred **to** in Article 5 in the implementation of the Partnership **Agreement**.
2. Where the Commission determines, within **two** months of the date of submission of the progress report that the information submitted is incomplete or unclear **in a manner which significantly affect the quality and reliability of the assessment concerned**, it may **without causing unjustified delays and providing reasons for the alleged lack of quality and reliability** request additional information from the Member State. The Member State shall provide to the Commission the information requested within three months and, where appropriate, shall revise the progress report accordingly.
 3. In 2017 and 2019, the Commission shall prepare a strategic report summarising the progress reports of the Member States, which it shall submit to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.
 4. In 2018 and 2020, the Commission shall include in its Annual Progress Report to the spring meeting of the European Council a section summarising the strategic report, in particular with regard to progress made towards Union strategy for smart, sustainable and inclusive growth.

CHAPTER II

Evaluation

Article 47

General Provisions

1. Evaluations shall be carried out to improve the quality of the design and implementation of programmes, as well as to assess their effectiveness, efficiency and impact. Impact of programmes shall be evaluated in accordance with the mission of the respective CSF Funds in relation to the targets for the Union strategy for smart, sustainable and inclusive growth¹ **and having regard to the size of the programme** in relation to Gross Domestic Product (GDP) and unemployment **of the programme area concerned**, where appropriate.
2. Member States shall provide the resources necessary for carrying out evaluations, and shall ensure that procedures are in place to produce and collect the data necessary for evaluations, including data related to common and where appropriate programme-specific indicators.
3. Evaluations shall be carried out by **internal or external** experts that are functionally independent of the authorities responsible for programme implementation. The Commission shall provide guidance on how to carry out evaluations.
4. All evaluations shall be made public [...].

¹ Ref. EU2020 headline targets.

Ex ante evaluation

1. Member States shall carry out *ex ante* evaluations to improve the quality of the design of each programme.
2. Ex ante evaluations shall be carried out under the responsibility of the authority responsible for the preparation of the programmes. They shall be submitted to the Commission at the same time as the programme, together with an executive summary. The Fund-specific rules may establish thresholds under which the *ex ante* evaluation may be combined with the evaluation for another programme.
3. *Ex ante* evaluations shall appraise:
 - (a) the contribution to the Union strategy for smart, sustainable and inclusive growth, having regard to the selected thematic objectives and priorities, taking into account national and regional needs **and potential for development as well as lessons drawn from previous programming periods;**
 - (b) the internal coherence of the proposed programme or activity and its relation with other relevant instruments;
 - (c) the consistency of the allocation of budgetary resources with the objectives of the programme;
 - (d) the consistency of the selected thematic objectives, the priorities and corresponding objectives of the programmes with the Common Strategic Framework, the Partnership **Agreement** and the **relevant** country-specific **Council** recommendations under Article 121(2) **TFEU** and the **relevant** Council recommendations adopted under Article 148(4) **TFEU**;

- (e) the relevance and clarity of the proposed programme indicators;
- (f) how the expected outputs will contribute to results;
- (g) whether the quantified target values for indicators are realistic, having regard to the support from the CSF Funds envisaged;
- (h) the rationale for the form of support proposed;
- (i) the adequacy of human resources and administrative capacity for management of the programme;
- (j) the suitability of the procedures for monitoring the programme and for collecting the data necessary to carry out evaluations;
- (k) the suitability of the milestones selected for the performance framework;
- (l) the adequacy of planned measures to promote equal opportunities between men and women and to prevent discrimination;
- (m) the adequacy of planned measures to promote sustainable development.

4. *Ex ante* evaluations shall incorporate, where appropriate, the requirements for Strategic Environmental Assessment set out in implementation of Directive 2001/42/EC of the European Parliament and of the Council of 27 June 2001 on the assessment of the effects of certain plans and programmes on the environment¹.

¹ OJ L 197, 21.7.2001, p. 30.

Article 49

Evaluation during the programming period

1. An evaluation plan shall be drawn up by the managing authority **or Member State and may cover more than one** programme. **It shall be** submitted in accordance with the Fund-specific rules.
2. Member States shall ensure that appropriate evaluation capacity is available.
3. During the programming period, **the** managing authority shall **ensure that evaluations are carried out** including evaluations to assess effectiveness, efficiency and impact, for each programme on the basis of the evaluation plan. **Such evaluations may cover more than one programme.** At least once during the programming period, an evaluation shall assess how support from the CSF Funds has contributed to the objectives for each priority. All evaluations shall be examined by the monitoring committee and sent to the Commission.
4. The Commission may carry out, at its own initiative, evaluations of programmes. **It shall inform the Managing Authority and the results shall be sent to the Managing Authority and presented to the monitoring committee concerned.**

Article 50

***Ex post* evaluation**

The *ex post* evaluations shall be carried out by the Commission or by the Member States, in close cooperation. *Ex post* evaluations shall examine the effectiveness and efficiency of the CSF Funds and their contribution to the Union strategy for smart, sustainable and inclusive growth in accordance with specific requirements established in the Fund-specific rules. *Ex post* evaluations shall be completed by 31 December 2023.

MONITORING, EVALUATION, INFORMATION AND COMMUNICATION

CHAPTER I

Monitoring and evaluation

Article 100

Functions of the monitoring committee

1. The monitoring committee shall examine in particular:
 - (a) any issues that affect the performance of the operational programme;
 - (b) progress in implementation of the evaluation plan and the follow-up given to findings of evaluations;
 - (c) implementation of the communication strategy;
 - (d) implementation of major projects;
 - (e) implementation of joint action plans;
 - (f) actions to promote equality between men and women, equal opportunities, and non-discrimination, including accessibility for disabled persons;
 - (g) actions to promote sustainable development;

(h) actions in the operational programme relating to the fulfilment of *ex ante* conditionalities, **which falls within the responsibilities of the Managing Authority, and be informed of actions relating to the fulfillment of other *ex ante* conditionalities;**

(i) financial instruments.

2. **By derogation from Article 43,** the monitoring committee shall examine and approve:

(a) the methodology and criteria for selection of operations;

(b) the annual and final implementation reports;

(c) the evaluation plan for the operational programme and any amendment of the plan, **including where part of a common evaluation plan pursuant to the last sentence of Article 104(1);**

(d) the communication strategy for the operational programme and any amendment of the strategy;

(e) any proposal by the managing authority for any amendment to the operational programme.

Article 101

Implementation reports for the Investment for growth and jobs goal

1. By **30 June** 2016 and by **30 June** of each subsequent year until and including 2022 the Member State shall submit to the Commission an annual **implementation** report in accordance with Article 44(1). The report submitted in 2016 shall cover the financial years 2014 and 2015, as well as the period between the starting date for eligibility of expenditure and 31 December 2013.

2. Annual implementation reports shall set out information on:
 - (a) implementation of the operational programme in accordance with Article 44(2);
 - (b) progress in preparation and implementation of major projects and joint action plans.

3. The annual implementation reports submitted in 2017 and 2019 shall set out and assess the information required under Articles 44(3) and (4) respectively, the information set out in paragraph 2 **together with information on the elements set out under (d), (g) and (j) below and may depend on the content and objectives of operational programmes add information on the other elements**:
 - (a) progress in implementation of the integrated approach to territorial development, including sustainable urban development, and community-led local development under the operational programme;
 - (b) **where appropriate**, progress in implementation of actions to reinforce the capacity of Member State authorities and beneficiaries to administer and use the Funds;
 - (c) progress in implementation of any interregional and transnational actions;
 - (d) progress in implementation of the evaluation plan and the follow-up given to the findings of evaluations;
 - (e) the specific actions taken to promote equality between men and women and to **promote non-discrimination**, including accessibility for disabled persons, and the arrangements implemented to ensure the integration of the gender perspective in the operational programme and operations;
 - (f) actions taken to promote sustainable development in accordance with Article 8;

- (g) the results of the information and publicity measures of the Funds carried out under the communication strategy;
- (h) progress in the implementation of actions in the field of social innovation, where appropriate;
- (i) progress in the implementation of measures to address the specific needs of geographical areas most affected by poverty or of target groups at highest risk of discrimination or exclusion, with special regard to marginalised communities including, where appropriate, the financial resources used;
- (j) the involvement of the partners in the implementation, monitoring and evaluation of the operational programme.

The Member State may choose to report the additional information set out above in the progress report instead.

4. The annual and final implementation reports shall be drawn up following models adopted by the Commission by means of implementing acts. These implementing acts shall be adopted in accordance with the **examination** procedure referred to in Article 143(3).

Article 102

Transmission of financial data

1. By 31 January, [...] **and** 31 July [...], the **Member State** shall transmit electronically to the Commission for monitoring purposes, for each operational programme and by priority axis:
 - (a) the total and public eligible cost of the operations and the number of operations selected for support;

[...];

- (b) the total eligible expenditure declared by beneficiaries to the managing authority.
2. In addition, the transmission **made by** 31 January shall contain the above data broken down by category of intervention. This transmission shall be considered to fulfil the requirement for the submission of financial data referred to in Article 44(2).
 3. A forecast of the amount for which Member States expect to submit payment applications for the current financial year and the subsequent financial year shall accompany the transmissions to be made by 31 January and 31 July.
 4. The cut-off date for the data submitted under this Article shall be the end of the month preceding the month of submission.

Article 103

Cohesion Report

The report of the Commission referred to in Article 175 **TFEU** shall include:

- (a) a record of progress made on economic, social and territorial cohesion, including the socio-economic situation and development of the regions, as well as the integration of the Union's priorities;
- (b) a record of the role of the Funds, the EIB and the other instruments, as well as the effect of other Union and national policies, in the progress made.

Article 104

Evaluation

1. An evaluation plan shall be drawn up by the managing authority **or Member State** for **one or more** operational programmes. The evaluation plan shall be submitted to [...] the monitoring committee **no later than a year after the adoption of the programme.**

 2. By 31 December **2021**, managing authorities shall submit to the Commission, for each programme, a report summarising the findings of evaluations carried out during the programming period [...] **and** the main outputs and results of the programme, **providing comments on the reported information.**

 3. The Commission shall carry out *ex post* evaluations in close cooperation with the Member States and managing authorities.
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