Good practices during the selection of operations: *findings of the stock taking study and handbook of good practices*

18 October 2024

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Content

- **Context**: rationale, objectives and deliverables of the study

  - **Analytical report**

    - Scope & methodology

    - Main findings

  - **Handbook**

    - Good practice examples

- **Next steps**

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Study: objectives & deliverables

- **Taking stock** and **disseminating** information on the practices and procedures that authorities managing the ERDF, ESF and CF apply in selection of operations, in 2014–2020.

- **Main deliverables**:

  - ✓ **analytical report** covering the analysis of **practices and procedures** used for the selection of operation in selected programmes

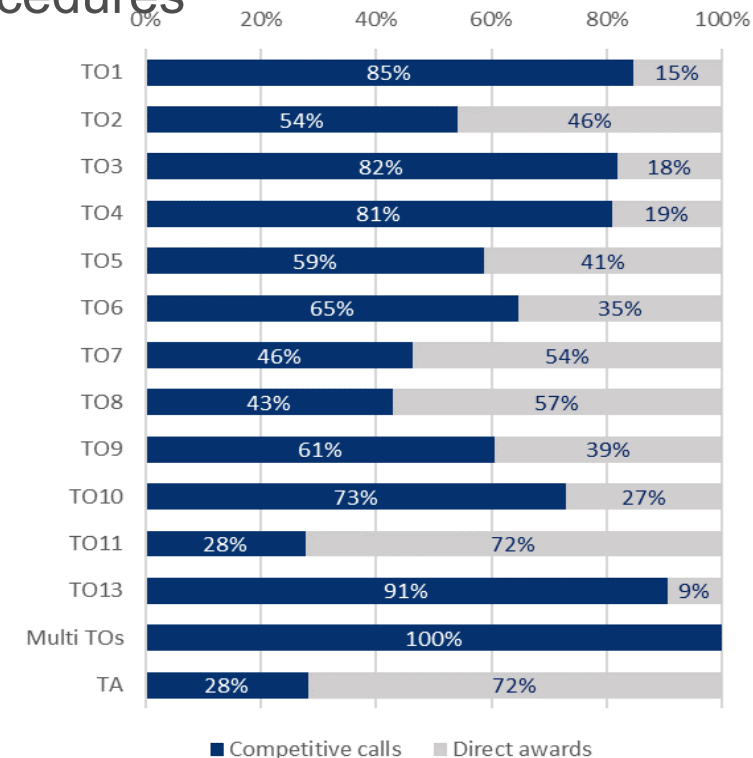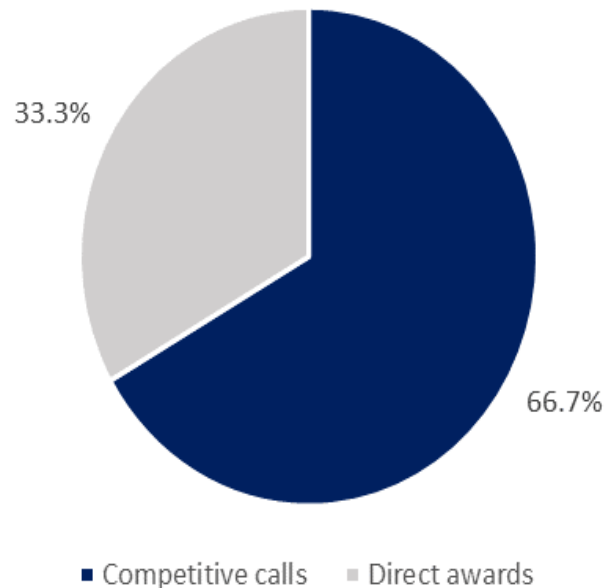 - ✓ **a handbook** of **good practices** for selection of operations

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9 steps in selection of operations
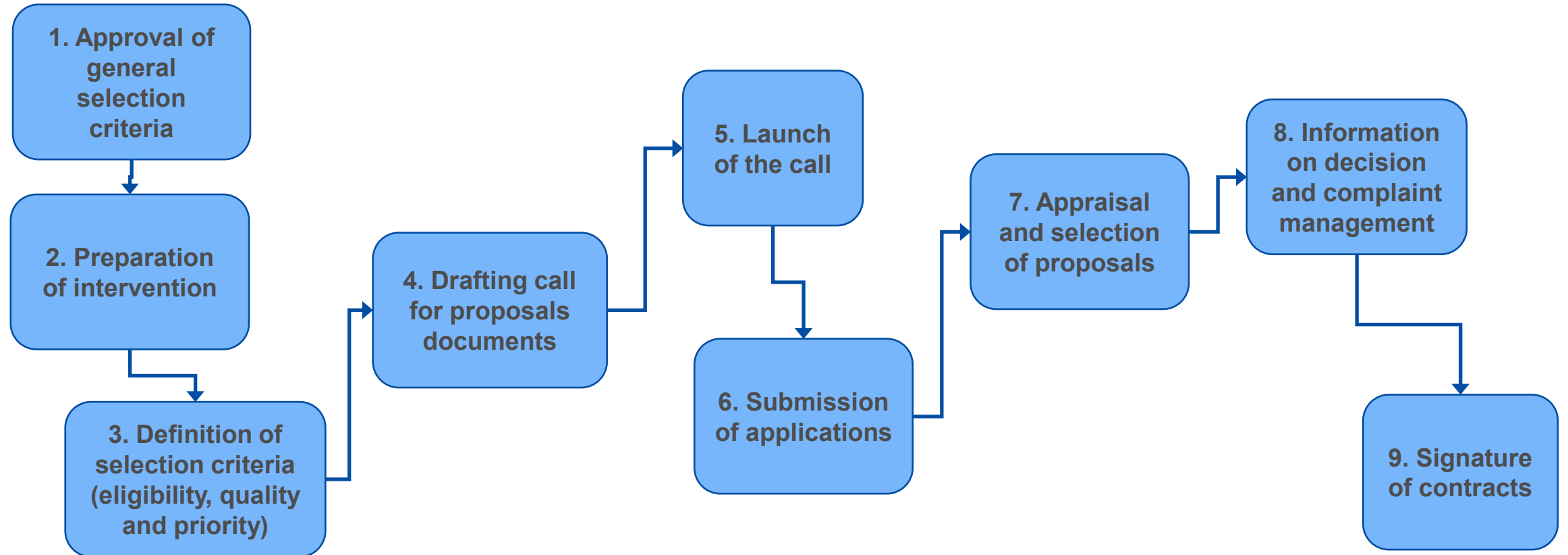
Details on sample:
29 programmes selected and 87 calls (1% of total ERDF/CF)

- The **sample** is **not statistically representative**. However, considering the geographical and thematic coverage of the analysis, as well as the fact that it covers different types of selection procedures, the results **offer important insights** on strengths and weaknesses of actual practices across the EU

- **Types of calls** in the sample: 66.7% of the total budget allocated through **competitive** calls, 33.3% through **non-competitive** selection procedures

	Competitive calls	Direct awards
TO1	85%	15%
TO2	54%	46%
TO3	82%	18%
TO4	81%	19%
TO5	59%	41%
TO6	65%	35%
TO7	46%	54%
TO8	43%	57%
TO9	61%	39%
TO10	73%	27%
TO11	28%	72%
TO13	91%	9%
Multi TOs	100%	
TA	28%	72%

Competitive calls — 66.7%, Direct awards — 33.3%

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Analysis of selection of Operations

Some interesting findings

Selection of operations: average duration of steps

- **373 FTE** days is an overall average **duration** of steps 4 to 9

- **Appraisal and selection** of proposals is the most burdensome step (46.6% of the effort) followed by **contract preparation & signature** (26.2%)

- However, duration in calendar days range from less than **200** to more than **1600 calendar days**

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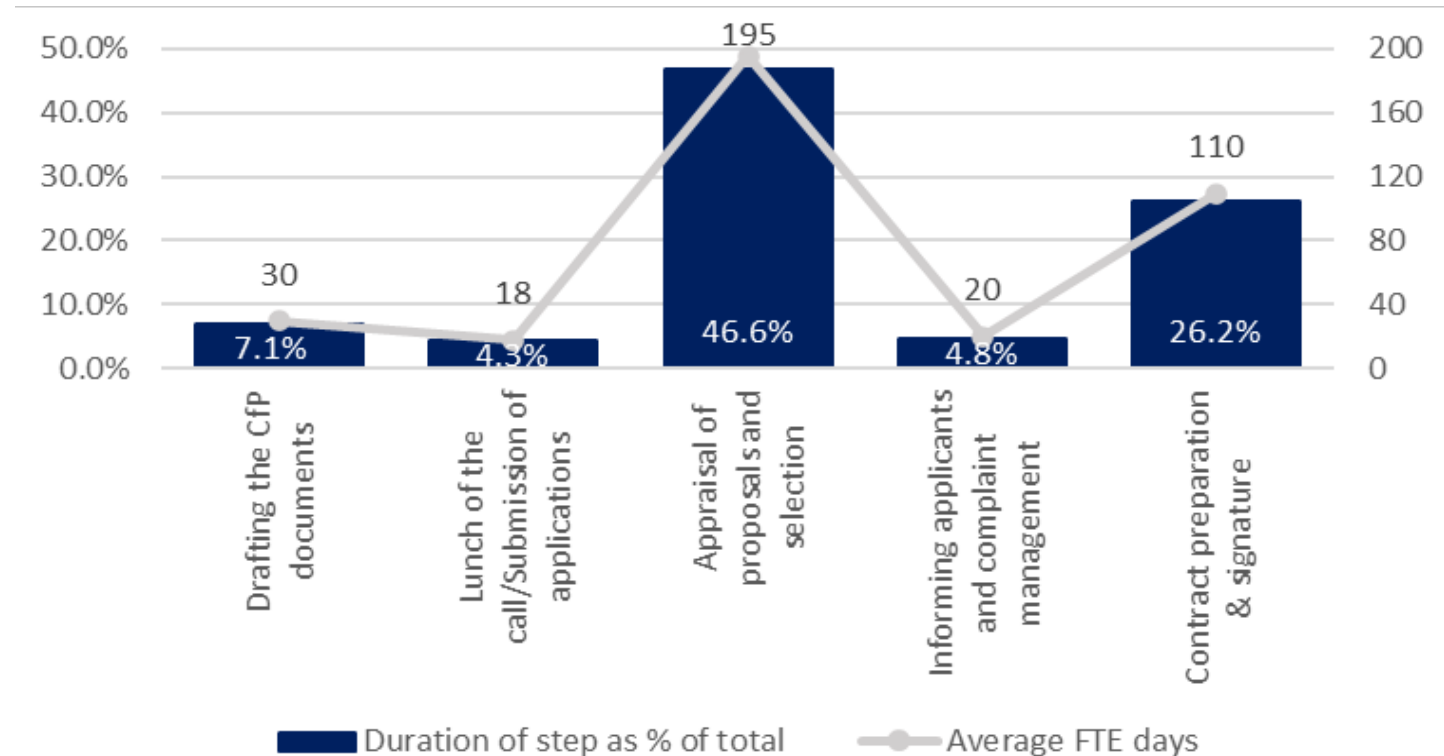
Selection of operations: general selection criteria (step 1)

- The approaches regarding the role of the Monitoring Committee in approving selection criterial **differ widely** between managing authorities and across the OPs.

- Nearly half of sampled OPs, the MC approves both general and call-specific criteria

- In the OPs where the MC approves only general selection criteria, specific selection criteria are approved by the MA or by sectoral committees

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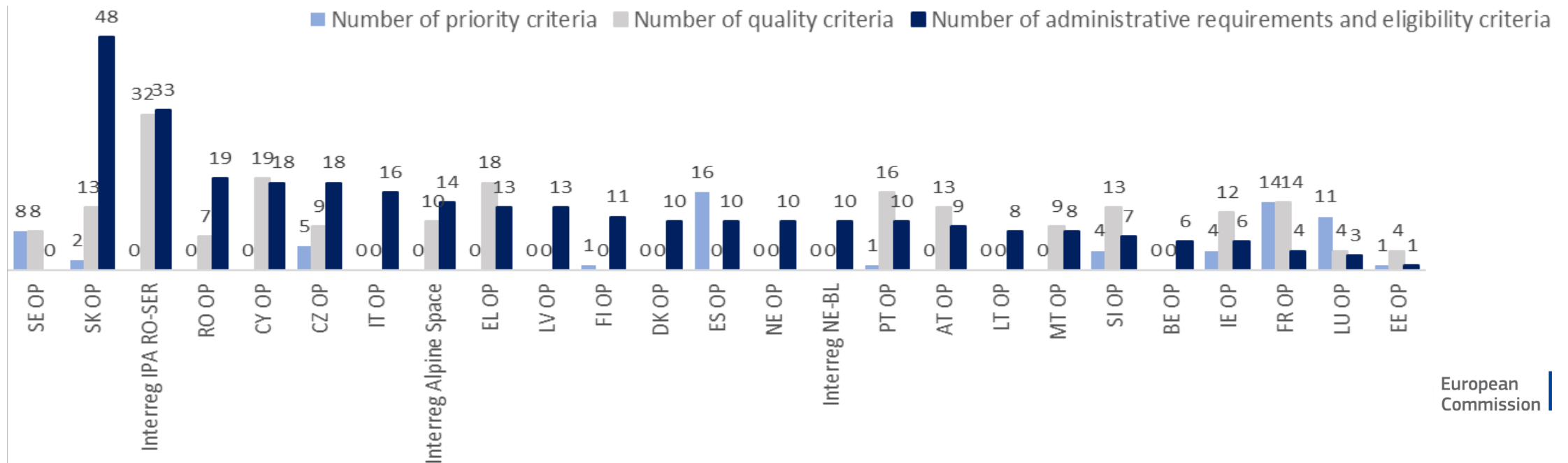
Step 1: points to consider

- What are the **arrangements** and the **role** of the **Monitoring committee** in defining selection criteria:

  - **What**: General selection criteria? Specific ones? At which level: programme? specific objective? call for proposal?

  - **How**: approved MC in its full composition? Sub-committees? MC entrusts MA? etc.

  - How to ensure **competences** needed to discuss specific selection criteria and operational aspects of the process?

  - How to ensure **open discussion** and **partnership** principle?

- **Scope** and **number** of **(general) selection criteria**

- **Timing** – when to approve?

- **Feedback loop** and criteria **amendment** process

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Selection of operations: preparation of intervention (step 2)

- For 75% of calls a **market analysis** is carried out

- Among the most frequently involved stakeholders: socio-economic partners, local and regional administrations, and others (thematic working groups, local associations etc.)

% of calls designed with (blue) or without (grey) a needs/market analysis
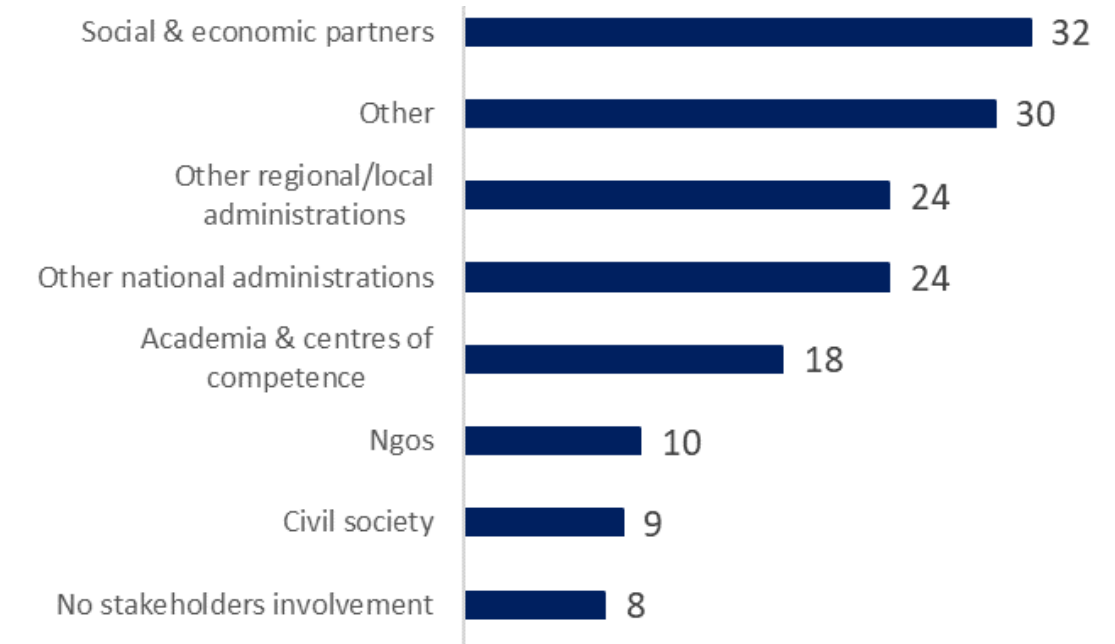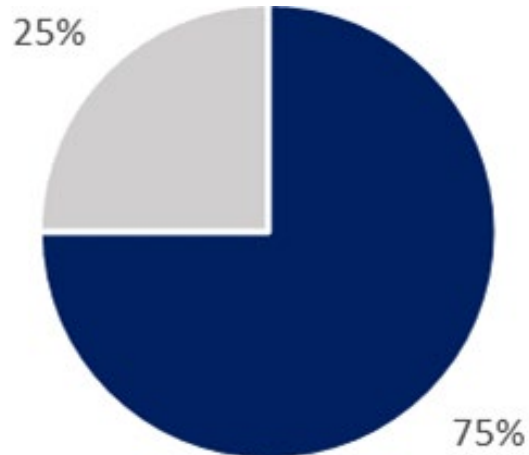
Number of calls by the type of stakeholders involved

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Selection of operations: definition of specific selection criteria (step 3)

- **Eligibility, quality and priority criteria** are defined in this step. On average, in our sample, each call has 18 eligibility, 9 quality and 3 priority criteria.

- **Cost-related criteria** were used in 44% of the calls of the sample. For these, on average, **18% the final score** was related to costs.

- Highest number of criteria **68, lowest 1**. Higher number of selection criteria is correlated to **longer selection process**.
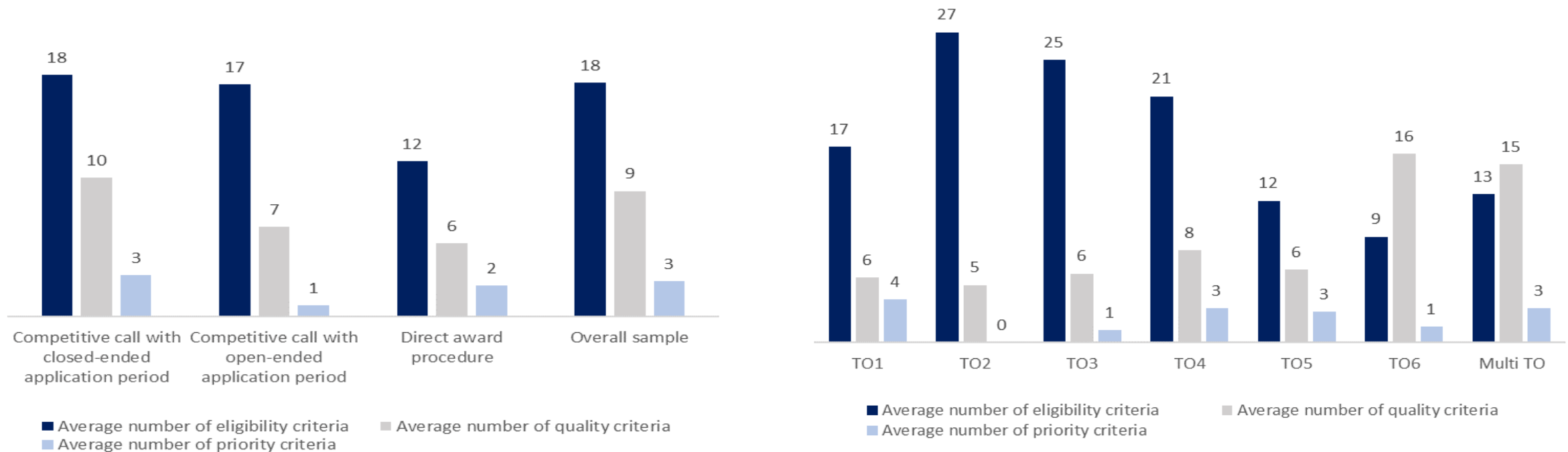
Step 3: points to consider

➢ First, get the **rationale** right – **clear intervention logic** of the call! Then,

   ➢ Define adequate **number** of selection criteria

   ➢ Chose the **types** needed – eligibility, quality and/or priority criteria

   ➢ Do not forget to factor in "**value for money**" (even in non-competitive procedures)

   ➢ Check for **overlapping** criteria

   ➢ Make criteria "**operational**" (not theoretical, especially for horizontal principles)

➢ Prepare criteria **assessment methodology**

➢ **Test** the **scoring system** (make sure it brings wanted results in line with rationale)

➢ **Learn** from past experiences

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Selection of operations: drafting call documents (step 4)

- Authorities produced **12 documents** per call, on average

- **Public consultations** are used in a few cases, despite their utility.

- When public consultations are carried out during the call drafting, fewer questions on the call documents are received from the applicants during the application process

Average number of documents drafted by type of call (N=86)

11.5 — Overall Sample
11.9 — Competitive call with closed-ended application period
12.3 — Competitive call with open-ended application period
5.8 — Direct award procedure
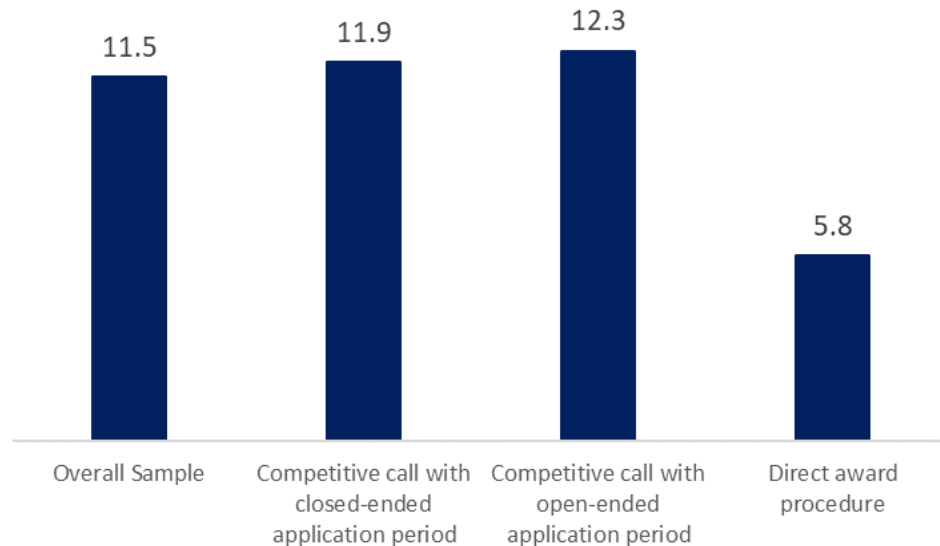
Extent to which CFP documents are clear to interested applicants (N=81)

14.8%
38.3%
45.7%

- 1 - not at all
- 2 - to a small extent
- 3 - to some extent
- 4 - to a large extent
- 5 - to a very large extent

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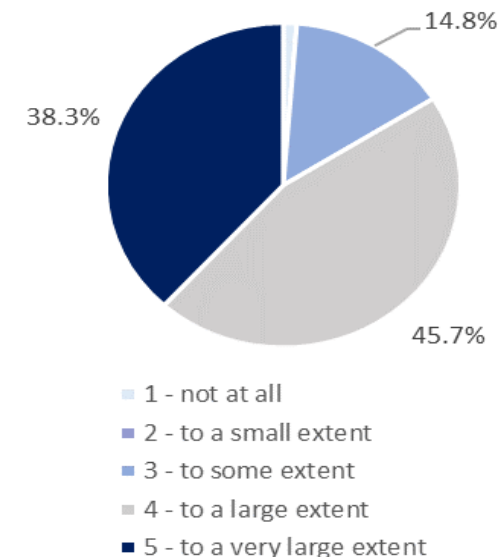
Step 4: points to consider

➢ **Well-designed call** prevents number of issues and lays the path for smoother selection. Choose the most suitable type of selection procedure (competitive/non-competitive, etc.)

➢ Call shall be well targeted! **Scope** (potential beneficiaries and supported activities) shall be **adequate** (calibrated) to market **needs** and available **budget**

➢ Consultation (co-design) with stakeholders and market very useful – **reality check**

  ➢ However, it is *not to please* everybody…

  ➢ It is to check and explain your rationale, intervention logic, criteria and even scoring system

➢ Less documents in more **standardise** form

Selection of operations: launch of calls (step 5)

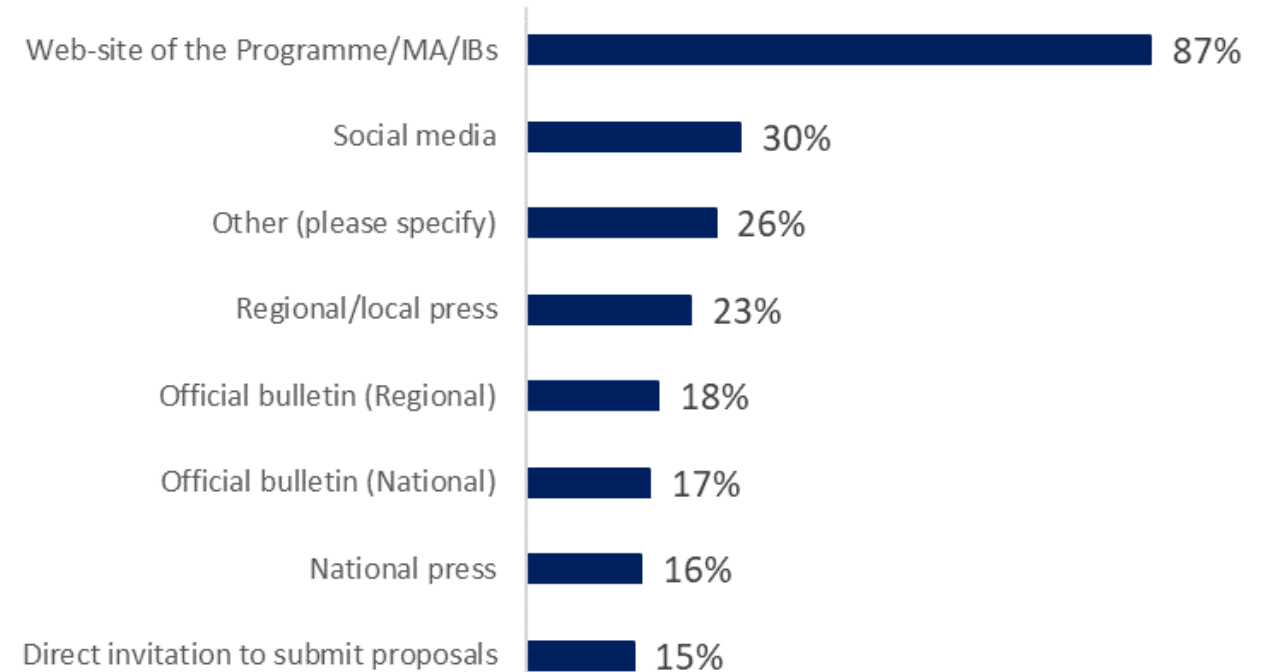- While launching a call the great majority of MAs disseminate information via their own websites, but social media are gaining more importance (30% MAs used them as a dissemination channel).

- Various support services are provided to applicants. Around half of the MAs provide **helpdesk services**, arrange information meetings or manage a FAQ service. Also **individual feedback** to applicants via various communication channels (email, phone, in person).

Frequency of provision of support to potential applicants

Use of different tools to promote the call

Frequency of provision of support to potential applicants	
Information meetings with applicants	55%
Helpdesk	46%
FAQ	44%
Other (please specify)	39%
E-guides	28%

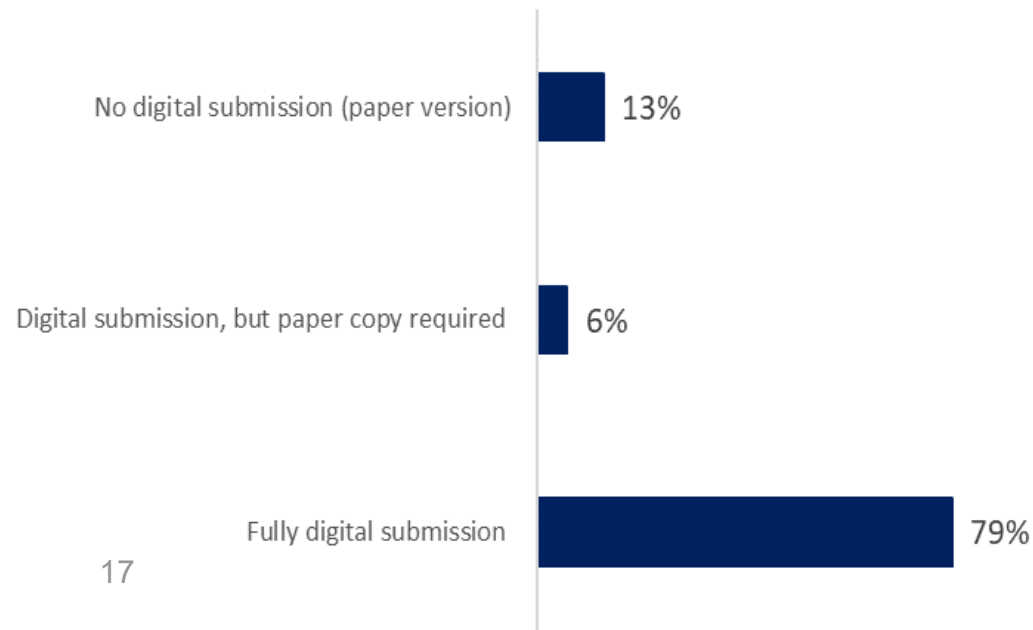| Use of different tools to promote the call	
Web-site of the Programme/MA/IBs	87%
Social media	30%
Other (please specify)	26%
Regional/local press	23%
Official bulletin (Regional)	18%
Official bulletin (National)	17%
National press	16%
Direct invitation to submit proposals	15%

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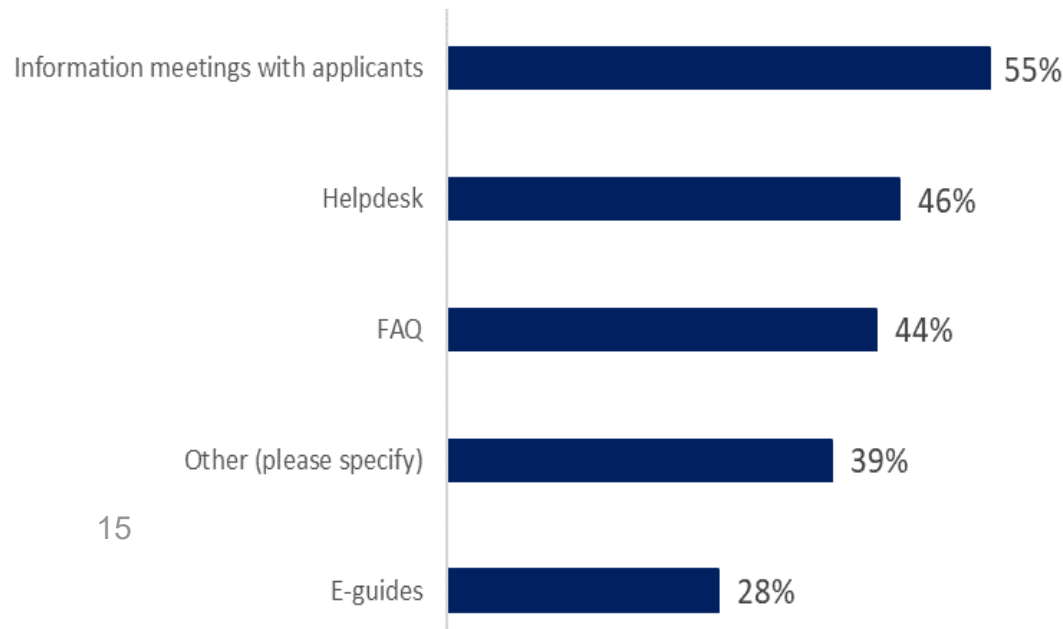
Step 5: points to consider

➢ Advertise the call via **various channels** (including social media, specialised channels that target Beneficiaries are used to, etc.)

➢ Give **sufficient time** to prepare the proposal and **use this time** to support potential applicants, do match making events for potential partners, etc.

➢ Invest good amount of time and efforts to speak to **potential applicants** – clarify rationale and conditions of the call, explain your expectations, application form, provide examples, etc.

➢ In some calls, **individual feedback** (ensuring equal treatment) helps to ensure better quality of applications
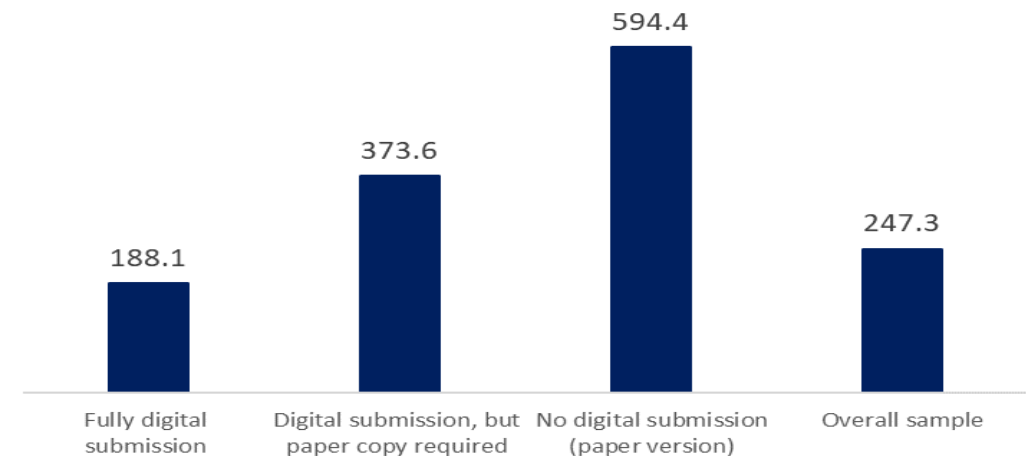
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Selection of operations: submission of applications (step 6)

- **85%** of sampled calls have **at least partially digital application systems** in place. Most digital systems rely on **online application** platforms. In **40%** of the calls there are also **automated checks** which speed up the selection process

- **Digitalisation saves up to 46% of time** during the **appraisal** step and up to **91% during the contract signature step**

- **Interoperability** allows for saving 41% of time during the appraisal, compared to the calls that cannot benefit from it

Extent to which it is possible to submit applications digitally

No digital submission (paper version) — 13%

Digital submission, but paper copy required — 6%

Fully digital submission — 79%

Average duration of submission step in days by degree of digitalisation of submission process

Fully digital submission — 188.1

Digital submission, but paper copy required — 373.6

No digital submission (paper version) — 594.4

Overall sample — 247.3

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Step 6: points to consider

➢ Degree of digitalisation: submission shall be **as digital as possible**

  ➢ E-application

  ➢ With logical checks for filling mistakes and helps

  ➢ Please consider which supporting documents are needed for submission and which can be requested at a later stage (e.g. after passing quality threshold, etc.)

  ➢ Interoperability with internal/external registers, other databases, etc.

➢ Aligned with IT tools used for appraisal of applications received

➢ Intuitive and user friendly

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Selection of operations: appraisal of proposals

- On average approx. 30 persons per call are involved in this step of the selection, average number of FTEs days 195

- Share of **external** personnel – 48%, while for TO1 & TO2 - 69%

- **Evaluation Committee** is a common practice (79 % of calls)

- **Less than half** of the analysed calls used **IT tools** in the appraisal of applications

Overall Sample	195.1
Competitive call with closed-ended application period	220.4
Competitive call with open-ended application period	107.0
Direct award procedure	55.0

TO1	280.4
TO2	123.0
TO3	144.2
TO4	249.4
TO5	170.0
TO6	49.0
Multi TO	141.7
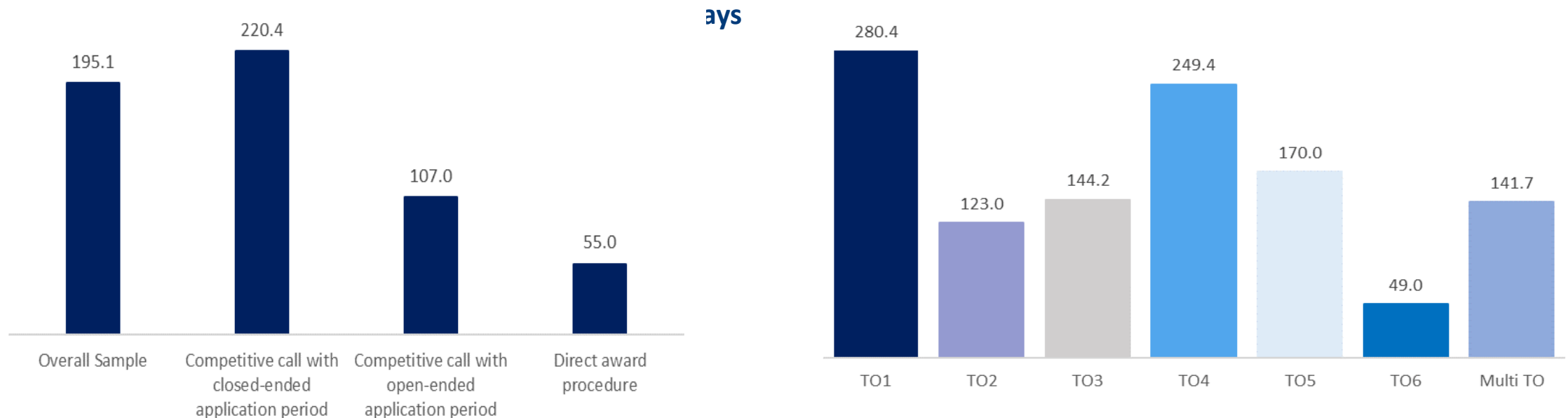
Step 7: points to consider I

- Evaluation team/panel/committee
  - Evaluators (incl. external experts) should be selected and made **available in advance**
  - Balance the team in terms of **skills**, including specific expertise needed for specific topics like horizontal principles, state aid, etc.
  - Declare and manage **conflicts of interest**

- Working methods
  - Trainings/explanatory meetings on **assessment methodology**
  - Discussions and **consensus meetings**
  - Set **clear modus operandi**: define number of experts assessing one application and procedure if they their assessment differs significantly
  - Clear **justification** for the score given
  - For non-competitive procedures selection should follow the logic of negotiations aiming to improve the proposal.

Step 7: points to consider II

➢ Tools

  ➢ **IT systems/tools** to support assignment of the application to experts, remote access to evaluations, support in ranking, various alerts for the process and the workflow, etc.

  ➢ IT tool should get data from the submission tool and feed data to IT tools used at later stages – information for beneficiaries and contract preparation.

➢ Decision taking

  ➢ Is appraisal and ranking by the evaluation committee/panel final process of selection? or the selection is done by separate body based on proposed ranking?

  ➢ Define **clear procedures if ranking or selection decision is changed** at this stage. Preferred scenario is re-evaluation based on the same criteria.

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Selection of operations: information on award decision & complaint management (step 8)

- the underlying reasons for complains and legal appeals are related to **eligibility of applicants, activities, selection criteria and scoring**

- For competitive procedure "complaint rate" is around 8%, legal appeals – 5%.

Average number of complaints or legal appeals as a percentage of total applications received by TO

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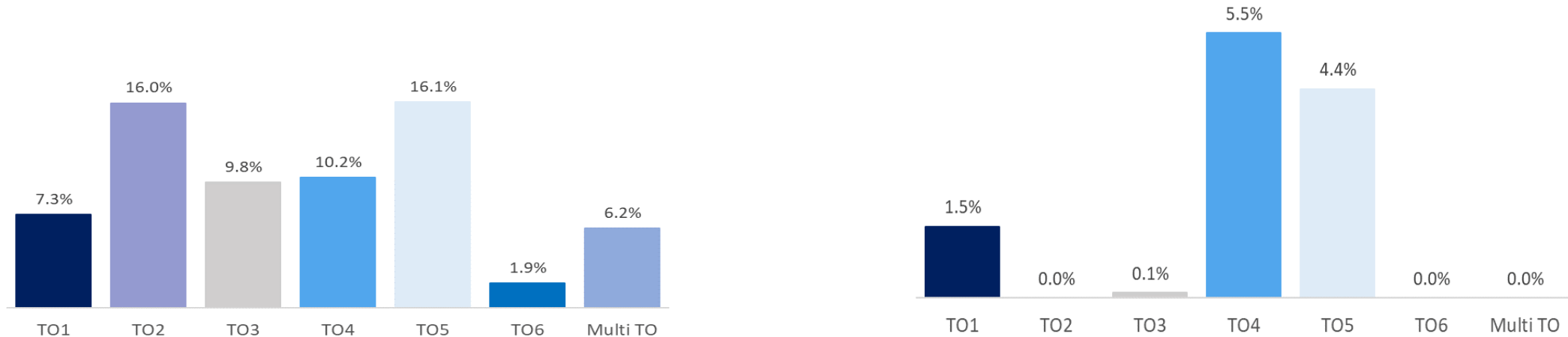
Step 8: points to consider

➤ It is important to **explain the reasons** for not selecting

  ➤ Not formally, but using experts inputs/comments made while assessing criteria

➤ For complains

  ➤ Check if the nature/reasons for complains has no systematic nature

  ➤ Re-evaluation of concrete proposal/criteria is not a big deal, but gives additional assurance regarding correctness of final decision

➤ Legal appeals

  ➤ Get qualified support

➤ **Do not block contracting** of successful projects (unless complaints show systematic problem of the evaluation process), consider having financial reserve for such purpose

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Selection of operations: signature of contracts

- The **second most resource-intensive** step - lasts, on average, 237.8 calendar days

- **Digitalisation considerably reduce** the effort needed for signing contracts. When IT tools are not used, and the contract needs to be signed on paper, the necessary effort in terms of FTE days is nearly **five times** bigger

Average FTE days needed to prepare and sign one contract, according to the level of digitalization

	3.7	2.2	0.8
	No IT tools used	Signed contracts sent by email	Signed contracs uploaded or signed on a IT platform

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Step 9: points to consider

➢ Process should be **as digital as possible**

➢ **Proposal adjusted** based on recommendations from project evaluation (appraisal)

➢ Training and **explanation to beneficiaries** on contract conditions is very useful

➢ **Standard contracts conditions/templates** helps to ensure smoother contract preparation and signature process

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Selection of operations: problems faced

- **Governance** and legal framework: issues related to the national legal framework and general factors such as *administrative culture*

- Lack of clearly defined strategic **focus and intervention logic**. Lack of knowledge on the **project pipeline** and **needs** of the **target groups**.

- Selection criteria is one of the **most relevant** aspects generating some issues:
    - *too many, too complex, too broad, and not operational criteria*
    - the lack of *supporting guidelines* on how to assess/quantify those criteria
    - It is evident that there is a need for intensive **consultations** with the relevant stakeholders **during** the process of the **criteria and call design**

- Challenges concerning **human resources** (mobilising **evaluators**)

- Unexplored potential of **digitalisation and standardisation**

Selection of operations: recommendations

1. Exploit peer learning and **knowledge sharing potential**
2. Define clear **intervention logic** of the call

   - *Promote a participatory approach*
   - *Build up the call for proposals based on lessons learned*
   - *Define a limited number of well-targeted selection criteria*

3. Reduce the **administrative burden** and streamline processes

   - *Digitalise the entire selection process and improve interoperability*
   - *Standardise processes and documents*
   - *Ensure effective complaint management*

4. Ensure sufficient **human resources** and their effective management

   - *Mobilise external personnel and the evaluators in advance*
   - *Train evaluators and ensure consistency*

5. Ensure effective **communication and support to applicants**

Handbook on selection of operations

Handbook: what is it about?
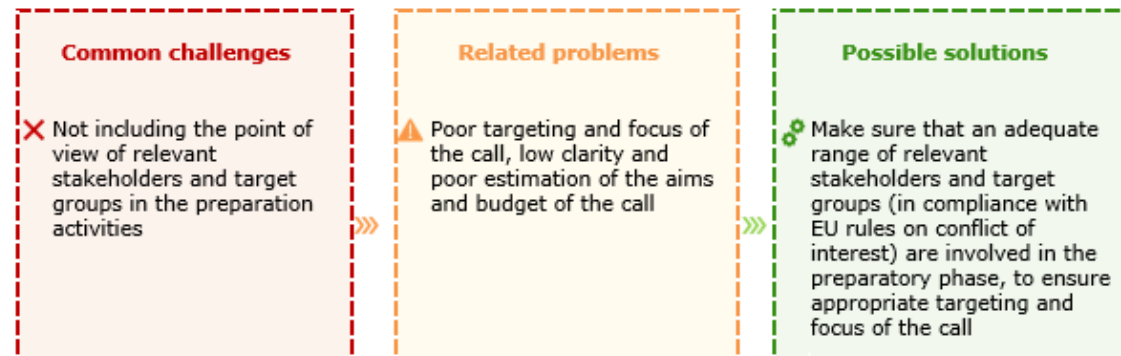## Some examples of good practices

- **18 cases of good practices**
  - ➤ covering **16 different** programmes and Member States
    - ➤following the same **evaluation steps**

- Main **aim** is to **inspire** the authorities and to **promote** peer-learning opportunities

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Structure of the handbook follows 9 selection steps

3.1.1. Overview of the step

When does this step take place?	Who is involved?	Aims	Main activities
• At the beginning of the programming period • Prior to the launch of the call for proposals	• MA/IBs • Stakeholders • Potential applicants • External experts	• Identify or fine-tune the needs of the territory and of potential beneficiaries-target groups • Define the objectives of the intervention • Define the timing of the intervention • Choose the most suitable selection procedure	• Needs analysis, market research, feasibility studies • Consultations, dialogues with partners/academia etc. • Mapping of potential beneficiaries-target groups & features of the actions to be supported

Box 1. Preparation of the intervention: common challenges and possible solutions

Common challenges

✗ Not including the point of view of relevant stakeholders and target groups in the preparation activities

Related problems

⚠ Poor targeting and focus of the call, low clarity and poor estimation of the aims and budget of the call

Possible solutions

⚙ Make sure that an adequate range of relevant stakeholders and target groups (in compliance with EU rules on conflict of interest) are involved in the preparatory phase, to ensure appropriate targeting and focus of the call

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Practice 3: Practical training and a network of practitioners to reinforce capacity to design interventions

Context

"Cohesion Policy Funding OP" (Estonia). The Estonian OP is a national programme covering a large number of very diverse interventions.

Description

In Estonia, to facilitate the design of the interventions for the 2021-2027 programming period, the MA organised a "Practical Training and Development Programme for Aid Measure Design" in collaboration with the Ministry of Finance. The programme was targeted at the officials responsible for the design of the interventions. These had the opportunity to participate in the programme as part of teams of 6-7 people (consisting of colleagues, partners and final beneficiaries) and to benefit from the support of thematic experts from the MA and/or the Ministry of Finance. Several activities were carried out: practical training sessions; teamwork activities; home works; online seminars during which the participants presented the designed interventions and had the chance to discuss them with peers. The practical training sessions focused on different techniques to properly identify the needs of the territory and stakeholders, and how to design effective measures to respond to those needs. The presented techniques included: theory of co-creation methods; stakeholders and problems mapping tools; user-journey mapping; solution metrics; grant procedures flowchart.

Expected benefits

✓ Thanks to the training programme, one-fifth of the measures covering the new funding period have been designed at the very beginning of the programme implementation; a portfolio of tips and tools for the design and content of the measures has been developed, and a network of practitioners created
✓ The acquired skills contributed to the definition of better-targeted interventions, improved understanding of the territorial needs and encouraged the design of more "applicant-friendly" CFPs, with potentially positive effects on European funds' attractiveness. All of this will improve efficiency and the effectiveness of the selection process
✓ The network of practitioners for aid measures design is a key initiative for facilitating the transfer of knowledge across different stakeholders and MA officials, and fosters a participatory approach to intervention design, which can promote systematic improvements in the design of the CFPs

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Good practice cases (1)

Preparation of the intervention

- Learning from past calls and ensuring **market relevance** *(Interreg Alpine OP)*
- The use of **participatory** approaches to **improve** the selection process *(CZ)*
- **Practical training** and a **network of practitioners** to reinforce authorities' capacity to **design** interventions *(EE)*

Definition of selection criteria

- Involving **experts in design** and assessment of selection **criteria** *(PL, SI)*
- **Thematic committees** supporting the design of the call and the identification of appropriate selection criteria *(EE)*

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Good practice cases (2)

Drafting call for proposals documents

- Use of **standardized templates** and sharing of examples of successful applications *(IE)*
- **Participatory approach** in designing the **call for proposal** documents *(LT, AT)*

Call launch and submission of applications

- Provision of **individual support** to applicants *(EE, DE, AT)*
- **Dissemination** of call opportunities through a **variety of methods** *(BG, DK, Alpine OP)*
- User **friendly IT tools**, **interoperable** with external register/databases and that allow some **automation** in the submission of applications *(EL, PT)*

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Good practice cases (3)

Appraisal and selection of proposals

- External evaluators, recruited on the basis of a **framework contract** *(NL)*
- IT tools that allow **automatic appraisal** of projects *(CY)*
- **External experts training** ensuring efficiency and transparency *(HR)*
- **Exchange** of experts **between institutions** *(LT)*

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Good practice cases (4)

Informing applicants and management of complaints
- Providing **detailed feedback** and suggestions to unsuccessful applications *(DK)*
- Efficiently managing the complaints **prevents later blocking** of the contracting phase *(HR)*

Contract signature
- Use of **IT tools** for **contract preparation and signature** *(HR)*
- **Training successful applicants** on the contract management aspects *(PL, HR)*

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Next steps

✓The report is published on InfoRegio

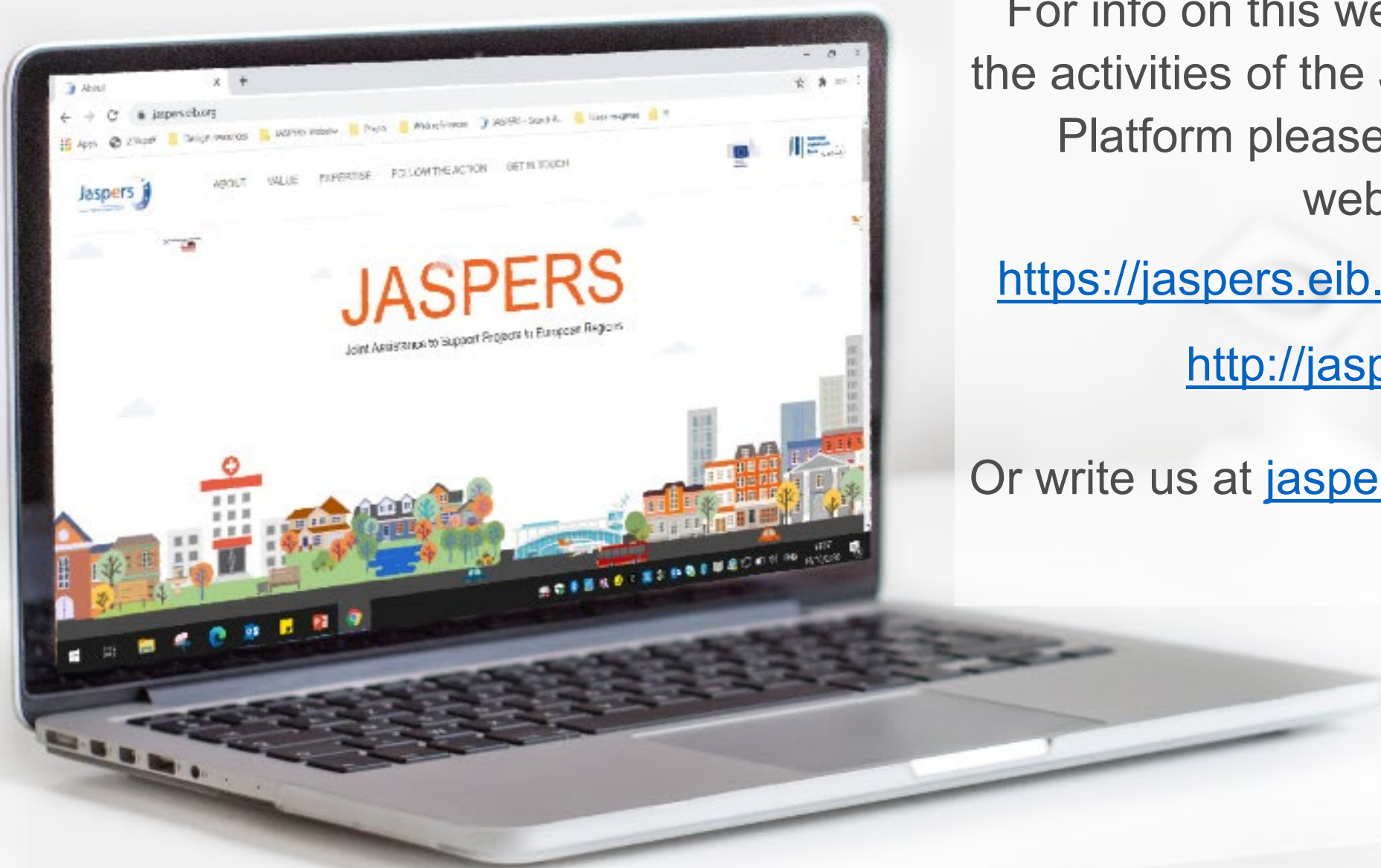https://ec.europa.eu/regional_policy/sources/reports/KN-04-23-199-EN-N.pdf

✓We would appreciate **your feedback** on the handbook

✓REGIO TAIEX Peer to peer

https://ec.europa.eu/regional_policy/policy/how/improving-investment/regio-peer-2-peer_en

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Thank you!

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