



ISMERI EUROPA

# Unitary Evaluation Service of the 2014-2020 European Union co-financed Operational Programmes

Second Interim Evaluation 2019

Executive Summary - English

31 JULY 2019

## Introduction

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### **Objectives: analysis of the implementation of the funds and of specific themes for each fund**

The second annual report 2019 articulates the analyses in two main areas:

- a first area concerns the financial and physical progress of the RDP EAFRD, ROP ERDF and ROP ESF and the contribution of the three programmes to the Europe 2020 objectives. This part of the evaluation is common to the three programmes;

- a second area regards specific aspects for each fund. In the case of the EAFRD RDP, the analysis is aimed at addressing the evaluation questions of Regulation 808/2014 and it follows the indications of documents and guidelines prepared by DG AGRI. For the others two funds, ERDF and ESF, the evaluation questions were agreed with the respective Managing authorities (MA); the evaluation questions were initially described the integrated Evaluation Design updated at the end of 2018 and then further specified in the methodological note, delivered in January 2019 and approved by the Friuli Region Venezia Giulia Region. More specifically, for the ERDF three topics are covered: the duration of the procedures of reporting phase of some measures, the first results of the measure 2.3.a (technological investments) and 2.3.b (ICT) and the results of the Communication Strategy. For the ESF the focus in this interim report is on the tertiary education system (ITS – Istituti tecnici superiori) and the aim is to evaluate the overall consistency of the educational offer for tertiary education, the ITS's functioning and the relevance of the educational offer with respect to the needs of the market.

### **Methods: desk and field analyses**

The methods of analysis and the sources of information vary among the three analysed funds. Overall, a mix of desk analysis of documents and monitoring data and analysis of information collected directly by the evaluator was used. In particular, the main activities to collect information by the evaluator were the following:

- EAFRD: interviews with the MA's offices, people responsible for the implementation of the measures and members of the Technical assistance, in order to integrate qualitative information in answering some evaluation questions;

- ERDF: one group interview with some regional officials and members of the Chambers of Commerce (CCIAA) for the discussion of the findings emerged from the procedural analysis; survey with enterprises benefitting of the measure 2.3; interviews with six companies financed under the sub-measure 2.3.a; survey to a sample of beneficiaries and non-beneficiaries enterprises in relation to the topic of communication and dissemination; a focus group with some representatives of the economic and social partners to discuss the communication strategy of the OP;

- ESF: for the analysis of ITS system, questionnaires were sent to the leaders of the ITS foundations and to the partners, excluding only the enterprises partners of ITS which had been already interviewed in the analysis of measure 2.3 (ERDF), in order to avoid to burden too much the beneficiaries with evaluation activities.

### **Authors**

The Report was written by: Marco Pompili (Introduction, ERDF Chapter and conclusions), Carlo Miccadei (ESF Chapter and conclusions), Vincenzo Angrisani (EAFRD Chapter and conclusions), Luca Rossi (EAFRD Chapter). Matteo Martella supported some analyses regarding the ERDF and the ESF.

## The EAFRD RDP

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### Objective

In compliance with the provisions of EU regulations, this evaluation focuses on the analysis of the achievement of the intermediate objectives (2018) selected in the Rural Development Programme, also providing indications on the main results and on the contribution of the RDP to the Europe 2020 strategy. To this end, the evaluation report provides a preliminary response to the 30 common assessment questions (CEQ) foreseen by regulation 808/2014, in line with the guidelines of the European Evaluation Helpdesk and the methodological documents provided by the National Rural Network.

### Methods and data

This evaluation is mainly based on a qualitative-quantitative analysis of the available documents (e.g. planning and implementation documents, selection criteria and rankings, proposals and project reports, etc.) and monitoring data (provided by APP1420 and SIAN). In some cases, the information has been integrated through surveys and face-to-face interviews with the subjects responsible for implementing specific initiatives, both internal and external to the Regional Administration. A continuous dialogue with Technical Assistance has also been relevant for better understanding the programme. Where available, statistical sources (e.g. ISTAT) have been used to highlight the main features of the socio-economic context of reference. Finally, specific analyses have been conducted on the basis of existing literature (for example to estimate the carbon sequestration generated by the operations financed by M8.1).

In this context, it must be emphasised that the quality of data provided by the regional monitoring system was the main critical issue in evaluating RDP. In fact, regional data have not always been useful for evaluation purposes and were often not consistent with the same data provided by the national information system (SIAN). It is therefore necessary to improve the quality of information and data collected by the Region and maximize their usefulness for the evaluation of the results of the Programme.

### The implementation of the RDP

The analysis of RDP shows a high level of implementation (90% of the total budget was committed in December 2018) to which, however, corresponds an insufficient expenditure, slightly above 28%. This feature, common to many Italian RDPs, is mainly linked to external factors and in particular to the functioning of the SIAN national system, which caused serious delays in the procedures (some RDP measures recorded procedural times exceeding more than a year). The Focus Areas with a higher level of financial and physical progress concern the so-called surface measures. Structural measures and local development strategy experiment a very low level of financial execution.

Delays in implementation are reflected in the value of the common RDP result indicators. Only a few indicators can be quantified at the end of 2018, since some of them must be calculated on the basis of the operations actually concluded. However, during the evaluation, all the result indicators have been prospectively populated on the basis of the data and information relating to all the projects approved and financed (even if not concluded). However, it was not possible to quantify the impact indicators and, therefore, to give an answer to the relative questions of the Common Evaluation Questionnaire.

### Result indicators

Specifically, the first operations related to the so-called structural measures will end not before the second half of 2019. Therefore, at the moment, analysis of their results and effects is premature. However, the strategic choices of the RDP seem to be consistent with the development trends recorded in recent years in Friuli Venezia Giulia. Particular mention should be made of support for innovative agritourism activities (also in a social sense) that can also generate potential positive impacts on young and female entrepreneurship. The concentration of resources on a limited number of interventions is also positive. This aspect seems to enhance the quality of projects and their multi-functional character (e.g. quality production, energy efficiency).

**Table – Result indicator - 2018 and 2023**

<b>FA</b>	<b>Indicatore di risultato</b>	<b>2023</b>	<b>2018</b>	
<b>2A</b>	<b>R1/T4</b>	% of agriculture holdings with RDP support for investments regarding modernization	<b>4,16</b>	<b>0,81</b>
<b>2B</b>	<b>R3/T5</b>	% of agriculture holdings with RDP supported business development plan/investments for young farmers	<b>1,12</b>	<b>0,22</b>
<b>3A</b>	<b>R4/T6</b>	% of agricultural holdings receiving support for participating in quality schemes, local markets and short supply circuits, and producer groups/organisations	<b>1,52</b>	<b>0,67</b>
<b>4A</b>	<b>R7/T9</b>	% of agricultural land under management contracts supporting biodiversity and/or landscapes	<b>5,06</b>	<b>4,14</b>
<b>4B</b>	<b>R8/T10</b>	% of agricultural land under management contracts to improve water management	<b>5,31</b>	<b>4,65</b>
<b>4C</b>	<b>R10/T1 2</b>	% of agricultural land under management contracts to improve soil management and/or prevent soil erosion	<b>4,88</b>	<b>2,08</b>
<b>5E</b>	<b>R20/T1 9</b>	% of agricultural and forest land under management contracts contributing to carbon sequestration and conservation	<b>0,89</b>	<b>0,71</b>
<b>6B</b>	<b>R22/T2 1</b>	% of rural population covered by local development strategies	<b>27,4 4</b>	<b>28,16</b>

**The agri-environmental measures**

With respect to agri-environmental measures, on the other hand, although the effects can only be assessed in the coming years, the analysis seems to confirm that the Programme insists on the territorial areas where the greatest needs are recorded. In this sense, the RDP recognises that agricultural operators have a great environmental and social function, as underlined by the Milan Charter. The use of methods already tested in other contexts (based on field surveys) will be able to further define the effects of these interventions.

The relevance of the training provided in the context of MS 1.1 should also be emphasized: the obligation of those entering the sector (young people), as well as of those operators who apply sustainable techniques is fundamental in order to guarantee the success of the investment. However, it is desirable in the future an increase in the number of participants in training / refresher courses on a voluntary basis, so that the sustainability of the training interventions can also be guaranteed.

**Support to innovation**

With regard to the strategy to support innovation, the first analyses show a high overall quality of the project ideas presented by the Operational Groups of the European Innovation Partnership (IEP) established in Friuli-Venezia Giulia. The projects appear to be coherent with the needs of the territory and able to generate potential positive effects on the subjects involved and on the sectors of reference. The evaluation judgment on the support for cooperation projects outside the OGs (SM 16.2) is less positive, whereas a lower participation of the regional actors has influenced the overall quality of the financed projects (in particular their ability to generate positive impacts on the regional agricultural and forestry, and their potential contribution to the development of the green economy). The partnerships were also less articulated in terms of number and type of subjects involved than the expectations of the Region.

### **The LEADER approach**

With reference to local development strategy, it must be emphasised the strong delay in implementing both LEADER and extra LEADER projects. Given their high socio-economic-cultural relevance, it is necessary to stimulate and accelerate the implementation of these strategies, by facilitating a closer coordination between the implementing bodies and exploiting fully the synergies between the different initiatives.

### **The RDP and the Europe 2020**

Finally, some preliminary considerations are reported on the contribution of the RDP Friuli Venezia Giulia to the Europe 2020 objectives:

**Smart Growth:** the RDP contributes to this objective through the training activities under the Sub-Measure 1.1. Training is particularly important for agri-environmental measures that require trained and up-to-date operators. In a complementary way, the AGRICS project (SM 1.2) promote more efficient agricultural practices by providing to operators with a series of forecasting and decision support models.

**Sustainable Growth:** the RDP mainly contributes to this objective through the Priority 4, focusing on the financing of sustainable agricultural practices such as organic farming, as well as on the promotion of the bioeconomy (e.g. wood products). Relevant is also the support of the RDP to the introduction of technologies for renewable energy and for "green" agri-food production (e.g. certified / sustainable practices).

**Inclusive growth:** the RDP aims to promote youth and female entrepreneurship, including through the launch of social activities (e.g. educational farms). Furthermore, local development passes through the recovery and enhancement of the community's culture and traditions (including food and wine), paying attention to the environmental effects of the operations.

## The ERDF OP

### Aim and evaluation questions

In the second annual report 2019 the analyses regarded the financial and physical progresses of the ERDF programme and some thematic focuses. More specifically, the evaluation questions were the following:

1. Are the duration of selection and reporting procedures in line with what was expected and, if not, what are the effects on the implementation of the activities? (D7).
2. What are the progresses in the financial and physical indicators with respect to the planned targets? What is the contribution of the ERDF OP to the Europe 2020 Strategy? (D3).
3. Did the investments financed by the measure 2.3 make changes in business strategies, and in which direction? What are the impacts of the investments on the performance of enterprises and on their innovation capacity? (D16).
4. Was the communication strategy effective? What is the level of knowledge of European policies in the regional context? (D23).

The methodologies used are presented in the following table:

### Methods

Evaluation questions	Desk analyses	Interviews and focus group	Surveys
1	Analysis of administrative data on procedures	Group interview with representatives of Managing Authorities and CCIAA	
2	Analysis of Documents Analysis of monitoring data Analysis of data on socio-economic context		
3	Analysis of Documents	In-depth interviews with six enterprises of 2.3.a	Survey with 517 funded enterprises; 350 answers obtained
4	Analysis of documents and monitoring data Analysis of data from a survey with citizens carried out by the Region	Focus group with representatives of socio and economic partners	Survey with funded and not funded enterprises (208 answers out of 800)

Below we present the main findings for each evaluation question

### First evaluation question

**Are the duration of selection and reporting procedures in line with what was expected and if not what are the effects on the implementation of the activities? (D7).**

### The regional planning system worked overall satisfactory

Friuli Venezia Giulia Region has adopted a system for programming calls for proposal and activities of the office involved in the implementation of the OP which is characterized by two elements: the periodic examination of the progress of the ROP and of the critical issues and the formal adoption of acts (DGR) describing commitments and decisions on the time schedule of the calls for proposal and on the expenditure objectives to be achieved by the several offices involved in the management of the OP. The analyses carried out by the evaluator indicate that this system worked well. In fact, the schedule of procedures to be started, updated over time, was respected and this ensured the complete activation of the financial resources of the OP by two years after its launch.

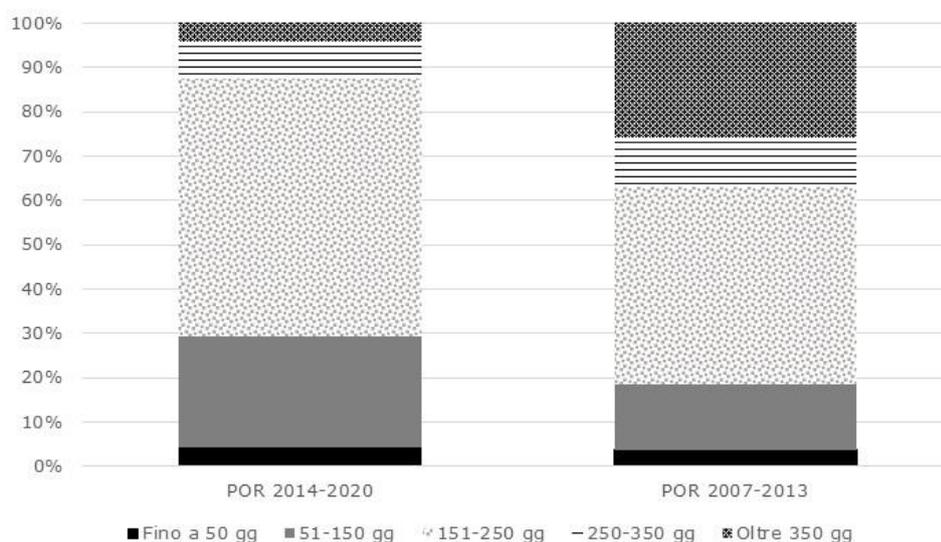
### The length for the selection processes decreased in comparison with the previous

The analysis of the selection processes shows that the management structures of the OP have selected the projects in almost seven months, a better performance compared to those achieved in previous programming period 2007-2013. The general objective of the PRA (Piano di Rafforzamento amministrativo) is not fully achieved (-18% against the planned objective of -30%); however, for the measure 1.3., where the length of selection process is important given that the measure finances R&D projects, the objective of the PRA have been achieved. It's worth underling that the average figure (7 months) reflects different performances of the selection procedures

**programming period**

and it is affected by a very negative performance in the selection process of the measure 2.3.b. The long time spent to select the projects for this measure was determined by the overlap of the selection process of 2.3.b projects with the reporting procedures of another measures; the choice made by the Region was to give priority to the reporting practices in order to advance in terms of expenditures. Indeed, excluding the measure 2.3.b from the analysis, the average duration for the selection process would be closer to the objective of the PRA.

**Figure – Distribution of calls for proposal by the duration in days for the selection process**



**The length of the reporting procedures**

In relation to the duration of reporting procedures, the analyses were conducted on a small number of procedures (324 procedures) and they could not take into account all the intermediate phases of the procedures, therefore the results have to read with caution. Said that, the data show that the average duration of reporting procedures amounts to about 4 months, slightly higher than the target of 3 months. The measure showing the worst performance is the 1.1.a (innovation voucher), for which the reporting procedures were completed in around 200 days; the result was due to an exogenous factor, the malfunctioning of the information system. The differences between the several measures in terms of duration of the reporting procedures could be due to: different procedural methods and different complexity of the procedures (for example in some measures, which are more complex, there is a large amount of reporting documentation to verify). Overall, it should be emphasized that over time the performance has improved (time to examine the documentation and to pay the beneficiaries decreased) independently from the number of practices received by the offices. The improvement concerned all the structures responsible for the implementation of the measures and it was determined by: having established a clear process after an initial phase of testing, having implemented some activities such as a task-force supporting the offices and the strengthen of the staff of the CCIAAs (intermediate bodies of some measures). These solutions improved the ability to manage the reporting procedures within a reasonable timeframe. As emphasized by interviews with regional officials, in the future the duration of procedures should be shorter than in the first year of implementation thanks to these improvements introduced by the Region. However, exogenous factors can always interfere with the reporting procedures (for example staff reduction and a new information system were mentioned).

**Table – Duration in days of the reporting procedures**

Measures	Duration in days of the reporting phase	Min	Max	Number of managed procedures
1.1.a.1	200.1	66.6	375.6	90
1.2.a.1	162.7	101.7	207.5	16
1.2.a.2	58.8	14.7	185.5	14
1.3.a.1	147.0	60.6	205.5	16
1.3.b.1	110.1	78.4	133.6	18
2.1.a.1	63.0	17.4	120.4	11
2.2.a.2	160.2	154.5	165.6	5

2.3.a.1	126.0	29.5	292.7	150
2.3.a.2	11.4	8.6	14.3	2
2.3.b.2	19.0	12.6	25.3	2
<b>Total</b>	<b>142.7</b>	<b>8.6</b>	<b>375.6</b>	<b>324</b>

**What are the progresses in the financial and physical indicators with respect to the planned targets? What is the contribution of the ERDF OP to the Europe 2020 Strategy?**

Second evaluation question – first part

Good financial performances

The financial advancement of the OP is not critical. The 23% of total resources were certified as expenditures and this permitted to achieve the N+3 rule. Region Friuli Venezia Giulia, together with other Regions of the Northern Italy, shows the best performance in terms of allocated and spent resources. The next N+3 spending target seems achievable.

Performances in relation to output indicators – Axis I

As far as the physical progresses are concerned, for Axis I progresses towards the planned targets of output indicators are satisfactory, with the only exception of the target relative to the Venture Capital fund, which was not and probably will not be implemented. It is relevant to mention the achievements reached so far: in terms of job created, potentially the financed projects can create 1126 full time equivalent jobs – ULA; 240 out of 1126 were already created by the completed projects. An important element to underline is that in the completed projects the differences between the planned jobs to be created and the actual values are very low. A further element to note is that more than half of the financed companies are introducing product innovations: the figure highlights a positive contribution of the OP towards the improvement of innovative capacity (in fact, at the regional level only 40% of the companies have introduced product and process innovations over the last three years). Finally, with EUR 62 million of private investments in R&D activities, the measure 1.3 could contribute significantly to the achievement of the Europe 2020 target, if these values will be confirmed. So far the gap between what it was planned and what was achieved in the completed projects is very low.

Axis II

Axis II shows a delay with regard to the CO03 indicator, since the guarantee fund has showed a slow implementation in the first months. As far as the private investments activated by the OP, the value is high in relation to the planned target and if these investments will not displace or substitute other investments the projects funded by the OP would have a clear contribution to reverse the trend of investments carried out by SMEs, which were very low in the past years (as a consequence of the economic crisis) and started to increase only from 2014 thanks to the national "enterprise 4.0". Also the projects of the Axis II show a positive result in terms of jobs created, though in this case, differently from the Axis I, the gap between the values planned initially and those actually realized is large: in completed projects, in fact, the jobs created are 58% of those initially declared.

Axis III

In relation to Axis III, progresses towards the planned targets are satisfactory. It is worth emphasizing that besides the achievement of targets, the results of the OP are a reduction of in the consumption of primary energy (-22%) and a reduction of CO2 emissions, around -10,000 tons (which would permit a saving of EUR 5-8 million in the next 25 years of social costs deriving from pollution and worse economic performance). Moreover the projects of axis III also achieved intangible results: the "exemplary" effect of some completed projects, such as the hospital hubs, and the cultural change in the management and monitoring of energy consumptions.

**What is the contribution of the ROP to the Europe 2020 Strategy? (D3).**

Second evaluation question – second part

The implemented actions are consistent with the Europe 2020 and with the recommendations

In the field of R&D the implemented regional policies with the ERDF are very consistent with the recommendations and challenges posed by the European Union at the beginning of the programming period (the so-called "European semester"); the funded measures, in fact, give priority to the objective of increasing private investments and especially those dedicated to R&D, thus addressing one of the weak points of the regional R&D system, the low propensity of companies to invest in this field. It is possible to estimate that the activated R&D investments, if displacement effects will not occur, will give a substantial contribute to the achievement of the regional objective of spending on research and development in relation to GDP, which is almost reached.

The regional objective concerning the employment rate has been reached and exceeded. The OP can therefore contribute to reinforce this value, through the

of European Commission

creation of new full-time equivalent jobs with Axes I and II (estimated at 1700-1900 with current data) and other jobs created with the interventions of Axis III (energy efficiency). Beyond the absolute numbers, it is important to underline the contribution of the programme to the reversal of a nearly stagnant trend in the growth of full-time jobs in recent years. However, it should be emphasized that the employment rate is one of the important indicators, but not the only one; its regional dynamic, positive, is also the result of a "worrying" demographic change on which the ROP ERDF cannot intervene directly, but which in the long run could lead to a lower capacity to achieve the objectives of a more competitive economy, because the negative demographic variation concerns especially the younger groups of population.

In relation to the objective relating to energy efficiency, in addition to what has been pointed out above, it is worth highlighting that the programmatic choices of the Region have been inspired by a principle of strong concentration of resources. The updated data from the National Statistical Institute on CO2 emissions also show that the 20% reduction target would be reached in 2015. The OP ERDF has not contributed to this dynamic, but could, to a limited extent, favour a further process of CO2 reduction.

Third evaluation question

**Did the investments financed by the measure 2.3 make changes in business strategies, and in which direction? What are the impacts of the investments on the performance of enterprises and on their innovation capacity?**

In the annual report 2019 we only answer to the first part of the question, since the second part requires impact analyses which will be carried out in the future. The measure 2.3 is composed of two sub-measures, the 2.3.a which finances technological investments and the 2.3.b which finances investments in the field of ICT. The evaluation covered the first calls proposal of each sub-measure, one in 2016 for 2.3.a and one in 2017 for 2.3.b.

The measure 2.3 is consistent with the regional strategies supporting the relaunch of business investments, an objective outlined in the Industrial sector development plan and the FVG law. Furthermore, the financial dimension of the measure is not negligible.

Complementarity between the sub-measures 2.3.a and 2.3.b

There is complementarity between the two sub-measures 2.3.a and 2.3.b. The companies of 2.3.a tend to be larger, mostly belonging to the manufacturing sectors and sectors with lower technological intensity. The high presence of funded companies on foreign markets, in both sub-measures, suggests that the funded enterprises are dynamic companies (only a quarter of them operate only on the national market). The "family" companies prevail, but the organizational structures of the funded enterprises are composite and include various business functions, such as "information systems" and "R&D", especially under the sub-measure 2.3.b.

Often the investments carried out through the measure 2.3 are part of a broader strategy of the enterprises

The collected data show that the enterprises which benefitted by the measure 2.3 had already started a process of transformation to improve the competitiveness. In fact, the funded enterprises had already made investments three years before to participate in the measure 2.3, mostly through self-financing or bank credit, but also making use of regional financing lines and the national plan "Imprese 4.0". The majority of the interviewed companies believe they have a level of competitiveness that is not inferior to their competitors, however there are several critical factors to be improved: the high cost (especially for the companies of line 2.3.a), the presence on the international markets, the quality of products and processes, the time-to-market and the interaction with customers (especially for companies funded by the 2.3.b). Almost 70% of companies identify weaknesses and criticalities with regard to their internal skills. For the majority of companies, the projects funded by measure 2.3 are a part of an expansive strategy of corporate growth and, in many cases, also aimed at upgrading the level of digitalization of the processes. The field analyses (on 2.3.a) confirm these evidences: in some cases, the technological investments carried out thanks to the 2.3.a are (case A, B, in part D) part of broader process of expansion of the industrial plants, machineries and technologies.

**Table – Type of strategy implemented with the investments and existence of a strategy for the digitalisation of the enterprise**

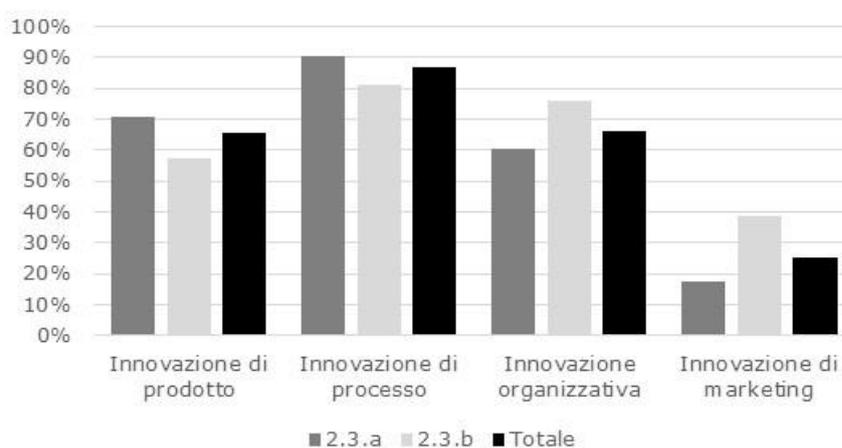
		Existence of a strategy for the digitalisation		Total
		No	yes	
2.3.a – 208 cases	Defensive strategy	3%	4%	7%
	Expansive strategy	31%	63%	93%
	Total	34%	66%	100%

2.3.b – 120 cases	Defensive strategy		6%	6%
	Expansive strategy	8%	87%	94%
	Total	8%	93%	100%
Total – 328 cases	Defensive strategy	2%	5%	6%
	Expansive strategy	22%	71%	94%
	Total	24%	76%	100%

### The innovations introduced by the companies

The collected information highlights that the investments stimulated a more active attitude of companies towards innovation, both process and product innovation. In the sub-measure 2.3.b, consistently with the aims of the sub-measure and with the features of the participating companies, also organizational and marketing innovations are diffused among companies. The interviews showed that product and process innovation often are integrated and that product innovations are mostly "incremental" innovations, aimed at introducing new products for the company or improving existing ones. The six interviews with enterprises also show that also "unexpected" innovations occurred: for example the need to reorganize the internal logistics (case C), the creation of internal competences on energy issues (case E), the need to review internal company processes in order to adapt the previous processes to the new investments (almost all cases). Not always, however, the investments made have required radical transformations in the organizational processes of companies.

**Figure – Typologies of innovations introduced or to be introduced**



### Introduction of Technologies 4.0

Investments have supported, or are supporting, an improvement of the technological level of the majority of companies. In both the two sub-measures, the projects permitted the introduction of advanced and integrated systems for business management and of technologies 4.0, more in particular: robotic systems in companies in the sub-measure 2.3.a and technologies related to Big data management and analysis, the Internet of things and systems that apply augmented reality in the sub-measure 2.3.b. It should be noted, however, that more than a third of companies did not invest neither in technologies 4.0 nor in digitization systems, especially in the sub-measure 2.3.a.

### Some positive effects are emerging

The respondents companies perceive that investments are affecting positively some factors of competitiveness, in particular the ability to introduce innovations, the quality of products, the possibility of personalise the products, the reduction of the time-to-market, the flexibility. Furthermore, the perception of companies is that, so far, projects had an impact on increasing production capacity and productivity. Some more details emerged from the interviews to the six firms: in cases A and B, for example, flexibility is considered a distinctive element of the company's competitiveness with respect to competitors; in case C the initial hypothesis was that the investments could guarantee a reduction in the time to market, this is happening but also other elements of competitiveness have been achieved, in particular a greater control on the prices of raw material; in case D an increased possibility to personalise the products is the added value of the investments made with the sub-measure 2.3.a; in the case E the main objective, the reduction of energy costs, has been achieved, but also other factors of competitiveness emerged, such as a greater capacity to operate in some international markets, where virtuous behaviour in the sustainability field is becoming an essential element; in case F, the new business unit created by

the project is fully operative and had concrete effects on the turnover in 2018 (with a contribution of 10%).

**Preliminary results on the employment**

Compared to the overall variation of employees between 2015 and 2018, the employees introduced in the enterprise thanks to the projects represent 35% of the total change in the employment, as showed in the table below. Clearly, this is not a net impact, since with the data collected we cannot know how many of these employees would have been created in any case; however the results are in the right direction. The investments also supported an increase of the level of internal human capital and skills: the human capital of new employees is quite high, especially in the companies that invested in ICT; new figures have been introduced, many of which are related to advanced technologies 4.0 (such as data analysts, machine controllers, software developers), as highlighted in case F. In the sub-measures 2.3.a, according to the respondents, the investments permitted to improve mostly technical-professional skills.

**Table – Changes in the number of employees between 2015 and 2018 and number of employees created by the projects in the same time**

	Employees 2015	Change in employees 2015-2018	Employees created by the ERDF projects	% ERDF employees on total change
2.3.a	5506	968	357	37%
2.3.b	2484	347	101	29%
<b>2.3</b>	<b>7990</b>	<b>1315</b>	<b>458</b>	<b>35%</b>
Only completed projects				
2.3.a	4852	926	334	36%
2.3.b	817	113	27	24%
<b>2.3</b>	<b>5669</b>	<b>1039</b>	<b>361</b>	<b>35%</b>

**Positive elements and limits of the measure 2.3**

Overall, the analyses on the measure 2.3 highlighted several positive elements and some limitations. Among the positive elements: the measure 2.3 has been an important tool, at regional level, to support SMEs in approaching the introduction of technologies and digitization processes. In relation to this aspect it is also positive that the design of measure 2.3 allowed the firms the possibility of using specialist consultancy services to assist companies in corporate reorganization processes. The first results, furthermore, indicate that the investments had or potentially can have positive effects on the factor of competitiveness. At the same time, some limits emerged. In particular, for the sub-measure 2.3.a, the call did not clearly specified the types of investments to be made, therefore the measure, especially in the case of 2.3.a, was also used, in a minority of cases, for traditional investments and by companies that did not have a clear strategy of technological upgrading. In these cases the investments were mostly aimed at increasing production capacity, but without a real focus on innovation of processes or products.

**Evaluation question 4**

**Was the communication strategy effective? What is the level of knowledge of European policies in the regional context? (D23).**

**A satisfactory implementation of the Communication strategy**

The implementation of the communication strategy is in line with what had been planned. In relation to the use of communication tools for the "general public", strengths and weaknesses emerge: among the first there is the experience of involving the target of young people and schools in the communication process; among the latter, there is a scarce use of less traditional communication tools, such as social networks. This latter point is partly due to the organisation and governance of the communication activities: in particular, a limited number of human resources dedicated to the communication activities of the ERDF OP and the absence of a stable connection between the communication staff of the ERDF and the regional press offices, which centrally manage the use of social networks' pages of the Region.

The level of knowledge of the ROP ERDF by citizens is satisfactory and the results are in line with those found at European level from the Eurobarometer surveys and with other surveys carried out in other Italian regional contexts.

**Firms, beneficiaries and not beneficiaries, know the ERDF and the main tolls**

The enterprises, beneficiaries and not beneficiaries, are aware not only of the ERDF and its role but also of the entities that finance it; even among non-beneficiary companies, the knowledge of ERDF is good, at least when results of the survey are

used for  
communication

Main  
recommendations,  
operative and  
strategic

compared with the results of similar surveys carried out in other contexts. The interviewed companies appreciate most of all the website and the regional events for the communication. The possible improvement, suggested by the firms, is to better differentiate the communication by sectors or themes and to simplify the language of calls for proposal and documents, a theme underlined also in the focus group with representatives of economic and social parties.

Following the above results, some policy implications are presented in the table below. The policy implication are divided in operative suggestions and strategic suggestions.

#### Implementation of the OP

##### **Operational and implementation aspects**

- To accelerate the selection procedures for calls that at March were closed, but for which projects were not selected yet;
- to continue to improve the duration of the reporting procedures, by controlling for the risk factors such as the transition to the new information system;
- to accelerate the implementation of Axis IV;
- to quantify the result indicators relating to Axis III, in order to be able to verify whether the performance of the result indicators is in line with the implementation of the projects;
- to consider to review some targets: the targets for CO027 and CO028 indicators, currently too low; the target related to "companies that access the guarantee fund", which should be reduced.

##### **Strategical aspects**

- to valorise more some management practices that have proven to be valid, such as the "internal" system for planning. In particular, some tools used in this planning and verification process could be made more transparent, such as the timetable of the calls. This would help the potential beneficiary to plan their investments;
- to avoid overlaps between the selection and reporting processed which involve the same structures.

#### Measure 2.3

##### **Operational and implementation aspects**

- to accelerate the selection procedures, in order to avoid that companies have renounce to carry out the investments;
- to monitor carefully some projects that are strategic in terms of jobs to be created

##### **Strategical aspects**

- to continue the measure 2.3 also in the future. For several reasons: the economic situation is still uncertain and investments do not show a consolidated recovery trend; the measure 2.3 is consistent with the regional industrial policy objectives; moreover, the tool is complementary to regional aids financed by national initiatives;
- to consider the possibility of emphasizing more the "technological" character of the measure 2.3.a, which could be more focused on investments strictly related to technologies 4.0 and digitalisation systems;
- to adjust, consequently, some operative elements of the measure, such as the definition of the expenditures admitted and the selection criteria;
- to consider to integrate these kind of interventions with the ESF strategies. In fact, the analyses show that investments carried out with the measure 2.3 affect the skills and the competences within the enterprises, especially on the new fields of IT technologies, Business data analysis, etc.

#### Communication strategy

##### **Operational and implementation aspects**

- to publish with more continuity the newsletter tool;
- to update more frequently the information on the OP website;
- to adopt communication tools which help to diffuse the content of the call, by simplifying the "regulatory and technical" language used in the tenders (for example through short summary sheets highlighting the characteristics of the calls, such as eligibility rules, eligible expenditures, type of actions to be carried out);
- to consider to review or delete some indicators which are not clearly linked with the communication activities carried out.

##### **Strategical aspects**

- to continue investing in initiatives involving young people (or other population targets) as protagonists of communication actions and also of "civic" monitoring of the projects implemented;
- to increase the communication staff and/or to operate more in synergy with the communication structure of the Region, in order to ensure a larger use of tools for dissemination to the general public, such as the social media.

### Contents of the evaluation

The first and the second part of the chapter take into consideration the ESF POR as a whole in order to analyse the physical and financial progress and the contribution given to the implementation of the European Strategy for 2020. The third part describes the results of the thematic evaluation of the regional system of Higher Technical Education (ITS), supported by the ROP through the financing of new courses

### The methodologies used

The analysis of the advancement was based on the information of the monitoring (individual data of the recipients) and on the values of the physical and financial indicators provided by the Region (aggregated data). In 2018 the number of participants was calculated according to new criteria established by the IGRUE, this limited the comparison of the figures between 2018 and the past years. This was possible only for the physical indicators, since the values had been revised according with the new criteria, and for the expenditure indicators. Instead, the analyses of the annual values of financial indicators and micro-data was limited to the general trends.

The contribution to EU2020 was assessed on the basis of a qualitative analysis of the policies financed by the ROP and considering the current values of EU2020 indicators in FVG.

For the analysis of the regional ITS system, a theory-based approach was followed identifying the logic of the intervention on the basis of legislation ruling the ITS. A twofold survey was carried out regarding both the ITS Foundations (the ITS provider) and their partners. Furthermore, an initial analysis of the relationship between the ITS training offer and the tertiary vocational training offer and the first university cycle was carried out, in order to detect any risks of duplication or overlapping between the courses.

### The level of the implementation of the OP

The ESF ROP is going on in line with the scheduling, confirming the efficiency that the 2017 evaluation already found. The implementation of the ESF ROP is strategic as the interventions financed follows a strategy consistent with general objectives and approaches established by the Region (working transitions, human capital policies, preventive socio-working policies for groups at risk of exclusion, etc.).

The ROP strategy is the result of a careful adaptation of the EU2020 European strategy to needs and characteristics of the regional context. At the start of the period, the FVG had an excellent position in the EU2020 national framework, but the Region chose to raise the national targets taking the European socio-economic levels as a reference, especially in the field of education.

The program has contributed to renew considerably the regional policies in the EU2020 perspective, supporting reforms that the Region is long carrying out and innovating systems providing services and interventions. The findings showing such an effort are solid and significant in several areas, from employment to the formation of human capital.

However, given the strong orientation of the ROP towards EU2020 and the knowledge economy, there is room for improvement as for the integration with the policies supported by the ROP ERDF above all in the research and sustainable economy fields.

### Results of the focus on the ITS system

The FVG ITS System pursues its aims effectively as reflected in the quality of placement of the graduated, in the attention paid to school-work transitions and in the technological skills supplied to the firms as well. A great understanding the stakeholders showed about the logic and the potentialities of ITS: Region, Foundations and individual partners are giving their expected contribution according with their different roles. The Foundations present an articulated composition reflecting characteristics and needs of the sector in which they operate. At the same time Foundations share several important characteristics such as the important role recognised to the firms, universities and research centres as well as the quality standard of the training higher than those established by the national regulation.

**Table - ITS in FVG**

Technological areas	Name of ITS	Year of formation	partners (n.)			Courses in the year 2016/17
			Fond.	Part.	Tot.	
2. Sustainable mobility	Accademia nautica dell'Adriatico	2015	21	13	34	7
3. New life technologies	A. Volta	2014	18	5	23	7
4. New technologies of Made in Italy - Mechanic	Made in Italy - Malignani	2010	17	41	58	10
6. New ICTs	J. F. Kennedy	2010	26	25	51	10
<b>Total</b>					<b>166</b>	<b>34</b>

Furthermore, the analysis of needs is made before providing training following the high quality methods. As further proof of the positive functioning of the foundations' partnerships, it is possible to observe how their composition is constantly expanding and the interaction between the partners is solid. The increasing number of the firms enrolled in the Foundations and the their exchanges each other prove the success of the Foundations.

Many elements resulting from the analysis meet the theory underlying the ITS. This demonstrates that the OP ESF support effectively the ITS. However, to further develop the ITS systemic policies will be necessary such as those aimed at expanding the number of courses, promoting a better integration with other tertiary pathways and involving a greater number of students.

The study concludes a number of specific recommendations concerning individual topics discussed in the study.