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**EVALUATION OF PROJECT SELECTION AND
EVALUATION SYSTEM AS PART OF III-VI
PRIORITY AXES
UNDER THE INFRASTRUCTURE AND
ENVIRONMENT OPERATIONAL PROGRAMME
2014 - 2020**

ABOUT THE STUDY

OBJECTIVES

The objective of the study was evaluation of criteria and project selection system as part of III-VI priority axes under the I&EOP 2014 - 2020. For the purpose of the study, two main subjective areas of evaluation were separated, i.e.:



- ❖ evaluation of the system and the process of selection and evaluation of projects (apart from criteria) i.e. principles and manner of organisation of calls and evaluation of applications pertaining to the submitted projects;
- ❖ evaluation of the quality of project selection criteria, i.e. a set of specific formal and substantive criteria, contained in the detailed description of the priority axes, which the projects have to comply with in order to obtain co-financing from public community funds.

STUDY RESULTS

PROJECT SELECTION AND EVALUATION SYSTEM AND PROCESS

Correct competition planning

Planning of competitions to date has been correct. In majority, the planned dates of calls do not exert adverse impact on the accomplishment of goals under the Performance Framework (level of execution of indicators for 2018 is not at risk). The duration of calls and the evaluation of applications was planned adequately to the number of submitted applications, as well as the personnel potential of the CEUTP, but primarily to the potential of applicants with respect to the preparation of relevant documents. The only problem that emerged during the study were delays in procuring environmental approvals from competent authorities. The duration of calls also responded to the needs of the applicants and the potential beneficiaries. Extension of the call in case of Measure 3.2 was deemed adequate on account of complexity of projects as part of this competition (intermodal transport) and the necessity of taking entry into force of an act regulating this thematic area into account.



Manner of organisation and efficiency of implementing the system of evaluation and project selection process

Both regulations and announcements of competitions are clearly defined and comprehensible, whereas the data for preparing documents are easily available (primarily on the CEUTP website and the European Funds site). Documents that are to be submitted together with the application for co-financing are assessed as precise and comprehensible. Any doubts pertaining to the interpretation issues could have been explained as a result of consultations with the Competition Organiser via direct questions about interpretation of specific issues or requests for provision of information/ location where such information could be obtained. The applicants also had the possibility of acquiring any necessary information about the filing of applications during training sessions organised by the CEUTP. Application completion instructions, used by a significant portion of applicants, were also a useful tool. Information activities conducted by the CEUTP are therefore considered satisfactory and, in majority, efficient. The range of documents required in competitions conducted as part of the I&EOP is very extensive, yet it does not significantly differ from other operational programmes. The proper process of application assessment is guaranteed by well-prepared members of the Project Evaluation Commission (employees of the CEUTP) acting on the basis of guidelines pertaining to the selection process of



projects contained in strategic documents. **In general, the system was evaluated positively on account of its' transparency, objectivity and fairness, as well as the fact that it guarantees selection of high quality projects.**

With the aim of further improvement of the evaluation system, **organisation of training sessions is recommended (in the form of workshops) attended by all persons forming a part of the Project Evaluation Commission in order to develop uniform and joint instructions for the evaluation of soft criteria** (e.g. complementarity, supra-regional nature of the project, consistency with external strategies, horizontal policies, limited impact on the natural environment) **on the level of the entire institution.**

PROJECT SELECTION CRITERIA: HORIZONTAL CRITERIA



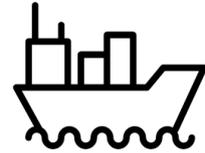
Evaluation of the current formal horizontal criteria (after changes resulting from the so-called implementation act) is quite positive with respect to their formulation and correctness of descriptions. Cases of assessing a similar/ identical criterion at more than one stage of evaluation (e.g. the criterion of completeness of application documents) also do not raise doubts. Criteria with respect to which difficulties were identified (their formulation, range or manner of description) include:

- ❖ The criterion *The Applicant is not excluded from applying for co-financing*: it is justified to **clarify the criterion by explaining whether applicants with respect to whom the ban is not valid at the moment of filing the application are also excluded and the mode of conduct with respect to the applicants with respect to whom the adjudged exclusion period has elapsed;**
- ❖ The criterion *Completeness of application documents: the application and schedules*: the greatest problem was procuring the environmental permit on time. **In the future (i.e. in the next financial perspective), it is worth considering the possibility of filing the permit at a date after the end of the call, yet not later than it would result from the summons of the Competition Organiser to file the supplementing documents (after compliance with strictly defined terms). Introduction of the proposed solution would have to be related to relevant information activities with respect to the applicants** (e.g. in the form of relevant provisions in the instruction, introduction of an additional element to training sessions). Such activities should indicate that such possibility may only be applied in strictly defined situations (specific circumstances would have to be indicated) and the burden of proof with respect to compliance with all premises would fully encumber the applicant. By adopting such solution, **it will also be necessary to specify the terms used, e.g. "due diligence" and "causes not attributable to."**
- ❖ Supra-regional nature of the project: it seems justified to **clarify the criterion description by indicating that the project has to be consistent with the objectives of strategy measures and not result from them** (this may be misleading);
- ❖ The criterion *Project Compliance with the European Union Strategy for the Baltic Sea Region (EUSBSR)*: in the case of this criterion, a non-uniform approach in the evaluation of projects by experts was identified on the one hand and on the other, problems of applicants with respect to describing the project ties with the Strategy in question in a manner to accomplish the maximum number of points. **It is recommended to work out one instruction of evaluation of this criterion, common for all members of the Project Evaluation Commission: thanks to this, a uniform approach in evaluation on the level of entire institution will be guaranteed. To this aim, organisation of training sessions/ workshops with the participation of all members of the Project Evaluation Commission seems justified.**

- ❖ *Criteria pertaining to horizontal policies:* the criteria were evaluated as little practical in the evaluation of transport projects on account of the fact that their evaluation depends exclusively on the description presented in the application. **It is justified to clarify in the criteria description the manner of understanding the positive and neutral impact on individual policies** (which elements should be included in the project in order to show the positive/ neutral impact). **It is also important to show the definition of a “universal design” or indication of a document which features such a definition.**

CRITERIA FOR III PRIORITY AXIS

The quality of project selection criteria prepared as part of III PA is on a high level. In the course of the study, no criteria requiring improvement with respect to comprehensibility or verifiability were identified. In majority, the applicants consider the criteria clear and objective. Formal criteria were evaluated best in this respect; substantive criteria of I and II degree were slightly worse. **The criteria which, in the applicants’ opinion, are characterised by the lowest level of objectivity, explicitness, verifiability, comprehensibility and precision include primarily horizontal criteria (e.g. *Consistency of information contained in the application, schedules to the application or Correctness of financial and economic analysis*).** The fact that almost all projects under this axis (apart from the ongoing call as part of Measure 3.2 C Intermodal Transport) are implemented in a non-competitive mode, which decreases the necessity of competing with other potential beneficiaries and offers greater flexibility at the stage of application preparation (e.g. with respect to time) may influence this state of affairs. No problems were identified with respect to internal consistency. The criteria are not mutually exclusive and there are no situations in which the applied criteria discriminate against any potential beneficiaries.



The set of criteria guarantees implementation of the I&EOP objectives and detailed objectives formulated for III PA. In spite of the fact that the selection criteria do not directly refer to programme indicators or the Performance Framework, their impact on the implementation of assumptions in this respect was highly evaluated - primarily on account of their consistent and logical character allowing for comprehensive project evaluation. Obviously, it is possible to indicate criteria that are closely related to the implemented indicator, e.g. in case of intermodal projects, the substantive first degree criterion *Transport performance volume transferred from roads to other branches of transport thanks to the project* is strictly related to the result indicator *Transport performance in intermodal transport*. On account of absence of projects of this type (at the present moment, the call for applications is under way), it is difficult to assess the strength of such relation.

CRITERIA FOR IV PRIORITY AXIS

A definite majority of formal criteria was evaluated positively with respect to objectivity, explicitness, verifiability, comprehensibility and precision. The most problematic was the criterion *Location within national roads (including express roads) belonging to the TEN-T network*. The most difficult for the applicants was to verify the information whether a given section of road is within the TEN-T network (core or comprehensive/ supplementary). This difficulty resulted from the absence of relevant documents/ maps on a level other than national. In order to avoid problems of this type in the future, **it is recommended to: 1/ impose an obligation on the applicants of attaching relevant documents from the Ministry of Infrastructure and Construction to the applications (a letter of commitment confirming the status of a road encompassed by the project); 2/ creation by the Ministry of Infrastructure and Construction of a detailed and (preferably) interactive map presenting the actual status of the core and comprehensive TEN-T network in the country (the map should present not only the road network, but also the railway network, as well as the locations of airports, harbours and intermodal junctions/ terminals and should be updated over**



time). The map should be supplemented by a breakdown presenting a description of all sections and junctions of the TEN-T network in the country.

Substantive first degree criteria were evaluated best with respect to their objectivity and verifiability, whereas worse with respect to explicitness, comprehensiveness and precision. Analysis of this group of criteria allowed for identifying specific difficulties in their application and specification of potential recommendations to limit them.

- ❖ The criterion *Preparation of project for implementation*: it is worth considering **inclusion in the evaluation of the fact of possession of tender documents or terms of reference for procedures that have not yet been initiated** (i.e. calculation of the contract value coefficient with respect to which relevant documents exist in reference to the total project value);
- ❖ The criterion *Guaranteeing road traffic safety*: the fact that the description of the criterion lacks reference to the act that regulates the methodology and the range of the Road Safety was evaluated negatively; no points awarded in case of errors/ defects identified during audit and the applicant is capable of proving that they were efficiently removed. Bearing this in mind, **it is recommended to clarify the description (by referring to relevant provisions of legal acts - methodology and range of Road Safety audit was determined in Art. 2B of the Act on Public Roads, implementing, in this respect, the provisions of Directive 2008/96/EC of the European Parliament and of the Council of 19 November 2008 on road infrastructure safety management) and to take a situation when the applicant removed the errors and defects identified in the course of an audit or showed the causes for failure to remove them into account in positive evaluation.** Analysis of this criterion also showed the **justifiability of analysing separation of a criterion referring to the Smart Transport System solutions (on account of the level of advancement of the I&EOP 2014 - 2020, such criterion could only be introduced as part of the I&EOP 2020+).** To guarantee the quality of such solutions, it might be possible to prepare a closed catalogue of such systems, from which the applicants would choose elements that they want to implement.
- ❖ The criterion Number of accidents annually per 1 km: **the CEUTP should work out (e.g. in cooperation with Police representatives) a uniform methodology, which would be applied by all bodies providing data of this type** (to this aim, it is worth taking into account the methodology applied by the Polish Road Safety Observatory).

Apart from the evaluation of criteria wording, their internal consistency was also analysed. No mutually exclusive criteria have been identified. Analysis of the content of programme documents has also indicated that consistency between them and the criteria is maintained. Only individual cases of lack of consistency were identified between names, descriptions and principles of evaluation of some criteria - in such cases, changes of names or criteria descriptions were suggested.

The efficiency of criteria under IV PA of the I&EOP was evaluated quite positively with respect to their adequacy to the Programme objectives and detailed objectives of the priority axes; types of potential projects to be implemented and principles of selection of projects for co-financing and specific nature of beneficiaries. In the course of the analyses, attention was drawn **to the necessity of separating a criterion pertaining to Smart Transport System solutions in projects (as an additional substantive first degree criterion), which might reinforce the effects of projects in the form of increasing traffic flow on roads (such criterion could be used, e.g., as part of the future financial perspective).** In spite of the fact that the selection criteria do not directly refer to the programme indicators or the Performance Framework, their impact on the implementation of assumptions in this respect was highly evaluated - primarily thanks to the significant weight of the criterion

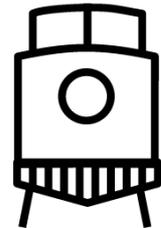
Preparation of project for implementation, but also thanks to the criteria pertaining to safety or compliance of projects with the I&EOP, Detailed Description of Programme Priority Axes and competition regulations (in case of competition projects).

Analysis of application evaluation charts has shown that all applicants received a maximum number of points only for the first criterion: *Limitation of impact on the natural environment*. This indicates that the **criterion did not differentiate the results of the comprehensive grade in any manner - it may be worth considering its' transfer to the stage of substantive second degree evaluation**. A similar situation occurred in the case of the criterion ***Project compliance with the European Union Strategy for the Baltic Sea Region (EUSBSR)***: only two out of analysed projects received the maximum number of points, one project received 0 points. Thus, this criterion has slight significance in the entire evaluation. The criteria with which the applicants had least problems (i.e. ones for which they received point values most approximate to the maximum value) include: *supra-regional nature of the project; complementarity; degree of use of the road throughput*: in these cases, the average value of received points constituted at least 70% of the maximum value.

Evaluation of the criteria confirmed their significant impact (primarily in the competitive mode) on eligibility of high-quality projects for co-financing and impact on the possibility of comprehensive evaluation of the investment (this is primarily guaranteed by the so-called soft criteria): *complementarity, reduction of impact on the environment and guaranteeing road traffic safety*. Analyses did not confirm the risk of discrimination against any category of beneficiaries applying for co-financing.

CRITERIA FOR V PRIORITY AXIS

The criteria applied as part of individual project types in the fifth priority axis are to be highly evaluated. Both the representatives of the Managing Authority, the CEUTP and applicants in a definite majority indicated that the **criteria are comprehensible, precise, verifiable, objective and explicit**. However, certain problematic issues have emerged, related to the criteria, evaluation elements and definitions described below:



- ❖ The criterion *Energy efficiency*: no sample and recommended activities are indicated which would influence higher energy efficiency of railway stations. In the case of implementation of the I&EOP 2020+ **clarification of this criterion is recommended**;
- ❖ Definition of agglomeration: problems with defining whether specific transport takes place within an agglomeration or whether it is regional transport. In this respect, an interpretation of the Managing Authority was issued, yet in the case of implementation of the I&EOP 2020+, **it is worth defining this term in more detail**;
- ❖ The criterion *Guaranteeing improvement of the quality of rolling stock used in transport*: absence of criteria that would assess improvement of quality. **Change of the name of the criterion is recommended**. In the current wording of the "criterion description", the use of the rolling stock is evaluated (for public utility transport or for commercial transport under specific conditions) and subordinating the rolling stock to the TEN-T railway lines/ outside of TEN-T/ municipal lines.

The following criteria have also turned out to be problematic to comply with for the beneficiaries:

- ❖ Criterion *Separation of agglomeration traffic from cargo or long-distance passenger traffic*: this criterion is problematic to fulfil by the applicants due to the fact that in their evaluation, the passenger and the cargo transport takes place on the same tracks and it is difficult to separate them. The criterion is used to evaluate whether, as a result of project performance, elements were foreseen in the project which, in a general definition, create conditions for a change: construction of additional



railway tracks, including passing loops or railway stops; application of other technical solutions used to improve the flow of railway traffic within an agglomeration. The problem is not the definition of the criterion, but the problems with fulfilling it.

- ❖ The criterion *Supra-regional nature of the project*: a problematic criterion to be fulfilled by the applicants. The respondents indicated that in some of the implemented projects, it was difficult to show their supra-regional nature. It has to be emphasised that the criterion is applied exclusively in the selected Measures subject to the competitive mode.
- ❖ The criterion *Project compliance with the European Union Strategy for the Baltic Sea Region (EUSBSR)*: the applicants' low level of knowledge about the objectives of the strategy and translation of the strategy to the implemented projects. In fact, the problem is not directly related to the adopted criterion (its' wording), yet this issue should be borne in mind and **taken into account as part of training sessions for applicants.**

Based on expert studies and benchmarking studies, **it is recommended to consider adding the following criteria in the case of the I&EOP 2020+:**

- ❖ *Total life cycle cost*: this criterion could consist in evaluation of the estimated length of operation of the rolling stock and costs of maintenance and, on this basis, could enable evaluation of the cost efficiency of the purchased rolling stock;
- ❖ *Readiness for rolling stock servicing*: the applicant should show that it possesses relevant facilities to service the rolling stock (halls, personnel, etc.) and sources from which the cost of using the purchased rolling stock will be financed;
- ❖ *Cost efficiency*: such criterion is used in some ROP. The average cost of upgrading 1 km of railway lines was calculated in them, complying with specific criteria, cost of purchase of the rolling stock or cost of modernisation of a railway station with respect to the number of serviced passengers. Ranges were designated on this basis. Depending on the cost efficiency, the project is assigned to a given range and subsequently, points are awarded depending on efficiency. Such criterion should be introduced in case of rolling stock and railway station projects - taking the cost of implementation of one unit of the result indicator into account.

The designed **criteria system is consistent with the detailed objectives of V Priority Axis of the I&EOP 2014 - 2020. The criteria and/ or types of projects directly contribute to individual product and result indicators.** The conducted analysis did not show inconsistency and potential problems with selection of projects not contributing to the accomplishment of indicators, the Performance Framework and objectives. **The applied criteria allow for comprehensive project evaluation.** First of all, they influence higher quality of the submitted projects (with the assumptions that the applicants pay attention to the criteria described in the documentation when preparing the application). The criteria “enforce” the application of certain solutions, which could be overlooked by the applicants if such criteria did not exist. **The applied criteria also allow for verification of quality and selection of better projects.** In case of the non-competitive mode, the possibility of summoning the applicant multiple times to supplement the application also influences higher project quality by the possibility of making corrections in the application.

CRITERIA FOR VI PRIORITY AXIS

The set of project evaluation criteria used in the sixth priority axis is **objective, explicit, verifiable, comprehensible and precise.** Formal criteria were evaluated best in this



respect; substantive first and second degree criteria were slightly worse. The applicants only mentioned difficulties with verification of the criterion *Project compliance with the European Union Strategy for the Baltic Sea Region (EUSBSR)*. However, this results from the applicants' low level of knowledge about the Strategy's objectives. **It is necessary to conduct information activities (e.g. training sessions, educational materials) with the aim of clarifying the objective for which the criterion is used and discussing the manner of its' evaluation (including factors and variables taken into account).**

Projects under VI PA are implemented in a non-competitive mode, which makes evaluation of the impact of criteria on project quality difficult. However, it is to be considered that the sole presence of the criteria has a positive impact on the quality of the prepared project documentation, which is particularly important in the case of infrastructural and rolling stock projects in the area of collective transport in cities characterised by high complexity.

No criteria were identified whose application is only apparent or not related to the implementation of the I&EOP objectives. No types of potential beneficiaries are discriminated against - the catalogue is clear and comprehensible.

As part of benchmarking of project selection criteria in the area of collective transport in the cities (applied as part of the ROP) **criteria referring to cost efficiency were identified. Their use as part of the set of criteria of VI PA could improve the efficiency of expending public funds.**

IMPLEMENTATION OF HORIZONTAL POLICIES

Projects implemented with the use of the European Union funds should comply with horizontal policies, i.e. strategic objectives and development priorities specified in the Europe 2020 strategy. The horizontal principles include: promoting equality of men and women, preventing discrimination and sustainable development.



In the selection criteria, horizontal principles have a special place in the provisions of two criteria:

1. **The principle of preventing discrimination and equal opportunities for women and men:** the compliance of the project with horizontal principles of non-discrimination and gender equality is verified. In particular, the object of verification is whether a project does not limit equal access to resources (goods, services, infrastructure) on account of sex, racial or ethnic origin, religion or beliefs, disability, age or sexual orientation. In the case of people with disabilities, the non-discriminatory character of the project entails the necessity of applying the principles of universal design and rational amenities ensuring availability and possibility of using the supported infrastructure. This criterion guarantees implementation of horizontal policies related to promoting gender equality and preventing discrimination.
2. **Sustainable development principle:** it is verified whether the project encompasses financing of measures minimising the impact of man on the environment. The principle of sustainable development is fulfilled if, as part of the project, commencement of activities aimed at rational management of resources, reduction of environmental pressure, taking environmental effects in management into account, improving the society's ecological awareness are taken into account. This criterion ensures implementation of horizontal policies related to sustainable development.

Additionally, in some sectoral substantive second-degree criteria, the criteria making the applicant liable for undertaking specific activities are applied, e.g. in Measure 5.2 in project type "modernisation (purchase or upgrade) of railway stock" the criterion "adjustment to the needs of people with disabilities" is applied. On the other hand, Measure 6.1 features a criterion "adjustment to the needs of people with limited mobility."

Taking the above criteria into account, it was assessed that they exert positive influence on the implementation of horizontal policies. However, attention was drawn to the fact that these criteria pose problems, both for the applicants and the representatives of the Managing Authority of the I&EOP and the CEUTP and due to this, they are frequently treated as an obligation to comply with and not actual consideration of the problem to which horizontal policies refer. **On the one hand, further training of the employees of the CEUTP and applicants in the area of horizontal policies is recommended and, on the other, preparation of a greater number of substantive second-degree criteria in these areas where it is justified. Additionally, it is worth including the necessity of preparing an analysis of project impact on horizontal policies in the criteria description. In case of positive or neutral impact, the project should be evaluated positively. On the other hand, if the project has adverse impact, the applicant should be required to introduce activities in the project that ensure equal opportunities or sustainable development.**

IMPLEMENTATION OF PERFORMANCE FRAMEWORK

The indicators of financial progress of the Performance Framework and the value of key implementation steps specified for 2018 were in majority accomplished.



The values for the Key Implementation Steps were exceeded in all analysed Priority Axes of the I&EOP 2014 - 2020. In the case of the financial indicator, the high degree of accomplishment was recorded in III PA (98%) and IV PA in reference to weakly developed regions (77%). At the end of October 2017, the level of implementation of the financial indicator under IV PA for better developed regions amounted to 0%, yet no risk was identified here with respect to failure to accomplish the assumed value at the end of 2018, as an agreement for project implementation was signed that guarantees it. In V PA, the value of the financial indicator is also high (72%).

According to the representatives of the Managing Authority of the I&EOP, there is no risk that the financial indicators will not be accomplished by the end of 2018, as at the present moment the number of submitted applications for payment already secures the estimated level of expenditure.

The basic criteria guaranteeing implementation of projects which allow for the meeting of obligations resulting from the adopted Performance Framework are the criteria evaluating preparation of a project for implementation, applied in all analysed priority axes of the I&EOP.

No significant threats were identified with respect to the implementation of final objectives, even though the situation in IV and VI PA will require monitoring. Multiple identified risks which occur during the implementation of investments are conducive to putting even more emphasis on good preparation of projects for implementation.

In case of announcing subsequent calls (after 2017) as part of the I&EOP, it is recommended to introduce a second degree substantive criterion called: *Preparation of project for implementation*. The criterion should contain such elements as:

- ❖ holding a decision on environmental constraints encompassing all project elements that require it;
- ❖ holding construction documentation;
- ❖ prepared tender documentation;
- ❖ holding a building permit.