



**ADMINISTRATIVE
CAPACITY-BUILDING IN
2021-27:
PRIORITIES, STRATEGIES,
AND IMPLEMENTATION**

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**Report to the 55th IQ-Net meeting, 29 November – 01 December 2023,
Budapest, Hungary**



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Stichting EPRC Delft is a non-profit foundation registered in the Netherlands (No. 69203288)

EPRC gratefully acknowledges the financial support provided by participating national and regional authorities, whose contributions are partly co-financed by Technical Assistance from the European Structural and Investment Funds.



PREFACE

The IQ-Net Network promotes exchange of experience on the management and implementation of Structural Funds programmes among managing authorities, intermediate bodies and coordination authorities. The network is managed by the European Policies Research Centre Delft under the direction of Professor John Bachtler and Heidi Vironen. The research for this report was undertaken by EPRC in preparation for the 55th IQ-Net Conference on 29 November – 1 December 2023. The report was written by Fabian Gal, Odilia van der Valk and John Bachtler.

The report is the product of desk research and fieldwork visits during Spring 2023 to national and regional authorities in EU Member States (notably partners in the IQ-Net Consortium). The field research team comprised:

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EPRC Delft thanks all those respondents from national and regional authorities who participated in the research. Thanks also to Alyson Ross and Rachel Maguire for editorial assistance. Additionally, EPRC Delft gratefully acknowledges the financial support provided by participating national and regional authorities, whose contributions are partly co-financed by Technical Assistance from the European Structural and Investment Funds.

The partners in the IQ-Net network are as follows:

Austria

- ROK Secretariat – Austrian Conference on Spatial Planning

Belgium

- Flanders Innovation & Entrepreneurship

Czechia

- Ministry of Regional Development

Denmark

- Danish Business Authority



Finland

- South and West Finland (Etelä- ja Länsi-Suomi)

Greece

- Management Organisation Unit of Development Programmes S.A., Ministry of Economy and Finance

Hungary

- Managing Authority of the Economic Development and Innovation OP (GINOP), Prime Minister's Office

Ireland

- Southern Regional Assembly, EU and Corporate Affairs Division
- Northern & Western Regional Assembly

Netherlands

- Managing Authority Kansen voor West
- Managing Authority Noord, Northern Netherlands Alliance (SNN)
- Managing Authority OP Oost
- Managing Authority Stimulus (OP Zuid)

Poland

- Marshal Offices of the Warmińsko-Mazurskie and the Pomorskie Regions

Portugal

- Agency for Development and Cohesion (ADC)

Spain

- Provincial Council of Bizkaia/ País Vasco (Basque Country)

United Kingdom

- Scottish Government
- Welsh European Funding Office

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To cite this paper, please use the following: Gal F, Van der Valk O, and Bachtler J (2023) Administrative Capacity-Building in 2021-27 – Priorities, Strategies and Implementation. IQ-Net Thematic Paper 55(2), European Policies Research Centre Delft.



Disclaimer

It should be noted that the content and conclusions of this paper do not necessarily represent the views of individual members of the IQ-Net Consortium.



LIST OF ABBREVIATIONS

ACB	Administrative Capacity Building
CF	Cohesion Fund
CPR	Common Provisions Regulation
DG	Directorate General
DNSH	Do no significant harm
EC	European Commission
ERDF	European Regional Development Fund
ESF / ESF+	European Social Fund / European Social Fund Plus
ESIF	European Structural and Investment Funds
IB	Intermediate Body
IROP	Integrated Regional Operational Programme (Czechia)
ITI	Integrated Territorial Investment
JTF	Just Transition Fund
MA	Managing Authority
MC	Monitoring Committee
MS	Member State
NCA	National Coordination Authority
OP	Operational Programme
PA	Partnership Agreement
PO	Policy Objective
ROP	Regional Operational Programme
RRF	Recovery and Resilience Facility
SCO	Simplified Cost Options
SFC	System for Fund Management in the European Union
SME	Small and medium sized enterprises
SO	Specific Objective
SWD	Staff Working Document
TA	Technical Assistance



COUNTRY/PROGRAMME ABBREVIATIONS

Country	Abbreviation
Austria	AT
Belgium (Vlaanderen)	BE (Vla)
Bulgaria	BG
Czechia	CZ
Cyprus	CY
Denmark	DK
Estonia	EE
Finland	FI
France	FR
Greece	EL
Hungary	HU
Ireland	IE
Ireland (Southern Regional Assembly)	IE (SRA)
Ireland (Northern and Western Regional Assembly)	IE (NWRA)
Latvia	LV
Lithuania	LT
Luxembourg	LU
Netherlands	NL
Poland	PL
Poland (Warmińsko-Mazurskie, Pomorskie)	PL (W-M, Pom)
Portugal	PT
Slovenia	SI
Slovakia	SK
Spain	ES
Spain (Bizkaia, País Vasco)	ES (Biz)
Sweden	SE
United Kingdom	UK
United Kingdom (England)	UK (Eng)
United Kingdom (Scotland)	UK (Sco)
United Kingdom (Wales)	UK (Wal)



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EXECUTIVE SUMMARY

Managing Cohesion Policy programmes is one of the most important and complex tasks in the EU, undertaken within an unstable environment with many implementation challenges arising frequently. **Administrative capability is therefore needed to ensure timely, legal and effective spending.** The key questions for this IQ-Net paper are **how administrative capacity-building (ACB) is working in the 2021-27 period, and what is the value of different support instruments and tools.** In this respect the paper will analyse priorities, strategies and the implementation of ACB.

The paper has reviewed the 2019 'Annex Ds', and IQ-Net partners were asked to identify **internal and external factors** that influence the implementation of Cohesion Policy. In this respect, **Human Resources** are identified as an important internal factor of programme implementation, and **administrative capacity for beneficiaries** is for all IQ-Net partners an important external factor that needs in most cases, improvement.

In terms of **strategic approach**, regardless of whether a formal administrative capacity building roadmap has been developed, all IQ-Net partners are actively monitoring the dynamics and are seeking

ways to improve the implementing of Cohesion Policy programmes.

Building capacity of beneficiaries and stakeholders is a multi-actor, multi-level, long-term process that can be achieved by combining events, training sessions and personal contacts between programme authorities and beneficiaries. Given the importance of **human resources** for the successful implementation of programmes, IQ-Net partners have developed numerous measures and tools to retain qualified and motivated staff. These can be grouped into three categories, **training, good working conditions** and **opportunities for collaboration.** The paper also analyses IQ-Net partners' use of **Technical Assistance (TA)**, as it is a powerful facilitator of administrative capacity building initiatives and may provide the necessary financing to implement tools and capacity building measures.

The review of administrative capacity building measures in this paper provides only a snapshot of all the measures and activities that are going on. Fundamentally, what this paper shows is that, **as we strive to seek improvements to the implementation of Cohesion policy programmes, administrative capacity building is for everyone, everywhere, all the time.**



1 INTRODUCTION - ADMINISTRATIVE CAPACITY BUILDING FOR SUCCESSFUL COHESION POLICY IMPLEMENTATION

1.1 What is administrative capacity building?

Managing Cohesion Policy programmes is one of the most important and complex tasks in the EU. With a third of the EU budget, the delivery of EU funding depends on the ability of managing authorities, intermediate bodies, and coordinating authorities to design well-founded programmes that respond to regional needs and opportunities, generate a project pipeline, appraise and select 'good projects', ensure they are implemented to meet the targets, monitor and evaluate the progress of programmes, and ensure sound financial management in line with EU rules. These tasks have to be undertaken within an unstable environment: periodic reform of the regulatory framework, domestic political, policy and institutional changes, and an unpredictable economic environment marked by crises. All of these challenges require the administrative capability to ensure timely, legal, and effective spending. The process of **adapting to new challenges and constantly seeking to improve implementation may be referred to as "administrative capacity building"**, and the better this is done the better the results that can be expected.

There is growing academic evidence and recognition by policymakers that **administrative capacity is a pre-condition for successful management of EU Funds**. Administrative capacity building is part of what is referred to as good governance. Academic and evaluation evidence over the past two decades confirms that quality of governance is a key determinant of administrative performance in terms of financial compliance, timely spending, and outcomes.¹ However, most studies do not measure the quality of Cohesion Policy implementing authorities directly but instead rely on proxy measures such as general quality of government indicators.² This means that while the academic findings confirm the correlation between administrative capacity and successful implementation of Cohesion Policy programmes, they do not allow conclusions to be drawn about the performance of a particular programme. In fact, numerous IQ-Net reports³ have highlighted that implementation challenges are faced both in very strong as well as in not as strong quality of governance contexts. Moreover, implementation difficulties do not necessarily mean that administrative capacity is weak. Unexpected events beyond the control of implementing bodies can disrupt successful implementation of programmes. Yet, strong administrative capacity provides resilience to mitigate and adapt to the impact of such situations. In this respect, administrative capacity building is an essential element of Cohesion Policy programme management in all EU Member States.

The past decade in particular has seen **growing emphasis being placed on administrative capacity building (ACB)** at EU, national, and regional levels. In the 2014-20 programme period a dedicated thematic objective (TO 11) was devoted to *enhancing institutional capacity of public authorities and stakeholders and efficient public administration*, and administrative



capacity 'competence centres' in both DG REGIO and DG EMPL developed initiatives, tools, and networks to support Member States with effective programme delivery.

The emphasis on ACB continues in 2021-27. EU regulations require Member States to ensure that sufficient administrative capacity is in place to implement Cohesion Policy programmes. In this respect, the Partnership Agreement and each programme shall identify challenges and actions, and measures to ensure good administrative capacity for the implementation of Cohesion Policy programmes.⁴ The provision of ACB training and other support has been supplemented by the development of ACB roadmaps in some Member States. Programme authorities are also being encouraged to make better use of Technical Assistance for ACB, particularly to improve the quality of human resources. At a broader governance level, the creation of a Technical Support Instrument, and a new Directorate-General for reform (DG REFORM), is supporting more far-reaching changes to government administration, incentivised by the links between investment and reforms under Recovery & Resilience Facility.

1.2 How to build administrative capacity?

The key questions for this IQ-Net paper are how administrative capacity-building is working on the ground in the 2021-27 period, and what is the value of different support instruments and tools. Adopting a broad definition of **administrative capacity-building as the process of seeking improvements within a context of changing environments** allows taking stock of and comparing measures and activities in all IQ-Net programmes, regardless of whether administrative capacity building as such is considered a priority. To support the comparison, recent studies and reports provide structure to the analysis of various administrative capacity building efforts.

Following the European Commission and the OECD's report⁵ there are four dimensions to administrative capacity:

- **People:** the availability, the qualifications, and competences of human resources;
- **Organisation:** systems, tools, processes and culture that structure the interactions of individuals within an organisation;
- **Strategic planning:** leadership and the ability to connect the other dimensions of administrative capacity towards the setting and achievement of goals;
- **Framework conditions:** the underlying rules and procedures as well as contextual conditions within which implementation actors operate.

The recommendations of recent research and evaluation is that ACB needs **to focus on the whole implementation ecosystem**.⁶ Traditionally administrative capacity building was focused on the public authorities responsible for implementation. However, increasingly there is a recognition that capacity also matters for successful policy implementation at the level of intermediaries and other stakeholders, as well as the capacity of project promoters



(beneficiaries).⁷ Moreover, ACB measures should not be undertaken on an isolated individual basis but integrated into a wider overall strategy. Indeed, the study for the Commission on the use of technical assistance for administrative capacity building finds that “*the effective use administrative capacity building measures depends on the existence of **well-founded, coherent, and forward-looking strategies**, and on good governance (based on leadership, coordination and stakeholder involvement) underpinned by a learning culture.*”

Box 1: Main findings of the study “the use of Technical Assistance for administrative capacity building”

Lessons and recommendations

(a) **Effective administrative capacity building depends on a well-founded, coherent and forward-looking strategy**, including a clear rationale based on a sound strategic analysis, shared vision, long-term perspective, and a mix of different types of capacity building measures. Flexibility of support and targeting are also important, as can be the frontloading of investments.

(b) As with other aspects of ESIF, **good governance of investment for administrative capacity building requires leadership, coordination, but also stakeholder involvement.**

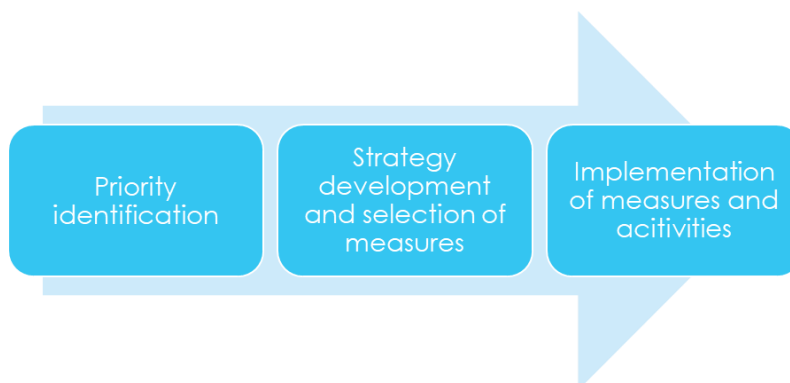
(c) **Effective TA strategic planning and good governance for administrative capacity building are underpinned by a learning culture.** Successful use of TA involves frequent review to facilitate reflexive learning and, where existing capacities are low, TA can be used effectively to provide a stimulus for innovative capacity building. Robust monitoring systems are required for learning, as well as transparency and accountability.

Source: Polverari L, Bachtler J, Ferry M, Mendez C and Ogilvie J (2020) *The Use of Technical Assistance for Administrative Capacity Building During the 2014-2020 Period*, Final Report to the European Commission (DG Regio).

Operationally, ACB typically follows a three-step process (see Figure 1), which provides the structure for this IQ-Net report. First, the ACB priority(ies) need(s) to be identified, examined in Section 2.1 Then, specific ACB strategies have to be developed and measures that address the identified priority need to be selected (see section 2.2). Lastly, Section 3 discusses the implementation of the various measures and activities in IQ-Net programmes.



Figure 1: The process of administrative capacity building



2 PRIORITIES FOR CAPACITY BUILDING: WHAT NEEDS TO BE DONE?

2.1 Identifying priorities in CSRs, PAs and Programmes



An important starting point for considering the ACB priorities in the 2021-27 period were the Country Reports under the European Semester. For the first time, the 2019 Country Reports paid closer attention to Cohesion Policy, contained in an 'Annex D' to each Reports. These annexes presented the preliminary views of the Commission services on priority investment areas and framework conditions for effective delivery for the 2021-2027 Cohesion Policy. They provided guidance for Member States undertaking programming and the basis for dialogue between MS and the Commission on the approval of programmes. The annex not only identified priority investments per Policy Objective, but also factors for effective delivery of Cohesion Policy (see Figure 2). The UK having left the EU does not have a Partnership Agreement or programmes for the 2021-27 period and the UK Country Report of 2019 did not include an Annex D. Figure 2 thus includes all current EU Member states and excludes the UK. However, administrative capacity building is still an important issue in the UK. Figures 3 - 7 thus concern all IQ-Net partners, including **Scotland** and **Wales**.

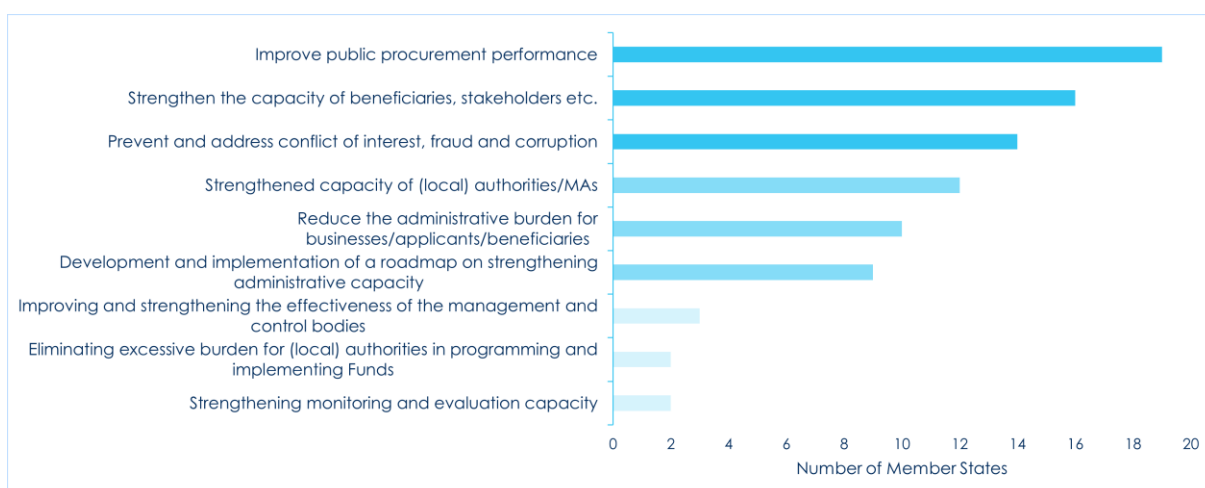
Reviewing the documents for each Member State, the most frequently mentioned priority in Annex D is to improve public procurement performance – a vast majority of the 2019 Country Reports include improvement of public procurement. Improvement of public procurement is described in a broad way and also includes issues such as reducing the rate of single bidders or implementation of new public sector laws, efficiency and administrative capacity when implementing the funds, sufficient staff, and enhancing e-services.



Across all Member States, strengthening the capacity of beneficiaries, stakeholders, social partners, civil society, and intermediate bodies also holds high priority – more than half of MS have this cited (Figure 2). In most cases strengthening beneficiary capacity is needed to prepare and implement projects. However, some member states have a more specific recommendation, such as a specific sector (railway infrastructure) in **Poland** or to prepare and implement high quality projects and to shape policy through public consultation (**CZ**).

Besides increasing beneficiaries' capacity, a closely related priority is to reduce the administrative burden for applicants, with a special mention of business and SMEs (**AT, PL**). Not only does beneficiary capacity need improvement, administrative capacity building in management authorities is also a priority for almost half of EU Member States, closely related to reducing administrative burden for MAs. Lastly, for 14 Member States a priority is to improve and implement more efficient measures to prevent and address conflict of interest, fraud, and corruption (**CZ, EL, HU, PT, ES**).

Figure 2: Priority Areas for Administrative Capacity Building in Annexes D

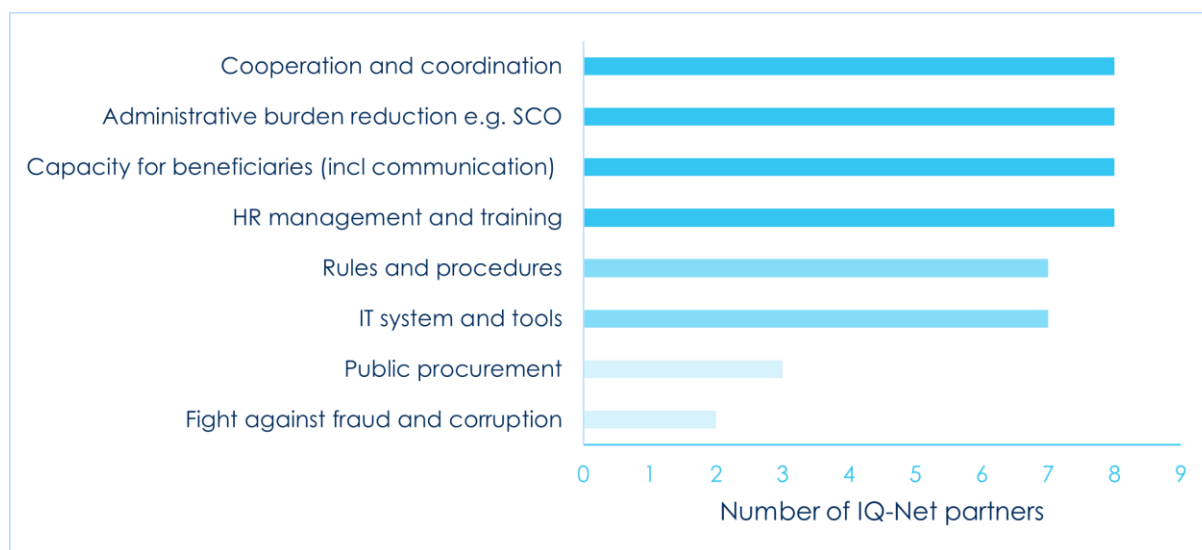


Source: EPRC research

Identification of priorities for administrative capacity building are not only set out in the 2019 country reports, but also in the Partnership Agreements (PA) for the 2021-27 period, and Operational Programmes (OP) for the same period. Amongst IQ-Net partners, the top four capacity-building priorities in the PAs and OPs are "cooperation and coordination", "administrative burden reduction (e.g. SCO)", "capacity for beneficiaries", and "HR management and training" (see Figure 3). These four priorities are mentioned by half of IQ-Net partners. To a lesser extent, "rules and regulation" and "IT systems and tools" are also frequently mentioned (almost half of IQ-Net partners).



Figure 3: Capacity building priority frequency in PA or OP of IQ-Net partners



Source: EPRC research

Among IQ-Net partners, in **Hungary** and **Portugal** the most priorities were identified (eight priorities), and in **the Netherlands** the least (one priority) (see Table 1).



Table 1: IQ-Net partners' priorities based on Partnership Agreements and Operational Programmes 2021 -27

IQ Net member/Priority	HR issues	Beneficiary capacity	IT system and tools	Public procurement	Administrative burdens	Rules and procedures	Fraud and corruption	Cooperation and coordination
Austria			x		x	x		x
Belgium (Vlaanderen)		x	x		x			x
Czechia	x					x	x	
Denmark	x	x			x			
Finland	x	x	x		x			x
Greece		x		x		x		
Hungary	x	x	x	x	x	x	x	x
Ireland	x		x	x	x	x		x
Netherlands					x			
Poland (Pomorskie)	x	x						x
Portugal	x	x	x	x	x	x	x	x
Spain (Bizkaia, País Vasco)	x	x	x		x	x		x
Total	8	8	7	3	8	7	2	8

Source: EPRC research



2.2 Priority identification by programme managers

Going beyond the official documents, IQ-Net partners were asked to identify internal and external factors that influence the implementation of Cohesion Policy, and to assess how the Member State is performing against these factors. It is important to note that priorities and the relative importance of a priority can vary over time. In **Portugal**, for example, respondents noted that factors such as leadership and cooperation are currently important, but this will possibly change in the future when the implementation of capacity building is at a different stage.

2.2.1 Internal factors

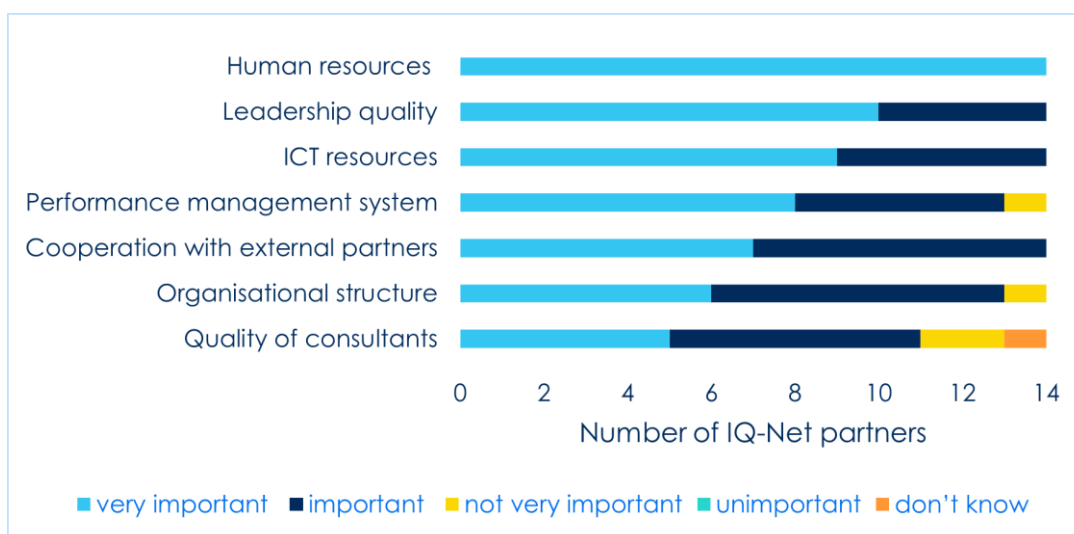
Although it is difficult to draw conclusions based on the priority identification by programme managers, **Human Resources** are identified by all IQ-Net partners as an important internal factor of programme implementation. Most of the partners also recognise that there is scope for improvement regarding Human Resources (see Figure 4). Given the priority of this topic, section 4.2 will explore the HR capacity building measures in more detail.

Other internal factors that are frequently mentioned are **leadership**, which most IQ-Net partners cite as working well, and **IT tools**, that for the majority need some improvement (see Figure 5). Leadership development, or strategic leadership, is addressed through training and coaching, either at regional or national level. In **Poland (POM)** close cooperation between departmental leaders (and political leaders) is emphasised which has avoided the operation of internal silos.

ICT resources are also considered an important factor for implementation and noted to benefit from some improvements. For **Ireland**, the ICT approach is mentioned in the Partnership Agreement, and an independent assessment in 2021 recommended using an ICT solution procured by the Office of the Government Chief Information Officer (OGCIO) for ERDF (and JTF), RRF, and BAR (Brexit Adjustment Reserve), and procuring their own systems for EMFAF (European Maritime, Fisheries and Aquaculture Fund) and ESF+. **Ireland – SRA** actively participates in networks such as the initial Peer2Peer networks on ICT systems and they have also been invited to lead one of the networks as champions. The focus in these networks is not solely on expertise but on community-building in, for example, ICT. Given the high number of IQ-Net partners that need some improvement in their ICT systems, these communities and networks can play an important role in ICT capacity building.

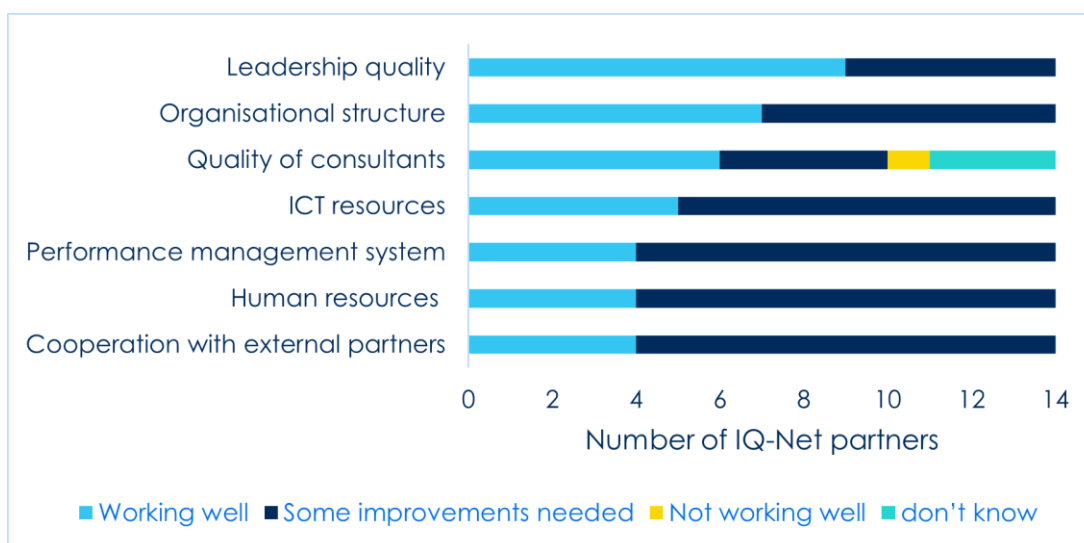


Figure 4: Importance of internal factors



Source: EPRC research

Figure 5: Evaluation of internal factors



Source: EPRC research

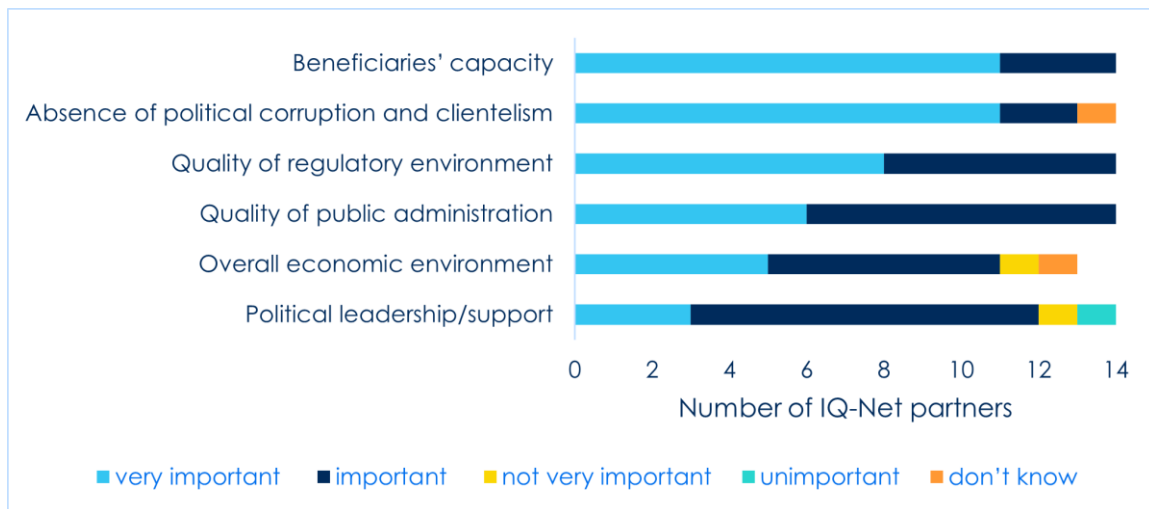
2.2.2 External factors

External factors that play an important role in programme implementation, for most IQ-Net partners, include **beneficiaries' capacity** and issues related to corruption (see Figure 6). Beneficiaries' capacity is an area all IQ-Net partners agree needs attention, as most IQ-Net partners indicated that "some improvements are needed", two considered that this dimension was "not working well" and none indicated it was "working well". On the situation regarding political corruption and clientelism, all Member States in the IQ-Net network recognise that the situation is under control (see Figure 7). However, the 2019 Country Specific Reports have



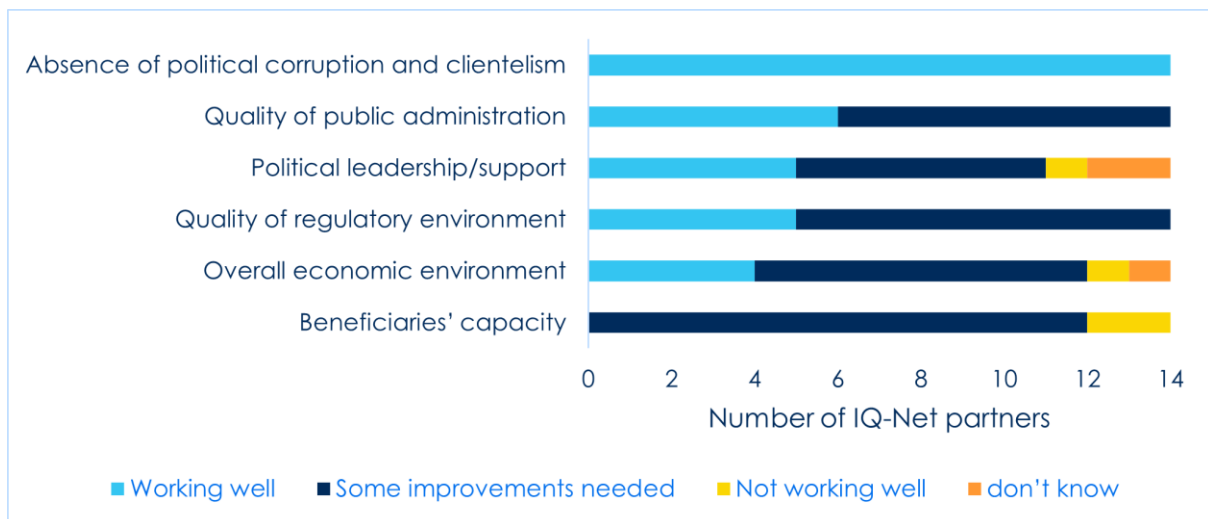
flagged improvement and implementation of more efficient measures to prevent and address conflict of interest, fraud and corruption, as a priority for more than half of all EU Member States. Administrative capacity for beneficiaries is for all IQ-Net partners an important priority that needs, in most cases, (some) improvement. More details on the issues that beneficiaries and stakeholders are facing, and the measures programme authorities are taking, are described in Section 4.1.

Figure 6: Importance of external factors



Source: EPRC research

Figure 7: Evaluation of external factors



Source: EPRC research



3 STRATEGIES FOR CAPACITY BUILDING AND ROADMAPS



Having identified priorities, programme authorities need to decide what measures and actions to take to address the administrative capacity building priorities. Previous studies have shown that administrative capacity building measures are most effective if underpinned by a coherent intervention logic such as a strategy.⁸ In this respect, the European Commission, in cooperation with the OECD, has developed and is promoting the use of so called “administrative capacity building roadmaps”, which are strategic documents that include a set of comprehensive actions on capacity building for the management and use of the Cohesion Policy funds. Taking up this initiative, 13 Member States have developed or are in the process of developing ‘roadmaps for administrative capacity-building’.⁹

Among the IQ-Net partners, four have done so (**CZ, ES, HU, PT**) while all others have decided to develop different strategies and approaches to build administrative capacity. This section first reviews IQ-Net partners' strategies and approaches to the selection of administrative capacity building measures, and then analyses the experience of those IQ-Net partners who have developed administrative capacity building roadmaps.

3.1 Strategies and selection of measures

Regardless of whether a formal administrative capacity building roadmap has been developed, all IQ-Net partners are actively monitoring the operation of Cohesion Policy programmes and are seeking ways to improve their implementing.

In some countries **general national public service strategies** are seen to have some impact on Cohesion Policy implementation (**IE, CZ, HU**). For example, **Czechia** approved the ‘Client-oriented Public Administration 2030’ strategy to improve the quality of public services. In **Ireland**, there is a Civil Service Renewal 2030 Strategy, which foresees actions on administrative capacity building, though the term is not directly referenced in the document. Actions are divided into three key themes, and projects and initiatives are detailed in three-year plans over a 10-year framework:

- Evidence-informed policy and services
- Digital first and innovation
- Workforce, workplace, and organisation of the future

The strategy also encompasses various mechanisms to support the monitoring and evaluation of progress and implementation.



Other IQ-Net partners have developed, in addition to the roadmaps or in place of these, **strategic documents to address specific areas of administrative capacity building (EL, FI, HU, PT, PL-WM)**.

The key capacity building 'strategy' in **Finland** is the “**Guidance and Training Plan**” developed by the MA (Ministry of Economic Affairs and Employment). The Plan, which is updated annually, compiles all the training needs. It aims to ensure that there is guidance, training, and information available for the MA, for those performing the accounting functions, and for the IBs to have sufficient competences to deliver their functions. The drafting of the Plan is influenced by the observations made by the MA as part of its control tasks (e.g. steering and control visits to the IBs), but also by other questions that the MA receives in relation to the implementation of the Programme.



In **Portugal** the ACB roadmap includes a “**Communication and External Visibility Programme**”, which aims to improve the visibility and perception, often negative, of the Funds among public opinion. It also serves as a basis for other actions, such as a European funds week, capacity-building workshops for media and political actors on the funds, or the implementation of an information programme on the European project and funds aimed at young people.



In **Hungary** a **training and competency development strategy** is in place and has been evaluated recently.



A strategic role of **technical assistance financing** for administrative capacity building has been highlighted in the **Netherlands** and **Portugal**, where a separate technical assistance programme exists.



In **Netherlands West** a **strategic employee plan/HR plan** evaluates the state of HR in the organisation, i.e. when there is a need for extra employees, junior or senior etc. This plan is supported by a capacity calculation model with standards per activity (e.g. it takes an x amount of hours/days to handle a project application). Based on this model extra employees are hired.



A Human resources action plan was also created in **Warmińsko-Mazurskie** in 2017 and updated in 2021. The plan contributes to improving working conditions, increase commitment and motivation to work and, as a result, have a positive impact on the effectiveness of the implementation of the programme.

In IQ-Net countries where administrative capacity building has not been formalised in a dedicated strategy, **individual measures and general management activities** contribute to administrative capacity building. In **Vlaanderen** there are guidelines for both internal and external employees, and procedures are in place to ensure administrative capacity is in order.



Besides the use of guidelines, there are also training opportunities for employees and the MA's regional contact points. **Denmark** operates a **dedicated in-house team in charge of competence development for programme administrators**. The team also contributes with ongoing advice and support to the DBA-staff to ensure that beneficiaries receive the same support. In addition to this, a so-called “neighbour-land check” is being planned for 2024, consisting of a systematic review of own procedures and practices in comparison with those of others. In **Netherlands South**, there is an **employee policy/handbook**, which includes measures such as structured knowledge sharing, and an onboarding system for new employees. In **Austria**, intermediate bodies systematically check the extent to which potential beneficiaries are capable of implementing funding timely and correctly. If this is not the case, projects may be transferred to domestic funding sources.

3.2 Roadmaps for administrative capacity building

Given the importance of a strategic approach to administrative capacity building, DG Regio, in collaboration with the OECD, has developed a toolkit including a methodology and different steps to follow to develop Roadmaps for administrative capacity building. According to the toolkit:

*“The roadmap is a **voluntary** strategic document that includes a set of comprehensive actions for capacity building for the management and use of the funds in a Member State or in an individual programme. It is designed to define and tackle administrative capacity issues, using a **strategic** approach that takes account of the short, medium- and longer-term perspective.”¹⁰*

The Commission has strongly encouraged Member States to prepare roadmaps to building up the administrative capacity of programme authorities, beneficiaries and partners, and has recommended their development within the Annex D for, among others, the IQ-Net countries **Czechia, Hungary, Spain** and **Portugal**. In total 13 Member States have agreed to develop ‘roadmaps for administrative capacity-building’ (BG, CZ, EE, ES, HR, IT, LV, LT, HU, PT, RO, SI and SK).

Czechia, Hungary, Spain and **Portugal** are all in the **implementation phase of the roadmap and first revisions and updates are already taking place**.



In **Czechia**, the roadmap was approved in 2021 and since then implementation is ongoing. Currently, a review is taking place with an update of the Roadmap to be prepared by the end of the year. Once the current revision of the Roadmap is finalized, the Ministry of Regional Development intends to seek agreement with the Managing Authorities on a plan for the next review. In any case, implementation progress of the Roadmap is being



monitored regularly, and a report is produced each year to inform the Government. In addition, the central electronic monitoring system provides information on prospective risks in an administrative capacity.



In **Portugal**, Roadmap implementation began in the 2nd half of 2022 and is still ongoing. Its action plan may be formally **revised in 2025**, in line with the mid-term review of the Partnership Agreement scheduled for the same time. Once fully implemented, the last phase of the Roadmap will allow assessment of the effectiveness, efficiency and results of the plan and pave the way for capacity-building of the fund ecosystem for the post-2027 period.



Spain prepared a Roadmap in March 2022 with implementation ongoing since 2023.



In **Hungary** an administrative capacity building roadmap was adopted at the same time as the Hungarian PA in December 2022. Overall, the creation of the roadmap was seen by Hungary as a constructive process, with several rounds of comments and discussions between the central coordination authority and the European commission. However, during elaboration of the roadmap, measures were included, which are not directly linked to administrative capacity building, but which concern broader horizontal issues linked to the rule of law conditionality mechanism. This means that the final roadmap's scope is broader than just the technical implementation of cohesion policy. Implementation is currently ongoing with 37 of the committed 40 activities already completed.

Greece is also developing a roadmap for administrative capacity building. However, the Greek roadmap will not follow the DG Regio/OECD toolkit and will be based on particular needs identified. The DG Regio/OECD toolkit provided guidance for better management for MAs while problems faced in Greece were of a different nature concerning mainly the capacity of beneficiaries.

Why prepare an administrative capacity building roadmap?

The simple answer as why to prepare an administrative capacity building roadmap seems to be: "because it has been a recommendation in Annex D to the 2019 European Semester country report." However, this would mask the underlying rationale and the advantages of this exercise, as has been highlighted by Portugal (see Box 2 below).



Box 2: Reasons for preparing a Roadmap for administrative capacity building in Portugal

Although **Portugal** ranks among the Member States with the best performance in implementing Cohesion Policy, it is considered important to improve procedures and adapt the systems, providing them with instruments that allow them to be more effective and efficient. The Roadmap is intended to contribute to improving both the performance of the administrations responsible for managing the funds, and the entire ecosystem involved. Good governance is viewed as fundamental in the definition of public policies, and the capacity-building of institutions and people is seen as a determining factor for their quality and effectiveness. It is assumed that resilient institutions, capable people, and adequate instruments allow the development of a culture that facilitates efficient and effective execution, creating the necessary conditions to promote investment and economic growth.

Looking at the experience with administrative capacity building roadmaps of IQ-Net partners, their **biggest benefit seems to be the structure** that the exercise provides. In fact, many of the measures or initiatives would have been implemented even without the roadmap (**CZ, HU**). However, the systematic revision of implementation practices, and the analysis of potential areas for improvement, is clearly helpful in terms of awareness raising and providing coherence to individual measures. In addition, in **Czechia** it is seen as beneficial that the central government is monitoring implementation progress of the roadmap.

Despite these advantages, many IQ-Net partners have not engaged in preparing administrative capacity building roadmaps following the European Commission's model, because it was considered not relevant (**AT, Vla, FI, NL**), because human resources and capacities were not available (**Vla**) or because alternative existing capacity-building approaches are deemed sufficient (**W-M**). **Ireland (SRA)** and **Denmark** have indicated that they may consider developing a roadmap in future. One **Greek** MA (Transport Infrastructure, Environment and Sustainable Development) has already contributed in the past, as they were involved in the pilot study that led to the toolkit by the European Commission and OECD.

How to prepare an administrative capacity building roadmap?

Once the decision has been taken to prepare an administrative capacity building roadmap, the actual preparation begins. Although the DG Regio/OECD toolkit provides a broad methodology, structure, and different steps for the development of roadmaps and the selection of appropriate measures, actual experiences vary between IQ-Net countries.

Box 3: Suggested structure and steps for preparing roadmaps:

- Section 1: General aim and structure of the roadmap
- Section 2: Methodology used to design the roadmap

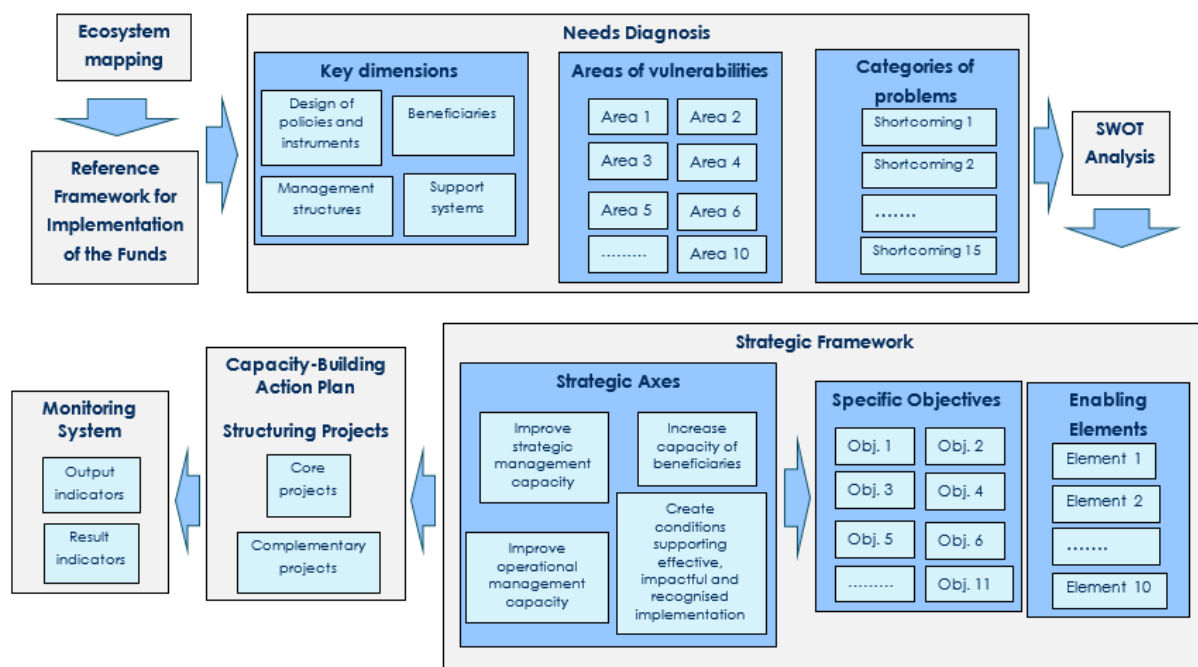


- Section 3: State of play (situation AS IS)
- Section 4: Mapping the future (situation TO BE)
- Section 5: Identifying actions
- Section 6: Roadmap implementation

Source: European Commission (no date), Roadmaps for administrative capacity building- Practical Toolkit, p.26, available at [Inforegio - Roadmaps for Administrative Capacity Building \(europa.eu\)](https://inforegio.europa.eu/)

The starting point for **selecting capacity building measures** are the recommendations provided by the Annex D of the 2019 European Semester country reports. In **Czechia, Spain, and Hungary**, these provided the basic areas of intervention, while the development process of the roadmap allowed a more detailed understanding of these areas and the development of specific measures. In **Portugal**, a more open and exploratory approach seems to have been selected involving “ecosystem mapping”, “needs diagnosis”, and the development of strategic axes and specific objectives. The preparation phase of the roadmaps in all four IQ-Net countries took about one year and a half (**PT**) to two years (**HU**).

Figure 8: Methodological process for Portuguese Capacity Building Roadmap



Source: CEDRU/EY-Parthenon Lisbon (2022) *Roteiro para a Capacitação do Ecosistema dos Fundos da Política da Coesão para o Período 2021-2027. Relatório Final, março de 2022*



The selection of measures has been organised differently in **Czechia, Hungary, Portugal, and Spain** with different priority headings. However, despite their differences in names the individual measures selected in the four countries can be summarised in the following three categories. First, **human resources**, including measures linked to training, motivation, and retention of staff. Second, **rules and procedures**, aiming to improve the organisational dimension of how programmes are implemented, including communication activities. Finally, **framework conditions**, which concern the institutional set-up and general laws in particular public procurement.

Table 2: Headings of the roadmaps

Czechia	Hungary	Portugal	Spain
Administrative capacity of national, regional and territorial authorities of the implementation structure,	People and organisational management	Improve strategic management capacity	Human Resources
Capacity of beneficiaries and partners to prepare high-quality projects	Strategic planning and coordination	Improve operational management capacity	Structures
sphere of public procurement	Framework conditions	Increase the beneficiaries' capacity to act	Simplification of management procedures
Prevention of conflict of interest, fraud, and mitigation of corruption		Create support conditions for effective, impactful and recognised execution.	Systems and tools
			EU policy visibility

Source: EPRC research

How to implement an administrative capacity building roadmap?

The implementation phase of the administrative capacity building roadmaps consists of the actual execution of selected measures, monitoring of progress, and the revision and update of the roadmap.

While preparing and implementing administrative capacity roadmaps is a collaborative exercise, **central coordination** is also needed. In all four IQ-Net countries (**CZ, ES, HU, PT**) where an administrative capacity building roadmap is being implemented, a national coordination



authority is ultimately responsible for the roadmaps. One of its core functions is to monitor implementation progress.

- In **Portugal**, biannual monitoring of the roadmap takes place, and the Roadmap's **action plan** may be adjusted over time, depending on the execution of actions, the emergence of new needs, but also the regular dialogue established between project managers and partner entities that, in common agreement, stabilise commitments and agree agendas for carrying out actions.
- In **Spain**, the main emphasis has been on:
 - creating an evaluation and diagnostic tool for the main actors involved in ERDF management;
 - Managing external collaboration to drive and advance the process with support from dedicated teams for different funds;
 - Assigning personnel in the MA exclusively to the roadmap task.
- It has been agreed in **Hungary** to keep track of and update the roadmap with the state of implementation every quarter. In practice however, updating of the roadmap is even more frequent as it is updated in real time as new information comes in (e.g. on training activities held).

Given the large number of individual measures and activities, the **structure provided by the roadmap proved** helpful in terms of coordinating measures and keeping track of progress and achievements. In **Hungary** for example, 40 individual measures have been committed to, grouped into the three priority areas:

- People and organisational management
- Strategic planning and coordination
- Framework conditions

Looking at the measures across priority areas three types of measures emerge;

- Rules and procedures
- Training
- Tools

To respond to the needs identified in the capacity-building strategy, the **Portuguese** roadmap defined **six structuring projects** that make up an action plan.



Box 4: Structuring projects of the action plan of the administrative capacity building roadmap in Portugal

1. **Fund Academy:** responds to capacity-building challenges in areas that cut across the various stakeholders, namely in planning, programming, management, monitoring, and control functions.
2. **Capacity-building for the operationalisation of the Territorial Approach of Portugal 2030:** reinforces institutional capacity to improve the quality and impact of territorial approaches.
3. **Capacity-building for the Operationalisation of smart specialisation:** develops skills in integrated strategic areas of development, such as RIS3, promoting the collective capacity-building of the organisations and people involved.
4. **Capacity-building for evaluation and results orientation:** reinforces capacity-building in the area of evaluation as an essential tool to increase the strategic and operational quality of Fund implementation, contributing to the creation of a global evaluation culture.
5. **Demand Qualification Programme:** promotes the capacity-building of beneficiaries to pursue efficient, effective, and results-oriented action, strengthening links with managing bodies and mitigating knowledge gaps about the funds' policies, goals, instruments, and processes.
6. **Communication and External Visibility Programme:** promotes competences and encourages the creation of tools that increase visibility and society's knowledge regarding the Funds' objectives, the projects they support, and the results that are being achieved.

Each of these Projects implement a set of actions/measures classified by action and project types.

Although implementation is well advanced, **some challenges** were encountered during the process. For example, in **Hungary** programme authorities felt that the scope of the roadmap was broader than what is strictly necessary for the good implementation of Cohesion policy programmes. This is because during the elaboration of the roadmap, and following discussions with the European Commission, it was decided to include measures that are not directly linked to administrative capacity building, but instead concern broader horizontal issues linked to the rule of law conditionality mechanism. This means that some elements of the roadmap are beyond the control of programme authorities, reducing the feeling of complete ownership of the roadmap. In **Portugal** the following difficulties had to be overcome:

- **appropriation of the action plan** by the various actors in the fund ecosystem;
- creation of routines leading to **continuous monitoring** of actions in order to verify compliance with the proposed objectives and analyse deviations; and



- **clarification of boundaries** of action, whether between structuring projects or between regular training plans, particularly of Managing Authorities.

Regardless of whether or not an ACB roadmap has been prepared, developed ACB measures need to be implemented. The following section will analyse and compare measures of the two main ACB priorities, beneficiaries' and stakeholders' capacity, as well as HR management and training.

4 IMPLEMENTING CAPACITY BUILDING MEASURES



Beneficiary and stakeholder capacity, as well as HR management and training have been identified as two main priority areas for programme managers. This is not surprising given that staff of the programme authorities are crucial for the orderly spending of available resources, while beneficiaries are at the receiving end. Together they operationalise the implementing of Cohesion Policy funds and thus constitute the fundamental elements in this process. This section will analyse different initiatives and measures taken in these areas. It will also look at IQ-Net partners' approaches to technical assistance as it is providing the financial means to implement measures in these areas, as well as other administrative capacity building measures.

4.1 Beneficiaries and Stakeholders



Despite being recognised as a main priority in the Annex Ds, Partnership Agreements, Programmes and by the IQ-Net programme authorities, beneficiaries' and stakeholders' administrative capacity seems to have received comparably less attention in academic and policy literatures. This sub-section aims to contribute to changing this situation by looking at main issues for beneficiaries and stakeholders as well as at solutions to address these.

4.1.1 Main issues for beneficiaries and stakeholders

When it comes to capacity issues for beneficiaries, one of the main issues according to programme authorities are the complex and changing European rules ([BE](#), [CZ](#), [DK](#), [EL](#), [FI](#), [PL-WM](#), [Sco](#), [PT](#), [HU](#), [IE-SRA](#)). This unfolds in multiple ways: complex and changing regulation leads to uncertainty amongst beneficiaries through all phases of the project; from application until payment, and simplification measures to combat the difficult regulations often require unavailable capacity. Additionally, simplification can collide with the principle of trying to accommodate stakeholders wishes ([DK](#)). Other issues that IQ-Net partners are facing in terms of beneficiaries' capacity, is the disproportionate burden for beneficiaries ([NL South](#), [PL-POM](#),



PL-WM, PT), as well as support to use IT tools to apply for funding (**HU, PL-WM**) which makes the application process more time consuming. Other additional specific issues that are mentioned in terms of beneficiaries and stakeholders' capacity:



In **Finland**, the transition to the 2021-27 programme period has required additional training and guidance to the beneficiaries concerning the logic of the new programme period, as well as other specific issues such as the new cost and salary models.



European laws and regulation are in some cases not compatible with national laws in the **Netherlands**.



The European Commission response to crisis in the last years with new tools, measures and, regulations make the overall system of EU funds in **Czechia** more complex, without extra resources to increase administrative capacity to reflect this trend.



New measures, such as DNSH and climate proofing, make the regulations of the 2021-27 programme notably more complex for programme beneficiaries in **Ireland**.

In most cases, there are certain types of applicants or beneficiaries that require more capacity building than others. Almost all IQ-Net partners mention that **inexperienced beneficiaries or first-time applicants** need administrative capacity building most. The range of beneficiary type has broadened with the introduction of new types of themes and priorities, which has led to an increase in inexperienced applicants from institutions or SMEs in sectors that do normally not deal with Structural Funds (**FI, NL-South, UK-Wales**). Not only familiarity with EU funding plays a role in the need for beneficiaries' capacity building, the size of an organisation or SME also determines the need for capacity building, small (or remote) municipalities and in general SMEs lack capacity to apply for funding.

4.1.2 **Addressing the issues for beneficiaries and stakeholders**

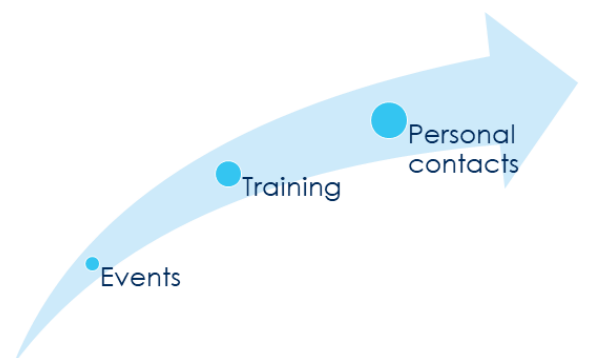


Building capacity amongst beneficiaries and stakeholders is a long-term process which involves different actors across multiple levels. To address the problems mentioned in the above paragraph, communication is key to support beneficiaries and stakeholders to increase their administrative capacity. This can be either through various **events**, usually at the start of the programme or when introducing new calls. Other tools that are used to address the above issues are **training** sessions for specific topics such as state aid and public procurement, or workshops on submitting payment requests and justifications of expenditure, and the use of the IT system (**Hungary, Scotland**). Besides these general events and information sharing sessions, **personal contact** with beneficiaries is an important way to increase beneficiaries' capacity, as it allows the addressing of specific needs. There are different methods used by IQ-Net partners



to increase personal contact with beneficiaries. For example, through visiting projects in person and making sure beneficiaries know whom to contact at the MA or IBs (BE, NL).

Figure 9: Tools to address beneficiaries and stakeholders' capacity building



Czechia organises consulting days, seminars, webinars, online FAQs, newsletters, podcasts, dedicated videos etc. for applicants and beneficiaries, and in addition, the Integrated ROP(2) operates an online consulting service.



In case of substantive questions related to a specific call in **Poland**, a dedicated phone number is activated. Responses to questions are published on the website.



In **Scotland**, workshops were held on submitting payment requests, including justifications of expenditure as well as on IT tools.



To provide intensive support to all beneficiaries, designated Project Development Officers are put in place in **Wales**.



Since 2011, local Széchenyi Programme Offices in **Hungary** have been providing free consultancy services to assist applicants and beneficiaries in planning and implementation of projects.



To assist weaker beneficiaries the **Greek** Management and Organisation Unit (MOU) had dedicated expert teams in the 14-20 programme period, also known as "flying consultants". The task for these consultants was to provide support on a permanent basis to beneficiaries in remote and island areas, since these types of beneficiaries often lack in-house technical services.



4.2 HR management, training and skills development

4.2.1 Why is HR management a capacity building priority?



Programme implementation ultimately depends on the quality of staff and the HR management system in which they work. A frequently cited priority is to simplify management procedures; however, this can only take place if enough skilled staff are present and understand their job. Moreover, the selection and interaction with project promoters requires social skills, and even IT tools need to be designed and used by humans. In this respect, management of human resources is indeed the basis to implement Cohesion Policy programmes and achieve results. However, HR management is not a straightforward activity.

Almost all IQ-Net partners reported that the retention of qualified staff was an area of concern.

- In **Czechia** for example, the **high turnover of employees** was one of the problematic experiences of the implementation of the Integrated ROP in the 2014-20 period. Reportedly, it was caused by, among other things, limited career progression, high workload, insufficient employee benefits, as well as the transition of experienced employees to other entities of the implementation structure and to public administration in general. At the same time, the stability of administrative capacity was negatively impacted by the long-term high demand of the private sector for experts in the field of EU funds, and the lower ability of the public sector to sufficiently attract employees.
- In **Spain**, additional staff had to be recruited to deal with the work of the newly created Recovery and Resilience Fund (RRF), putting additional pressure on human resources of Cohesion Policy programmes, which were already experiencing difficulties. **Spain's** capacity roadmap notes that the public sector has been negatively affected by a low staff replacement rate in recent years. This not only reduces personnel but also leads to knowledge loss as there is no overlap between experienced staff and new hires. Furthermore, many key staff managing the Funds are nearing retirement age.
- Competition for qualified staff with other public bodies and the private sector, which can usually pay higher salaries, has also been reported in **Pomorskie** and **Ireland (NRWA)**. Even in countries where the retention of staff in the Cohesion Policy context is currently not an issue, the situation is being monitored constantly and measures are in place to ensure that the situation persists (**AT, DK, FI, IE-NRWA, NL-West, VLA**).

A particular situation arises in **Scotland** and **Wales** where no further Cohesion Policy programmes will be implemented, and the Managing Authority will cease to exist. However, staff need to be retained until 2014-20 programmes are fully implemented and closed.

Box 5: Retaining administrative capacity for programme closure in Wales

The **Wales** MA (Welsh European Funding Office - WEFO) currently has c. 300 members of staff. To ensure an orderly transition, a **pilot transition project** has been developed between



the MA, Welsh Government Human Resources division, and the trades unions to provide 'wraparound' support for staff and to help them find new roles when their work within the MA comes to an end. A working group (WEFO Transition Project Group) has been set up representing all areas of the MA, including the programme management division, payments, IT, research, monitoring and evaluation, audit and policy. The main principles of the pilot are that:

1. MA staff who apply for a post elsewhere in Welsh Government will be given priority; if successful they are placed in the post. If not, the post is then opened to wider Welsh Government.
2. Staff will be able to negotiate release dates to the new post i.e. some members of staff may be needed within the MA for longer and they will be able to negotiate longer handover periods with their new managers.

As a first step, staff identify with their current line managers their forthcoming release date from the MA. Staff can use existing processes (e.g. lateral moves, promotions) but also still undertake negotiation over their release dates. Staff will be matched to a role based on existing skills and experience (a 'managed move') if they still have not found a role six weeks prior to their release date. Staff will have regular and flexible transition check-in conversations with managers, covering areas such as wellbeing, priorities, delivery, development, and strengths. The pilot is successfully helping the MA retain staff to stay on to close the 2014-20 programmes. The STEP proposals complicate the process in terms of uncertainty over the timetable for release dates. The MA is currently expected to wind down by July 2025.

As this sub-section has shown, retention of qualified and motivated staff is indeed a priority for IQ-Net partners, and luckily several good practice examples have emerged from this round of research. In this respect, the next sub-section will present what measures IQ-Net partners are taking to ensure the presence of enough staff, and to ensure that they are adequately qualified.

4.2.2 How to improve HR management and training?

Given the importance of human resources for the successful implementation of Cohesion Policy programmes, IQ-Net partners have developed numerous measures and tools to ensure the presence and retention of qualified and motivated staff. These can be grouped into three categories, training, good working conditions, and opportunities for collaboration.

Figure 10: Ingredients to ensure the presence and retention of qualified and motivated staff



Training is essential to ensure staff have the right skills to execute tasks and job responsibilities. While all IQ-Net partners engage in training activities, general approaches and practicalities differ among partners. The following three lessons emerge from the review of IQ-Net partners' training activities.

- Take a strategic approach
- Combine training for job related and general skills
- Seek economies of scale

A **strategic approach** has offered numerous advantages, for example in the following IQ-Net programmes:



Finland has adopted a “**Guidance and Training Plan**”, within which the training needs are compiled into a training manual, which is updated on an annual basis relying on a regular assessment of the training and development needs. Training is organised at the start and during the programme implementation and is provided not only to MA staff but also to the IBs and stakeholders such as social partners and civil society organisations. Besides the objective of skill development, the aim is also to support an exchange of information between different implementation actors. All training material is stored in a data bank which is accessible to the authorities.



Hungary is also taking a systematic approach to its training and competency development activities, which is why, in addition to the administrative capacity roadmap, a **training and competency development strategy** has been developed. An evaluation of this strategy was published in May 2023. It points to the advantages of a central, integrated, and coherent training and competency development strategy which Hungary is running, and provided



suggestions on how to achieve further improvement. Some of those recommendations include:

- Strengthen the monitoring and impact evaluations of training and competency development activities
- Further develop general skills development which are not directly linked to the execution of job-related tasks.



Ireland (MWRA, SRA) has been piloting the use of strategic planning for its civil service workforce, and is actively developing plans to advance specialised skills related to managing investments, innovation, foresight, and other pertinent areas.

Another way to adopt a strategic approach to the implementation of training activities is provided by the European Commissions' EU competency framework.¹¹ This Competency Framework, and accompanying Self-Assessment Tool, aim to help Member State administrations identify and address potential competency gaps, and thus target training activities accordingly. Given the wide range of activities and measures in place and the time-consuming and complex nature of its application, IQ-Net partners are not currently making use of the competency framework, although **Austria** and **Hungary** have been involved in its development.

Experience with training activities further shows that **combining job related training and general professional skills development** can significantly benefit job performance of staff. Moreover, it is providing career development prospects to staff and as such can be highly motivational. For example, in **Hungary** there was a need to further develop general skills development which were not directly linked to the execution of job-related tasks. However, some managers were initially reluctant to agree to these types of training, fearing that they would be too time consuming. Yet, over time they increasingly recognised that general skills training can make work more efficient and effective by helping staff cope with daily tasks, and reducing frustration due to lack of information and/or skills, which can ultimately increase the amount of work done. Therefore, although training requires extra time and effort initially, the positive returns on investment make it worthwhile in the long run. A separate Human Resources Coordination Unit has been set up within the central coordination unit, with the aim of encouraging professional development and performance, and improving retention. In **Austria**, ÖROK carries out annual development reviews with MA staff, and makes use of existing training offers. These include both European and domestic ones, such as the Austrian Federal Administrative Academy (*Verwaltungsakademie des Bundes*), which offers practical courses on relevant topics, such as public procurement. There is an appropriate mix between content-related and procedural themes, with courses ranging from Excel to leadership. In **Ireland**, aside from the functional aspects regarding the ERDF regional programmes, staff may attend training on supervisory management, change management, excel, and other usual topics, like coaching, facilitation, etc. In **Portugal**, training activities, including for leadership and technical



teams, also cover soft skills, linguistic competences (e.g. English language), computer / digital skills and, leadership skills, etc.

General professional skills development is particularly necessary for **leaders at managerial level** and dedicated training is available in many IQ-Net partner programmes (**AT, Vla, Sco, CZ, DK, EL, NL, HU**). In **Hungary**, the national university of public service has provided a specialised training programme since 2021, which is compulsory for all senior staff. The position of Head of Department and Head of Division can only be filled after successful completion of the University's specialised course "Development Policy Adviser" or the Master's programme "Development Policy Programme Management" (the training requirement is waived for those who have at least five years of professional experience in the field of development policy, of which at least three years in a senior position). The courses provide training to interpret the direct and related regulations of the Cohesion Policy Funds, in particular the mandatory standards and their context, and how to meet the objectives and content requirements of the tasks related to the preparation and implementation of programmes and specific interventions. In **Greece**, training opportunities are also provided for politicians, mainly through seminars for regional governors and mayors who had also been running in previous programming periods. In 2022, a special framework of cooperation on the training of elected mayors was inaugurated between the National Centre of Public Administration and the Central Union of Municipalities.

As seen above, training needs of Cohesion Policy programme authorities are very broad, ranging from training on the application of legal provisions (e.g. public procurement, State Aid, etc), the application of simplified cost options and execution of management verifications, to broad general skills, including a focus on leaders. It is thus necessary to find ways to **deliver on these training needs in the most efficient and cost-effective way**. IQ-Net partners' experience points to several ways in which this can be done.

- In **Scotland** the MA is part of a Scottish Government Department, and Scottish Government has its own training division, in addition the MA also has its own internal training and review systems, as well as packages to support colleagues transition to other areas in government (especially important now in the post-Structural Funds context; there is currently a 'Skills for Transition' internal training team within the MA).
- In **Czechia** and **Hungary** centralising training activity under the responsibility of a national coordination authority was seen as advantageous in terms of being more cost-effective and expanded the offer of training opportunities.
- Extending the training offer through **online courses** is another way to widen the scope of courses and become more cost-effective (**CZ, EL, FI, HU**).

To develop the necessary job-related knowledge of staff, many IQ-Net partners encourage staff to take part in or consult training material provided by the European Commission, which



is generally considered of good quality and helpful.¹² (AT, VLA, CZ, DK, FI, NL, PT, Biz, WM, HU, IE).

While providing good training is a condition to ensure staff get the qualifications needed to perform their job, it is not a guarantee that staff will remain in the organisation and not seek job opportunities elsewhere. In fact, to retain qualified staff it is also necessary to offer good working conditions.



An important factor to ensure **good working conditions**, and thus retain qualified staff, is to offer competitive salaries. However, while some adjustments have been made, notably in **Czechia, Poland, and Hungary**, often there is limited flexibility for programme authorities as public salaries are usually regulated by national laws. However, there are measures that programme authorities can take to improve working conditions for staff. In **Vlaanderen** and **Finland** for example, HR is the top priority in terms of administrative capacity. Measures are taken so that work is interesting and challenging for employees, and that there is a positive work environment. There should be opportunities for personal development and perspectives for higher positions and salary. Similarly in **Czechia** and **Pomorskie**, the role of leadership has been highlighted in ensuring good working conditions. Leaders should be willing to listen to staff, support stability and predictability, as well as flexibility to manage and adapt workloads. In **Ireland SRA** and **Hungary**, job and task rotation practices aim to create a more engaging and fulfilling work environment for their team, ultimately improving staff retention. Moreover, this practice helps in responding to peaks in workload by assigning tasks and moving staff more flexibly between shifting priority areas. In the **Netherlands South**, high turnover of staff and difficulties to recruit are mitigated by anticipation, opening more job offers than current vacancies, and pre-emptively recruit as many people as possible.

Box 6: Tackling HR issues through a strategic approach in Warmińsko-Mazurskie

The MA in **Warmińsko-Mazurskie** employed the services of an external expert, who identified HR issues within the Managing Authority as one of the barriers to absorption of funds from the ROP 2014-2020. The expert noticed significant staff turnover (low retention) and the lack of a uniform system motivating employees to achieve their goals.

To address this situation the managing authority created an **Action Plan for Human Resources** aiming to improve working conditions, increase commitment and motivation to work and, as a result, have a positive impact on the effectiveness of the implementation of the ROP 2014-2020. The plan integrates a review of the tools of the human resources management system and the development of measurable goals to be achieved by the institutions (MA and IB) including corrective actions, implementation schedules, and their monitoring. The entire Plan is accompanied by contracting and certification forecasts for the Program, and a table briefly presenting the distribution of staff in the system along with vacancies and deadlines for recruiting job candidates.



Finally, in view of retaining qualified staff, it is important to provide **opportunities for collaboration and sharing of experience**. This is true both internally within an organisation as well as externally at national and European level. In the **Netherlands South**, half-day knowledge sharing events are being organised on a regular basis. **Pomorskie** values a strong 'learning by doing' approach and ensures strong formal and informal communication, and cooperation across teams and departments.

At the **European level** there are also plenty of opportunities for collaboration, for example through IQ-Net, Interreg Europe, DG Regio's transnational networks (on simplified cost options) and its Peer2Peer activities¹³. The latter enables staff of programme authorities and other public bodies involved in managing and implementing ERDF, CF and JTF programmes to meet and exchange knowledge and good practice on both a bilateral and multilateral level. There are, however, mixed experiences among IQ-Net partners concerning the usefulness of Peer2Peer activities. While generally seen as very helpful (**FI, NL-West, Pom, HU, IE-NWRA**) some criticisms were also raised. In the case of **Czechia**, the needs are not directly being addressed by a Peer2Peer community. The **Ireland SRA's** engagement with a Peer2Peer network on ICT systems was seen as particularly beneficial for expanding their network of contacts, and gain insights into the current state of their peers' progress. However, not all networks have proven equally valuable. In this respect, **SRA** has observed a challenge in certain networks where there is self-selection by MS; as a strong MS may not always be inclined to share knowledge and as such leave a group. This scenario can lead to a situation in which participants have limited knowledge and expertise.

Having analysed the two most cited priorities for administrative capacity building (beneficiaries and stakeholder capacity and HR management and training) the following section will complete this analysis by looking at the financing sources of capacity building measures.

4.3 Technical Assistance



This section will look at **Technical Assistance (TA)** as a potentially powerful facilitator of administrative capacity building initiatives which can provide the necessary financing to implement tools and capacity building measures.

A recent study¹⁴ has highlighted that the use of TA for administrative capacity building is more likely to be effective if administrative capacity building initiatives are based on a coherent strategy. Section 3 of this IQ-Net report has presented the strategies of IQ-Net partners for administrative capacity building and Sections 4.1 and 4.2 have then presented measures taken for the top two priorities of administrative capacity building. The current Section 4.3 completes this analysis by examining the extent to which technical assistance is contributing to financing the implementation of administrative capacity building initiatives.



4.3.1 What is TA used for?

The review of IQ-Net partner use of TA highlights that decisions for technical assistance use are based on practical considerations. These may include the selection of intervention areas for technical assistance based on experience from the 2014-2020 and prior programming periods (EL, CZ, IE-SRA, PL-WM, PT), or based on the strategic evaluation of capacity building needs (EL, IE-NWRA, IE-SRA, PT). In Austria, the use of TA has been defined in an institutional agreement between national level and Länder. In Portugal, TA attribution was decided in accordance with the types of action identified in the TA programme, the needs recognised to fulfil the objectives of the Partnership Agreement, and the diagnosis carried out within the scope of the administrative capacity-building roadmap, also considering the conclusions and recommendations of the ex-ante evaluation and evaluation of the previous Programme. In Finland, available TA financing is not sufficient to cover all administrative capacity building activities, a practical decision has therefore been made to cover salaries and the development of the electronic management system. This means that there are only limited TA resources left for other capacity building activities (e.g. events, training, communication activities etc.).

Looking at intervention areas of technical assistance, financed measures can be grouped into three broad categories.

- Within the category **people**, TA funding is being used to finance salaries and training activities, which is in continuation with established practice in 2014-20 programmes, during which salaries were the most used area of technical assistance.¹⁵
- The second category concerns **general programme management** tasks including the development and running of IT systems and tools, programme evaluation as well as sub-contracting and outsourcing.
- The organisation of events and various communication activities make up the last category, **outreach**. All elements within these categories are widely financed by Technical Assistance in IQ-Net programmes.

Some interesting examples of technical assistance use in IQ-Net partner programmes include:



IE-NWRA plans to utilise TA not only to enhance capacity within the IBs but also to allocate a portion of the **TA budget for the training and upskilling of staff members from organisations benefiting from ERDF support**, as they are part of the cascade process.



Greece: Technical assistance **resources will be concentrated on strategic sectors** to maximise effectiveness (waste and wastewater, transport, energy, urban mobility, e-mobility, flood protection and support to ITI implementation).



In **Wales**, TA played a valuable role during the 2014-20 period in **developing capacity in the third (voluntary) sector**, and supported capacity building at regional level through the work of the **Regional Engagement Teams** (see Box 7).

Box 7: Using TA to support specific sectors and emerging regions in **Wales in 2014-20**

In Wales, TA played a valuable role during the 2014-20 period in developing the **third (voluntary) sector**. This included supporting the sector to play a wider policy engagement role, to contribute to the development of future planning, and through networking, collaboration and relationship brokering. The Welsh Council for Voluntary Action (WCVA) provided an umbrella role, and delivered a pan-Wales specialist support service to the third sector, comprising a rolling programme of training, information, advice and support (**3-SET**). *"The 3-SET model works in capacity building and achieving an inclusive approach: It reaches those actors capable of contributing to key objectives including engaging smaller organisations with modest capacity but specialist capability to extend the reach and to deliver on core themes such as equalities."*

TA has also contributed to strengthening partnership working and **building a greater regional dimension in the delivery of some ESIF operations** and strengthened regional networks through the work of the TA-funded **Regional Engagement Teams**. The four Regional Engagement Teams (RETs) were TA-funded to support partnership working and to help ensure the greatest strategic impact of ESIF within the regions. Evaluation has identified that the RETs contributed to ensuring that operations consider the regional perspective, which has been developing in Wales during the programme period. Their communication to beneficiaries about the evolving regional landscapes has been valuable, and regional networks are stronger as a result of RET activities. There is also evidence that some national operations have been able to adopt a greater regional dimension to their delivery as a result of RET engagement.¹²¹ This activity was complementary to that funded under TO11 in the programmes, which used ESF to support the reconfiguration of regional governance arrangements and helped progress regionalisation within Wales.

4.3.2 How is TA implemented?

EU Member States may implement TA either as a priority within a Cohesion Policy programme or through a special technical assistance programme. Most IQ-Net programmes have chosen the former option, but three IQ-Net partners also run technical assistance programmes.



In **Hungary**, it has been decided that the technical assistance resources will be used in a single TA programme given that technical assistance activities are similar in all programmes. This allows significant efficiency and coherence advantages, and a single TA programme allows economies of scale, for example by developing a



central IT system shared by all programmes, centralising programme-specific and thematic evaluations, providing high quality training, communication, staffing, and payroll management.



The OP “Technical Assistance and Support to Beneficiaries” in **Greece** includes two priority axes covering the reinforcement of administrative capacity, one for ERDF and one for ESF.



In **Portugal** a mixed approach has been chosen. A nation-wide Technical Assistance finances the implementation of the Capacity-building Roadmap and cross-cutting transversal measures. In addition, each Programme has a priority axis dedicated to TA through which managing authorities can develop and implement their own capacity-building actions and address their specific capacity-building needs.

The **Common Provisions Regulation¹⁶** provides for the possibility to use a flat rate for the implementation of technical assistance. This possibility has been taken up in **Austria, Ireland (SRA), the Netherlands, Finland, and Vlaanderen**, as using the flat rate involves less administrative burden, and will not lead to a higher or lower amount of TA. In Portugal, Greece, and Hungary this option is incompatible with the existence of a pure TA programme. In many other IQ-Net partner programmes the programme level flat rate is not being used, however at project level simplified cost options are being largely used (**CZ, DK, PL-Pom, IE-NWRA**).

Finally, the CPR (**Article 37**) opens a possibility for the reimbursement of technical assistance based on milestones and targets, in addition to standard technical assistance. However, apart from **Warmińsko-Mazurskie** and **Greece**, most IQ-Net partners have decided not to use this option. **Pomorskie** is still considering whether to use Article 37 or existing TA funding at national level for building capacity in local authorities and territorial partners in the use of integrated territorial instruments.

Box 8: Financing not linked to costs for Technical Assistance of Member States

In addition to Article 36, the Member State may propose to undertake additional technical assistance actions to reinforce the capacity and efficiency of public authorities and bodies, beneficiaries and relevant partners, as necessary for the effective administration and use of the Funds.

Support for such actions shall be implemented by financing not linked to costs in accordance with Article 95. Such support may also take the form of a specific programme.

Source: CPR Article 37

In **Greece** a roadmap for beneficiaries' administrative capacity building has been prepared. It is envisaged that its implementation be financed by additional technical assistance according to Article 37, details are currently in preparation.



Warmińsko-Mazurskie is using additional Technical Assistance for support with the preparation and implementation of strategic projects. Concretely, additional support is utilised for and conditional of the following:

- development of a pre-feasibility analysis for strategic projects,
- use of the results of the analysis to develop the final shape of the strategic project and reduction of possible risks and problems at the stage of submitting the application and its subsequent implementation,
- provision of direct counselling to each beneficiary of the strategic project (max. 40 hours for each strategic project) on optimal adjustment of project assumptions to the results of the conducted analysis,
- provision of a report with a synthetic description of the activities carried out by the Contractor, as well as conclusions and related recommendations concerning particular elements of the feasibility analysis.

The additional technical assistance in **Warmińsko-Mazurskie** is seen as a successful formula for supporting strategic projects, allowing the risks associated with their preparation and implementation to be identified and mitigated at an early stage and the necessary changes to be made before a funding application is submitted. Difficulties include the varying (often very preliminary) level of project preparation, making it impossible, for example, to carry out an in-depth financial analysis.

5 CONCLUSIONS

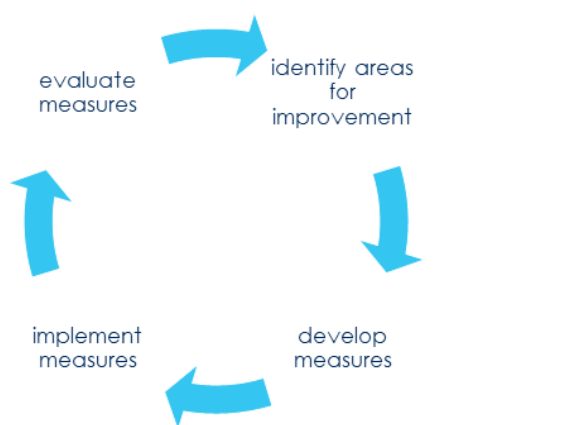
The review of administrative capacity building measures in this paper provides an overview of the measures and activities that are underway in IQ-Net partner programmes, as well as in other Cohesion Policy programmes. It has focused on beneficiaries and stakeholder capacity as well as on HR management and training, as official programming documents, as well as IQ-Net programme managers, identified these topics as the top two priorities for administrative capacity building. However, administrative capacity building is a much wider process, including measures such as adapting the institutional set-up, adopting innovative approaches to the implementation of the regulations (e.g. by integrating environmentally sustainable solutions into public procurement) and, simply reviewing procedures to simplify implementation.

The need for administrative capacity building never stops. As the implementation context is in constant evolution, capacities to react these evolutions need to be built or adapted. As this paper has shown, the process of building administrative capacity follows a circular logic, be that consciously through a strategic approach and plans or spontaneously in reaction to an obvious change. First, programme authorities need to identify capacity building needs, then they need to develop measures that address these needs. These steps would be meaningless if the selected measures weren't implemented. Finally, evaluation is required to assess whether



the capacity measures have addressed the needs, and how new needs have emerged in the meantime. Given that the implementation context changes constantly, the process should be continuous.

Figure 11: The continuous administrative capacity building cycle



Notes

¹ See for example:

Mendez, C., & Bachtler, J. (2022) The quality of government and administrative performance: explaining Cohesion Policy compliance, absorption and achievements across EU regions, *Regional Studies*

Farole, T., Rodríguez-Pose, A. and Storper, M. (2011) Cohesion policy in the European Union: growth, geography, institutions. *JCMS: Journal of Common Market Studies*, 49(5), pp.1089-1111.

² [Inforegio - Measuring the Quality of Government at the Sub-National Level \(europa.eu\)](https://ec.europa.eu/info/inf/inf-regio-measuring-quality-government-sub-national-level_en)

³ See for example :

Michie R and Van der Valk O (2023) "Everything everywhere all at once": Challenging times in Cohesion Policy, *IQ-Net Review Paper 54(1)*, European Policies Research Centre Delft.

Dozhdeva V and Jabri E (2022) Reconciling crisis response and long-term objectives: Dealing with multiple pressures in Cohesion Policy programmes. *IQ-Net Review Paper 53(1)*, European Policies Research Centre Delft.

Fonseca L and Michie R (2022) Continuity & Change: Balancing between two programme periods. *IQ-Net Review Paper 52(1)*, European Policies Research Centre Delft.

⁴ See **Article 11.1 (i) and Article 19.1 (v) of the CPR** (REGULATION (EU) 2021/1060 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the



Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy)

⁵ [Inforegio - Roadmaps for Administrative Capacity Building \(europa.eu\)](https://ec.europa.eu/regional_policy/sources/studies/ta_admin_cap_build_en.pdf)

⁶ see for example:

Polverari L, Bachtler J, Ferry M, Mendez C and Ogilvie J (2020) [The Use of Technical Assistance for Administrative Capacity Building During the 2014-2020 Period](https://ec.europa.eu/regional_policy/sources/studies/ta_admin_cap_build_en.pdf), Final Report to the European Commission (DG Regio), European Policies Research Centre, University of Strathclyde, Glasgow.
https://ec.europa.eu/regional_policy/sources/studies/ta_admin_cap_build_en.pdf

Bachtler J, Polverari L, Domenerok E, and Graziano P (2023, forthcoming) Administrative Capacity in EU Cohesion Policy: Implementation Performance and Effectiveness, Editorial – Special Issue, Regional Studies

⁷ Polverari L et al (2020), *op. cit.*

⁸ *Ibid.*

⁹ Commission Staff Working Document, Cohesion 2021-2027: forging an ever stronger Union, Report on the outcome of 2021-2027 cohesion policy programming; Brussels, 28.4.2023, SWD(2023) 134 final

¹⁰ Inforegio - Roadmaps for Administrative Capacity Building (europa.eu)

¹¹ European Commission (2023), https://ec.europa.eu/regional_policy/policy/how/improving-investment/competency-framework_en

¹² *Ibid.*

¹³ *Ibid.*

¹⁴ Polverari et al (2020) *op. cit.*

¹⁵ Polverari et al (2020) *op. cit.*

¹⁶ Article 36.1 of Regulation (Eu) 2021/1060 of the European Parliament and of The Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy