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STUDY
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Abstract

E-Cohesion requirements as outlined in Article 122(3) of the draft Common Provisions Regulation for the 2014-2020 European Structural and Investment Funds programme period aim at reducing the administrative burden for beneficiaries of Cohesion Policy. This study looks at the e-Cohesion options presented in the Partnership Agreements and the state of play of their implementation. Most Member States developed functioning IT systems in the previous programming period and these are now being further developed and adapted to improve interoperability and to be fully compatible with the System for Fund Management (SFC).
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<tr>
<td><strong>Bn</strong></td>
<td>Billion(s)</td>
</tr>
<tr>
<td><strong>CEMR</strong></td>
<td>Council of European Municipalities and Regions</td>
</tr>
<tr>
<td><strong>CF</strong></td>
<td>Cohesion Fund</td>
</tr>
<tr>
<td><strong>CLLD</strong></td>
<td>Community Led Local Development</td>
</tr>
<tr>
<td><strong>CP</strong></td>
<td>Cohesion Policy</td>
</tr>
<tr>
<td><strong>CPR</strong></td>
<td>Common Provisions Regulation</td>
</tr>
<tr>
<td><strong>EC</strong></td>
<td>European Commission</td>
</tr>
<tr>
<td><strong>EAFRD</strong></td>
<td>European Agricultural Fund for Rural Development</td>
</tr>
<tr>
<td><strong>EIB</strong></td>
<td>European Investment Bank</td>
</tr>
<tr>
<td><strong>EMFF</strong></td>
<td>European Maritime and Fisheries Fund</td>
</tr>
<tr>
<td><strong>ERDF</strong></td>
<td>European Regional Development Fund</td>
</tr>
<tr>
<td><strong>ESF</strong></td>
<td>European Social Fund</td>
</tr>
<tr>
<td><strong>ESIF/ESI Funds</strong></td>
<td>European Structural and Investment Funds</td>
</tr>
<tr>
<td><strong>ETC</strong></td>
<td>European Territorial Cooperation</td>
</tr>
<tr>
<td><strong>EU 27</strong></td>
<td>All Member States except Croatia</td>
</tr>
<tr>
<td><strong>EU 8</strong></td>
<td>Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia</td>
</tr>
<tr>
<td><strong>EU 10+2</strong></td>
<td>Bulgaria, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia, Slovenia</td>
</tr>
<tr>
<td><strong>EU 15</strong></td>
<td>Austria, Belgium, Finland, France, Denmark, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom</td>
</tr>
<tr>
<td><strong>EP</strong></td>
<td>European Parliament</td>
</tr>
<tr>
<td><strong>GDP</strong></td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td><strong>IP</strong></td>
<td>Investment Priority</td>
</tr>
<tr>
<td><strong>ITI</strong></td>
<td>Integrated Territorial Investments</td>
</tr>
<tr>
<td><strong>MC</strong></td>
<td>Monitoring Committee</td>
</tr>
<tr>
<td><strong>MLG</strong></td>
<td>Multi-Level Governance</td>
</tr>
<tr>
<td><strong>MRS</strong></td>
<td>Macro-Regional Strategy</td>
</tr>
<tr>
<td><strong>MS</strong></td>
<td>Member State(s)</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Description</td>
</tr>
<tr>
<td>--------------</td>
<td>--------------------------------------------------</td>
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<tr>
<td>NGO</td>
<td>Non-Governmental Organisations</td>
</tr>
<tr>
<td>OP</td>
<td>Operational Programme</td>
</tr>
<tr>
<td>PA</td>
<td>Partnership Agreement</td>
</tr>
<tr>
<td>RDP</td>
<td>Regional Development Programme</td>
</tr>
<tr>
<td>ROP/RP</td>
<td>Regional Operational Programme</td>
</tr>
<tr>
<td>SF</td>
<td>Structural Funds</td>
</tr>
<tr>
<td>SFC</td>
<td>System for Fund Management</td>
</tr>
<tr>
<td>SME(s)</td>
<td>Small and Medium-Sized Enterprise(s)</td>
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<tr>
<td>CPR</td>
<td>Common Provision Regulation</td>
</tr>
<tr>
<td>NRP</td>
<td>National Reform Programme</td>
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<td>PP</td>
<td>Position Paper</td>
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EXECUTIVE SUMMARY

This study offers insight on the e-Cohesion initiative and describes how it is being applied in the Member States (MS). It explains the concept of e-Cohesion as laid down in the current legislative framework and looks into the rationale and background. Within this research framework the report addresses the following main questions:

- Is e-Cohesion contributing to simplification and to the reduction of the administrative burden?
- How is e-Cohesion contributing to the overall coordination and complementarity among the EU structural and investment funds?

The study looks at the e-Cohesion initiative itself, the options the MS presented in the adopted Partnership Agreements (PAs) and the state of play of its implementation at national level. Following a description of the background and reasoning behind the e-Cohesion initiative, the study summarizes the information provided by MS in the adopted PAs. Though limited information is available beyond the PAs, MS are grouped according to two analytical elements. First, MS are clustered in two groups according to the amount of information available about the e-Cohesion systems in use. This cluster shows that there is about as many MS for which sufficient information is available on the subject as MS for which it is difficult to find out anything in specific about the changes introduced with respect to e-Cohesion. The study also clusters MS e-Cohesion according to the logic of application of e-Cohesion. More precisely, while some MS use only one common e-Cohesion system, others use one electronic data exchange system either per fund, administrative unit or other.

This study summarizes and analyses the information that exists so far about the adaptation or introduction of electronic systems in the MS in view to respond to the e-Cohesion regulations. Generally, the study thereby opens new fields of research and analysis which will then lead to an overall understanding of how e-Cohesion contributes to the overall coordination and complementarity among the European Structural and Investment Funds (ESIF).

Defining e-Cohesion

Given that an important issue in the programme period of 2007 – 2013 was the administrative cost and burden related to project selection and monitoring, the changes foreseen for the 2014-2020 programme period reflect the need to simplify the implementation of OPs, both for beneficiaries and programme bodies. In this context, e-Cohesion is seen as enabling the access to a secure online solution for data exchange with the relevant bodies involved in the implementation of CP.

The concept of e-Cohesion is most importantly outlined in Article 122(3) of the Common Provisions Regulation (CPR), which states that Member States by no later than 31 December 2015 shall ensure that "all exchanges of information between the beneficiaries and a managing authority, a certifying authority, an audit authority and intermediate bodies can be carried out by means of electronic data exchange systems" and for the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund (CF). As detailed in the Implementing Regulation (EU) No 1011/2014, Article 8, the exchange of documents and data shall include "reporting on progress, payment claims and exchange of information related to management verifications and audits". It is important to add that in regulatory terms, e-Cohesion does not concern all funds but mainly the ESF, ERDF, and the CF.
E-Cohesion and the reduction of the administrative burden

The EC has estimated that the use of digital technologies will reduce the work load by 11% (easier detection of bottlenecks at an early stage, easier communication also with beneficiaries, improved monitoring) and, at the same time, reduce the risks in the process of funding (risk of double-funding). At programme level e-Cohesion systems can especially help avoid the duplication of information and document requests. Information requirements - reporting on progress, declaration of expenditure and exchange of information related to management, verifications and audits – should be fulfilled via electronic exchange. However, many programme authorities did not expect e-Cohesion to substantially reduce the administrative workload because systems were already in place, installing and maintaining new systems would be time-consuming and costly (training staff and beneficiaries, security and maintenance costs, etc.), and national legislation requires hard copy documents for some purposes.

E-Cohesion in the regulation

Following the Regulation (EU) No 1303/2013, Article 122(3), the minimum requirements on e-Cohesion for those who have already signed a contract (unlike applicants), are:

- the 'only once' encoding principle (i.e. beneficiaries should not need to enter the same data more than once in the system, at least within the same OP)
- the concept of interoperability (data encoded by beneficiaries needs to be shared between different bodies within the same OP)
- the electronic audit trail complies with relevant articles of the CPR (Art. 112 on "Transmission of financial data" and Art.132 on "Payment to beneficiaries") as well as with any national requirements on the availability of documents
- The system for electronic data exchange guarantees:
  - data integrity + confidentiality,
  - authentication of the sender (Directive 1999/93/EC),
  - storage in compliance with defined retention rules (Article 140 (3) of the CPR).

Current state of play

A study carried out in September 2015 shows that most MS developed functioning IT systems in the previous programming period¹. Only in a few countries the PA is not specific on the subject of e-Cohesion and the IT systems. The e-Cohesion systems are being further developed and adapted in the current period to improve interoperability between the systems catering for the different ESI funds and in order to be fully compatible with SFC. In a number of countries an assessment was carried out of what is still needed and a plan developed. The technical details and what the systems can do are generally described in the PAs.

Summarizing the information on e-Cohesion in the Partnership Agreements

In a number of countries an assessment was carried out of what is still needed and a plan developed. The technical details and what the systems can do are generally described in the PAs. While tables of deadlines are not included in a number of countries the examination of the PAs shows various approaches as regards deadlines.

There are a few countries (Belgium, Lithuania and United Kingdom) favouring decentralized e-Cohesion systems which have the disadvantage of not always having all data stored in one place. While timetables of completion of systems are not included in a number of PAs, there was no risk that these will not be up and running in time and before the regulatory deadline.

Generally, it is possible to distinguish between:

1) countries for which the PAs do mention e-Cohesion measures, but the changes planned are broad or not particularly different from the systems used in the previous programming period (AT, DE, DK, FI, HU, IE, IT, MT, NL, PL, PT, SI, ES, SE, UK);  
2) countries for which the PAs describe the planned changes in detail or where major changes are foreseen (BE, BG, CY, CZ, EE, FR, GR, HR, LU, LV, LT, RO, SK).

The different extent to which the e-Cohesion measures planned are described in each PA does not reflect upon the extent of the implementation or the quality of the e-Cohesion systems in place. Also, the changes might in fact not be major in MS where e-Cohesion-related simplifications have already been carried out in the previous programming period or where the need for a change was not too radical.

**Overview on the state-of-play in selected MS**

The extent of information on e-Cohesion systems planned or implemented in the MS varies across MS’ PAs. This can have different reasons, including the possibility that some MS have already carried out relevant changes in the previous programming period. Interestingly, the information about the changes related to e-Cohesion systems as a simplification tool used in the 2014-2020 programming period is scarce when looking beyond PAs.

Based on the literature and information available, the following assumptions can be made:

- The role of e-Cohesion on the performance of managing authorities is not clear-cut. On the one hand, e-Cohesion was seen as one of the main tools to reduce the administrative burden for MAs, on the other hand, the requirement to amend the systems already in place or introducing new systems can be a time and money consuming process.

- There is no evidence at this point that Technical Assistance is being requested by MS to implement e-Cohesion, but further research should be carried out later in the 2014-2020 programming period to learn more about the managing authorities’ experiences and needs with regards to e-Cohesion (e.g. due to computer or internet illiteracy).

- The use of e-Cohesion in the context of Integrated Territorial Approaches (ITIs) is only mentioned in the PAs of Poland and Spain, where e-Cohesion is seen as a useful tool to implement this innovative instrument. There is however no mention of Community-led Local Development (CLLD). This should also be further analysed once the e-Cohesion systems are up and running and their users have had time to apply them in various areas.

- Following the 2nd Meeting of the High Level Expert Group (March 2016) on “Monitoring Simplification for Beneficiaries of ESI Funds” and the accompanying “Interim Report on e-Governance” two regions and one MS were identified as good examples for e-Governance: Wales, Flanders and Estonia. The report says in its conclusions: “The experiences shared by the Welsh, Estonian and Flemish authorities are good examples that should be made available to all.”
three good practice examples base on the following principles to simplify and streamline the implementation of ESI Funds through e-Governance:

- reduction of administrative burden for beneficiaries;
- provision of IT services allowing beneficiaries of the Funds to exchange information with programme authorities;
- usage of electronic portals accessible through the web.

The HLG concludes in the Interim Report: “The sharing of bad experiences and encountered problems on both the implementation and technical levels is also needed in order to help other Member States avoid unnecessary delays in the adoption of e-Governance.”

There is little information about the role of e-Cohesion in supporting complementarity between projects belonging to one OP and among projects financed by other OPs. Within the same OP at least, a beneficiary involved in more than one project, will not have to send a document twice to any programme authority. Complementarity can not only lead to more synergies once the authorities identify possible similarities between projects whose data is saved electronically, but also facilitates transparency and external public communication.

With regards to the information that is available however, based on a PA review and a desk research of national sources, it is possible to draw four distinct groups of MS. In this study, each of these groups is symbolised graphically and illustrated by two country fact sheets.

1) **MS with one system per fund**: i.e. MS where the electronic systems used for each ESI Fund are managed and accessible through separate channels (examples used: AT, NL)

2) **MS with one system per regional administrative unit**: i.e. MS where the electronic systems used are managed and accessible separately for each region / Land / federal state (examples used: UK, BE)

3) **MS with one system for all ESIF**: i.e. MS using one single electronic system to manage and access all ESI Funds at once (examples used: FR, LU)

4) **MS with several systems**: i.e. MS using several separate electronic systems mainly to bundle only some of their ESIF OPs (e.g. ERDF/ESF/CF in contrast to EMFF) (examples used: RO, BG).

This cluster allows for a country-comparison which, amongst the features above, also includes the following aspects:

- Decision to use e-Cohesion as a means to simplify OP management (especially in those MS where the number of electronic systems has been reduced)

- In federal states (DE, BE) and several regionalised states (e.g. UK), the electronic systems are still being separated between administrative units, which shows that e-Cohesion as a means of simplification is not considered convincing enough to change the usual administrative ways.

- Coordination between data related to different funds (ERDF, ESF, Cohesion Fund but also EAFRD and EMFF)
- Situations of double workflows (i.e. paper and electronic): Electronic handling of documents and data should help the authorities using the services to reduce the paper documentation for both programme authorities as well as beneficiaries and thereby ensure more efficient document handling by creating more transparency.

These different approaches do not reflect the quality or the extent of improvement for programme management authorities or beneficiaries (and even applicants, wherever the platforms also target them). Therefore, further along in the programming period, it will be interesting to carry out a survey or interviews with users of the systems in place to find out if any improvement has in fact been noted compared to 2007-2013, and to truly grasp whether e-Cohesion does contribute to simplification and to the reduction of the administrative burden. Also, a cost and benefit analysis could show if the benefits (less administrative burden, avoiding duplications, etc.) exceed the costs of installing the new systems and training the users (financial costs and duration).

**Challenges for MS**

Given that in most MS, online tools or IT systems were already in place, the main task is now to adapt these tools or replace them with IT systems that correspond to the regulatory requirements. Thus, the challenge lies in the adaptation and upgrading of existing IT systems rather than in the creation of new systems.

These adaptations can be translated into, for example, reducing the number of e-Cohesion systems in use to improve the coordination between the funds, administrative units involved, management and applicants, i.e. rather than having one system per Land as was the case with the ERDF in Austria in the previous programming period, having one central ERDF system for the 2014-2020 programming period. This implies a simplification in the overall system.

It can also mean that MS are looking to introduce systems that allow for a better exchange of information between the authorities and the beneficiaries (e.g. EE), but also between regions / federal states (e.g. DE), funds (e.g. LU), or other institutions and authorities involved (CY).

The examples analysed in the present study show that while there is no indication of delays in implementing e-Cohesion systems, MS are faced with the challenge of adapting and simplifying existing IT systems in time for the first uploading of data into SFC2014 for the Annual Implementation Report 2016.

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2 SFC2014’s main function is the electronic exchange of information concerning shared Fund management between Member States and the European Commission. Consequently, SFC2014 has for objective to be the common Information System to manage jointly with Member States for the period 2014-2020 the funds of DG REGIO, DG EMPL, DG AGRI, DG MARE and DG HOME.
Regulatory requirements

While MS are clearly aware of the minimum requirements on e-Cohesion laid down in the Regulations, it could be that MS use the momentum to go beyond those minimum requirements when adapting their IT systems. This could mean, for example, that they have decided to introduce more detailed IT requirements in order to be able to produce better data for evaluations, including the introduction of questions in the online application forms or introducing the possibility to perform various data analyses, e.g. per target group etc. As there has not been any systematic in-depth research done on the extent of implementation of the e-Cohesion principle in the MS, the actual complexity of the systems is not known and insufficient evidence is available.

E-Cohesion and the Managing Authorities

MS are to gradually implement systems that enable beneficiaries to submit all information and document electronically and only once to programme bodies. This requires the set-up of a fully-fledged electronic application and monitoring system with access possibilities for different programme bodies including the "First Level Control", i.e. the basis of the audit and control systems (or the development of interfaces and maximum use of already existing databases). The EU has estimated that the use of digital technologies will reduce the workload of Managing Authorities by 11% which will address the overall administrative burden faced in fund management. However, introducing a new tool clearly implies a period of learning and adapting for the Managing Authorities, which points to an increase in costs that are not only of financial nature. Again, there has been no systematic study of the impact of these changes on the Managing Authorities.

E-Cohesion for the submission of project applications and within the coordination between the funds

MS use innovative ways to keep up with information requirements via electronic exchange systems. It is not required to set up a facility enabling electronic submission of project applications, but if MS wish to do so, they may extend the concept of e-Cohesion to applicants as well. This has been done in a number of countries, often in combination with an IT tool that allows for better coordination between different funds. In that way, information is handled efficiently as it reaches the recipient more quickly (whether from management level to beneficiary level or vice versa) and can be used by all the authorities involved (e.g. EE, LT). As shown earlier, MS are implementing new or updated electronic systems that allow them to share the information stored with all the authorities involved or permitted to access the data in question (e.g. LV, HR). In some MS, while several electronic systems were or still are in place, stronger coordination is planned in the future (e.g. DE, HU).

Different IT-systems and electronic applications

There are approximately as many countries using a single electronic system as countries using several electronic systems. Wherever several systems are used, these can be either independent platforms by funds, regions/ administrative units, or technical function, but in all those cases the PAs mention that the interoperability is planned to be improved in the 2014-2020 programming period (e.g. DE, HU). Some MS explicitly describe in their PAs that they have moved from having several IT systems to a single platform (e.g. LU).

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**Recommendations**

The following recommendations can be drawn based on the existing literature (albeit limited) and possible assumptions:

1. Given the scarcity of any concrete information on the experience with e-Cohesion so far, the main recommendation of this study is to **carry out a survey and/ or an analysis** on the impact that e-Cohesion has had on the programme authorities’ and beneficiaries’ daily work related to ESIF programme and project management, further along in the 2014-2020 programming period. Only then will e-Cohesion tools be introduced, applied, acquired and tested by their users.

The HLG of Independent Experts on Monitoring Simplification for Beneficiaries mentioned in chapter 3 of this study was set up by the EC. The main task of the group of experts is to advise the EC with regard to simplification and reduction of administrative burden for beneficiaries of the ESI Funds. The main recommendations for the Commission in the Interim Report from March 2016 are:

- The members of the HLG recommend that the EC should go further in its efforts to facilitate the possibility for MS to have a common platform or system across the ESI Funds that would provide a consistent approach for beneficiaries to audit issues and information technology.

- For the current period, the members of the HLG call on the Commission to ensure a consistent approach to audit that will not undermine the potential e-Governance to simplify the management of the ESI Funds and, most importantly, simplify the process for beneficiaries to apply for and receive funds.

- The members of the HLG call on the Commission to encourage more of a partnership approach to e-Governance and to assist MS and MA with training for partners in order widen the use of the systems put in place by extending the possibility to use technical assistance across all the ESI Funds.

The findings and recommendations of the High Level Group should be taken into consideration when assessing and shaping the e-Cohesion measures both at EU and at MS level. Particularly, good practice examples from the MS and a possibility for the users of e-Cohesion systems to exchange their experiences should be supported to ensure that the systems are implemented as efficiently as possible.

2. **Technical or other assistance**

Once the experiences with the newly introduced or adapted electronic systems are analysed it should be clarified if the users (authorities involved in programme management as well as beneficiaries) need any assistance in training. The EP and EC should ensure that programme authorities get the opportunity to voice the need for such assistance also at European level if deemed necessary (e.g. through the HLG mentioned above).

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3. Transparency and complementarity
E-cohesion can lead to more transparency for the authorities since it is easier to keep an overview of all the different projects that are being carried out when collected in an electronic data storage system than in paper form. This advantage should be used by the programme authorities to identify the similarities and the potential for creating synergies and complementarities between the projects. The EP and the EC should ensure that programme authorities identify such potential and act upon it.

4. Transparency and external communication
One advantage of electronic systems is that it is easier to reuse the information on projects for other purposes such as external communication (e.g. for promotion or campaign purposes) to policy-makers, interested stakeholders or the general public. This advantage should be used by programme authorities and therefore the EP should ensure that the EC communicates this necessity and opportunity to programme authorities.

4. Case-by-case solution
This study shows that despite a common regulation, MS have chosen different paths of implementing e-Cohesion. While some MS have introduced a single centralized electronic system, others use several electronic systems. The categories and clusters created for analytical purposes in this study do not have any correlation with the quality. These differences should be accepted since each MS chose an electronic system according to its tradition and administrative set-up.
1. RATIONALE AND DEFINITION OF E-COHESION

<table>
<thead>
<tr>
<th>KEY FINDINGS</th>
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<tbody>
<tr>
<td>E-cohesion denotes the electronic exchange of information and documents via an electronic interface. The CPR requests Member States to put such systems in place for the exchange between beneficiaries and programme management bodies and between programme management bodies inter alia.</td>
</tr>
<tr>
<td>The deadline for setting up the systems is 31.12.2015.</td>
</tr>
<tr>
<td>This study explains the concept of e-Cohesion, the background and regulatory requirements. Further on an overview of the state of play in all Member States as laid down in the Partnership agreements is provided. For some Member States more details on the previous and current systems are presented.</td>
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1.1. Content of the study

E-Cohesion is a crucial element in the quest of simplifying the handling of European structural and investment funds (ESIF) programmes in the current programming period of 2014-2020. Electronic systems shall ease and support all relevant communication between beneficiaries and programme management bodies, as well as between programme management bodies inter alia.\(^5\)

E-Cohesion denotes the electronic exchange of natively digital documents or scanned documents via standardized interfaces. This includes the transfer of information and files between beneficiaries and programme bodies (i.e. managing authorities, certifying authorities, audit authorities and intermediate bodies) and among programme bodies inter alia (following Article 122(3) CPR) through means of digital technologies and accessible databases.\(^6\)

The new regulation has set requirements for Member States to put systems for electronic data exchange in place and Member States had to put these systems in place until the end of 2015.

This study explains the concept of e-Cohesion as laid down in the current legislative framework and looks into the rationale and background (section 1). The single source of EU-wide information are Partnership Agreements (PA), where Member States had to describe the systems in place and the changes. Section 2 is devoted to a summary of the information related to E-Cohesion, which has been included in the partnership agreements. Based on this simple typologies of approaches can be derived. MS are clustered first with regards to the extent of information available on their e-Cohesion systems in the PAs, and then in four groups according to the logic they apply (one system per ESIF, one common system for all ESIF, one system by administrative unit, different systems in place but coordinated amongst them). To illustrate these differences, the study includes two distinctive fact sheets per group.


For a few Member States more detailed information is presented in section 3, explaining differences between the systems set up in the previous period as compared to the current one.

However, it has to be noted, that currently very little information is available beyond the PA. Also the European Commission is currently collecting further information on the state of play of e-Cohesion. Thus only a first set of conclusions and recommendations based on the desk research can be drawn. These relate basically to the architecture of the systems, the contribution of E-Cohesion to simplification and the reduction of administrative burden and the improvement of coordination and synergies need to stay on a rather general level.

1.2. The concept of e-Cohesion

The e-Cohesion project has been set up by DG REGIO in collaboration with other directorates to contribute to the reduction of administrative burden encountered by beneficiaries and programme management, audit and control bodies.

The initiative is derived from the Digital Agenda and the e-government Action Plan 2011-2015\(^7\). This ‘aims to help national and European policy instruments work together, supporting the transition of eGovernment into a new generation of open, flexible and collaborative seamless eGovernment services at local, regional, national and European level\(^8\). According to this Action Plan, 50% of the EU citizens and 80% of the businesses should make use of e-government by 2015. For this purpose, a new generation of e-government services is to be established.

E-Cohesion should respond to the needs for reducing administrative burden in implementing Cohesion Policy (CP). One of the ten points of reforms related to CP in the 2014-2020 programme period is therefore e-Cohesion with the aim to reduce the administrative burden mainly for OP beneficiaries and, to a lesser extent, programme bodies. It is seen as enabling the access to a secure online solution for data exchange with the relevant bodies involved in the implementation of the CP.

In 2015 the European Parliament adopted a resolution on “Towards simplification and performance orientation in cohesion policy 2014-2020”. The members of the EP considered that “despite the reformed CP for the 2014-2020 programming period, in which simplification methods are addressed, application, management, reporting and control with respect to the ESIF are still cumbersome for both beneficiaries and managing authorities, in particular those with fewer administrative and financial capacities.”\(^9\)

The resolution includes a call to the EC and the MS with the following bullet points:

- introduce detailed guidelines on simplification in order to make the Member States and their regions aware of their task of eliminating, or at least significantly reducing, the administrative burden and gold-plating arising at national and local levels in the processes of procurement, project proposal selection and monitoring and control activities;

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• provide the Member States and their regions with a roadmap for streamlining and simplifying control, monitoring and reporting activities;
• note the target date of 31 December 2015 for switching to e-cohesion as a precondition for significantly cutting the application-to-grant time;
• establish and implement, in coordination with the Member States and in line with the principle of proportionality, a light-touch approach to data and information requirements for beneficiaries in the process of application and reporting related to EU funding under shared management, and to encourage the sharing of good practices;
• promote simplification of the rules governing financial instruments within ESI Funds with a view to aligning them more closely to beneficiaries’ needs and ultimately improving their use;
• increase the use of the multi-fund approach, taking into consideration the needs of beneficiaries;

Lastly the resolution invites the EC to enter into a structured and permanent dialogue with EP, the Committee of the Regions and other stakeholders on all aspects of this simplification process.

Furthermore, when discussing e-Cohesion, during preparation of the current legal framework, the discussion focused upon:

• Digitalisation of the communication between administrations and beneficiaries and including applicants at a later stage;
• Implementation of e-government services;
• Putting in place or enhancing electronic portals dealing with European Funds;
• Use of a clear set of technical concepts (e-submission, e-signature etc);
• Suppression of parallel paper flows;
• Simplification of procedures in general.

Especially the “only once” encoding principle (which implies that beneficiaries need to encode data and deliver documents only once, whereas the different authorities need to share these data using electronic online portal functionalities) was supposed to bring substantial reduction in administrative work for beneficiaries.

A study conducted in 2012 by Deloitte investigated the implications of the e-Cohesion project on IT systems for programme management for a selected number of Operational Programmes in a large number of Member States - in collaboration with IT-experts from the Member States. They arrived at the conclusions that the systems in place were in general quite advanced. This study calculated for sophisticated systems (including full electronic case handling) the Return on Investment to become positive after 3 to 5 years, taking into account the possible future reduction of administrative burden. This requires an investment for the implementation as for the maintenance of the system; mainly as human

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10 Deloitte (2012), IT implications assessment of eCohesion Policy at EU / Member State level. By Deloitte, commissioned by Directorate General for Regional Policy in collaboration with DG Employment, Social Affairs and Equal Opportunities, DG Agriculture and Rural Development and DG Informatics.

resources cost, and leads to clear benefits for all parties involved (internal cost savings for Member State authorities and substantive administrative burden reduction for beneficiaries). The administrative burden reduction linked to e-Cohesion Policy could amount to 9-11% of the total administrative burden. This reduction could even be higher, following good practice examples.

1.3. The rationale for e-Cohesion: Reduction of administrative burden

Cohesion policy often has been criticised for high administrative cost related to the implementation of Cohesion policy programmes. The estimated gain of using digital technologies is a reduction of workloads for programme authorities by 11% and, at the same time, a reduction of the risks in the process of funding. Efforts for a thorough implementation of e-Cohesion could lead to a more efficient OP management in the mid-term and long run. For instance, having the information in real time, in a format that allows processing would enable authorities to early detect any bottlenecks in the implementation of the projects (better monitoring, control and assistance to the beneficiary). Also the reduction of paper processing, filing, archiving and also costs related to the communication with the beneficiaries via postal services would translate into a better time allocation of human resources. In addition, the electronic exchange of information could also provide the necessary data to reinforce the procedures for avoiding double financing (claiming and receiving assistance for the same item of expenditure from different financial sources be it EU, national, regional or local budget) since with the electronic format, automatic checks can be performed, such as a unique invoice number for each tax number in the case of reimbursement claims.

MS are to gradually implement systems that enable beneficiaries to submit all information and documents electronically and only once to programme bodies. This requires the set-up of a fully-fledged electronic application and monitoring system with access possibilities for different programme bodies including the "First Level Control", i.e. the basis of the audit and control systems (or the development of interfaces and maximum use of already existing databases). However, the introduction of e-Cohesion implies functional e-Government which is not yet guaranteed in some of the MS with the highest need for administrative improvements (e.g. Bulgaria).

According to a study carried out in 2012 for the EC, five out of 39 administrative tasks identified in the management of ESF programmes, account for 5% or more of administrative costs. These are all Programme Management tasks - Information and


16 Dickinson P. (2012), Study Measuring Current and Future Requirements on Administrative Cost and Burden of Managing the ESF. By EPEC and COWI
publicity requirements (18.5%), verification of deliverables and compliance (10.2%), ensuring a system for data recording (7.9%), and selection of operations (5.3%). These five Programme Management administrative tasks account for almost half (46.8%) of all administrative costs.

Another study commissioned by the EC in 2012\(^\text{17}\) argues that financial management (preparation of payment claims and supporting documents) and monitoring obligations are the most significant sources of administrative burden for beneficiaries. The new regulatory requirements were then expected to reduce the administrative burden by 20% compared to the 2007-2013 baseline. Of this, 11% relates to the introduction of a fully electronic e-Cohesion system without any parallel paper trail. The study includes a table which allows for a comparison of the magnitude of the predicted effects. It shows the impact in relation to a total administrative workload of 170,000 person-years respectively 12 billion EUR presented in SWECO (2010)\(^\text{18}\).

### Table 1: Changes in administrative costs according to tasks\(^\text{19}\)

<table>
<thead>
<tr>
<th>Regulatory Changes</th>
<th>Workload change in % of total</th>
<th>Change in years</th>
<th>Cost in change % of total</th>
<th>Change in million EUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programming</td>
<td>Insignificant increase</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From NSRF to PC</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Simplification of the OP</td>
<td>Insignificant decrease</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ex-ante conditionalities</td>
<td>Insignificant increase</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial management and control systems – Accreditation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establishment of a single body responsible for management and control (Accredited Body)</td>
<td>-4.3</td>
<td>-7,000</td>
<td>-4.3</td>
<td>-500</td>
</tr>
<tr>
<td>Accreditation</td>
<td>Insignificant increase</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Running the Accrediting Authority</td>
<td>Insignificant increase</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial management and control systems – Closure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased frequency of closure</td>
<td>Insignificant increase</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No financial audits or corrections after 3 years incl. simpler rules for projects for the retention of documents</td>
<td>Insignificant increase</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Programme implementation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thematic concentration</td>
<td>-2.3</td>
<td>-3,760</td>
<td>-0.9</td>
<td>-100</td>
</tr>
<tr>
<td>Simpler rules for projects – eligibility rules</td>
<td>-2.1</td>
<td>-3,520</td>
<td>-1.0</td>
<td>-110</td>
</tr>
<tr>
<td>Simpler rules for projects – revenue generating projects</td>
<td>Insignificant decrease</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E-cohesion systems – programme administration</td>
<td>-2.0</td>
<td>-3,350</td>
<td>-0.7</td>
<td>-85</td>
</tr>
<tr>
<td>E-cohesion systems – beneficiaries-programme interface</td>
<td>-2.2</td>
<td>-3,560</td>
<td>-0.8</td>
<td>-95</td>
</tr>
</tbody>
</table>


\(^\text{18}\) SWECO (2010), Regional governance in the context of globalisation – reviewing governance mechanisms & administrative costs. Administrative workload and costs for Member State public authorities of the implementation of ERDF and Cohesion Fund, commissioned by DG REGIO.

The mixed responses recorded by the authors of this study of 2012\textsuperscript{20}, i.e. before the regulations for 2014-2020 had been published, and various stages of advancement in the MS provided a picture where an improvement of the e-Cohesion system at programme level may reduce the total administrative workload by 2.04\% (i.e. 3,350 person-years), while about 2.16\% or 3,560 person-years may be saved as a result of an enhanced electronic exchange of information between beneficiaries and programme bodies. For the management authorities, e-Cohesion systems can especially help avoid the duplication of information and document requests. However, according to the same study, most programmes in 2012 did not expect e-Cohesion to substantially reduce the administrative workload because systems were already in place, installing and maintaining new systems would be time-consuming and costly (training staff and beneficiaries, security and maintenance costs, etc.), and national legislation requires hard copy documents for some purposes.

**Table 2: E-Cohesion: reduction in workload and costs\textsuperscript{21}**

<table>
<thead>
<tr>
<th></th>
<th>E-cohesion systems – programme administration</th>
<th>E-cohesion systems – beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in EUR</td>
<td>84,000,000</td>
<td>-94,000,000</td>
</tr>
<tr>
<td>Change in person years</td>
<td>-3,350</td>
<td>-3,560</td>
</tr>
<tr>
<td>Change in %</td>
<td>-2.04</td>
<td>-2.16</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sample</th>
<th>Programme types</th>
<th>Change in %</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme</td>
<td>CONV</td>
<td>-2.28</td>
<td>-2.23</td>
</tr>
<tr>
<td></td>
<td>RCE</td>
<td>0.00</td>
<td>-0.56</td>
</tr>
<tr>
<td></td>
<td>ETC</td>
<td>-1.37</td>
<td>-3.09</td>
</tr>
<tr>
<td>Thematic</td>
<td>SEC</td>
<td>-2.77</td>
<td>-2.82</td>
</tr>
<tr>
<td></td>
<td>REG</td>
<td>-0.33</td>
<td>-0.46</td>
</tr>
<tr>
<td></td>
<td>CBC</td>
<td>-1.37</td>
<td>-3.09</td>
</tr>
<tr>
<td>Financial volume</td>
<td>Large</td>
<td>-1.84</td>
<td>-1.87</td>
</tr>
<tr>
<td></td>
<td>Small</td>
<td>-1.01</td>
<td>-1.89</td>
</tr>
<tr>
<td>Admin staff</td>
<td>Low share</td>
<td>-0.37</td>
<td>-1.63</td>
</tr>
<tr>
<td></td>
<td>High share</td>
<td>-2.72</td>
<td>-2.04</td>
</tr>
<tr>
<td></td>
<td>Few</td>
<td>-1.09</td>
<td>-1.41</td>
</tr>
<tr>
<td></td>
<td>Many</td>
<td>-1.88</td>
<td>-1.95</td>
</tr>
<tr>
<td>EU15/12</td>
<td>12</td>
<td>-2.43</td>
<td>-2.37</td>
</tr>
<tr>
<td></td>
<td>15</td>
<td>0.00</td>
<td>-0.46</td>
</tr>
</tbody>
</table>

**Source:** European Commission

\textsuperscript{21} Ibidem

1.4. Regulatory requirements in the 2014-2020 period

The Regulation (EU) No 1303/2013, Article 122(3), states that these requirements refer to beneficiaries, i.e. to those who have signed a financing contract. The information requirements - reporting on progress, declaration of expenditure and exchange of information related to management, verifications and audits should be fulfilled via electronic exchange. It is not required to set up a facility enabling electronic submission of project applications, but if MS wish to do so, they may extend the concept of e-Cohesion to applicants as well.

\textsuperscript{20} Ibidem
\textsuperscript{21} Ibidem
The minimum requirements on e-Cohesion are laid down in an implementing regulation\textsuperscript{22}:

- the 'only once' encoding principle (i.e. beneficiaries should not need to enter the same data more than once in the system, at least within the same OP);
- the concept of interoperability (data encoded by beneficiaries needs to be shared between different bodies within the same OP);
- the electronic audit trail complies with relevant articles of the CPR (Art. 112 on "Transmission of financial data" and Art.132 on "Payment to beneficiaries") as well as with any national requirements on the availability of documents;
- The system for electronic data exchange guarantees:
  - data integrity and confidentiality,
  - authentication of the sender (Directive 1999/93/EC),
  - storage in compliance with defined retention rules (Article 140 of the CPR).

No technical requirements on software platforms have been foreseen at the EU level in order to preserve the flexibility to use already existing systems and platforms\textsuperscript{23}. MS, regions and programmes should choose the best option for their own needs.

**Figure 1:** Electronic exchange of information in the 2014-2020 period through e-Cohesion\textsuperscript{24}


\textsuperscript{23} To help MS comply with e-Cohesion requirements, the Commission had offered MS the option to use e-TrustEx as an electronic open source data exchange system. This platform, aiming to ensure interoperability, was a solution offered by the Directorate General for Informatics, assisting DG REGIO with the required technical expertise. Although this project had to be stopped due to budgetary restraints, it is still possible for programmes to use the concept of e-TrustEx platform and adapt it to their needs.

Following the Regulation (EU) No 1303/2013, Article 122(3), MS had to ensure that no later than 31 December 2015 all exchanges of information between beneficiaries and managing authorities, certifying authorities, audit authorities and intermediate bodies can be carried out by means of electronic data exchange systems.

The follow up of the implementation shall take place in two phases:

- During the negotiation of the Partnership Agreements and programmes;
- On a regular basis during the programming period before and after the regulatory deadline (i.e.: 31 December 2015).
2. OVERVIEW OF E-COHESION FOR ALL MEMBER STATES

KEY FINDINGS

- The novelties of the 2014-2020 programming period include simplifications at administrative and project management levels, as well as for beneficiaries.
- Most countries developed functioning IT systems in the programming period of 2007-2013. These are being further developed and adapted in the 2014-2020 period to improve interoperability between the systems catering for the different ESI funds and in order to be fully compatible with SFC.
- The technical details and capacities of the systems are described – in a more or less detailed way - in the PAs. While tables of deadlines are not included in a number of countries, the examination of the PAs shows various approaches as regards deadlines for completion.
- Generally, it is possible to distinguish between 1) countries for which the PAs do mention e-Cohesion measures, but the changes planned are broad or not particularly different from the systems used in the previous programming period and 2) countries for which the PAs describe the planned changes in detail or where major changes are foreseen.

2.1. The Partnership Agreements (PAs)

The new legislation that came into force on 21 December 2013 laid down the rules governing EU investments for the 2014-2020 programming period. The main novelty consists in the fact that common rules have been set for the European Structural and Investment Funds (ESIF/ESI Funds\textsuperscript{25}), which is intended to enable that EU funding sources are used in a more strategic and complementary manner. The MS have prepared strategic plans setting out priorities and arrangements for using these five ESIF. These Partnership Agreements (PAs) between the MS and the EC were negotiated between the Commission and national authorities in extensive processes carried out at national level involving different actors at various levels of governance, local and regional representatives, as well as the representatives of interest groups and the civil society.

The 2014-2020 programming period introduces many novelties to Cohesion Policy which are based on the perceived need at European level for more efficiency, coherence, transparency and legitimacy of policy-making. This includes simplifications at administrative and project management levels, including the improvement of administrative capacity, also in relation to beneficiaries and the simplification of the policy for beneficiaries.

One of these simplification measures is the introduction of e-Cohesion systems enabling the beneficiaries to submit information by way of electronic data exchange systems (decrease in the administrative burden for beneficiaries and a reduction of costs for the administrations).

\textsuperscript{25} The European Regional Development Fund (ERDF), The European Social Fund (ESF), The Cohesion Fund (CF), The European Maritime and Fisheries Fund (EMFF), and The European Agricultural Fund for Rural Development (EAFRD).
2.2. Summary of the Information provided by the MS in the PAs

A study carried out in September 2015\textsuperscript{26} on the "Review of the adopted Partnership Agreements" shows that most MS developed functioning IT systems in the previous programming period. The e-Cohesion systems are being further developed and adapted in the current programming period to improve interoperability between the systems catering for the different ESI funds and in order to be fully compatible with SFC\textsuperscript{27}.

This study summarizes the information provided by the MS in the PAs and beyond wherever possible at this stage of the programming period. While clustering the MS according to the number of electronic systems in place for the management of ESI funds, the study shows how e-Cohesion furthers the coordination and complementarity among the ESIF and how it is applied to reduce the administrative burden for both programme authorities and beneficiaries. The actual effectiveness of the e-Cohesion measures will need to be assessed further along the programme period when the users will have gained sufficient experience in acquiring and applying the electronic systems put in place in their MS.

Only in a few countries the PA is not specific on the subject of e-Cohesion and the IT systems\textsuperscript{28} and in a number of countries an assessment was carried out of what is still needed. The technical details and what the systems can do are described in general terms in the PAs. While timetables of completion of systems are not included in a number of PA, it was assumed during the PA preparation phase that there would not be any risks that these would not be up and running in time, and many PAs show various approaches planned as regards deadlines.

Generally, it is possible to distinguish between 1) countries for which the PAs do mention e-Cohesion measures, but the changes planned are broad or not particularly different from the systems used in the previous programming period (Table 3) and 2) countries for which the PAs describe the planned changes in detail or where major changes are foreseen (Table 4).

Table 3: E-Cohesion approaches for Member States with presumably low level of indicated changes

<table>
<thead>
<tr>
<th>AT</th>
<th>PA successfully describes e-Cohesion measures planned.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The PA describes the measures planned for ensuring that the PA and the OPs are implemented successfully. One of them is e-Cohesion which has already been applied in the 2007-2013 programming period in the ETC OPs. In fact, those ETC OPs led by Austria share a compatible e-Cohesion system.</td>
</tr>
<tr>
<td></td>
<td>• In the ESF some measures have also been implemented through IT systems in 2007-2013 that can be classified as corresponding to the e-Cohesion characteristics.</td>
</tr>
<tr>
<td></td>
<td>• In the ERDF there is also progress being done towards ensuring that the implementation of measures and policies follow the regulations.</td>
</tr>
<tr>
<td></td>
<td>When introducing the necessary monitoring systems, particular attention will be paid to Article 125 (2) d and e of the CPR.</td>
</tr>
</tbody>
</table>


\textsuperscript{27} SFC2007 is a system for electronic exchange of data concerning shared Fund management between MS and the European Commission for the period 2007-2013 and 2014-2020.

**DE**

**E-cohesion has been successfully established already in the programming period 2007-2013.** The system will continue to be improved in the programming period 2014-2020. PA page 230 section 4 describes the effort of the Länder to improve the e-Cohesion system regarding accessibility for beneficiaries, and the reduction of administrative burden via internet based applications and information systems. In many Länder the information exchange between beneficiaries and implementing bodies will be web-based. However, in most cases there are already installed systems and there is a need for improvement and amendments of communication functions, data exchange, document management and the application of the only-once-encoding-principle and its inter-operability. However, the coordination of e-Cohesion has to be seen in the light of a federal system.

- Regarding the ESF and ERDF data exchange 9 of 16 Länder foresee cooperating systems between the two funds.
- For the rural development programme the IT based application is in most cases already possible.

In general for taking e-Cohesion forward a nation-wide working group has been established.

**DK**

**For ERDF and ESF there is a system for submitting electronic applications.** The system will be improved by the introduction of payment claim, accounting, communication and indicator data modules. The work started in March 2013 and finished in December 2014.

- For EAFRD there is an electronic application system for area-based measures. There is a plan to create an electronic system covering the whole EAFRD and EMFF for the 2014-2020 period. However, no dates or project steps/substance are discussed.

**FI**

**Planned full electronic administrative process for all ESI Funds.**

All applications, payment applications, information requests to the beneficiaries, funding decisions, monitoring and reporting will be done electronically over secure systems. There will be fully electronic administrative processes for all ESI Funds. No deadlines were mentioned.

**HU**

**Interoperability of the systems planned.**

The existing electronic systems (ERDF, ESF, EAFRD) were examined, and their functions (application, reporting, monitoring) were deemed sufficient. Development work to ensure interoperability of the databases started in the first quarter and was planned to be finished on the 3rd quarter of 2014.

**IE**

**Involvement of MAs to shape the new systems.**

The ERDF and ESF MAs were sent a questionnaire regarding their current systems of electronic data exchange and to assess the level of compliance of the current systems with the EU requirements. An Implementation Group was established to carry out the project. The open procurement process for the new IT system began in 2015 and the system was expected to be in place by 31 December 2015. The e-Cohesion requirements do not apply to EMFF and EAFRD.

**IT**

**No specific mention of e-Cohesion and no table of deadlines included.**

However, at the national level the monitoring is ensured by the ministry of economy and finance in technical coordination with the department for economic development and cohesion, the central administrations. For this aim, a working group was created to define the information to be gathered by the central system. Moreover, a technical group was created with central and regional administrations to rationalise the information collected, to draft guidelines for the administrative simplification etc. Therefore the system has been streamlined and simplified compared to 2007-2013 programming period.

As for the web access to information, the intention is to strengthen the open web portal, called "Coesione", and started in 2012 which publishes on a two-monthly basis the monitoring data. This is in line with the provisions of art. 115 of the CPR.
Single database.

According to PA (part 2 page 200) the current Structural Funds Database (SFD 07-13) is web-enabled information management and monitoring systems, developed for Government with a view to manage the Structural and CF and the European Fisheries Fund respectively. The database is accessible both through an application and a browser-based version. Basically the application is used for the implementation of financial data at MA level, while the browser-based version incorporates additional modules, namely: Generation of Financial Reports, the generation of Statements of Expenditure (SOE) and Indicators. Taking into account the requirements of the CPR, the government has tasked the national IT Agency (MITA) with a view to undertaking an in depth assessment of the current system including its technical characteristics. Based on this assessment some necessary improvements have been identified. The PA describes the necessary steps for improvement which are planned in 2014 and 2015 (see page 203 of the PA).

Different systems by fund.

In the PA (chapter 4) the measures are described for electronic data exchange.

- For ERDF one national electronic information system will be set up, that will be used by all regional programmes. This concerns an upgrade of the current system of MA South Netherlands.

- For ESF a central information system was developed in 2007-2013 (called Diane-system). This system includes an e-portal in which subsidy requests and final declarations are processed (via e-forms). This system and forms are adjusted based on the needs of the new programme 2014-2020. In 2014 an analysis has been carried out in order to develop an improved e-portal. One of the issues that will be further assessed is an improvement of the communication possibilities between applicant and MA. Also the link between the Diane-system and SFC2014 was planned to be improved. The PA also refers to an improved data exchange between MA, AA, CA and EC.

- For the EAFRD OP as well as European Agricultural Guarantee Fund (ELGF) important steps were made in the last year’s payments requests (digital). This digitalisation will be continued including all steps from application to final payments of the subsidy. On YouTube a number of promotion / instruction videos demonstrate how to apply.

- EMFF is not obliged to have electronic data exchange with beneficiaries. Nevertheless, efforts are made to improve this situation.

The PA does not provide an elaborated assessment of the existing stage of development and clear commitments as regards the steps needed to fulfil the legal requirement to establish systems for electronic exchange with beneficiaries – not only vis-à-vis the Commission, but also with respect to partners and beneficiaries. No concrete plan is provided how to meet the regulatory deadline.

Little mention of e-Cohesion in the PA.

E-cohesion is mentioned in the PA in the context of the implementation of ITIs. In fact, more efficient tools of communication and cooperation are considered to be necessary for carrying out a more effective policy-making.

Also, in view of better implementing and coordinating Technical Assistance at national level, a new IT system is planned to be introduced (with the exception of ETC OPs). No table of deadlines included.

A specific Information System will be developed for the "Portugal 2020" implementation. This system will be integrated in the e-Cohesion initiative.

The new IT System will build on a pre-existing information system developed in the previous programming periods. It will be improved in the 2014-2020 period to become a policy making tool, allowing for an improved communication between the Funds (CF, EAFRD and EMFF) and therefore for a better Governance of Portugal 2020.

The new system will be based on the perspective of simplification of forms and procedures, making the access easy and promoting the Objectives of the PA (Management, certification, payments, audit, monitoring, evaluation and communication). Global coherence will be guaranteed between SI PT 2020, OPs and ESI
Funds and with other Public Administration systems ("Balcão Portugal 2020", Project promoter’s data base, General data base, Debts register).

**SI**

**Room for simplification.**
The implementation of the cohesion policy was supported by four core information systems which were created separately to respond to the specific needs of individual areas in the last programming period. The assessment shows that there is room for simplification and improvement of the current system. Key findings and recommendations are:

- The information system should be organised in a way that allows high-quality financial management, monitoring, control and assessment, including analysis of data, and should not allow for setting up separate databases.
- There should be a unified method for entering data which must apply to all users; the entering of data into the information system must be prompt, consistent and harmonised.

In 2012, activities to ensure electronic data exchange with economic entities, civil society entities and public administration bodies have been started. In general, the requirements of e-Cohesion are provided. The architecture of existing information systems is being improved. The planned finalisation was June 2015. (p.195)

- Rural Development Programmes: Electronic processing of applications and payment claims is possible. A substantial upgrade is planned in 8 phases, including deadlines. (pp. 195-196)
- EMFF: Data related to the application registered in a specific IT tool, measure data entered by intermediate body in parallel. - Existing information system will be upgraded. No deadline given (p. 197).

**ES**

**New system called "Fondos 2020".**
Since 2007 and in conformity with EU Regulations, Spanish Law (Law 11/ 2007 on Electronic Access), has put in place a data systems enabling electronic audit and storage. Some of the implemented measures are already compatible with the e-Cohesion system. This system is operated by ESI Funds Management Authorities and applies to Intermediary Bodies and Beneficiaries. New Regulations will update the existing functionalities to the 2020 Funds to cover CF, ERDF, ESF, EAFRD and EMFF. The new system (called "Fondos 2020") will take into account new instruments such as ITIs, the articulation of Financing instruments, advanced payments, annual accounting etc. It will be used by the Spanish Audit Authority (IGAE) as the main audit tool.

**SE**

**No mention of plans with regards to e-Cohesion in ERDF and ESF.**
There are few details given on issues such as e-Cohesion progress in EAFRD and EMFF. Regarding the practical coordination respectively the division of labour in working with the funds in Northern Sweden an integrated approach will be used.

**UK**

**Each nation has its own IT systems**
- England: Open procurement process for the new IT system for ERDF and ESF will begin in 2014. The system will be developed throughout 2014 and be in place in 2015.
- Scotland: Work is underway to develop data management systems for delivering the EAFRD, ESF and ERDF programmes. The system should be ready by spring 2015.
- Wales: A robust IT system exists but it is enhanced to reflect the new legislative framework and to support new business processes. No timetable is mentioned.
- Northern Ireland: Design, procurement and supply of database by end of 2014.
- Gibraltar: enhancement of IT system to reflect the new legislative framework and to support new business processes by November 2014.
Table 4: E-Cohesion approaches for Member States with presumably advanced levels and more details of indicated changes

<table>
<thead>
<tr>
<th>Country</th>
<th>E-Cohesion approaches for each of the four regions.</th>
</tr>
</thead>
<tbody>
<tr>
<td>BE</td>
<td>A separate electronic system will be implemented for each of the four regions.</td>
</tr>
<tr>
<td></td>
<td>A secured system has been developed in the past which allows for a central collection of the data and information and a close monitoring of the existing projects. Again, the PA describes the e-Cohesion measures implemented and planned separately for each of the 4 Regions.</td>
</tr>
<tr>
<td></td>
<td>• In the Walloon Region, this includes a web-platform which had already been used in 2007-2013 and which is planned to be improved in 2014-2020 (adapting the platform to the regulatory changes and the changes in the terminology to be used such as TO and IPs).</td>
</tr>
<tr>
<td></td>
<td>• In the Flemish region, a similar system has already been used for ESF and ERDF and will be improved with the 'only once encoding principle' as a leading principle. For e-procurement, the Flemish authorities are implementing the Federal e-procurement applications.</td>
</tr>
<tr>
<td></td>
<td>• In the Brussels-Capital Region a platform has been created which allows citizens, the civil society and other interested actors to access information. Currently, the MA is working on improving the implementation of the e-Cohesion principles and the coordination between the data of the ERDF and ESF OPs. The PA offers a detailed description of the changes planned.</td>
</tr>
<tr>
<td></td>
<td>• The German Community has a very simple but functioning e-system which allows for the exchange of data and information between the authorities and the beneficiaries. The exchange with the Commission is ensured through the SFC2014 system.</td>
</tr>
<tr>
<td>BG</td>
<td>Three electronic systems will be implemented.</td>
</tr>
<tr>
<td></td>
<td>In chapter 4 of the PA are described the 3 electronic systems that aim to ensure that the PA and OPs are implemented successfully: UMIS, IACS and Axter Popeye System: UMIS (Unified Management Information System).</td>
</tr>
<tr>
<td></td>
<td>During the 2007-2013 programming period, the management of all operational programmes financed by the Structural Funds and the CF in Bulgaria used a single Unified Management Information System - UMIS. The system will be the main instrument for implementation of e-Cohesion in Bulgaria. The system will allow for the electronic reporting and electronic communication in project implementation, which is one of the key instruments for reduction of the administrative burden</td>
</tr>
<tr>
<td></td>
<td>• UMIS is implemented entirely as a web based application. All bodies taking part in the implementation of the OPs funded by ERDF, CF and ESF (Managing Authorities, Intermediate Bodies, Certifying Authority, Audit Authority and beneficiaries) use the same information system. The interoperability between them is assured by the common data and the procedures in place in the system that all involved parties need to follow. The existing functionalities provide a significant reduction in the administrative burden and costs to beneficiaries, but in order to fulfil the requirements for e-Cohesion additional functionalities will have to be introduced.</td>
</tr>
<tr>
<td></td>
<td>• IACS (Integrated Administration and Control System): Implementing the function of Paying agency, in State Fund &quot;Agriculture&quot; and IACS has been developed, comprising the following independent systems: system for registration of applicants and applications for support - maintained by the Paying Agency; identification system for agricultural parcels - maintained by the Ministry of Agriculture and Food; system for identification and registration of animals - maintained by the Bulgarian Agency for Food Safety; Integrated control system - maintained by the Paying Agency.</td>
</tr>
<tr>
<td></td>
<td>• Currently, a designed interface is created for electronic data exchange between the UMIS, IACS for the Rural Development Programme and the System used for OP Development of Fisheries Sector - Axter Popeye (which will continue to be used during programming period 2014 – 2020). The interface between UMIS and IACS</td>
</tr>
</tbody>
</table>
covers daily data transmission through xml files from the IACS and their storage in UMIS. Thus there is detailed information about the candidates, projects, and contracts under OP Development of Fisheries Sector.

- It is envisaged to improve the information system by developing additional modules for management and control, which would simplify procedures and reduce the administrative burden. The existing web-based IACS applications for publicity and information to the beneficiaries under the Rural Development Programme will be further developed and improved.
- The AXTER POPEYE System is designed to manage European projects for the needs of the Executive Agency for Fisheries and Aquaculture. In order to improve service delivery to citizens and businesses by speeding up the process of administering and reviewing project proposals and in order to provide information electronically, there is an upcoming launch of activities related to the creation of a public information portal serving applicants in Rural Development Programme. Improvement of the system is envisaged by developing additional modules for management and control, including the implementation and monitoring of Local development strategies as well as CLLD. There will be an option for data processing and exchange with the IACS system.
- With the aim of unifying the working processes, the elaboration of modules and maintenance of a software system for processing and monitoring projects under the Maritime and Fisheries Programme for 2014 – 2020, which will be compatible with UMIS 2020, is planned.

**The Integrated Information System (OPS) used in the former periods has been adapted.** The OPS is fully compatible with the SFC2007 of the EC and is consisting of the following modules:

- Programming;
- Introduction and modification of projects
- Monitoring;
- Control and verification;
- Money flows and
- Reporting.

The system is accessible online and supported by a helpdesk. Some problems have been reported by non-public users and by the fact that the Audit Authority is using their own system; hence delays and errors are possible. Upgrades solving those problems are planned, while the full electronic submission and full interoperability with other public databases (e.g. the Financial Information and Management Accounting System - FIMAS) is also considered in compliance to the e-Cohesion and audit trails requirements.

A scoping study has been conducted and was due for the end of 2014 for the definition of the system requirements, the workflows and the specification of fundamental software elements.

The second step was expected for September 2015 including the provisions for project progress monitoring, indicator monitoring, target achievements reporting, AIR generation and the preparation of annual accounts as well as the communication with the SFC2014.

**A new unified uniform monitoring system MS2014+ is being developed to ensure the needs throughout the implementation structure, it will contain:**

- web portal for applicants/beneficiaries to obtain information about the current announced calls (it allows them to submit applications);
- a portal for the administration of programmes/projects (MSSF2014+) that will record, process and store data about all operations;
- back office to store data on all operations in a structured and non-structured format in an electronic form and to communicate with external systems (including the Structural Funds common database);
- uniform management system for users - Service Desk;
- monitoring and evaluation mechanisms helpful for the selection and verification of the submitted grant applications;
MS2014+ will ensure mutual communication between the implementation structure entities involved in the preparation, administration, evaluation and verification of the provided funds, and communication with applicants and beneficiaries of ESI Funds. The interoperability between the relevant authorities will be fully electronic. This includes also e-government elements (e.g. national registers).

**Remark:** For programmes co-financed from the EAFRD and the EMFF, only the data needed for the monitoring and evaluation of the performance of the Partnership Agreement will be stored in MS2014+ and not all e-Cohesion policy features will be applied to them. The data on all operations necessary for the monitoring, evaluation, financial control, audit and other needs of these programmes will be primarily recorded, processed and stored in the information system of the State Agricultural Intervention Fund.

### Planned e-Cohesion tools that facilitate data exchange with the beneficiaries.

The PA describes (section 4 p. 208) the functions of the planned e-Cohesion tool called "Structural Funds information system". The functions are described in detail and will enable applicants to log in with person IDs for filling in the application forms. Payment claims will also be submitted in the Structural Fund information system as well as interim and final reports. All project-related procedures will be automatically recorded in the Structural Fund information system, ensuring the existence of an audit trail concerning the data submitted by applicants and beneficiaries. In addition, applicants and beneficiaries will be able to obtain feedback on an ongoing basis and track the project relevant information via the state portal at all times. This includes changes of application, certification of expenditure, payment claims, monitoring reports, irregularities, checks and follow up activities, etc.

The functionalities that facilitate electronic data exchange with beneficiaries will be gradually introduced until fully implemented by the end of 2015.

### The new system SYNERGIE.

A new system is planned to be developed based on the conclusions of the ex-ante evaluations. The existing system has been overhauled and replaced with a system called SYNERGIE, which responds to the expectations of the new regulations as well as the needs of the users. It enables the management of the ERDF and ESF as well as collecting all data needed at PA level. The old platform (PRESAGE) will be used until the final closure of the 2007-2013 OPs and all new data uploaded into the system will be transferred into SYNERGIE. The new features of this new system are described in the relevant section of the PA.

### Integrated Information System (OPS).

The Integrated Information System (OPS) has acquired through the System "Electronic Submission" extensive capabilities regarding data entry and monitoring based on a number of standardized forms processed in a decentralized manner. These forms assist the beneficiaries allowing for automatic completion of many fields, thus minimising errors and the preliminary exchange with the MAs for the early error detection. Further updates are expected. The OPS department also applies an integrated and certified electronic data security policy.

Further steps include in terms of technological capability and operational capacity the following:

- Development of Technological Studies: quarter 2, 2014;
- Contracting of the OPS operation of the new period: quarter 4, 2014;
- OPS Pilot Operation: quarter 4, 2015;
- OPS full operation: quarter 1, 2016.

In the meantime the OPS 2007-2013 will cover the operational needs.
Use of a new single system.
Related to the management of the ERDF, ESF and CF programmes in 2007-2013 period, Republic of Croatia has established a single MIS – SCF MIS, which will be used in 2014-2020 period as well.
In terms of the system itself, current version of SCF MIS is intended to be upgraded to the new requirements of the CPR and is intended to be used as the single MIS for ERDF, ESF and CF programmes in 2014-2020 period.
Upgrading process is divided across three phases:
- As the first phase of the upgrade, it was intended to perform thorough evaluation of the functioning of the current SCF MIS as well as to prepare overall analysis of the required upgrades of the system in line with all requirements of the CPR and respective implementing acts. This phase was supposed to be completed by December 2014;
- During the second phase, system modules will be developed, primarily to ensure processing of wider scope of data. This phase was intended to start in January 2015;
- In the third phase, SCF MIS will be extended with a Beneficiary portal (BP), the development of which will start in June 2015. BP will enable electronic exchange of information and documents between applicants/beneficiaries and MSC bodies as well as automatic exchange of documents between SCF MIS - BP and different databases of state institutions (such as state treasury, tax register, state aid register, company register etc.).

Funding under EAFRD and EMFF, including key information on each beneficiary and project, will be recorded and maintained electronically in the Paying Agency for Agriculture, Fisheries and Rural Development (PAAFRD). The Electronic Information System is already set up in PAAFRD, but further customisation is needed in order to ensure proper monitoring and evaluation system.
AGRONET is a web-based application for electronic and on-line submission of requests (for support/payment/changes of projects) by applicant/beneficiary under EAFRD and EMFF interventions. The application has automatic crosschecks of information provided by the beneficiaries, with available records maintained by PAAFRD and/or other public institution. There is a clear intention of including all e-Governance solutions by the time of their availability.
AGRONET is currently being updated to be compliant with the 2014-2020 requirements. The PA states that the SCF-MIS system is to be linked (phase 3 of the upgrade) to systems used for recording the data on EAFRD and EMFF funded projects as well as ensuring electronic exchange of data with EC ARACHNE system. The requirements of the CPR and related implementing acts will be respected. During the upgrade process alternative technical solutions for detecting irregularities and double financing are being explored such as exchange of electronic data related to all ESI beneficiaries and supported operations between MCS bodies.
No Acts on e-Government/e-Cohesion are mentioned.
No table of deadlines included.

New measures planned in 2014-2020.
The e-Cohesion measures planned for the 2014-2020 period are:
- an online platform for the ERDF, ESF and ETC programmes (merging the existing separate ESF and ERDF sites and open to all interested actors);
- an online platform for exchanging data and information between the beneficiaries and the MA (two separate platforms for the ESF and the ERDF);
- an online platform that allows for the exchange of digital documents (e.g. possibility for beneficiaries to upload financing requests or for MAs to upload information documents for beneficiaries).
The EAFRD MA also plans to launch a web-platform which will allow for the MA and the beneficiaries to exchange information and relevant documents.
Move towards a centralized system.
In Latvia, the registration and monitoring of projects funded by ESI funds in the 2007-2013 programming period of ESI funds had also been executed using a decentralized IT system module. One of the shortcomings of the decentralized IT system was the non-availability of detailed information in one place for all institutions involved in the management of ESI funds. In the 2014-2020 programming period, one central IT system will be used for registration and monitoring of projects which will be available for all institutions involved in ESI fund management, as well as project applicants/beneficiaries.

The new e-Cohesion system is to be based on the lessons learned from 2007-2013. A decentralized system is favoured.
In the chapter 4 of the PA, the measures planned for ensuring that the PA and the OPs are implemented successfully are described. During the 2007-2013 period one of the main improvements of the support administration information systems was the creation of the DES (Data Exchange System), which was the main tool for providing electronic services to project implementers. This allowed the decrease of the administrative burden and exchange of information among applicants, project implementers and support administration institutions. During the 2014-2020 programming period applicants wishing to get support from the ERDF, ESF and/or the CF will be able to submit project applications through DES. The information system for EAFRD will be also similar to DES. Further improvement and development of the information systems will be based on the current system and further improvements will be made using the best practise from the 2007-2013 programming period.

Four systems for data exchange will be created at national level.
As stated in the PA (para 1174, pp.454), in terms of fulfilling minimum requirements stemming from the new Regulations for 2014-2020, the only area of concern remains the specific e-Cohesion requirement – for “full implementation of the electronic data exchange between beneficiaries and authorities”. At present, with the existing electronic systems, this area is practically uncovered. The exceptions are few and extremely limited. The MySMIS system that was developed recently and that has just undergone the testing stage. MySMIS would fulfil entirely the e-Cohesion requirements for the 6 OPs the system was designed for.
Since rural development and fisheries are not covered by the minimal requirements of e-Cohesion, only the Sectoral Operational Programme Human Resources Development (SOP HRD) and the 4 OPs for ETC (would) remain uncovered. For SOP HRD, the ActionWeb system is successfully used since 2008, but its scope is still limited at present, not covering all e-Cohesion requirements. MIS-ETC has implemented e-Monitoring, a module of MIS-ETC Web Application, but this module is even more limited, dealing only with the beneficiary’s expenditures, out of the whole area of data. In terms of quality of the existing electronic systems, they fulfil the minimum requirements, but they do not excel. The area where most of the systems could be improved relates to satisfying the users’ needs (predefined reports, revision in terms of features and data content as such to become more user oriented). Key recommendations made by the evaluation report are relating to finalizing implementation of MySMIS and extending it to meet the needs of the ETC and ESF type programmes.
For 2014-2020, four systems for data exchange will be developed at national level taking also into account the improvements underlined by the ex-ante evaluation.

- SMIS 2014+ / MySMIS - will cover six operational programmes under the responsibility of Ministry of European Funds;
- an information system for the European Territorial Cooperation under Ministry of Regional Development and Public Administration (MRDPA) responsibility;
- an information system for NRDP and one for OP for Fisheries and Maritime Affairs (OP FMA), under the responsibility of the Ministry of Agriculture and Rural Development (MARD).
Actions planned:

- Elaboration of the system concept based on the new institutional and procedural framework and contracting the software application development services for SMIS 2014+ / MySMIS 2014+ (January-December 2014)
- Developing of the electronic management system (January-December 2014)
- Testing phase and enter into production of the SMIS2014+ (September-December 2014)
- Training for SMIS 2014+ /MySMIS 2014+ users (September-December 2014)
- Launching use SMIS 2014+ /MySMIS 2014+ (December 2014).

Plan to create centralized information systems that are integrated and interlinked with other public information systems.

Slovakia plans to modify the current information system ITMS for the ESI Funds except for EAFRD and the information system of the Agricultural paying agency for EAFRD (hereinafter referred to as "IS APA") to meet the requirements of e-Cohesion policy defined in the CPR on electronic performance of public authorities and amending certain acts (Act on e-Government), which constitutes the general legal basis for delivery of electronic services by public administration.

The principles of e-Cohesion policy shall be implemented by creating centralized ISs, which shall be interlinked and integrated with other public administration ISs (hereinafter referred to as "PA IS"). The following ISs will be used for the ESI Funds: ITMS2014+ and IS PPA that will cover administration of the EAFRD and European Agricultural Guarantee Fund (EAGF) – not part of the ESI Funds – because these types of support are interlinked and their division into separate information system will be ineffective and costly.

The two separate information systems (ITMS2014+ and IS PPA) will, to a certain extent, share the data and information stored in the systems.

In Slovakia, an effective system for information and data exchange between the beneficiary and the provider of support and other bodies involved in the implementation of the ESI Funds in electronic form will be established by 31 December 2015. Also the deadline for a fully functional electronic data exchange within IS APA in line with e-Cohesion requirements is set at 31 December 2015.

No table of deadlines included.

The different extent to which the e-Cohesion measures planned are described in each PA does not reflect upon the extent of the implementation or the quality of the e-Cohesion systems in place. Also, the changes might in fact not be major in MS where e-Cohesion-related simplifications have already been carried out in the previous programming period or where the need for a change was not too radical.

Other than the extent to which e-Cohesion measures have been described in the PAs however, further distinctions can be made about the systems chosen to simplify the existing processes electronically. This is further discussed in Chapter 3.
3. OVERVIEW ON THE STATE OF PLAY IN SELECTED MS

KEY FINDINGS

- The information about e-Cohesion systems planned and implemented in the MS is scarce beyond the PAs. This can have multiple reasons which do not reflect the quality of the systems in place.

- The impact of e-Cohesion on the role of MAs is mixed (less administrative burden; more costs related to the need to adapt); Technical Assistance could become necessary particularly when it comes to training those users who face difficulties with using the new electronic systems; there is no complete evidence on the use of e-Cohesion in ITI and CLLD at this point but two examples are known (PL, ES); complementarity between projects is seen as key mainly to create synergies but also to increase transparency for the authorities as well as to the external public.

- Looking at the existing information, it is possible to distinguish between four categories of e-Cohesion logics applied in the MS: 1) One e-system per fund, 2) One system per administrative unit, 3) One system for all ESIF, 4) Several e-systems in place.

- These different logics help reflecting upon important aspects (e.g. coordination, complementarity, avoiding duplication, etc.). They do not reflect the quality or the extent of improvement for programme management authorities or beneficiaries and applicants. Therefore, further along in the programming period, it will be interesting to carry out a survey or interviews with users of the systems in place and find out if any improvement has in fact been noted compared to 2007-2013. It will then be possible to truly grasp whether e-Cohesion does contribute to simplification and to the reduction of the administrative burden.

- A cost and benefit analysis could show if the benefits (less administrative burden, avoiding duplications, etc.) exceed the costs (financial costs and duration) of installing the new systems and training the users.

3.1. Selection procedure and criteria

The extent of information on e-Cohesion systems planned or implemented in the MS varies across MS’ PAs. This can have different reasons, including the possibility that some MS have already carried out relevant changes in the previous programming period. Interestingly, the information about the changes related to e-Cohesion systems as a simplification tool used in the 2014-2020 programming period is scarce when looking beyond PAs.

Role of e-Cohesion on the performance of managing authorities

It can only be assumed that the role of e-Cohesion on the performance of managing authorities is not clear-cut. On the one hand, e-Cohesion was seen as one of the main tools to reduce the administrative burden for MAs (reduction of paper work, stronger interoperability, easier exchange of data, etc.). On the other hand, the requirement to amend the systems already in place or introducing new systems can be a time and money consuming process (e.g. need for trainings, etc.).
**Need for Technical Assistance**

There is no evidence at this point that Technical Assistance is being requested by MS to implement e-Cohesion, but further research should be carried out later in the 2014-2020 programming period to learn more about the managing authorities’ experiences and needs with regards to e-Cohesion.

The following aspects, inter alia, could cause the need for Technical Assistance in the future:

- Trainings for users at all programme levels
- Computer illiteracy (20% of individuals at the level of EU27 have never used a computer and 3% of enterprises do not use a computer; in RO these figures correspond to respectively 44% of individuals and 19% of enterprises\(^{29}\))
- Internet-illiteracy (23% of individuals in the EU27 have never used the internet; this figure is as high as 48% in RO; 5% of enterprises with over 10 employees in the EU27 do not use the internet; this figure is 21% in the case of RO\(^{30}\).

**Use of e-Cohesion in ITI and CLLD**

The use of e-Cohesion in the context of Integrated Territorial Approaches (ITIs) is only mentioned in the PAs of Poland and Spain, where e-Cohesion is seen as a useful tool to implement this innovative instrument. There is however no mention of Community-led Local Development (CLLD). This should also be further analysed once the e-Cohesion systems are up and running and their users have had time to apply them in various areas.

**The High Level Expert Group (HLG) on Monitoring Simplification for Beneficiaries of ESI Funds\(^{31}\)**

Following the 2\(^{nd}\) Meeting of the High Level Expert Group (March 2016) on “Monitoring Simplification for Beneficiaries of ESI Funds” and the accompanying “Interim Report on e-Governance” two regions and one MS were identified as good examples for e-Governance: Wales, Flanders and Estonia. The report says in its conclusions: “The experiences shared by the Welsh, Estonian and Flemish authorities are good examples that should be made available to all.”

The three good practice examples base on the following principles to simplify and streamline the implementation of ESI Funds through e-Governance:

- reduction of administrative burden for beneficiaries;
- provision of IT services allowing beneficiaries of the Funds to exchange information with programme authorities;
- usage of electronic portals accessible through the web.

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\(^{29}\) Ciocoiu, E. (2013), E-Cohesion – Shaping the Future Regional Development of Romania, The Romanian Economic Journal, September 2013. [http://econpapers.repec.org/article/rejjournl/v_3a16_3ay_3a2013_3ai_3a49_3ap_3a129-146.htm](http://econpapers.repec.org/article/rejjournl/v_3a16_3ay_3a2013_3ai_3a49_3ap_3a129-146.htm)

\(^{30}\) Ibidem

The HLG also highlights that the measures could go further than the current requirements of the regulations and provide a fully online and digital process for programme management.

Besides the recommendation (see more recommendations of the HLG in the concluding remarks of this study) to disseminate the good practice examples widely to MS, the expert group highlights the following main conclusions about the state of play:

- the HLG identifies the potential of e-Governance to reduce administrative burden for all stakeholders (in particular beneficiaries) and good progress from the MS in this direction;
- there are challenges in implementation of a common ESI Funds platform but there was merit from beneficiaries perspective that would not have to navigate different systems
- further challenges are – amongst others – establishing more stable and simple procedures, user-friendly technical solutions, adequate training and support at all levels, involvement of stakeholders or overcoming all legal and regulatory obstacles;

The HLG concludes in the Interim Report: “The sharing of bad experiences and encountered problems on both the implementation and technical levels is also needed in order to help other Member States avoid unnecessary delays in the adoption of e-Governance.”

**Complementarity between projects**

There is little information about the role of e-Cohesion in supporting complementarity between projects belonging to one OP and among projects financed by other OPs. The idea of complementarity is one that follows the objective of reducing the administrative burden. Within the same operational programme at least, a beneficiary involved in more than one project, will not have to send a document or any piece of information twice to any authority involved in the management and the implementation of that operational programme (intermediate body, managing authority, certifying authority, audit authority). Complementarity can not only lead to more synergies once the authorities identify possible similarities between projects whose data is saved electronically, but also facilitates transparency and external public communication.

Some MS describe how complementarity is to be ensured at the level of projects through the new electronic systems chosen (see below).

With regards to the information that is available however, based on a PA review and a desk research of national sources as well as information from the High Level Group on e-Governance, it is possible to draw four distinct groups of MS:

1) MS with one system per fund, i.e. MS where the electronic systems used for each ESI Fund are managed and accessible through separate channels (AT, NL, HU).
2) MS with one system per regional administrative unit; i.e. MS where the electronic systems used are managed and accessible separately for each region / Land / federal state (e.g. DE, BE, UK).
3) MS with one system for all ESI Funds; i.e. MS using one single electronic system to manage and access all ESI Funds at once (e.g. LU, LV, HR, PT, FR).

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32 Ibidem.
4) MS with several e-systems, i.e. MS using several electronic systems mainly to bundle only some of their ESI Funds OPs (i.e. ERDF/ESF/CF in contrast to EMFF) (e.g. BG, RO).

The country fact sheets below are illustrative examples of these four categories.

This cluster allows for a country-comparison which, amongst the features above, also includes the following aspects:

- Decision to use e-Cohesion as a means to simplify OP management: Those MS that decided to move from several to one electronic system can be assumed to have done so in view to centralise all data and tasks.

- In federal states (DE, BE) and several regionalised states (e.g. UK), the electronic systems are still being separated between administrative units, which shows that e-Cohesion as a means of simplification is not considered convincing enough to change basic administrative ways.

- Coordination between data related to different funds (ERDF, ESF, Cohesion Fund but also EAFRD and EMFF): While MS which chose to use only one single system coordinate the information of the different funds centrally, the other MS coordinate this data through different channels. There are a few countries (BE, LT, UK) favouring decentralized systems which have the disadvantage of not always having all data stored in one place.

- Situations of double workflows (i.e. paper and electronic): Although there is no evidence of double workflows, it can be assumed that those MS that have only one single system can better avoid double workflows for certain tasks (e.g. sharing EU and national guidelines, feeding various platforms, etc.). Electronic handling of documents and data should help the authorities using the services to reduce the paper documentation and therefore improving the efficiency of document handling and storing (double use of certain documents for instance). Electronic exchange of information can also decrease the costs that beneficiaries are facing when transmitting paper documents via the postal services and with multiplying and processing large paper files. For the larger or the more experienced beneficiaries, those already having accounting or financial IT systems, the electronic exchange could offer even more benefits, allowing them to use the electronic data they have, instead of encoding it again into another IT system. However, there is not enough information available to assess whether paper workflow has managed to lessen thanks to e-Cohesion tools so far.

### 3.2. Country factsheets

Before going into detail about the set-up for the country fact sheets there has to be stated the following:

- this paper aims to check what is available in the field of e-Cohesion at the moment and it summarises the basis for any future updates regarding the implementation process;

- in many cases for the time being there is not more information available besides the one mentioned in the PAs of the MS;

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there were several attempts to get in contact with relevant authorities but in most cases no additional information going beyond the PA could be identified. For an in-depth survey in every MS the scope of the study and the available resources were limited.

The following country sheets aim to illustrate the four categories mentioned above. Each category is illustrated by two examples.

Each example is presented in the form of a table, representing one Member State. In addition, each table includes a symbol to show which of the four categories it belongs to. In fact, each of the four categories mentioned above is represented by a symbol.

The following legend explains the symbols used.

**Legend:**

- Users: Programme authorities, beneficiaries, applicants
- Users: E-system/application (no specific ESIF)
- ESF e-system/application
- ERDF e-system/application
- Regional administrative unit: Member State/region

For each Member State, there is a description of the total number of ESF/ERDF (excluding ETC) and CF OPs implemented in 2014-2020, a general description of the e-Cohesion system applied in 2007-2013, a description of the main features of the e-Cohesion system for 2014-2020, the state of play of its implementation, and an indication of countries using a similar system logic.
### 3.2.1 MS with one system per fund

MS where the electronic systems used for each ESI Fund are managed and accessible through separate channels (AT, NL, and HU).

**Table 5: Fact sheet for Austria**

<table>
<thead>
<tr>
<th><strong>AUSTRIA – system characteristics</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total number of ESF/ERDF (excluding ETC)/CF OPs 2014-2020</strong></td>
<td>1 ESF OP, 1 ERDF OP</td>
</tr>
<tr>
<td><strong>E-cohesion system used in 2007-2013</strong></td>
<td>In 2007-2013, each federal region had an e-platform of its own for the nine ERDF OPs, whereby four were compatible with the e-Cohesion requirements. These will continue to use their own system. However, in the current period there is now only one ERDF OP which has its own system. For the ESF OP in the previous programming period some systems were already used comparable to e-Cohesion requirements.</td>
</tr>
</tbody>
</table>
| **Description of the e-Cohesion system 2014-2020** | There are two separate e-platforms for the ERDF and the ESF in Austria for the 2014-2020 period:  
ESF 2014-2020: ZWIMOS  
ERDF 2014-2020: IWBECOS  
Both systems have been set up by the same technical provider but are functionally separate. |
| **State-of-play of implementation** | In the ESF some measures have already been implemented through IT systems in 2007-2013 that can be classified as corresponding to the e-Cohesion characteristics. In the ERDF, on the one hand, programme bodies have their own systems that are compatible with e-Cohesion and on the other the MA has put the IWBECOS system at their disposal. All requirements are expected to be fulfilled. |
| **Other MS in this category** | NL, HU |

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34 This information comes from a telephone interview with the ERDF MA in Austria.
### Table 6: Fact sheet for Netherlands

<table>
<thead>
<tr>
<th>NETHERLANDS – system characteristics</th>
<th>Total number of ESF/ ERDF (excluding ETC)/ CF OPs 2014-2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>One system per OP</td>
<td>1 ESF OP, 4 ERDF Ops</td>
</tr>
</tbody>
</table>

**E-cohesion system used in 2007-2013**

1. **Management-side:**
   - Management & Control-system
   - Separate financial accounting system
   - MSF: The national monitor for ERDF in NL

2. **My-site:**
   - For applicants and beneficiaries

3. **Public-sites:**
   - For all who are interested in ERDF-information
   - MA OP West and national (www.Europaomdehoek.nl)

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Given the large amount of data that had to be stored by each OP in the new period (2014-2020), the Netherlands will use a more centralised model for inputting and reporting data (see figure below), where all involved parts in the process respectively citizens, beneficiaries, management authorities from each OP, audit authority and certifying authority will have access to the same back office application that will be enquired also by SFC2014 administrated by EU and will have data available from the national authorities such as the Chamber of Commerce of Netherlands. The following will be ensured:

- E-submission component: application forms, authentication by login and user, use of Excel file for mass-upload of documents referred to hours spent and invoices, refuse for physical paper documents;
- E-signature component: use of national signature;
- Security web portal component: to login with user and password, possibility of management of users for the beneficiaries and secure connection with the My-site;
- E-storage component: online real-time data, storage of documents in a Document Management System (for different type of document extension), complete digital dossier, no maxim of documents for store, all documents can by accessible for audit reasons;
- "Only once encoding principle" 2014-2020, it is considered useful the pre-filled html forms, for reports that are using the previous reported data and JavaScript validation and connection with the Commerce Chamber for data regarding beneficiaries;
- Interoperability assured by EC monitoring system and MA Control System through xml file exchange;
- Audit trail assured by work flows for the MA and need to do, chronological view of the documents, strong authorization in the system.

New system 2014-2020:

36 Ibidem
37 Ibidem
According to the PA, the funds will be handled as follows:

**ERDF**: one national electronic information system will be set up, that will be used by all regional programmes. This concerns an upgrade of the current system of MA South Netherlands.

**ESF**: a central information system was developed in 2007-2013 (called Diane-system). This system includes an e-portal in which subsidy requests and final declarations are processed (via e-forms). This system and forms are adjusted based on the needs of the new programme 2014-2020. One of the issues that will be further assessed is an improvement of the communication possibilities between applicant and MA. Also the link between the Diane-system and SFC2014 will be improved. The PA also refers to an improved data exchange between MA, AA, CA and EC.

**EAFRD as well as EAGF** important steps were made in the last year’s payments requests (digital). This digitalisation will be continued including all steps from project application to final payments of the subsidy. On YouTube a number of promotion / instruction videos are being uploaded on how to apply.

**EMFF** is not obliged for electronic data exchange with beneficiaries. Nevertheless, efforts are made to improve this situation.

<table>
<thead>
<tr>
<th>State-of-play of implementation</th>
<th>The PA does not provide an elaborated assessment of the existing stage of development and clear commitments as regards the steps needed to fulfil the legal requirement to establish systems for electronic exchange with beneficiaries – not only vis-à-vis the Commission, but also with respect to partners and beneficiaries. No concrete plan is provided how to meet the 2015 deadline.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other MS in this category</td>
<td>AT, HU</td>
</tr>
</tbody>
</table>
### 3.2.2 MS with one system per regional administrative unit

MS where the electronic systems used are managed and accessible separately for each region / Land / federal state (e.g. DE, BE, UK).

**Table 7: Fact sheet for United Kingdom**

<table>
<thead>
<tr>
<th>United Kingdom – system characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total number of ESF/ ERDF/ CF OPs 2014-2020</strong></td>
</tr>
<tr>
<td><strong>E-cohesion system used in 2007-2013</strong></td>
</tr>
<tr>
<td><strong>Description of the e-Cohesion system 2014-2020</strong></td>
</tr>
</tbody>
</table>
| **State-of-play of implementation** | **England**: Open procurement process for the new IT system for ERDF and ESF will begin in 2014. The system will be developed throughout 2014 and be in place in 2015.  
**Scotland**: Work is underway to develop data management systems for delivering the EAFRD, ESF and ERDF programmes. The system should be ready by spring 2015.  
**Wales**: A robust IT system exists but it is enhanced to reflect the new legislative framework and to support new business processes. No timetable is mentioned.  
**Northern Ireland**: Design, procurement and supply of database by end of 2014.  
**Gibraltar**: enhancement of IT system to reflect the new legislative framework and to support new business processes by November 2014. |
| **Other MS in this category** | IT, PL, BE, DE |
### Table 8: Fact sheet for Belgium

<table>
<thead>
<tr>
<th>BELGIUM – system characteristics</th>
<th>Total number of ESF/ERDF/CF OPs 2014-2020</th>
<th>E-cohesion system used in 2007-2013</th>
<th>Description of the e-Cohesion system 2014-2020</th>
<th>State-of-play of implementation</th>
<th>Other MS in this category</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3 national ERDF OPs, 4 ESF Ops</td>
<td>A securised system has been developed in the past which allows for a central collection of the data and information and a close monitoring of the existing projects.</td>
<td>There are separate e-systems in each of the 4 Regions.</td>
<td>Advanced to finished, looking at the PA.</td>
<td>IT, PL, UK, DE</td>
</tr>
</tbody>
</table>
### 3.2.3 MS with one system for all ESI Funds

MS using one single electronic system to manage and access all ESI Funds at once (e.g. LU, LV, HR, PT, FR).

#### Table 9: Fact sheet for France

<table>
<thead>
<tr>
<th>FRANCE – system characteristics</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total number of ESF/ ERDF/ CF OPs 2014-2020</strong></td>
<td>32 ESF OPs (national + regional), 35 ERDF OPs (including ERDF/ESF multi-fund OPs)</td>
</tr>
<tr>
<td><strong>E-cohesion system used in 2007-2013</strong></td>
<td>An electronic system was already in place for coordinating the CF in 2007-2013 (PRESAGE).</td>
</tr>
<tr>
<td><strong>Description of the e-Cohesion system 2014-2020</strong></td>
<td>A new system has been developed for 2014-2020 based on an ex-ante evaluation, called SYNERGIE, which responds to the expectations of the new regulations as well as the needs of the users. It enables the management of the ERDF and ESF as well as collecting all data needed at PA level.</td>
</tr>
<tr>
<td><strong>State-of-play of implementation</strong></td>
<td>The old platform (PRESAGE) will be used until the final closure of the 2007-2013 OPs and all new data uploaded into the system will be transferred into SYNERGIE.</td>
</tr>
<tr>
<td><strong>Other MS in this category</strong></td>
<td>DK, FI, MT, PT, ES, CY, CZ, EE, GR, HR, LU, LV, LT, SE</td>
</tr>
</tbody>
</table>

Table 10: Fact sheet for Luxembourg

<table>
<thead>
<tr>
<th>LUXEMBOURG – system characteristics</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total number of ESF/ ERDF/ CF OPs 2014-2020</strong></td>
<td>1 ERDF OP; 1 ESF OP</td>
</tr>
<tr>
<td><strong>E-cohesion system used in 2007-2013</strong></td>
<td>The web-platform used to be linked to the government website. It has been entirely refurbished.</td>
</tr>
<tr>
<td><strong>Description of the e-Cohesion system 2014-2020</strong></td>
<td>The e-Cohesion measures planned for the 2014-2020 period are:</td>
</tr>
<tr>
<td></td>
<td>• an online platform for the ERDF, ESF and ECT programmes (merging the existing separate ESF and ERDF sites and open to all interested actors);</td>
</tr>
<tr>
<td></td>
<td>• an online platform for exchanging data and information between the beneficiaries and the MA (two separate platforms for the ESF and the ERDF);</td>
</tr>
<tr>
<td></td>
<td>• an online platform that allows for the exchange of digital documents (e.g. possibility for beneficiaries to upload financing requests or for MAs to upload information documents for beneficiaries).</td>
</tr>
<tr>
<td></td>
<td>The EAFRD MA also planned to launch a web-platform which will allow for the MA and the beneficiaries to exchange information and relevant documents.</td>
</tr>
<tr>
<td><strong>State-of-play of implementation</strong></td>
<td>Implemented</td>
</tr>
<tr>
<td><strong>Other MS in this category</strong></td>
<td>DK, FI, MT, PT, ES, CY, CZ, EE, GR, HR, FR, LV, LT, SE</td>
</tr>
</tbody>
</table>

http://www.fonds-europeens.public.lu/fr/index.html
3.2.4 MS with several e-systems

MS using several electronic systems mainly to bundle only some of their ESIF OPs (i.e. ERDF/ESF/CF in contrast to EMFF) (e.g. BG, RO).

Table 11: Fact sheet for Romania

| ROMANIA – system characteristics | 
| Total number of ESF/ERDF/CF OPs 2014-2020 | 2 ESF OPs, 4 ERDF Ops |

In 2007-2013, 6 electronic applications were used for data input and reporting and 2 other applications only for reporting in Romania. The Action Web application and My SMIS application were the front office applications. Taking into consideration the last fact, the Action Web application was the first in being developed in the new period in order to become a useful electronic tool in facilitating the transmitting of electronic information.³⁸

For 2014-2020, four systems for data exchange will be developed at national level taking also into account the improvements underlined by the ex-ante evaluation\textsuperscript{39}. MySMIS will fulfil entirely the e-Cohesion requirements for the 6 OPs the system was designed for. At the national level, MRDPA will develop and implement two special electronic applications for the OP Regional and OP Administrative Capacity, two electronic applications that will be implemented according to new requirements of these two OPs.

- a) SMIS 2014+ / MySMIS - will cover 6 operational programmes under the responsibility of Ministry of European Funds;
- b) an information system for the European Territorial Cooperation under MRDPA responsibility;
- c) an information system for National Rural Development Programme and one for OP Fisheries and Maritime Affairs, under the responsibility of the Ministry of Agriculture and Rural Development (MARD).

The Romanian strategy for the 2014-2020 period is to use the MySMIS application for e-Cohesion scope and is considered that the Romanian laws regarding the electronic signature, archiving electronic data, data registration on electronic documents and protection of personal data are matching with e-Cohesion policy. Users need predefined reports, functions and data.

This system should allow for the online submission of projects, computerization and simplification in public procurement process, auditing, reimbursement, computerization process of implementation, the end of using paper format, use of electronic signatures, creating databases, storing project documents on electronic media with low accessibility and applications use in decision making. Other measures related to automating release or availability of fiscal information of applicants for funding to improve the efficiency of submitting project applications for funding and reducing the administrative burden and the number of documents to be transmitted, electronic archiving.

\textsuperscript{39} Further information can be found in: Ciocoiu, E. (2013), E-Cohesion – Shaping the Future Regional Development of Romania, The Romanian Economic Journal, September 2013. \url{http://econpapers.repec.org/article/rejjournl/v_3a16_3ay_3a2013_3ai_3a49_3ap_3a129-146.htm}.
As stated in the PA (para 1174, p.454), in terms of fulfilling minimum requirements stemming from the new Regulations of the EC for 2014-2020, the only area of concern remains the specific e-Cohesion requirement – for “full implementation of the electronic data exchange between beneficiaries and authorities”. With the electronic systems that were in place up until the new programme period, this area was practically uncovered.

The MySMIS system that was developed recently and that has just undergone the testing stage, promises to solve most issues of that problem.

Actions planned:
- Elaboration of the system concept based on the new institutional and procedural framework and contracting the software application development services for SMIS 2014+ / MySMIS 2014+ (January-December 2014)
- Developing of the electronic management system (January-December 2014)
- Testing phase and enter into production of the SMIS2014+ (September-December 2014)
- Training for SMIS 2014+ /MySMIS 2014+ users (September-December 2014)
- Launching use SMIS 2014+ /MySMIS 2014+ (December 2014).

### Table 12: Fact sheet for Bulgaria

<table>
<thead>
<tr>
<th>BULGARIA – system characteristics</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total number of ESF/ ERDF/ CF OPs 2014-2020</strong></td>
<td>3 ESF OPs, 6 ERDF OPs</td>
</tr>
<tr>
<td><strong>E-cohesion system used in 2007-2013</strong></td>
<td>During the 2007-2013 programming period, the management of all operational programmes financed by the Structural Funds and the CF in Bulgaria used a single Unified Management Information System – UMIS (Unified Management Information System).</td>
</tr>
<tr>
<td><strong>Description of the e-Cohesion system 2014-2020</strong></td>
<td>3 electronic systems that aim to ensure that the PA and OPs are implemented successfully: UMIS, IACS and Axter Popeye System:</td>
</tr>
<tr>
<td><strong>UMIS (Unified Management Information System)</strong></td>
<td>The system will be the main instrument for implementation of e-Cohesion in Bulgaria. The system will allow for the electronic reporting and electronic communication in project implementation, which is one of the key instruments for reduction of the administrative burden. UMIS is implemented entirely as a web based application. All bodies taking part in the implementation of the OPs funded by ERDF, CF and ESF (Managing Authorities, Intermediate Bodies, Certifying Authority, Audit Authority and beneficiaries) use the same information system. The interoperability between them is assured by the common data and the procedures in place in the system that all involved parties need to follow. The existing functionalities provide a significant reduction in the administrative burden and costs to beneficiaries, but in order to fulfil the requirements for e-Cohesion additional functionalities will have to be introduced.</td>
</tr>
<tr>
<td><strong>IACS (Integrated Administration and Control System)</strong></td>
<td>Implementing the function of Paying agency, in State Fund &quot;Agriculture&quot; and IACS has been developed, comprising the following independent systems:</td>
</tr>
<tr>
<td>- system for registration of applicants and applications for support - maintained by the Paying Agency;</td>
<td></td>
</tr>
<tr>
<td>- identification system for agricultural parcels - maintained by the Ministry of Agriculture and Food;</td>
<td></td>
</tr>
<tr>
<td>- system for identification and registration of animals - maintained by the Bulgarian Agency for Food Safety;</td>
<td></td>
</tr>
<tr>
<td>- integrated control system - maintained by the Paying Agency.</td>
<td></td>
</tr>
<tr>
<td>A designed interface has been created for electronic data exchange between the UMIS, IACS for the Rural Development Programme and the System used for OP Development of Fisheries Sector - <strong>Axter Popeye</strong> (which will continue to be used during programming period 2014 – 2020). The interface between UMIS and IACS covers daily data transmission</td>
<td></td>
</tr>
</tbody>
</table>
through xml files from the IACS and their storage in UMIS. Thus there is detailed information about the candidates, projects, and contracts under OP Development of Fisheries Sector.

It is envisaged to improve the information system by developing additional modules for management and control, which would simplify procedures and reduce the administrative burden. The existing web-based IACS applications for publicity and information to the beneficiaries under the RDP will be further developed and improved.

**Axter Popeye System**

The AXTER POPEYE System is designed to manage European projects for the needs of the Executive Agency for Fisheries and Aquaculture. In order to improve service delivery to citizens and businesses by speeding up the process of administering and reviewing project proposals and in order to provide information electronically, there is an upcoming launch of activities related to the creation of a public information portal serving applicants in Rural Development Programme. Improvement of the system is envisaged by developing additional modules for management and control, including the implementation and monitoring of Local development strategies as well as CLLD. There will be an option for data processing and exchange with the IACS system.

With the aim of unifying the working processes, the elaboration of modules and maintenance of a software system for processing and monitoring projects under the Maritime and Fisheries Programme for 2014 – 2020, which will be compatible with UMIS 2020, is planned.

<table>
<thead>
<tr>
<th>State-of-play of implementation</th>
<th>Most parts have been implemented already during the 2007-2013 programming period.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other MS in this category</td>
<td>RO, SI</td>
</tr>
</tbody>
</table>

These various logics and systems do not reflect the quality or the extent of improvement for programme management authorities or beneficiaries and applicants. Therefore, further along in the programming period, it will be interesting to carry out a survey or interviews with users of the systems in place and find out if any improvement has in fact been noted compared to 2007-2013, in order to truly grasp whether e-Cohesion does contribute to simplification and to the reduction of the administrative burden.

Also, a cost and benefit analysis could show if the benefits (less administrative burden, avoiding duplications, etc.) exceed the costs (financial costs and duration) of installing the new systems and training the users.
4. CONCLUSIONS AND RECOMMENDATIONS

This study summarized and analysed the information that exists so far about the adaptation or introduction of electronic systems in the MS in view to respond to the e-Cohesion regulations. Generally, the study thereby opens new fields of research and analysis which will then lead to an overall understanding of how e-Cohesion contributes to the overall coordination and complementarity among the ESIF.

Challenges for MS

E-cohesion is seen by the EC as a key tool to reduce the administrative burden in the implementation of ESIF programmes at both programme management and beneficiary/applicant level.

MS were requested to describe their progress in implementing electronic systems capable of responding to the regulatory requirements. While timetables of completion of systems are not included in a number of Partnership Agreements, there is no indication in the PAs that these will not be up and running in time. In most MS, online tools or e-systems were already in place; the main task is now for MS to adapt these tools or replace them with systems that correspond to the regulatory requirements. Thus the challenge lies in the adaptation and upgrading of existing systems rather than in the creation of new systems.

These adaptations can be translated into, for example, reducing the number of e-systems in use to improve the coordination between the funds, administrative units involved, management and applicants, i.e. rather than having one system per Land as was the case with the ERDF in Austria in the previous period, having one central system41. This implies a simplification in the overall system.

It can also mean that MS are looking to introduce systems that allow for a better exchange of information between the authorities and the applicants (e.g. EE), but also between regions / federal states (e.g. DE), funds (e.g. LU), or other institutions and authorities involved (CY). To illustrate, in Latvia the registration and monitoring of projects funded by the ESI Funds in the 2007-2013 programming period was carried out using a decentralized IT system module. One of the shortcomings of the decentralized IT system was the non-availability of detailed information in one place for all institutions involved in the management of ESI funds. In the 2014-2020 programming period, one central IT system will be used for registration and monitoring of projects which will be available to all institutions involved in ESI Funds management, as well as to project applicants/beneficiaries.

In Cyprus, some problems have been reported by non-pubic users and by the fact that the Audit Authority is using its own system increasing the likelihood of delays and errors. Upgrades to solve those problems are planned although the full electronic submission and full interoperability with other public databases e.g. the Financial Information and Management Accounting System (FIMAS) is considered to be in compliance with the e-Cohesion and audit trail requirements.

In Romania, the newly developed MySMIS system aims to ensure the requirement of “full implementation of the electronic data exchange between beneficiaries and authorities”. Up until now, with the existing electronic systems, this area was practically not covered.

41 This is also due to the decision to have one rather than nine ERDF OPs in Austria.
The above examples show that while there is no indication of delays in implementing systems, MS are faced with the challenge of adapting and simplifying existing systems in time for the first uploading of data into SFC2014 for the Annual Implementation Report 2016.

**Regulatory requirements**

As described in more detail above, the minimum requirements on e-Cohesion, according to Article 122.3/ CPR 1303/2013, are the 'only once' encoding principle, the concept of interoperability, and a conform electronic audit trail.42

No technical requirements on software platforms have been foreseen at the EU level in order to preserve the flexibility to use already existing systems and platforms. MS, regions and programmes should choose the best option for their own needs. There is also no requirement to establish one system, but Member States still may choose to have several systems in place. Thus there is still a long way to go before Member States have central systems for all ESI funds. The requirement as stipulated with partnership agreements in general, to provide a common framework for all ESI funds, is not reflected in the e-Cohesion system as laid down in the regulatory requirements.

This study also asks whether the MS have been more ambitious in the systems and data gathering than was required by the Regulations. This could mean, for example, that they have decided to introduce more detailed indicator systems than those required by the common indicators in order to be able to produce better data for evaluations. It can mean, for example, that they include evaluation data questions in the online project application forms or that they are able to perform various data analyses, e.g. per target group etc. Looking at the state of play in the MS no systematic documentation of the e-Cohesion principle is available in the EU so far. The actual sophistication of the systems is not known and only anecdotal evidence is available. For example, in Austria, the data warehouse of the Public Employment Service has for years been able to supply evaluators with detailed participant data linked to social security data for the identification of longer term results or the AMA (Agrarmarkt Austria) monitoring system which is similarly able to supply evaluation data.

The existing documents highlight the aspects that needed improvement in the new programming period compared to 2007-2013 (e.g. interoperability in Hungary and the Czech Republic).

**E-Cohesion and the Managing Authorities**

The expectation of the Commission is that e-Cohesion systems should reduce the workload of the Managing Authorities and other stakeholders in the long-run. In fact, the EU assumes that the use of digital technologies will reduce the work load by 11%. However, the interview with the Austrian ERDF MA confirmed that the implementation of the new electronic system requires a lot of work at the beginning. Whether this will be amortised in the long run remains to be seen.

MS are to gradually implement systems that enable beneficiaries to submit all information and document electronically and only once to programme bodies. This requires the set-up of a fully-fledged electronic application and monitoring system with access possibilities for

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different programme bodies including the First Level Control (or the development of interfaces and maximum use of already existing databases). Due to the fact that we are still in an early stage of the implementation phase there has been no systematic study of the impact of these changes on the Managing Authorities.

The role of e-Cohesion on the performance of managing authorities is not clear-cut since it does reduce the administrative burden on the one hand (reduction of double workflows, more synergies and complementarity, transparency, etc.) but at the same time, the requirement to amend the systems already in place or introducing new systems can be a time and money consuming process (introducing new methods, carrying out and participating in trainings, adapting to new logics and systems, etc.).

The use of e-Cohesion in the context of ITIs is only mentioned in the PAs of two MS, but this question should be investigated further during the programming period.

**External factors impact upon e-Cohesion**

When discussing further advancements of e-Cohesion there are a number of external factors that matter on the implementation of e-Cohesion. Though an investigation of these factors would have exceeded the remit of this study, it needs to be highlighted that the following factors do matter:

- The development of any advanced system for e-Cohesion is closely linked to the overall e-government system in place. Functionalities like e-signature and e-submission need a technological environment in place to be expanded to e-Cohesion. It seems to be unlikely that e-Cohesion per se will trigger such systems.

- E-Cohesion is a tool to model improve and simplify workflows and exchange of documents and information. However, the functionality of any electronic system depends on the underlying processes and procedures. User-friendly and simple tools also need user-friendly and simple procedures. Thus e-Cohesion can trigger, but not substitute a review of procedures and attempts to simplify them.

- National laws and rules may also impede advanced forms of implementation, for instance if electronic exchange of documents, invoices and proofs of expenditures are not accepted by the control and audit authorities, e-Cohesion cannot contribute to a reduction of paper flows.

**The use of technical assistance by MS to implement e-Cohesion**

In order to support the EU MS in interpreting and applying the new regulatory requirements, the EC has been organising a series of training events targeting national and regional authorities responsible for the management of the ESI Funds thus recognising the need for training for the MS.

It is also possible for MS to apply for technical assistance for the implementation of e-Cohesion systems in their OPs. For instance in Austria, the ERDF OP includes measures for implementing the e-Cohesion system IWBECOS (similar to the case of Poland). It is expected that the implementation of the systems will be co-financed by the ERDF in future.

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**E-Cohesion on project level and within the coordination between the funds**

MS use innovative ways to keep up with information requirements - reporting on progress, declaration of expenditure and exchange of information related to management, verifications and audits - via electronic exchange. It is not required to set up a facility enabling electronic submission of project applications, but if MS wish to do so, they may extend the concept of e-Cohesion to applicants as well.

This has been done in a number of countries, often in combination with a tool that allows for better coordination between different funds. In that way, information is handled efficiently as it reaches the recipient more quickly (whether from management level to beneficiary level or vice versa) and can be used by all the authorities involved. Relevant examples are:

- In EE, all project-related procedures will be automatically recorded in the Structural Fund information system, ensuring the existence of an audit trail concerning the data submitted by applicants and beneficiaries. In addition, applicants and beneficiaries will be able to obtain feedback on an ongoing basis and track the project relevant information via the state portal at all times. This includes changes of project application, certification of expenditure, payment claims, monitoring reports, irregularities, checks and follow up activities, etc.

- In LT, during the 2007-2013 period one of the main improvements of the support administration information systems was the creation of the DES (Data Exchange System), which was the main tool for providing electronic services to project implementers. This allowed the decrease of the administrative burden and exchange of information among applicants, project implementers and support administration institutions. During the 2014-2020 programming period, applicants wishing to get support from the ERDF, ESF and/or the CF will be able to submit project applications through DES. The information system for EAFRD will be also similar to DES.

As shown earlier, MS are implementing new or updated systems that allow them to share the information stored with all the authorities involved or permitted to access the data in question. Relevant examples are:

- In LV, the registration and monitoring of projects funded by ESI funds in the 2007-2013 programming period was also executed using a decentralized IT system module. One of the shortcomings of the decentralized IT system was the non-availability of detailed information in one place for all institutions involved in the management of ESI funds. In the 2014-2020 programming period, one central IT system will be used for registration and monitoring of projects which will be available for all institutions involved in ESI fund management, as well as project applicants/beneficiaries.

- In HR, funding under EAFRD and EMFF, including key information on each beneficiary and project, will be recorded and maintained electronically in the Paying Agency for Agriculture, Fisheries and Rural Development (PAAFDRD). The Electronic Information System is already set up in PAAFDRD, but further customisation is needed in order to ensure proper monitoring and evaluation system.

In some MS, while several electronic systems were or still are in place, stronger coordination is planned in the future (e.g. DE, HU).

Complementarity between the funds and between the projects, supported by the e-Cohesion, can not only lead to more synergies once the authorities identify possible similarities between projects whose data is saved electronically, but also facilitates transparency and external public communication.
Different IT-systems and electronic applications

Earlier in this study, MS were split into four groups to illustrate different approaches used in coordinating the information collected in e-systems. If, for analytical purposes, no distinction is made between the use of one system per ESIF, one system per administrative unit, or one system for all ESIF, it could be simply distinguished between those MS that use one single e-system vs. MS that use several systems. There are approximately as many countries using a single IT system as countries using several IT systems. Wherever several systems are used, these can be either independent platforms by funds, regions/administrative units, or technical function, but in all those cases the PAs mention that the interoperability is planned to be improved in the 2014-2020 programming period (e.g. DE, HU).

Some MS explicitly describe in their PAs that they have moved from having several IT systems to a single platform (e.g. LU).

The following table shows which countries use a single electronic system for their ESI Funds and which countries apply more than one system (whether this is by fund, administrative unit, technical function, etc.):

<table>
<thead>
<tr>
<th>Single IT system in 2014-2020</th>
<th>Several electronic systems in 2014-2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>DK</td>
<td>AT (1 application / fund)</td>
</tr>
<tr>
<td>FI</td>
<td>DE (1 platform/ OP)</td>
</tr>
<tr>
<td>MT</td>
<td>HU</td>
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<tr>
<td>PT</td>
<td>IE</td>
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<tr>
<td>ES</td>
<td>IT (central vs. regional level)</td>
</tr>
<tr>
<td>CY</td>
<td>NL (1 national system for ESF, 1 national system for ERDF)</td>
</tr>
<tr>
<td>CZ</td>
<td>PL (1 system / regional unit)</td>
</tr>
<tr>
<td>EE</td>
<td>SI (4 separate systems)</td>
</tr>
<tr>
<td>FR</td>
<td>UK (1 system / region)</td>
</tr>
<tr>
<td>GR</td>
<td>BE (1 system by federal unit)</td>
</tr>
<tr>
<td>HR</td>
<td>BG (3 e-systems)</td>
</tr>
<tr>
<td>LU</td>
<td>RO (4 systems)</td>
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<tr>
<td>LV</td>
<td>SK (2 systems)</td>
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<tr>
<td>LT</td>
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<td>SE</td>
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</table>

Recommendations

The results and the research for this study underline the following recommendations:

1. Given the scarcity of any concrete information on the experience with e-Cohesion so far, the main recommendation of this study is to **carry out a survey and/ or an analysis** on the impact that e-Cohesion has had on the programme authorities’ and beneficiaries’ daily work related to ESIF programme and project management, further along in the 2014-2020 programming period. Only then will e-Cohesion tools be introduced, applied, acquired and tested by their users.

The HLG of Independent Experts on Monitoring Simplification for Beneficiaries mentioned in chapter 3 of this study was set up by the EC. The main task of the group of experts is to advise the EC with regard to simplification and reduction of administrative burden for
beneficiaries of the ESI Funds. The main recommendations for the Commission in the Interim Report from March 2016 are\(^4\):

- The members of the HLG recommend that the EC should go further in its efforts to facilitate the possibility for MS to have a common platform or system across the ESI Funds that would provide a consistent approach for beneficiaries to audit issues and information technology.

- For the current period, the members of the HLG call on the Commission to ensure a consistent approach to audit that will not undermine the potential e-Governance to simplify the management of the ESI Funds and, most importantly, simplify the process for beneficiaries to apply for and receive funds.

- The members of the HLG call on the Commission to encourage more of a partnership approach to e-Governance and to assist MS and MA with training for partners in order widen the use of the systems put in place by extending the possibility to use technical assistance across all the ESI Funds.

The findings and recommendations of the High Level Group should be taken into consideration when assessing and shaping the e-Cohesion measures both at EU and at MS level. Particularly, good practice examples from the MS and a possibility for the users of e-Cohesion systems to exchange their experiences should be supported to ensure that the systems are implemented as efficiently as possible.

2. Technical or other assistance

Once the experiences with the newly introduced or adapted electronic systems are analysed it should be clarified if the users (authorities involved in programme management as well as beneficiaries) need any assistance in training. In fact, the e-Cohesion measures can only help increasing efficiency and reducing the administrative burden as long as they do not hinder the users in carrying out their work. The EP and EC should ensure that programme authorities get the opportunity to voice the need for such assistance also at European level if deemed necessary (e.g. through the HLG mentioned above).

3. Transparency and complementarity

E-cohesion can lead to more transparency for the authorities since it is easier to keep an overview of all the different projects that are being carried out when collected in an electronic data storage system than in paper form. This advantage should be used by the programme authorities to identify the similarities and the potential for creating synergies and complementarities between the projects. The EP and the EC should ensure that programme authorities identify such potential and act upon it.

4. Transparency and external communication

As described above, the efficient electronic storage of data has various advantages. One of them is that it is easier to reuse the information for other purposes such as external communication (e.g. for promotion or campaign purposes) to policy-makers, interested stakeholders or the general public. This advantage should be used by programme authorities and therefore the EP should ensure that the EC communicates this necessity and opportunity to programme authorities.

4. Case-by-case solution
This study has shown that despite a common regulation, MS have chosen different paths of implementing e-Cohesion. While some MS have introduced a single centralized electronic system, others use several electronic systems. The categories and clusters created for analytical purposes in this study do not have any correlation with the quality. These differences should be accepted since each MS chose an electronic system according to its tradition and administrative set-up.
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