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on the European Court of Auditors' Special Report No 4/2010 "Is the Design and Management of the Mobility Scheme of the Leonardo da Vinci Programme Likely to Lead to Effective Results?"

Committee on Budgetary Control

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Introduction

Leonardo da Vinci is a subprogramme of the European Commission's Lifelong Learning Programme, which replaced previous education, vocational training and eLearning programmes as from 14 December 2006. Mobility projects are the largest part of that subprogramme.

The overall responsibility for the programme lies within the European Commission, who monitors and supervises its implementation in the participating countries¹ in cooperation with national authorities (usually education ministers). However, operational responsibility for mobility projects within Leonardo da Vinci is fully devolved to the national agencies designated by the Member States.

1) The Court's audit (scope, findings and recommendations)

a) Audit scope

The audit focused on mobility activities funded by Leonardo da Vinci programme. The Court sought to assess whether the design and management of the Lifelong Learning Programme's (2007-2013) Leonardo da Vinci mobility scheme is likely to lead to effective results.

The objectives of the audit were to assess whether:

- a) the design of the programme took account of relevant evaluations and studies and had an appropriate project life cycle management system;
- b) the operational elements of the programme, including the preparation of annual work programmes, the process of publicity, promotion and provision of information and selection of projects to be funded, were well managed;
- c) there was a reporting system in place which enabled the Commission to measure the results and impact of the programme; and
- d) the system of control was adequate.

b) Findings of the Court

DESIGN

The Commission took account of its own mandatory evaluations of the predecessor programme, but did not systematically take account of other important studies and reports

The Court found that the Commission took account of its own mandatory evaluations in designing the Leonardo programme but did not establish action plans for other important

¹ 31 countries participate in the programme: 27 EU Member States plus Iceland, Liechtenstein, Norway and Turkey.

studies and reports. In the Court's view, the Commission did not make sufficient use of the final national reports to be produced by each participating country. Further the Court found that the use of those national reports by some national authorities was also limited. On the other hand, it is not clear how the Commission exploited the information contained in the two studies it carried itself.¹

The Commission established an appropriate system for project life cycle management, the supporting IT system, however, had some significant omissions

The Court found that the Commission had established an appropriate project life cycle management system. It underlined, however, that the main IT system, LLPLink had still been incomplete by the end of 2009, thus hindering proper reporting and requiring the use of old systems at the same time. The Court also found that a common reporting tool for impact measurement for the Lifelong Learning Programme had still been incomplete by mid-2010.

MANAGEMENT

Arrangements for approving the national agencies' annual work programmes are appropriate although the Commission does not systematically provide the national agencies with qualitative feedback thereon

The Court found that the arrangements for approving the national agencies' annual work programmes were appropriate and enable a continuous implementation of the programme along the agreed lines. However the Court pointed out that the Commission had failed to provide the national agencies and authorities systematically with feedback on the quality of the work programme.

The Commission and participating countries publicise and promote the programme satisfactorily

The Court found that the Commission and national agencies had fulfilled their obligations relating to promotion activities.

The Commission has not addressed applicant's difficulties in finding host partners in other countries

The Court found that applicants had difficulties finding host partners in other countries due to a number of factors. However in 2007 the Commission closed down its European partner-search database, as it could not ensure that the data contained therein were of sufficient quality. That database was not replaced by a suitable alternative.

Weakness in the assessment of applications

¹ 'Study on the obstacles to transnational mobility facing apprentices and other young people in initial vocational training and on ways of overcoming them', also referred to as the MoVE-iT study (2007); 'Impact analysis of Leonardo da Vinci mobility measures on young trainees and employees, and the influence of socio-economic factors' (2007).

In the Court's view the procedures for assessing applications and selecting projects in the participating countries are transparent, well organised and in line with the Commission's instructions. However the Court found weaknesses as far as ensuring by the Commission the quality of national agencies' assessment of grant applications is concerned.

REPORTING

There are shortcomings in the system for reporting on the results and effects of the Leonardo programme

The Court found a number of shortcomings in the annual reports for the Commission, which it examined in the six countries visited. In the Court's view the current annual activity report structure does not correspond to the annual work programme. Further the Court found that the information on results provided by national agencies is limited to factual data and does not allow an assessment of the impact of Leonardo programme in terms of its objectives. The Court also pointed out to the lack of consistency in the national agencies' approach to annual activity reporting. The Court underlined that the Commission's review of those reports had focused more on completeness and coherence than on ensuring that the necessary information was reported. With regard to monitoring visits to projects undertaken by national agencies, the Court found that the Commission albeit having set a requirement for selecting which beneficiaries should be visited, had not specified a minimum number of such monitoring visits. The Court also found that the scope of "quality and impact monitoring visits" introduced by the Commission had not been sufficiently developed.

The Commission had started but not yet completed the establishment of a comprehensive system for the measurement of the impact of Leonardo by the third year of the programme

The Court found that objectives for the Leonardo programme do not meet the SMART¹ criteria in that they are rather general. In the Court's view the Commission failed to provide detailed guidelines to the national agencies on how to evaluate the results of the programme or how to assess the impact of mobility projects. The Court drew attention to a proposal by a working group established by the Lifelong Learning Programme Committee on impact indicators and on a data collection and reporting system, which would address some of the current weaknesses. To the Court's knowledge, that proposal had not been adopted at the time the report was drawn².

CONTROLS

In most cases, control over Leonardo by national agencies complied with Commission guidance

As regards primary controls, the Court found that national agencies generally comply with the Commission's guide for national agencies, however examples of weaknesses were also

¹ In accordance with the Financial Regulation (Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities (OJ L 248, 16.9.2001, p. 1)), programme objectives should be specific, measurable, achievable, realistic and timely.

² According to the reply of the Commission, programme impact indicators were adopted on 17 June 2010.

observed.

Although the secondary controls carried out by national authorities generally provide reasonable assurance that the primary controls are effective, a number of weaknesses were identified

The audit revealed certain weaknesses in secondary controls: inadequate documentation of supervisory procedures, insufficient supervision of the national agency and weaknesses in the follow-up of recommendations proposed by national or Commission control bodies.

The Commission only recently provided complementary guidance on the specific procedures covered by the secondary controls

The Court found that the Commission's guidance on the responsibilities of the national authorities with regard to secondary controls lacked clarity on specific procedures. Corrective measures were undertaken by the Commission only recently.

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The overall conclusion of the Court is that the design and management of the mobility scheme of the Leonardo da Vinci programme could lead to effective results. The Commission had started but not yet completed the establishment of a comprehensive system for the measurement of the impact of Leonardo. As a result, the Commission cannot yet assess how the objectives are being met three years into the programme — around half of its lifespan.

c) The Court's recommendations

The Court has put forward the following recommendations:

Recommendation 1

- a) After its analysis of the annual work programme, the Commission should provide the national authorities with qualitative feedback. This feedback should provide a concise view of national implementation and should highlight strengths and weaknesses, something which would be useful both for the Commission and the national authorities.
- b) The Commission should explore options to ensure a user-friendly and effective partner-search tool, either at EU or at national level.
- c) The Commission should consider whether national agencies should facilitate the placements of foreign participants by providing other national agencies with information about hosting and intermediary organisations in their own country.

- d) The assessment of applications could be improved by further developing the assessment handbook for evaluators, specifying in detail, for each section defined in the assessment form, the purpose of the evaluation and the methods to achieve this.
- e) In order to ensure consistent interpretation of Commission rules, the Commission should consider including checks of assessments of applications in its quality and impact monitoring visits to participating countries.
- f) The Commission should finalise the LLPLink application for reporting on impact measurement without further delay in order to guarantee collection of complete, consistent implementation data from all participating countries.

Recommendation 2

- a) The Commission should improve its 'quality and impact monitoring system and coordinate it with the annual activity reporting currently carried out by the national agencies.
- b) The Commission should align the structure of the work programme and the annual report so as to enable a comparison of results against planned performance.
- c) The Commission should finalise its work on setting SMART objectives and performance indicators without further delay.
- d) In the future, the Commission should ensure that for any successor programme a system for measuring impact is set up from the outset.

2) The Commission's replies

The Commission welcomed the overall conclusion of the Court's report that the design and management of the mobility scheme of the Leonardo programme could lead to effective results. It underlined the fact that many of the management recommendations were valid for the whole Lifelong Learning Programme. The Commission stressed, however, that audit mainly covered the years 2007-2008, which were the first two years of the newly integrated programme and that improvements made afterwards, notably in 2010, had not all been taken into account by the Court. The Commission accepted most of the recommendations of the Court and indicated that it had already implemented them in full or partially or that it is working on their implementation. In particular, the Commission indicated that on 17 June 2010 the programme management committee adopted a Commission proposal on the programme impact indicators, on the basis of which the relevant data will be matched with the established indicators. The Commission is expecting the first results of this exercise by mid-2011. The Commission concluded by expressing its confidence that the Leonardo da Vinci mobility programme is producing effective results.

3) Comments and recommendations from the rapporteur for possible inclusion in the draft report on the Commission's discharge for 2009

[The European Parliament]

- 1) welcomes the report of the Court and the sound assessment of the design and management of the Lifelong Learning Programme's Leonardo da Vinci mobility scheme contained therein;
- 2) notes with satisfaction the Court's overall conclusion that the design and management of the mobility scheme of the Leonardo da Vinci programme could lead to effective results;
- 3) while fully aware of the complexity of the task of developing suitable indicators for the many objectives set for the programme, and recognising the recent progress in that respect, is concerned, however, by the Court's finding on the lack of a comprehensive system for the measurement of impact of Leonardo, and on the Commission's inability to assess how the objectives are being met three years into the programme, which is around half of its life span;
- 4) calls on the Commission to inform the Parliament on the progress with regard to establishing a new user-friendly and effective partner-search tool, which would address applicants' difficulties in finding host partners in other countries;
- 5) calls on the Commission to ensure correct assessment of applications through developing further the assessment handbook for evaluators and integrating checks of assessments of applications in its quality and impact monitoring visits to participating countries, should the analysis of the added value of such checks prove positive;
- 6) calls on the Commission to put in place a comprehensive system for the measurement of the impact of the programme and to improve the system for reporting on the results and effects of the Leonardo programme, and in particular, to finalise the LLPLink application for reporting on impact measurement without further delay, and to keep the Parliament informed of the progress in that respect;
- 7) calls on the Commission to address the weaknesses in controls identified in the Court's report.