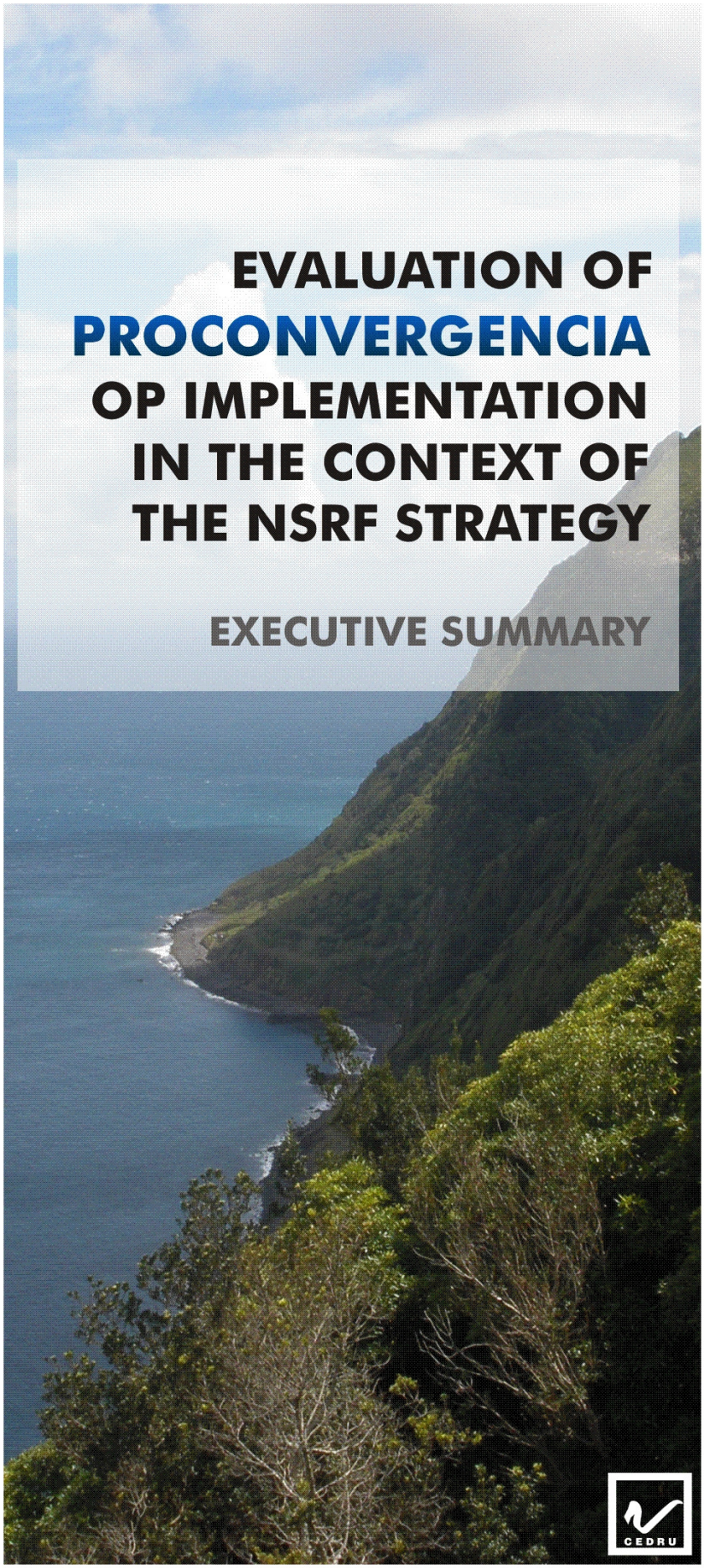
# EVALUATION OF PROCONVERGENCIA OP IMPLEMENTATION IN THE CONTEXT OF THE NSRF STRATEGY

## EXECUTIVE SUMMARY



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# ACRONYMS LIST

IGT – Instrument for Territorial Management
NSRF – National Strategic Reference Framework
OP – Operational Programme
PEGRA – Strategic Plan for Waste Management of the Azores
PEOT - Special Plan for Land Use Management
PMOT – Municipal Plan for Land Use Management
PROTA – Regional Plan for Land Use Management of the Azores
SIDER – Incentive Scheme for Regional Development of the Azores
SIPOP – Information System of the PROCONVERGENCIA Operational Programme

# 1. EXECUTIVE SUMMARY

## PURPOSE AND SCOPE OF THE EVALUATION

1. The Evaluation of PROCONVERGENCIA OP's Implementation in the context of the NSRF Strategy aims to contribute to improve the programme's performance, through a critical analysis of its implementation mechanisms, a prospective-retrospective reading of the performance in its key areas (economic activity, education, accessibility, and environment), and the identification of future challenges imposed by changes in public policies and contextual factors.

2. The programme's implementation generated critical thoughts. These were structured into three key issues, seeking to create a clear and objective framework of feasible recommendations and guidelines that may help to increase the effectiveness and efficiency, in the difficult and demanding period of implementation ahead.

3. The study's methodological approach used as guidelines the Technical Specifications presented in the Terms of Reference, maximizing its effectiveness, in order to ensure the achievement of its objectives, but also to follow the key evaluation principles identified in the General Evaluation Plan of the NSRF and the OPs, namely: planning/efficiency; responsibility; implementation; production of knowledge and institutional capacity building.

## KEY ISSUES

4. During the Technical Specifications and Contract Provisions´ planning, three key evaluation issues were established:
   - A - Based on the prospective diagnosis made in the OP and on the indicators and analysis available (considering the universe of approved applications in June 30th 2009), what was the contribution, the projection, the strategic guidelines for achieving the priorities defined in terms of: i) stimulating economic activity; ii) progress in the level of education; iii) qualification of the accessibility network infrastructure; iv) qualification of the environmental system;
   - B - Analysis of suitability and possible proposals for adjustments of PROCONVERGENCIA available instruments to foster and encourage private investment by combining the medium-term objectives of economic growth with the current financial and economic context;
   - C - What is the beneficiaries´ level of satisfaction, enrolment and opinion on the OP, with regard to access the Programme, namely: the possibility of continuous presentation of applications versus competitions; adequacy of the Information System to the process of dematerialisation of information flows.

5. The evaluation sought to answer these questions objectively, using them as guidelines for the evaluation process. The answer to each question was developed according to three methodological steps: i) background; ii) evaluation, and; iii) conclusions and recommendations.

## MAIN RESULTS AND CONCLUSIONS

6. In addition to assure the achievement of the strategic objectives set by the NSRF, PROCONVERGÊNCIA plays a key role in pursuing policies of regional and sectoral development in the Azores, defined by public policy instruments, with emphasis on the Medium Term Guidelines for 2005-2008 and 2009-2012.
7. The programme's structure and content embodied a strategy based on a matrix of priorities focused on the economy, human resources, and the territory. In this framework, the main objective of the evaluation process regarding Question A, was the need to assess the adequacy and contribution of projects towards achieving the priorities and development objectives regarding stimulus to the economic activity, education, accessibility and the environmental system.

| Question A - Based on the prospective diagnosis introduced in the OP, what is the current contribution, what is the projection and what are the strategic guidelines for achieving the priorities defined regarding i) stimulating economic activity; ii) progress in the level of education; iii) qualification of the accessibility network infrastructure; iv) qualification of the environmental system | |
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| **Key area** | **Main results and conclusions** |
| **Fostering economic activity** | ↗ Regarding stimulus to the economic activity, the public projects approved show a good adequacy and a significant positive contribution to achieve the priorities and the objectives for regional development defined in PROCONVERGÊNCIA.<br>↗ The existence of an articulate and coherent system of planning and programming, where PROCONVERGÊNCIA emerges as strategic, operational and financial tool, integrated into a global and coherent system, in conjunction with the experience accumulated through the various planning periods by the units and management teams, provide a stable efficient and effective implementation framework, without the need for changes. |
| **Progress in the Education Level** | ↗ The public policy instrument, known as "School Map of the Azores", regulates the achievement of most of the structural ongoing interventions in the sector, including the reconfiguration and reorganization of educational facilities. The PROCONVERGÊNCIA assumes itself as the financial key instrument for the implementation of interventions here defined.<br>↗ Given the developments in the main key indicators, the strategy defined by PROCONVERGENCIA seems valid and relevant. Considering the interventions supported by the Programme, the regional school network has been gradually improving its working conditions with impact on the performance of the regional education system.<br>↗ In this context of change, the relevance of the priorities ranking identified in the programming period is confirmed. The spectrum of objectives follows the guidelines of the School Map of the Azores, and reveal a great adequacy in response to regional needs.<br>↗ The types of interventions supported by the PROCONVERGENCIA remain relevant considering the implementations scheme, both completed and ongoing, and it should be given continuity to the investments consistent with the School Map of the Azores guidelines.<br>↗ Given the current demographic picture, a large fluctuation in the demand is not expected, so that the school network installed shall not need adjustments due to that. However, the extension of compulsory education to 12 years will require investments in some establishments located in more populated areas. On the other hand, the equipping and adaptation of facilities (experimental, laboratory and sports) shall continue in order to promote a quality, diverse and attractive education. |
| **Accessibility infrastructure network qualification** | ↗ In a territorial context characterized by discontinuity, rugged terrain and a multi-nuclear settlement, the development of mobility and accessibility infrastructure, able to envisage an effective and efficient transport system, is a central factor of the regional development process.<br>↗ Currently there are glimpses of positive changes in the Region that validate the relevance of the priorities set by PROCONVERGÊNCIA. Regarding the roads, the densification of the regional network increased because of the volume of interventions performed by the Programme, such as the construction and remodelling of roads, variants and radials to the main urban centres, and upgrading of municipal roads.<br>↗ On what concerns maritime issues, strategic interventions were supported for the |

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| | modernisation of regional harbours, qualification of accesses and improvement of the operating conditions, thus assuring a notable increase in the demand for maritime transport.<br>↗ Despite the previous assessment, the evaluation was confronted with the lack of public policy instruments that establish strategic guidelines regarding roads, sea-ports, logistics and new generation communications networks, fact that does not allow to fully determine the strategic suitability of the projects co-financed by the Programme. The lack of planning instruments for regional accessibility infrastructure is one of the main weaknesses detected and its development would be an essential step to increase the effectiveness and efficiency of public investment. Within this framework, the main priority is to develop strategic plans and programmes that define the medium and long-term intervention priorities.<br>↗ In the absence of these documents, priority should be given to the instruments that contribute to achieve the policy options for transport and mobility defined in the PROTA. |
| **Environmental system qualification** | ↗ In recent years, overall, there have been positive developments in the Region, responding to major structural delays, which confirms the relevance of the hierarchy of priorities identified in the programming period. In this framework, the objectives related to Priority Axis 4 (which follow the intervention lines of the Regional Plan for the Sustainable Development of the Azores) give PROCONVERGÊNCIA a high level of adequacy in meeting the needs prioritized.<br>↗ The interventions developed by PROCONVERGÊNCIA have been heading mainly: for the expansion and rehabilitation of the environmental infrastructure network (water and sanitation) helping to improve service levels; for the promotion and dissemination of key natural heritage features; for the development of land use management instruments which are able to protect and safeguard environmental/ecological systems and for the allocation of better conditions to fight against natural risks.<br>↗ Notwithstanding the efforts already made, the choice must continue to focus on qualifying and managing environment infrastructure, which still have evident deficits, in order to achieve, among others: high levels of service and coverage rates in areas such as water supply, sanitation and, above all, waste collection, processing and transportation. Consequently, the achievement of the Strategic Plan for Waste Management of the Azores (PEGRA), a priority of PROCONVERGENCIA should be betting on co-financing of actions related to waste management (collection, processing, and transport).<br>↗ Given the significant progress achieved in the Region in terms of planning and land management, with the completion of a Land Use Management System consisting of a high density of Territorial Land Use Management Instruments, in the future the Programme should focus on the implementation of actions under the implementation models and resources monitoring processes on territories and instruments. |

| Question B – Analysis of suitability and possible proposals for adjustments of PROCONVERGENCIA available instruments to foster and encourage private investment by combining the medium-term objectives of economic growth with the current financial and economic context |
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| **Main results and conclusions** |
| ↗ The initial period of PROCONVERGENCIA´s implementation was, and remains to be, influenced by the context of macroeconomic recession following the global financial market crisis, which quickly had an impact on the real economy. However, the change in the macroeconomic context appears to have had a deeper and lasting impact on the starting conditions of the approved projects, rather than at the level of demand addressed to the private investment incentive scheme.<br>↗ The evaluation team stresses the adaptability shown by the Programme as particularly positive with regard to recent changes in the private investment incentive schemes, which contributed to an interesting dynamic in terms of demand. Changes to which SIDER and its subsystems have undergone since its initial approval, have proved to be positive and in line with the most urging needs of promoters, namely by simplifying procedures and processes and facilitating the general access conditions.<br>↗ The incentives scheme implementation mechanism is presented as a solid structure, whose priorities and |

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| action areas correspond in general terms to strategic priorities, general objectives and intervention areas of the Programme.<br>↗ The way of implementing the processes and support tools associated with each stage of the actions life cycle reached a degree of maturity and overall effectiveness agreeable with the current implementation stage, not constituting therefore limited factors for the Programme's overall performance. |

| Question C - What is the beneficiaries´ level of satisfaction, enrolment and opinion on the OP, with regard to access the Programme, namely: the possibility of continuous presentation of applications versus competitions; adequacy of the Information System to the process of dematerialisation of information flows | |
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| **Key area** | **Main results and conclusions** |
| **Continuous presentation vs competition** | ↗ The majority of promoters and entities involved in the management system consider the effects on the Programme's efficacy of the continuous applications' submission process to be globally positive.<br>↗ The analysis conducted by the evaluation team confirms the positive assessment on the process of continuous applications' submission, considering that:<br>i) In the areas of public projects eligibility, intervention by the promoters is based on steady public policy instruments that define and detail the main guidelines and directives. PROCONVERGENCIA emerges as the preferred financial instrument for achieving the goals and priorities at regional level so that the appeal on competitions will be in this context perfectly dispensable;<br>ii) More specifically with regard to the incentives schemes for companies investment, regional specificities and potential promoters profile - which dictate contexts of relative small sized markets and limited demand for incentives - are combined in order to provide a more steady framework of action for promoters and management structure of the Programme itself. This allows the promoters considerable gains in investment programming and more stable rhythms in the presentation of applications that streamline the analysis process and, in this way, promote the efficacy of the management system. |
| **Information flows dematerialisation** | ↗ The creation and promotion of a specific site associated with the Programme has assumed great importance as a central action of the process of disseminating and promoting the Programme as well as exclusive means for applications submission and payment requests.<br>↗ Generally, there is a high level of satisfaction and enrolment of beneficiaries accessing the Programme, including the adequacy of the Information System to the process of information flows dematerialisation.<br>↗ Beyond the very positive evaluation of the mechanisms for disseminating and publicizing the Programme, beneficiaries highlight the fact that the Information System is perfectly suitable for both submitting of applications, as for submitting payment requests.<br>↗ The Programme's disclosure and promoting means are positively assessed by the beneficiaries but there are still margins for improvement and intensification of communication channels.<br>↗ The operation of the Information System seems to be extremely positive and there is, only occasionally, areas likely to suffer increases reflected in operational improvements.<br>↗ Beneficiaries rated positively the communicability generated by the Information System, allowing optimizing projects processes of formulation and implementation, and there are occasional situations that could be targeted for improvement in communication among the beneficiaries and Management Structure. |

## MAIN RECOMMENDATIONS

| Progress in Education Level | |
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| Main recommendations | |
| **Assure the maintenance of the ongoing strategy and the structural interventions embodied in it** | ↗ To support interventions that promote its closure (and subsequent construction of new school facilities) or bet on interventions/procedures for the reclassification of buildings, classrooms with air-conditioning, replacement of furniture and the allocation of didactic, laboratory, and experimental updated materials. |
| **Support interventions that promote qualification, construction/rehabilitation and facilities expansion for high education** | ↗ To support the vocational schools´ network expansion and consolidation in order to mobilize and raise the children/young people to areas of teaching that are consistent with their expectations, particularly orientated to the vocational component. |
| | ↗ To foresee possible constraints (e.g. exceeding number of establishments in most populated urban centres) by providing support to interventions focusing on the spaces qualification and enlargement within this level of education as well as the equipping and adequacy of facilities (laboratories, libraries, other infrastructure,...), and the construction/renovation/expansion of sports facilities (pavilions, pools and playgrounds ...). |
| **Support interventions that promote the reinforcement on preschool network** | ↗ To promote the strengthening of the preschool network assuming it as one of the main investment priorities in education. Given the low private investment in this area, the emergence of private investment should be stimulated specially for nurseries and garden-schools construction (Priority 1). |
| **Support interventions focused on school libraries network rehabilitation/expansion** | ↗ To bet in the qualification, expansion and equipping of school libraries network providing it with excellent conditions for achieving the objectives of the Regional Reading Plan. |
| **Review the Programme's targets** | ↗ To review planned targets in order to adapt them to the objectives of policy instruments and to the expected demand by 2015. |

| Accessibility Infrastructure Network Qualification | |
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| Main recommendations | |
| **Support studies and instruments for sectoral planning** | ↗ To support strategic plans and programmes that define the lines for development and set the structuring projects for transport/mobility road, port and maritime, logistics, and new generation communications networks. |
| **Assure the continuity of ongoing interventions** | ↗ To continue to develop an implementation effort of structuring regional roads (mostly variants and circulars to the main urban areas) and improvement/rehabilitation of municipal roads (mainly as a response to problem situations caused by the weather), in conjunction with strategies to promote sustainable mobility. |
| **Give priority to investments that promote the continuity of PROTA´s policy options** | ↗ To promote the interventions related to modernisation and/or expansion of seaports and airports; to improve the inter-island transportation (air and sea); to bet on a network of efficient public road transport; to improve speed and reliability of inter- islands shipping; promote sustainable mobility; to ensure the connection of fibre optic submarine cable to the islands of the western group, encouraging telecom operators to universalize access to mobile networks and ADSL; to bet on the Internet as a tool to support rural development. |

| Environmental System Qualification | |
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| Main recommendations | |
| **Prioritize the issues related to planning and waste management** | ↗ The enhancement of environmental quality, by betting on actions related to waste management, should be a guideline priority under the PROCONVERGENCIA, focusing on the co-financing of actions related to |

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| | waste management (collection, treatment, and transport). |
| **Complete territorial management instruments elaboration process and implement its actions/key interventions** | ↗ Give priority to: the co-financing of PEOT´s preparation with emphasis on the development of land use management plans for river basins and inland waters; the implementation of interventions included in PEOTs; the implementation of measures and instruments for the monitoring and evaluation of IGT, resources and territories. |

| **Fostering Economic Activity and Boosting Private Investment** | |
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| Main recommendations | |
| **Stimulate the emergence and consolidation of partnerships and joint projects** | ↗ To prioritize the incentive to the application of innovation projects as a way to bring together and integrate the scientific and technology community with the business fabric of the Region;<br>↗ To promote the role of the different actors involved in the promotion of economic activity to contribute to the development of partnerships and joint projects that help building and strengthening businesses in the region. A proactive attitude by the regional public bodies is essential in designing and creating the conditions for starting up initiatives and in the promotion and training of the private and institutional actors' network, to be engaged and stimulated. |
| **Reinforce "projects monitoring" function** | ↗ To identify possible constraints or difficulties in their start or during the respective implementation period, supporting promoters to overcome them.<br>↗ To develop a management approach targeted to informative functions, qualification on the demand and projects monitoring, in order to enhance the strategic aspects of structural funds management. |
| **Enhance "communication" function** | ↗ To enhance the Programme's communication function to disseminate the reality inherent to each respective implementation, in order to boost and broaden the demand;<br>↗ To review and redefine these Subsystems and/or undertake information/mobilization actions and demand qualification that leads to an increased stimulation on the performance of this type of private investment incentives.<br>↗ To promote the dissemination close to the promoters, helping them with the administrative procedures and streamlining their organizational ability. |
| **Selection criteria improvement** | ↗ To review the nature of the selection criteria (projects admissibility versus its merits), to adopt a valuation range , defined on an context external to the administrative rules that define the SIDER Subsystems |
| **Improve the access to the Programme and implement new management practises** | ↗ Introduction of a regular monitoring system for applications and rates of implementation of the approved projects that promote periodic adjustments to the limits of the levels identified for scoring.<br>↗ To guarantee the possibility of performance awards to projects that actually meet, or even exceed, its initial objectives and goals.<br>↗ To reinforce the most critical phases of the system (boosting and qualifying the demand, implementation monitoring, closure and ex-post control of the projects). |

| **System Information Area – Adequacy of the information system to the information flows dematerialisation process** | |
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| Main recommendations | |
| **Increase the awareness on the Programme and its notability** | ↗ To strengthen communication with companies, through the involvement of Chambers of Commerce, and using online communication.<br>↗ To develop the current levels of awareness of the Programme, through greater promotion in the Media.<br>↗ To increase the number of public meetings for clarification; |

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| | ↗ To publish quarterly or semester newsletters for disclosure of implementation information and other Programme's relevant aspects. |
| **Improve Information System way of functioning as well as the communication among Beneficiaries and Management structure** | ↗ To improve the "data input" process, including the immediate update of text boxes and problem solving associated with the slow introduction of files and data loss.<br>↗ To improve the organization of documents upload and to make possible the upload of documents larger than 4 megabytes.<br>↗ To improve the speed of applications for approval and reimbursement process, as well as the responsiveness to the current situation in the period of analysis (to approximate the Programme to businesses rhythms/ dynamics).<br>↗ E-mailed questions and answers (doubts/clarifications) by the management unit - for example, on requests for payment - should be made through the SIPOP. Thus, the IS would have all the background of the application (this means SIPOP should have a feature that prompted the beneficiary by email, saying he had a question of the management unit awaiting an answer).<br>↗ To make available a map covering the implementation situation/ stage for each project. |

# 2. FINAL SYNTHESIS

**Question A - Based on the prospective diagnosis introduced in the OP, what is the current contribution, what is the projection and what are the strategic guidelines for achieving the priorities defined regarding i) stimulating economic activity; ii) progress in the level of education; iii) qualification of the accessibility network infrastructure; iv) qualification of the environmental system**

| STIMULATING ECONOMIC ACTIVITY | | |
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| SYNTHESIS | ↗ Under the encouragement of economic activity, public projects approved show a good adequacy and a significant positive contribution to achieve the priorities and the objectives for regional development defined in PROCONVERGÊNCIA.<br>↗ The existence of an articulate and coherent system of planning and programming, where PROCONVERGÊNCIA emerges as strategic, operational and financial tool, integrated into a global and coherent system, in conjunction with the experience accumulated through the various planning periods by the units and management teams, provide a stable efficient and effective implementation framework, without the need for amendments in this area of work. | |
| | **Conclusions** | **Recommendations** |
| SPECIFICITIES | ↗ The adaptation of the Programme to the new macroeconomic framework applied within the dynamics of business activities, the introduction of financial engineering, by supporting the creation of credit lines, to which the regional business fabric showed great adhesion. | ↗ Chance of keeping this type of tool for innovation projects as a means of access to bank financing, the financing in the early years of companies' life cycle and the gradual replacement of dead capital financing by financial engineering tools. |
| | ↗ The projects approved under the specific objectives to support research in the region and promote business R&D initiatives are still limited in number. | ↗ Stimulus for proposals of this nature, even as a way to bring together and integrate the scientific and technology community with the business fabric of the Region. |
| | ↗ About the interventions on infrastructures network to support productive activity and R&D, it is yet not visible the main intervention "of agents and local partners both in the role as promoters of ideas and development projects, as in building partnerships and networks", like it was praised in the text of the programme and that resulted from past experience and ex-ante recommendations. | ↗ It is wished that the different actors involved in the promotion of economic activity contribute to the development of partnerships and joint projects that help building and strengthening business in the region. A proactively attitude by the regional public bodies is essential in designing and creating the conditions for starting up initiatives and in the promotion and training of the (private and institutional) actors network , to be engaged and stimulated. |

| PROGRESS IN EDUCATION LEVEL | | |
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| SYNTHESIS | ↗ The public policy instrument, known as "School Map of the Azores", regulates the achievement of most of the structural ongoing interventions in the sector, including the reconfiguration and reorganization of educational facilities. The PROCONVERGÊNCIA assumes itself as the financial key instrument for the implementation of interventions here defined.<br>↗ Given the developments in the main key indicators, it seems valid and relevant to the strategy defined by PROCONVERGENCIA. Considering the interventions supported by the Programme, the regional school network has been gradually improving its working conditions with impact on the performance of the regional education system.<br>↗ In this context of change, the relevance of the priorities ranking identified in the programming period is confirmed. The spectrum of objectives follows the guidelines of the " School Map of the Azores", and reveal a great adequacy in response to regional needs.<br>↗ The types of interventions supported by the PROCONVERGENCIA remain relevant considering the implementations scheme, both completed and ongoing, and it should be given continuity to the investments consistent with the School Map of the Azores guidelines.<br>↗ Given the current demographic picture, a large fluctuation in the demand is not expected, so that the school network installed shall not need adjustments due to that. However, the extension of compulsory education to 12 years will require investments in some establishments located in more populated areas. On the other hand, the equipping and adaptation of facilities (experimental, laboratory and sports) shall continue in order to promote a quality, diverse and attractive education. | |
| SPECIFICITIES | **Conclusions** | **Recommendations** |
| | ↗ Functional weaknesses remain as well as degradation of various facilities (mostly built during the dictatorial "Estado Novo" regime). | ↗ To support interventions that promote its closure (and subsequent construction of new school facilities) or bet on interventions/procedures for the reclassification of buildings, classrooms with air-conditioning, replacement of furniture and the allocation of didactic, laboratory, and experimental updated materials. |
| | ↗ Persistence of high dropout rates, particularly in post-compulsory education. | ↗ To support the vocational schools´ network expansion and consolidation in order to mobilize and raise the children/young people to areas of teaching that are consistent with their expectations, particularly orientated to the vocational component. |
| | ↗ Progressive entry of women into the labour market and the need to combine work and family life, promoting equality of opportunities. | ↗ To foresee possible constraints (e.g. exceeding number of establishments in most populated urban centres) by providing support to interventions focusing on the spaces qualification and enlargement within this level of education as well as the equipping and adequacy of facilities (laboratories, libraries, other infrastructure,...), and the construction/renovation/expansion of sports facilities (pavilions, pools and playgrounds ...). |
| | ↗ Perspective of extending compulsory education to 12 years and the consequent increase of the number of students at the perimeter of some school spaces. | ↗ To promote the strengthening of the preschool network assuming it as one of the main investment priorities in education. Given the low private investment in this area, the emergence of private investment should be stimulated specially for nurseries and garden-schools construction (Priority 1). |
| | ↗ The school libraries network is inadequate and unable to respond to the implementation of the Regional Reading Plan with the efficiency and quality required. | ↗ To bet in the qualification, expansion and equipping of school libraries network providing it with excellent conditions for achieving the objectives of the Regional Reading Plan. |

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| | ↗ The targets established in the programming period were overcome, demonstrating its mismatch to the needs of the Region and the intensity of demand. | ↗ To review planned targets in order to adapt them to the objectives of policy instruments and to the expected demand by 2015. |

| ACCESSIBILITY INFRASTRUCTURE NETWORK QUALIFICATION | | |
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| SYNTHESIS | ↗ In a national context marked by discontinuity, rugged terrain and a polynuclear population, the infrastructure's development for mobility and accessibility able to envisage an effective and efficient transport system is a central factor of the regional development process.<br>↗ Currently the Region glimpses at positive changes that validate the relevance of the priorities set by PROCONVERGÊNCIA. About the roads, the densification of the regional network increased because of the volume of interventions performed by the Programme such as the construction and remodelling of roads, variants and radials to the main settlements, and upgrading of municipal roads.<br>↗ On what concerns maritime issues, strategic interventions were supported for regional harbours modernization, access qualification, and operating conditions improvement, thus assuring a notable increase in the demand for maritime transport.<br>↗ Despite the above assessment is of extreme importance, it was confronted with the lack of public policy instruments that establish strategic guidelines for the sectors of road, port and maritime, logistics, and new generation communications networks, fact that does not fully allow determining the strategic suitability/priority of the projects co-financed by the Programme. The lack of planning instruments for regional accessibility infrastructure is one of the main weaknesses detected and an essential step to increase the effectiveness and efficiency of public investment. Within this framework, priority is to draw up strategic plans and programmes that define the medium and long-term intervention priorities.<br>↗ In the absence of these documents, priority should be given to the instruments that contribute to achieve the policy options for transport and mobility enshrined in PROTA. | |
| SPECIFICITIES | **Conclusions** | **Recommendations** |
| | ↗ The extensive existing road network (regional, municipal, agricultural and forestry) enables the connection between the various people concentrations, within themselves and within the perimeters of forestland. The increased capillarity of the road system is essential to respond to growing social and economic integration intra-island reflected in the increased commuting (work or study). | ↗ Continue to develop an implementation effort of structuring regional roads (mostly variants and circulars to the main urban areas) and improvement/rehabilitation of municipal roads (mainly as a response to problem situations caused by weather), in conjunction with strategies to promote sustainable mobility. |
| | ↗ Given the lack of public policy instruments sectoral in nature, primacy should go to those enshrined in the Regional Plan of Azores Territorial Planning (PROTA). | ↗ Promote the interventions related to the modernisation and/or expansion of seaport and airport areas, to improve the inter-island transportation (air and sea); bet on a network of efficient public road transport; improve speed and reliability of inter-islands shipping; promote sustainable mobility; ensure the connection of fibre optic submarine cable to the islands of the western group, encouraging telecom operators to universalize access to mobile networks and ADSL; bet on the Internet as a tool to support rural development. |
| | ↗ Lack of public policy instruments that set the strategic guidelines for road transport/mobility, port and maritime, logistics, and new generation communications networks. | ↗ Support strategic plans and programmes that define the lines for development and set the structuring projects for transport/mobility road, port and maritime, logistics, and new generation communications networks. |

| ENVIRONMENTAL SYSTEM QUALIFICATION | |
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| SYNTHESIS | ↗ In recent years, overall, there have been positive developments in the Region, ending major structural delays, which confirms the relevance of the hierarchy of priorities identified in the programming period. In this framework, the objectives related to Priority 4 Axis, which follow the intervention lines of the Regional Plan for Azores Sustainable Development, give PROCONVERGÊNCIA a high level of adequacy in meeting the needs prioritized.<br>↗ The interventions developed by PROCONVERGÊNCIA have been heading mainly for the expansion/ rehabilitation of the environmental infrastructure network (water and sanitation) helping to boost service levels, for the promotion and dissemination of key natural heritage features; for the development of land management instruments able to protect and safeguard environmental/ecological systems and for the allocation of better conditions to fight against natural risks.<br>↗ Notwithstanding the efforts already made, the choice must continue to focus on qualifying and managing environment infrastructure, which still have evident deficits, in order to achieve, among others: high levels of service and coverage rates in areas such as water supply, sanitation and, above all, waste collection, processing and transportation. Consequently, the Programme should focus on the achievement of the Strategic Plan for Waste Management of the Azores (PEGRA), a priority of PROCONVERGENCIA should be betting on co-financing of actions related to waste management (collection, processing, and transport).<br>↗ Given the significant progress achieved in the Region in terms of planning and land management, with the completion of a Land Use Management System consisting of a high density of Territorial Land Use Management Instruments, in the future the Programme should focus on the implementation of actions under the implementation models and resources monitoring processes on territories and instruments. |

| | Conclusions | Recommendations |
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| SPECIFICITIES | ↗ The sustainable development strategy for the region, whose priorities for action are defined in the Basic Studies of the Regional Plan for the Azores Sustainable Development, takes the planning and waste management policy as one of its mainstays.<br>↗ The recent elaboration of the Strategic Plan for Waste Management of the Azores (PEGRA) established a new strategic framework for investment priorities for waste management (collection, treatment, and transport). | ↗ The enhancement of environmental quality, by betting on actions related to waste management, should be a guideline priority under the PROCONVERGENCIA, focusing on the co-financing of actions related to waste management (collection, treatment, and transport). |
| | ↗ Supporting the preparation of various regional planning instruments (PROT, PMOT and PEOT), allowed the territory to have an adequate density of IGT. However, there is still the need to supplement the Territorial Land Use Management System - including land use management plans for river basins and inland waters, and PMOT´s review - intensify the implementation of measures envisaged in the Plans, and improve monitoring procedures. | ↗ Give priority to: the co-financing of PEOT´s preparation with emphasis on the development of land use management plans for river basins and inland waters; the implementation of interventions included in PEOTs; the implementation of measures and instruments for the monitoring and evaluation of IGT, resources and territories. |

| Question B – Analysis on the adequacy and possible adjustment suggestions on PROCONVERGENCIA available instruments for fostering and encouraging private investment, combining the medium-term objectives of economic growth with the current financial and economic context |
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| SYNTHESIS | ↗ The initial period of PROCONVERGENCIA´s implementation was, and remains to be, influenced by the context of macroeconomic recession following the global financial market crisis, which quickly had an impact on the real economy. However, the change in the macroeconomic context appears to have had a deeper and lasting impact on the starting conditions of the approved projects, rather than at the level of demand addressed to the private investment incentive scheme.<br>↗ The evaluation team stresses the adaptability shown by the Programme as particularly positive with regard to recent changes in the private investment incentive schemes, which contributed to an interesting dynamic in terms of demand. Changes to which SIDER and its subsystems have undergone since its initial approval, have proved to be positive and in line with the most urging needs of promoters, namely by simplifying procedures and processes and facilitating the general access conditions.<br>↗ The incentives scheme implementation mechanism is presented as a solid structure, whose priorities and action areas correspond in general terms to strategic priorities, general objectives and intervention areas of the Programme.<br>↗ The way of implementing the processes and support tools associated with each stage of the actions life cycle reached a degree of maturity and overall effectiveness agreeable with the current implementation stage, not constituting therefore limited factors for the Programme's overall performance. | |
| | **Conclusions** | **Recommendations** |
| SPECIFICITIES | ↗ The weaknesses highlighted in the start of the projects, because of the macroeconomic environment changes, significantly affected the pace and level of the Programme's implementation. | ↗ Enhance and reinforce the projects monitoring functions, to identify possible constraints or difficulties in their start or during the respective implementation period, supporting promoters to overcome them. |
| | ↗ PROCONVERGENCIA management has revealed until now a preponderance of functions focused on the Programme's implementation, namely in the definition of information flows and procedures. | ↗ From now on, it is important to develop a management approach targeted to informative functions, qualification on the demand and projects monitoring in order to enhance the strategic aspects of structural funds management. |
| | ↗ The projects´ process of analysis and selection appears to be quite speedy, although promoters, including potential beneficiaries, do not adequately perceive this. | ↗ Enhance the Programme's communication function to disseminate the reality inherent to each respective implementation, in order to boost and broadening the demand. |
| | ↗ Some SIDER subsystems clearly reveal themselves as undersized in terms of demand and this demand does not reveal itself in accordance to the Subsystem's ambition (e.g., the Development Support for Quality and Innovation Subsystem) | ↗ Review and redefine these Subsystems and/or undertake information/mobilization actions and demand qualification that leads to an increased stimulation on the performance of this type of private investment incentives. |
| | ↗ The choice of payment in advance seems not to have had a compatible use with the financial difficulties experienced by most promoters. | ↗ Promote the dissemination close to the promoters, helping them with the administrative procedures and streamlining their organizational ability. |
| | ↗ Conceptually, the selection criteria adopted by the various Subsystems are appropriate and relevant, showing potential to separate clearly the overall merit of the different projects and to carry | ↗ Enhance the role of selection criteria in the overall effectiveness of the Programme, through the revision of their nature (projects admissibility versus its merit), the adoption of a valuation range and its definition on an external environment to the administrative |

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| | out the hierarchy in a manner consistent with the objectives. | rules that define SIDER Subsystems so as to facilitate their adaptation to the specific objectives at any given time of the Programme implementation. |
| | ↗ Conversion systems of the scoring criteria seem very similar, often resulting in a score less discriminatory and less distinctive on the projects quality. | ↗ Introduction of a regular monitoring system for applications and rates of implementation about approved projects that promote regular adjustments to the limits of the bands identified for scoring, in order to increase the effectiveness of the system and regulate the demand on available financial resources. |
| | ↗ Women entrepreneurship promotion is not particularly affected within the current systems for private investment incentives. | ↗ The possible revision on Empreende Jovem could become an opportunity for integrate positive measures for this aspect of the system demand in parallel with informative actions and awareness in this regard. |
| | ↗ The projects co-financing rates are adequate. Therefore, the raise of financial contribution adopted by the various SIDER Subsystems should not happen, especially at this stage of NRSF implementation. | ↗ A management practice to be promoted relates to the possibility of awards for performance (for example, by converting part of a refundable incentive in non-refundable incentive) to projects that actually meet or exceed the objectives and goals assumed by the time of the application. |
| | ↗ There is an overall positive assessment of the involvement by the Chambers of Commerce and Industry in the management process of the Subsystem to Support Local Development. | ↗ However, its position in its chain should be rethought, enhancing the strengthening of the most critical phases of the system (boosting and qualifying the demand, implementation monitoring, closure and ex-post control of the projects). |

**Question C - What is the level of satisfaction, enrolment and opinions of beneficiaries on the OP, with regard to the access to the programme, namely: the possibility of continuous presentation of applications versus competitions; adequacy of the information system to the process of dematerialisation of information flows**

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| SYNTHESIS | ↗ The majority of promoters and entities involved in the management system consider the effects of continuous applications submission process globally positive on the Programme's efficacy.<br>↗ The analysis conducted by the evaluation team confirms the positive assessment on the process of continuous applications submission considering that:<br>i) In the areas of public projects eligibility, intervention by the promoters is based on steady public policy instruments that define and detail the main guidelines and directives. PROCONVERGENCIA emerges as the preferred financial instrument for achieving the goals and priorities at regional level so that the appeal on competitions will be in this context perfectly dispensable;<br>ii) More specifically with regard to the incentives schemes for companies investment, regional specificities and potential promoters profile - which dictate contexts of relative small sized markets and limited demand for incentives - are combined in order to provide a more steady framework of action for promoters and management structure of the Programme itself. This allows the promoters considerable gains in investment programming and more stable rhythms in the presentation of applications that streamline the analysis process and, in this way, promote the efficacy of the management system. | |
| | **Conclusions** | **Recommendations** |

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| SPECIFICITIES | ↗ Existence of disadvantages in the current model for assessing projects relative merits associated with the mode of continuous applications submission by inducing a reduction in the required concentration and projects selectivity. | ↗ The existing limitations can be overcome through a system of regular monitoring of applications and approved projects implementation rates that promote regular adjustments to the limits of the bands set to award the score in the different selection criteria. |

| ADEQUACY OF THE INFORMATION SYSTEM TO THE PROCESS OF INFORMATION FLOWS DEMATERIALISATION | | |
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| SYNTHESIS | ↗ The creation and promotion of a specific site associated with the Programme has assumed great importance as a central action of the process of disseminating and promoting the Programme as well as exclusive means for applications submission and payment requests.<br>↗ Generally, there is a high level of satisfaction and enrolment of beneficiaries accessing the Programme, including the adequacy of the Information System to the process of information flows dematerialisation.<br>↗ Beyond the very positive evaluation of the mechanisms for disseminating and publicizing the Programme, beneficiaries highlight the fact that the Information System is perfectly suitable for both submitting of applications, as for submitting payment requests. | |
| SPECIFICITIES | **Conclusions** | **Recommendations** |
| | ↗ The Programme's disclosure and promoting means are positively assessed by the beneficiaries but there are still margins for improvement and intensification of communication channels. | ↗ Strengthen communication with companies through the involvement of Chambers of Commerce and using forms of online communication.<br>↗ Develop the current levels of awareness of the Programme through greater investment promotion with the Media.<br>↗ Increase the number of public meetings for clarification;<br>↗ Publish quarterly or semester newsletters for disclosure of implementation information and other Programme's relevant aspects. |
| | ↗ The operation of the Information System seems to be extremely positive and there is, only occasionally, areas likely to suffer increases reflected in operational improvements. | ↗ Improve functionality/process of "data input", including the immediate update of text boxes and resolution of problems associated with the slow introduction of files and data loss.<br>↗ Improve the organization of upload documents and make possible the upload of documents larger than 4 megabytes. |
| | ↗ Beneficiaries rated positively the communicability generated by the Information System, allowing optimizing projects processes of formulation and implementation, and there are occasional situations that could be targeted for improvement in communication among the beneficiaries and Management Structure. | ↗ Improve the speed of applications for approval and reimbursement process, and responsiveness to tell the current situation in the period of analysis (approach the Programme to the business rhythm/ dynamics).<br>↗ E-mailed questions (doubts/clarifications) by the management unit, for example, on requests for payment should be made through the SIPOP, and the same for the answers. Thus, the IS would have all the background of the application (this means SIPOP should have a feature that prompted the beneficiary by email, saying he had a question of the management unit awaiting an answer).<br>↗ Make a map available, covering the implementation situation/ stage for each project. |