



Ex Post Evaluation of the European Union Solidarity Fund 2002-2016

Final Report

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Preface

This report is part of the Ex Post Evaluation of the European Union Solidarity Fund 2002-2016 (Contract No. 2017CE16AAD011) conducted under the Framework Contract between the European Commission's Directorate-General for Regional and Urban Policy (DG REGIO) SWECO International (Contract No. 2014.CE.16.BAT.007).

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Abstract

This is the Final Report of the Ex Post Evaluation of the European Union Solidarity Fund (EUSF) 2002-2016. It describes the aims and operation of the Fund, its evolution over time, and it provides answers to a series of evaluation questions concerning its effectiveness, efficiency, relevance, coherence and added value for the EU. In addition, it assesses evaluation questions relating to the contribution of the EUSF to solidarity in the EU. The study presents the results of empirical work drawing on in-depth examination of documentation of all the applications to the EUSF from its inception in 2002 up to the end of 2016, fieldwork research for case studies of seven EUSF interventions and empirical investigation of the synergies of the Fund with other EU and domestic intervention for disaster risk prevention and management. The evaluation finds that the EUSF achieves its core aim of expressing the EU's solidarity towards countries affected by severe natural disasters, but it is less obvious that it succeeds in the political aim of demonstrating the value of the EU for beneficiaries. The study assesses in detail the performance of the EUSF, drawing a series of conclusions and making recommendations for the future of the Fund.

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1. INTRODUCTION

This Final Report is the seventh deliverable of the Ex-post Evaluation of the European Union Solidarity Fund (EUSF) 2002-2016. The project is the first comprehensive evaluation of the EUSF. The Fund was created to provide financial assistance to Member States and candidate countries affected by natural disasters, such as flooding, earthquakes, forest fires etc., and is intended to function as a clear expression of European Solidarity. A comprehensive reform of the EUSF in 2014 introduced a number of new provisions intended to improve and simplify procedures.

1.1 Evaluation objectives and tasks

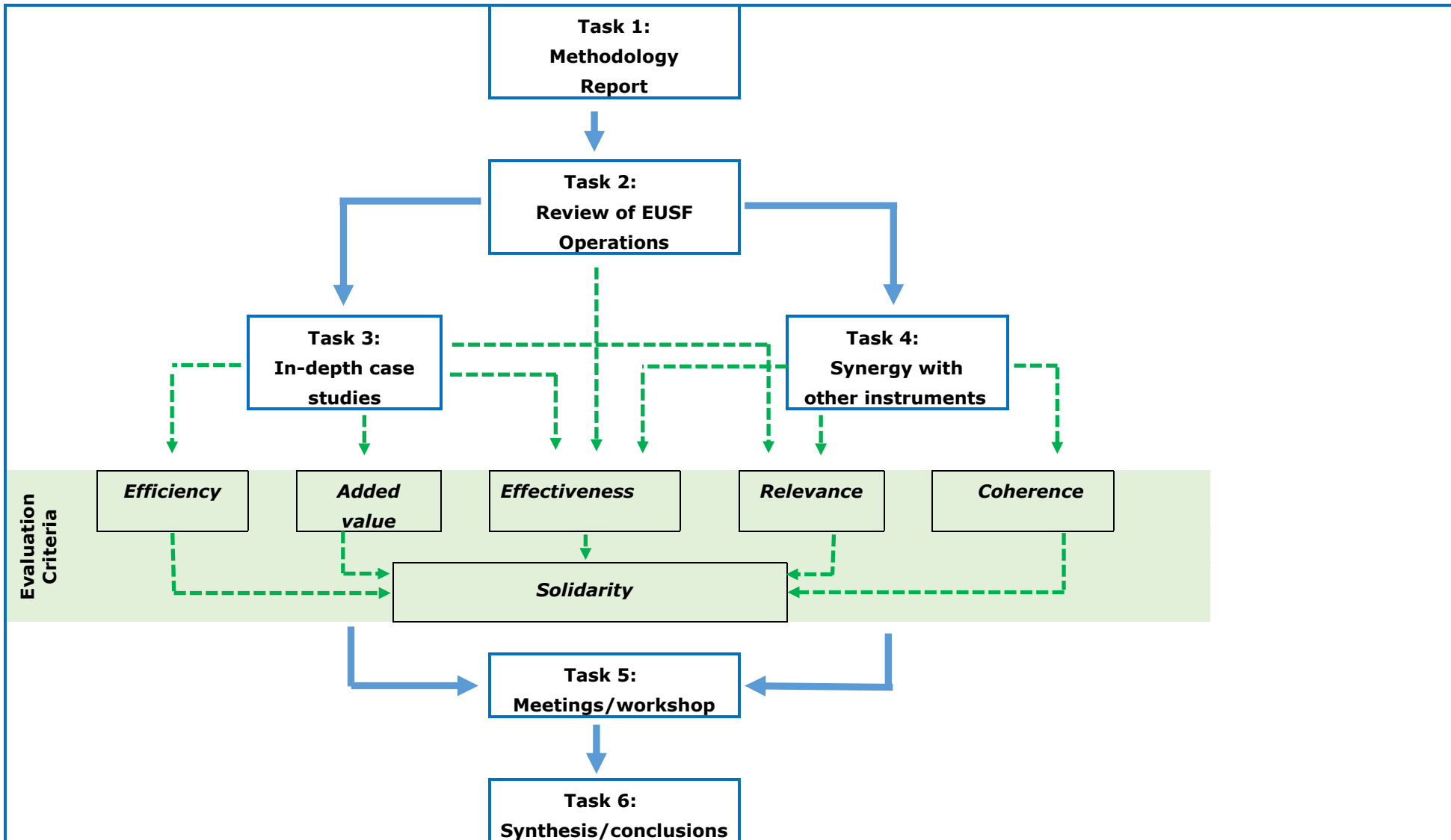
The **overall objective** of the evaluation is to assess the implementation and performance of the EUSF over the period 2002-2016. It also involves an assessment of the synergies between EUSF support and other EU and international policy instruments, especially in contributing to strengthened measures for the prevention and management of disasters.

The evaluation has the following **specific objectives**:

- to analyse the approval, implementation and closure (where applicable) of all EUSF interventions from the establishment of the Fund in 2002 until the end of 2016, and to review the rejected applications for EUSF support during the same period;
- to gather evidence on the implementation and performance of the EUSF, based on in-depth analyses of seven case studies, including an analysis of the synergies between EUSF and other EU policy instruments and relevant international instruments, and an analysis of the public image and awareness of EUSF interventions at national/local levels;
- to analyse the role of the reformed EUSF in the framework of policy efforts aimed at enhancing the prevention, preparedness and resilience of EU Member States to natural disaster events, including an analysis of the synergies between EUSF and other EU policy instruments and relevant international instruments; and
- to reflect on the EU added value and strengths of the EUSF, as well as its possible shortcomings, and to identify opportunities for policy learning.

The evaluation is intended to provide evidence according to the following criteria: EU solidarity; effectiveness; efficiency; relevance; coherence; and EU added value. Each of these six criteria has specified evaluation questions which are addressed through the tasks detailed below. The sequence of tasks and their contribution to the evaluation criteria are shown in Figure 1.

Figure 1: Evaluation Tasks



1.2 Methodology

The research for this evaluation included six key tasks (see Figure 1).

Task 1 set out the different elements of the evaluation in a Methodological Report which was agreed with the Commission.

Task 2's main purpose was to document the activities of the EUSF in responding to disasters, put forward an understanding of the intervention logic behind its use and explore the reasons explaining success or rejection. This mainly involved desk research, reviewing the EUSF conceptual and regulatory framework and the associated policy and academic literature. This Task also analysed the approval, implementation and closure (where applicable) of all EUSF interventions from the establishment of the Fund in 2002 until the end of 2016, as well as rejected applications for EUSF support during the same period.

The primary data source comprised documents collected by the Commission in the course of application, implementation and closure of the cases. The data were used by the research team for comparative analysis of both accepted and rejected cases for EUSF support, as well as to generate case fiches of 2-3 pages for each of the approved interventions funded by the EUSF. Further, Task 2 involved the identification of case studies for in-depth analysis, covering interventions fully implemented by the time of the evaluation, and based on criteria to ensure representative coverage by geography, pre/post reform periods, type of disaster, Member State or accession country, and scale of financial support (see Table 1).

Table 1: Attributes of EUSF case studies

Case	Year	Type of disaster	EUSF aid granted (EUR mill)	EUSF type	MS or Candidate
50 Greece	2007	Forest fires	89.8	Major	MS
72 Portugal	2010	Flooding	31.3	Outermost	MS
91 Italy	2012	Earthquake	670.2	Major	MS
102 Austria	2013	Flooding	21.7	Neighbouring	MS
115 Romania	2014	Flooding	4.3	Regional	MS
112 Serbia	2014	Flooding	60.2	Major	Candidate
120 Bulgaria	2015	Severe winter	6.4	Major	MS

Task 3 involved in-depth analysis of the implementation and performance of the EUSF. Case study research was undertaken by National Experts, covering: planning of the intervention; implementation and administrative capacity; data quality; achievement of objectives; synergy with other instruments; relevance and added value; and solidarity. Interviews were conducted with two groups of respondents: representatives of public authorities directly responsible for the EUSF support and involved in its administration; and other stakeholders who contributed to the responses to the disaster, for example from national and international disaster relief agencies. Task 3 also assessed the public image of the EUSF based on analysis of its portrayal in the media, and awareness and perception of the Fund among the public.

Task 4 assessed the 'internal coherence' of EUSF interventions with domestic disaster prevention and management (DPM) measures in place, and the 'external coherence' of EUSF interventions with other EU and international instruments and policies. This involved identifying the current status of the measures for the prevention and mitigation of future disasters for each of the EUSF interventions under the scope of the Regulation as amended in 2014 (covering only interventions that are fully implemented) and their complementarity and coherence with measures and strategies in place. Task 4 also involved identifying synergies between EUSF interventions and other EU, as well as international, instruments and policies for the period 2014-20 in the areas concerned.

Task 5 involved a series of operational meetings held throughout the project.

Lastly, **Task 6** consisted of the production of this synthesis report bringing together the main evaluation findings from all the tasks and workshop outcomes and the derivation of conclusions based on the evidence collected and scope for further policy learning. Many examples of good practice – and sometimes not so good experience – have been identified from the examination of the EUSF documentation (especially the Implementation Reports) and the seven case studies. These have been brought together in text boxes throughout the report.

In addition, the study examined the evaluability of the EUSF with respect to the availability and quality of the information available (documentation, monitoring data).

1.3 Structure of the report

This report is structured into the following further seven sections. Section 2 presents an analysis of the conceptual and regulatory framework, as well as the intervention logic of the EUSF. Section 3 analyses the operation of EUSF, based on the Task 2 examination of the documents on each application submitted since the inception of the Fund and evidence gained from the in-depth case studies of EUSF interventions, carried out under Task 3. Section 4 reviews the evidence for the publicity and visibility of the EUSF drawing on implementation reports, the case study research and media survey. Section 5 focuses on the synergy between the EUSF and other EU policies and instruments, drawing principally from the Task 4 research.

The subsequent sections focus on drawing together the overall results. Section 6 presents an overall assessment of the evidence gathered, responding to the key evaluation questions. These questions are grouped under six headings: effectiveness, efficiency, relevance, coherence, added value and EU Solidarity. Section 7 reviews the quality of data availability. Finally, Section 8 provides conclusions and recommendations, framed in some cases in qualified terms as a basis for discussion with the Steering Group.

2. EUSF REGULATORY AND CONCEPTUAL FRAMEWORK

2.1 The purpose and functioning of the EUSF

The European Union Solidarity Fund was originally established in 2002 with the provisions of Council Regulation (EC) No 2012/2002. The currently valid regulation is Regulation (EU) 2012/2002, as amended by Regulation No. 661/2014. Its key elements are outlined in Table 2, which refers to the current, post reform arrangements. The right hand column of the table sets out how these differ from the pre-reform arrangements. In addition, the Fund web-site provides guidance, a wealth of additional information and the annual implementation reports produced by the Commission.¹

According to the most recent list from the Commission,² the Fund has intervened 82 times in 24 countries, six of which were in 2017 and thus outside the 2002-2016 range for the present study. These are mostly Member States, but one, Serbia, is a Candidate Country, and some early interventions were made in former Candidate Countries which subsequently acceded to the EU. The aggregate amount disbursed since the Fund was established is (at the time of writing) EUR 5.22 billion. The wide geographical spread of the support emphasises the fact that the Fund is not subject to any territorial quotas; rather, by being triggered only by the occurrence of a disaster, it is space-blind.

Table 2: EUSF regulatory framework

Art.	Current arrangements, post 2014 reform	Change from original (2002) framework
1	Purpose of the fund <ul style="list-style-type: none"> “Enable rapid, efficient, flexible response to emergencies caused by natural disasters”. 	No change
2	Categories, thresholds for applications <ul style="list-style-type: none"> Major natural disaster (damage over €3 billion at 2011 prices or over 0.6% MS GNI); Regional natural disaster (damage >1.5% NUTS 2 GDP (1%, for outermost regions); Neighbouring eligible country (threshold not specified, but based on damage in neighbour). 	Previously, calibrated to 2002 prices No explicit threshold for regional or outermost regions, but share for “regional” limited to 7.5% of total No change
3	Eligible actions <ul style="list-style-type: none"> Restoring the working order of infrastructure Providing temporary accommodation and funding rescue services Securing preventative infrastructure, protection of cultural heritage Cleaning up disaster-stricken areas, including natural zones Only non-insurable damage, other limitations (e.g. VAT, TA ineligible) 	No change
4	Application process <ul style="list-style-type: none"> Required elements of application form deadline of 12 weeks from occurrence of disaster (potential extensions) Stipulates shared-decision making between the EC, EP and Council 	Minor revisions Previously: 10 weeks Previously two stages of final decision

² http://ec.europa.eu/regional_policy/sources/thefunds/doc/interventions_since_2002.pdf

	<ul style="list-style-type: none"> Describes decision-making process with expectation of six-week timeframe 'counting from the date of receipt of the complete application and excluding the time needed for translation' Art. 4a Outlines rules for advance payment on request of beneficiary State, not exceeding 10% of anticipated grant 	Previously 'as quickly as possible'; no mention of 'complete application' No advance payment previously
5	Implementation arrangements <ul style="list-style-type: none"> Shared management between EU and beneficiary States EU: manage and financially control the operations and conduct checks MS: implementation of assistance, including selection of operations Candidate country in accession talks: delegation agreement 	Minimal changes
6	Coordination with other EU funds/instruments <ul style="list-style-type: none"> Beneficiary State responsibility 	No change
7	EUSF to be compatible with other measures, policies of the EU	No change
8	Implementation and closure <ul style="list-style-type: none"> Deadline for implementing EUSF: 18 months requirements for implementation report to be produced after six months Must provide information on preventive measures 	Previously: 12 months No change Less extensive information required
9	Stipulates reporting in Euros	No change
10	"Borrowing" from following year`s budget if funding exhausted and carry over of unspent amounts to next year	Previously less flexible, albeit larger budget ceiling
11	EU Financial management and control <ul style="list-style-type: none"> Audit arrangements Anti-Fraud (OLAF) 	No change
12	EC reporting <ul style="list-style-type: none"> EC yearly implementation report to the EP and to the Council 	No change
	Budgetary Ceiling* Up to a maximum annual total of €500 million at 2011 prices since start of 2014-2020 multi-annual financial framework. On 1 October each year, at least one quarter of the annual amount of the Fund should remain available in order to cover needs arising until the end of the year	Prior to 2014, up to a maximum annual total of €1 billion (at current prices)

*Not set out in the Regulation

There is a clear logic of intervention underpinning the EUSF which can be summed up as how the EU responds to natural disasters and shows solidarity with regions affected by them. The rationale for the EUSF is clearly set out in the first recital of the regulation, stating its purpose to be for the Community to 'show its solidarity with the population of the regions concerned'.

The EUSF is funded by the EU budget, but is outside the Multi-annual Financial Framework (MFF), reflecting its role in dealing with unforeseen events, and it is intended to cover non-insurable damage. It has had an annual budget since 2014 of EUR 500 million at 2011 prices, half of what it was allocated during the 2007-13 EU budgetary cycle and in its early years from 2002. Since the reform in 2014, the Fund has some flexibility to carry over any surplus or to draw in advance from the following year. Over the full period of this evaluation

the total amount distributed by the EUSF is 36 percent of the available budgetary ceiling, but it fluctuates from year to year depending on the incidence and intensity of the natural disasters occurring.

As stated in the regulation, four types of operations are eligible for support:

- restoration (to working order) of infrastructure providing energy, drinking water, waste water disposal, telecommunications, transport, healthcare and education;
- provision of temporary accommodation for victims;
- securing of preventive infrastructure and protection of cultural heritage sites; and
- cleaning-up of the affected areas.

Country-specific thresholds for the scale of disaster are applied, requiring the damage to exceed 0.6 percent of GNI or EUR 3 billion at 2011 prices to qualify as a 'major' disaster. At regional level, the threshold is damage exceeding 1.5 percent of GDP, though with an exception for the outermost regions where a lower threshold of one percent of GDP applies. The outermost regions are explicitly mentioned in the regulation (Article 2.3, which refers to regional eligibility) as a distinct category. The definition of 'outermost' relates to Article 349 of the TFEU, designating the French, Portuguese and Spanish regions so defined. There are further provisions for groups of regions and for regions in neighbouring countries to those where major disasters occur, but there is not an explicit threshold for these neighbouring countries.

A contribution from the EUSF is subject to five stages of governance: the preparation and submission of the application; Commission assessment and proposal; EU decision process; implementation of the plans for using the money; and the closure of the intervention. Some deadlines, such as for the application and the submission of an implementation report, are formally stated in the regulation, although even then there is some flexibility because of the inevitably difficult circumstances of dealing with a disaster. Other time periods (notably for appraisal and decision) are dependent on the circumstances and are not firm commitments, although there is an expectation of avoiding delay. These stages in EUSF governance are described in detail in Section 3.

The instrument, simply, is the financial contribution. Therefore, it is important to stress that once the payment is made to the beneficiary country, there is no expectation that the money be spent on specific, identifiable projects. Rather, it goes into the general disaster response budgetary envelope, but with the condition that the money be used on projects within the four designated categories.

Seen in this way, the underlying logic of intervention is about cash flow: the contribution from the Fund alleviates the extraordinary financial burden of dealing with a disaster. As such, the function of the contribution is to counter the risk of the disaster response being diminished because of funding constraints. However, following the 2014 reform, the expectation that beneficiaries should have a strategy to bolster resilience against similar future disasters adds a further element to the intervention logic which can be summed up as steering the beneficiary towards good practice.

A financial contribution from the EUSF is subject to a number of conditions and will, given the formula for calculating the payment, typically only cover a small proportion of the overall costs of dealing with the disaster. However, there are few restrictions on the specific

projects eligible for support, other than the over-arching requirement of being consistent with the four categories of support on what is funded.

2.2 Previous assessments of the EUSF

Although the Commission had not, prior to this study, undertaken a formal evaluation of the EUSF, the Fund has been assessed on several occasions by the European Parliament (EP) and the European Court of Auditors (ECA), offering valuable insights into some of the operational features of the EUSF. There have also been a few academic studies of the Fund. Key findings from these reports and studies are summarised here and set out in more detail in the interim report based on task 2 of this evaluation.

- Scrutiny by the European Parliament applauds the Fund as a 'successful and well-received' solidarity mechanism connecting directly to European citizens. However, both the EP and the ECA criticised ambiguities in the rules governing EUSF applications and delays in the provision of assistance, highlighting the high rate of rejection, prior to the 2014 reform of applications for intervention buy the Fund to alleviate regional disasters. An EP report is critical of the timescales for assessing implementation reports and and closure of interventions, even after the 2014 reform, and called for better communication with the general public about the support offered by the EUSF.
- EUSF annual reports prior to the 2014 reform regularly drew attention to problems in dealing with regional disasters, such as ambiguities concerning eligibility for support. Post-reform annual reports noted that potential applicants seemed to have a clearer understanding of what was required in the application process, reducing the need for requests for additional information before the application could be assessed.
- The ECA found that the EUSF was efficient in terms of the administrative costs incurred. and the Court concluded that the Fund achieved the objective of demonstrating solidarity with Member States afflicted by disasters.
- Academic work by Hochrainer-Stigler et al.³ applauded the overall functioning of the Fund, but expressed the concern that the reduced budgetary ceiling from 2014 will be too easily depleted if there is a succession of disasters. A wider concern articulated by Hochrainer and Lorant⁴ is the low proportion of the EUSF contribution allocated to reducing risks from future disasters.

What emerges in general from these assessments is that **the EUSF was perceived as succeeding in its core objective of offering solidarity, but has encountered a number of administrative problems, many of which have been or are being addressed**, both in the revisions to the regulation and in the revisions to the way in which the Commission and the other institutions administer the Fund.⁵

³ Hochrainer-Stigler S, Linnerooth-Bayer J and Lorant A (2017) The European Union Solidarity Fund: an assessment of its recent reforms, *Mitigation and Adaptation Strategies for Global Change*, 22, 547-563.

⁴ Hochrainer-Stigler S and Lorant A (2018) Evaluating Partnerships to Enhance Disaster Risk Management using Multi-Criteria Analysis: An Application at the PanEuropean Level, *Environmental Management*, 61, 24-33.

⁵ A more detailed review of previous research on the EUSF is provided in the Interim Report of this study.

3. OVERVIEW OF EMPIRICAL FINDINGS

This section provides an assessment of the operation of EUSF, based on the an examination of the documents on each application submitted since the inception of the Fund and evidence gained from seven in-depth case studies of EUSF interventions. Following a general description of the institutional context for EUSF implementation, the analysis breaks the process into specific phases (application, assessment and decision, implementation and closure). Under each, a short description of the processes involved in that phase is followed by a general overview of issues identified in the examination of documentation before insights are drawn from the specific experiences of the case studies.

3.1 Institutional context

Three main categories of bodies are involved in the management and implementation of the EUSF (see Table 3) in recipient countries.⁶

- **The National Coordination Body (NCB)** is the principal contact in the beneficiary State, responsible for liaison with the Commission. It is takes charge of submitting the application for funding, guaranteeing a transparent and non-discriminatory selection of operations to be financed by EUSF, and ensuring effective management verifications covering compliance with EUSF eligibility rules. The NCB is also responsible for drawing up the Implementation Report, which includes justifying the expenditure (equivalent to the management declaration applicable to the managing authority under ESI Funds) and a summary of the controls and audits.
- **The Independent Audit Body (IAB)** establishes that the management declaration signed by the NCB as part of the Implementation Report gives a true and fair view that the expenditure financed by EUSF is legal and regular. The IAB's opinion should be supported by an audit report, which should set out the audit procedures carried out by the IAB and describe the sample checks on operations carried out.
- **Beneficiaries.** Under the EUSF, the term 'beneficiary' means a public or private body responsible for initiating, or both initiating and implementing, operations financed by the EUSF. The term "implementing body" is often used to mean "beneficiary" of EUSF assistance. Under the EUSF, the implementing bodies or beneficiaries are usually departments within a ministry, national water or other utility companies, and regional or local administrations. Beneficiaries of operations funded by EUSF are responsible for ensuring that the expenditure to be financed by EUSF is legal, regular and compliant with all applicable Union and national law. The beneficiaries pay the relevant costs (e.g. to the contractors carrying out the works) within the 18 months deadline and keep evidence of such payments.

The configuration of these bodies clearly varies across and within countries, depending on specific institutional contexts. EUSF management and implementation involves multiple levels of governance, and some general patterns can be identified at national, regional and local levels – see also Box 1.

⁶ European Commission (2018) *EU Solidarity Fund (EUSF) – clarification on implementation and auditing processes*, update 15/01/2018 Version 4.

Table 3: Institutional arrangements for EUSF intervention (indicative)

Institution	Role	Examples
National Coordinating Body	Preparation and submission of application. Coordination of implementation. Reporting.	Ministry responsible for DPM. Ministry responsible for EU funds.
Independent Audit Body	Checks of operations and system audits required to draw up the statement of validity	Often Audit Authority for ESIF (national or regional level).
National-level beneficiaries	Contribution to application. Implementation of EUSF. Regulatory decisions to assist implementation.	Sectoral Ministries (e.g. Transport, Health, Environment etc.). Ministries for Regional Development. Often national ESIF Managing Authorities. National public utility companies, emergency services.
Regional-level beneficiaries	Contribution to application. Implementation of the EUSF grant. Support for municipalities in implementation.	Often ESIF Managing Authorities for regional programmes. Sectoral units in regional governments (Transport, Environment etc.), regional government departments for utilities, emergency services).
Local-level beneficiaries	Contribution to application. Implementation of the EUSF grant.	Municipalities
NGOs, other stakeholders	Support in assisting the affected population. Providing data to local authorities involved in EUSF.	Red Cross. Volunteers of nation or local civic protection.

3.1.1 National level

The role of NCBs can be fulfilled by ministries and departments responsible for disaster prevention and management. **Most countries have national authorities responsible for issuing emergency and disaster management plans and coordinating emergency responses from state services.** In some cases, the national DPM body plays a prominent role in management and implementation of the EUSF as the NCB – from submission of the application to submission of the Implementation Report. In Austria, the Federal Ministry of the Interior manages and implements EUSF interventions – it drafts the application and the final report and delegates tasks to other authorities. In Italy, the coordination of the response is entrusted to the Head of the National Civil Protection Department, who was authorised to manage the emergency procedures, including submitting the EUSF application. In other cases, while not playing a full role as NCB, these national bodies make a crucial contribution to the application in assessing damages. In Bulgaria, the Ministry of Interior utilised good working relations with the affected local authorities to develop damage assessments for the EUSF application.

Box 1: Effective institutional coordination

An effective coordinating body at national level has been shown in some of the case studies to be conducive to a successful EUSF intervention. In some instances, an existing entity, such as the national body responsible for the ESIF, is able to fulfil this role quickly (as in the case of the 2007 Greek fires). Despite a lack of past experience of EU funding, the creation of the Public Investment Management Office (PIMO) manifestly worked well in several stages of the implementation of the EUSF intervention in Serbia.

In the Madeira case in 2010, the *Instituto de Desenvolvimento Regional* (IDR) was made responsible for managing and implementing EUSF funding in the Autonomous Region of Madeira. The IDR⁷ is the agency which coordinates regional development and manages EU funding in Madeira. It took primary responsibility for planning the EUSF implementation, selecting projects, making payments and verifying expenditure, as well as submitting the EUSF application. Having such a body meant a single point of contact for the Commission in relation to requests for additional information. A restricted area of its website also became the channel for information flow about the implementation of the EUSF contribution. In addition, the case study team noted that the IDR's control unit facilitated satisfactory checks on the probity of expenditure. The IDR's broader experience of dealing with EU funding manifestly eased its task, although interviewees mentioned that the IDR nevertheless had difficulties with procurement procedures. Follow-up checks by the IDR management team reinforced these monitoring functions.

One further aspect of the IDR involvement is that it organised publicity about the contribution of the EUSF. A robust finding of the case study is that having the IDR was a key factor that contributed to the correct execution of the EUSF intervention. In particular, by taking on core administrative tasks, it lightened the burden on other stakeholders. Moreover, the IDR itself was able to learn from the 2010 experience with favourable consequences for a subsequent (2016) EUSF application in Madeira.

In some cases, the NCB role is played by the national ministry charged with coordinating EU funds. This approach has potential efficiency gains, taking advantage of existing expertise, experience and lines of communication in dealing with EU funding. In Greece, the Community Support Framework Managing Authority in the Ministry of Economy and Finance was designated as the NCB. In Bulgaria, the Ministry of Regional Development (the Managing Authority for the ESIF Operational Programme) has been responsible for application submission and for coordinating implementation, drawing on its experience of dealing with Commission services and local authorities, and other public bodies as beneficiaries of EU funds.⁸ In Serbia, as an example of a Candidate Country, the European Integration Office (SEIO) under the Minister for European Integration was responsible for coordinating the application process.

Sectoral ministries also play important roles in EUSF implementation, contributing to applications, facilitating implementation or as beneficiaries. Ministries of transport, energy and environment are typically involved in issuing regulatory decisions to assist the work of implementing bodies. They also contribute to damage assessment in completing the application or take on the role of Implementing Authorities, depending on the forms of damage experienced and the responsibilities/tasks required for recovery operations. For

⁷ <http://www.idr.madeira.gov.pt/portal/Principal.aspx>

⁸ Case study, Severe winter conditions of South-east, South-central, South-west, North-west, North-central and North-east regions of Bulgaria in January-February 2015 (case 120)

the 2014 summer floods in Romania, the institutional architecture was based on eight implementing authorities in different government ministries, each entrusted to carry out the implementation of the financial contribution in their areas of responsibility. National agencies or public companies for utilities or services are also usually involved. Agencies for roads, railways, water management, telecommunications) or public services (e.g. fire services) often act as EUSF beneficiaries (as in Greece).

EUSF Independent Audit Bodies are usually experienced in audit of other EU funds, tacitly encouraged in Article 5(6) of the EUSF Regulation. This possibility aims to simplify implementation, as the Member State does not then need to create new management and control structures specific for EUSF, since they can use the ones that exist already for the management and control of ESI Funds. In the Austrian case study, the Federal audit body for EU funds was used. In the Bulgarian case study, the use of the Audit Authority of EU funds for EUSF brought efficiency gains (but also a perceived 'strict approach') from the experience of auditing EU funds.

3.1.2 Regional level

In most countries, especially those with federal or regionalised systems of public administration, **important EUSF implementation tasks are carried out at sub-national level**. Austria, where the Federal Ministry of the Interior is responsible for submitting the application, coordinating the grant, reporting and communication with the Commission, exemplifies the multi-level approach. At sub-national level, State Governments are Implementing Authorities, with different configurations of Departments contributing, depending on the nature of the disaster. In Portugal, although the Ministry of the Interior was responsible for submitting the application, the regional government in Madeira had the lead role in drafting it and in defining implementation procedures, selecting operations, paying funds to beneficiaries and verifying expenditure.

In these cases, vertical coordination arrangements between national and regional levels have been required. In the Portuguese case study (floods in Madeira), a protocol was signed between the national administration and the regional government in Madeira and a new Joint Committee. The latter's role was to assess and quantify damage, and to provide a cooperation framework between national and regional government levels. In Italy, the National Civil Protection Department cooperated with the regional administrations in areas directly affected by the 2012 earthquake (centred in Emilia Romagna, but affecting adjacent regions) to coordinate all emergency operations and act as a structure connecting the involved actors (at national, regional and local levels) and to ensure homogeneous support throughout the affected areas.

In some contexts, the regional bodies tasked with EUSF implementation were also responsible for ESIF management and implementation. In addition to the example of Madeira described in box 1, in the 2007 Greek wildfires case, the EUSF Implementing Authorities included the Managing Authorities for ESIF regional OPs, as far as types of measure falling within their area of competence were concerned. ESIF management and implementation systems were often used as a model for the EUSF. Facing the challenge of coordinating operations across municipalities, the Region of Emilia-Romagna adopted the same approach and the same operating methods in 2012 as for the management of the Structural Funds.

Regional authorities with competences in the fields of emergency responses and utilities are often involved in the various phases of EUSF operations. They contribute to damage assessment as part of the application process or are direct beneficiaries responsible for

designing and implementing the relevant actions. They typically include regional government departments for public roads, buildings and housing together with regional forestry directorates, regional public energy companies etc.

EUSF implementation arrangements at regional level may vary within countries. In the 2012 Italian earthquake case, each regional administration adopted its own organisational structure, following its own rules and conventions, and dealt with different types of problems. While this governance model ensured a greater focus on the territorial needs, it also led to heterogeneous implementation procedures.

3.1.3 Local level

Municipalities are frequently direct beneficiaries of the EUSF, as they provide immediate resources and have competences in relevant sectors. They often provide the immediate emergency relief actions, evacuations and local network restorations. Local authorities also often have competences in the recovery and rehabilitation of healthcare and educational sectors, road infrastructure, etc.

Municipalities often have key roles in damage assessment, but can require assistance. The Austrian system of financial assistance after natural disasters involves 'municipal damage commissions' collecting data and evaluating the damage as local experts – see Box 2. The commissions, which consist of local councillors, experts and administrative staff, are responsible for visiting sites to draw up damage reports. These reports are forwarded to the Federal or State Governments, as required, for assessment and initiation of the disbursement of the aid. Most of the damage estimates for a EUSF application are therefore based on municipal assessments.

Box 2: Institutional framework and administrative capacity

A sound institutional structure and capacity in a beneficiary country facilitates the implementation of the EUSF. An illustration of good practice in this regard is the 2013 case of flooding in Austria. The case study illustrates effective multi-level and multi-agency collaboration in responding to a disaster. It also shows how institutional learning, based on previous experiences of EUSF interventions, can enhance the efficiency of an intervention. The 2013 case, affecting seven of Austria's nine *Länder*, was under the neighbouring country provision, given the much more severe flooding in Germany.

The application to the EUSF, as it had been since the first such application in 2002, was the responsibility of the Austrian Federal Ministry of the Interior, and the Ministry also produced the Implementation Report. Other tasks were delegated, with many being undertaken by the relevant agencies at *Land* level and a good cooperation with other federal ministries, notably the Ministry for Sustainability and Tourism. Damage assessment was undertaken 'bottom-up' by municipalities, using a tried and tested system, also used for domestic purposes, and has a series of checks as the information is fed up the governance hierarchy.

It is instructive that the consensus among interviewees for this case study was that the process of completing the application was considered straightforward and had minimal problems, nor did it require any updates before being assessed by the Commission. Delegation agreements with the *Länder* were the basis for implementation and the judgements of those involved are that this facilitated the successful use of the EUSF support. Both past experience and a clear delineation of roles of different administrative authorities are shown by the case study to have contributed to the success of the intervention. An overall assessment was that the administrative burdens were low to limited, and proportionate to the funding received.

In some contexts, regional bodies play an important role in coordinating and collating these data, and in providing support through the application and implementation stages. In Italy, for instance, the regional administration supported all municipalities affected by the 2012 earthquake through the use of administrative guidance/models for monitoring activities and organising operational meetings during the whole implementation phase. This helped to overcome the lack of technical personnel in the affected area, characterised by small or medium-sized towns.

3.1.4 Other actors

NGOs often make an important contribution to EUSF implementation but they are not always well integrated. Organisations such as the Red Cross, other humanitarian organisations and national and regional volunteer bodies) can play an important role in providing complementary support and in gathering field data on local needs for recovery that can be passed to the local governments. This can influence the prioritisation of some operations. However, the Serbian case study was one example where the lines of communication between NGOs and public administration were problematic.⁹

3.2 Application phase

The application process, set out in Article 4 of the regulation, asks for applications to be submitted 'as soon as possible and no later than 12 weeks after the first occurrence of damage', albeit with updates to applications permissible in 'justified cases' or if the disaster continues. The deadline was ten weeks prior to the 2014 reform of the EUSF.

Advice from the Commission and the ease with which it can be accessed is a vital part of the process, considering that in the context of a disaster the administrative resources of national and regional authorities will already be under huge pressure. In its current version, the application form has thirty-six fields that applicants have to complete. Countries submit an application to the Commission providing information on the total direct damage caused by the natural disaster and its impact on the population, economy and the environment concerned. They also provide an estimation of the costs of the operations to be undertaken, details of any other sources of funding, and a short description of the implementation of EU legislation on disaster risk prevention and management. Updates to the application can be requested by the Commission or submitted by the applicant if more accurate information on damage becomes available.

The Commission web-site has a statement encouraging the body responsible for preparing an application to contact the service in charge in DG REGIO for advice, including on how to speed up the application procedure. There are separate guidance notes on applying (the current version is the sixth, dating from November 2017) and on implementation and closure (fourth version, most recently amended in January 2018), providing applicants with detailed advice. These documents have, according to the EUSF Unit, evolved in response to feedback from beneficiaries.

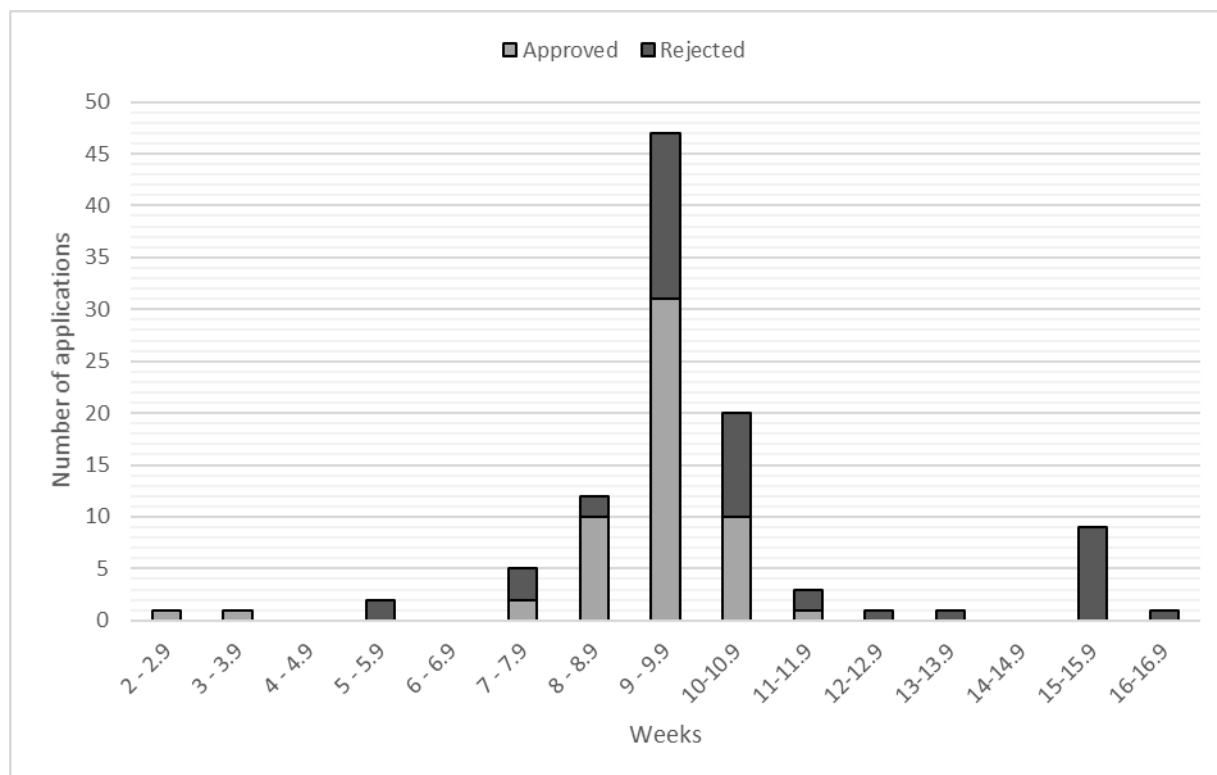
(i) Duration of the application process

In the pre-reform period, a total of 110 applications were made to the fund including three cases which were subsequently withdrawn. Evidence suggests that **applicants largely met the formal application deadline**. However, there is variation and some extreme outliers. In the pre-reform period, applicants used most of the 10-week period, with 80

⁹ Case study, Flooding in multiple regions of Serbia in May 2014 (case 112).

out of 103 submitting 8-10 weeks after the disaster occurrence (see Figure 2). All 60 accepted cases met the regulatory deadline of ten weeks to submit applications. For rejected cases, 27 out of 47 sent their application within 8-10 weeks, 15 cases missed the ten week deadline for submission. In the pre-reform period, all cases that missed the application deadline were subsequently rejected.

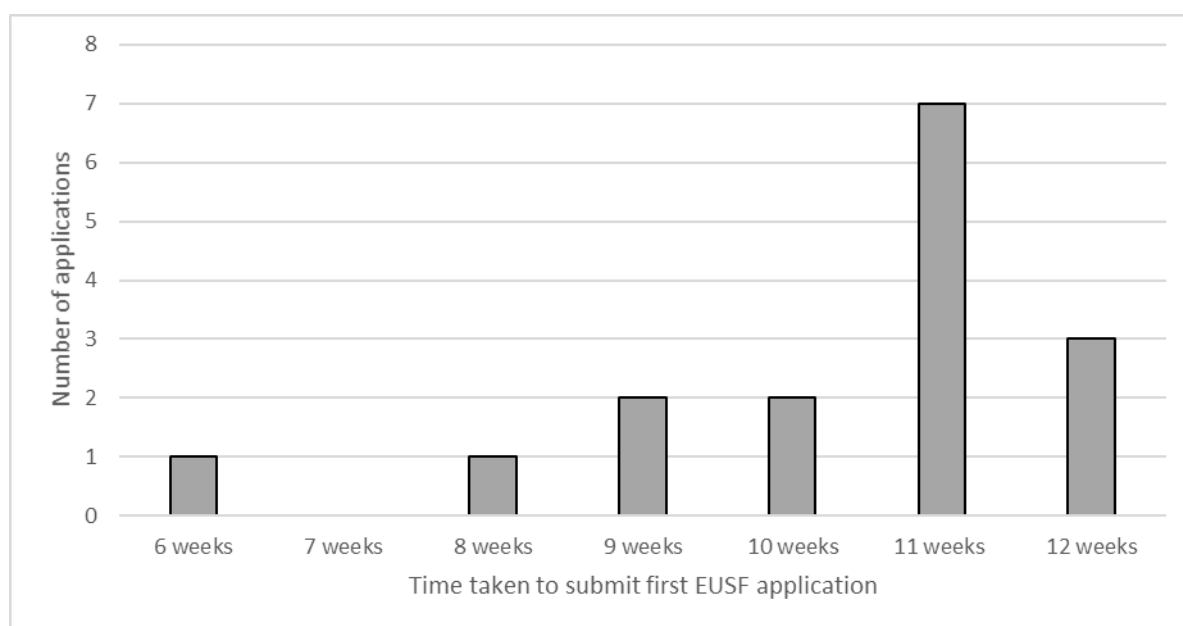
Figure 2: Submission of applications up to 10-week deadline (n=103)*



Source: Commission data, 2018

*Note: This discounts three withdrawn cases and the first four EUSF cases for which there are no data. There is one accepted case over 11 weeks, this refers to a case retroactively accepted by the Commission for which there are data: the volcanic eruption in Italy in 2003.

In the post-reform period, covering 16 cases between 2014 and 2016 the deadline for application was extended to 12 weeks. All post-reform cases were accepted and all met the regulatory deadline of 12 weeks. Figure 3 shows again that the large majority of applications were submitted around 11-12 weeks after the occurrence of the disaster.

Figure 3: Submission of applications according to 12 week deadline (n=16).

Source: Commission data, 2018

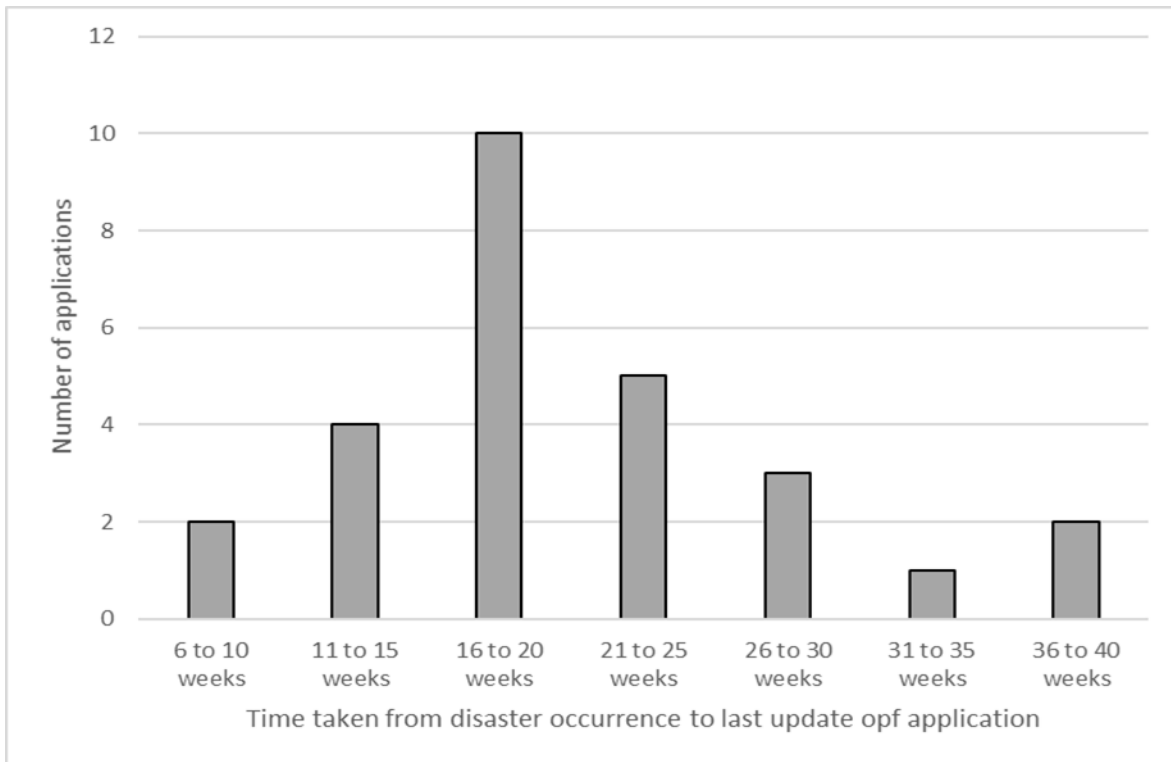
(ii) Quality of applications

The scope and structure of applications differ considerably, incorporating different combinations of application fiches, accompanying reports and attachments. For instance, the case of floods in Germany in 2016¹⁰ consists of a ten-page summary fiche and annexes while the sludge spill in Hungary in 2010¹¹ includes similar elements, plus a 106-page report. The quality of applications is variable, reflected in the number of updates requested by the Commission. Unsurprisingly, poor ones add significant time to the application stage. Figure 4 shows the impact of updates on the duration of the application process in the pre-reform period. A large proportion of pre-reform cases were required to provide additional information (27 out of 60) which extended the overall application duration, in some cases significantly. Eleven cases took between 20 and 30 weeks after the disaster to submit additional information and two cases took between 36 and 40 weeks.

¹⁰ EUSF Application Form – Floods in Germany in May 2016.

¹¹ EUSF Application Form – Floods in Hungary in May 2010.

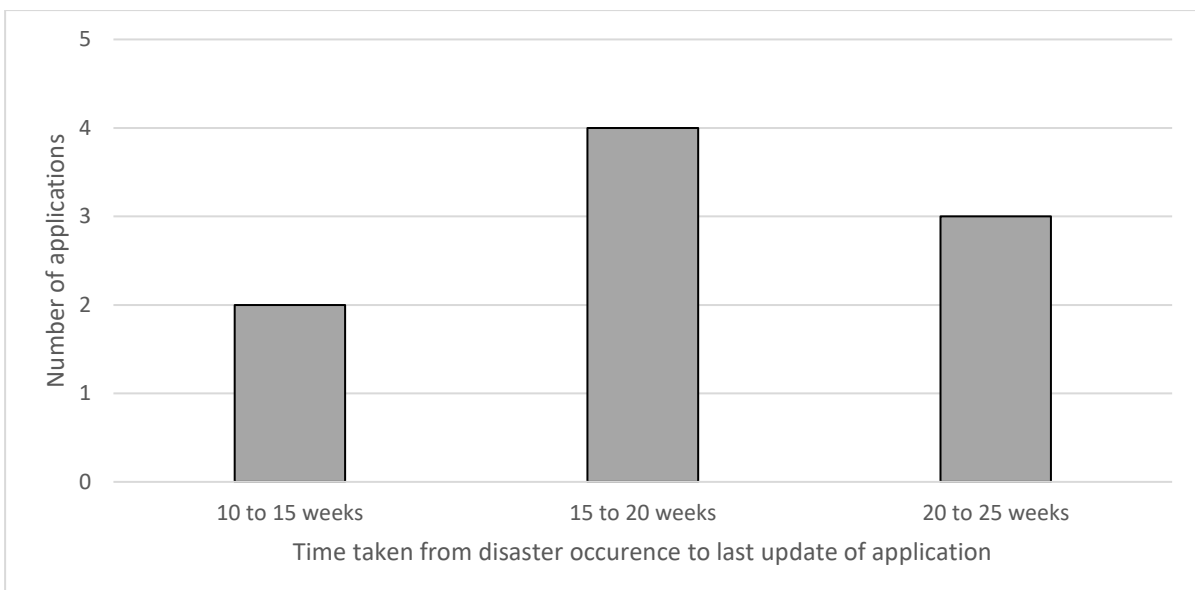
Figure 4: Duration after disaster for submission of accepted, updated applications (n=27).



Source: Commission data, 2018.

From the data collected, nine of the 16 post-reform applications have been required to provide additional information (see Figure 5). In seven of these cases, the application took between 16 and 25 weeks after the occurrence of the disaster.

Figure 5: Duration after disaster for submission of updated applications (n=9).



Source: Commission data, 2018.

3.2.2 Case study evidence on the application process

According to evidence from the case study research, **the application format and process is relatively straightforward and easy to understand.** The format of the application form and the guidance provided by the Commission are appreciated by beneficiaries. Interviewees found eligibility criteria to be clear. Commission guidance through documents or responding to ad hoc requests helped to resolving specific queries. Applications for EUSF were compared favourably with applications for ESIF funding.¹²

The clarification of regional disaster eligibility criteria and extension of the application deadline in the 2014 reform of the EUSF facilitated timely submission and reduced the need for the Commission to request additional information. The majority of the case study interviewees rated the application phase as 'straightforward'. A minority of applicant authorities regarded it as 'fairly complex'. Greek authorities noted the challenge of estimating damages, particularly in the absence of a domestic tool. The Serbian applicant authority also found damage estimation complex, especially with limited experience of applying for the Fund.

The experience of the application process highlighted the importance of good coordination. As described above, applications rely on input from different actors at different administrative levels - local and regional authorities, national ministries and public agencies etc. – for which the effective functioning of coordinating bodies at national or regional levels was considered to be critical.

Assessments of the operation of the Fund from the European Court of Auditors and the European Parliament also highlighted the importance of cooperation and coordination between the different local and regional authorities and the central services of each Member State. In the Madeira case study, the regional body responsible for the application had experience and capacities in dealing with EU funds, and it took on most of the burden in coordinating inputs from different sources to reduce complexity.¹³ In Serbia, the Ministry of Construction established a national Commission to coordinate inputs, while at sub-national level, a standing Conference of Towns and Municipalities had a vital role in gathering data from municipalities with limited capacity and experience in this field.¹⁴

The estimation of damage is crucial to the application but is often the most difficult component to fulfil. Damage estimation is the key criterion for the Commission to judge whether the application should be accepted or rejected, and it provides the basis for calculating the size of EUSF support. Applicants to the Fund must provide estimated amounts of direct damage, broken down according to sectors and cost of operations. However, applicant countries can face significant challenges. Data collection can cover a large number of entities, and there can be issues with overlap and duplication and adherence to standard approaches to develop aggregable data in line with Commission requirements (see Box 3).

Some types of damage are more difficult to estimate than others. For instance, in the Madeira case, estimates of damage to housing were more straightforward than those related to hydrology. In the Bulgarian and Romanian cases, estimating damage to private property was particularly time-consuming. Estimation can be challenging where the level

¹² Case study Floods and landslides in the region of Madeira in February 2010 (case 72).

¹³ Case study Floods and landslides in the region of Madeira in February 2010 (case 72).

¹⁴ Case study, Flooding in multiple regions of Serbia in May 2014 (case 112).

of damage is relatively low. For instance, in relation to the earthquakes in the regions of Emilia-Romagna, Lombardia and Veneto in May 2012, Veneto recorded less serious damage than those in Emilia-Romagna and Lombardia. A side effect was that the damage assessment phase was more complicated than in the other regions because it consisted of a large number of smaller effects.¹⁵ Specific challenges to cost estimation can also relate to the category of disaster. For instance, data availability in 'outermost' regions may struggle to use standard costing models because of specific socio-economic and market conditions.

These problems are exacerbated in a context where the effects of the disaster are still unfolding and the onus is on authorities to launch interventions while some potentially important data are unavailable.¹⁶ In this context, some interviewees (e.g. in Romania) supported the extended application deadline of 12 weeks in the 2014 reforms.¹⁷

Box 3: Survey assessment tool for damage assessment

A persistent challenge for applicants has been how to ensure rapid and accurate damage assessment. The Italian procedure for post-earthquake usability evaluation, based on the AeDES survey form, was highlighted as beneficial in the Italian case study – and is said to be distinctive compared to the procedures used in other countries. Using the AeDES form, damage data is carefully collected – on a standardised and systematic basis – by all national, regional and local bodies – so that the damage levels and its extension to the whole structure and to the main structural and non-structural components, can be estimated and classified in accordance with the EMS-98 classification. In particular, 'vulnerability data' are collected in the Italian form, and this information is intended to make data available for the reconstruction phase (e.g., in the management of the financial requests from the affected population), and used in support of making usability judgements on damaged buildings and infrastructure. Such judgements are defined on a scale ranging from usable, through usable with countermeasures, temporarily usable, unusable, to unusable for external risk. This is part of an integrated approach to post-earthquake damage assessment and usability judgements involving using mobile data-collection tools (digital pens etc) combined with remote sensing and satellite data.

The challenges in providing detailed estimations on damages and costs are reflected in the limitations in the data included in applications. In application forms, the breakdown of damages into sectoral categories, as required by the Commission, is often incomplete. The sum of the eight categories of damage only equals the total estimated damage claimed by the applicant country in a third of cases. Of the 25 applications with a complete, standardised breakdown of estimated damages, 13 (52 percent) were from the post-reform period.

Commission requests for updates to applications contribute significantly to the length of the application process. Assessment of applications shows that the most frequently requested additional information concerns clarification of damage figures. In some cases, the challenge of damage estimation, especially given time constraints, led to the prioritisation of some interventions over others and the omission of some categories

¹⁵ Case study, Earthquakes in the regions of Emilia-Romagna, Lombardia and Veneto in May 2012.

¹⁶ European Court of Auditors (2012) *The European Union Solidarity Fund's response to the 2009 Abruzzi Earthquake: the relevance and cost of operations* p17.

¹⁷ Case study, Floods in the region of South West Oltenia in July-August, 2014 (case 115).

(in the Bulgarian case study, damage to private property was not included in the application).

Administrative capacity is crucial for the timely submission of quality applications. Comparing the case studies, there are clear differences in the perception of the application process related to the level of experience and expertise of the authorities involved. In the Austrian case, the duration from the disaster event to the application submission was just under ten weeks, and interviewees assessed the process to be straightforward. This was attributed to the considerable experience in disaster management and a tried-and-tested system for coordinating inputs on damage estimation from Federal and State Government levels. As described above, the Austrian system of financial assistance after natural disasters also involves 'municipal damage commissions' collecting data and evaluating the damage as local experts. This system meant that a considerable body of knowledge, experience and data was in place to facilitate the EUSF application.

On the other hand, in the Greek case, the application process took 22 weeks, including a lengthy exchange with the Commission regarding the estimation of the total direct damage claimed.¹⁸ Interviewees rated the phase as 'fairly complex'. A fundamental problem was insufficient or inaccurate data provided by some actors, especially where capacity was low. Moreover, there were no domestic tools to facilitate damage assessment.¹⁹ The application by Romanian authorities for support following floods in 2014 provides insights into the challenges faced by authorities in developing applications, the type of requests for additional information made by the Commission and efforts to build capacity to improve the quality of applications (see Box 4).²⁰

Box 4: Challenges in the application process – Floods in Romania 2014

Among post-reform examples, for the floods in Romania in 2014 a wide-ranging reassessment of damage was requested by the Commission. The general damage assessment was seen by the Commission as 'little plausible' as over 95 percent of the total direct damage was attributed to public infrastructure and agriculture and forestry. The Commission asked for a more detailed explanation of the damage assessment used and its results. The calculation of damages relating to forestry, agriculture and built up areas was also deemed implausible. The Commission stated:

"On the whole it appears that some types of the damage reported in your application is considerably overestimated whereas other types of damage are seriously underestimated or have been omitted from the application. I would therefore propose that you review your application taking into consideration in particular the remarks made above and where necessary adjust the estimated damage figures. I would be grateful to receive this information as soon as possible and in any event no later than 15 January 2015 after which date the European Commission will take a decision on the basis of the information then available."

The challenges facing applicant countries in estimating damage led the Romanian authorities to apply to the ESF to build capacity. The plan was to develop tools for a single physical and value assessment of the damages caused by disasters, by developing a TA project funded by ESF/non-reimbursable funds. This project aims at ensuring a higher level of predictability with regard to the possibilities of accessing the EUSF by improving the damage assessment procedure, including by the implementation of a single cost standard-based system to estimate the value of the damages caused by natural disasters.²¹

¹⁸ European Commission, DG REGIO letter, 20/12/2007, Brussels, REGI OBI/PS/a ID(2007)141295

¹⁹ Case Study 'Forest fires in the regions of Attica, Continental Greece, Peloponnese and Western Greece in August 2007' (case 50)

²⁰ Case study, Floods in the region of South West Oltenia in July-August, 2014 (case 115).

²¹ Implementation Report of the EUSF in Romania – Floods in July/August 2014.

3.3 Commission assessment phase

The Commission assessment of applications is a key stage in the EUSF process: it leads to the proposed decision to accept or reject the application and, if the application is successful, determines the amount to be contributed by the EUSF. From discussions with representatives of the EU institutions, it appears that once the Commission makes its proposal for a contribution, the amount is not altered by the budgetary authorities.²² The implication is that the latter stage is a procedural one stemming from the EUSF being outside the multi-annual financial framework.

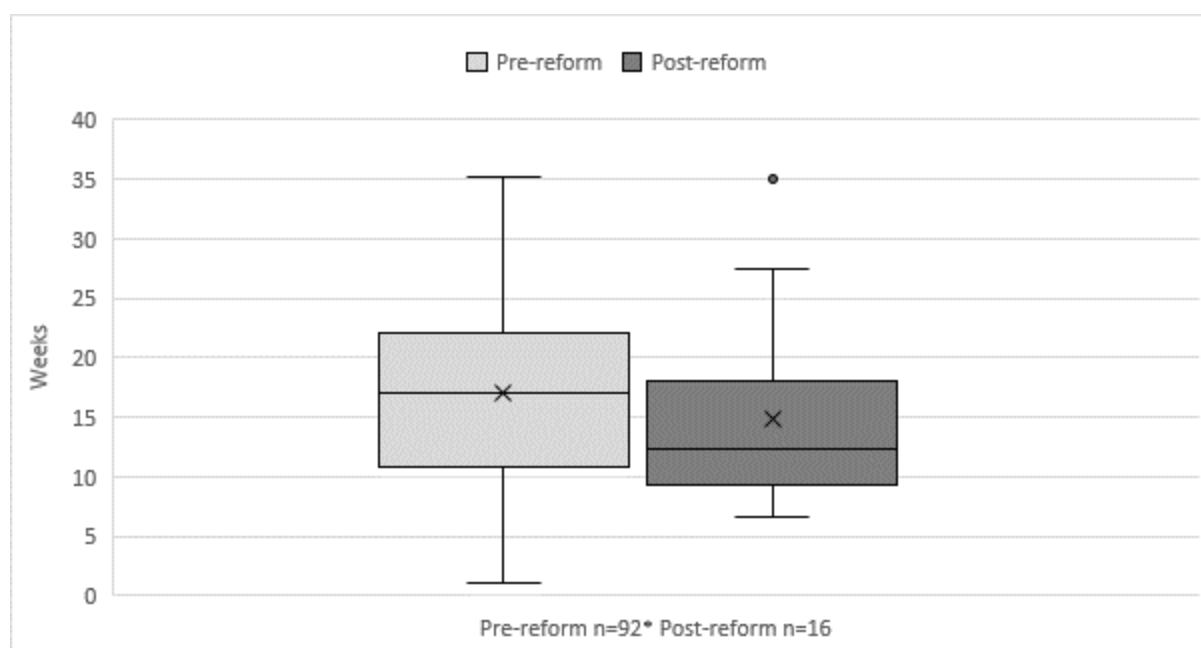
The assessment includes several steps. On the final submission of the application, including any updates required, the Commission checks eligibility and then decides whether it should propose support for the case to the Council and the European Parliament. As part of this process, the EUSF Unit in DG REGIO calls together an inter-Commission grouping of the relevant DGs (AGRI, MARE, ECHO etc.), DG BUDG and the Commission's legal services. The EUSF Unit circulates the relevant documentation, including work done by the JRC based on scientific analysis of the scale and territorial coverage of the disaster event. There is an exchange of views on the case before a decision is made on whether to propose support for the application.

Based on the data in the application, the Commission proposes a given amount of EUSF support. As explained above, country-specific thresholds for the scale of disaster are normally applied, requiring the cost to exceed 0.6 percent of GNI or EUR 3 billion at 2011 prices for major disasters. At regional level, the threshold is damage exceeding 1.5 percent of GDP, though with an exception for the outermost regions where a lower threshold of one percent of GDP applies. There are further provisions for groups of regions and for regions in neighbouring countries. The Commission uses a progressive system of award whereby a country affected by a disaster receives a lower rate of aid of 2.5 percent for the part of total direct damage below the 'major disaster' threshold and a higher share of aid of six percent for the part of the damage exceeding the threshold. The two amounts are then aggregated.

(i) Duration of the evaluation phase

The Regulation requires that assessment is carried out as quickly as possible and, since the reform, within six weeks, excluding the time needed for translation. In pre-reform cases, the mean time taken from the receipt of the complete application to making a proposal to the Council and EP was around 17 weeks (see Figure 6). However, for 40 percent of cases, the assessment time was longer than 20 weeks. In the post-reform period, there is a tendency for the process to be slightly shorter, with a mean value of 15 weeks for the Commission's assessment.

²² As explained in interviews with the head of unit E1 and a former Council official.

Figure 6: Commission assessment duration for Pre-reform cases (n=92)*

Source: Commission data, 2018

*Note: Three withdrawn cases are discounted. Data are not available for IT51-59, the first four EUSF cases and RO109. PT10 is excluded from the analysis as additional information was submitted two days after the Commission proposal.

The duration of assessment varied according to category of disaster. Assessment of 'regional' and 'outermost' categories took, on average, longer than other headings (see Table 3). According to the EUSF Unit, the scale of the disaster can also be an important factor in the work required during the assessment process. Larger scale 'major' disasters can often be assessed more quickly as the case being made is likely to be clear-cut. Assessment of smaller scale disasters in regional or outermost areas may often need examination of detailed information and data may not always be as comprehensive or available at these scales. It is interesting to note the variation in assessment duration for different categories of disaster before and after the 2014 reforms. As Table 4 illustrates, there has been a reduction in the assessment time taken for 'major' and 'regional' applications. There were only one each of 'outermost' and 'neighbouring' applications, not enough to enable a meaningful comparison.

There are cases where the duration of the Commission assessment has been lengthened by specific technical challenges. In some cases, the requirement for the Commission to carry out detailed technical analysis of the evidence provided in applications took longer.²³ It should also be noted that the time needed for Commission translation of documents has in some cases seriously delayed the assessment process. For instance, in May 2006 the Greek authorities submitted an application relating to flooding that occurred in March 2006. Supplementary information was provided in July and November 2006, but the translation of this information from the original Greek caused a substantial delay for the assessment

²³ European Commission (2006) *Communication to the Commission on an application to mobilise the European Union Solidarity Fund presented by Greece.*

of the application.²⁴ Similarly, translation of an application in Spanish for support following forest fires that affected Galicia took more than four weeks.²⁵

Table 4: Duration of the Commission Assessment for pre-reform and post-reform cases (n=108)*.

Category	Pre-reform (n=92)			Post-reform (n=16)		
	Min	Mean	Max	Min	Mean	Max
Major	1.1	13.7	31	6.6	11.1	18
Regional	2	19	30.4	8	16.4	35
Neighbouring**	8	13.9	20.7	27.4	27.4	27.4
Outermost**	10.9	21.8	35.1	13.6	13.6	13.6

Source: Commission data, 2018.

* Note: Discounting 3 withdrawn data (n=123) Data are not available for IT51-59, the first four EUSF cases and RO109. PT10 is also excluded from the analysis as additional information was submitted two days after the Commission proposal.

** Note: In the post-reform period, there has only one Neighbouring case and one Outermost case.

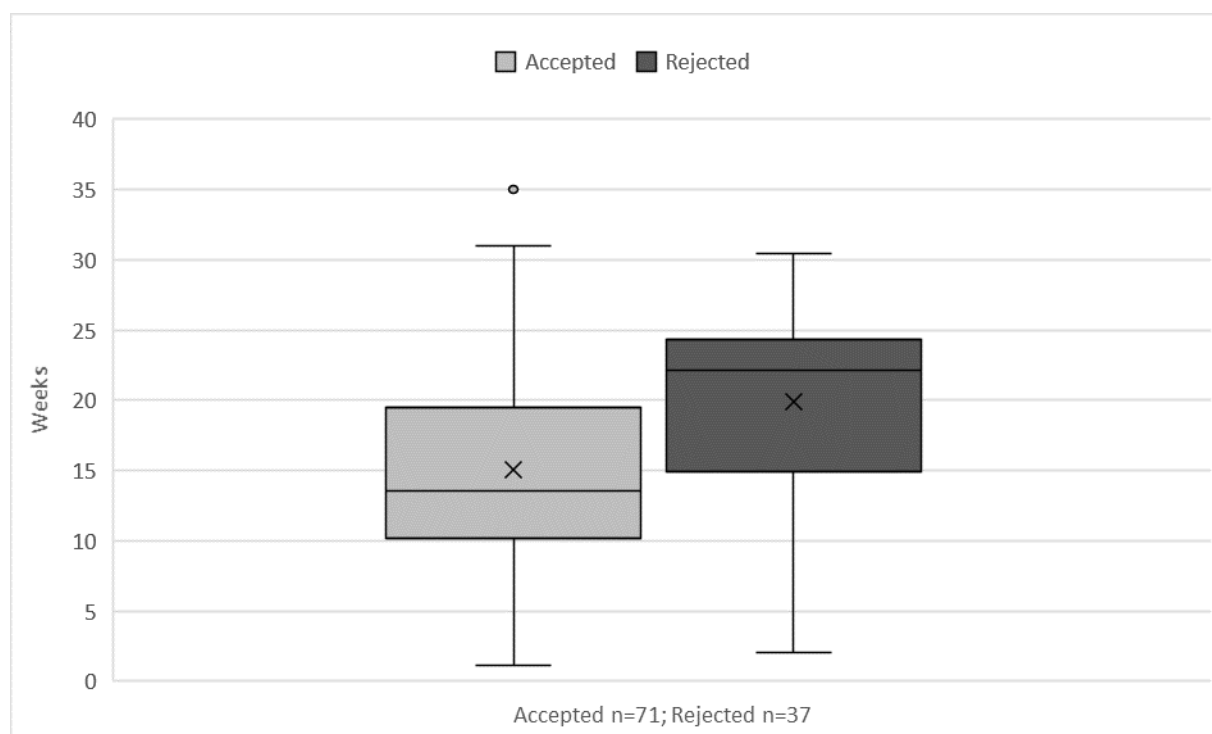
(ii) Rejected cases

More time was taken on average on the Commission assessment of applications that were subsequently rejected. Rejected cases, all pre-reform, took a mean time of around 20 weeks to assess while accepted cases had a mean value of around 15 weeks (see Figure 7). In the pre-reform period, the majority of applications under the category of exceptional regional disasters were rejected due to unclear provisions, suggesting that these were more challenging to assess.

²⁴ European Commission (2007) *European Union Solidarity Fund Annual Report 2006*, Report from the Commission to the European Parliament and The Council.

²⁵ *Ibid.*

Figure 7: Time period (weeks) between completion of the application and the Commission's proposal between accepted and rejected cases (n=108)*

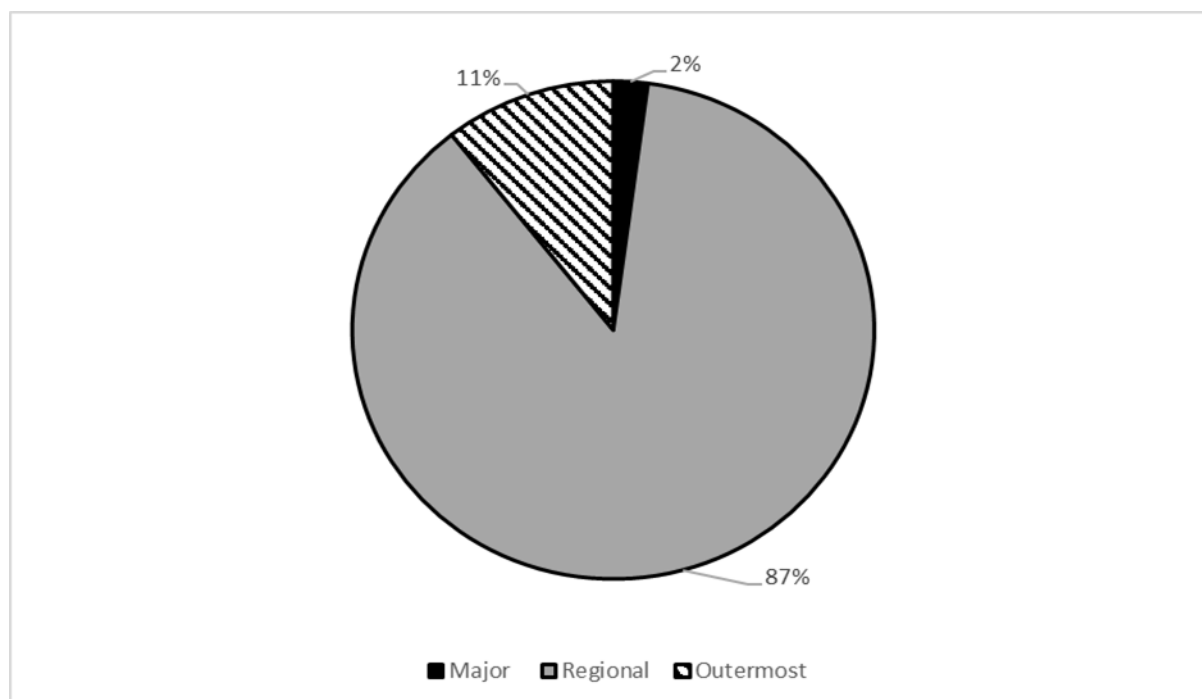


Source: Commission data, 2018.

* Note: Discounting 3 withdrawn data (n=123) Data are not available for IT51-59, the first four EUSF cases and RO109. PT10 is also excluded from the analysis as additional information was submitted two days after the Commission proposal.

Assessment of rejected cases indicates that they often had insufficient evidence of impact on a major part of the population or of long-lasting repercussions on living conditions. The definition of 'extraordinary regional disasters' in the pre-reform regulation was vague and meeting the conditions for activating the Fund under this category was challenging. The Implementation Reports (for successful applications) and other documents from the case files indicate that providing evidence that the disaster affected the majority of the population of a region with serious and lasting consequences for economic stability and living standards was burdensome for national and regional authorities as well as being imprecise and difficult to assess. As a result, applicant States and the Commission spent significant time and effort in preparing and assessing applications for smaller disasters that in the majority of cases turned out not to qualify.²⁶ As Figure 8 shows, rejections were most frequent for regional disasters.

²⁶ European Commission (2011) *op. cit.*

Figure 8: Percentage of rejected cases by category of disaster (n=47)

Source: Commission data, 2018.

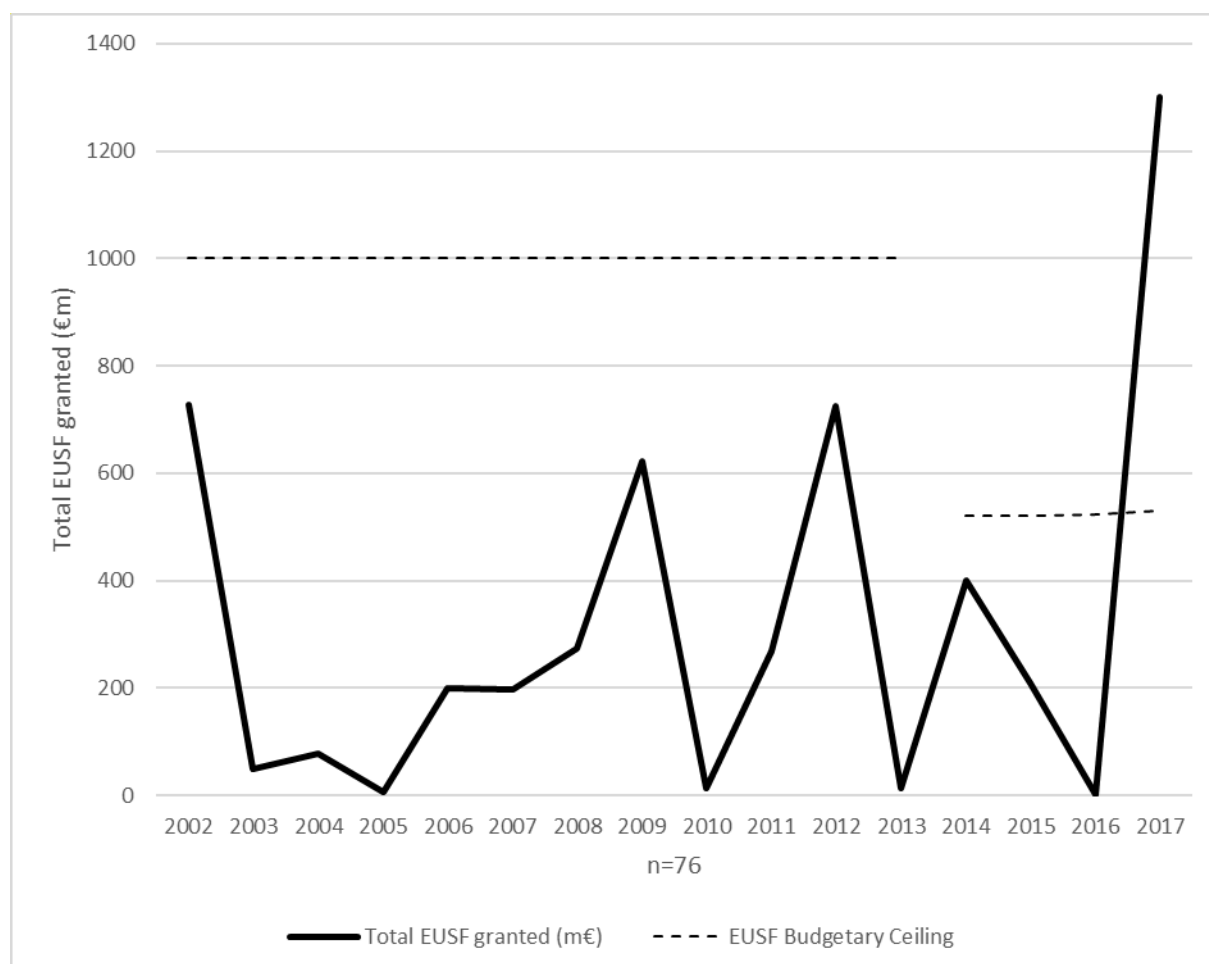
Since the reform, the success rate of regional disaster applications has been 100 percent. This is strong evidence that the revised criteria for regional disasters now give potential applicants a much clearer indication of whether an application is likely to be accepted, thus saving them from unnecessary work for an unsuccessful application.

(iii) Support granted

The allocation of EUSF is concentrated in a small number of countries, with 77 percent going to the four largest Member States – although it needs to be emphasised that the nature of the instrument implies no expectation of Member State quotas. The largest number of interventions was in Italy, with nine, accounting for nearly half the total funding allocated (EUR 2.52 billion). Other Member States receiving the most interventions were France, Romania and Greece. However, by amount disbursed, Germany has been the second largest beneficiary.

There is significant variation in the level of direct damage accepted by the Commission in any one year, reflecting the variation in scale, type, context and impact of the disasters where EUSF intervenes (see Figure 9). The small number of applications in 2016 and the fact that the Italian earthquake application was only completed during 2017 was a fortunate coincidence in budgetary terms and demonstrates the value of being able to carry forward by one year the unspent amounts in the EUSF budgetary ceiling of the preceding year.

Earthquakes and floods have been the main causes of damage accepted by the Commission compared to other disasters. Earthquakes account for the highest accepted damages per case (with an average of EUR 6854 million, ranging between EUR 6 million in Greece in 2015 and EUR 21,879 in Italy in 2016), much higher than that allocated for other disasters such as storms, floods, fires or volcanoes. Because of the funding formulae, it follows that earthquakes have accounted for the largest share total EUSF aid granted by type of disaster.

Figure 9: Total EUSF granted by year (EURm) (n=76).

Source: Commission data, 2018.

3.4 EU decision stage

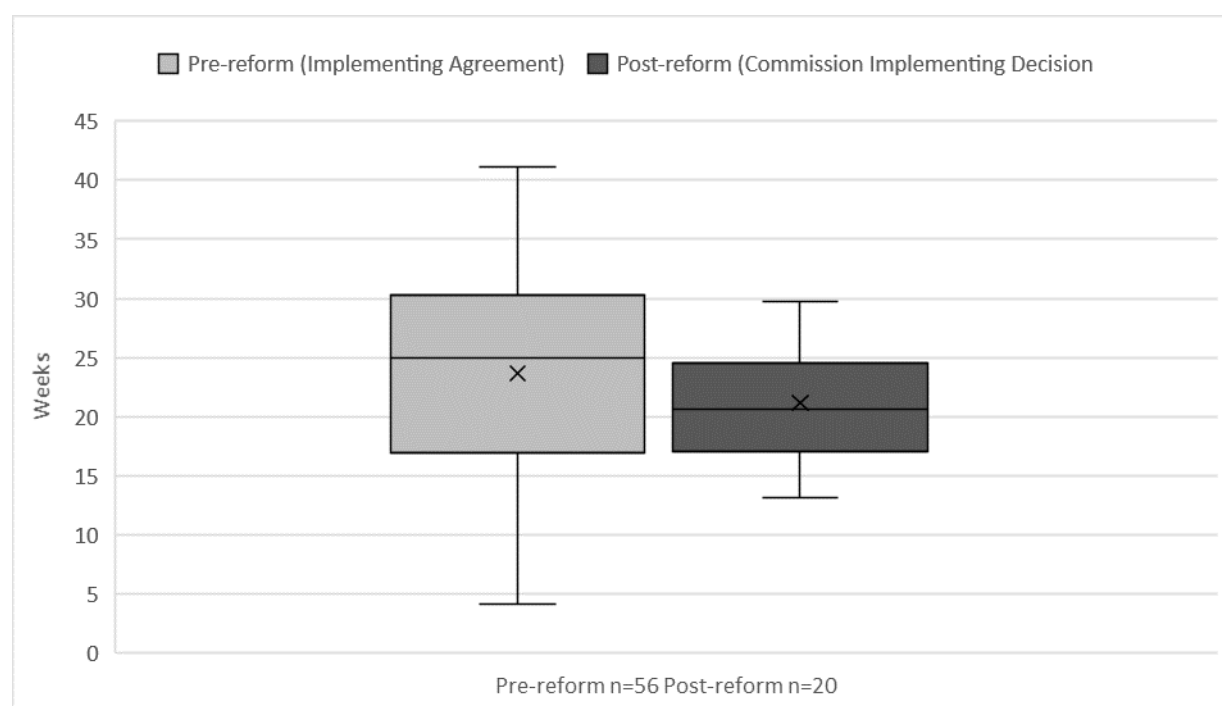
As the Fund is financed outside the MFF and the agreed annual budgets, the Commission has to seek the approval of the European Parliament and the Council for the amount of aid proposed in each case. Endorsement of the application is followed by the adoption of an amending budget. Following the EP and Council decision, the Commission draws up an Implementing Act. The amended EUSF regulation in force since June 2014 merged the process of adoption of a Commission Grant Decision addressed to the beneficiary State awarding the aid and the signing of an Implementation Agreement with the beneficiary. This simplified procedure followed an assessment by the Commission of the implementation of the Fund. For eligible non-Member States, this separation has to be maintained.

3.4.1 Overview of the decision process

Analysing the duration between Commission approval and Parliament and Council decision, **there has been a slight increase between the pre-reform and post-reform periods.** The mean value for the duration between Commission approval and Parliament and Council decision in the pre-reform period is 11 weeks, with 32 percent of cases taking longer than 15 weeks. The mean value for post-reform cases is 11.6 weeks, however only 6.3 percent of cases took longer than 15 weeks.

At the next stage, between the decision and signing the Implementing Agreement with the Beneficiary State, **merging the procedures for the Grant Decision and the Implementing Agreement has shortened the EU decision process.** A comparison of the time-period between the Commission's proposal and, first, the pre-reform Implementing Agreement, then the post-reform Implementing Act reveals significant differences (see Figure 10). The mean value in the pre-reform period was around 24 weeks, with 63 percent of cases having a duration greater than 20 weeks and a maximum of 41 weeks. In the post-reform period, the mean value is around 21 weeks, with 18 percent of cases taking 20 weeks or longer and a maximum value of 30 weeks.

Figure 10: Time period between Commission's proposal and Implementing Agreement (pre-reform), Implementing Act (post-reform) (n=76)*



Source: Commission data, 2018

*Note: The Post-reform series in this Figure includes four pre-reform cases (IT105, GR107, SI108 and HR110) which were subject to some new provisions of the 2014 regulation, including the Commission Implementing decision.

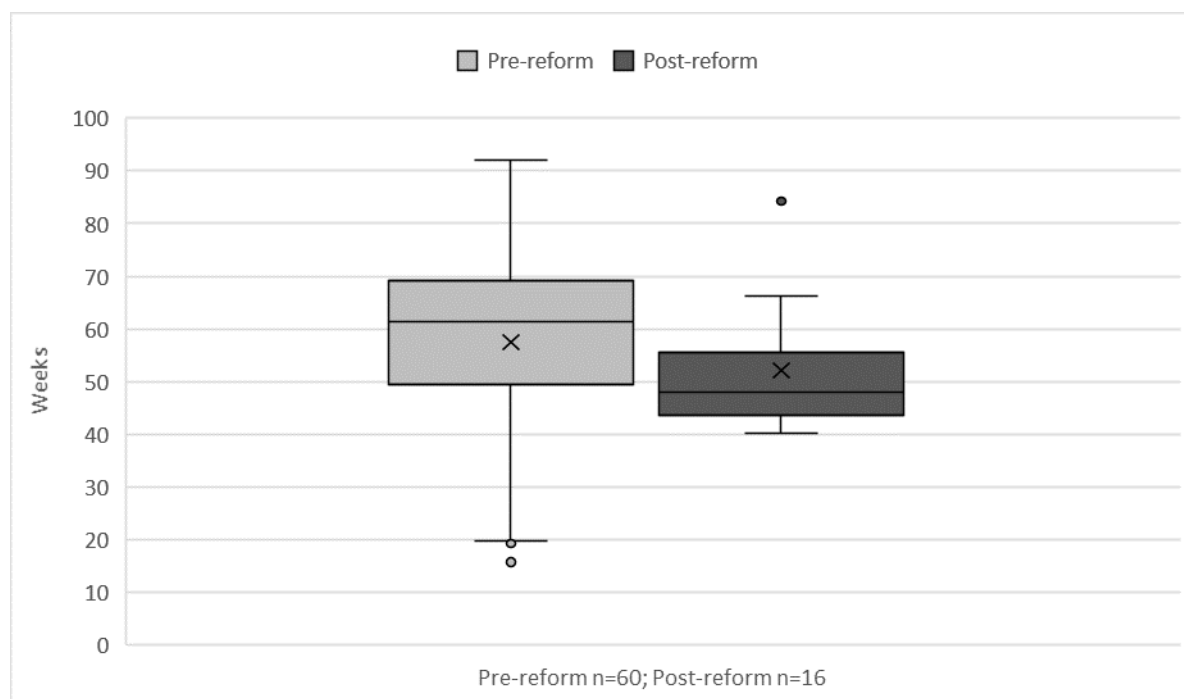
In the post-reform period, seven out of sixteen applicants have requested advance payments (up to ten percent of the estimated EUSF contribution, with the balance payable once the full decision process is complete), involving a total of EUR 32.9 million (in the case of the most recent Italian earthquake, the cash ceiling of EUR 30 million for advance payments means the advance payment shrinks to 2.5 percent of the aid granted). When requests were made, the Commission was able to pay out the advance in all but one case within one month of the complete application dossier having been submitted.²⁷

The overall duration between the occurrence of the disaster and the payment of the EUSF was on average 56 weeks (taking all cases into account). There has been a moderate shortening in the overall duration in the post-reform period (see Figure 11). The mean

²⁷ European Commission (2017) *European Union Solidarity Fund Annual Report 2016*, Report from the Commission to the European Parliament and the Council.

value pre-reform is 57 weeks, with 55 percent of cases taking more than 60 weeks. In post-reform cases, the mean value is 52 weeks with 20 percent of cases taking more than 60 weeks. There is less variation in the overall duration of post-reform cases in comparison with pre-reform cases.

Figure 11: Time period (weeks) between occurrence of disaster and payment of grant between pre-reform and post-reform cases (n=76).



Source: Commission data, 2018.

The longest overall period elapsed involved the case of flooding in Greece in 2006 wherein a 92-week period elapsed between the date of flooding occurrence and the Greek authorities receipt of grant funding from the EUSF. At the other extreme, in the case of forest fires in Portugal in 2003, just 19 weeks elapsed between the date of first damages caused by the fire and the receipt of grant funding by the Portuguese authorities. In the post-reform period, the longest duration was the case of flooding in the UK in December 2015: a 71-week period elapsed between the first date of damage and receipt of EUSF funding. Portugal had the shortest decision-making duration in the post-reform period. In the case of forest fires in Portugal in 2016, a 40-week period elapsed between the date of the first damages caused by the fires and the receipt of grant funding by the Portuguese authorities.

3.4.2 Case study experience of the assessment and decision stages

- According to the case study research, **problems relating to the Commission assessment phase were minimal.** However, this view was based on the recognition that responding to Commission requests for additional information and updates, though time-consuming, had helped to avoid potential problems at this stage.
- **The procedure required for the adoption of the mobilisation decision and corresponding Amending Budget by Council and the Parliament can be**

lengthy.²⁸ The Serbian case study contrasted the EUSF evaluation and approval phase with other donor funds. For example, while a loan rather than a grant, the World Bank Floods Emergency Recovery Project was decided after six weeks. Payment of EUSF for the same disaster took 34 weeks after the submission of an (updated) application.²⁹

- **The use of advanced payments appears to have had a beneficial impact.** For instance, in the Portuguese case study, interviewees highlighted the significant improvement realised through amendments implemented to the EUSF Regulation allowing the receipt of a preliminary advance of funds by the applicant country. They highlighted the substantial difference in that regard between the two EUSF interventions in Madeira (2010 and 2016).³⁰

3.5 Implementation phase

Applicants have to use the financial contribution from the EUSF within 18 months (Article 8) of the money being disbursed; prior to the reform of 2014 usage within 12 months was required. As stated in the regulation the financial contribution from the Fund to a Member State is implemented within the framework of shared management (Article 5.4): Member States are entrusted with allocating funds to end recipients (e.g. municipalities). The Member State has primary responsibility for setting up a management and control system which complies with the requirements of the Regulations, while the Commission plays a supervisory role by verifying the effective functioning of this system and making financial corrections, where necessary. For accession countries, a delegation agreement lays down detailed provisions for implementation.

3.5.1 Overview of implementation

(i) Implementation Reports

There is considerable variation in the content of Implementation Reports. Beneficiary States are required to present an Implementation Report to the Commission. These must include a statement justifying the expenditure. Although Commission guidance includes a template for the structure of the Implementation Report, there are differences in terms of length, content and the detail of data included under different headings. For instance, the longest submitted Report was 436 pages while the shortest was only four pages long. The Reports also differ significantly in the level of detail they provide under specific headings. For instance, although the Regulation does not explicitly mention expectations of publicising the EUSF contribution, the visibility of EUSF achievements is arguably important to the Fund's aims of demonstrating and strengthening solidarity (see Section 3.7). However, only a limited number of Implementation Reports include descriptions of publicity and communication arrangements for EUSF operations.

There is also some variation in the time taken to submit the Implementation Report to the Commission. Based on data collected from 66 cases (this takes into

²⁸ European Commission (2015) *European Union Solidarity Fund Annual Report 2014*, Report from the Commission to the European Parliament and the Council. European Commission (2016) *European Union Solidarity Fund Annual Report 2015*, Report from the Commission to the European Parliament and the Council.

²⁹ Case study, Flooding in multiple regions of Serbia in May 2014 (case 112).

³⁰ Case study Floods and landslides in the region of Madeira in February 2010 (case 72).

account cases where extensions were granted), the great majority of reports were submitted close to the deadline, with a small number being sent early. However, there have been some long delays in delivering the Implementation Report to the Commission: five cases missed the deadline by more than 20 weeks and three cases were delayed by over 50 weeks. This can be the result of beneficiaries requesting postponements due to unforeseen demands on human resources³¹ or by the time taken to deal with audit issues. The Commission often seeks updates to the Implementation Reports, often concerning missing information (e.g. on ex post damage assessment), and this can significantly extend the submission process.³²

(ii) Reporting on the achievements of operations

The level of detail included in the Implementation Reports on the achievement of operational objectives varies. Applicant countries are required to demonstrate eligibility and set out estimates of funding under different categories of operation. These are only broad estimates. They are not tied to specific actions with associated targets, and beneficiaries can reallocate funding across categories as implementation progresses. The actual use of funding under different operational headings can be modified in the course of implementation, for instance responding to changes in national financial interventions in a given field. Thus, this information does not relate to planned costs but estimations of what could be needed.

Beyond reporting on the funding utilised for operations, Implementation Reports list achievements in various ways. Some Reports provide basic measures of achievements in terms of the number of projects carried out or the scale of infrastructure improvement.³³ Several are quite general in their approach, noting successful infrastructure restoration, the introduction of new legislation strengthened arrangements for flood defences etc. among the broad achievements.³⁴ The case referring to EUSF support for flooding in Bulgaria in 2014 provides a useful quantitative summary of achievements (e.g. in terms of restoration of bridge facilities) albeit not compared to original objectives (see Box 5).

³¹ Letter from Irish authorities to Commission requesting postponement of Implementation Report, 15/2/2013.

³² Letter from Romanian authorities to Commission on preparations for closure of EUSF intervention in Romania – flooding in 2008, 23/10/2012.

³³ Implementation Report of the EUSF in Poland – Floods in May 2010.

³⁴ Implementation Report of the EUSF in the United Kingdom - Floods in June/July 2007.

Box 5: Achievements of EUSF intervention in Bulgaria, flooding, 2014**The activities implemented with the grant covered all four eligible EUSF categories of spending****Summary of achievements:**

- 59% of the financial resources were provided to the municipality of Varna for the project "Restoration of the passability of flood control channels on the territory of the district of Asparuhovo, Varna". The watercourses and the passability of the two channels with total length of 2 706 m were restored; 4 bridge facilities along the route of the channels were also restored; restoration of the stability of the spatial bearing reinforced concrete structure at the first inspection pit of the residential collector; restoration of 210 m of the bed of Elpromsko Dere at its lowest point where it flows into the lake, as well as the two bridge facilities along this section of the gully.

Other resources from EUSF have covered:

- Restoration to working order of street infrastructure within 12 projects (13 000 m of street surface were restored, 36 000 m² of asphalt mixture laid, street kerbs 2 000 m restored, 2 600 m² of pavements repaired).
- Other road infrastructure (Road Infrastructure Agency): 90 m of retaining walls constructed; 700 m of reinforcing walls on national roads; 4 000 m² of horizontal marking, 30 000 m² safety nets restored
- Rivers, gullies and channels cleaned (4 projects) passability of 9 water bodies restored; 10000 m length of cleaned watercourses, 8 bridges and the dike of one river restored; 7 000 m² restored concrete correction of the river in the town of Dobrich
- Restoration of the infrastructure of gullies in Kardzhali (900 m).
- Restoration of the landslide control and measuring system (CMS) at Kiparis Station, municipality of Aksakovo, and Sborno Myasto, municipality of Balchik
- Repair and restoration works on water supply and sewerage facilities affected on the territories of (i) Dobrich and (ii) Veliko Tarnovo: 6 new pump units, repairing 27 pumps and 24 electrical switchboards, restoring the buildings affected by the flood; (ii) cleaning up of affected areas, restoration of the stability of the facility with concrete protective casing and of protective gutters and stone pavement.
- Dissemination of information and publicity activities (information boards on the sites of intervention, information on the websites of the implementing authorities, press conferences held both at the start of the projects and after their completion to announce the outcomes from their implementation, etc.)

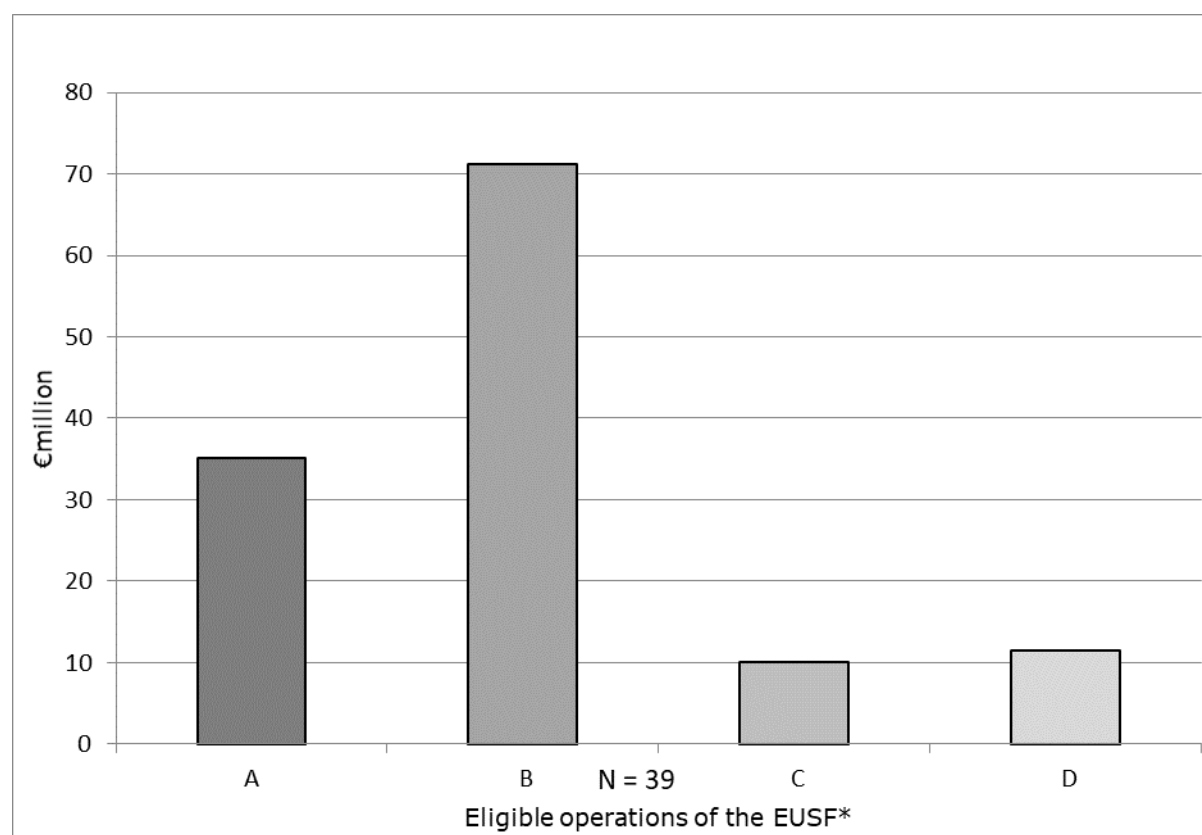
However, even in cases where detailed information is provided, **it is not possible to compare the level of costs proposed with those reported in Implementation Reports according to different types of operation.** As can be seen from Figure 12, the biggest demand for funding and reported costs concerned operations providing temporary accommodation and funding rescue services, and operations restoring the working order of infrastructure and plants in the fields of energy, water and waste water, telecommunications, transport, health and education.

In this context, it should be noted that 'overbooking' is encouraged by the Commission.³⁵ While the Commission will not pay more than 100 percent of the EUSF contribution established in the relevant Commission implementing Decision, beneficiary countries are encouraged to report an amount of eligible expenditure exceeding the amount of the EUSF contribution received. Overbooking allows the beneficiary State to replace expenditure that is found to be ineligible following a Commission audit (or other audit carried out after the expenditure is declared to the Commission, together with the implementation report) by other eligible expenditure under the same the EUSF intervention. There are numerous

³⁵ European Commission (2018) *EU Solidarity Fund (EUSF) – clarification on implementation and auditing processes*, update 15/01/2018 Version 4.

examples where authorities have declared eligible expenditure that was significantly higher than the amount granted.

Figure 12: Eligible operations - average expenditure (EUR mill)*



Source: Commission data, 2018.

* Note: Operation A = immediate restoration to working order of infrastructure; Operation B = providing temporary accommodation; Operation C = immediate securing of preventive infrastructures and measures of immediate protection of the cultural heritage; Operation D = immediate cleaning up of disaster-stricken areas, including natural zones.

Information from Implementation Reports shed some light on the factors influencing the implementation process. These are related to the institutional context and the capacity of beneficiaries to deal with implementation challenges related to different types of operation or the characteristics of the disaster event. The Implementation Report for EUSF support in response to flooding in the Czech Republic in 2013 includes a section on experiences and lessons learned that provides a useful summary of some of the key points arising from the case files (see Box 6).

Box 6: EUSF lessons learned: Czech Republic Floods, June 2013

"The EU Solidarity Fund has a positive impact on restoration of municipalities affected by natural disaster and on putting them back into normal operation. The EUSF is focused on reimbursement of incurred essential costs. Without the EUSF necessary restoration of municipalities and their infrastructures could only be realised with the result of long-term major negative financial impact on the municipalities themselves. From the aspect of eligibility of costs, it fulfils its purpose. "(Patrik Rollo, mayor of the municipality of Lužec nad Vltavou).

Funds provided by the EUSF were an important source of financing of expenses. Regions and municipalities appreciated the fact that funds from the EUSF were transferred back to their budgets. As the EUSF provided ex-post reimbursement of already incurred eligible costs, municipalities and regions could utilise the reimbursed funds for further restoration and development of the area, including building of new flood protection measures for instance.

The EUSF intervenes in areas where sufficient subsidies are not sufficiently available within the state budget, or set grant conditions in some cases do not allow for drawing of subsidies (e.g. do not enable ex-post reimbursement of expenditure). The EUSF is thus a suitable supplementary tool in addition to aid provided by the state. Some entities would not have been able to carry out repairs using their own funds if they did not have the opportunity of ex-post reimbursement of these funds from the EUSF.

Extension of the time limit for implementation from 12 to 18 months is considered very beneficial as it enables, and will enable in the future, more effective and less "hectic" implementation of the EUSF.

There was a learning process. In comparison to the EUSF 2010, changes were made to implementation approaches on the basis of experience, so that the administrative burden was reduced for the Czech authorities and the final beneficiaries of the aid.

Cooperation between national and sub-national levels was vital. Cooperation between the national Ministry and the regions was considered important by both sides; regions were actively interested in the opportunity of use of the EUSF.

3.5.2 Case study experience

Information on factors supporting or hindering implementation and the realisation of operational objectives is available from case study research, as well as evidence from individual Implementation Reports.

Deadlines for reporting expenditure were seen by some Implementing Authorities as challenging.³⁶ The timetable foreseen for the disbursement and reporting of expenditure was perceived as demanding in the exceptional post-disaster conditions. This was particularly true at local level where municipalities experienced time pressures for dealing with unfamiliar administrative procedures.³⁷ A difficulty revealed in several of the cases studied was timely presentation of invoices by contractors.

³⁶ Case Study 'Forest fires in the regions of Attica, Continental Greece, Peloponnese and Western Greece in August 2007' (case 50)

³⁷ Case study, Earthquakes in the regions of Emilia-Romagna, Lombardia and Veneto in May 2012.

Domestic institutional contexts had a significant impact on implementation. In several beneficiary States, the implementation of EUSF required the establishment of new institutional arrangements. Enacting the relevant legislation and establishing new institutional and administrative provisions could create new, complex implementation arrangements, resulting in overlapping powers and organisational procedures, requiring careful management with measures defining the implementing procedures and provisions at different levels. For example, the distribution of funds for 'clean-up' operations and those for related infrastructure restoration could fall across municipal borders, with implications for the level of resources allocated. Demands on coordination mechanisms among local authorities arose in ensuring effective and efficient implementation. The time taken in establishing new arrangement could create an 'administrative vacuum', conditioning EUSF implementation.³⁸

In the Romanian case, it took nine months from the start of the implementation period for the Implementing Authorities to become fully operational. These challenges could be exacerbated in a broader context of institutional or political flux. Again in the Romanian case, during the implementation period, there were four changes in the governmental team and one change at local authority level (following the local elections in 2016). These led to delays in setting up the structures and mobilising staff within the Implementing Authorities.³⁹

Implementation was complicated by problems in selecting operations reconciling national and EUSF regulatory requirements, particularly concerning public procurement. According to the EUSF regulation, national bodies responsible for the management and control of EUSF need to ensure compliance with public procurement rules, in particular the national law relating to the application of the relevant EU Directives. Implementing the full procurement process (tender, procurement, contracting) in the limited time available was challenging for some beneficiary States.⁴⁰ Lack of experience of procurement rules at local level exacerbates this problem.

Different types of operation create specific implementation challenges, especially those involving infrastructure investment. The time needed for preparation and realisation of different types of operation varies. Some Implementation Reports note that operations concerned with restoration of damaged infrastructure often require a longer time period for preparation and realisation.⁴¹

Different scales and types of disaster create specific implementation challenges. Some difficulties at national level arose because of specific disaster characteristics. An example is calculating the starting point and impact of droughts in areas not previously having experienced them. For instance, in the case of the drought in Romania in 2012, national authorities had successfully implemented four previous EUSF applications. However, those were all based on floods and this did not translate easily into how to cope with the drought. Despite the granting of an extension to the implementation period, this eventually contributed to a reduced rate of absorption of the grant.⁴²

³⁸ Case study, Earthquakes in the regions of Emilia-Romagna, Lombardia and Veneto in May 2012.

³⁹ Case study, Floods in the region of South West Oltenia in July-August, 2014 (case 115).

⁴⁰ Case Study 'Forest fires in the regions of Attica, Continental Greece, Peloponnese and Western Greece in August 2007' (case 50)

⁴¹ Implementation Report of the EUSF in the Czech Republic - Floods in June 2013.

⁴² Implementation Report of the EUSF in Romania – Drought and Fires in summer 2012.

Administrative capacity is needed to address these challenges and can be boosted by coordination of effort across multiple governance levels – see Box 7. In the Italian 2012 earthquake case study, the joint effort of the regional administration and the affected municipalities ensured timely implementation and reporting of operations. In the Serbian case, capacities at the outset for both the application and implementation of EUSF were weak, but with national efforts in collaboration with the EC, administrative capacities for EUSF improved significantly.⁴³

The importance of support and guidance is emphasised by Implementing Authorities. Such support can come in the efficient communication of standard implementing documents (model orders, application files, procedure guide, etc.), details on the eligibility of operations (recurring eligibility questions for each EUSF application and exceptions of eligibility under previous EUSFs), or advice and training. In the Madeira case study, a monitoring visit from DG REGIO provided the opportunity for an exchange of views on practical issues. Conversely, the Implementation Report for the floods in France in 2010 noted that the absence of technical assistance hampered the assessment of the needs of the various beneficiaries, the establishment of the procedure prior to the payment of funds and the monitoring of the grant and controls.⁴⁴

Box 7: Managing funding from multiple sources

One of the challenges facing any authority in responding to a major disaster is how to make the most of financial assistance from multiple sources, each of which has different rules or expectations of how the money should be used. In the 2014 Serbian flooding case, significant funding in the form of long-dated loans was on offer from the World Bank, along with money from a number of governments. The case study draws attention to some of the complications to which this plethora of funds gave rise. However, it also provides an example of good practice in how to distribute the money among different sorts of project. Because of EUSF restrictions on upgrading, rather than replacing infrastructure, more of money from the World Bank loans was used for infrastructure projects (in line with the WB principle of 'building back better') not eligible for EUSF support.

There are different approaches to dealing with procurement issues. In Serbia, for the purpose of implementing the EUSF support, the National Public Procurement Law was amended in 2015 in order to stipulate more efficient procedures. In the Bulgarian case the threat of delayed implementation through lengthy procurement procedures was addressed by using EUSF to reimburse authorities for completed operations and then, if there were uncontracted financial resources, to support ongoing ones.⁴⁵

3.6 Closure

The closure of an intervention involves the acceptance of the Implementation Report and the issue by the Commission of a closure letter. The regulation does not specify the duration of this phase. Recovery of funds from beneficiaries occurs within the closure phase of the intervention. Article 8 of the regulation states that the Commission will recover any part of the financial contribution remaining unused by the end of the implementation period

⁴³ Case study, Flooding in multiple regions of Serbia in May 2014 (case 112).

⁴⁴ Implementation Report of the EUSF in France - Storm 2010.

⁴⁵ Case study severe winter conditions of South-east, South-central, South-west, North-west, North-central and North-east regions of Bulgaria in January-February 2015 (case 120)

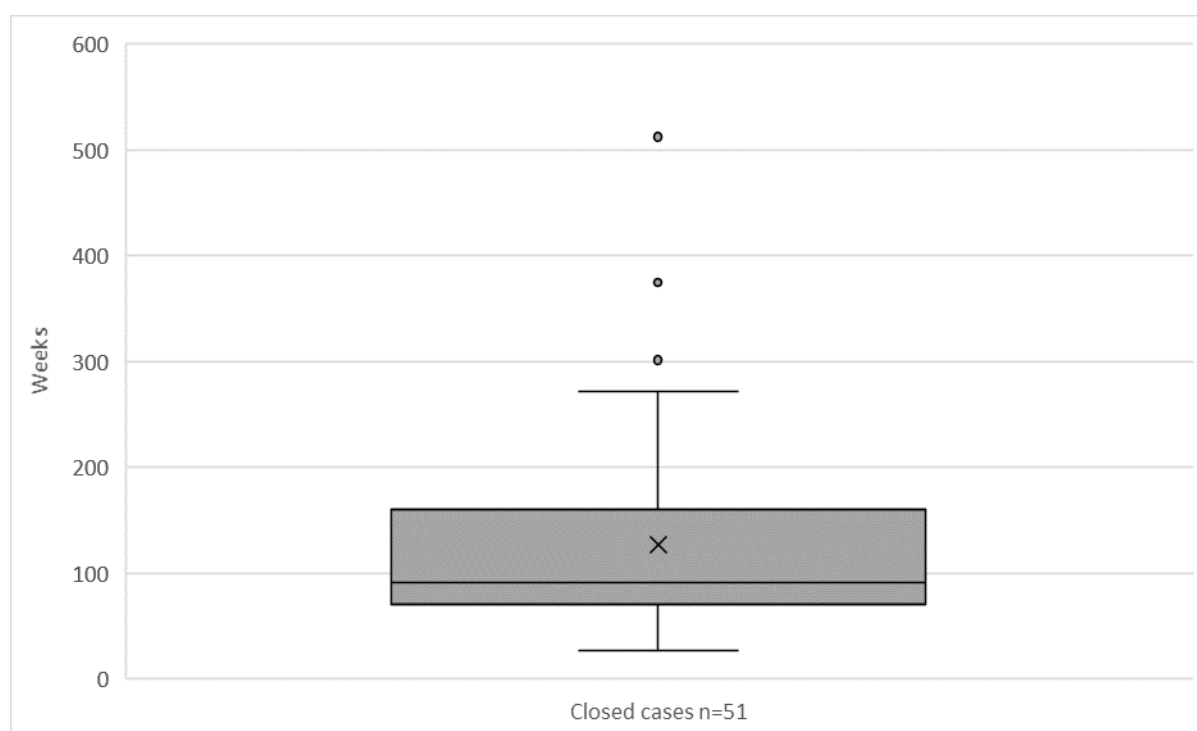
or found to have been used for ineligible operations. It is also stated in the regulation that payments from the EUSF are limited to financing uninsurable damage, and shall be recovered if the cost of damage is subsequently met by a third party.⁴⁶

(i) Duration of the closure process

There is considerable variation in the duration of the closure process. The mean duration for the closure of interventions was 127 weeks from the date of submission of the Implementation Report, however it should also be noted that around 27 percent of cases had a closure duration of 150 weeks or more (see Figure 13). A few exceptional cases have taken considerably longer to complete the closure process.

Delays often relate to the time taken to resolve issues in financial control and management. The duration of the closure can be delayed by Commission requests for additional information by the Commission, audit obligations, and possible intervention by EU auditors. An example was the floods in Romania in 2005 where closure took around five years to complete due to the discovery of ineligible expenditure. In the case of floods in the United Kingdom in 2007, an audit identified a systemic irregularity and the subsequent resolution of this significantly delayed the duration of the closure phase.⁴⁷

Figure 23: Time period (weeks) between submission of the implementation report and closure of the intervention (n=51)



Source: Commission data, 2018

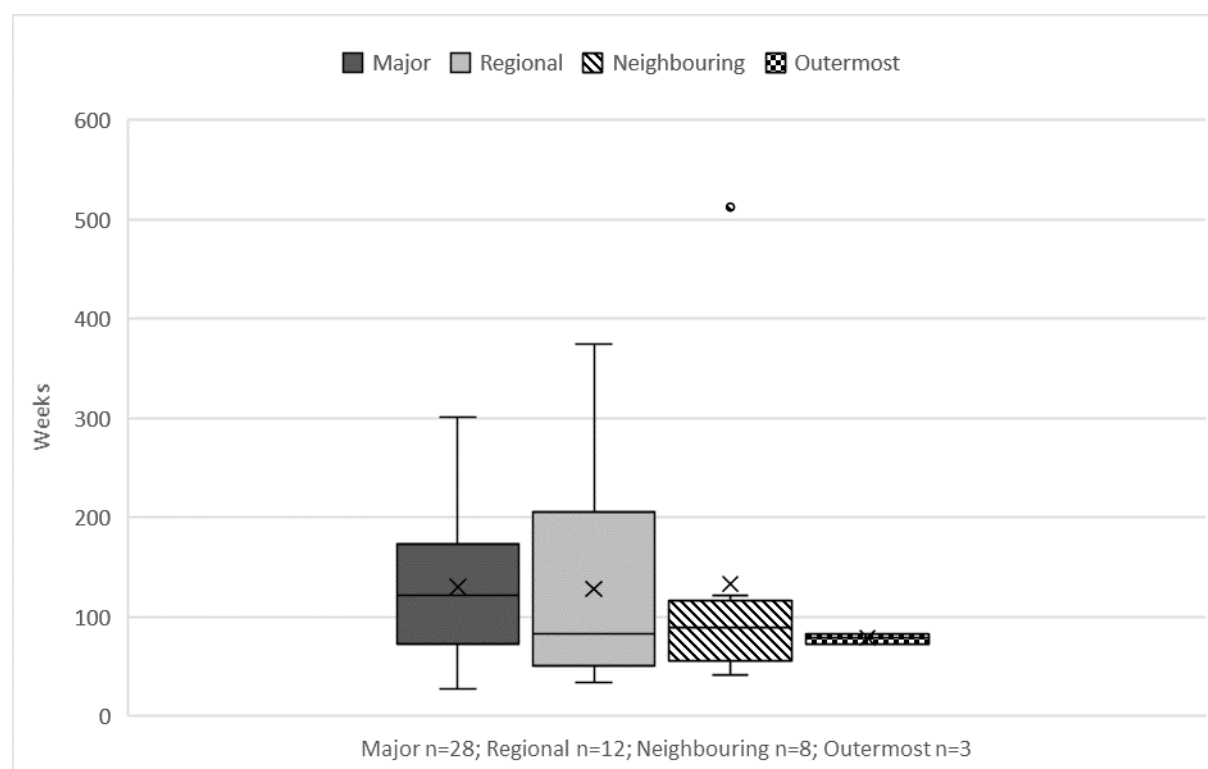
The duration of the closure process is longest for major disasters, with an average of 130 weeks between the submission of the Implementation report and the issuing of the closure letter. It can be seen (see Figure 14) that there is substantial variation both within

⁴⁶ Regulation (EU) No 661/2014 of the European Parliament and of the Council of 15 May 2014 amending Council Regulation (EC) No 1012/2002 establishing the European Union Solidarity Fund.

⁴⁷ European Commission (2017) Closure of the EUSF interventions in relation to the UK 2007 flooding, Closure note to file.

and between the categories of disaster. An example of a major disaster with a prolonged closure phase is the Greek forest fires in 2007, with the disaster occurrence and the closure date nearly seven years apart. The audit requirements took approximately two and a half years to complete after the Commission's audit unit did not accept the statement of validity provided by the Greek authorities. It was also noted that time constraints, lack of administrative capacity and the complexity of the information required by the Commission were instrumental in the increased delays to the closure phase of the intervention.⁴⁸

Figure 14: Timespan (weeks) between submission of the implementation report and closure of the intervention between categories of disaster (n=51).



Source: Commission data, 2018.

(ii) Recoveries of funds

The most common reasons for recovery of funds are unspent aid and ineligible expenditure. There have been 22 instances where the Commission has recovered a proportion of funds from the beneficiary country after the implementation report and audits have been completed. The average percentage recovered was 13 percent of the total aid granted. However, there is significant variation among the 22 instances, with the smallest recovery representing just 0.00024 percent of the total aid and the largest representing 90.7 percent of the total aid granted. The latter related to the drought and fires disaster in Romania of 2012 where the Romanian authorities reported that the Fund could not be fully used as initially planned and that an amount of EUR 2,247,413 remained unspent. The next biggest recovery concerned the case of forest fires in Spain in 2003 where the actual

⁴⁸ European Commission (2014) Note to file for closure of EU Solidarity Fund financial aid granted to Greece relating to the Forest Fires of 2007.

eligible expenditure incurred amounted to EUR 552,516, which was EUR 778, 259 short of the financial contribution paid.

Case study experience reflects the broader picture of substantial variation.

Concerning the flood disaster that occurred on Madeira in 2010, the closure process was relatively straightforward, lasting 27 weeks. There was a request for additional information by the Commission at the end of September 2014, and in November 2014, the Commission received a satisfactory reply. The control unit of the Implementing Authority also assessed the management and control of the financed transactions, which provided satisfactory results, and subsequently contributed to the closure of the intervention.⁴⁹ In contrast, the Serbian authorities found that the additional information requested by the Commission regarding the Implementation Report to be complex. In large part, this is due to the number of stakeholders that were involved in the implementation of the EUSF (72 LSGs, six public utility companies and the Commission for Natural Disaster Damage Assessment). This made the task of obtaining and integrating inputs from each stakeholder for reporting purposes very demanding.⁵⁰

⁴⁹ European Commission (2014) Note to file for closure of EU Solidarity Fund financial aid granted to Portugal relating to the mud and landslides on Madeira of 2010.

⁵⁰ Case study, Flooding in multiple regions of Serbia in May 2014 (case 112).

4. PUBLICITY AND COMMUNICATION

The visibility of EUSF achievements is key to its aims of demonstrating and strengthening solidarity. However, the Regulation contains no specific rules on communication and publicity. Article 3(5) states that the Fund cannot contribute resources to Technical Assistance to help stakeholders implement Commission-funded programmes, including information and communication activities. On the other hand, Article 5(6) requires Beneficiary States to take into account the capacities of bodies it designates for EUSF implementation, including criteria related to information and communication, indicating that these tasks should be carried out.

Funding from the EUSF can have an impact on public awareness of the role of the EU and also affect the general 'morale' of the region affected by a disaster.⁵¹ Nevertheless, it is important to note the EP's suggestions that communication activities could be strengthened, helping beneficiaries or people concerned to follow the process for each individual application. The Cicu report from 2016⁵² called for better communication with the general public about the support offered by the EUSF.

4.1 Overview

Examination of EUSF Implementation Reports revealed that only a limited number contained detailed information on publicity/media coverage of EUSF involvement. These included reports from the Czech Republic, covering two flood events in 2010 and one in 2013 which assert that eligible applicants had the duty to arrange corresponding publicity of the received EUSF aid. This involved publicity in the regional media (TV, press, broadcasting), on the Internet, local councils' noticeboards etc., as well as a visible, durable EU logo at the location of implementation works. Box 8 details the publicity arrangements used in the case of the German floods in 2013.⁵³

Box 8: Publicity and communication arrangements, Floods in Germany 2013

The Implementation Report for the case of flooding in Germany in 2013 describes arrangements for communication and publicity:

- Most of the federal states involved informed the public about the financial aid from the EUSF.
- Many recipients reported regularly or through individual press releases on the financial aid received from the EU and on the situation with regard to spending the flood aid.
- Regular reference to the finance from the EUSF was also made in allocation decisions made by state governments and in allocations of funds to police committees.
- The granting of financial aid from the EUSF was sometimes also publicised through public events with the affected municipalities and through information on the relevant websites.
- Information boards at reconstruction sites carried references to the EUSF.
- Notices on the subject appeared in the relevant official gazette.
- The state of Thuringia issued a publication on the EUSF financial aid programme once the spending was finished.

⁵¹ Implementation Report of the EUSF in the Czech Republic – Floods in May/June 2010

⁵² European Parliament (2016) *Report on the European Union Solidarity Fund: an assessment* – rapporteur: Salvatore Cicu, A8-0341/2016, Brussels.

⁵³ Implementation Report of the EUSF in Germany – Floods in May/June 2013.

4.2 Case study experience

There are examples of good practice in terms of publicity and communication. In the 2012 Italian case, flags and EU logos were used to signal works and services financed through the EUSF. Also, extensive coverage of both national and European financial support through the media was ensured, and meetings with stakeholders and citizens were organised. An online platform, *Openricostruzione*, promoted by the Emilia-Romagna Region, provided up-to-date information on the actual state of play of reconstruction, showing quotas of public and private financial resources and donations devoted to infrastructure, buildings and economic activities in the affected areas after the EUSF support.⁵⁴ Specific information (public notices and following interventions) under the EUSF are archived on the region's institutional website.⁵⁵

In Madeira, the Implementing Authority organised a number of initiatives to publicise the support received from the European Union, to make it quite clear how the aid was being applied. EUSF-financed actions were publicised on the Implementing Authority's website and specific articles were published in the media and also in the Authority's annual publication and quarterly newsletter.⁵⁶

Publicity efforts were strengthened by participation from Commission representatives or politicians. There are interesting examples of effective practice, such as in Serbia where regular visits by Commission representatives were effective in gaining media coverage.⁵⁷ In the Austrian case, a high-level European conference that took place in the affected area during the flooding event, in which the EU Commissioner also participated, drew media attention, emphasising the importance of European support in these cases – but (importantly) not mentioning the EUSF specifically. Many media references to the EUSF are based on quotes or press releases from politicians; MEPs, Ministers in Member States or mayors of affected municipalities.

Communication efforts have helped in framing the Fund in the context of European 'solidarity'. In the case of Greece, the majority of media articles relating to the EUSF framed it in a positive way, either in terms of the financial contribution and willingness to provide help to a Member State in need or, more abstractly, as a solidarity action.⁵⁸ In the Italian case, there are also examples of media articles that comment on the positive attitudes of EU institutions involved in approving EUSF support as a testimony of solidarity and the fundamental values on which the EU is founded.

There were significant differences between cases in the level and duration of publicity and promotion in the affected areas. In the Greek case, efforts to communicate the implementation and impacts of the EUSF support 'on the ground' were limited.⁵⁹ In some cases, communication efforts were concerned mainly with publicising the opportunity to apply for EUSF funding and describing the process involved. Subsequently, the dissemination of the achievements and impact of the Fund received less

⁵⁴ <https://openricostruzione.regione.emilia-romagna.it/>

⁵⁵ https://www.regione.emilia-romagna.it/solr_search?query=FSUE

⁵⁶ Case study Floods and landslides in the region of Madeira in February 2010 (case 72).

⁵⁷ Case study, Flooding in multiple regions of Serbia in May 2014 (case 112).

⁵⁸ Ex post evaluation of the European Union Solidarity Fund 2002-2016, Task 3 – Media survey – Interim Report.

⁵⁹ Case Study 'Forest fires in the regions of Attica, Continental Greece, Peloponnese and Western Greece in August 2007' (case 50)

attention. In the Romanian case, EUSF was mentioned in the local media at the time of the disaster, while mobilisation of the Fund was mentioned by authorities and politicians. However, an interview with the director of a local newspaper,⁶⁰ in which the theme of '2014 summer floods' was covered extensively, confirmed that, after the announcement by the public authorities that the EUSF support had been requested, no other information was published on EUSF investments.

Public awareness of the EUSF among citizens (and sometimes local authorities) in the affected area is limited. The case study research indicates that the visibility of the EUSF among citizens is generally low. Most of the citizens consulted through interviews or focus groups for the seven case studies had little or no appreciation of the role of the EUSF, even where authorities carried out publicity efforts.⁶¹ For instance, in the Italian case interviewees reported that the Fund was mainly known by technical staff and other actors directly involved in the implementation of the interventions, while the awareness of citizens was limited. In other cases, some municipalities were unaware that they had benefited from EUSF.⁶²

NGOs can also play a part in raising EUSF visibility, but in some cases they, too, were unaware of the Fund's role. However, in the Serbian case, the NGO sector raised awareness of EUSF support through regular publication of news articles on their websites and in accompanying material. But, in other cases such as Greece, major organisations active in the disaster area were unaware of the EUSF intervention.⁶³

The timing of EUSF support may create difficulties for communicating its achievements. The receipt of support some time after the disaster event makes it difficult to link the EUSF funding with the most visible or urgent actions. Some case study interviewees suggested the lengthy time between the disaster and the approval and disbursement of EUSF lowered visibility.⁶⁴ Interviewees in Serbia noted that the shorter evaluation and approval period for other funds addressing the disaster may have made them more visible than EUSF. Similarly, the use of the EUSF to re-finance retroactively emergency operations already carried out during, or in the immediate aftermath of, the disaster can impair the visibility of the financial contribution to citizens.⁶⁵

The nature of EUSF interventions sometimes hinders visibility. In some cases, such as Greece, eligible interventions covering short-term services to the population and provisional works, rather than permanent and more tangible infrastructure investments, had an impact on communication activities.⁶⁶ In Austria, the assistance from the EUSF was communicated in higher-level media coverage, as the assistance provided general financial support for aggregate costs of managing disaster events. However, the EUSF only indirectly

⁶⁰ Ziarul de Valcea, available at <http://ziaruldevalcea.ro>

⁶¹ It should be noted that a relatively small number of citizens were consulted in each case; larger scale survey work would be needed for a more definitive conclusion.

⁶² Case study Floods and landslides in the region of Madeira in February 2010 (case 72).

⁶³ Case Study 'Forest fires in the regions of Attica, Continental Greece, Peloponnese and Western Greece in August 2007' (case 50)

⁶⁴ Case study severe winter conditions of South-east, South-central, South-west, North-west, North-central and North-east regions of Bulgaria in January-February 2015 (case 120)

⁶⁵ European Commission (2011) *op. cit.*

⁶⁶ Case Study 'Forest fires in the regions of Attica, Continental Greece, Peloponnese and Western Greece in August 2007' (case 50)

supported individual projects, stymying a direct connection to project-related public relations work.

The lack of obligations to promote EUSF support means that it is often overlooked, conflated with other EU funding (ESIF, IPA) or overshadowed by other, larger or more prominent flows of aid from the country's national government or international agency sources. In the Romanian case, citizens were either unaware of EUSF support or it was confused with ESIF which has a high level of positive awareness (and detailed requirements for communication and publicity).⁶⁷ In Austria, most citizen interviewees were completely unaware of the EUSF, and those respondents who had heard of the Fund did not differentiate between the EUSF and other EU instruments.⁶⁸

Overall, there are necessary preconditions for effective communication activities that explain variation in approaches. Developing effective communication cultures among Implementing Authorities and beneficiaries is challenging in the face of multiple and often conflicting administrative pressures and priorities (effectiveness, absorption, assurance/regularity). Successful efforts require funding (not available from EUSF), administrative and technical capacity, skills and resources and the political 'buy-in' and active contribution to content by individuals. This explains variation in communication efforts across and within case studies. For instance in the Serbian case, visibility of the EUSF varied at the local level. Some municipalities were very active in promoting the EUSF impact, using local TV and radio stations and arranging regular visits from Commission representatives. In other municipalities, such local political support was less visible.⁶⁹ Box 9 presents an example of good practice.

Box 9: Comprehensive approach to publicity and communication

The case of flooding in Germany (2013) provides a good example of embedding communication and publicity. Regular reference was made to funding from the EUSF in allocation decisions made by State governments and in the allocation of funding to police committees. The granting of financial aid from the EUSF was also publicised through information events with the affected municipalities and through information on relevant websites. Notices were published in relevant official gazettes. Many recipients reported regularly or through individual press releases on the financial aid received from the EUSF and the spending of the funding on flood rectification. Information boards at reconstruction sites carried reference to the EUSF. The state of Thuringia issued a publication on the EUSF financial aid programme once the spending was finished.

4.3 Results of the media survey

The media survey covered 4,274 documents from the main news media during the time period of disasters, EUSF applications and implementation of awards for the seven case studies. The analysis narrowed down the coverage to those including EU terms and then further to those referencing EUSF. The analysis sought not just to identify the subjects of the EUSF news coverage during the period, but also the main lines of argument across the

⁶⁷ Case study, Floods in the region of South West Oltenia in July-August, 2014 (case 115).

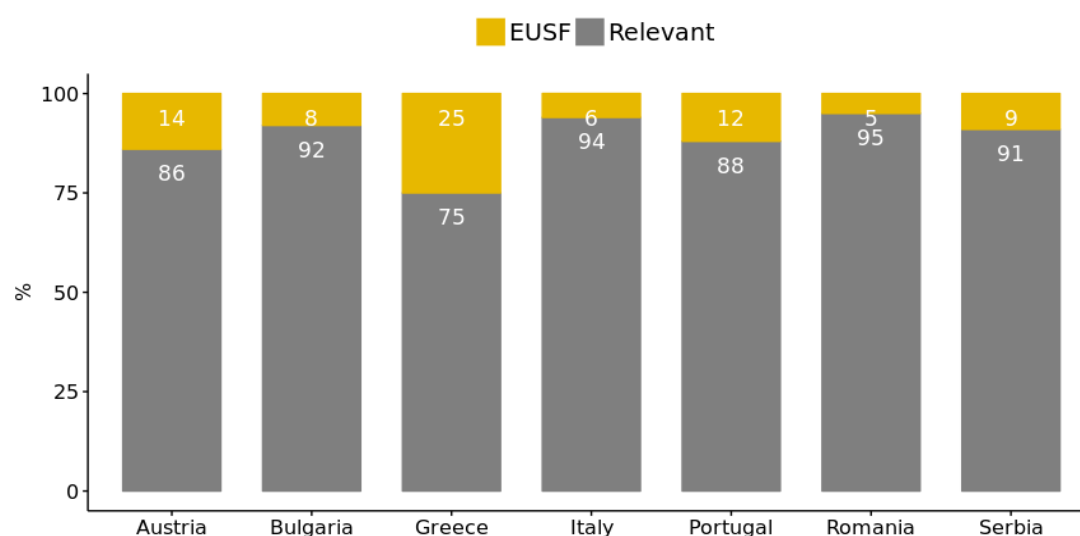
⁶⁸ Case study, Floods In The Regions, Lower Austria, Upper Austria, Vienna, Salzburg, Styria, Tyrol and Vorarlberg, May and June 2013 (case 102)

⁶⁹ Case study, Flooding in multiple regions of Serbia in May 2014 (case 112).

cases in terms of the sentiment (i.e., negative, neutral and positive frames). A summary of key findings is shown in Figure 13 and Figure 14 below, and the conclusions to be drawn are as follows.

Coverage of EUSF in news media relating to the disasters is relatively low, but by no means negligible (see Figure 13). Across the seven cases, an average of ten percent of news articles mentions the EUSF: this proportion ranges from five percent in Romania to 25 percent in Greece.

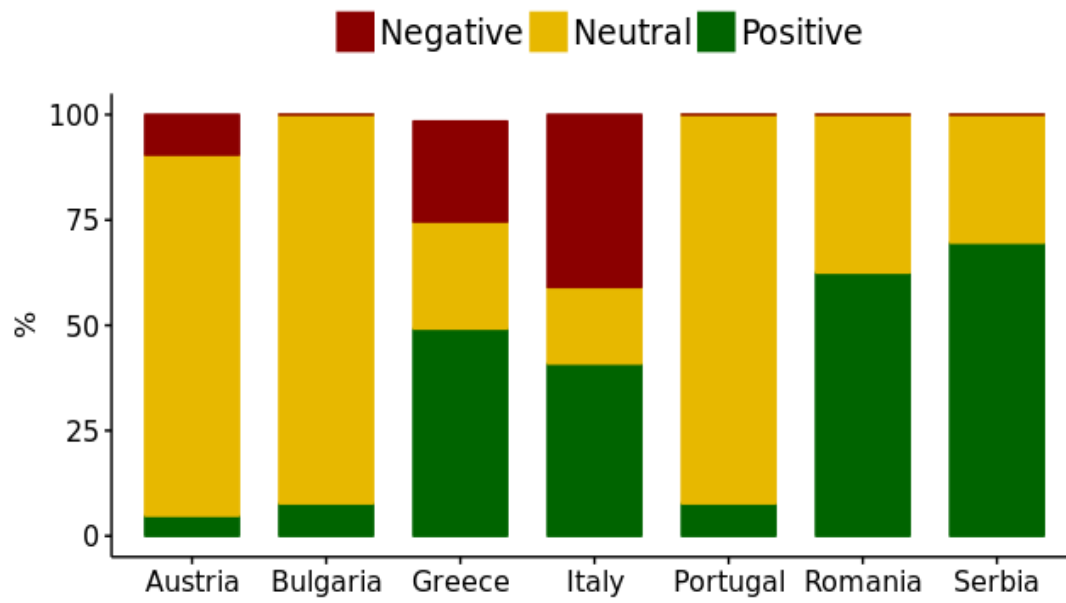
Figure 13: Estimated prevalence of EUSF articles as proportion of relevant articles (percent)



The EUSF-related coverage is mainly related to political or policy announcements of funding being applied for / received, and in relation to particular programmes or projects which involve spending funded by the EUSF. Coverage is likely to be boosted where an EU politician (Commissioner, MEP) or national politician is linked to the story.

There are significant differences in the sentiment of the coverage (see Figure 14). In three cases (Austria, Bulgaria, Portugal), the coverage is almost entirely neutral (factual) with little sentiment identified, either positive or negative. In two cases (Romania, Serbia), the coverage is largely positive. In the other cases (Greece, Italy), there is a strong sentiment to much of the coverage, with a balance between positive, negative and neutral articles.

Figure 14: Estimated distribution of sentiment (percentages) across cases



5. SYNERGIES BETWEEN EUSF SUPPORT AND OTHER EU POLICIES AND INSTRUMENTS

Following the 2014 reform, the EUSF legislation obliged beneficiary States to report on national approaches to the containment of risk and management of disasters. Applicants are required to provide a short description on the implementation of Union legislation on disaster risk prevention and management related to the nature of the disaster. Beneficiary States are now required to include in Implementation Reports information on preventive measures (taken or planned) to limit future damages and avoid, if possible, the recurrence of similar events. In addition they have to describe the state of implementation of the relevant Union legislation, and any other information on prevention and mitigation measures related to the respective disaster. Moreover, EU Member States and accession countries can allocate resources from the ESI and IPA Funds in order to finance medium and long-term investments for enhanced prevention, preparedness and resilience to natural disaster events.

Part of this evaluation involved assessing the synergies between the EUSF support and other EU policy instruments – and, where relevant, other international instruments - in contributing to strengthened measures for the prevention and management of natural disasters in EU Member States and accession countries.⁷⁰ This included assessment of preventive and mitigation measures planned (and possibly implemented) by EU Member States and Accession Countries in the aftermath of the disaster events covered by EUSF interventions, and the coherence of these actions with prevention measures and strategies in place. The research also assessed the relationship between the EUSF and ESI and IPA Funds' investments planned (and possibly implemented) for the period 2014-2020 in the areas concerned, as well as the links with other EU policy areas such as the Flood Risk Management and the EU Civil Protection Mechanism.

5.1 EUSF and disaster prevention and management

In each of the six EUSF beneficiary countries (EU and Candidate Countries) on which this part of this report focuses (covering the nine fully implemented cases of EUSF support following the 2014 reform in Bulgaria, Croatia, Greece, Italy, Romania and Serbia)), **there is evidence of implementation of relevant EU DPM legislation.** To varied degrees this legislation encompassed transposition into national legislation, preparation of national strategic documents, as well as regional and municipal plans for the prevention and reduction of natural risks and man-made disasters. Specifically with respect to the Floods Directive, most of the beneficiary countries have complied with the directive timeline, although both Greece and Bulgaria fell behind schedule with the preparation of flood hazard and risk maps. The first generation of river basin plans under the Water Framework Directive also shows very significant information gaps for almost all countries examined. Under the Union Civil Protection Mechanism, all countries submitted summaries of National Risk Assessments by 22 December 2015.

Overall, therefore, the implementation of relevant EU DPM legislation appears still very much to be 'work in progress'. Under the different directives, the extent and quality of the reported implementation varies greatly. In this respect, there is an important question about the quality of fulfilment of the ESIF ex ante conditionality 'risk management' (5.1)

⁷⁰ The research underlying this section is contained in a separate report on synergies and coherence of EUSF with EU and domestic disaster prevention and management policies and between EUSF and ESIF and other instruments.

where the EAC and (where required) action plans appear to have been comprehensively fulfilled by 2017 despite the reported inadequacies of National Risk Assessments and other plans.

All six countries, can **point to specific DPM measures taken following the EUSF intervention**, with variations across countries. Most common are measures that relate to the consequences of specific disasters and the objectives of avoiding or ameliorating a repetition of the damage caused (e.g. flood protection investments, improved river catchment management, better forecasting and early warning systems). There appears to be less consistency in more strategic planning and regulatory measures, as well as investment in organisational capability at all levels (such as education and training).

Serbia is one of best examples of improved DPM. New legislation and administrative processes were only initiated in the wake of the 2014 flood disaster, attributed in part to the EUSF. In the context of the European Commission's action plan, it is significant that the national authorities have made commitments to long-term, prevention-based, systematic and integrated approaches to DPM. There is also evidence in Croatia of a more integrated approach to DPM and investment in capacity since the 2014 disaster.

More generally, while there has clearly been a step-change in DPM planning and implementation, or an acceleration of changes already in progress, following disasters and the award of EUSF support in several countries, **it is difficult to attribute the progress in DPM specifically to EUSF**. The evidence would suggest that it is EU legislation (at a policy level) and the experience of disasters (at strategic and operational levels) rather than EUSF obligations that are the main drivers of change in DPM; this is consistent with the relatively small leverage effect of EUSF in financial terms. Moreover, compared with major legislative proposals, the Fund can exert only a short-term influence because of the limited duration of its intervention. It complements and reinforces, rather than being a primary driver of changes.

The research also indicates that **DPM policies and strategies are being introduced at different rates**. In Greece, at least some DPM may still be at the planning stage. Implementation has been affected by a lack of institutional coherence, budget constraints/cuts, and checks on compliance with legislation have been limited. This reinforces the findings of the Greek case study which also found that fundamental policy or institutional changes for disaster prevention and management had not been implemented despite successive disasters.

Notwithstanding the limitations of the EUSF (scale, timing), the strength of the relationship between EUSF and domestic DPM is generally considered by those interviewed for the case studies to be moderate/strong, with EUSF complementing domestic policy priorities reasonably well in relation to disaster aftermath reactions. Because EUSF interventions cover a very small proportion of the restoration and prevention activities, it is unrealistic to expect them to do more.

Lastly, **it should be noted that the presentation of data and information on DPM in Implementation Reports is inconsistent**. In most cases, relatively brief information is provided (the exceptions being the cases studies for Bulgaria and Italy) and does not allow a full picture of progress made with DPM and the lessons learned from disasters and implementation of EUSF.

5.2 Coherence of EUSF and ESIF/IPA

The coherence between EUSF and ESIF/IPA varies by type of disaster risk, Member State and ESIF Thematic Objective. According to the results of European Commission screening, 21 countries are investing in preventing or mitigating disaster risks through ESIF/IPA. Investment in flood prevention is the main (sometimes only) focus, followed by erosion and coastal protection, safeguards against forest fires, earthquakes, landslides and drought. The predominant focus of ESIF investment is prevention of the most adverse consequences of disasters, followed by preparedness and recovery.

Several countries are not using ESIF funds – and have not selected Thematic Objective (TO) 5 – to address the identified risks: Austria, Denmark, Finland, Ireland, Luxembourg, Netherlands and Sweden (but also individual regions in Belgium, Spain and some other countries). The screening suggests that these Member States, which in general have a low allocation of EU funds, have chosen to invest in these risks through national policies and funding.

The strength of the relationship largely depends on the extent to which the programmes have focused on TO 5 and whether management arrangements are integrated or compatible. Where governance is separate, as in Italy where a national agency takes the lead in disaster management, levels of knowledge among ESIF staff about EUSF are low. The ESIF programmes are strategic programmes over a medium-term period, requiring analysis and strategic development aligned with national and EU policy and legislation. This makes reaction to an ad hoc event more difficult, although there are instances where modest amounts of funding have been allocated to recovery of, for example, agricultural production. Stronger complementarity between EUSF and ESIF appears to be in ETC projects.

The research indicates that a barrier to coherence is the limitation of EUSF restoration investments to pre-existing infrastructure. Fieldwork research suggested (for example in the Serbian floods case study) that more scope for collaboration and thematic synergies would be possible with a 'build better' rule. The short time period for EUSF interventions also constrains synergies, militating against stages of the disaster management cycle that operate over a longer timescale.

Finally, **there are questions over the basis for decision-making on ESIF and EUSF investment for DPM.** The assumption is that fulfilment of the EAC and any action plans, provides a sound disaster risk assessment to inform the allocation of funding. However, the information gaps and other deficiencies in reporting on compliance with key EU directives indicates that the quality of the EAC for risk management may need to be removed, particularly in the debate on 'enabling conditions' for 2014-20. This would, though, require further investigation.

6. ASSESSMENTS OF THE EVALUATION CRITERIA

The empirical research described in previous sections has generated a wealth of evidence pertinent to the evaluation questions (EQ) at the heart of this project. This section presents an overall assessment of what the evidence on each of these EQs reveals. As set out in the project specifications and elaborated in the Methodology Report (Deliverable 1 of the project), the EQs are grouped under six headings.

- *Effectiveness* concerns the success of the EUSF in meeting its objectives.
- *Efficiency* is about the resources required to meet these objectives and the administrative procedures involved.
- *Relevance* covers the relationship between the underlying purpose of the EUSF and societal needs and problem, focusing on whether these needs and problems are sufficiently addressed by the EUSF.
- *Coherence* looks at how well the EUSF fits with other relevant policies and thus at synergies, as well as possible tensions.
- *EU Added value* examines how the benefits of the EUSF add to what policies at the national level (including those by regional and local tiers of policy-making) provide.
- *EU Solidarity* is not a routine theme of evaluations, but is central to the logic of intervention of the EUSF. It embraces the political commitment to assist citizens of areas afflicted by natural disasters.

6.1 Effectiveness

The effectiveness questions are whether the EUSF has achieved its operational objectives (**EQ1**), the factors influencing their achievement (**EQ2**) and the attainment of overall goals (**EQ3**).

There can be little doubt that the **EUSF succeeds in its primary operational objective of delivering a financial contribution to areas afflicted by a natural disaster, thereby facilitating their recovery**. The EUSF funding is not intended to provide immediate emergency assistance, but to contribute to the restoration of normal living conditions. Examination of the 76 cases in which it intervened between 2002 and 2016 shows that the money was distributed to beneficiaries and used effectively. Rapid disbursement of funds (reinforced since the introduction of advance payments, as part of the 2014 reform) potentially has a beneficial impact on effectiveness. Releasing payment quickly can be important to effective implementation in regions and municipalities with limited alternative funding sources.

In most years, the total payments committed by the Fund were well below the available maximum: in aggregate, the take-up⁷¹ over the fifteen years examined was 38 percent. In the three years since the start of the current multi-annual financial framework in 2014, coinciding with the reform of the Fund, the annual average spend has been marginally under the lower budgetary ceiling of EUR 500 million at 2011 prices, but this figure is

⁷¹ As agreed with DG REGIO Evaluation Unit, the figures discussed here relate to the timing of applications subsequently supported, rather than the actual transfer of the EUSF contribution. Thus, the large payment agreed for Italy in 2016 only appears in the 2017 EUSF Annual Report.

dominated by the very large amount agreed for the Italian earthquakes at the end of 2016, albeit the funding for the latter came from the 2017 EUSF allocation.

Unpredictability in the occurrence of disasters underlines the importance of budgetary flexibility for the effectiveness of the Fund. There is significant variation in the level of EUSF granted by the Commission in any one year, reflecting the variation in scale, type, context and impact of the disasters. Flexibility was introduced as part of the 2014 reform to carry over any surplus or to draw in advance from the following year. Nevertheless, the Fund could face substantial difficulties in ensuring effective, equitable treatment if a number of severe disasters occur in a relatively short period of time.

Because the contribution is only paid out several months after the disaster strikes, some of the case study research indicates that the contribution may be *perceived* as less effective than funds arriving more rapidly. Prior to the reform in 2014, the sizeable number of rejected regional cases also detracts from perceptions of effectiveness.

Across the 76 cases, **the biggest demand for funding, and potentially the most important impact of EUSF is for restoring network infrastructure, including transport and communications, and providing temporary accommodation.** Restoration of public and cultural assets and enabling businesses to recover are also important areas of impact. Implementation Reports note accomplishments under these headings – albeit sometimes in a general way – and several include testimonials to the value of EUSF in providing a crucial source of funding for authorities addressing these issues, especially at local level.

Given the uncertainty surrounding disaster events, there is often some fluctuation during implementation in the level of funding allocated to operations. In this respect, the Commission's provisions for flexibility in resource allocation to operations and the scope for countries to report an amount of eligible expenditure exceeding the amount of the EUSF contribution received has helped beneficiaries respond to changing circumstances during implementation.

However, because of the variation in the content of Implementation Reports, **it is not possible to undertake systematic and comparative analysis of achievements or to compare planned with actual outcomes.** A challenge for evaluation is that beneficiaries are not required to report achievements against specific operational objectives, actions and targets, and they can vire funding across categories of intervention as implementation progresses. This strengthens the flexibility of the Fund, but means that a quantitative assessment of the achievement of operational objectives, based on the data in case files, is not possible.

Among the factors influencing effectiveness, administrative capacity is repeatedly cited in Implementation Reports as conditioning (constraining, in some cases) the management of and implementation of funds and achievement of outcomes. This is partly because of the disruptive impact of natural disasters on facilities, resources and networks in the affected areas, but also the scale and unprecedented nature of the demands on officials. The capacity of government departments, agencies, utility companies and (especially) local authorities to cope is often over-stretched (see also below).

The extension of the time limit for implementation from 12 to 18 months, introduced in the 2014 reform, is beneficial. The effectiveness of the Fund has been influenced by the time-frame for implementation, for instance where technical issues related to public procurement, have to be addressed. The original 12 month implementation

deadline put undue pressure on beneficiaries in some cases, and the interviews made clear how much the extension is valued.

Institutional structures are important. In some cases, the process for transferring funds to beneficiaries was regarded as slow, limiting the effectiveness of the EUSF response. This was the result of, for example, the particular institutional arrangements for budget management in some countries, or changes in public administration during the implementation process in others. The Implementation Reports stress the importance of coordination and cooperation between authorities at different levels, and flexible and adaptable ways of working. Where these had shortcomings, difficulties often arose.

The type of disaster and the types of recovery operations are also influential. Effectiveness may be constrained where authorities have limited experience in dealing with a specific event, where relevant data may be unavailable and where it is challenging to develop and implement the most effective operations. The scale of some disasters – earthquakes in Italy, flooding in Germany – posed a major organisational challenge to government authorities, even where they had efficient institutions and previous experience. Some beneficiaries noted specific technical issues, notably related to dealing with public procurement rules in infrastructure investment.

Beneficiary states employ different approaches to support effectiveness. This can involve the selection of EUSF operations and initiatives well in advance of disbursement (i.e. as soon as the application is proposed by the Commission). The use of retroactive funding can ensure the 'emergency' nature of support and ease pressures on effective implementation within the deadline. Beneficiary authorities have also addressed the potential impact of public procurement procedures which have caused delays (especially for infrastructure), taking advantage of special arrangements often in place immediately after disasters. In some cases, EUSF has been used to support a smaller number of large interventions, implemented by a small number of experienced bodies to increase effectiveness.

It is important to consider effectiveness in terms of the general objectives of the Fund. By supporting the operational objectives set out in Implementing Agreements and Acts, the objective of assisting countries' return to normal living conditions is facilitated through EUSF support. This is acknowledged explicitly in several Implementation Reports. The EUSF objective of helping prevent and mitigate disasters is also being met, at least partly. The majority of Implementation Reports contain descriptions of such measures undertaken as a response to the disaster. This reporting was only a requirement after the 2014 reforms, but over half of the pre-reform cases provided information in the Implementation Report regarding risk prevention and mitigating measures. This can strengthen the commitment of authorities to invest in future security against natural disasters, through physical structures, but also organisational structures (such as new legislation for flood management and response etc.).

The key factors influencing the effectiveness of intervention were governance and institutional factors, specifically:

- a well-developed governance structure with strong leadership and clear assignment of roles and responsibilities, especially – as demonstrated in the Portuguese case study (a major flooding disaster and also an outermost region in 2010) – where a national government committee was rapidly established to deal with the recovery effort;

- the number of institutions involved at different levels – fewer implementing organisations facilitated more straightforward implementation;
- institutional stability over the life of the intervention to ensure consistent leadership;
- good working relations with the Commission services and a willingness to seek advice and technical assistance;
- effective coordination mechanisms (vertical and horizontal) and a willingness to cooperate among institutions - not just between levels of government, but also between government and NGOs;
- administrative capacity, particularly at local level among municipalities; and
- previous experience of managing disaster recovery and implementation of EUSF, which made a significant difference to effective implementation in many cases - in this respect the case studies reveal a degree of learning-by-doing in which expertise at the national level facilitated subsequent EUSF interventions.

6.2 Efficiency

The efficiency questions set out in the project specifications and elaborated in the Methodology Report are about whether the EUSF interventions were cost-effective (**EQ4**), the differences between agreed and actual expenditure (**EQ5**), evidence for administrative burdens (**EQ6**) and factors influencing efficiency (**EQ7**).⁷² The empirical analysis has yielded the following findings regarding the efficiency of implementing EUSF interventions.

Overall, the evidence indicates **a high level of implementation efficiency**. In the great majority of cases, expenditure has been in line with applications, and the relatively few cases of money being clawed-back can be attributed primarily to claims for ineligible expenditure, rather than delays in 'absorption'. The efficiency of provisions for different stages in the application for support and the implementation of operations is important in ensuring funding reaches disaster areas in a timely manner and the research identifies some challenges.

There have been **improvements in administrative efficiency following the 2014 reform**:

- **A major improvement is the decline in rejected applications** – after the reform there were none up the end of 2016. Prior to 2014, there were clearly major problems among applicants for support under the 'regional' heading. These problems related to understanding the information required for demonstrating the scale or long-lasting nature of impacts, as well as meeting other eligibility conditions such as exceeding the financial thresholds.
- **Overall, the time taken for applications to be updated after their initial submission has shortened in the post-reform period**. The extended deadline for application submission in the post-reform period should be noted in this context,

⁷² In response to clarifications on the functioning of the EUSF obtained from Commission services, it is now accepted that EQ5 cannot be assessed systematically for specific projects because there is not necessarily a direct link from what is highlighted in the application to the subsequent use of the EUSF contribution.

although the evolution of Commission guidance, providing greater clarity on what is expected and the growing experience of applicants are also important factors.

- **The amended EUSF regulation in force since June 2014, has shortened the drawing up of the Implementing Act by merging of formerly separate stages in this process.** Efforts in the European Parliament and Council to speed the process up as much as possible have been identified, although timing of votes on the mobilisation of the Fund has to be managed in accordance with the calendar of European Parliament plenary sessions.

Notwithstanding this overall positive assessment, the research indicates **diverse experience in relation to efficiency, with difficulties encountered at different phases of the EUSF application and implementation process.**

- Generally, the more the process is divided into different stages and the more actors are involved, the greater is the likelihood of delays occurring.
- **Although applicants submit on time, a substantial proportion of cases have required updates.** In both the pre and post-reform periods, this has extended the application process, sometimes considerably, adding weeks (or, in a few cases, months) to the duration. The capacity of applicants to estimate damages varies and where it is deficient, this has contributed to extending the duration of applications.
- **The EUSF assessment process takes on average around 14 weeks, a slight reduction from the pre-reform period.** The process involves input from a range of EU bodies and services and their availability to give immediate inputs into the assessment process cannot be set out in advance. The time needed for translation of documents can also lengthen the assessment process.
- **There have been problems related to the closure of EUSF operations.** Some practical issues have been encountered, such as translating Implementation Reports into Commission working languages. In certain cases, national authorities required extended periods to provide answers to audit questions or did not reply to repeated requests for audit information. Closure may also be delayed by resource constraints within the Commission, especially where the Commission staff involved have pressing demands from new cases.

Administrative capacity, as noted above in relation to effectiveness, is key to efficiency. The analysis has identified capacity challenges for preparing and realising some kinds of operation, especially involving infrastructure damage. Some Implementation Reports refer to difficulties in reconciling EU procedures and domestic administrative systems, or conforming to national public procurement obligations.

Experience is clearly important. Responsibility for managing EUSF was often allocated to ministries/units responsible for ESIF, particularly for Central and Eastern European cases, and also the Portugal mudslides in 2010. Over time, countries with a repeated need for the EUSF have developed a common institutional structure and procedures for managing EUSF support, including the presentation of Implementation Reports (the Romanian reports are good examples). Comparison of the Implementation Reports for Slovakia storms in 2005 and floods in 2010 suggests that there may have been fewer problems with financial management and control in the latter case. The Implementation Report for the Czech Republic, floods 2013, cites use of a 'Manual for the implementation of the EUSF in the Czech Republic', drafted initially for the earlier EUSF-funded case of floods in 2010. Box 10 provides two further illustrations from Bulgaria and Romania.

Specific **factors influencing the efficiency of EUSF intervention** identified from the case studies, Implementation Reports, associated Commission assessments and closure notes are the following.

- The availability of **standard damage assessment tools** (survey methods, checklists, databases), cited in the case of the Italian earthquake, 2003, and volcanic eruption, 2003. The case studies revealed damage assessment to be particularly problematic in situations where communications were disrupted or where there was a lack of a national assessment tool (the Greek case) or there were outdated assessment procedures (the Romanian case). Interviewees in the Serbian case were critical of EUSF demands in this regard for being more complex than required by other contributors to the disaster relief, notably the World Bank.

Box 10: Drawing on ESIF experience to strengthen assurance

In the Bulgarian case study, applying ESIF practice was regarded as improving efficiency and ensuring sound financial management. In Implementing Authorities, including national ministries and municipalities, the responsible units and civil servants also had experience of carrying out ESIF-funded projects, in particular through the OP Regional Development 2007-2013. According to interviewees, the fact that the same people were working together on implementation of projects, financed by different EU funds, created good working relations across levels. This was crucial for the relatively smooth implementation of the EUSF support, including financial management and control. Interviewees from the national Coordinating Authority noted that the procedures for EUSF management verification (including administrative verifications and 'on the spot' checks) were stricter than they needed to be, because the same procedures were used for implementation of EUSF and OP Regional Development 2007-2013. However, drawing on ESIF practice built assurance and saved time because officials and experts in the units involved understood these procedures well.

Synergies between EUSF and ESIF

In the case of Romania floods in 2014 (115), despite experience gained through the implementation of the seven EUSF applications under all of the three types of support, (encompassing "major disaster", the regional criterion and the neighbouring criterion), the responsible agency for dealing with the EUSF (the CMA) encountered a range of difficulties at certain stages of the damage assessment procedures. As a result, the CMA, together with the relevant partner institutions, plans to develop tools for a single physical and value assessment of the damages caused by disasters, by developing a technical assistance project funded from ESF/non-reimbursable funds. This project aims at ensuring a higher level of predictability with regard to the possibilities of accessing the EUSF by improving the damage assessment procedure, including by the implementation of a national single cost standard-based system to estimate the value of the damages caused by natural disasters.

- The introduction/application of **standard administrative procedures** for managing operations, record-keeping and audit trails, where EUSF was being implemented for the first time (introduced "separately from normal operations" in the case of Malta floods 2003), or where devolved regions had varying institutional arrangements (Italy, floods 2010 and 2011, and the 2012 earthquake case study). The involvement of multiple agencies with differing procedures caused difficulties in the Romanian case, while all the case studies – to varying degrees – mentioned public procurement as a source of inefficiency. Managing public procurement procedures was shown to be especially problematic at local level where skills in tendering processes were lacking (Bulgarian and Greek cases) and where there was

a lack of basic information on property rights and infrastructure ownership (Romanian and Serbian cases).

- **Sufficient and timely co-financing** for projects, where EUSF could only provide part-funding for operations (a problem for some cancelled projects in Slovakia, storms, 2005). The Italian and Serbian case studies highlighted slow payments through national administrations as a problem.
- The importance of **prompt legislation** governing institutional coordination and management of disaster response, such as the allocation of responsibilities, the conditions on projects qualifying for financial aid, and the obligations on public and private actors in reconstruction or remediation initiatives (emphasised in the case of the Portuguese fires in 2003 and the Romanian floods in 2005).
- **Effective organisational coordination**, especially in the case of complex disasters, as in the case of the German floods in 2013, which involved EUSF funding for damage in nine *Länder* and 3,500 individual measures by numerous national, regional and local bodies (a similar challenge applied to the case of Bulgaria's severe winter disaster in 2015). However, a plethora of small projects was identified as a source of complications in the Romanian case study, affecting both the timely collection of invoices and the ability to assemble the information needed for the Implementation Report expeditiously.
- An **efficient and reliable monitoring system** covering all implementing bodies to manage financial flows, and monitor expenditure and performance (cited as important for the Italy volcanic eruption, 2003); effective monitoring of project implementation (rated highly in the Italian case study). The ability to demonstrate the regularity of spending to the satisfaction of national and EU audit authorities and thereby facilitate timely closure was a problem in the Greek case.
- **Financial management and control mechanisms/tools** to ensure the regular allocation of funding to beneficiaries, to prevent double-funding from different sources, and controls to ensure eligible spending and reimbursement where required. Problems could arise in ensuring that control bodies are functionally independent of final beneficiaries, and making checks in conjunction with risk analyses (see, for example, difficulties in these areas in Czech Republic (floods 2002), Slovakia, (storms, 2005) and Croatia (floods 2010). A related influence identified in the case studies is the alignment of national and EU procedures in financial management and control (particularly difficult in the Romanian case), and the consistency of interpretation of regulatory conditions across all beneficiaries (again a major problem in the Romanian case).
- The value of **longer term spatial development plans** to provide a strategic framework for infrastructure reconstruction and damage prevention operations (highlighted in the case of the Slovenian floods in 2007).

6.3 Relevance

In assessing whether the EUSF meets societal problems and needs, three evaluation questions are examined. However, in contrast to large-scale, strategic interventions by, notably, the ESI and IPA funds, it is important to recall that the typical EUSF intervention is of the order of EUR 5-15 million, is implemented relatively quickly and in the context of significant disruption of normal living conditions. The compelling finding from the case studies is that **the relevance of the EUSF to citizens (EQ8) is blurred by the limited**

public understanding of the difference between different EU funds. While citizens tend to welcome EU support, it is not explicitly attributed to the EUSF. There is no obvious difference in this regard between the pre and post-reform periods.

Although one element of the logic of intervention behind the EUSF is to emphasise the visibility of the EU and its provision of solidarity to citizens, **relatively few Implementation Reports mention the means by which the intervention is publicised.** The Regulation contains no publicity rules and only a few beneficiaries widely communicate the source and achievements of the support provided.

The media survey also shows only limited coverage of the EUSF interventions. Moreover, although some articles are positive about the EUSF (the Romanian and Serbian cases), others are neutral or, relatively rarely, hostile (some in the Greek case), providing no clear signal of whether the EU's expression of solidarity is seen by the media as a welcome form of support. Negative points include the small scale of support and (in the Italian case) resentment that in the decision-making, certain Member States apparently objected to the granting of EUSF support. An intriguing finding in the Austrian, Serbian and Romanian cases is that coverage often results from the issue of a press release by a local politician, rather than interest in the EUSF per se.

The second relevance question is whether the EUSF intervention matched/addressed recovery needs (**EQ9**). Scrutiny of many Implementation Reports reveals that **EUSF interventions addressed public perceptions of recovery needs and were seen as relevant to citizens.** Again, however, the case studies find that the knowledge of the specific contribution of the EUSF, as opposed to other sources of support, is largely confined to the technical staff involved in recovery operations.

A third question (**EQ10**) is whether the EUSF fosters long-term change. In general, the **case documentation includes reporting on the preventative measures taken to avoid a similar disaster** (but in fewer than 60 percent of cases), information on the experience gained from the disaster and the measures taken or proposed (in c.40 percent of cases), and information on the implementation of disaster risk prevention and management (just under 30 percent of cases). There are indications from some Implementation Reports that the EUSF has had a role in incentivising long-term changes, as in France (floods 2002) where the Report notes that new thinking on managing river systems was stimulated.

As noted above with respect to the efficiency of EUSF interventions, **there is some evidence of learning in how to cope with disasters.** The L'Aquila earthquake (2009) provided an example of effective multi-level governance through cooperation between the Italian Government, the region and the EU in achieving rapid intervention. Research has found⁷³ that, the response to the 2012 Emilia-Romagna earthquake was more effective, not least because it built on effective networks within the local community. The 2002 flood case in France is an example of EUSF promoting new forms of partnership, especially cooperation between national, regional and local authorities, and between different sectors and services; in this case, there were 'institutional spillovers' into domestic practice.

⁷³ Paper presented at the Regional Studies Association annual conference, June 2018

6.4 Coherence

Coherence is defined as how well (or not) the different actors and agencies responding to a disaster work together, identifying areas where there are synergies or tensions. The assessment of coherence focuses on three specific evaluation questions.

The first question concerns the degree to which EUSF interventions dovetailed with other EU actions and responses in the area of the disaster (**EQ11**). **With the EUSF contribution strictly limited by the funding formula, the 'heavy lifting' on recovery necessarily has to come from other sources.** The Serbian case provides an interesting example of coherence between how loans from the World Bank were used alongside the EUSF funding, with an explicit policy of assigning one or the other to projects on the basis of eligibility rules. In this regard, the EUSF rules are more constraining and the World Bank money was used to fill gaps the EUSF could not support.

EQ12 asks how EUSF interventions complement the investments from ESI and IPA Funds in order to support economic development in the medium- to long-term. Although 21 countries include DPM among their priorities for the ESI and IPA Funds, especially to mitigate flooding risk, **the scale of spending is often low and the connection with the EUSF unclear.** The evidence from some countries (for example Croatia and Bulgaria) nevertheless shows an increasing emphasis on DPM.

Lastly, there is the question **of the coherence between the EUSF and wider EU policies in disaster prevention measures** (EQ13). Prior to the 2014 reform, hardly any spending from the EUSF was on preventative measures. The evidence from examination of DPM measures suggests **an increasing propensity to boost DPM in the six countries in which fully implemented EUSF interventions have occurred since the 2014 reform.** In Serbia, for example, new measures were adopted following the 2014 floods, at least partly in response to the EUSF experience

However, notwithstanding the claims made by national authorities in Implementation Reports and as part of the case study research, Commission assessments of DPM progress (e.g. National Risk Assessments, river basin management plans) suggest **that progress with DPM in some countries is slow** and reporting sometimes has significant gaps.

Further, while DPM is undoubtedly receiving increased attention, **a direct causal link from the EUSF cannot convincingly be demonstrated.** Instead, legislation appears to be the primary driver. A plausible explanation is that EUSF interventions are – by design – short-term, whereas DPM requires long-term strategies; this is not to dismiss the constructive role played by the Fund in influencing thinking on DPM, but nor should it be over-stated. In this respect, **the scope and content of reporting on DPM within Implementation Reports is very variable** and, in some cases insufficient to make an adequate assessment of the strengths and weaknesses of DPM in areas/sectors affected by disasters.

6.5 EU added value

Assessing added value is often problematic because of differing standpoints among beneficiaries and other stakeholders. The two evaluation questions are complementary: **EQ14** asks about the added value of the EUSF, implicitly comparing it with what is done in response to disasters by the national authorities and other agencies – the latter including bodies such as the World Bank (see the Serbian and Romanian case studies) and other national governments. The added value of the EUSF is assessed under five headings, covering economic, policy, political and operational dimensions, as well as learning from

the experience. Although experience from other interventions will also have contributed to added value as discussed here, making it hard to distinguish the specific contribution of the EUSF, some identifiable effects can be discerned.

- **Economic added value.** Some EUSF interventions have represented a significant additional instrument allowing beneficiaries to aid territories and populations in a more extensive and comprehensive way than would otherwise have been the case. In all the case studies, the key message was that economic added value was the most important outcome of the EUSF, a message echoed elsewhere. For instance, the Implementation Report for the Slovakia storm (2004) notes that a great number of people received quick assistance due to the Fund's existence. To the extent that such benefits demonstrate solidarity, they are added value for the EU.
- **Policy added value** Several Implementation Reports (e.g. Romania, floods, 2005) acknowledge the Fund's contribution to strengthening the capacity of the emergency services and preventative infrastructure in case of future disasters, an outcome consistent with wider EU aims. Similarly, in two of the cases studied in detail, there are indications that there was some influence, although a broader conclusion is that the policy added value was limited. In the Serbian case, local governments gained relevant policy experience, while in the Bulgarian case interviewees mentioned the benefits of an accumulation of experience from previous cases. Insofar as the EU aims to boost multi-level governance capabilities, there is added value from this.
- **Political added value.** Political effects in either promoting the EU or showing how it coheres with other contributors to the disaster response are limited within countries as a result of the limited scale of the EUSF intervention. However, with regard to the political impact of enhanced visibility of the EU, a limited number of Implementation Reports (e.g. Germany floods, 2013) note communication and publicity measures to increase the visibility of the EU through the Fund (via the internet, local press and media events, information boards etc.). The Implementation Report for the Estonian storms in 2005 notes that "EUSF has received a lot of attention in the media" through active use of press releases and TV coverage, as well as citation of EUSF in letters to beneficiaries. However as noted above, the media analysis finds a relatively low extent of coverage of the EUSF interventions in the seven cases studied, with most limited to reporting the application for, or receipt of, funding or the projects supported. While limited, therefore, there is positive added value for the EU
- **Operational added value.** In some cases, the experience of implementing the EUSF between state, regional and local authorities, and between different sectors and services created new approaches to disaster and risk prevention management (as already noted in the case of floods in France in 2002). In both the Serbian and Greek case studies, better approaches to assessing damage were established. Having to conform to relatively tight deadlines conferred operational added value for the implementation of EU policies, by forcing the authorities to work coherently (Italian and Bulgarian cases). However, in this domain, the added value accrues more at national than EU level.
- **Learning added value.** The findings from the case studies show that the need for different agencies to cooperate was of considerable importance in boosting capacities for disaster management. There is also evidence of learning on key elements of the process, such as how to assess damages in a manner consistent

with Commission expectations for EUSF applications. It is, however, striking that Implementation Reports contain few explicit reflections on the **lessons learned** from the implementation of EUSF. See, also, the example presented in Box 11.

The second issue explored in relation to added value (**EQ15**) is whether the goals of the EUSF continue to require action at the EU level. It is, first, worth reporting an absence of objections to EUSF interventions from either the interviewees consulted for the case studies or the Implementation Reports. Nor has the study team identified any pressure (for example in EP reports and resolutions) to discontinue the Fund. The Commission's proposals for 2021-27 policies and spending include retention of the EUSF and, altering the ceiling marginally (bearing in mind inflation between 2011 and 2018) to EUR 600 million (at 2018 prices) for the 2021-27 Multi-annual Financial Framework (MFF). The EUSF would remain outside the MFF ceilings. The inference to draw, especially with climate change expected to increase the frequency of certain types of natural disaster, is that the EUSF will continue to be a valued EU policy instrument.

Box 11: Institutionalising learning on EUSF tools to retain knowledge and experience

Over time, some countries with repeated applications have evolved institutional structures and tools for managing EUSF support, to ensure that knowledge and experience is retained and capacity developed. For example, the Implementation Report for the case of flooding in the Czech Republic in 2013, cites use of a 'Manual for the implementation of the EUSF in the Czech Republic', drafted initially for the earlier EUSF funded case of floods in 2010. The Czech implementation reports also contain more valuable information than many others as a basis for evaluation. This includes a useful summary overview of the experience of implementing EUSF.

6.6 Solidarity

Having the word 'solidarity' in the name of the Fund is a defining statement of its purpose, but needs elaboration to test whether it fulfils solidarity goals. The evaluation questions therefore comprise four distinct facets of solidarity

The first question is whether the EUSF delivers aid to those who need it (**EQ16**). Within the terms of the regulation, it unambiguously does so by channelling assistance to applicants meeting the eligibility criteria. However, the thresholds determine whether a contribution is made, not whether there is a need in the sense of a binding financial constraint on a beneficiary's ability to deal with the disaster. In addition, case study interviewees draw attention to other caveats. Smaller scale, but still significant, disasters are not eligible and differing methodologies for calculating damage or uncertainties can raise doubts about what can be covered.

The EUSF is an instrument of solidarity with limited restrictions on how the financial contribution is used, provided it is on the four eligible categories and relevant financial (and other) regulations are respected. The case studies confirm the general findings from the examination of all cases that the flexibility in the operation of the Fund is appreciated. Nevertheless, an open question is the extent to which it alleviates financial pressure on the beneficiary authority and, as is implied in the intervention logic, means the Community support facilitates an enhanced and swifter recovery from disaster. The Croatian authorities are one of the few applicants to be explicit (floods 2010) in arguing

that without the support of the EUSF, they would have struggled, demonstrating why 'why the financial support of the EU was necessary'.

Another illustration is from Germany (floods in 2002), setting out both the advantages and potential drawbacks of EUSF (and similar support). The Implementation Report for this case is accompanied by a letter from the German Permanent Representation (26 June 2004) stating that "EUSF has made significant contribution to initial rectification of damage" and highlighting the psychological benefit of such support.

However, the same Implementation Report also refers to a risk that people underestimate their exposure to disasters and the increased likelihood of flooding due to climate change, and that the combination of immediate voluntary help and a rapid state response increases their expectations of what the State should provide, i.e. aid begets an expectation that such aid will be available in future also. While there may well be a theoretical argument that the EUSF, as an expression of EU solidarity, shifts the financial burden in a way that diminishes incentives for precautionary measures, it is implausible that an uncertain payment would have this effect in practice.

A second question relating to solidarity is whether the EUSF responds quickly when needs arise (**EQ17**). The wording of the regulation states that the aim of the Fund is to act rapidly and Commission press statements on the award of funding specifically highlight "quick and unbureaucratic EU assistance". Given that EUSF interventions are not about providing immediate relief or emergency rescue services, **the relatively short time scales for delivering the EUSF contribution in the majority of cases can be interpreted as consistent with responding when need arises**. Where, especially prior to the 2014 reform, the time taken was longer, a more critical answer is warranted. Some of the interviewees in the case studies also regretted the delays between the disaster occurrence and the funding being received – examples are the Bulgarian, Romanian and Serbian cases. However, the reason for this often has to be attributed to the national authorities.

A third question regarding the solidarity of the Fund is whether the EUSF is alleviating short-term needs (**EQ18**). The regulation refers to the Fund enabling the Community to act to meet people's immediate needs, such as temporary accommodation, getting infrastructure working again etc. The Implementation Reports are almost universally concerned with the technical aspects of the disaster, recovery operations and implementation (and accounting for) EUSF support. The wider solidarity-related issues tend to be implicit and unarticulated. The introduction of advance payments in the 2014 regulation was intended to assist this mobilisation of an EU response to more immediate needs and, although small in scale, does appear to have been appreciated by those beneficiaries accessing it. Yet the fact that, in some accepted cases, no advance payment is sought suggests that it is not crucial.

A more interesting question – especially for fiscally robust countries – is whether, or in what circumstances, the solidarity provided by cash flow from the EUSF makes a difference. The case study evidence suggests that **timely payments from the Fund can be especially helpful when national payments are subject to delay** (as was the case in the Italian 2012 earthquake case study) or local budgets are rapidly exhausted by exceptional costs triggered by the disaster (e.g. in the case of 2013 floods in the Czech Republic). Although not mentioned in the regulation, the 2004 Annual Report on the EUSF referred to the "practical solidarity" of the Fund being to provide aid where the scale of disasters meant that the capacity of Member States to face up to them reached their limits.

The last question is whether the EUSF is facilitating long-term recovery and resilience (EQ19). The regulation refers to providing such support, emphasising a return to normality and this is achieved. The post-reform insistence on preventative measures is also intended to improve resilience against similar events in future. The evidence discussed above in relation to the coherence EQs implies this solidarity function is limited and thus there is a lack of influence of the EUSF.

7. EVALUATION OF AVAILABILITY AND QUALITY OF INFORMATION

Analysing the 126 EUSF cases which occurred between 2002 and 2016 has necessitated collecting data of sufficient quality on the cases. The data were retrieved from relevant official case documentation for each stage of the EUSF process, from application to closure.

The relevant documentation provided for each case should be as follows:

- the application documents, as well as updates submitted by relevant authorities to the Commission;
- the evaluation or assessment of the application document produced by the Commission;
- the proposal of the Commission to the Parliament and Council, the Draft Amending Budget, Council and Parliament decisions, the Commission Decision and Agreement (under Regulation (EC) no 2012/2002) and Commission Implementation Decision as well as its Annexes (amended REGULATION (EU) No 661/2014);
- the Implementation Report and additional requests for information as well as annexes, which are produced by the relevant authority; and
- the Closure Letter and Closure Note to File, which are produced by the Commission.

The research team have mapped the availability of documentation for each of the administrative processes, summarised in Figure 15. The mapping exercise shows significant variation in document availability for the different processes across the 126 cases. Only for five steps in the administrative process is there close to full availability of documentation available for all cases:

- the application from the Member State;
- the Commission implementing decision (for post-reform cases);
- the Council decision;
- the Parliament decision; and
- the Implementation Report (although several are pending).

There is also substantial availability of documentation across the cases for:

- additional information requested by the Commission from the Member State; and
- the Annex to the Implementing Decision (for post-reform cases).

Gaps are inevitable for ongoing EUSF cases, especially those still in the implementation or closure phases. Nonetheless, there are significant document gaps for parts of the administrative process.

- The most problematic documents, though not crucial for the purposes of this evaluation, include the Proposal of the Commission, the Draft Amending Budget, the Commission Decision, Annex to the Commission Implementing Decision, Commission Agreement, Closure Letter and Closure Note to File. For these documents, the extent of the gap ranges from 19 percent of Commission agreements unavailable, to 49 percent of closure letters unavailable.

- The absence of a Closure Note to File or Closure Letter is especially problematic as most information about the closure phase cannot be retrieved elsewhere.
- Even though the availability of Application and Implementation Report in general is high, the missing documents are crucial for information about the specific case.

Apart from the issue of availability, there are certain problems with the documents obtained for the evaluation:

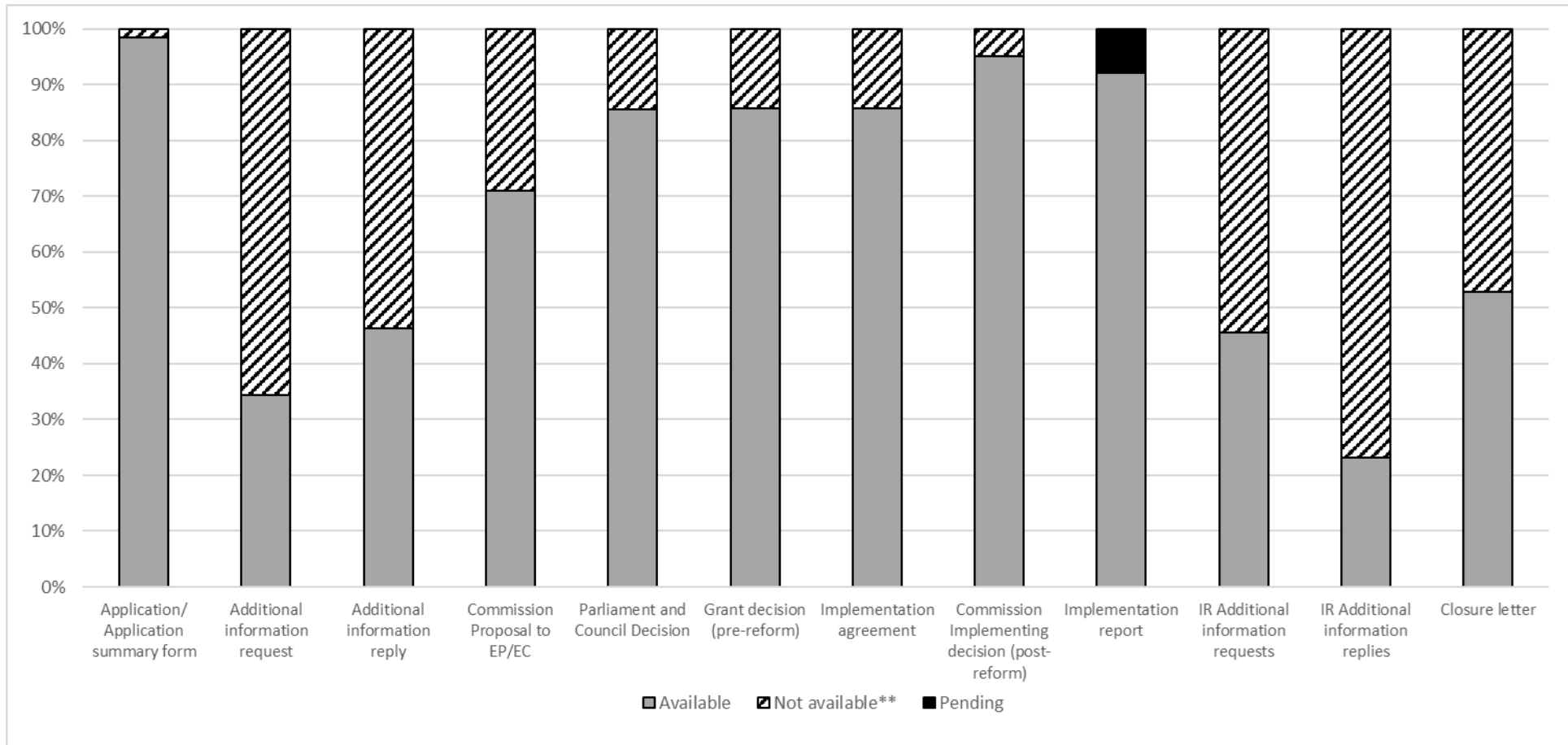
- some documents – especially Proposals of Commission and Commission decisions - are provided in draft form only;
- in some cases it is impossible to determine, if the available documents – especially Application and Implementation Report – are final versions (after additional information has been requested) due to missing dates.

From an evaluation perspective, the qualitative information in the Implementation Reports is uneven, making it hard to undertake systematic analysis. Some insights can be gleaned from specific instances, such as those highlighted in the previous part of this report, but in terms of lessons that might be learned they should be understood as being illustrative.

Specifically for Task 4, the main source of information on the implementation of EUSF support under DPM is the Implementation Report prepared 18 months following receipt of funds. These contain reports of actions undertaken or planned to limit future damages (see Table 5). From this, it is possible in most cases to identify evidence of a range of actions and progress. However, there is big variation in the length and scope of the coverage of DPM and the degree to which the reports refer to the different sectors of DPM intervention. Assessment of the strengths and weaknesses of DPM relating to the type of disaster is largely missing, with some exceptions (e.g. cases examined for recent disasters in Bulgaria and Italy).

In no cases is there commentary on the effectiveness or impact of the measures undertaken. Indeed, although in most cases a range of measures is reported, the attribution of EUSF influence in decisions and implementation of future measures is rarely discussed. Information regarding domestic DPM is largely available publicly on institutional websites. For all of the case studied, information was at least partly up to date if not fully so. The information typically extends to overviews of institutional frameworks; strategies and mechanisms (e.g. risk maps), annual action plans and reports on implementation; and, press releases on specific disaster interventions.

Figure 15: Availability of documentation (n=837)*



Source: Research Team, based on information provided by the Commission

*Note: Two Withdrawn cases are not included in the Commission Proposal; four pre-reform transition cases have post-reform decision documents; there is no documentation regarding IR updates after Case HR98

** Note: Not available means that the document in question is not in the case files available to the research team. In certain cases, it will have been superseded.

Table 5: Availability and quality of information on DPM in Implementation Reports

Case	DPM content		Themes covered					Comment and quality assessment
	Pages	% of IR	Planning.	Infra./str.	Eco-system	Educ. etc.	Prep. etc.	
								* Minimal compliance with requirements, no detail on implementation. ** Compliance with limited detail on implementation by sector. *** Compliance and implementation detail for most sectors. **** Compliance and implementation for most/all sectors and some assessment. ***** Compliance, implementation detail for all sectors, and assessment of strengths and weaknesses of system
RO-111	6	10	X	X			X	Responds to obligations required – legislation implemented, use of experience to improve system. Specific example given of new system planned as a result of experience. Limited information on how the regulatory and infrastructure information relates to the flood disaster – no assessment of strengths and weaknesses of the system. No information on natural eco-systems protection or education and training measures. (**)
RS-112	3	2	X					Responds to obligations required – legislation implemented, use of experience to improve system, focusing on National Disaster Risk Management Programme (and subordinate initiatives) but state of implementation unclear. No information on infrastructure, natural eco-systems protection, education & training measures or preparedness/emergency measures. No assessment of strengths and weaknesses of the system. (*)
HR-113	4	3	X	X			X	Responds to obligations required – legislation implemented (in brief), use of experience to improve system – focus on major flood protection project. Limited information on infrastructure, education & training and preparedness. No assessment of strengths and weaknesses of the system. (**)
BG-114	17	36	X	X	X	X	X	Responds to obligations required – legislation implemented, use of experience to improve system. Comprehensive review of legislative frameworks (EU and national), and state of implementation. Review of policies/measures for infrastructure/structural projects, natural eco-systems, and preparedness/ emergency response (and role of ESIF in each area) Assessment of strengths and weaknesses of DPM system and lessons from the disaster. (*****)
RO-115	5	7	X	X			X	Same text as in Case 111. (**)
BG-116	20	35	X	X	X	X	X	Updated version of text in Case 114. (*****)
IT-117	24	19	X	X	X	X	X	Responds to obligations required – legislation implemented, use of experience to improve system. Detailed information on state of implementation and experience, describing evolution of systems and measures by region. High level of technical detail. Strengths and weaknesses of the system noted. Coverage of infrastructure investment (though limited information on role of ESIF), education and training, and extensive reference to preparedness / emergency response measures. Some reference to eco-systems. (****)

EL-118 -119	6	13	X			X	X	Responds to obligations required – legislation implemented, use of experience to improve system. Limited information on state of implementation or implications of experience – no systematic assessment of strengths and weaknesses of the system (though notes need for national flood management strategy). No information on specific infrastructure investment (including lack of information on role of ESIF) or natural eco-systems. (**)
BG-120	15	30	X	X	X	X	X	Updated version of text in Cases 114 and 116. (*****)

Source: Implementation Reports

Note: Planning: planning / regulatory measures; Infra/str: infrastructure / structural projects; Eco-system: national eco-systems protection; Educ.: education & training measures; Prep: preparedness / emergency response measures

8. CONCLUSIONS AND RECOMMENDATIONS

There is much to commend about the EUSF. It broadly achieves the aim articulated in recital 1 of the Regulation that ‘in the event of major disasters, the Community should show its solidarity with the population of the regions concerned by providing financial assistance to contribute to a rapid return to normal living conditions’.

A reasonable judgement is that the manner in which the Fund functions does, as specified in Article 1 of the Regulation, ‘enable the Community to respond in a rapid, efficient and flexible manner to emergency situations’. Equally, the EUSF is manifestly not an instrument providing urgent disaster relief. Instead, the expression of the Union’s solidarity comes in the form of a cash contribution to the recovery from the disaster.

Since the reform of the Regulation in 2014, there have been several improvements in the operation of the EUSF, which strengthen its capacity to fulfil its mandate. There are, nevertheless, several areas in which there is scope for further enhancing what the EUSF does, how it does it and how it relates to other policies associated with recovery from, and prevention of, disasters. From the evidence presented in earlier sections, principal continuing concerns include the time taken for the financial contribution to reach beneficiaries, delays in closing interventions and, in some cases, administrative complications associated with drawing on the Fund

This section draws out conclusions about the functioning of the EUSF and, where appropriate, puts forward recommendations for change derived from the empirical work conducted during the evaluation. It also draws attention to a number of features of the EUSF which, in the opinion of the evaluation team, could be reconsidered with the aim of improving the functioning of the EUSF. It starts by considering the overall rationale for the policy and its design, then looks at its operational features, focusing on the opportunities for their revision to boost the effectiveness and efficiency of the Fund.

8.1 Policy design, regulatory matters and political added value

Solidarity is a political concept as well as a moral one. The EUSF delivers solidarity, but it is less obvious that it succeeds in the political aim of demonstrating the value of the EU for beneficiaries.

(i) Overall design of the EUSF and budget

The role of the EUSF in assisting countries to recover from natural disasters is appreciated by beneficiaries and is praised in reports by, among other, the EP and the ECA. A straightforward conclusion is that it should remain as an EU policy. A core attribute of the EUSF is that it is not designed to have national (or sub-national) quotas, but to be allocated purely on the basis of the incidence of disasters. While the evaluation has noted some limited concerns about the unbalanced distribution, by beneficiary country, of the contributions, this is outweighed by the solidarity motive. The availability of the Fund to candidate countries also casts the EU in a favourable light.

- *The solidarity principle is valuable and should remain at the heart of the EUSF.*

In all but four years, the aggregate of applications approved accounted for less than half the annual ceiling for the EUSF’s outlays and in six years, the proportion was below ten percent. However, the applications received in 2016 and subsequently approved amounted to 245 percent of the EUR 500 million at 2011 prices – EUR 531 million at

current prices - available for the year in which the contributions were paid (2017), the only time the maximum has been exceeded. This was because of the high level of damage from earthquakes in Italy at the end of the year and start of 2017.

Because the regulation allows unused funds from the previous years to be carried forward, and some from the following years to be drawn down in advance, this exceptional demand can be largely accommodated. It also illustrates the value of the flexibility built into the arrangements and of having a ceiling higher than is needed in an average year. The mean amount disbursed per year in the pre-reform period was well below the available funds, at €264.5 million between 2002 and 2013. Due to the large amount of aid granted to Italy following the earthquakes of 2016, the average aid disbursed between 2014 and 2017 (post-reform) is €477.9 million. The current EUR 500 million (at 2011 prices) ceiling was exceeded only four times in fifteen years (recalling that the ceiling was EUR 1 billion up to 2013). Hence, a reasonable interpretation is that the ceiling of EUR 600 million at 2018 prices (ceiling proposed for the next Multi-annual Financial Framework, 2021-27) is appropriate.

- *The proposal for the budgetary ceiling for the EUSF to be € 600 million at 2018 prices after 2020 should be supported*

(ii) Level of award

The size of the EUSF contribution is small in relation to the overall scale of damage. Testimonials from beneficiaries indicate that it provides an important source of funding, especially at the local level where the budgets of municipal authorities are often stretched. However, there is an open question about how vital it is in cash flow terms, especially for richer beneficiary countries. With the annual budgetary ceiling set to be EUR 600 million at 2018 prices after 2020 (very close to the current ceiling, after allowing for inflation), a question that the research team considers could arise is whether there should be a cap on the size of any single contribution. The solidarity vocation of the EUSF argues against restricting access to it for richer beneficiary countries, but it also has to be recognised that it is a net fiscal transfer which is not explicitly linked to 'need' defined as the ability of recipients to cope with the financial cost.

The amounts allocated vary substantially from year to year. This highlights the value of the provision to carry forward by one year the unspent amounts of the preceding year in keeping the Solidarity Fund operational in budgetary terms. It also highlights the limited financial basis of the Solidarity Fund and the danger that its ability to respond could be threatened if a number of severe disasters occur in a relatively short period of time.

There is an argument for limiting the payments in any single intervention from what is, after all, a relatively small resource. While the current formulae relating the amount payable from the Fund are clear and transparent, the research team suggests a debate on having a cap of a fixed proportion of the annual maximum outlays of the EUSF, noting that such capping already happens with the advance payment option. For example, a cap of 20 percent of the annual ceiling would mean a maximum payment of EUR100 million at 2011 prices.

- *Research team proposition for debate: As with the ESIF, there could be differing rates of EUSF support for countries, linked to the GNI per capita of applicant States.*

(iii) Visibility

The comparative lack of visibility of the EUSF revealed in case studies, and the finding that the Fund is known mainly to practitioners but not citizens, detracts from the political goals of solidarity. There appears to be no obligation (see the closure guidance from the Commission)⁷⁴ to report on publicity. See also, Box 12. Based on the case study evidence, the following recommendations are put forward.

- *Strengthen requirements to publicise the EUSF contribution and oblige beneficiaries to report on it*
- *There should be explicit publicity requirements, as for ESIF (boards, media engagement).*
- *Ensure that around the time the payment is made (and maybe also closure of the intervention) there is a high-profile visit by Commissioner/MEP. This would be an opportunity at payment time to convey the message "this is our support"; and at closure, to say "this is what we have done in support".*

Box 12: Involving the Commission in communication and publicity efforts

There are some interesting examples of effective practice such as in Serbia where regular visits by Commission representatives at project level was effective in gaining media coverage and increasing visibility at the local level. For instance, in the municipality of Kraljevo, local officials were very active in promoting the EUSF impact, using local TV and radio stations. Additionally, at least once per month, Commission representatives had on-site appearances, culminating with the visit from the Chief of the EC Delegation in Serbia.⁷⁵ The visibility of the Fund in other municipalities affected by the same disaster was lower where there were no presence of Commission officials was very limited, and local political support was limited.

A problem for the solidarity goal is that the percentage is small and likely to be overshadowed by national and (in a few cases) other national/international aid.

- *This is difficult to address given budget limitations; but one possibility advocated by the research team is to achieve greater impact/leverage would be for (a proportion of) financial aid to be paid directly to local or regional authorities directly affected by the disaster. This would have a collateral advantage of simplifying the payment pathway and reducing the time taken for cash to reach the 'front-line'.*

(iv) Strategic coherence with EU DPM policy

Preventative measures have not been very prominent in EUSF interventions. The evidence would suggest that it is EU legislation (at a policy level) and the experience of

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http://ec.europa.eu/regional_policy/sources/thefunds/solidarity/pdf/closure_clarification_en.pdf

⁷⁵<http://www.rtvgalaksija.rs/2016/02/10/sef-delegacije-eu-u-srbiji-majkl-devenport-posetio-danas-kraljevo/>

disasters (at strategic and operational levels), rather than EUSF obligations, that are influential in changing approaches to DPM. This is consistent with the relatively small leverage effect of EUSF in financial terms and the limited duration of the funding. It complements and reinforces, rather than being a primary driver of changes. Yet, coherence between EUSF and DPM could be strengthened in a context in which natural disasters recur. In this vein, the research team make the following recommendations.

- *Consider earmarking a minimum proportion of the contribution for such measures.*
- *Review EUSF in line with the EU Action Plan on Disaster Risk Reduction to ensure alignment of DPM objectives*
- *Include assessment of evidence from EUSF implementation reports/closure reports in the EUSF annual reports – to highlight gaps in compliance.*

(i) Strategic coherence with ESIF/IPA

The strengthening of coherence and synergies between EUSF and ESIF/IPA faces several barriers. ESIF/IPA programmes are strategic programmes that are implemented over a medium-term period, making reaction to an *ad hoc* event difficult and they tend to focus more on disaster prevention than restoration activities. Nevertheless, there are limited examples where complementarity can be identified, particularly where management and implementation arrangements are integrated or compatible and also in the case of EUSF and ESIF European Territorial Cooperation projects. To achieve greater coherence, the research team has identified the following potential pathways.

- *Preparation of post-2020 ESIF programmes should take specific account of (a) disaster risk and (b) evidence from EUSF cases on MS gaps in DPM in determining allocation of funding.*
- *In several instances, EUSF and ESIF are managed and implemented by the same authorities. Governance arrangements that involve all the main actors in the process of defining specific objectives, activities and contents of joint actions while allowing the formulation of ad hoc arrangements for integrated operations could be encouraged.*
- *Consider a requirement to earmark a proportion of ESIF for disaster prevention.*

(vi) Regulatory issues

Following the reform of the regulation in 2014, the terms on which EUSF support for areas hit by natural disasters can be accessed became explicit for those classed as regional. The opinions of interviewees consulted for the case studies (some of whom were able to reflect on the pre-reform period in what they said) confirms that this change removed ambiguity, with the result that no regional applications were rejected in the period 2014-2016. The limited time since the 2014 reform may militate against further amendments, but with a new MFF starting in 2021, some revisions could be envisaged.

The evaluation has not revealed systematic objections to the eligibility criteria for the EUSF, except in relation to regional boundaries. At regional level, the eligibility criterion is 1.5 percent of the GDP of the NUTS 2 region where the disaster occurs. Several beneficiaries point to the problem that a disaster may either be spread over several NUTS 2 regions, or be locally concentrated at NUTS 3 level, yet reach the eligibility

threshold in neither of those circumstances. The current approach to this, as stated in the regulation is “where the natural disaster concerns several regions at NUTS level 2, the threshold shall be applied to the average GDP of those regions weighted according to the share of total damage in *each region*.”

- *It is difficult to stipulate numerical criteria that would resolve these dilemmas. There may also be a liquidity risk if the eligibility criteria are lowered further. However, in the opinion of the research team, there could be either political discretion to allow NUTS 3 to be used exceptionally or for some form of dual criterion.*

The distinction between the outermost and other regions is by way of a derogation from the regional eligibility threshold. These regions are in areas more subject to severe meteorological events and may face more acute threats in future as a result of climate change, yet typically have lower domestic ability to cope. Even severe damage in outermost regions will rarely (the case of Madeira in 2010 is a notable exception) attain the threshold for a major disaster, recalling that it is calibrated at national level and the GDP of these regions is small relative to their respective Member States.

The regulation states (recital 1) that EUSF ‘assistance should mainly be mobilised in case of natural disasters’, but does not elaborate on what else, beyond the word ‘mainly’, might be eligible. The regulation also refers (recital 5) to the EUSF being ‘confined to major disasters with serious repercussions on living conditions, the natural environment or the economy’. There are a couple of instances of non-natural disasters having been rejected and one (an oil spill) where support was granted in the early years of the Fund.

- *Despite the reform, there is no explicit criterion for the scale of damage determining eligibility for support for ‘neighbouring’ regions.*
- *To the extent that there is still some ambiguity, it would be worth further clarifying the eligible types of disasters, perhaps removing the word ‘mainly’.*

8.2 Operational issues

Although there is an apparent desire from all sides for EUSF decisions to be made more rapidly and the remittance of payments to be accelerated, the room for manoeuvre is limited in most cases. A related question is whether delays matter. From an operational perspective, the timing of the EUSF payment does not seem to make a tangible difference in the great majority of cases, because it can be used retrospectively to reimburse beneficiaries for payments already made. Some beneficiaries do, though, highlight the cash-flow from the EUSF as valuable where delays in receiving funding from national (or other sources) are prevalent.

Politically, it is also likely that an early contribution will be both more visible to stakeholders in the areas hit by the disaster and to draw attention to the solidarity from the Union. An open question is how rapid it needs to be to achieve such impacts, although earlier payments will always be welcome.

Other operational concerns revealed by the evaluation are about restrictions on how the EUSF money can be used, administrative demands and constraints, and the inter-actions between the Fund and national actions.

(i) Delays and their causes in the application phase

It is nevertheless worth distinguishing between periods of time unavoidably required to ensure due process and avoidable delays in the payment of the EUSF contribution, and asking what can be done to mitigate the latter. Potentially avoidable delays arise mainly because of incomplete or unsatisfactory applications (even when submitted on time), the time taken to translate documents. Similar reasons account for the delays seen in some cases in im

In the application phase, the evidence is that the formal twelve (ten prior to the reform of the regulation) week period is nearly always used in full and it is probably unrealistic in the fraught conditions of coping with a disaster to expect any improvement. On the contrary, an advantage of using the period in full may be to afford greater scope for accurate assessment of damages, including to allow for disasters still unfolding, and thus to diminish the likelihood of updates being needed before moving to the decision phase.

The fact that there was no request for updates for 79 out of 126 applications (nearly two thirds) suggests there is not a general problem in understanding what is required. With the evolution of Commission guidance and a gradual accumulation of knowledge of EUSF procedures at national level, there should be improvements from learning-by-doing. Even so, some of the specific problems identified warrant attention, especially where there are deficiencies in administrative quality or institutional weaknesses in the disaster locality, region or country.

The quality of applications is variable, reflected in the number of updates requested by the Commission (although it is worth noting a decrease in the need for updates since the 2014 reform). A crucial issue in this is the estimation of damages in applications. This has been a challenging process for many applicants and is the cause of the majority of requests for updates. Applicants often have limited capacity to provide detailed estimates of damages and costings. A specific problem is where outdated infrastructure cannot sensibly be costed.

- *Develop a common tool or system to strengthen beneficiaries' capacity to produce accurate, standardised approaches for disaster loss data quantification and loss data collection systems (i.e. databases) in order to obtain reliable loss estimates. Although at a relatively early stage, work on this is developing at the EU level, encouraged by the Sendai process as well as the process for implementing the Sustainable Development Goals agenda. The use of costings for state of the art, rather than historic costs could also be considered.*

At different stages of EUSF interventions translation is a source of delay. Such delays have often been significant, with the standard time for documents of the lengths concerned typically at least thirty days when undertaken by the Commission service. Although applicants are strongly encouraged to submit the application in one of the working languages, it is not an obligation.

- *Ensure translation of application documents and implementation reports is achieved within a specified time.*

The advice and support offered by the EUSF Unit is both helpful to applicants and appreciated by them, but (as some beneficiaries suggest) there may be a case for allowing some of the money to be spent on Technical Assistance (TA).

- *Taking a cue from the views expressed in some Implementation Reports and by case study interviewees, the research team suggests allowing a small proportion of the EUSF to be spent on TA, going beyond the technical and administrative preparation of individual operations. Further, consider the scope for administrative capacity support to be provided on 'good practice' along similar lines to the administrative capacity competence centre for ESIF, albeit this would require additional EUSF unit resources.*

(ii) Decision stages

In the decision-making phase, the six week maximum written into the regulation after its reform in 2014 is subject to the two caveats that it starts from the 'completed' application (implicitly referring to a possible gap between the date of submission of the original application and the agreed updates) and 'excluding time for translation'. From discussions with the EUSF Unit in DG Regio, this six week limit is very tight and offers no real room for improvement. There may also be periods (holiday, sickness, a surge of applications) when staff resources become over-stretched. Similarly, there are stages in the Council/EP phase and in drawing up the Implementing Act which afford no scope for reducing the time taken.

Certainly, every effort should be made to avoid delays, but the evidence from the evaluation suggests that, other than delays related to translation, there is no easy shortcut. Merging procedures for the Grant Decision and the Implementing Agreement has shortened the EU decision process since the reforms. As noted above, there could be scope for further simplifying the decision phase as part of regulatory reform. From an operational perspective, given the current regulatory framework, the steps in the process appear to function sufficiently well. Advance payments, though not taken up by all beneficiaries, appear to be a welcome innovation from the 2014 reform. However, there can be questions over the impact of the delays in the decision stages, especially for very large disasters, or whether the 10% rule provides too little up front.

- *As suggested in European Parliament's 2016 Cicu Report there is a case for increasing the proportion of the anticipated contribution paid in advance, especially in circumstances where the immediate cash flow is likely to be helpful. The research team argues that this could perhaps have a GNI per capita threshold to favour lower income countries.*

(iii) Implementation

Although there are stipulations about the contribution being spent in four broad areas, they are sufficiently flexible to allow beneficiaries to identify suitable projects. Extension of the time limit for implementation from 12 to 18 months is considered by beneficiaries to have been an improvement, as is flexibility to vire funding between types of operation during the implementation process. The evidence suggests that where there has been a failure to use the contribution in full, it is because of administrative failings at the national level, not unreasonable restrictions on eligible spending. However, public procurement rules emerge as a persistent obstacle to rapid implementation of the EUSF spending, especially for large infrastructure investments.

- *While there is evidence, especially from the case studies, that some beneficiaries have been able to find solutions to the constraints of public procurement rules,*

the research team advocates formally allowing derogations from standard public procurement provisions.

Capacity issues have been real problem for some beneficiaries with relatively less developed administrative systems or a lack of experience in managing disasters and the complex challenges of recovery.

- *Provide DPM training, the development of administrative capacity-building tools (damage assessment methods etc.) and peer-to-peer learning.*

The eligible categories capture key needs in disaster-stricken areas. Within this, it is worth noting that by far the biggest demand for funding and reported costs concerns operations for restoring the working order of infrastructure, and operations providing temporary accommodation and funding rescue services. Much less funding has been planned and reported for securing of preventive infrastructures, protection of cultural heritage and immediate cleaning-up efforts.

- *Consider reviewing the definition of operations related to securing of preventive infrastructures, protection of cultural heritage and immediate cleaning up efforts.*

The interview research has highlighted that the EUSF rules preclude going beyond replacing existing infrastructure, whereas the EU Action Plan in Disaster Risk Reduction and the World Bank (for example) promotes the notion of 'build back better'.

- *Introduce greater flexibility in the 'definition' of restoration of infrastructure to working order, allowing beneficiaries to upgrade infrastructure to contemporary standards, in particular to maximise resilience.*

(iv) Exchange of experience

In other policy domains, advantages have accrued from facilitating peer-to-peer exchanges on the operation of instruments and procedures.

- *Aim to establish ex-ante a network of EUSF coordinators in areas known to be most vulnerable to natural disasters.*

(v) Data availability and monitoring

Despite Commission guidance on reporting, there is variation in terms of length, content and the detail of data included in Implementation Reports. This significantly complicates the aggregation of comparable data for the evaluation of the Fund. Consistency in the level of quantitative data and qualitative information (for instance relating to 'lessons learned') would strengthen evaluations of 'what works'.

- *More strictly defined guidance on the size, content, data and level of detail required in EUSF reporting should be provided, albeit without creating an undue burden for beneficiaries.*

The presentation of data and information on DPM in Implementation Reports is inconsistent. In most cases, relatively brief information is provided (the exceptions being the cases studies for Bulgaria and Italy) and does not allow a full picture of progress made with DPM and the lessons learned from disasters and implementation of EUSF.

- *Guidance to ensure greater consistency and rigour of DPM reporting should be provided specifically requiring IRs: (a) to outline DPM progress with reference to*

specific benchmarks (e.g. Commission assessments of NRAs or river basin management plans relevant to the type of disaster); (b) to provide strategic context of how responses to a specific type of disaster (e.g. floods) fit within the broader policy approach to disaster risk reduction; (c) to provide detail on DPM responses across the full range of intervention in the EU Action Plan (planning/regulatory measures, infrastructure / structural investment, natural eco-systems protection, education and training, preparedness/ emergency response measures; and (d) to identify specifically the lessons learned from implementing EUSF for DPM.

(vi) Closure

Although there are now clear guidelines from the Commission for Implementation Reports, the diversity in what has been submitted previously is a cause for concern. There are also delays in closing interventions, with some indications that, despite the best efforts of some members of the EUSF unit staff, neither the Commission nor the beneficiary states regard closure as a high priority, attracting criticism from, among others, the EP and the ECA. Individual cases point to a lack of incentives on the part of the beneficiary country to close the case, with no real penalty for delay. While new disasters are invariably seen as more deserving of the limited staff resources, very lengthy closure is undesirable.

- *Implementation reports should have a more consistent structure, content and format; suggest including as standard a section on lessons learned, and set out a timetable for addressing gaps in DPM.*
- *Incentives for faster closure should be introduced. The research team recognises the sensitivities involved, but, in extremis, such incentives could include a possible claw-back of money if an Implementation Report is excessively and unreasonably delayed or incomplete.*
- *There could be an obligation to report on closure to the EP and the Council by a set deadline (perhaps three months after the submission of an Implementation Report, discounting for translation time).*

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