

JULY 2012  
DG MOVE

# Mid-term Evaluation of TEN-T EA

FINAL REPORT



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PROJECT NO. MOVE 6  
DOCUMENT NO. Final Report  
VERSION VF  
DATE OF ISSUE 27/7/2012  
PREPARED COWI Team  
CHECKED JG  
APPROVED RAZ



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Context

## 1 Executive summary

The Commission has been financially supporting the development of the Trans-European Transport Network (TEN-T) in the EU for over 20 years. Until 2007, the management of this financial support was carried out by the Commission, namely the Directorate-General responsible for Transport (DG TREN until 2010 and then after DG MOVE).

Based on the positive results of a Cost-Benefit Assessment (CBA) on the potential externalisation of the management of the Community financial support to the TEN-T issued in April 2005, the Commission established the Trans-European Transport Network Executive Agency (TEN-T EA) on 26 October 2006, with an initial duration limited to 31 December 2008. The then main task of the Agency was to manage the remaining open projects and financial decisions related to the period 2000-2006.

Further to the adoption of the EU Financial Framework for the period 2007-2013, the new TEN Regulation<sup>1</sup> was adopted with an increased indicative financial envelope for the TEN-T programme amounting to EUR 8.013 bn.

Hereupon, the mandate of the Agency was extended from 2008 to 2015 based on an updated CBA that assessed the staff level required to carry out the additional tasks related to the management of the TEN-T projects under the new TEN Regulation.

The analysis also assessed the desired qualitative improvements in evaluation and selection of project applications and technical and financial monitoring and management of the TEN-T projects. These improvements will be generated by the TEN-T EA due to the increased resource capacity and the ability it has to hire specialised staff fully dedicated to TEN-T management tasks.

The analysis demonstrated that an Executive Agency employing 99 staff should provide the Commission with substantial savings of EUR 9.88 m compared to the in-house option (internalisation in DG MOVE).

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<sup>1</sup> REGULATION (EC) No 680/2007



## Aims of the midterm evaluation

The present report concerns the evaluation of the first three years of operation of the trans-European Transport Network Executive Agency (TEN-T EA) during its extended and full mandate: the period from 15 April 2008 till 14 April 2011. The evaluation meets the requirements of article 25 paragraph 1 of Council Regulation (EC) N° 58/2003 that lays down the status for Executive Agencies and stipulates that an external evaluation report for the first three years of operation shall be prepared by the Commission and submitted to the Steering Committee of the Executive Agency, to the European Parliament, to the Council and to the Court of Auditors.

The evaluation was undertaken between December 2011 and June 2012. According to the specifications issued by DG MOVE, the evaluation included two main tasks:

- › The assessment of the relevance, effectiveness, cost efficiency and benefits and advantages of the TEN-T EA from responses to 17 specific evaluation questions.
- › A revised Cost Benefit Analysis (CBA).

The evaluation focuses on both the qualitative and quantitative indicators presented in the analytical framework and agreed upon with the Evaluation Steering Group. As an input to this study, the evaluation team organised a number of meetings and interviews with TEN-T EA and DG MOVE staff to obtain views on how the Agency is performing. Other Commission services (DG REGIO, DG HR, DG BUDG, and IAS) were also consulted as well as the EIB. Additional valuable qualitative information on the level of services provided by the Agency was obtained through feedback from beneficiaries of the TEN-T programme. Other activities included desk research as well as several meetings with Steering Group members to obtain feedback and reactions on initial findings.

## 1.1 Conclusions of the Evaluation

## Overall conclusion

The **overall conclusion of the evaluation** is that the TEN-T EA is a well-run organisation that has successfully met the targets that have been set. The evaluation shows that the Agency is performing its mandated tasks in an effective and efficient way. It has a very high performance in relation to project management tasks. The Agency performance has also indirectly facilitated an improvement in the operational implementation of the TEN-T Programme. It is also noted that the level of satisfaction among stakeholders is high and the quality of services has improved in comparison with the time before the creation of the Agency.

Using an Agency to manage the projects financed by the TEN-T programme is the most cost-effective option and, as such, the relevance of the TEN-T EA continues to be high. In conclusion, the cost and delivery of the Agency fulfils the objectives and expectations of improved implementation of the TEN-T programme, as sought at the time of establishing the Agency.

## Conclusion on Relevance

The tasks carried out by the Agency are consistent with the ones defined in the Commission Decision to establish the Agency and the Act of Delegation. Our

assessment shows that the relevance of the TEN-TEA to the needs it was intended to meet was strongly demonstrated when the Agency was established and has remained so subsequently. The relevance of the Agency is fully confirmed.

The outsourcing to the Executive Agency remains the most cost-effective manner to ensure the management of the EU's support to the TEN-T network. There are no factors in the organisational environment that have changed to the extent that the merits of the outsourcing option should be questioned. If anything, given the more pronounced constraints on the EU budget, the need to maximise efficiency gains through arrangements such as outsourcing has become even more pressing.

#### Conclusion on Effectiveness

The creation of the Agency offered the possibility of increasing the number of (specialised) staff dealing with TEN-T project management compared to the level of staff available in DG MOVE.

Overall, the TEN-T EA is operating effectively and in compliance with Council Regulation 58/2003, the Financial Regulation and the legal framework by which it was established. The Agency's objectives have been achieved to a high degree and overall target-achievement has improved continuously from 2008 to 2011. The annual specific objectives were achieved from 2008 to 2011 with only minor exceptions. Furthermore, the level of satisfaction of the stakeholders with the services provided by the Agency is high.

The evaluation shows that the Agency is performing its mandated tasks. It has a very high performance level in relation to the project management tasks. This has also facilitated an improvement in the operational implementation of the TEN-T Programme. A task where the Agency should further augment its performance is in providing technical advice to Beneficiaries (especially EU-12 Member States) on issues related to the financial engineering of projects (e.g. how to blend grants with private funding) but also in relation to the compliance of TEN-T projects with EU environmental law.

Considering that it seems likely that funding for TEN-T will increase during the financial perspectives from 2014 and onwards, the characteristics of the projects may very well take on an even more pronounced focus on larger projects. This underlines the need for the TEN-T EA to further develop its competencies and experience in appraisal of project proposals to incorporate economic and financial viability analyses and cost-benefit assessments.

#### Conclusion on Cost-Effectiveness and CBA

The organisational structure of the Agency is well suited for managing its tasks and objectives. The Agency possesses a high level of expertise in project and financial management, but could acquire additional skills in some areas of transport expertise such as traffic-flow forecasting, cost-benefit assessment of transport infrastructure and cost engineering<sup>2</sup>.

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<sup>2</sup> Cost engineering is the engineering practice devoted to the project cost management, involving such activities as (unit) cost assessment, cost control, cost forecasting, investment appraisal, and risk analysis.

DG MOVE has produced a monitoring strategy of TEN-T EA, in which the different levels of monitoring and supervision of the Agency's activities are defined and outlined. The resources employed by the Commission on supervision and control of the Agency are estimated as 3.15 full time equivalents(FTE), which is in line with the other Executive Agencies though lower than the level anticipated at the creation of the Agency (6 FTE).

The implementation modules of TENtec facilitate the daily work of the Agency and contribute to the efficiency of the project management performed by it. It is difficult to quantify the added value the implementation module provides TEN-T EA staff, as without it, it would not be possible to do the same level of project monitoring and follow up.

The CBA estimation for 2008-2015 reconfirms that the Agency option to manage the implementation of the TEN-T programme is the more cost-effective, compared to a similar programme implementation structure in the Commission. The outcome of the CBA shows cost savings of the Agency option estimated at a net present value (NPV) of EUR 8.66 m, which is in the same range as the NPV estimated in the 2007 CBA. It is also concluded that the Agency fulfils the objectives and expectations as sought at the time of its creation.

Therefore internalising the project management back to DG MOVE is not expected to be beneficial to the TEN-T programme implementation. Analysis of the alternative options provides support for the concept of entrusting the management of the implementation of the future CEF to TEN-T EA, in order to enable the quality and discipline of the TEN-T programme management to be applied to the higher co-financing rate of the Cohesion Fund. The overall conclusion is that the current set-up of the Agency is the best solution for managing the TEN-T programme and the CEF in the future.

#### Conclusion on Benefits and Disadvantages

The assessment of the benefits and disadvantages of the TEN-T EA compared to DG MOVE shows that the Agency is performing positively in relation to all judgement criteria examined. Thus, the Agency has:

- › Enabled DG MOVE to focus on its institutional tasks and thereby improved the institutional task performance.
- › Established an adequate flow of information enabling DG MOVE to benefit from the in-depth know-how of TEN-T projects created within the Agency.
- › Promoted the image of the TEN-T programme in a satisfactory manner through a professional and effectively executed communication effort.
- › Had an indirect positive impact on the achievement of the establishment of the TEN-T network through effective execution of the tasks entrusted to it.

The evaluation underlines the importance of both formal and informal channels of communication between DG MOVE and the TEN-T EA and of a sustained effort on both sides to ensure good coordination and sharing of knowledge. Cooperation

and communication is on-going at many levels and on many issues. This is necessary and should be prioritised.

To improve information flows, it is suggested to render information channels between the two organisations more explicit, especially at the desk officer-level and according to areas of expertise.

One area where an increased cooperation could have potential benefits for the implementation of the TEN-T programme is communication on the TEN-T projects and programme impacts. This is an area with obvious interfaces between DG MOVE and the Agency and where there could be increased coordination. To this end, a clearer designation of a counterpart in DG MOVE to the communication unit in the Agency could be a valuable contribution.

## 1.2 Recommendations

The above conclusions give rise to a number of recommendations. Some are general and some are targeted specifically at either the TEN-T EA and/or DG MOVE.

### 1.2.1 Recommendations to DG MOVE

#### **Recommendation 1: The TEN-T EA should be maintained**

The evaluation has shown that it is still relevant to outsource the tasks managed by the Agency. The TEN-T EA has shown that it can effectively and efficiently execute the tasks entrusted to it and has built up considerable experience over the past couple of years. There is thus a good basis for continuing operations in the coming years.

Should the Commission decide otherwise, there would also be a risk of not keeping the separation between policy development and project management if the Agency was for instance to become a Directorate in DG MOVE. The danger of mixing policy development and project management activities in a policy development led structure should not be under-estimated.

Should the Agency be maintained, it is recommended to monitor the resources dedicated by DG MOVE to supervision and control of the Agency as increases in the level will reduce the monetary benefits of having an Agency. The cost of supervision and control amounted to EUR 0.40 m in 2011, which is equal to 25% of the costs savings achieved by the Agency that year.

#### **Recommendation 2: Maintain focus on continuously developing cooperation and communication between DG MOVE and TEN-T EA**

Although information and reporting is regarded as well-functioning and adequate, the hands-on knowledge of daily project implementation now lies primarily with TEN-T EA. The risk exists that the Agency produces information that is sometimes difficult to communicate to non-technical staff at the Commission. At the same time, the level and speed of technical information and reporting on project implementation has been increasing and continues to do so.

The evaluation has shown that much progress has been achieved in this area and that communication is functioning well. This is thanks to an effort from both sides to work proactively to solve issues and improve performance. Good coordination and communication is of high importance for a number of reasons, especially to ensure that the Commission retains sufficient know-how on the project-specific aspects and to ensure that the Agency has a correct basis and level of knowledge about the programme to manage its implementation. For this reason, there should be a continued emphasis on maintaining and further developing the existing practices and channels of communication.

Furthermore, this underlines that a relatively high level of understanding and capacity related to the technical aspects of project implementation is also to be kept in DG MOVE.

### 1.2.2 Recommendations to DG MOVE and TEN-T EA

#### **Recommendation 3: Maintain dialogue with Beneficiaries and Implementing Bodies and expand dialogue on project preparation**

The evaluation shows that Beneficiaries and Implementing Bodies are generally very satisfied with the services offered by the Agency. One of the positive aspects most often mentioned is the effort made by the Agency to enter in a constructive dialogue whether this is in connection with a specific project or in connection with the info-days, work groups, etc. arranged by the Agency. The Agency should maintain and also strengthen its work in this area. In particular, in the Cohesion Fund countries (EU 12 + Greece, Portugal and Spain) more focus on project development will be relevant for the next funding period. Countries that have less experience with the TEN-T project application process and centralised management might be in need of greater assistance in the preparation of their applications and will require closer project monitoring.

DG MOVE should enhance the dialogue with these Member States about the possibilities of the TEN-T programme (the CEF in the future) and the assistance to be provided by the Agency prior to project application submission. The Agency should reinforce its staff skills to be able to meet these requirements to assist these countries with their applications, as well as during the project (works) implementation.

#### **Recommendation 4: Increase joint communication efforts of DG MOVE and TEN-T EA to achieve a higher level of synergy in the promotion of the TEN-T programme and projects**

The evaluation shows that the efforts of the Agency to communicate information about the TEN-T projects and promote the TEN-T programme are well planned and executed. Coordination of these activities with the relevant communication experts in DG MOVE works well in practise. However, a stronger linkage, and perhaps appointment of a relevant communication counterpart in DG MOVE, would support a more coordinated effort and exploitation of synergies in relation to communication on the TEN-T projects (TEN-T EA) and communication on the TEN-T programme/policy (DG MOVE).

### 1.2.3 Recommendations to TEN-T EA

#### **Recommendation 5: Develop the selection procedure and methods to achieve better gearing for increased programming budget and larger projects**

The selection of project proposals has improved during the lifetime of the Agency. The use of recognised evaluation criteria and external experts are the main explanatory factors. As budgets and projects are expected to grow, the focus is likely to shift from financing of studies and preparatory work to financing of actual infrastructure, and the appraisal of projects will take on a much larger significance. In addition to the evaluation methods and evaluation criteria already in place, there is a need to develop methods to focus more on project viability and to incorporate cost-benefit assessments of projects in the procedures. In this connection, there are important lessons to be learned from other financing mechanisms, e.g. the EIB, and the Agency should seek to draw on these where possible.

#### **Recommendation 6: Continued focus on improving the effectiveness and efficiency.**

The Agency has accomplished important work in streamlining and simplifying its working procedures to the benefit of the management of TEN-T projects and the improvement of the financial execution of its operational budget. In case the management of the CEF and the transport research programme are entrusted to the Agency from 2014 onwards, further efforts should already be planned to organise the expansion of the staff base and develop the needed management tools (including IT) and procedures based on lessons learnt from the current period (e.g. feed back from beneficiaries).

#### **Recommendation 7: Continue streamlining of application procedures**

Beneficiaries and Implementing Bodies appreciate that a lot has been done by the Agency to facilitate a smooth application procedure and satisfaction with the Agency is high. However, it is also emphasised that there are untapped possibilities for further simplification and streamlining. It is recommended that the Agency continues the dialogue on this with Beneficiaries and Implementing Bodies through the good practice working group and makes a specific assessment on the possibilities for further digitising the application process.

#### **Recommendation 8: Strengthen transport expertise skills amongst staff.**

The Agency possesses a high level of project and financial management expertise amongst its staff and has throughout its lifetime continuously supported beneficiaries to a very satisfactory level. The provision of further advice and support to Implementing Bodies (mostly in the EU 12) on issues related to financial engineering of projects and their compliance with EU environmental law is viewed as an area where the Agency should increase its staff capacity and performance. There is a need for the Agency to take on a greater role in adding value and bringing maturity to the projects. This is an area where the potentials for enhanced cooperation with other financing mechanisms (managed by DG REGIO and EIB) seem promising. In view of the likely future expansion of the Agency, the recruitment of staff with specialised skills should be prioritised. Also, enhanced cooperation with the EIB Project Directorate on appraisal methodologies (including unit costs of works items) and mobilisation of ad-hoc expertise via DG MOVE's existing framework contracts in peak periods should be encouraged.

## 2 Introduction

### 2.1 Structure of the report

This report is the final report presented by COWI for the assignment “Mid-term evaluation of the Trans-European Transport Network Executive Agency (TEN-T EA)”.

The final report is structured as follows:

- › **Chapter 1 Executive summary** including conclusions and recommendations.
- › **Chapter 2 Introduction** presents the background and rationale for this mid-term evaluation.
- › **Chapter 3 Research methodology** outlines the approach and methodology implemented during this evaluation.
- › **Chapter 4 Evaluation results on relevance** are presented by answering the evaluation question related to relevance.
- › **Chapter 5 Evaluation results on effectiveness** are presented by answering the evaluation questions on effectiveness.
- › **Chapter 6 Evaluation results on cost effectiveness** answers the evaluation questions about efficiency.
- › **Chapter 7 Evaluation results on benefits and disadvantages** are presented by answering the evaluation question related to identified benefit and disadvantages.
- › **Chapter 8 CBA** presents the results of the updated cost-benefit analysis carried out during this mid-term evaluation.
- › **Chapter 9 Conclusions and recommendations** presents the overall conclusions and recommendations from the evaluation.



The following appendices are enclosed:

- › Abbreviations
- › Literature list
- › Background information on TEN-T EA
- › Summary of interviews with beneficiaries
- › Comparison between WPs and AARs
- › Key performance indicators
- › Overview of key outcomes of the Agency per year

## 2.2 Background for this Evaluation

### Background

The Trans-European Transport Network Executive Agency (TEN-T EA<sup>3</sup>) was established in 2006 by Commission Decision No 2007/60/EC of 26 October 2006 as the fourth Executive Agency<sup>4</sup>. The TEN-T EA was set up to manage all open projects under the TEN-T programme for 2000-2006. The mandate of the Agency was extended in July 2008 until the end of 2015 and the Agency was entrusted with the management of all projects supported by the TEN-T budget line over the period 2007-2013.

The Commission delegated the tasks of implementing the operational budget of the TEN-T Programme to TEN-T EA, under the supervision of its parent DG, DG MOVE. The main objective of the Agency is to implement on behalf of the Commission the projects to be funded under the TEN-T Programme. That includes managing both the technical and financial implementation of Community actions and monitoring the entire lifecycle of the TEN-T projects. Additionally, all the tasks defined in the mandate of the Agency (the Act of Delegation<sup>5</sup>) are to be carried out in a cost-efficient manner.

### Organisational set-up

TEN-T EA is led by an Executive Director who reports to a Steering Committee appointed by the European Commission. The Steering Committee supervises the

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<sup>3</sup> Throughout the text the Trans-European Transport Network Agency will be referred to as either TEN-T EA or the Agency.

<sup>4</sup> In 2003, the Intelligent Energy EA (now Executive Agency for Competitiveness and Innovation) and EACEA were set up, followed by the Executive Agency for Health and Consumers (EAHC) in 2005, TEN-T EA in 2006 and lastly REA and ERCEA in 2009.

<sup>5</sup> C(2007) 5282 of 5 November 2007, as amended by C(2008) 5538 of 7 October 2008.



activities of the Agency while the Director is responsible for its daily management. The Agency is organised in operational and horizontal units<sup>6</sup>.

Currently the Agency employs 100 members of staff, of which 33 are Temporary Agents (including 7 seconded officials) and 67 Contract Agents<sup>7</sup>.

To date (30/4/2012), the TEN-T project portfolio managed by the TEN-TEA includes 326 on-going and closed projects representing EUR 6.56 bn worth of financing commitments. This figure does not include projects from the 2011 MAP and annual calls. From this total, EUR 5.77 bn in grants have been earmarked to the 30 Priority projects (covering 153 projects). In addition, the Agency manages EUR 108.1 m worth of commitments for 20 on-going projects from the 2000-2006 Financial Perspectives.

*Table 2-1: Agency's TEN-T project portfolio*

Number of projects	Grand Total	Grand Total
Mode		in EUR m
Airport	11	53,9
ATM	14	152,3
ERTMS	36	426,3
Galileo	1	190,0
ITS	4	209,7
IWW	23	623,9
MOS	12	122,1
Multimodal	21	307,2
Port	16	38,5
Rail	131	4.195,2
RIS	11	22,8
Road	46	222,9
<b>Grand Total</b>	<b>326</b>	<b>6.564,9</b>

*Source: TEN-T EA*

Evaluation  
background

The legal basis for the Executive Agencies (Article 25 of Council Regulation (EC) No 58/2003<sup>8</sup>) states that Executive Agencies shall be subject to an evaluation and a cost benefit analysis of the first three years of operation<sup>9</sup>. The Commission is

<sup>6</sup> The Director's office is referred to as unit T0. T1 is the Resources unit and T2 and T3 are operational units respectively responsible for Road & Rail Transport and Air and Waterborne Transport, Logistics, Innovation & Co-modality. Finally T4 is the unit responsible for Technical & Financial Engineering, GIS & Monitoring, and Statistics.

<sup>7</sup> More information on the background of the Agency, the organisational structure, the TEN-T programme and the tasks carried out by the Agency can be found in Appendix C.

<sup>8</sup> Council Regulation 58/2003 of 19 December 2002 lays down the statute for Executive Agencies to be entrusted with certain tasks in the management of Community programmes.

<sup>9</sup> Paragraph 2 of Article 25 further stipulates that "The evaluation shall subsequently be repeated every three years under the same conditions".

responsible for conducting this mid-term evaluation and will submit its results to the Steering Committee of the Executive Agency, the European Parliament, the Council and the Court of Auditors.

The evaluation began on December 2011 with a kick-off meeting and will be completed with the submission of the final report scheduled on 2 July 2012.

The evaluation seeks to assess the functioning of the Agency, in order to conclude whether it continues to be the most efficient and effective solution for the management of the EU's support to the TEN-T projects. The evaluation should further identify any problems in the systems and processes used by the Agency as well as monitoring and controlling requirements by DG MOVE. Finally, a retrospective CBA of the Agency was performed.

The first three years of the Agency operations to be evaluated relate to the period from 15 April 2008 to 14 April 2011. Nevertheless, the evaluation and particularly the updated CBA have been carried out in the context of the full lifetime existence of its present mandate. Some important developments in DG MOVE and activities in TEN-T EA that took place since April 2011 and during 2012 have been integrated in the evaluation.

The evaluation was carried out by experts from the COWI consortium and lead by COWI Belgium. The evaluation team consists of permanent staff from COWI, ECORYS and CENIT.

### 3 Research methodology

The aim of this chapter is to provide an overview of the approach and methodology used for the implementation of this Agency evaluation.

The section provides details on the design of the evaluation and data collection methods for the evaluation questions. The evaluation of the performance of the Executive Agency is centred on a set of evaluation questions analysing the relevance, effectiveness, cost-effectiveness and operational efficiency, as well as the benefits and disadvantages.

#### Evaluation questions

The task specifications highlight a number of evaluation themes and questions to be answered. In Table 3-1, the relationship between the evaluation themes, criteria and questions is presented. The evaluation questions are numbered according to the order in which they are mentioned in the TORs.

*Table 3-1: Summary of themes, evaluation criteria, evaluation questions and methodology tools*

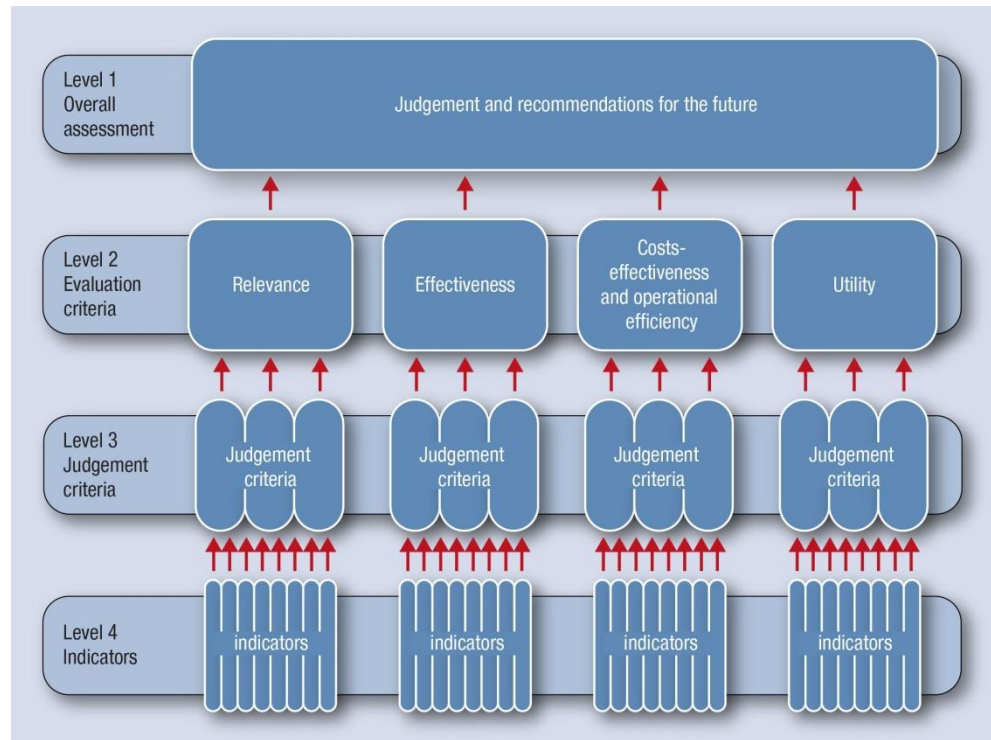
Theme	1. Implementation	2. Operation	3. Cost-effectiveness and operational efficiency	4. Benefits and disadvantages
Evaluation criteria	> Relevance	> Effectiveness	> Efficiency	> Utility
Evaluation questions	Q1	Q2-Q6	Q7-Q12	Q13-Q17
Methodology tools	Desk study, interviews	CBA, interviews, desk study, workflow analysis	CBA, interviews, desk study, workflow analysis	CBA, interviews, desk study, workflow analysis

### 3.1 Analytical framework

From indicators to an overall assessment

In order to carry out the assessment, an analytical framework was developed and made use of with four levels of analysis, arranged in a logical hierarchy. This enabled a detailed assessment covering all issues mentioned in the scope of this assignment, and on this basis, to aggregate the findings in order to conclude an overall assessment. Figure 3.2 below illustrates the four levels and the linkages.

Figure 3-2: Overview of analytical framework



- Overall assessment

Level 1 includes the **overall assessment**, which provides the condensed assessment of the performance of the TEN-T EA and its work procedures. The assessment includes a review of whether TEN-T EA is fulfilling its performance targets.
- Main evaluation criteria

Level 2 is the assessment of the **main evaluation criteria**. Relevance, effectiveness, cost-effectiveness and operational efficiency and benefits and disadvantages of the Agency are addressed to obtain an overall assessment of these areas.
- Judgement criteria

Level 3 are the **judgement criteria**. The purpose of setting the judgement criteria is to clearly formulate how judgements are made. A clear judgement criterion improves the transparency by making the judgement explicit. The judgement criterion is also important for determining the indicators, as the indicators relate to the judgement criterion, by structuring the evaluation.
- Indicators

Level 4 is the level of **indicators** for which we collected data, formulated questions for interviews, surveys etc. The indicators are formulated for each group of judgement criteria. The data collected on indicators was used to validate (or negate) the judgement criteria, which fed into the analysis of the evaluation questions and the formulation of conclusions and recommendations.

Performance indicators

In addition to the indicators developed specifically for this evaluation, the key performance indicators listed in the TEN-T EA work programmes were analysed and taken into account to measure the performance of the Agency.

### 3.2 The tools implemented

The methodological tools mentioned in Table 3-1 all served a particular purpose in the undertaking of the evaluation.

The desk study primarily dealt with the collection and systemisation of existing data from available data sources, whereas the interviews aimed to collect new data by consulting the actors and stakeholders involved.

E-survey

Initially an e-Survey was planned to be conducted amongst beneficiaries and Implementing Bodies. After careful consideration and discussions with the evaluation Steering Group it was decided to conduct more qualitative interviews instead. This decision was based on past experiences with e-Surveys which are not always best suited to collect qualitative information and due to the fact that the target population was rather limited (27 Beneficiaries and a relatively limited number<sup>10</sup> of Implementing Bodies (IB)). A stakeholder Satisfactory survey was therefore addressed to all Beneficiaries and selected Implementing Bodies.

Beneficiary Satisfactory survey

A questionnaire was circulated at the TEN FAC<sup>11</sup> meeting held in January 2012 amongst Beneficiaries and sent to selected IBs. This resulted in a substantial collection of replies. A few Beneficiaries wished not to take part in the survey and despite numerous attempts some countries did not submit their answers to the questionnaire. Furthermore, selected Implementing Bodies were interviewed providing valuable contributions mainly on the evaluation questions related to Effectiveness and Benefits and Advantages.

*Table 3-2: Overview of replies to beneficiary satisfaction survey*

Beneficiary satisfaction survey	Replies received <sup>12</sup>	
	EU 15	EU 12
Beneficiaries	13	9
Implementing Bodies	14	
Total	36	

Desk study

The desk study involved a review of documents received from DG MOVE and the Agency. The study was conducted simultaneously with the interviews and has continued throughout the evaluation process as documents have been received on a

<sup>10</sup> Compared to other EU spending programmes that count a higher number of applicants and beneficiaries.

<sup>11</sup> Financial Assistance Committee.

<sup>12</sup> For Federal countries, more than one reply was received.

continuous basis. Appendix B provides an overview of all the documents collected during the desk study.

**Face-to-Face interviews**

Various interviews were carried out throughout the evaluation. Some interviewees were interviewed twice, for clarification purposes. Interviews are suitable for collecting qualitative data as well as validating data from other sources.

A variation of the same questionnaire was sent out to interviewees a few days ahead of the interviews enabling them to prepare their answers. All questionnaires were amended to better target the respondents, as different interviewees would have different knowledge and experience with the performance of the Agency.

Nine members of staff from DG MOVE involved with tasks relating to the Agency (Unit B1 and B4 and SIAC) were interviewed. 19 staff members of the Agency were interviewed based on suggestions made by the Steering group and the TEN-T EA Executive Director.

An interview took place at the European Commission's Internal Audit Service with the auditor involved in the previous audits of the Agency.

Four members of the Project Directorate of EIB (PJ) were also interviewed: the observer in the Agency Steering Committee and three staff members dealing with the innovative financial instruments (LGTT).

Minutes of meetings were produced for each interview and used by the evaluation team to assess evaluation questions throughout the process.

*Table 3-3: Interviewees and interviews*

Interviews performed to date	Number of interviews performed
DG MOVE (Directorate B and SRD and SIAC)	9
TEN-T EA (all units)	19
Steering Committee (DG MOVE, DG HR, DG REGIO)	3
DG REGIO, DG BUDG, DG HR	5
IAS	1
EIB (Steering Committee observer and Project Directorate staff)	4
Total	41

**CBA**

A retrospective CBA based on the real costs of the Agency during the period under evaluation was performed and its results compared with the CBA produced at the creation of TEN-T EA.

### 3.3 Obstacles and limits of the evaluation

We present below some minor obstacles and limits faced during this final phase of the evaluation.

- › A few documents and some information requested by the evaluation team were not received by the time this final report was written:
  - › A user satisfaction survey of the TENtec system (key players, ministries from Member States), referred to in an interview with DG MOVE.
  - › A report on the workload analysis by the Agency.
  - › The updated Monitoring Strategy of DG MOVE.

This missing information did not prevent the answering of all the evaluation questions.

- › Missing responses from some Member States: Beneficiaries and Implementing Bodies participating in the TEN-T EA Info Days were sent a questionnaire. After follow-ups via emails and telephone calls to the various Beneficiaries, a higher response rate was attained. However, seven countries did not reply to the survey, two of which specifically expressed no wish to participate. Nevertheless, participating countries submitted substantial answers to the questionnaire enabling a thorough analysis of the collaboration on matters relating to the work of the Agency.
- › Difficult question: Evaluation question nr.17 regarding unintended results or impacts of the activities of the TEN-T EA seemed problematic to answer for most interviewees who struggled to come up with any responses. This question is often put forward in evaluations and is somewhat difficult for the respondents to answer. The answer to this question has been sought by analysing all information obtained during the interviews with the staff of the Agency as well as DG MOVE and the replies of the beneficiaries. Despite this, the evaluation team did not manage to identify many unforeseen results or impacts to date.

## 4 Evaluation results on relevance

Relevance is the extent to which an intervention's objectives are pertinent to the needs, problems and issues addressed. The analysis that follows will examine to what extent the TEN-T EA is still relevant to the needs the Commission intended it to meet, which is the cost-effective implementation and management of projects co-financed by the TEN-T programme designed by the Commission. In other words, this point will seek to answer the question of whether or not the nature and range of tasks related to the implementation of the TEN-T projects still justify outsourcing and if these tasks are suited to the Agency's approach.

More specifically, identification of tasks outsourced to the Agency and the justification and suitability of these tasks concern the intervention logic of an Executive Agency.

### 4.1 EQ 1 - Whether the nature and range of tasks entrusted to the Agency still justify the outsourcing of these tasks, including an outline of which tasks are particularly suited to this approach?

#### Introduction

This question concerns relevance of the outsourced tasks carried out by the Agency as part of the mandate entrusted to it by the Commission. The answer to this question is linked to the CBA factor related to the "Identification of the tasks justifying outsourcing".

The two following judgement criteria are used to evaluate the Agency's relevance:

- › Whether the nature and range of tasks entrusted to the TEN-T EA still justify the outsourcing.
- › The extent to which the CBA confirms that the Agency is the most favourable option in monetary terms.



The main sources of information and data collection are:

- › Desk review, especially annual reports and the legal basis of the Agency.
- › Interviews with DG MOVE and Agency staff.

#### 4.1.1 Evidence

Nature of tasks to be entrusted to the EA

The tasks outsourced by the Commission to Executive Agencies are defined in Article 6 of Council Regulation No. 58/2003<sup>13</sup>. Any tasks required to implement a Community programme can be entrusted to an Executive Agency except tasks<sup>14</sup> such as programming, the establishment of priorities, the selection of projects according to Article 5 of the Regulation (EC) No. 680/2007, programme evaluation and legislative monitoring. So there should be a clear separation between programming stages (the Commission's core business), for which the Commission remains fully responsible, and the back-up for implementation of technical projects, where no political decision-making implying discretionary powers is involved.

The tasks to be entrusted by the Commission to an Executive Agency are related to the management of some or all of the phases of the specific projects to be funded by the Community programme including selection, adoption of decisions and checks. It also includes the management and execution of the Community programme operational budget (grants). Project achievements and their financial execution are to be analysed by the Agency to further improve the implementation of the Community programme it supports.

Tasks involving a great degree of discretion, as they imply political choices, are explicitly excluded

The tasks suited for externalisation to Executive Agencies are generally those where there is:

- › A need for a high level of technical and financial expertise throughout the project's cycle.
- › The possibility of economies of scale through a high level of specialisation or the regrouping of similar programmes or activities within one agency. Achieving economies will depend to a large degree on the agencies' ability to recruit contract staff.
- › The need for the Commission to focus on legislative and strategic tasks in policy formulation and monitoring, including those connected with Community programmes.

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<sup>13</sup> Council Regulation (EC) No. 58/2003 of 19 December 2002 laying down the statute for Executive Agencies to be entrusted with certain tasks in the management of Community programmes.

<sup>14</sup> "... tasks requiring discretionary powers in translating political choices into action..."

- › The need to carry out certain activities with increased visibility without any intervention by third parties as intermediaries.

The TEN-T programme matches the above characteristics and was well suited to have its management-related tasks outsourced to an Executive Agency.

Although the programme is relatively modest in size, compared to other community instruments, the Cohesion Fund for example, it provides financial support to a large number of transport infrastructure-related studies and works aimed at having a leveraging effect on other sources of funding (both public and private). The nature and complexity of the supported projects require specialised financial and technical staff to assist the promoters to apply to the Programme for support, to evaluate these applications, manage the grants and monitor and follow-up the projects. The experience with the TEN-T EA to date shows that the concentration of the project management in a dedicated structure that was able to recruit contract staff has provided economies of scales and considerably improved payment execution and the visibility of the programmes, whilst its parent DG has been able to focus on its policy and programming tasks.

#### Distribution of tasks between TEN-T EA and DG MOVE

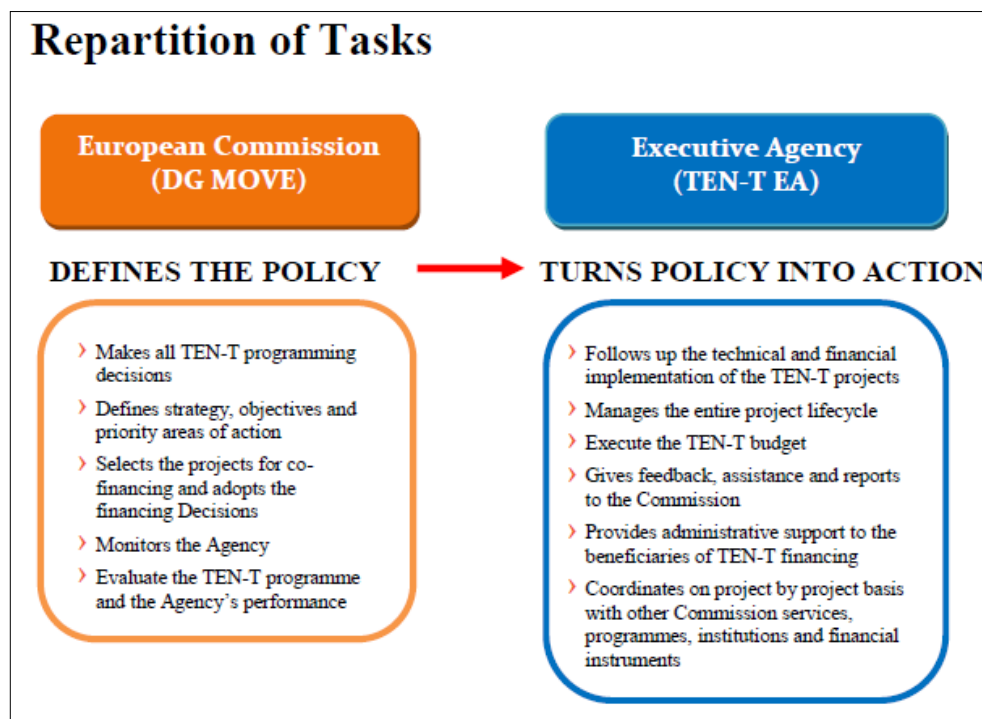
The Act of Delegation stipulates the responsibility of the Agency in the form of tasks to be carried out and performed under the responsibility of the Executive Director of the Agency. It further describes the division of work between the Agency and DG MOVE, which is illustrated by the figure<sup>15</sup> below. Again, tasks involving a large measure of discretion implying political choices were explicitly excluded.

The principles of collaboration and coordination in the performance of the Agency tasks, the division of responsibilities and the methods of management between the Agency and DG MOVE, as well as the use of shared management tools like TENtec, have been further elaborated and agreed on in the Memorandum of Understanding (MoU) and the IT Strategy between the two parties.

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<sup>15</sup> [http://www.eipa.eu/files/File/PPP/PPP-TEN-\\_programme\\_Shelley%20Forrester%20.pdf](http://www.eipa.eu/files/File/PPP/PPP-TEN-_programme_Shelley%20Forrester%20.pdf)

Figure 4-1: Division of work between the Agency and DG MOVE



There is a general belief, among both Agency and DG MOVE staff, that the tasks delegated to the Agency are completed as required through the daily operations of the Agency. The establishment of the Agency has paved the way for a more comprehensive focus and follow-up of the projects funded through the TEN-T programme.

Furthermore, it is clear from all the interviews with the Steering Committee Members of TEN-T EA and DG MOVE management that the Agency only focuses on project implementation and not on policy, which remains the responsibility of DG MOVE. The division of tasks is found to work very well, and no overlaps occur in the daily work. The Agency staff state that the separation of the projects from policy-making leads to a better service towards the beneficiaries and the projects. When the Programme was entirely managed within DG TREN, the policy-making aspect often took precedence on project management or implementation tasks.

The Table 4.1 below compares the tasks listed in the different legal bases of TEN-T EA and the actual tasks performed by TEN-TEA to date, as well as major contributions to the assessment of the implementation of the TEN-T Programme, which were provided by TEN-T EA to DG MOVE upon request<sup>16</sup>. There is a good alignment between the tasks listed in the act of delegation and the tasks actually performed by TEN-T EA and that are suited to Executive Agencies. The tasks related to "technical assistance to project promoters regarding the financial

<sup>16</sup> The terminologies and activities presented in this table are further detailed in the next chapters and in Appendix C.

engineering for projects and the development of common evaluation methods" can further develop, notably in relation to providing technical advice to project promoters, especially in EU-12, on issues connected to the financial engineering of projects (e.g. how to blend grants with private funding). These tasks were challenging, mainly because the financial engineering sector was only established in its full size in March 2010 and also due to the limited human resources available (two staff members). The delayed establishment of the sector was due to the difficulties encountered to recruit specialised and experienced staff. In addition, the promoters generally favour grants rather than innovative financing when applying for Programme support. Despite the problems encountered since its establishment, the financial engineering sector of TEN-T EA has developed a strong cooperation agreement with DG REGIO and the EPEC (based at the EIB) with a view to provide assistance and capacity-building on financial engineering to promoters. It organised the first TEN-T PPP workshop, launched the first TEN-T Calls for Proposals providing support to the preparation of PPP projects and ensured the sound financial management of TEN-T contribution to the LGTT instrument.

Globally, the analysis of the tasks carried out by the Agency indicates a high degree of relevance with its objectives as provided in its legal basis.

The TEN-TEA work programmes are drawn up in close consultation with its parent DG and this ensures that the planned activities are in line with Commission priorities and the mandate given to the Agency. There is no evidence from our evaluation of this not being the case or that there has been a drift towards more policy or strategic activities.

The operational achievements of the Agency, which are the translation of TEN-T EA objectives into target measures by key indicators, are very well documented and reported. The Agency's AARs show a continuous improvement of mainly quantitative key indicators (e.g. number of decisions and projects, projects data, budget execution, length of time required to make payments, staff recruited, etc).

We note that the AAR does not yet contain qualitative performance indicators on the impacts of the projects supported, on for instance, the economy of the countries, employment, mobility, etc., which is one of the management tasks mentioned in the Act of delegation<sup>17</sup>. The elaboration of these indicators required longer than 3 years to provide meaningful measures and interviews indicate that this point is being considered by DG MOVE.

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<sup>17</sup> Article 4.1 (j) contributing to the evaluation of the impact of the programme and monitoring the actual effect of the measures on the market.

*Table 4.1: Alignment of the tasks of TEN-T EA with its legal bases*

Tasks listed in Art 6 of Council Regulation no. 58/2003 of 19/12/2003;	Tasks listed in Art 4 of Commission Decision (2007/60/EC) of 26/10/2006 establishing the TEN-T EA pursuant to Council Regulation (EC) No. 58/2003 and amended by Commission Decision (2008/593/EC);	Management (M) and Budget Implementation (B) tasks listed in Art 4 & 5 of the Act of Delegation of TEN-T EA, Commission Decision C (2007) 5282 amended by C (2008) 5538 final;	Tasks and activities actually performed by the Agency (main tasks and significant contributions to date);
<p>(a) managing some or all of the phases in the lifetime of a project, in relation with specific individual projects, in the context of implementing a Community programme and carrying out the necessary checks to that end, by adopting the relevant decisions using the powers delegated to it by the Commission.</p>	<p>(a) assistance to the Commission during the programming and selection phases, as well as management of the monitoring phase of the financial aid granted to projects of common interest under the budget for the trans-European transport network, as well as carrying out the necessary checks to that end, by adopting the relevant decisions using the powers delegated to the Agency by the Commission;</p>	<p>(Ma) assistance to the Commission during the programming and selection phases of projects of common interest under the budget for the TEN;            (Mb) management of the monitoring phase of the financial aid granted to such projects, as well as carrying out the necessary checks to that end, including on the spot checks;            (Mc) negotiation and preparation of the relevant decisions and their amendments, keeping the Commission closely informed;            (Mi) assisting in the preparation of inter-service consultations within the Commission;            (Ba) the technical and financial analyses of all reports on the implementation of supported projects;            (Bb) on the spot controls;            (Bd) if necessary, the preparation of draft Commission decisions modifying decisions granting aid, as well as the provision of administrative support for preparation and conduct of interservice consultation [...]</p>	<p>Preparation of Work programmes and calls for proposals</p> <p>External evaluation and preparation of internal evaluation organised by DG MOVE</p> <p>SAP and ASR</p> <p>TEN-T EA financial officers and project managers daily monitoring</p> <p>Preparation of draft Commission Decisions ( with TENtec)</p> <p>Preparation of internal consultation documents</p> <p>TEN-T EA financial officers and project</p>

Tasks listed in Art 6 of Council Regulation no. 58/2003 of 19/12/2003;	Tasks listed in Art 4 of Commission Decision (2007/60/EC) of 26/10/2006 establishing the TEN-T EA pursuant to Council Regulation (EC) No. 58/2003 and amended by Commission Decision (2008/593/EC);	Management (M) and Budget Implementation (B) tasks listed in Art 4 & 5 of the Act of Delegation of TEN-T EA, Commission Decision C (2007) 5282 amended by C (2008) 5538 final;	Tasks and activities actually performed by the Agency (main tasks and significant contributions to date);
		<p>support [...] the consultation of the TEN FAC.</p> <p>(Bc) the preparation, implementation and follow-up of ex-post audits.</p>	<p>managers daily monitoring, including portfolio visits for each country, project visits.</p> <p>Assistance in preparing modifications of decisions and supporting DG MOVE during FAC.</p> <p>Audits of projects.</p>
	<p>(b) coordination with other Community financial instruments, in particular by ensuring the coordination of the granting of financial aid, over the entire route, for all projects of common interest which also receive funding under the Structural Funds, the Cohesion Fund and from the European Investment Bank;</p>	<p>(Md) coordination with other Community financial instruments on a project-by-project basis, to ensure the coordination of the granting of financial aid, over the entire route, for all projects of common interest which also receive funding under the Structural Funds, the Cohesion Fund and from the European Investment Bank. Promotion of Synergies with other Community Programmes, the Member States, international organisations and Joint Undertakings;</p>	<p>Managing Community contribution to LGTT (implemented by EIB).</p> <p>Management of Community contribution to Sesar JU.</p> <p>Recent cooperation between DG MOVE and DG REGIO to address common issues such as Public procurement and financial Engineering.</p> <p>Establishment of the cooperation agreement between DG MOVE/TEN-T EA, DG REGIO and EIB on how to implement the activities of EPEC (European PPP</p>

Tasks listed in Art 6 of Council Regulation no. 58/2003 of 19/12/2003;	Tasks listed in Art 4 of Commission Decision (2007/60/EC) of 26/10/2006 establishing the TEN-T EA pursuant to Council Regulation (EC) No. 58/2003 and amended by Commission Decision (2008/593/EC);	Management (M) and Budget Implementation (B) tasks listed in Art 4 & 5 of the Act of Delegation of TEN-T EA, Commission Decision C (2007) 5282 amended by C (2008) 5538 final;	Tasks and activities actually performed by the Agency (main tasks and significant contributions to date);
	(c) technical assistance to project promoters regarding the financial engineering for projects and the development of common evaluation methods;	(Me) technical assistance to project promoters regarding the financial engineering for projects and the development of common evaluation methods; (Bc) the provision of administrative support/technical assistance to project promoters on all matters related to Community procedures.	Expertise Centre of EIB). Management of grants to support PPP-enabling studies. TEN-T EA Website beneficiaries info point Project Management Workshop FAQ's Call helpdesks
	(f) accompanying measures to contribute to the efficiency and effectiveness of the TEN-T programme in order to maximise its European added value, including promotion of the TEN-T programme to all parties concerned and the improvement of its visibility to the general public, in the Member States and bordering third countries;	(f) accompanying measures to contribute to the efficiency and effectiveness of the TEN-T programme in order to maximise its European added value, including promotion of the TEN-T programme to all parties concerned and the improvement of its visibility to the general public, in the Member States and bordering third countries. Such measures should encompass targeted awareness raising and promotion campaigns, [...] TEN-T days, workshops and conferences, the publication of results and best practices, [...] press releases, guidance to applicants, brochures [...], participation to	TEN-T EA website, Guide for applicants, Standard forms, Info-days, Project Management Workshops Brochures and publications on Calls results, implementations of projects and TEN-T programme. Project fiches Campaigns (e.g. 10 out of Ten) Best practice example (SAP). Press releases Good Practice Working Group

Tasks listed in Art 6 of Council Regulation no. 58/2003 of 19/12/2003;	Tasks listed in Art 4 of Commission Decision (2007/60/EC) of 26/10/2006 establishing the TEN-T EA pursuant to Council Regulation (EC) No. 58/2003 and amended by Commission Decision (2008/593/EC);	Management (M) and Budget Implementation (B) tasks listed in Art 4 & 5 of the Act of Delegation of TEN-T EA, Commission Decision C (2007) 5282 amended by C (2008) 5538 final;	Tasks and activities actually performed by the Agency (main tasks and significant contributions to date);
		events [...].	
(b) adopting the instruments of budget implementation for the revenue and expenditure and carrying out all activities required to implement a Community programme on the basis of the power delegated by the Commission, and in particular activities linked to the awarding of contracts and grants.	(d) adoption of the budget implementation instruments for revenue and expenditure and implementation, where the Commission has delegated responsibility to the Agency, of all operations required for the management of Community actions in the field of the trans European transport network, as provided for in the Regulation (EC) No. 2236/95 and the Regulation (EC) No. 680/2007;	(Mf) adoption of the budget implementation instruments for revenue and expenditure and implementation, where the Commission has delegated responsibility to the Agency, of all operations required for the management of Community actions in the field of the trans European transport network;  (Bf) execution of advance payments;  (Bg) on the basis of an evaluation of the corresponding technical and financial reports execution of intermediate and final payments ;	Preparation of individual financing decisions. Preparation of Amendments to financing decisions Execution of operational and administrative budgets.  Payments execution (with reminders policy).
(c) gathering, analysing and transmitting to the Commission all the information needed to guide the implementation of a Community programme.	(g) any technical and administrative support requested by the Commission.  (e) collection, analysis and transmission to the Commission of all information required by the Commission for the implementation of the trans-European transport network;	(Mg) collection, analysis and transmission to the Commission of all information required by the Commission for the implementation of the trans-European transport network; in particular carrying out studies and evaluations such as annual and or mid-term evaluation of the implementation of the TEN-T programme including necessary follow-up measures	European Economic Recovery Plan (EERP) work Programme Review, July 2011. Priority Projects 2010: A Detailed Analysis October 2010. MAP Project Portfolio Review July 2010; 92 projects were examined and recommendations were made in light of their progress. EUR 311 m were retrieved



Tasks listed in Art 6 of Council Regulation no. 58/2003 of 19/12/2003;	Tasks listed in Art 4 of Commission Decision (2007/60/EC) of 26/10/2006 establishing the TEN-T EA pursuant to Council Regulation (EC) No. 58/2003 and amended by Commission Decision (2008/593/EC);	Management (M) and Budget Implementation (B) tasks listed in Art 4 & 5 of the Act of Delegation of TEN-T EA, Commission Decision C (2007) 5282 amended by C (2008) 5538 final;	Tasks and activities actually performed by the Agency (main tasks and significant contributions to date);
		<p>after prior agreement of the Commission</p> <p>(Mj) contributing to the evaluation of the impact of the programme and monitoring the actual effect of the measures on the market ;</p> <p>(Mk) preparing recommendations to the Commission on the implementation of the programmes and its future development;</p> <p>(Ml) any technical and administrative support requested by the Commission</p>	<p>and re-injected into new calls for proposals.</p> <p>Support to the preparation of the Priority Projects - Progress Report 2010 June 2010 Ex -MAP mid Term review.</p> <p>Report – Assessment of TEN-T Programme implementation</p> <p>Country and Priority project reports on programme implementation covering technical, financial, administrative and project management aspects.</p> <p>Contribution to the exercise to revise the TEN-T Guidelines: TEN-T EA worked closely with DG MOVE for the preparation of the new TEN-T Guidelines, the Connecting Europe Facility (CEF), as well as the preparation of the project bond-initiative. In support to the discussions on the inclusion of EUR 10 billion of Cohesion Funds under the CEF, the Agency prepared a note on the advantages of centralised management.</p>

## Outsourcing

In the Special Report: “Delegating implementing tasks to Executive Agencies: a successful option?”<sup>18</sup>, the European Court of Auditors assessed whether the idea to outsource certain tasks to Executive Agencies was a successful initiative. The audit found that the decision to set up the agencies *“was mainly driven by constraints on employment within the Commission rather than being based on the intrinsic features of the programmes themselves”*. A cost-benefit analysis performed in relation to the decision of the creation of the Agency confirmed that there were clear cost-savings due to the lower pay of contract agents employed in the agencies. It also highlighted that the services performed by the agencies were more specialised and were carried out more efficiently than by the Commission.

Several TEN-T EA staff referred exactly to this point when arguing for the justification of outsourcing the tasks and activities to the Agency. The outsourcing has provided an opportunity to be closer to the projects funded through the TEN-T programme. This is of a high value to the beneficiaries, as they are connected to one project officer in TEN-T EA whom they can contact on any project matter. This was mentioned as a problem when the tasks were performed in DG MOVE. A large proportion of the IBs interviewed and Beneficiaries working with TEN-T EA also highlighted the closer cooperation as one of the benefits of the establishment of the Agency. This is also confirmed by some of the DG MOVE staff interviewed, who concede that the efficiency relating to the beneficiaries has increased because of the Agency's focus on the implementation of the projects, whereas previously, the main focus was on policy issues when managed in DG MOVE.

The main driver for outsourcing programme management functions to the TEN-T EA was the need to ensure that programmes are managed as cost-effectively as possible, thereby freeing up resources that might otherwise be tied up in overheads and allowing them to be devoted to the programme activities themselves. Our research shows that this objective has remained and even become more pronounced since the Agency's establishment in the light of the current economic crisis and the need for the Commission to define a new TEN-T programme. Related to this, outsourcing has enabled DG MOVE to focus on the policy-related aspects of the TEN-T programme and to propose in a record time a complete revision of the next TEN-T policy, focusing on core network, revised guidelines and a new financial support mechanism that integrates all Community instruments supporting TEN-T (CEF).

Given the constraints on the EU budget, and with little prospect of Member States agreeing to significant increases in financial resources in the foreseeable future, the need to cost-effectively manage programmes is as important as ever. The evidence from this evaluation suggests that this continues to be best achieved through an outsourcing solution. This presupposes, of course, that efficiency gains are not secured at the expense of less effective implementation mechanisms and poor services to beneficiaries, which is not the case today based on the replies received from the beneficiaries satisfaction survey.

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<sup>18</sup> ECA/09/70 Luxembourg, 2009/11/20 Special Report: “Delegating implementing tasks to Executive Agencies: a successful option?”

#### 4.1.2 Conclusion

The tasks entrusted to and carried out by the Agency are still the ones defined in the Act of Delegation. Our assessment suggests that the relevance of the TEN-T EA to the needs it is intended to meet was strongly demonstrated when the Agency was established and has remained so subsequently. The relevance of the Agency is fully confirmed.

The outsourcing to the Executive Agency remains the most cost-effective way to perform these tasks. There are no factors in the organisational environment that have changed to the extent that the merits of the outsourcing option have become doubtful. If anything, given the more pronounced constraints on the EU budget, the need to maximise efficiency gains through arrangements such as outsourcing has become even more pressing.

## 5 Evaluation results on effectiveness

Effectiveness concerns the extent to which set objectives are achieved. The effectiveness of the Agency depends on the achievements of the Agency compared with its tasks defined in the relevant legislation<sup>19</sup> and the Annual Work Programmes (AWPs). Therefore, effectiveness concerns in particular the degree to which the Agency performs designated tasks and delivers the planned outputs and results - both with regard to the administrative and managerial set-up of the organisation and the technical/operational implementation of the designated tasks and the activities according to the AWPs.

Achievements are evaluated on the basis of a review of the relevant documentation such as Annual Activity Reports (AAR), as well as interviews with stakeholders and the Agency staff.

### 5.1 EQ 2 - What is the level of compliance with rules and regulations applicable to Executive Agencies such as Council Regulation No 58/2003, the Financial Regulation and the related Implementing Rules, and the Commission's Internal Control standards?

#### 5.1.1 Introduction

Evaluation question 2 concerns the compliance of the Agency with the legal basis for EU Executive Agencies. The following three judgement criteria are used to evaluate the Agency's compliance:

- › The Agency is operating in full compliance with Council Regulation 58/2003.

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<sup>19</sup> Council Regulation No 58/2003, Financial Regulation, Delegation Act (Decision 2007/60 amended by C(2008)2238) Implementing Rules and Internal Control Standards (Communication (2007)1341)

- › The rules of the Financial Regulation are implemented and respected.
- › The Commission's Internal Control Standards (ICS) for effective management (ref. Communication (2007)1341) are implemented and respected.

The operational achievements of the Agency in each of the tasks are assessed under EQ3.

### 5.1.2 Evidence

Division of labour  
between  
Commission and  
Agency

Article 6 of Regulation 58/2003 states:

*"To attain the objective set out in Article 3(1), the Commission may entrust an Executive Agency with any tasks required to implement a Community programme, with the exception of tasks requiring discretionary powers in translating political choices into action."*

The desk study of AWP and AARs suggests that the Agency is not performing tasks requiring discretionary powers in translating political choices into action. In other words, the Agency is operating without overlapping with the policy-formulating role of the Commission. This is confirmed by interviews with DG MOVE and Agency staff, who all state that the Agency is performing according to its mandate and is not carrying out policy-related tasks. Furthermore, the interviews with Agency staff confirm that there is a clear division of labour between the Agency and DG MOVE and that continuous coordination works well to this end. Thus, it is assessed that the Agency complies with Article 6 of Regulation 58/2003.

Structure and  
management of the  
Agency

The Agency is managed by a Steering Committee of five members and a Director as provided for by article 5 of the Delegation Act.

The Steering Committee held its first two meetings in 2007 and 2008 adopting its rules of procedures and nominating a chairperson and a deputy chairperson. Its members had been nominated in advance on 17 August 2007, and the Agency's Director was nominated in July 2007. Moreover, the Steering Committee adopted special rules for public access to the Agency's documents<sup>20</sup>.

After its establishment, the Steering Committee has met four times each year and has decided on the following:

- › Adopted the Agency's budget according to procedures (adoption delayed in 2008).
- › Approved the organisational structure of the Agency.
- › Adopted the Annual Work Programmes following an approval of the Commission (Due to the requirement to align the Agency Work Programmes with

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<sup>20</sup> Decision SC(2008)001

the management plan of DG MOVE, the AWP were in the initial years adopted later than mandated in Regulation 58/2003<sup>21</sup>).

The Director's tasks are specified in Regulation 58/2003, Article 11. The key tasks are to:

- › Represent the Executive Agency and be responsible for its management.
- › Prepare the work of the Steering Committee and participate in the Steering Committee (without voting).
- › Ensure that the annual work programme of the Executive Agency is implemented and act as the Agency's authorising officer.
- › Implement the Agency's administrative budget and draw up the statement of revenue and expenditure.
- › Prepare and publish reports for the Commission, including annual activity reports and other reports.
- › Set up management and internal control systems.

These functions have been executed as evidenced by the AWP and AARs approved by the Steering Committee and also by the annual CoA reports. Interviews with DG MOVE officials and Agency staff also confirm that the Executive Director executes his mandate.

Audits of the Agency and conformity with Financial Regulation

Interviews with the Internal Audit Services of the EU as well as the annual CoA reports confirm that the Agency is acting in accordance with the provisions of the Financial Regulation and that the Agency is implementing the recommendations of the auditors. A few comments have been made by the CoA, but none of a serious character. The IAS carried out another audit on the administrative budget in 2008. In 2009, the Internal Audit Services of the EU gave a qualified opinion on the operational budget and grant management as well. The Agency is a signatory of the inter-institutional agreement concerning OLAF (European Anti-Fraud Office)<sup>22</sup> and there is no evidence to suggest non-compliance with this agreement. Hence, it is assessed that the Agency is conforming to the Financial Regulation.

Staff and recruitment

The desk study and interviews with Agency staff confirm that the Agency complies with provision 18 in Regulation 58/2003 on staff rules. This includes the adoption of the implementing rules of Agencies to the Staff Regulations on 20 April 2009<sup>23</sup>, and the adoption of rules on the use of contract staff and temporary management posts<sup>24</sup>.

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<sup>21</sup> Annual Activity Reports have been drawn up and submitted by the Agency on time.

<sup>22</sup> Ref Decision SC(2008)002.

<sup>23</sup> Decision SC(2008)001.

<sup>24</sup> Decision SC (2009) 010 and Decision SC (2010) 011.

Internal control standards

The evaluation finds that the annual reports of the Agency contain the required level of reporting on performance in respect to ICS and that the reporting on performance in relation to the implementation of ICS indicates compliance with ICS as well. According to the 2008 AAR, the 16 Internal Control Standards were implemented before the Agency assumed autonomy, and a specific action plan was drawn up to raise the awareness of staff about the standards. Interviews with Internal Audit Services as well as Agency staff confirm that ICS are implemented and respected. No data suggests problems with the implementation of ICSs.

### 5.1.3 Conclusion

The evidence collected from the document reviews and interviews verify that the Agency is operating in compliance with Council Regulation 58/2003 and that the rules of the Financial Regulation are implemented and respected. Similar evidence confirms that the Commission's ICS for effective management are implemented and respected. Therefore, the evaluation concludes that the general level of compliance of the Agency with rules and regulations applicable to Executive Agencies is high and that there are no reported issues of non-compliance or lack of implementation of standards or rules to suggest otherwise.

## 5.2 EQ 3 - To what extent is the Agency operating in accordance with the legal framework by which it was established and the instruments and amended instruments by which powers were delegated to it and whether it is meeting the objectives laid down in these provisions?

### 5.2.1 Introduction

This question deals with the operation of the Agency and whether it is performing its mandated tasks. To answer this question, we have used multiple sources of data including the AWP and AARs and interviews, especially interviews with DG MOVE staff.

The judgement criteria are:

- › The Agency is performing the management tasks and implementation tasks defined in the Delegation Act, Article 4 of the amended Delegation Act for the TEN-T EA (Commission Decision (2007/60) as amended by C (2008)5538 of 7/X/2008).
- › Tasks not mandated are not performed.

### 5.2.2 Evidence

Agency performs tasks assigned to it

The annual reports on activities confirm that the management and implementation tasks specified in the Act of Establishment are performed (see also the answer to

evaluation question 4). Interviews with DG MOVE staff, the Internal Audit Services and Agency staff confirm that the Agency is performing the tasks as assigned to it by the Act of Establishment<sup>25</sup>.

A comparison of the Agency's organisational set-up with the mandated tasks shows that the Agency is organised in order to ensure the implementation of the tasks. The two operational units (T2 and T3) are responsible for project management and monitoring of projects in various sectors. Unit T4 is responsible for facilitating the implementation of the TEN-T programme through undertaking cross-sectoral tasks to support the Agency and DG MOVE. These include the overall coordination, statistical analysis and reporting on the financial and technical implementation of the TEN-T programme, the support to policy-making, the organisation of the call for proposals, the facilitation of public-private partnerships, the provision of advice on legal matters related to projects and the application of the work programmes and on in-house issues, as well as the optimal use of IT resources within the Agency including GIS services. Units T0 and T1 are horizontal units dealing with the management and administration and internal matters of the Agency. Interviews with DG MOVE, Internal Audit Services, and Agency staff, confirm that the organisational set-up and division of responsibilities within the Agency match its mandated tasks.

In relation to the task of providing **"assistance to the Commission during programming and selection phases, as well as management of the monitoring phase"** and **"adoption of the budget implementation instruments for revenue and expenditure"**, these tasks constitute the 'core business' of the Agency. It is evident from annual activity reports, as well as interviews with Agency staff, that a key concern of the Agency from the outset has been an effective and efficient implementation of these tasks, which include assistance in call procedures, coordination of evaluation of incoming applications (the external evaluation), preparation of the draft Decisions as well as the monitoring and authorising of payments to on-going projects. Interviews with DG MOVE officials confirm that these tasks have been implemented in a satisfactory way and that the division of tasks between the Agency and DG MOVE is clear and works effectively.

The Key Performance Indicators (KPIs) of the Agency, which are used in annual activity reports and at Steering Committee meetings, all revolve around these tasks. Appendix E contains an overview of seven indicators, which we have seen recorded in annual activity reports and minutes from Steering Committee meetings and the Agency's performance 2008-2011. Table 5-1 below provides an overview and shows where the performance of the Agency has been above (green) or below (red) target according to the KPI.

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<sup>25</sup> 2007/60/EC as amended by 2008/593/EC.



Table 5-1: Summary of KPIs and performance

KPI	2008	2009	2010	2011
Payments within deadlines				
Approval of technical documents				
Verification missions for final payment				
Audit control for final payment				
Analysis of requests for modification within deadlines				
Amendments to funding decisions within deadlines				
Completion of decisions for funding				

Green= On or above target, Red=below target, Blank= no data

This overview illustrates that, generally, the level of target achievement on the key performance indicators is high, and it has been improving from 2008 to 2011. It should be noted that in cases where the Agency has been below target, it has generally been a fairly small deviation. Details can be found in Appendix E.

Payment claims, the approval of technical documents and completion of decisions are all important indicators where performance has improved over the period 2008-2011. It is assessed that several factors have contributed to this positive development:

- › In connection with the shift to the new programming cycle 2007-2013, DG MOVE made a number of important changes to the framework for managing TEN-T projects, which positively influenced the possibilities for follow-up and monitoring of the projects<sup>26</sup>. This was reflected, especially, in the revised format for Decisions providing a more detailed project description and requirements for SAP and ASR (see also EQ 6 and EQ 12)
- › The Agency has been through a positive learning cycle developed through:
  - › Feed-back and training from DG MOVE staff (in particular in the start-up phase).
  - › A continuous and still on-going effort made by the Agency to streamline procedures and seek an effective implementation of tasks.

Concerning the task of **coordinating with other Community financial instruments**, the desk review of annual activity reports shows that a number of meetings were held in 2009 with DG REGIO (on PPPs in particular), EIB, ECFIN and EPEC in relation to

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<sup>26</sup> This was done in particular in response to the 2005 Special Report by the European Court of Auditors (see EQ12).

LGTT and other funding mechanisms. The Agency and DG MOVE also agreed on a memorandum of understanding that takes the Agency into account in the operations between DG MOVE and other Commission bodies. The Steering Committee of the TEN-T EA is an important venue for ensuring the cooperation with other financial instruments. The meetings of the Steering Committee are viewed as positive by representatives of other DGs and the EIB, in the sense that they have promoted contacts between DG MOVE, DG REGIO, DG HR, DG ENV, the EIB and the TEN-T EA, that are essential to coordinate future actions on project financing. However, there has been very limited operational cooperation between the EIB and the TEN-T EA. The most important contact on cooperation between the EIB and TEN-T EA took place in January 2012, in a “kick-off meeting” involving the Agency, the Bank and also DG MOVE. The meeting established the background for future cooperation, which was considered essential by all parties for a better use of EU resources devoted to TENs.

In respect to the task of providing **technical assistance to project promoters**, the review of the annual activity reports shows that the Agency has taken a number of steps to continuously improve the assistance to promoters in connection with calls and in connection with project implementation. These include, among others, standardised forms, simplified procedures, closer follow-up of deliverables and workshops, seminars and information days for Beneficiaries and Implementing Bodies. The interviews with Beneficiaries and Implementing Bodies indicate a high degree of satisfaction with the services provided by the Agency (see evaluation question 5).

One area for future emphasis by the Agency has been voiced by some DG MOVE officials. Whereas the Agency is viewed as highly effective in the project management related tasks, the provision of further advice and support to Implementing Bodies (mostly in the EU 12) on issues related to financial engineering of projects and their compliance with EU environmental law is viewed as an area where the Agency should increase its staff capacity and performance. There is a need for the Agency to take on a greater role in adding value and bringing maturity to the projects. This is an area where the potentials for enhanced cooperation with other financing mechanisms (managed by DG REGIO and EIB) seem promising. This could concern, for example, the preparation of a project pipeline for the next financial period as well as appraisal methodologies, where the EIB and TEN-T EA are initiating cooperation during 2012. The evaluation team notes that in order for such a dialogue to be conducted effectively, it should involve and coordinate the actions of DG MOVE at the programming level (coordinating Ministries in the Member States) and TEN-T EA at the project level (Implementing Bodies in the Member States).

In relation to the task comprising **collection, analysis and transmission to the Commission of all information required for the implementation of TEN-T**, the Agency experienced some initial delays in the plans to improve GIS and the global overview of the TEN-T programme. However, according to annual activity reports and interviews with DG MOVE and Agency staff, this has been overcome, and the Agency is now producing the overviews and information required by DG MOVE, for e.g. specific reports on Beneficiaries performance with their TEN-T projects and reports on the priority projects (see also answer to evaluation question 14). In addition, the Agency is also proactively suggesting types of information and overviews of data, which could be useful for the Commission services, based on their acquired

knowledge and expertise into the TEN-T implementation. The recent country-based overviews constitute an example of this.

As described in greater detail in the answer to evaluation question 15, the Agency has been active and has implemented a number of initiatives in relation to the task of **promoting the TEN-T programme**.

The task including "**any technical and administrative support requested by the Commission**" provides for services of a more ad-hoc nature from the Agency to the Commission. This has, according to interviewees, provided flexibility to the tasks of the Agency and enabled the implementation of tasks requested by the Commission without going beyond the mandate. Some of the interviewed Agency staff members have pointed out that they consider that services relating to this task have been quite extensive and that this implies a risk that focus is removed from other core tasks. This also relates to how the mandated tasks are understood. For example, was the review of the MAPs, which the TEN-T EA did on request from DG MOVE, a natural part of the task of providing "**assistance to the Commission during programming and selection phases, as well as management of the monitoring phase**"? Some interviewees thought so and others did not. No one has questioned the relevance of the MAP review and it is clear that it had obvious benefits for the implementation of the TEN-T programme<sup>27</sup>. It is also clear, however, that the Agency spent considerable resources on the review, which had to be freed from the ordinary routine tasks of project monitoring.

Non-mandated tasks are not performed

All activities reported in AARs can be referred to one of the mandated tasks except activities related to the setup of the Agency's management structures, operational rules, staff recruitment, etc. There is no account by audit authorities of non-mandated tasks being performed and interviews with DG MOVE and Agency staff confirm that non-mandated tasks are not performed.

### 5.2.3 Conclusion

The evaluation demonstrates that the Agency is operating in accordance with the legal framework by which it was established and the instruments and amended instruments by which powers were delegated to it. The Agency is performing very well in relation to the project management tasks. In relation to the tasks of coordinating with other financing mechanisms and providing support to project promoters, the Agency can further improve its performance of these tasks by putting a greater emphasis on supporting Implementing Bodies in project development and financial and environmental engineering.

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<sup>27</sup> See EQ 6.

## 5.3 EQ 4 - To what extent has the Agency fulfilled the Annual Work Programmes as adopted by the Commission for it?

### 5.3.1 Introduction

This question deals with the degree of fulfilment of the Agency's Annual Work Programmes (AWPs). This is analysed mainly through desk research of the annual activity reports (AARs) and other materials. As the AARs are approved by the Agency's Steering Committee, they not only represent the Agency's self-evaluation of the achievement of tasks but also the Commission's endorsement of this evaluation. As such we regard the annual activity reports as being a validated source of evidence on the activities performed by the Agency. The data collected from other sources has not given any indication that the reports should not be regarded as such.

The judgment criteria are:

- › The TEN-T EA has achieved its annual objectives.
- › The Agency has produced the intended outputs and results.

### 5.3.2 Evidence

We have compared the objectives and tasks listed in the AWPs with the implemented activities and outputs as reported in the AARs. For each task listed in the AWP, we have scored the degree of achievement based on the AAR on a scale from 0-5<sup>28</sup>. The table below shows the number of activities scored, the scores assigned, the un-weighted annual average scores and a total average score derived on the basis of the scores assigned to each AWP task. Hence, these figures are merely indicative because the average of each year does not reflect the relative importance of the activities/tasks.

Comparison of  
AWPs and AARs

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<sup>28</sup> The target achievement has been scored using a scale variable from 0 to 5. The scale ranges from a 0 value for 'no action' or 'no available evidence' to 5 for full and timely target achievement. If the activity was delayed but implemented during the year in question (e.g. with a deadline of implementation in April), the score was reduced by one; e.g. from 5 to 4, even if targets were fully met. If a task was not initiated in the year in question, a 0 score was given. However, if the task was initiated but the implementation postponed to the year after, the score was 1. In this context, 'initiated' signifies that the initial operations or planning of the task has taken place. Appendix E describes the scoring methodology in more detail.

Table 5-2: Average annual scores on AWP task achievement

Year	2008	2009	2010	2011
<b>Total AWP tasks scored</b>	<b>57</b>	<b>42</b>	<b>51</b>	<b>18</b>
<b>Number of tasks receiving score:</b>				
<b>5: Full achievement</b>	30	19	35	13
<b>4: High achievement</b>	13	16	10	4
<b>3: Medium achievement</b>	1	5	2	1
<b>2: Low achievement</b>	5	1	1	0
<b>1: Very low achievement</b>	2	0	1	0
<b>0: No action</b>	6	1	2	0
<b>Annual average score</b>	<b>3.8</b>	<b>4.2</b>	<b>4.4</b>	<b>4.8</b>
<b>Total average score</b>	<b>4.3</b>			

Source: Scores assigned to each AWP task based on methodology in Appendix F

The table shows that the vast majority of tasks in all the years were either 'fully achieved' (i.e. exactly according to plan) or had a high degree of achievement (i.e. were implemented within the year but somewhat delayed or very nearly achieved). The annual average score has increased during the evaluation period indicating increased target achievement over time. Overall, the figures suggest a high effectiveness of the Agency each year and in total. The average overall score of 4.3 indicates a high overall attainment of objectives.

The table below highlights some of the key aspects in relation to the implementation of the annual work plans as presented in the annual reports and which also provide a background for understanding the improvement in achievement of the annual work programmes. Reference is also made to evaluation question 3 above. Appendix G provides a summary of annual outcomes.

Table 5-3: Highlights from annual activity reports

2008	2009	2010	2011
<p>All Agency staff members recruited but training was postponed to 2009 and a staff committee was not created.</p> <p>Financial management was confronted with a considerable backlog and it had problems executing the budget after it took over and followed-up on</p>	<p>Staff Committee set up and HR IT tool implemented.</p> <p>Improved technical and financial project management by absorbing the backlog from previous years and improving the spread of budget execution over the year.</p> <p>Simplified procedures for</p>	<p>Internal procedures and tools were streamlined. Implementation of the IT Strategic Plan and the IT Schéma Directeur as well as the annual external audit plan 2010.</p> <p>Mid-term assessment of all multi-annual programme (MAP) projects performed.</p> <p>Increased focus on follow-</p>	<p>Update of manual of procedures. Ex-ante control methodology revised and recognised by IAS. Joint governance structure for TENtec agreed and established (DG MOVE/Agency). New IT strategy agreed.</p> <p>Revisions of all call-related documents to further</p>

2008	2009	2010	2011
<p>the projects from DG TREN.</p> <p>Analysis of requests for payment improved and Decision process granting financial aid streamlined.</p> <p>A number of activities were deferred due to the delay in approval of the Agency's extended mandate including the improved standard forms for applications and reporting, the implementation of GIS, the enhanced global overview of the programme and the work with innovative funding approaches.</p>	<p>beneficiaries, streamlined internal processes and a closer follow-up of project deliverables and deadlines were implemented.</p> <p>Finalised a plan for information and communication and developing the Agency's website. The statistical database and a GIS master plan.</p> <p>Initiated cooperation with the EIB on financial engineering/-innovative approaches for funding of infrastructure projects. A reflection paper on new methods of financial engineering was delayed due to the delayed establishment of the financial engineering sector (March 2010).</p>	<p>up of project implementation and financial management for all actions including, in particular, the 30 priority projects.</p> <p>Specific calls for proposals addressing Intelligent Transport infrastructure: functional airspace blocks (FABs), river information systems (RIS), intelligent transport systems (ITS) and European rail traffic management systems (ERTMS).</p> <p>Concept paper on financial engineering</p> <p>Organisation of the first TEN-T call providing support to the preparation of PPP projects</p> <p>Organisation of the PPP workshop</p> <p>Implemented External Communication Strategy and received positive qualitative feedback from participants in the events. Hosted and recorded a higher number of visits to the internet site than the previous year.</p>	<p>simplify procedures and increase user friendliness.</p> <p>Follow-up on the Mid-term Review, checking compliance with conditions and drafting amendments to Decisions initiated, some of which had to be deferred to 2012 due to uncertainties about financial austerity plans.</p> <p>Review of TEN-T component of the EERP comprising 39 projects.</p> <p>First series of strategic reports per Member State and Priority Project enabled by TENtec follow-up module.</p> <p>Establishment of the joint cooperation agreement between DG MOVE/TEN-T EA, DG REGIO and EIB on the implementation of EPEC activities.</p> <p>Participation in Steering Committee for EPEC<sup>29</sup> and cooperation with EIB and DG REGIO in this regard.</p> <p>New section on financial engineering on web site.</p>

### 5.3.3 Conclusion

Overall, the annual specific objectives given in the annual work plans were achieved from 2008 to 2011, with only minor issues relating e.g. to the backlogs in 2008. The overall task achievement has been consistently high, but has also improved from 2008 to 2011. Consequently, it is concluded that the Agency has achieved its annual objectives and has - with respect to the great majority of tasks - produced the intended outputs and results.

<sup>29</sup> European PPP Expertise Centre.

## 5.4 EQ 5 - To what extent has the level of service provision improved after the establishment of the Agency?

### 5.4.1 Introduction

This evaluation question examines the level of service provided by the Agency. Because the relations between the Agency and DG MOVE are covered elsewhere (e.g. see answer to evaluation question 6), this section focuses on the service provided to the project promoters in Member States (Implementing Bodies).

The data used is primarily the interviews collecting the views of the Beneficiaries' responsible ministries (DG MOVE counterpart) and the Implementing Bodies (TEN-T EA direct counterparts) on the level of service provided and the extent to which the service level has improved through the creation of the Agency.

The two judgement criteria are:

- › The level of satisfaction of the stakeholders with TEN-T EA services as compared to under the previous management.
- › TEN-T EA plays a role as focal point for all the beneficiaries of the programmes.

### 5.4.2 Evidence

A key objective of the creation of the Agency was to increase the level of service provision by having a dedicated organisation and staff to deliver the tasks related to the management of the TEN-T projects. The evaluation shows that the level of stakeholder satisfaction with the Agency's services is generally high. Interviews with Beneficiaries and Implementing Bodies confirm that the service provision of the Agency has improved in comparison with the service provided in the previous period. The creation of the Agency offered the opportunity to increase the number of staff dedicated to the management of TEN-T projects, in comparison to the number of staff that was previously available in DG MOVE to carry out these tasks. The decision of DG MOVE to set up the Agency has thus delivered on this objective.

In relation to calls, a large majority of Beneficiaries perceive the process to be more transparent and that it has improved since the previous management of the TEN-T programme under DG MOVE. The selection process is perceived as having improved, and the process is viewed as balanced and fair with strict and rigorous adherence to rules and regulations. The use of external evaluators in the selection process, as initiated by DG MOVE, is considered by the Beneficiaries to be a very important improvement. The majority of Beneficiaries also consider that the feedback on project application and the efficiency in issuing decisions has improved.

The Implementing Bodies generally find that the monitoring of projects has been intensified and projects are followed more closely. This is regarded as positive by most Implementing Bodies, but also more demanding than under the previous management (see also EQ6). All interviewees express their appreciation of the fact

Stakeholder  
satisfaction with  
service provision



that payment time has been significantly reduced. The majority of interviewees (Beneficiaries and Implementing Bodies) emphasise that the Agency is working in a professional, timely and efficient manner. The staff of the Agency is perceived as competent, constructive and very helpful.

Beneficiaries and Implementing Bodies point to several areas where the services provided by the Agency could be improved even further. These areas include for example the application procedures and the procedures for project management.

- › Regarding application procedures, the Beneficiaries and Implementing Bodies recognise that much has been done to simplify and ease the procedures, but they argue that there is still room for further simplification and some emphasise that the demands of GIS data in applications are too challenging for example. A full electronic application form is welcomed by some stakeholders.
- › Regarding project monitoring, several Beneficiaries and Implementing Bodies find that the procedures applied by the Agency differ between Units and they call for a more harmonised approach to the management of projects among the project managers in the Agency's two operational units.

The Agency as focal point

The Beneficiaries and the Implementing Bodies are generally satisfied with the level of proximity to the Agency. Several Beneficiaries are in direct contact with the Agency relatively often. They express their satisfaction with the information obtainable on the website of the Agency, as well as the feedback the Agency provides on applications. The AAR2011 makes reference to a user satisfaction survey in relation to the helpdesk service. The feedback on this service was very positive among the stakeholders.<sup>30</sup> The Agency conducts info-days for each call and provides answers to questions, which are then put online to aid other applicants. Interviews with Agency staff suggest that Beneficiaries communicated mostly with DG MOVE immediately after the autonomy of the Agency. However, gradually the Agency has gained more attention as awareness has been raised to the point where the staff of the Agency suggests that most stakeholders now know the different roles played by the Agency and the Commission. Stakeholders use the Agency to acquire the information they need either through the website, at the info-days or directly by mail or by phone. This suggests that the Agency is perceived as the primary focal point.

### 5.4.3 Conclusion

The creation of the Agency offered the possibility of increasing the number of (specialised) staff dealing with TEN-T project management compared to the level of staff available in DG MOVE. The level of satisfaction of the stakeholders with the services provided by the Agency is high. This is also the case in comparison with the service provided in the period before the autonomy of the Agency. The Agency is found to be easily accessible by Beneficiaries and the satisfaction with the feedback and support they receive from the Agency staff is significant. These factors lead us to

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<sup>30</sup> AAR2011, p. 12.



conclude that the level of service provision has improved significantly since the establishment of the Agency.

## 5.5 EQ 6 - To what extent has the Agency facilitated an improvement in TEN-T Programme operational implementation?

### 5.5.1 Introduction

This evaluation question is concerned with the Agency's role in facilitating an improved operational implementation of the TEN-T Programme.

The three judgement criteria are:

- › The level of satisfaction of the stakeholders with TEN-T EA operational implementation has increased as compared to the previous management.
- › The effect of TEN-T EA management on the implementation of the TEN-T programme.
- › The Agency facilitates more effective project implementation compared to previous management.

### 5.5.2 Evidence

Stakeholder satisfaction with operational management

As shown in the answer EQ 5, Beneficiaries' and Implementing Bodies' level of satisfaction with the Agency's operational implementation is high, both in terms of the overall quality of work and on specific services. Interviews with the relevant Commission services and with the EIB confirm a general perception of high quality of the operational management by the Agency. As mentioned under the answer to EQ 3, some concern has been expressed in relation to TEN-T EA's competencies in relation to assisting the Implementing Bodies in project development and financial/environmental engineering.

Agency effect on programme implementation

Overall, the effect of Agency management processes on the implementation of the TEN-T programme has been positive.

- › Calls for proposals have been implemented in a timely and clear manner and sufficient information has been provided to participants to ensure that they understand the call process and the requirements. The interview data clearly shows that the call process is viewed as having improved and that this has provided a basis for receiving good quality proposals. This is a precondition for effective implementation of the TEN-T programme. The evaluation has not reviewed the content of proposals received to determine the actual quality improvement.

- › Along similar lines, the selection process has also improved, which provides an enhanced basis for ensuring that the best projects are selected, which again should contribute to optimise the implementation of the TEN-T programme.
- › The desk review of AARs and interviews confirm that the backlog of payments execution was gradually eliminated by the Agency<sup>31</sup>. Payments were executed faster reducing the delays from an average of 206 days in April 2008, when the Agency gained Autonomy, to 32 days by year-end 2009.<sup>32</sup> In December 2010, the average delay was 19 days. The percentage of late payments was reduced from 95% in 2008 to 11% in 2010.<sup>33</sup>

The Agency facilitates more effective project implementation

The desk review and interviews with both Beneficiaries and Implementing Bodies confirm that the Agency facilitates a more effective project implementation as foreseen when setting up the Agency. However, there are also areas with room for improvement. The key findings in this regard are:

- › Improved call and selection procedures (ref. above) provide the basis for better quality proposals and projects, which in turn allow them to be managed more effectively. The majority of Beneficiaries and implementing body representatives interviewed emphasise in particular the role of the Agency in call procedures when assessing the added value of the Agency in relation to project and programme implementation. They point to the proactive communication with the Agency on how to improve projects in order to meet the criteria of the call, which provides a higher chance of passing the external evaluation.
- › Interviews with the EIB showed concerns about the selection procedures and the risk that not viable projects would be selected, seeing as the current procedures and criteria do not incorporate a full economic and financial appraisal or cost-benefit assessment. It should be stressed that the definition of 'viable' for the EIB is 'profitable'. This is not necessarily the basis for the selection of TEN-T – where EU added value/political importance is equally (or more) important.

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<sup>31</sup> The 'backlog' concerns the payment requests (i.e. cost claims) from the previous TEN-T Programme (2000-2006). From the date of Autonomy 15 April 2008, the Agency received 390 files including 138 pending cost claims. According to AAR2008, 106 payments were made in 2008 (22% of these respected the deadline). In 2009, all remaining pending cost claims (from the backlog) were paid with the exception of two that went into inter-service consultation. According to DG MOVE, this backlog was exceptionally high at the time of transferring files to the Agency as payments had been put to a halt for a while during the process of creating the Agency. The evaluation team has not had access to data on payment execution during the time when the TEN-T programme was managed by DG MOVE. It is also worth mentioning that the impact of the various innovations introduced by DG MOVE in the TEN-T programme management since 2000 (see Appendix C) that have contributed to the good achievements of the Agency.

<sup>32</sup> AAR2009; p. 6.

<sup>33</sup> See also the answer to evaluation question 3 for a review of the Agency's performance on key performance indicators.

- › This is seen as particularly relevant in the future perspective, considering that the Agency will soon have to advise and assist Implementing Bodies on the new multiannual assignments and this will have a major impact on the allocation of EU money, in particular if the nearly 32 billion proposed for TEN-T for 2014-2020 are finally approved.
- › Follow-up and monitoring of projects intensified under the Agency and, according to Agency staff, this has meant that problems and risks are identified and solutions are sought proactively to guide the realisation of the projects. This approach is reported to increase the success rate of project implementation. Some representatives of Beneficiaries and Implementing Bodies also subscribe to this view, but not all. Some Beneficiaries and Implementing Bodies report that the requirements and procedures are applied very strictly by the Agency and that therefore its requirements can be sometimes considered over-demanding and therefore not supportive of effective project implementation. The Agency argues that because it has the possibility and capacity to follow projects more closely and apply procedures and rules more rigorously (e.g. timing to request submission of final project reports, final cost statements, sending reminders in due time), Implementing Bodies may perceive these rules as stricter than before the creation of the Agency. A conclusive assessment as to whether the more rigorous project monitoring has led to improved project implementation would require more detailed project studies, however, on the basis of the interview data it is assessed that some effect to this end has been achieved.
- › It is important to note that the requirement for each project to submit a strategic action plan (SAP) for project implementation and action status reports (ASR) was introduced with the 2007 call for MAP and incorporated very clearly into the Decision for each project<sup>34</sup> (i.e. prior to the establishment of the Agency). Also, the Decision format used involves a tabular overview of activities, milestones and indicative time schedules. These improvements clearly provided a better basis for subsequent monitoring of the projects, and as such the Agency has benefitted from them even though they were in fact decided prior to the establishment of the Agency.

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<sup>34</sup> Examples of Decisions from the 2000-2006 period compared to the 2007-2013 period show that SAP and ASR are clearly required in the Decision format used for 2007-2013 projects.

*Box 5-1 Improvements with new format for decision texts*

The new decision format implemented with the funding cycle 2007-2013, involved the following aspects, which served to provide an improved basis for project monitoring:

- › The text of the Decision was standardised with an Annex II on description of the action and estimated budget, which includes:
  - › A technical description of the project
  - › A tabular overview of activities, milestones and indicative time schedule
  - › Clear requirements to the project to produce reports, including Strategic Action Plan and Action Status Reports

- › Both DG MOVE and Agency staff have emphasised the importance of the 2010 review of the MAP in relation to effective project and programme implementation. The review was decided by DG MOVE and carried out by the Agency, which examined 92 projects selected under the 2007 Multi-annual call for proposals. The review and the resulting dialogue between DG MOVE and the Member States made it clear to Member States that if the project was not being implemented according to plan, the TEN-T funding could be removed and reallocated to other projects under future calls for proposals.

### 5.5.3 Conclusion

The evaluation shows that evidence from interviews with Beneficiaries, Implementing Bodies and Agency staff corroborate that the Agency facilitated an improvement in the operational implementation of the TEN-T Programme. Of particular importance has been the Agency's facilitation of call procedures and intensified monitoring, notably the MAP review conducted in 2010.

## 6 Evaluation results on cost-effectiveness

Cost effectiveness focuses on the added value produced by the Agency in relation to its costs and to the efficiency of the Agency's internal procedures. The results of the updated CBA are feeding into the evaluation questions on cost effectiveness.

### 6.1 EQ 7 - Whether the structure and organisation of the Agency in terms of size, staff composition, recruitment and training, staff turnover etc. is appropriate for the work actually entrusted to it?

#### 6.1.1 Introduction

The following judgement criteria are used to evaluate the cost-effectiveness of the Agency:

- › Suitability of the organisational setup to manage the tasks and objectives delegated to the Agency.
- › Availability of expertise and know-how needed to manage the programme.
- › The capacity of staff is sufficient.

The main sources of information and data collection are:

- › Desk review, especially annual reports.
- › Interviews with DG MOVE and Agency staff.

#### 6.1.2 Evidence

Organisational setup

The Agency structure follows the operational objectives of the TEN-T programme:

- › The Executive Director's office (T0) has a number of horizontal responsibilities, including information and communication, accounting, internal control and internal audit, programming, reporting, liaison with DG MOVE, relations with the Steering Committee.
- › The horizontal unit T1 provides support for financial management and external audits, HR, legal issues, logistics and document management.
- › The two operational units (T2 and T3) are in charge of the management of the implementation of the individual TEN-T projects. The units are structured in accordance with transport modes. T2 is responsible for road and rail, and T3 is responsible for air, waterborne transport, logistics, innovation and co-modality.
- › The “Technical Assistance Unit” (T4) is responsible for facilitating the implementation of the TEN-T programme through undertaking cross-sectoral tasks to support the Agency and DG MOVE. These include the overall coordination, statistical analysis and reporting on the financial and technical implementation of the TEN-T programme, the organisation of the call for proposals, the support to policy making, the facilitation of public-private partnerships, the provision of advice on legal matters related to projects and the application of the work programmes and on in-house issues, as well as the optimal use of IT resources within the Agency.

Document review and interviews with Agency staff indicate that the present organisational setup is working well. A possible reorganisation of the operational units, on a geographic basis to address linguistic consideration and to allow a deeper and comprehensive approach to countries’ transport issues and procurement procedure, has been suggested and might be considered in view of the new financial perspective.

#### Staff capacity

Today, the Agency counts 100 staff members, meaning that the 99 staff positions foreseen in the establishment plan are all filled, as well as one additional member of staff. The Steering Committee approved the hiring of this additional staff member allocated to building maintenance as it was assessed to be more cost-effective than the cost of SLA with OIB.

In 2011, the Agency staff included seven seconded officials from DG MOVE, 26 temporary agents and 66 contract agents.

Table 6-1: Type of staff in TEN-T EA 2008-2012

	2008		2009		2010		2011		2012	
	Total	Planned	Total	Planned	Total	Planned	Total	Planned	Total	Planned
Temporary Agents (of which seconded officials)	23	32	31(7)	32	31(7)	33	33(7)	33	33(7)	33
Contract Agents	44	67	60	67	62	66	66	67	67	67
<b>Staff Total</b>	<b>67</b>	<b>99</b>	<b>91</b>	<b>99</b>	<b>93</b>	<b>99</b>	<b>99</b>	<b>100</b>	<b>100</b>	<b>100</b>

Employment and composition of staff

The Conditions of Employment of Other Servants (CEOS) in the EU Staff Regulations and the Guideline for setting up Executive Agencies outline the composition of staff to be applied by all agencies. Each Executive Agency, in agreement with the parent DG and DG HR establishes the equivalence between grades and posts, as well as the organisation chart, the levels of enlistment and the distribution of tasks between Temporary and Contract staff as stated in the Guidelines for establishment of Executive Agencies (SEC (2006) 662 final)<sup>35</sup>. The specific job description is however, prepared for each and every post identified in the Agency’s staffing plan.

The ‘Temporary staff’ are either seconded Commission officials or staff hired externally. The total amount of seconded officials must not exceed 33% of the total temporary staff but there should be a minimum of 6 officials (in smaller agencies). The Temporary staff at TEN-T EA primarily holds management positions: the Executive Director, his Assistant, the Heads of units and their deputies, the Head of Information and communication, HR, the Legal team, IT, Financial engineering, Internal and External Audit, the Agency Accountant, the Senior Project Managers and the Senior Policy and Programme Coordinator.

The larger part of the Agency staff consists of Contract Agents. According to the guidelines, Contract Agents have to remain within a limit of 75% of the total staff across all Executive Agencies. The selected applicants must be on the list drawn up by EPSO and the agencies follow the same procedures as those applied by the Commission for hiring contract agents although the Agency posts are published externally. The Contract Agents in the TEN-T EA are mainly the financial officers and project managers, as well as all support staff.

<sup>35</sup> All the specific procedures from the vacancy notice, selection of candidates, composition of selection committee, etc...., can be found in the CEOS and the Guidelines for the establishment of executive Agencies (SEC (2006) 662 final), also in the TEN-T EA Manual of Procedures.

TEN-T EA is, according to the desk-review, as well as the interviews, applying these regulations with accuracy.

The following table presents planned and actual staff by Agency unit. From the data, it shows that the operational units T2 and T3 almost reached the planned number of employees by 2009. The horizontal units took approximately one year longer to reach full capacity.

Table 6-2: Planned and actual staff by Unit, TEN-T EA 2008-2012

	2008		2009		2010		2011		2012	
	Total	Planned	Total	Planned	Total	Planned	Total	Planned	Total	Planned
Unit T0	7	11	10	10	10	10	11	11	11	11
Unit T1	16	27	23	25	22	25	23	24	24	24
Unit T2	21	27	27	28	27	28	27	27	27	27
Unit T3	17	19	18	18	18	18	18	18	18	18
Unit T4	6	15	13	18	16	18	20	20	20	20
<b>Per Unit total</b>	<b>67</b>	<b>99</b>	<b>91</b>	<b>99</b>	<b>93</b>	<b>99</b>	<b>99</b>	<b>100</b>	<b>100</b>	<b>100</b>

#### Staff turnover

The staff turnover fluctuated during the period 2009-2011. In 2009, it was 3%, reaching 14% in 2010 and 10% in 2011. This is in general higher than in the Commission, but relatively moderate compared to other Executive Agencies, as is presented in the tables below.

Table 6-3: Staff turnover in TEN-T EA

Year	2009	2010	2011
Staff turn over	3%	14%	10%

Source: TEN-T EA



Table 6-3: Staff turnover in other Executive Agencies

Agency	2006	2007	2008	2009
EAHC <sup>36</sup>		16%	21%	17%
EAC EA <sup>37</sup>	10% <sup>38</sup>			
EACI <sup>39</sup>	12,3% <sup>40</sup>			

According to interviews, a large part of the staff turnover is related to staff changing for permanent jobs in the Commission or staff moving to other EU agencies. Recruitment of new staff has at times been difficult despite great efforts to attract highly specialised profiles with expertise in technical fields, such as Financial Engineering (PPPs) or GIS. The desk review and interviews point to the fact that technical expertise has not always been readily available through the EU's recruitment procedures. The EPSO reserve list contains limited technical expertise as searched for by the Agency. In 2008, 19 positions had to be posted more than once either due to an unsuccessful selection, or candidates refusing offers made. In addition, salary levels offered by the Agency and contract conditions offered for these specialised profiles can be less attractive than the ones existing in the private sector<sup>41</sup>.

Despite the above observations, the Agency does manage to replace staff and use a reserve list policy to ensure a potential list of candidates<sup>42</sup> for each position at all times. Also, in the case of Contract Agents in the Function Group IV, after two unsuccessful job postings through EPSO, there is the possibility of applying a derogation so that the Agency can post a job announcement for candidates outside the EPSO list<sup>43</sup>.

#### Training of staff

The staff has access to general training courses and events organised by the Commission, including language and IT courses. The staff is also offered more specialised training in project management and financial management, and if necessary, highly specialised training, e.g. GIS, IT, HR management training provided by external training institutions.

<sup>36</sup> Public Health Executive Agency.

<sup>37</sup> Education, Audiovisual & Culture Executive Agency.

<sup>38</sup> The average turnover for the years 2006-2008.

<sup>39</sup> Executive Agency for Competitiveness and Innovation.

<sup>40</sup> The average turnover per year between 2006-2008.

<sup>41</sup> In theory, private sector can offer higher gross salaries and fringe benefits, carrier perspective and long term stability (not limited by the lifetime of the Agency)

<sup>42</sup> Having passed EPSO exams.

<sup>43</sup> This has happened on several occasions and currently the Agency has a vacant post published openly (Ref. Financial Engineering Manager - Contract Agent - TEN-T/2012/CA/FGIV/04).

Although the training budget has decreased moderately over the last few years, it is acknowledged that the Agency is able to offer sufficient training to staff. This is to some extent confirmed by a job satisfaction survey carried out in September 2010. Although, only 39% of the staff participating in the survey agreed or strongly agreed to the question "*I receive adequate training for the job*", 80% agreed or strongly agreed to the question "*If I needed training I would get it*".

## Expertise

The desk review and interviews with Agency staff suggest that staff competencies, skills and know-how correspond to the needs of the Agency to carry out its tasks and attain its objectives.

According to interviews with the Agency staff, the skills sought for involve administration and project management skills, and EU institutional experience and knowledge.

As mentioned, transportation expertise is not always easy to find on the EPSO reserve list. This is repeated as a concern in interviews with members of the Steering Committee, DG REGIO and the EIB. Although the Executive Agency staff is repeatedly praised for its overall project management skills, the lack of specific technical knowledge for technical monitoring is mentioned as an issue that must be dealt with if the Agency is to expand as planned after 2014<sup>44</sup>. The connection between positions as Contract agents and the difficulties of attracting staff with the required level of technical knowledge is pointed as a possible reason. However, for project officers, there is an availability of candidates with project management experience and with knowledge of EU administrative procedures, e.g. from other Executive Agencies. Also, among the senior leaders in the Agency, there is the needed transportation knowledge and experience partly due to the transfer of seconded experts and partly due to the more attractive conditions offered to temporary agents. Beneficiaries and Implementing Bodies, the primary clients of the Agency, do not mention this as a problematic issue in their cooperation with the Agency.

### 6.1.3 Conclusion

The organisational structure of the Agency is suited for managing its tasks and objectives. All rules and regulations are followed in the employment of new staff for both contract agents and temporary staff, including seconded officials. The Agency possesses a high amount of expertise in project management, but is, according to some interviewees, lacking skills in a few areas related to transport expertise. Staff is offered training courses to maintain a good level of expertise and to ensure motivation.

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<sup>44</sup> The Executive Director has already taken initiatives in relation to this concern. Internal information sessions on the basics of financial engineering applied to transport projects have been organised to the attention of the Agency project managers, a data base on unit costs of works items is being developed, transport Policy issues in relations to projects are being presented by DG MOVE staff, etc...

Although staff turnover is mentioned frequently as an issue, the Agency does not have a higher staff turnover than other comparable Agencies. Procedures for rapid replacements have been established and these are functioning well, except for the positions requiring highly specialised skills where the Agency sometimes struggles to attract the right candidates to fill vacancies.

## 6.2 EQ 8. What are the costs of coordination and of monitoring and supervision of the Agency by the Commission?

### 6.2.1 Introduction

This evaluation question is answered based on the following judgement criteria:

Two judgement criteria

- › Capacity for coordination, monitoring and supervision needs are satisfactory.
- › Level of satisfaction in DG MOVE and in TEN-T EA with coordination and control.

The main sources of information and data collection are:

- › Desk review, especially annual reports.
- › Interviews with DG MOVE and Agency staff.

### 6.2.2 Evidence

Monitoring

In the 2009 IAS report on TEN-T EA, one of the issues raised was the lack of a written monitoring strategy of the Agency by DG MOVE. It was mentioned that the responsibility of the budget remains with DG MOVE; therefore DG MOVE should have a documented monitoring strategy.

Subsequently in 2010, DG MOVE published its “Monitoring Strategy on the Activities of the TENT-T Executive Agency”<sup>45</sup> addressing the issues and work of the steering group and the Liaison Officer, the mandatory reports and evaluations, the open method of coordination, TENtec and on the spot visits. It concluded that periodical reporting of the Agency and the programme is in place<sup>46</sup>, in addition to the audits by IAS and CoA. In addition, the TENtec information system provides continuously updated monitoring of the entire TEN-T programme, including the Agency.

Thus a monitoring strategy has been put in place, nevertheless, the 2011 joint IAS-IAC follow-up audit did not confirm the implementation of the monitoring strategy.

<sup>45</sup> Ref: MOVE/B1/HM/cqb/D(2010)523121 - Brussels 29/07/2010.

<sup>46</sup> Reporting is done monthly, bi-monthly, half-yearly, annually, bi and tri-annually.

## Coordination

The coordination between DG MOVE and the Agency refers to the day-to-day coordination and exchange of information and project implementation feedback from the Agency to DG MOVE. If the TEN-T programme was managed in a separate Directorate in DG MOVE, then these coordination activities would also be necessary and as such would not imply additional costs. Of course, the proximity of being located physically close to the parent DG could facilitate coordination but the Agency is in any case located in Brussels. In the chapter on benefits and disadvantages, the different coordination mechanisms are assessed in more detail.

The coordination efforts provided by DG MOVE varied over time. They were more intense in 2008 during the handover period when all files of projects still on-going and financed under the old TEN-T Regulation (2000-2006) and all new projects selected under the new TEN-T programme (2007-2013) were transferred to the Agency. This handover period included recruitment and training of staff and the implementation of the necessary processes and internal control procedures. DG MOVE desk officers provided training to Agency staff during this period. They also organised the selection and carried-out the negotiation of the 2007/2008 calls (multi-annual and annual).

The interviews with DG MOVE suggested that in total 7 FTE are now involved in monitoring and coordination, including supervision and control (see below) of TEN-T EA. These staff resources are dedicated to the following:

- › Liaison activities with TEN-T EA.
- › DG MOVE officers dealing with the multi annual programme and involved in regular project implementation meetings with the Agency, calls and proposal evaluations.
- › TENtec team activities.
- › Evaluation and audit of the Agency.
- › Coordination and Steering committee participation - HoU of DG MOVE B1 and B4 and Director of DG MOVE B mainly.
- › Coordination with the 14 country desks in DG MOVE.
- › Other Units and DG MOVE involved in the process such as DG MOVE Director General's financial control Board, SRD1 Financial team, etc.

Some of these activities would also have taken place had the TEN T Programme implementation been placed inside DG MOVE, whereas the supervision and control activities are strictly related to the existence of the Agency.

## Supervision and control

The definition of supervision and control is subject to different understandings and interpretations as the Act of Delegation is not very precise about the matter.

Nevertheless, the guidelines for the establishment and operation of Executive Agencies<sup>47</sup> further elaborate on the requirements of supervision and control.

In the context of the CBA, supervision and control relates to additional supervision and control activities required due to the establishment of the TEN-T EA. More specifically, this relates to the work of:

- › The Steering Committee.
- › Coordination meetings between DG MOVE and TEN-T EA.
- › Coordination of budget issues, parliamentary questions, inter-institutional relations.
- › Audits and evaluation of TEN-T EA, ex-post controls, etc.
- › Daily contacts and liaison.

In the previous CBA, it was envisaged that six full time equivalent (FTE) from DG MOVE were to be involved with supervision and control of the Agency. From the interviews with DG MOVE, it was assessed that out of the 7 FTE mentioned above, 3.15 FTE are identified to be directly involved in activities related to supervision and control of the Agency, broken down as follow:

- › Steering Committee : 0.3 FTE (5% of the yearly time of 4 members and 10% for 1 member)
- › Liaison officer : 1 FTE
- › Support staff on decisions : 1 FTE
- › Support staff on evaluation process: 0.5 FTE
- › Support staff on TEN-Tec : 0.35 FTE

Total = 3.15 FTE for supervision and control.

This figure can with some reservation be converted into monetary costs by multiplying the 3.15 FTE to the average cost estimate for an EU official including overheads. The following table is an extract of the costs calculated in the CBA (see chapter 8).

*Table 6-4: Supervision and control, number of staff and costs*

	2008	2009	2010	2011	2012	2013
Number of FTE	3.15	3.15	3.15	3.15	3.15	3.15
Cost equivalent EUR million	0.38	0.39	0.40	0.40	0.41	0.41

<sup>47</sup> SEC(2006) 662 final, Brussels 31 May 2006.

The cost of supervision and control amounted to EUR 0.40 m in 2011, which is equal to 25% of the costs savings achieved by the Agency that year. Furthermore, it was found that the level of supervision and control influences the NPV significantly. It is recommended to monitor the resources used on supervision and control as increases in the level will reduce the monetary benefits of the Agency.

The level of supervision and control is similar to that of other agencies. The level of supervision and control were estimated to be between 2 and 3 FTE in the case of EAHC and between 4 and 4.5 FTEs for EACEA.

Table 6-5: Estimated requirement of monitoring and supervision in Executive Agencies

	TEN-T EA	EAHC	EACEA
Supervision and control	3.15 FTE	2-3 FTE	4-4.5 FTE

### 6.2.3 Conclusion

DG MOVE has produced a monitoring strategy of TEN-T EA in which the different levels of monitoring and supervision of the Agency’s activities are defined and outlined. The resources used by the Commission on monitoring and coordination of the Agency amounts to 7 FTE. Of these, 3.15 FTE are used for supervision and control of the Agency activities. This is below the estimated level of 6 FTE calculated when the Agency was created, but is in line with figures from other agencies. In yearly monetary terms, the 3.15 FTE are converted to EUR 0.40 m in 2011 (See chapter 8 CBA) including staff costs and overheads. It is recommended to monitor the resources used in supervision and control as increases in the level will reduce the monetary benefits of the Agency.

## 6.3 EQ 9. What efficiency gains (cost-savings) are made from using the TENtec Information System for implementation of TEN-T projects (reception, evaluation, negotiation, decision, follow-up, etc.)?

### 6.3.1 Introduction

The following judgement criterion is used in answering evaluation question nr. 9.

- › The TENtec management tool had a satisfactory effect on the workflow compared with the previous system.

The main sources of information and data collection are:

- › Desk review

- › Interviews with DG MOVE and Agency staff.

### 6.3.2 Evidence

TENtec is the DG MOVE information system used to coordinate, monitor and support the TEN-T policy and to support the implementation of the TEN-T programme<sup>48</sup>. TENtec was developed by the TENtec team of DG MOVE B, and it is now hosted at the DG DIGIT data centre. The system stores technical, geographical and financial and follow-up data and facilitates the processing and analysis of the data.

The development of TENtec started in 2006, initiated by DG MOVE based on a user-driven approach (SMART-IT). TEN-T EA primarily works with the implementation modules of TENtec.

In autumn 2011, a more formalised governance structure was established for the TENtec system, comprising:

- › A new sector in DG MOVE “OMC<sup>49</sup>: TENtec & Innovation”,
- › An IT-Steering committee of directors currently from MOVE-B<sup>50</sup>, MOVE-SRD and TEN-T EA
- › A change control board (CCB) and several working groups on business requirements
- › As well as an additional small development team in TEN-T EA, which has been created to maintain and enhance the TENtec implementation, and develop further modules concerning the TEN-T programme implementation mandate of TEN-T EA<sup>51</sup>.
- › The development and maintenance of all other modules, as well as integration of all modules remains with the TENtec team in DG MOVE.

It should be noted that the number of users and the scope of software outside the implementation module family (i.e. the modules concerning policy making, network planning, programme monitoring, reporting and control) has grown strongly over the years to become the dominating part of TENtec. The policy part (eGovernment) is expected to be even stronger with the inauguration of the public portal for citizens and businesses in 2012.

#### TENtec Costs

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<sup>48</sup> “TENtec Private Portal – User Manual – IReport (MS Editors and Validators)” Document Version 1.01 dated 20/09/2011

<sup>49</sup> Open Method of Coordination

<sup>50</sup> For institutional and legal reasons the (Commission) decision module remains with DG MOVE

<sup>51</sup> References: TENtec governance document, Overview roadmap on the development and maintenance of TENtec and minutes of the CCB establishing the 4 TENtec working groups.

The table below is an overview of the TENtec Staff and Costs starting from 2006 when the development of the system began.

Table 6-6: TENtec staff and costs<sup>52</sup>

TENtec Staff & Costs (Developments and Operations) Costs in '000 €							
Year	Expenditure						Forecast
	2006	2007	2008	2009	2010	2011	2012
<b>Implementation Module</b>							
Staff, MOVE (Nr.)	0,25	2	3	2	1	1	1
Cost, MOVE	€ 25	€ 200	€ 300	€ 200	€ 100	€ 100	€ 100
Cost, Hosting/Outsourcing				€ 120	€ 135	€ 100	€ 70
Staff, TEN-T EA (Nr.)			0,5	1,25	1,5	2	3
Cost, TEN-T EA			€ 50	€ 125	€ 150	€ 200	€ 300
<b>Policy Module</b>							
Staff, MOVE (Nr.)				2,75	4	5	6
Cost, MOVE				€ 275	€ 400	€ 500	€ 600
Cost, Outsourcing				€ 250	€ 135	€ 170	€ 200
<b>Overall</b>							
Staff (Nr.)	0,25	2	4	6	7	8	10
Cost, Hosting/Outsourcing				€ 370	€ 270	€ 270	€ 270
Cost, Move Staff	€ 25	€ 200	€ 300	€ 475	€ 500	€ 600	€ 700
Cost, TEN-T EA Staff			€ 50	€ 125	€ 150	€ 200	€ 300
<b>Grand Total Cost</b>	<b>€ 25</b>	<b>€ 200</b>	<b>€ 350</b>	<b>€ 970</b>	<b>€ 920</b>	<b>€ 1.070</b>	<b>€ 1.270</b>

Source: All figures and numbers were provided by the TENtec team at DG MOVE

The number of staff (and costs) involved in the development and operation of TENtec has increased significantly over the years. The overall number of staff dealing with the development and operation of the TENtec system increased to 8 FTE in 2011. Three of these staff deal with the implementation modules (2 staff were placed in TEN-T EA as well as 1 staff in DG MOVE). The other five staff work with the policy and control modules of TENtec. In 2011, the direct costs associated with the development and operation of the implementation modules amount to EUR 400 000, of which EUR 300 000 were associated with staff costs and EUR 100 000 are costs for hosting the system. Starting from 2012, three TEN-T EA staff will be working on the implementation modules.

Until 2009, the system was hosted on the DG MOVE servers. From 2010, DG DIGIT hosts the system to facilitate the required external logon function.

<sup>52</sup> Numbers in green indicate the years the Data Centre, DIGIT, hosted TENtec, whereas red numbers refer to system development costs carried out by an external contractor.



## TENtec modules

Today, TEN-T EA is responsible for the development part of the TENtec implementation modules related to storing and opening of proposals, evaluation of proposals, project follow-up, including the action status reports for each TEN-T project (ASR).

For institutional and legal reasons, the Decision module remains with DG MOVE. In this module, the standard part of the legal text is locked therefore it is no longer necessary to recheck those parts of the document, thus accelerating the process. The module can not facilitate decision amendments at present but the TENtec team in DG MOVE is currently extending the Decision module in order to do so. This will lead to efficiency gains in TEN-T EA once the decision module has been extended.

According to the interviews conducted at the Agency, the TENtec system is a well-developed system providing efficiency gains and cost savings in the daily work. From an operational perspective, the system covers most project phases, and in particular the project follow-up module is mentioned to facilitate the work of the project managers. It is difficult to quantify the added value the implementation module provided to TEN-T EA. Without TENtec it would be impossible to perform the same level of project monitoring and follow up or this would require considerably more time and manpower resources<sup>53</sup>.

The Agency staff interviewed agree that TENtec is a better system and more user-friendly than the management systems and support tools used previously (ePMS and ABAC).

The lack of facilitating amendments in the Decision module (which until March 2011 was scheduled for development under ePMS) was mentioned as an area where further efficiency gains could be achieved (DG MOVE is currently working on this). It was also mentioned by some staff in the Agency that they would like increased ownership of the parts of the TENtec system related to the entire implementation of the project life cycle. This issue was discussed in the new IT governance structure. Today, the full ownership remains with the Commission for legal issues and this is accepted by all parties.

In response to the questionnaire, a few Beneficiaries have expressed that the online application system is at times rather cumbersome and at times extremely slow to work with. A few applicants have experienced loss of information due to these technical problems. It is believed that the system is under constant improvement and problems like these are being addressed.

### 6.3.3 Conclusion

The overall impression regarding the TENtec system is positive. It constitutes a great improvement compared to the previous systems and it is continuously being expanded and improved by staff at DG MOVE and in the Agency.

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<sup>53</sup> Up to several times more according to TENtec Team

TEN-T EA primarily uses the implementation modules of TENtec and generally the Agency staff expressed that the system facilitates their daily work. From an operational perspective, the system covers most project phases and in particular the project follow-up module is mentioned as a part of the system that facilitates the work of the project managers. It is difficult to quantify the added value the implementation module provides TEN-T EA staff, as without it would not be possible to do the same level of project monitoring and follow up.

The new IT governance has clarified issues such as responsibilities and ownership which previously led to frustrations between the Agency and DG MOVE. Today, three staff work on the implementation modules in TEN-T EA, as well as one staff member in DG MOVE. The efficiency of the implementation modules will be further increased once the system can handle decision amendments.

## 6.4 EQ 10. Are the total costs required to achieve the expected results reasonable and proportionate to the added value?

### 6.4.1 Introduction

This evaluation question will be answered based on the following judgement criterion:

- › The outcome of the quantitative CBA is satisfactory compared with the added value of the Agency (findings under effectiveness and utility).

The main sources of information and data collection are:

- › Desk reviews, especially annual reports.
- › Interviews with DG MOVE and Agency staff.

### 6.4.2 Evidence

Improved quality

One of the main assumptions made in the 2007 CBA and the reason for establishing an Agency with 99 staff was to improve the level of services in the management of the TEN-T programme by increasing the quality (particularly improved quality of monitoring and evaluation, controlling and reporting) and providing new tasks (know-how and best practise; awareness and promotion).

Agency added value (effectiveness and utility)

In this evaluation the services delivered by the Agency are assessed under the themes effectiveness and utility.

In the above section on effectiveness, it was shown that the Agency has achieved a high degree of target-achievement. The Agency is performing its mandated tasks and it has a very high performance in relation to the project management tasks. The Agency performance has also indirectly facilitated an improvement in the operational implementation of the TEN-T Programme. It is also noted that the level of satisfaction

among stakeholders is high and the quality of services has improved compared to the time before the creation of the Agency.

The assessment of benefits and disadvantages is done in the prevailing chapter and the findings showed that the Agency has enabled DG MOVE to focus on its institutional tasks. At the same time, it has ensured an adequate flow of information enabling DG MOVE to benefit from the know-how created within the Agency. The Agency effectively executed the communication and promoted the image of the TEN-T programme in a satisfactory manner.

Costs of Agency compared to initial foreseen in ex-ante

The monetary estimation (See CBA in chapter 8) shows cost savings of the Agency option compared with a similar programme implementation structure in DG MOVE. The CBA reconfirms the favourable monetary terms estimated in the 2007 CBA of having an Agency to implement the programme. The estimated NPV of EUR 8.66 m is in the same range as the NPV estimated in the 2007 CBA. The 2008 costs were significantly lower than foreseen due to the delay in recruitment. In 2008, 67 staff members were recruited compared with the 99 staff planned. The Agency had respectively 91 and 93 staff in 2009 and 2010 and reached 99 by 2011.

### 6.4.3 Conclusion

The objective when creating the Agency was that it should improve the quality of the TEN-T project management and provide additional tasks in a cost effective manner. The Agency is a cost effective option to manage the implementation of the TEN-T programme. The outcome of the CBA shows yearly savings in having the Agency and the overall NPV for the period 2008-2015 is EUR 8.66 m. In the chapter on effectiveness, the improved level of service delivery was confirmed, including the Agency meeting its annual objectives. In the chapter on benefits and disadvantages, the conclusion is that the Agency has promoted the image of the TEN-T in a satisfactory manner. The improved quality of services has been confirmed by stakeholders. Based on the above findings, it is also concluded that the cost and delivery of the Agency fulfils the expectations and objectives of delivering an improved implementation of the TEN-T programme, as sought at the time of establishing the Agency.

## 6.5 EQ 11. Is it possible to make further savings within the EU budget through other measures or other options such as partial management by the Commission while outsourcing only some activities to whatever extent legally possible?

### 6.5.1 Introduction

This evaluation question is answered based on the following judgement criteria:

- › Are the alternative management options satisfactory in terms of legal requirements and in terms of benefits (EU added value).

- › The level of monetary and non-monetary impact due to changes in the management options.

### Internalised project management

## 6.5.2 Evidence

An alternative programme implementation option mentioned is to internalise the project tasks in DG MOVE, but concentrated in a sub-directorate with project officers solely focusing on the programme implementation. The activities of the sub-directorate would mirror the activities of the Agency in the same way that it is being accomplished currently by the Agency. A benefit of the Agency is that it solely focuses on project implementation activities (ring-fencing of project management activities) and that it does not deal with policy development issues.

It has been mentioned that a benefit of internalising the project management would be the closeness to DG MOVE<sup>54</sup>. According to the interviewees, the advantage of the re-internalisation would be that the contracted agents and temporary agents are closer to the Commission officials and the rest of the Commission. However, there would also be a risk of not keeping the separation between policy development and project management if the Agency was to become a Directorate in DG MOVE. The policy-driving Directorates could apply pressure for the re-allocation of resources. The danger of mixing the policy development and project management activities in a policy development led structure should not be under-estimated.

Most interviewees highlight that the previous CBA recommended that the set-up of the Agency was a cost-effective option and a previous audit of the TEN-T programme recommended<sup>55</sup> quality improvements to the programme implementation, which has been achieved by the creation of TEN-T EA.

The internalisation would probably also affect operating costs, as the positions will be open to Commission staff with higher salary costs. In the Commission positions of permanent nature are in general given to Commission officials and contract agents can be employed for a maximum period of 3 years. This is reflected in the CBA (See chapter 8) in which the assumed structure of the in-house scenario is 90% Commission officials and 10% contract agents. Further, the recruitment process is likely to require time and might affect continuity of services to beneficiaries and disruption in the follow-up of projects.

It is not clear that internalising the project management to DG MOVE would be beneficial to the TEN-T programme implementation. In monetary terms the CBA in chapter 8 shows that the Agency option is the beneficial option.

Alternatively, the Commission could consider creating a Directorate General (DG) specialised in the financial and technical management of its various grants (contracts or Commission Decisions). This DG would be staffed by financial officers and project managers who are not dealing with any policy and programming aspects. This staff

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<sup>54</sup> Assuming such Directorate would be physically placed together with the rest of DG MOVE.

<sup>55</sup> Refer to Appendix C for ECA findings and recommendations

could potentially come partly from the various Executive Agencies that will be closed down. The recruitment of such a volume of project management staff following Commission recruitment procedures will probably take considerable time and efforts. This option will be rather difficult to consider seriously for the moment due to the resistance of the Member States and the European Parliament to the increase of Commission staff. In addition, the Commission has initiated a planned reduction of its staff in the five years to come and is instead examining the possibility of further externalising some of its tasks and services.

#### Merging Executive Agencies

An alternative option is to merge the Executive Agencies or to transfer TEN-T EA activities to another executive agency which at present, are:

- › Education, Audio-visual and Culture Executive Agency (EACEA).
- › European Research Council Executive Agency (ERC Executive Agency).
- › Research Executive Agency (REA).
- › Executive Agency for Competitiveness and Innovation (EACI).
- › Executive Agency for Health and Consumers (EAHC).

The two research Executive Agencies ERC and REA are dedicated to the implementation of research programmes. The mission of the EACEA is to implement a number of strands of more than 15 Community funded programmes and actions in the fields of education and training, active citizenship, youth, audiovisual and culture. The thematic focus of EAHC is public health, food safety and consumer affairs. The EACI is dedicated to the management of energy, transport, environment, competitiveness and innovation and reports to DG Energy, DG Mobility and Transport, DG Enterprise and DG Environment.

The TEN-T EA is dedicated to transport infrastructure projects to ensure technical and financial implementation and management of the TEN-T projects funded by the TEN-T Programme. It is already a medium sized Agency thus the economies of scale by joining another Agency would probably be limited (e.g.: sharing some horizontal services). Furthermore, TEN-T EA deals with projects based on Commission Decisions. The other agencies deal with projects in the form of grants and tenders and only EACI deals with programmes under a related policy areas. The benefits of merging agencies are not evident in the case of the TEN-T programme.

#### Shared Management of TEN-T Programme

Another option could be to consider that all support to TEN-T projects should be managed together with the Structural Funds commitments to transport projects. In this scenario, TEN-T projects would be managed jointly by the Member States and the Commission on the model of the Cohesion Fund (shared management). This would probably require an alignment on the transport policy objective and strategies related to the development of the TEN-T network with those of regional policy development. This could be seen as the opposite of what is currently proposed with the CEF.

Considering the relatively low payment execution of the Structural Fund programmes due to the difficulties encountered by the (EU 12) Member States to prepare mature

projects and absorb EU grants, this option, if applied, could risk creating a backlog in the management and financial execution of TEN-T projects.

#### Management of TEN-T projects by the EIB

The EIB has become the major player in the financing of transport infrastructure projects in Europe and the Commission has implemented various joint initiatives with the Bank (Jaspers, Jeremie, Jessica, Margerite Fund, and LGTT). The Commission has entrusted the financial and technical management of some of its programmes related to infrastructure and innovative developments to the EIB (FEMIP, NER300). Therefore, the possibility of the EIB having the larger role in the project management of TEN-T projects could be considered as an option. However, this would require institutional discussions between the Bank, the Commission and the Member States and a possible modification of the EIB mandate that would not take place in the short term.

Instead, an increased cooperation between the TEN-T EA and the Bank should be favoured. The Agency seems very interested in cooperating with the Bank in the appraisal methodology. Decisions will probably be more scrutinised in the future and thus an accepted appraisal method becomes essential. The EIB has been developing over the years these simplified appraisal methods (EIRAM for roads, RAILPAG for rail, and systematic approaches for the other modes and for intermodal nodes, on carbon footprint, etc.) that could be extremely helpful to TEN-T EA. On the other hand, JASPERS has acquired a strong experience in project preparation that could be useful both for appraisal and monitoring.

In the past, the EIB acted as an advisor to DG REGIO for projects presented to the Cohesion Fund and the ERDF. The application of this possibility to TEN-T project is however much more difficult because the EIB Project Directorate (PJ) is presently suffering from recruitment restrictions and has limited specialist capacity to cope with the EIB projects' appraisal. A recent experience (May 2012), when an EIB staff Member participated as an external expert in the external evaluation organised for the annual call 2011, may open up some possibilities of future cooperation. There is also the possibility of using consultants<sup>56</sup> familiar with the EIB appraisal procedures to train TEN-T EA staff and/or to participate in project appraisals.

The main concern of the EIB staff is about the possible pre-selection by TEN-T EA<sup>57</sup> of projects that they consider not viable (the selection and approval is the responsibility of DG MOVE). In this sense, an enlarged TENtec platform could help in providing EIB input into the platform and to keep the Bank informed (and able to react) on TEN-T EA, DG MOVE and DG REGIO actions in specific projects. Apparently, the decision to create a wider GIS platform, with access adapted to the needs of the different stakeholders (including Member States) is on the table and is supported by the EIB.

There are also some potential cooperation advantages in monitoring, which could take place through the GIS platform or bilaterally. TEN-T EA is doing a good job on

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<sup>56</sup> The Agency can also recruit external Consultants by calling on expertise from the various DG MOVE Framework Contracts, but this option is not considered to be the most cost-effective.

<sup>57</sup> After the internal evaluation

getting information on project advancement and on expenditure issues, which the EIB monitoring services would like to have. On the other hand, should a problem appear, EIB experts would give valuable advice to the Agency.

To avoid a conflict of interest, cooperation between TEN-T EA and the EIB on innovative project financing should focus on expert advice to TEN-T EA staff, but the EIB should not be involved in the internal evaluation processes of TEN-T projects for which EIB is providing loans.

### 6.5.3 Conclusion

It is not clear that internalising the project management to DG MOVE would be beneficial to the TEN-T programme implementation. It would be more costly to replace the current employees of the Agency by Commission officials. In addition, under the current Staff regulation Contract agents can stay in the Commission for a maximum of three years. This is not the case in the Agency where they can stay for the lifetime of the Agency. Finally, there is not the same guarantee that policy development and project management is separated.

It should be mentioned that TEN-T EA functions well and is expected to continue to manage the implementation of the TEN-T programme in the coming financial perspective and potentially other programmes as well. The analysis of the different alternative options supports the idea that management of the CEF by TEN-T EA will enable the combination between quality and discipline of the TEN-T programme implementation with the higher co-financing rate of the Cohesion Fund. Intensified cooperation with EIB for the preparation of the project pipeline and project screening as well as in relation to the management of innovative financial instruments should be among the priorities of DG MOVE and TEN-T EA when preparing for the next Financial Perspectives.

The general opinion is that the current set-up of the Agency is the best solution to manage the TEN-T programme.

## 6.6 EQ12. Do the Agency's management system and internal processes contribute to the effectiveness and efficiency of its operations?

### 6.6.1 Introduction

Evaluation question number 12 will be answered based on the following judgement criteria.

- › Has TEN-T EA satisfactorily introduced specific measures to simplify procedures and workflow in the Agency.
- › Do the organisation and management facilitate efficiency in the implementation of outsourced task.



## 6.6.2 Evidence

One of the main reasons for the establishment of the Agency was to improve the management system of the TEN-T programme implementation<sup>58</sup>. The desire was to improve the effectiveness and efficiency based on concerns expressed in the 2005 Special Report by the European Court of Auditors<sup>59</sup>. Therefore, the Commission Decision establishing the Agency<sup>60</sup> paid special attention to improving the services delivered during project implementation.

*Text Box 6.1: SPECIAL REPORT No. 6/2005 on the trans-European network for transport (TEN-T) issued 21/4/2006)*

Relevant findings (F) and recommendations (R):

F: The Commission's financing decisions notified to beneficiaries still show some important weaknesses and the difference in scope between the two main intervention forms (studies and works) is not sufficiently clear,

R: The Commission should amend and complete key aspects of its model financing decision, in particular by defining more clearly the scope of the activities to be co-financed under studies on the one hand and works on the other,

F: The Commission established complex annual procedures for evaluating and selecting TEN-T projects, despite the multiannual character of MIP projects, making evaluation a comparatively heavy procedure. In addition, all project information had not always been available for the evaluation and selection. Not all evaluation criteria established by the TEN financial regulation were assessed by the Commission and the evaluation was not properly documented in all cases,

R: The Commission should develop a consistent and coherent TEN-T evaluation methodology and document it in a publicly available manual. It should also reduce the number of different application and evaluation forms, and revise their content so that all relevant evaluation and selection criteria required by the legislator are covered. Where appropriate, external experts should be used for such evaluations,

F: The Commission's project monitoring tools are insufficient. The different reports on project status and progress submitted by beneficiaries do not always provide sufficiently relevant information to the project officers, who in addition do not systematically carry out on-site project inspections and ex-post impact assessments,

R: The Commission should strengthen the monitoring of projects by defining minimum standards for project status reporting and performing on-site project inspections and ex-post impact assessments more frequently, so that lessons can be learnt on how to implement TEN-T more efficiently and on how to optimise the effectiveness of the Community funding in this area,

F: The Commission's obligation in project evaluation and monitoring is impeded by the excessive workload of staff allocated within DG TREN to the TEN-T activity,

R: The Commission should consider a return to a centralised form of TEN-T project management within DG TREN, and adapt the number and expertise of the staff resources allocated to TEN-T.

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<sup>58</sup> 2008 Annual Activity Report

<sup>59</sup> The Court of Auditors' Special Report No 6/2005 on the Trans-European Network for Transport ( see quotes in Appendix C)

<sup>60</sup> Commission Decision 2007/60/EC of 26 October 2006\*



The improvements introduced by the Agency in its management of TEN-T projects and its achievements to date should also be viewed in the framework of improvements of the TEN-T programme and simplifications of its management procedures gradually introduced by DG MOVE over the past 10 years, based on lessons learned, the results of successive external evaluations and recommendations from the European Court of Auditors.

#### Improvements in TEN-T Programme management by DG MOVE

The way the TEN-T Agency operates today is largely based on these improvements and innovations brought by the Commission over the years in the TEN-T programme and these certainly contributed to the good performances of TEN-T EA to date. The following main features can be highlighted:

- 1 The multi-annual indicative programme (MIP) in 2000, which concentrated 85% of the TEN-T funds to the 14 and then 30 priority projects (indicative however as there is a bit of flexibility for the projects applied by the Member States). At the same time, the annual programme (15% of the funds) was introduced to have a bit of flexibility in the MIP. MIP initiated the gradual concentration of the TEN-T funds on fewer and larger projects.

A major management simplification introduced by the MIP was the fact that the Community support was no longer awarded on an annual basis and that the opinion of the Financial Assistance Committee was no longer needed each year. Concretely, the Framework Decision awarded support to each project for several years and provided a breakdown of costs on a project by project basis. This support was conditioned on the respect of the implementation plan. The first year, an application form identified activities that would be supported during the eligible implementation period by an Individual Financial Decision determining the corresponding awarded amount of aid. The following years in order to award support to the project, the Commission evaluated the progress of the previous decision according to the information received in a Project Status Report (PSR) submitted by the Member States.

- 2 The MIP became MAP (multi annual programme) in 2007 and included the priority projects and the horizontal measures (ERTMS, RIS, MoS). Since that time, the programme is even more focused on EU transport policy objectives.
- 3 External evaluation of the applications by transport experts (also to increase transparency and impartiality in project selection): the first attempt took place in 2006 by using the expert lists from the CORDIS database (this idea was inspired by the way DG research was selecting applications).
- 4 The TENtec tool that has been evolving gradually over the years as an integrated tool to improve project monitoring and standardise elaboration of Commission Decision. Besides specifying the type of action, the co-financing rate and maximum EU contribution in absolute terms, the Decision specifies that actions will submit action status reports (ASR) and be monitored regulatory on the basis of their strategic action plans (SAP). The latter are submitted at the beginning of the grant implementation. The model decision has also greatly improved to include the better environmental and technical description and annexes.

- 5 A Strategic Action Plan (SAP) must be submitted by the beneficiary within 90 calendar days following the notification of a TEN-T project financing Decision. The SAP provides information on interim and final targets, control procedures and processes, risk analysis and risk management plans, milestones, possible sources of future problems, time schedule (and a critical path), key performance rates, action management standards, information about the global project, planned communication and publicity and the designation of authorised representatives.
- 6 Action Status Reports (ASRs) are regular annual progress reports and constitute a legal obligation for all TEN-T funded actions. They always cover a calendar year and are due by 31 March of the year after the reporting period. An ASR supplies information on the technical progress of the action, financial information about past expenditures, revised cost estimates, if relevant, as well as details on any public procurement procedures, environmental issues, and the receipt/use of any other EU funds.

Improvements in  
TEN-T Project  
management by  
TEN-T EA

From the interviews with Agency staff, DG MOVE staff and beneficiaries, there is consensus that the Agency has improved the effectiveness and efficiency of the TEN-T programme implementation. The internal procedures of the Agency are evaluated to have been streamlined. The Agency is described as well organised with clear rules and hierarchy. Tasks and areas of responsibility are understood and applied by the members of staff. The management system aims to be proactive and service delivery is measured and reported to staff through performance indicators.

A comprehensive manual of procedures has been drawn up by the Agency and subsequently approved by DG MOVE's Director General (it has been revised and updated several times). The guidelines and procedures are clearly described to streamline and ensure a more consistent workflow. All processes are now described, and corresponding templates have equally been developed.

Many responses point to the management of the Agency as the main reason behind these improvements. Also, the interviewees from EIB have highlighted the management as progressive and well organised. It is also mentioned that the Agency has managed to recruit 99 staff and had the organisation running in a relatively short time.

The Agency has developed templates used by the project officers in their daily work. Although these templates are central to the new streamlined organisation of work in the Agency, they are also inflexible when minor changes need to be made to the forms.

Some of the more experienced staff mentioned that the streamlining of procedures can have a negative effect as it may result in a feeling of lack of empowerment among the staff and the feeling of being too closely monitored.

From the interviews, it can be seen that the streamlined procedures have led to a good budgetary execution in a rather short time. This is one of the major benefits. Beneficiaries appreciated an improvement in this area. This is also due to a stricter approach to keeping deadlines and closer cooperation and follow-up by the Agency.

The Agency sends out a reminder three months prior to deadline and again closer to the deadline.

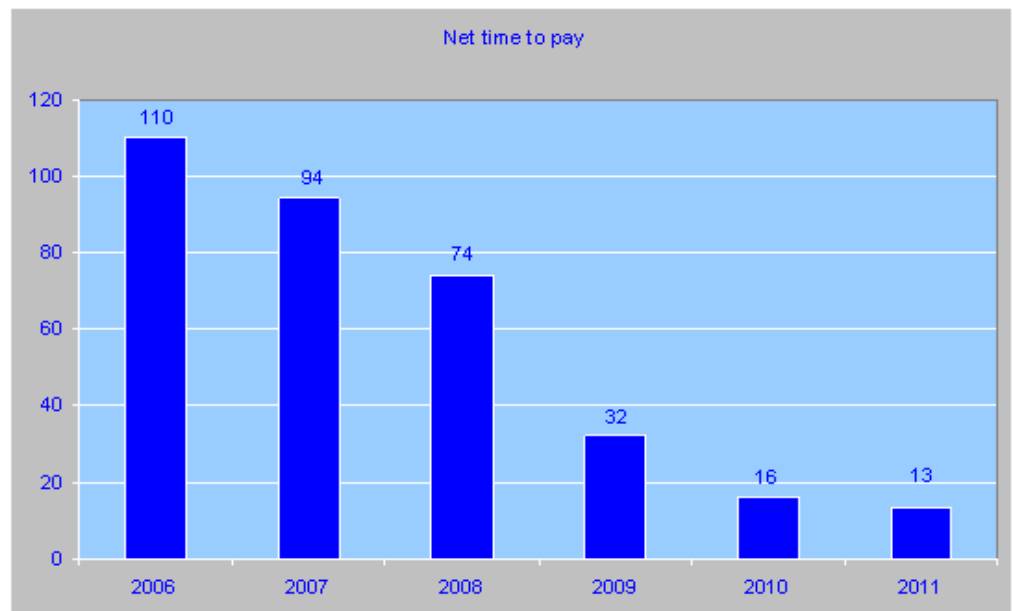
A financing sampling methodology has been established. This is a statistical tool used for the preparation of cost statements, which previously used to take up to a month to prepare, but now only take two to three days.

The effect of streamlining the procedures is measured. One of the performance indicators has been the payment delays. The net time to pay has been reduced from 94 to 13 days (net time to pay)<sup>61</sup>.

With the net time to pay under control, the Agency aims to reduce the gross time to pay (already improved from 282 days in 2008 to 100 days in 2010) by improving the response time that beneficiaries need to provide sampling documentation and answer to enquiries. Increased focus is also given at facilitating problem-solving to prevent delays in gross payment.

The beneficiaries find the Agency organisation clear, and in general they claim that they are able to contact the correct person at the Agency for the right matter. DG MOVE staff mentions that project management is well-developed and that the staff is organised in specialised teams. This organisation means that the Agency finds answers to questions in a timely manner and that project follow-up has improved. The Executive Director is mentioned as being very deadline-oriented, which is good for the execution of the TEN-T programme.

*Figure 6-1: Net time to pay (Source AAR 2011)*



<sup>61</sup> AAR 2011

### 6.6.3 Conclusion

Summing up, the Agency is well organised, which is appreciated by the beneficiaries, DG MOVE and the staff. The Agency has streamlined the internal procedures of the organisation and this has led to good cooperation among the staff and with the beneficiaries.

The staff expresses some concern about the number of procedures and templates to be followed but recognises the increased simplicity of the tasks and the work being carried out. One of the most positive benefits of the streamlining of procedures is the improved budgetary execution. This is mentioned by the Agency, DG MOVE staff and the beneficiaries.

## 7 Evaluation results on benefits and disadvantages

The questions concerning benefit and disadvantages are connected to utility and examine the usefulness of the TEN-T EA to DG MOVE in improving its functions such as management, development and design of the TEN-T programme.

### 7.1 EQ 13 - To what extent has TEN-T EA enabled the Commission to better focus on its institutional tasks?

#### 7.1.1 Introduction

This evaluation question is concerned with the fulfilment of a basic element in the rationale for creating the Agency - that the Commission becomes better positioned to perform its institutional and notably policy-making tasks.

The two judgement criteria are:

- › Staff resources in DG MOVE freed to focus on institutional tasks rather than project management.
- › DG MOVE's performance of institutional tasks improved after the creation of the Agency.

#### 7.1.2 Evidence

With the creation of the Agency, DG MOVE had to give back 60 posts (freed positions), and the project management tasks previously carried out by DG MOVE staff were transferred to the Agency. As a consequence, staff in DG MOVE<sup>62</sup> has been mainly focussing mainly on institutional and policy tasks. One example is the recent and very comprehensive revision of the TEN-T Guidelines, which, according to

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<sup>62</sup> Directorate B Staff

interviewees in DG MOVE, proved to be a considerable task, which might have been hampered if DG MOVE had also had project management responsibilities. Interviews with DG MOVE staff confirm that they can now better dedicate their time to policy and programming work.

#### Improved policy-making

Interviews with DG MOVE staff also indicate that policy making has improved after the creation of the Agency. One example provided by interviewees is the Mid-term review of the MAP projects, which illustrates how the Agency has provided data and analysis to DG MOVE, which in turn has allowed the Commission to focus on policy-making by reassessing project priorities and planning. Also, the work with innovative instruments considered for the CEF, including formulation of a green paper, public consultations and expert groups etc., were mentioned as work where policy was improved by technical inputs from the Agency on e.g. financial engineering. According to some interviewees, these initiatives would not have been carried out to the same high standards and speed by DG MOVE had the Agency not been there to implement the TEN-T programme. DG MOVE staff also considers their policy development work to have improved.

### 7.1.3 Conclusion

On the basis of interviews with DG MOVE and Agency staff, it can be concluded that resources in DG MOVE focus on institutional tasks rather than project management after the creation of the Agency. Also, DG MOVE assesses that its institutional task performance has improved as a consequence of the creation of the Agency.

## 7.2 EQ 14 - To what extent has the TEN-T EA been able to provide an adequate level of know-how in relation to the TEN-T Programme to the Commission?

### 7.2.1 Introduction

Evaluation question nr.14 is concerned with the transfer of knowledge to the Commission in relation to programme implementation, as stipulated in Article 4 of the Delegation Act.

The two judgement criteria are:

- › The monitoring and reporting arrangements in place have enabled the Commission to benefit, in the short and medium term, from the know-how created by the Agency.
- › There is an adequate flow of information and communication between TEN-T EA and the Commission services.

## 7.2.2 Evidence

### Monitoring and reporting

Interviews in the Agency and with DG MOVE suggest that DG MOVE is better informed now about progress and details of the TEN-T projects than before the setup of the Agency. Due to the technical capacity of the Agency improved statistical-, geographical- and overall technical data; analyses have been made available to DG MOVE. DG MOVE officials also consider that monitoring and reporting arrangements in place ensure that a sufficient level of know-how is retained in the Commission and that it benefits from this knowledge transfer in the long and short term. One example is the Mid-term review of the MAP, which the Agency produced at the request of DG MOVE and which helped DG MOVE improve the implementation of the programme. Moreover, DG MOVE has approved AWP and AARs, and DG MOVE staff indicates that they are satisfied with the level of information provided in these reports.

One concern raised in the interviews was that the Agency, due to its high technical capacity, produces information that is sometimes difficult to communicate to non-technical staff in the Commission. At the same time, the level and speed of technical information and reporting on project implementation has been increasing and continues to do so. This underlines that a relatively high level of understanding and capacity related to the technical aspects of project implementation is still required by DG MOVE.

Another concern raised by some interviewees was that, even though information and reporting is regarded as well-functioning and adequate, the hands-on, tacit knowledge on daily project implementation now lies primarily with TEN-T EA. Some interviewees argue that this knowledge is also an important basis for further developing policy and programming and it is difficult to convey it to DG MOVE. This underlines the importance of keeping formal as well as informal communication channels open and active.

### Flow of information

Interviews in both DG MOVE and the Agency all point to the fact that there is an adequate flow of information and communication between TEN-T EA and the Commission services. The information flow is characterised as quick and efficient with short response times. This has been facilitated by the biannual reports. Furthermore, the Executive Director is invited to the management meetings in DG MOVE. Also, the Head of Units dealing with TEN-T in DG MOVE participate in the management meetings of the Agency. Finally, the Directors, the liaison officers and the Head of Units from DG MOVE and the Agency meet every six weeks on average.

At the operational level, the staff of the Agency is in liaison with the corresponding desk officer in DG MOVE.

Other DGs have also expressed a general satisfaction with the information and the interaction between them and the Agency.

Interviews show that DG MOVE staff, as well as Agency staff, consider the information they receive to be adequate and that the Delegation Act and the Memorandum of Understanding (MoU), defining tasks in more detail, clearly specifies the channels of communication. Some interviewees note that the quality of

communication has improved over time due to the work of the liaison officer in place in DG MOVE. Also, the monthly meetings between Heads of Units from DG MOVE and the Agency are reported to increase the exchange of knowledge.

Furthermore, DG MOVE and Agency staff is trying to organise joint missions when visiting the supported projects and discussing progress of the projects with the Beneficiaries and Implementing Bodies. The Agency and DG MOVE are also starting to join in on info-days in countries<sup>63</sup>. A few interviewees indicate that communications could still be improved. To improve information flows, a suggestion was made to make information channels between the two organisations more explicit, especially at the desk officer-level and according to areas of expertise.

### 7.2.3 Conclusion

The monitoring and reporting arrangements in place have enabled the Commission to benefit from the know-how created within the Agency. There is an adequate flow of information and communication between TEN-T EA and the Commission services, but with room for further improvement.

## 7.3 EQ 15 - To what extent does the Agency satisfactorily promote the image of the Trans-European Transport Network Programmes on behalf of the European Commission?

### 7.3.1 Introduction

The answer to this evaluation question is based on the following judgement criteria:

- › The Agency's activities to promote the image of the TEN-T programmes correspond to the needs of the target groups.
- › The Agency complies with the Commission guidelines on information and visibility.
- › The EU as promoter is visible in the programme implementation entrusted to the Agency.

### 7.3.2 Evidence

The Agency's first external communication strategy was approved by the Steering Committee in 2009. The strategy, which complies with the Commission's guidelines<sup>64</sup>,

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<sup>63</sup> We understood that some initiatives are taking place in the EU 12.

<sup>64</sup> Communication and visibility manual for European Union External Actions, 2010.



is updated annually, and since 2010 has been annexed to the Annual Work Programme. The strategy provides the framework for the Agency's external communication. The aim of the strategy is to raise awareness about the Agency and its added value as well as the TEN-T programme and its achievements in implementation.

The communication strategy clearly identifies the key messages, the target audience and the communication channels.

**Key messages**

The key messages for 2012 include:

- › *The TEN-T Executive Agency is a successful example of how centralised project management can effectively implement key European funding programmes.*
- › *The TEN-T programme positively contributes to European mobility and cohesion, and brings economic benefits to all.*
- › *Successful TEN-T project implementation helps contribute to the completion of the overall TEN-T network.*
- › *The Agency supports efforts in successful TEN-T project management.*
- › *The EU, through programmes such as TEN-T, supports a safer, more efficient and more sustainable transport network.*

**Target audience**

The key target audiences include the various relevant EU institutions, beneficiaries of TEN-T funding, relevant Member State authorities and relevant international organisations.

**Communication channels**

The most important communication channel is the TEN-T EA website (<http://tentea.ec.europa.eu/en/home/>). The key objectives for the website are to fulfil/contribute to the information needs of the different stakeholders in a manner that conveys an image of the organisation as being transparent and competent.

The information architecture clearly reflects the ambition to address the different groups of stakeholders. This holds true for the layout of the home page, the categorisation of the subpages and the menu items.

In general, the website is consistent and easy to navigate, though a search feature could improve the experience for users who need specific information but who are not yet familiar with the website.

In addition to the website, the communication activities include the organisation and participation in external events, networking, publications, and press material.

The organisation of external events includes project management workshops and call for proposal info-days in Brussels and in the Member States. In addition to these, the Agency participates in other events and exhibitions, especially the TEN-T days.

The Agency has produced a number of informative and well-designed publications to complement the information available on the website.

The issuing of press releases on all new individual projects is a new initiative taken by the Agency's communication function in collaboration with DG MOVE's communication unit. The press releases are translated into the relevant Member States' languages and then disseminated to the press by the EU representations in the countries, as well as to specialised sector contacts and other channels.

Collaboration with the Commission

DG MOVE's Communication department (A1) is responsible for the overall communication related to all activities of the DG, and Directorate B (responsible for TEN-T) does not have its own communication expertise.

Direct collaboration between the Agency's communication function and the communication experts in unit A1 concerns press releases and general institutional events. The Agency's communication function cooperates with various units in Directorate B concerning particular events and approvals for general press releases, such as those announcing the calls. However, there is no single direct counterpart in DG MOVE for the Agency to liaise with concerning the communication strategy.

According to the head of the Agency's communication function, the lack of a direct counterpart in DG MOVE does not prevent the Agency from fulfilling its objectives. However, the overall communication of TEN-T issues could be more effective if DG MOVE dedicated one Communications Officer to this, especially the communication of TEN-T policies, which is outside the remit of the Agency.

Interviews in DG MOVE<sup>65</sup> also indicated that the division of responsibilities in relation to the promotion of the TEN-T programme between DG MOVE and the Agency could be better defined, although the collaboration works well in practise.

Stakeholder's assessment of the communication work

All beneficiaries and Member State authorities interviewed for the evaluation are satisfied with the level of information and communication of the Agency.

Officials from DG MOVE and the Agency replying to questions on communication in general find that the Agency ensures a high visibility of the EU in the implementation of the TEN-T and that the right communication mechanisms are in place towards the Member States.

### 7.3.3 Conclusion

The evaluation provides evidence of a professional and effectively executed communication effort and of an Agency that promotes the image of the TEN-T in a satisfactory manner.

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<sup>65</sup> Unit A1

## 7.4 EQ 16 -To what extent has the existence of the Agency had an impact on progress towards the establishment of the TEN-T network according to objectives laid down in Article 2 of Decision No 661/2010/EU of the European Parliament and of the Council of 7th July 2010?

### 7.4.1 Introduction

The answer to this evaluation question is based on the following judgement criterion<sup>66</sup>:

- › The relative importance of the Agency in achieving the objectives of the TEN-T network compared to other factors.

### 7.4.2 Evidence

The objectives laid down in Article 2 of Decision No 661/2010/EU are shown in the box below.

*Box 7-1: Article 2 of Decision No. 661/2010/EU*

1. The trans-European transport network shall be established gradually by 2020, by integrating land, sea and air transport infrastructure networks throughout the Union in accordance with the outline plans indicated on the maps in Annex I and/or the specifications in Annex II.

2. The network must:

- (a) ensure the sustainable mobility of persons and goods within an area without internal frontiers under the best possible social and safety conditions, while helping to achieve the Union's objectives, particularly in regard to the environment and competition, and contribute to strengthening economic and social cohesion;
- (b) offer users high-quality infrastructure on acceptable economic terms;
- (c) include all modes of transport, taking account of their comparative advantages;
- (d) allow the optimal use of existing capacities;
- (e) be, insofar as possible, interoperable within modes of transport and encourage intermodality between the different modes of transport;
- (f) be, insofar as possible, economically viable;
- (g) cover the whole territory of the Member States so as to facilitate access in general, link island, landlocked and peripheral regions to the central regions and interlink without bottlenecks the major conurbations and regions of the Union;
- (h) be capable of being connected to the networks of the European Free Trade Association (EFTA) States, the countries of Central and Eastern Europe and the Mediterranean countries, while at the same time promoting interoperability and access to these networks, insofar as this proves to be in the Union's interest.

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<sup>66</sup> We have amended the judgement criterion presented in the inception report "Progress in respect to establishment of TEN-T network has been more significant under the Agency compared to previous management" as it better reflects the evaluation question.

The Agency has the responsibility for the monitoring of the TEN-T projects as well as a number of tasks supporting the Commission in the implementation of the programme (as has been described in particular under EQ 1 and EQ 3). This also means that a number of factors, which affect the progress towards the establishment of TEN-T, are beyond the influence of the Agency. These include:

- › The TEN-T policy and strategy.
- › Prioritisation and selection of TEN-T projects.
- › The transport policy as well as the prioritisation and funding of TEN-T projects in the Member States.
- › Funds made available through other EU funding mechanisms.
- › The execution of the TEN-T projects by the project promoters.

The development of the TEN-T policy and strategy and identification of priority projects and selection of projects to be funded are the responsibilities of DG MOVE. It goes without saying that the overall policy and the actual projects to be supported are of vital importance to the achievement of the objectives.

The TEN-T projects are executed and owned by the Member States and as such they also play a crucial role in the achievement of the objectives. Projects might be stopped or delayed for political or financial reasons. External factors such as financial crises influence the willingness and ability of the Member States to execute the projects as planned.

The TEN-T programme is not the only financial instrument supporting TEN-T projects. In fact, the TEN-T funding represents the smallest endowment to the TEN-T network alongside funds made available through the ERDF and the Cohesion Fund and the loans granted by the EIB<sup>67</sup>. The coordination at programme level with these other community instruments is the responsibility of DG MOVE.

This means that the Agency has only an indirect impact on the achievement of the objectives. This indirect impact relies on the relevance of the tasks entrusted to the Agency and the effectiveness in the execution of these tasks. As it appears from the previous chapters, the Agency's tasks are assessed to be relevant and effectively executed.

In general, the beneficiaries state that they consider that the Agency is adding value in terms of advice on improving applications, in helping to prepare better projects and in developing the trans-European transport network. This also contributes indirectly to the achievement of the objectives (see also answer to EQ 6).

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<sup>67</sup> Assessment of the TEN-T programme implementation - Ref. Ares (2011)52905.

### 7.4.3 Conclusion

The Agency has had an indirect positive impact on the achievement of the establishment of the TEN-T network through effective execution of the tasks entrusted to it.

## 7.5 EQ 17 - Have the activities of the TEN-T EA resulted in unintentional effects (either desirable or undesirable)?

The Commission and Agency staff were asked whether they see any unintentional effects and if they see any overlaps between the tasks to be carried out by the two institutions respectively.

The Agency mentioned as an unintentional effect the fact that DG MOVE has requested much more support from the Agency than was initially expected, which confirms its utility to DG MOVE's activities.

A second unintentional effect is the current discussion about the possible decision by the Commission to entrust the CEF and the transport research programme management to TEN-T EA from 2014.

We could not find any evidence pointing at other unintentional effects resulting from the activities of TEN-T EA.

## 8 Cost benefit assessment (CBA)

### 8.1 Introduction

The aim of the CBA is to analyse the TEN-T EA based on real costs and actual staff numbers. The outcome is compared to a scenario in which the TEN-T programme is being implemented inside DG MOVE. The analysis covers the period from 2008 to 2011, as well as the current mandated period 2008-2013, including the two year closing down period (2014 and 2015).

A full retrospective CBA was created based on real data for the period 2008-2011 and on updated forecasts for the remaining period of the Agency's lifetime. This has enabled a comparison with the CBA initially made prior to the extension of the mandate in 2007, which gives an indication if the cost saving estimates made have materialised. The CBA results are summarised in tables presenting the actual staff numbers, staff costs, supervision costs and overheads. The total cost for each year is presented to allow the reader to gain an overall view of the cost evolution.

The data sources are interviews or documents from the Executive Agency and DG MOVE, and DG BUDG. The CBA is also based on data made available by TEN-T EA, from annual reports and from information collected through interviews.

#### Qualitative CBA

Article 3(1) factors

The qualitative CBA is based on Article 3(1) of the Council Regulation (EC) No. 58/2003<sup>68</sup>, defining the setting up and winding up of Executive Agencies. In the regulation a number of factors are listed, which the cost benefit analysis takes into account and analyses. The table below provides an overview of where the factors are dealt with in the evaluation.

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<sup>68</sup> Council regulation No. 58/2003 of 19 December 2002 laying down the statute for Executive Agencies.

Table 8-1: Relation between factors, evaluation themes and questions.

Factors from Article 3(1)	Assessment	Theme
Identification of the tasks justifying outsourcing	Evaluation question 1	Relevance
Costs of coordination and checks	Evaluation question 8	Efficiency
Impact on human resources	Evaluation question 7	Efficiency
Possible savings	Evaluation question 10	Efficiency
Efficiency and flexibility	Evaluation question 12	Efficiency
Simplification of procedures	Evaluation question 12	Efficiency
Proximity to beneficiaries	Evaluation question 5	Effectiveness
Visibility of the Community	Evaluation question 14	Utility
Know how maintenance in the Commission	Evaluation question 15	Utility

## 8.2 Assumptions

A number of specific assumptions are made to calculate the CBA:

- › The evaluation is of an interim nature and the CBA is of a retrospective nature.
- › The CBA is made on current prices taking into account inflation, salary developments and interest rates.
- › The CBA is of a retrospective nature, so in the quantitative CBA the alternative option is the DG MOVE option<sup>69</sup>. However, alternative options are assessed in evaluation question EQ 11.
- › DG MOVE controls the activities and decisions of the Executive Agency on a regular basis and can also conduct ad hoc controls and audits. The cost of supervision and control is estimated in evaluation question EQ 8 (how much time permanent DG MOVE staffs dedicate to Agency's control and supervision). In the Agency option the cost of supervision and control is estimated to be 3.15 FTE (See evaluation question EQ 8).
- › The costs and staff level in the Agency are based on real expenditure and budgets for the Agency.
- › The costs and staff level in DG MOVE are based on estimations. The calculation of the cost of the DG MOVE option is based on average costs of employment and overheads in the Commission (from DG BUDG) and assumptions made on required staff levels, staff structures
- › In the DG MOVE option, there are specific assumptions on the required staff levels and structures (10% Contract Agents and 90% Commission Officials).

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<sup>69</sup> This means programme implementation management inside DG MOVE

**Flexible model** The model used to calculate the CBA is a spreadsheet model with a flexible interface ensuring that all assumptions can be recalculated and extended. The findings are produced for the:

- › Presentation of actual costs 2008-2011.
- › Presentation of estimated annual cash flow savings 2008-2015.
- › Monetary savings (overall) within the general budgetary framework (2008-2015).

**Net present value (NPV)** The Net Present Value is used to calculate the difference in costs between managing the implementation of the TEN-T programme in TEN-T EA and in the parent DG. The calculation of the NPV is based on the following formula:

$$NPV = \sum_{j=1}^n \frac{values_j}{(1 + rate)^j}$$

NPV = Net Present Value  
n = total years  
j = year  
Rate = discount rate  
Values = yearly cost difference between Agency and alternative management option (inside DG MOVE)

### 8.2.1 Staff numbers

**Staff categories** The main staff categories considered in the cost calculations are the following:

- › Temporary Agents (TA) who are either Commission officials seconded to the Executive Agency in the interests of service or externally hired staff.
- › Contract agents (CA) who are hired for covering manual and administrative support service tasks.

The staff numbers in the Agency are based on actual staff employed for the period 2008 to 2011. The 2012 is based on the current allocation and budget figure. The staff level in 2013 is expected to be the same as for 2012. At the end of 2011, the Agency received the approval for an additional contract agent. So the staff reached 100 members in 2012.

It is estimated that 3.15 FTE are based in DG MOVE to supervise and control the activities of the Agency as presented in the above chapter on efficiency (evaluation question EQ 8).



The staff data for the closing down period 2014 and 2015 is based on the legislative financial statement<sup>70</sup>. It is assumed that an approximately 80% staff load is needed in 2014 and 50% in 2015 to handle the ongoing projects and transfer of the remaining open files to DG MOVE by 2015.

*Table 8-2: Staff numbers in the Executive Agency and DG MOVE.*

TEN-T EA staff numbers	2008	2009	2010	2011	2012	2013	2014	2015
<b>Number of Staff (FTE)<sup>71</sup></b>	<b>70,15</b>	<b>94,15</b>	<b>96,15</b>	<b>102,15</b>	<b>103,15</b>	<b>103,15</b>	<b>81,52</b>	<b>51,58</b>
Executive Agency	67,00	91,00	93,00	99,00	100,00	100,00	79,00	50,00
<i>Temporary Agents/Seconded officials</i>	23,00	31,00	31,00	33,00	33,00	33,00	25,00	16,00
<i>Contractual Staff</i>	44,00	60,00	62,00	66,00	67,00	67,00	54,00	34,00
DG MOVE Supervision and control <sup>72</sup>	3,15	3,15	3,15	3,15	3,15	3,15	2,52	1,58

Source: TEN-T EA, DG MOVE

## 8.2.2 Staff costs and overheads

Salary costs and overheads in the Agency

Salary costs and overheads are taken from the annual accounts of TEN-T EA and reflect the real cost expenditures for the years 2008-2011. The 2012 costs are based on the latest budget figures for 2012. For 2014, the assumption is that the budget will be approximately 80% of the 2013 level. In 2015 it is assumed that the level will be 50% of 2013. This assumption reflects the expected workload and is in line with the Legislative Financial Statement made when setting up the Agency.

Comparing overheads

The agency overheads for 2008-2011 reflect real costs and vary from year to year reflecting actual expenses (well documented in the AARs). The overheads in the DG MOVE option are linear to the number of employees (adjusted with inflation).

The overheads of the Commission and the Agency are not directly comparable. The overheads of TEN-T EA include SLA costs. In the Commission, parts of these costs would be covered as staff costs. Furthermore, the Commission overheads reflect the average of a very large number of employees, whereas the Agency has a limited staff number on which these overheads should be shared. This should be kept in mind if comparing overheads directly.

Salary costs in the Commission

The table below presents the average staff costs and overheads for officials, temporary and contract agents working in the Commission. The figures are not actual costs but forecasts made for the coming year and used in the Commission's forward planning. The costs are used in the CBA to estimate the costs of implementing the TEN-T programme in the Commission (the alternative implementation option as compared to the Agency). As this CBA is retrospective by nature, the optimal would be to have the average salary levels from DG MOVE from 2008 to 2011, reflecting the actual salary

<sup>70</sup> Legislative financial statement for the Modification of the Trans-European Transport Network Executive Agency (TEN-T EA) (V11.03.2008\_HM&OL\_a).

<sup>71</sup> In the Executive Agency and in DG MOVE / FTE Full time equivalent.

<sup>72</sup> According to DG MOVE the number is 3.15 FTE, see evaluation question EQ 8. It is assumed that their number decreases during the closing down period.

costs. Nevertheless; the rates presented below are adjusted annually and do provide a good indication for the purpose of this exercise.

The figures in the marked cells have been adjusted with salary adjustment rates and inflation rates for overheads. The figures in the non coloured cells were provided by DG BUDG.

Table 8-3: Average staff costs and overheads in the Commission.

EUR	2008	2009	2010	2011	2012	2013	2014	2015
Officials and temporary agents	100.000	100.000	104.000	104.000	105.664	107.460	109.287	111.145
Contract agents	38.386	39.537	41.000	41.000	41.656	42.364	43.084	43.817
Overheads	22.000	23.000	23.000	23.000	23.552	23.976	24.408	24.847

Source: Figures in blank cells DG BUDG/Figures marked are based on own calculation

Salary adjustment rates and inflation rates

Staff costs are adjusted with the salary adjustment rates and the overheads are adjusted with the inflation rate for those years where DG BUDG does not have figures. The financial rates presented in the Commission's impact assessment guidelines<sup>73</sup> (discount rate of 4% in cost benefit assessments) is the discount rate used to calculate NPV and the current inflation rates comes from DG ECFIN's.

The salary increase rates are used to estimate the salary levels in the Commission for 2012, 2013, 2014 and 2015. In addition, it is used to estimate the figures for contract agents in 2008 and 2009 as DG BUDG did not produce forecasts for these two years.

For 2014 and 2015 the rates of 2013 are used.

Table 8-4: Inflation and salary adjustment rates.

	2008	2009	2010	2011	2012	2013	2014	2015
Inflation rate <sup>74</sup>	3,30%	0,30%	1,60%	2,70%	2,40%	1,80%	1,80%	1,80%
Salary adjustment rates <sup>75</sup>	3,00%	3,70%	0,10%	1,70%	1,60%	1,70%	1,70%	1,70%

Phasing in/phasing out cost

The 2007 CBA phasing in costs were associated with the Commission staff reallocation as a consequence of the creation of the Agency and staff secondment that took place in 2008. It was assumed that DG MOVE could not immediately reallocate resources, therefore a cost equivalent to 6 months salary including benefits and overhead, is included in 2008 for each staff reallocation.

These costs have not been verified and in the Commission it is difficult to track the exact time spent in relation to restructuring. However, there has been a reorganisation taking place in DG MOVE as a consequence of the creation of the Agency.

<sup>73</sup> Impact Assessment Guidelines, 15 January 2009, SEC(2009)92 – Secretariat General.

<sup>74</sup> Source: ECFIN - European Economic Forecast Spring 2012, HICP forecast Yearly average Euro area.

<sup>75</sup> Source: The salary adaption rate was provided by DG Budget. The rate for 2011 has not yet been adopted by the EU council.

In the CBA it does not seem a reasonable assumption to allocate 6 month staff costs for each staff reallocated in DG MOVE. These costs would have also applied in case the TEN-T programme implementation had been moved to a Directorate in DG MOVE.

The phasing out of costs foreseen in the 2007 CBA seems to have been more or less levelled out due to adequate planning and contracting:

- › One of the phasing out costs was related to terminating staff contracts in 2014 and 2015. The current staff contracts will terminate during the rolling period from 2013 to 2015. No additional costs will be supported for termination of contracts. Unemployment benefit is already covered by the staff costs.
- › The actual office renting costs in 2014 and 2015 will be around EUR 1.300.000, below the estimated costs in 2007. It is expected that the Agency will continue beyond its current mandate therefore the office capacity has not been reduced in the current budgets.

Phasing in and phasing out costs as defined in the CBA have not been identified as real costs. The costs are reduced due to staff planning in the Agency and in DG MOVE. Other costs not contained in the present calculations related to setting up or closing down the Agency are expected to have occurred if the programme implementation was established in a separate Directorate in DG MOVE.

### 8.3 Cost benefit analysis

The cost benefit analysis (CBA) compares the implementation of the TEN-T programme in TEN-T EA to a situation where the management is carried out inside DG MOVE.

The CBA is retrospective by nature as the Agency has been operating for a number of years and the calculation is based on the real costs of the Agency for the years 2008-2011.

2008-2011

For the period 2008 to 2011 the number of staff increased from 74 staff in 2008 to 99 staff in 2011. Of the 99 staff, 66 are contract agents and 33 staff are temporary agents. In the Commission the resources used for supervision and control (due to the Agency structure) amounts to 3.15 FTE staff. 2011 is the first year where the Agency reached full employment.

Table 8-5: Presentation of CBA findings

TEN-T EA Actual staff numbers & costs <sup>76</sup>	2008	2009	2010	2011	2012	2013	2014	2015 <sup>77</sup>
<b>Number of Staff (FTE)<sup>78</sup></b>	<b>70,15</b>	<b>94,15</b>	<b>96,15</b>	<b>102,15</b>	<b>103,15</b>	<b>103,15</b>	<b>81,52</b>	<b>51,58</b>
<b>Executive Agency</b>	<b>67</b>	<b>91</b>	<b>93</b>	<b>99</b>	<b>100</b>	<b>100</b>	<b>79</b>	<b>50</b>
<i>Temporary Agents/Seconded officials</i>	23	31	31	33	33	33	25	16
<i>Contractual Staff</i>	44	60	62	66	67	67	54	34
DG MOVE Supervision and control <sup>79</sup>	3.15	3.15	3.15	3.15	3.15	3.15	2.52	1.58
<b>Total costs incl. supervision (EUR million)</b>	<b>6.069</b>	<b>9.242</b>	<b>10.194</b>	<b>10.300</b>	<b>10.212</b>	<b>10.708</b>	<b>9.592</b>	<b>8.232</b>
<b>Cost TEN-T EA</b>	<b>5.685</b>	<b>8.855</b>	<b>9.794</b>	<b>9.900</b>	<b>9.805</b>	<b>10.294</b>	<b>9.255</b>	<b>8.018</b>
TEN-T EA staff	3.330	5.536	6.245	6.885	7.296	7.556	6.876	5.748
TEN-T EA Overheads	2.355	3.320	3.550	3.015	2.509	2.738	2.379	2.270
Cost of supervision and control (DG MOVE)	0.384	0.387	0.400	0.400	0.407	0.414	0.337	0.214
<b>DG MOVE Calculated staff numbers &amp; costs</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Number of Staff (FTE)</b>	<b>67</b>	<b>91</b>	<b>93</b>	<b>99</b>	<b>100</b>	<b>100</b>	<b>79</b>	<b>50</b>
<i>Officials/Temporary agents</i>	60.3	81.9	83.7	89.1	90.0	90.0	71.1	45.0
<i>Contractual Staff</i>	6.7	9.1	9.3	9.9	10.0	10.0	7.9	5.0
<b>Cost (EUR million)</b>	<b>7.761</b>	<b>10.643</b>	<b>11.225</b>	<b>11.949</b>	<b>12.282</b>	<b>12.493</b>	<b>10.039</b>	<b>6.463</b>
Staff Cost	6.287	8.550	9.086	9.672	9.926	10.095	8.111	5.221
Overheads	1.474	2.093	2.139	2.277	2.355	2.398	1.928	1.242
<b>Cost difference between the two options</b>	<b>1.692</b>	<b>1.400</b>	<b>1.031</b>	<b>1.649</b>	<b>2.069</b>	<b>1.785</b>	<b>0.447</b>	<b>-1.769</b>

The full costs of TEN-T EA increased from EUR 6.1 m in 2008 to EUR 10.3 m in 2011. From 2010 to 2013 the costs are stable after which a phasing out period is expected with an approximately 80 % workload in 2014 and 50% workload in 2015. The costs and staffing of the Agency are in line with what was foreseen in the financial statement setting up the Agency.

The CBA estimation for 2008-2015 reconfirms that the Agency option to manage the implementation of the TEN-T programme is less costly compared to a similar programme implementation structure in DG MOVE. The main difference is that the Agency can recruit and retain contract agents for up to 66% of its total staff. Contract agents working in the Commission are mainly used for posts of a non- permanent nature and for a maximum of three years employment, whereas contract agents working in the agency can stay for the lifetime of the agency. Contract agents are less costly than temporary agents and Commission officials. Thus, employing 66%

<sup>76</sup> For the years 2008-2011, budget and forecast for 2012 to 2015.

<sup>77</sup> The negative result in 2015 is the result of legal obligations linked to the logistic costs (renting expenses and SLAs) that cannot be cancelled or reduced.

<sup>78</sup> In the Executive Agency and in DG MOVE.

<sup>79</sup> According to DG MOVE the number is 3.15 FTE. See evaluation question 11.

contract agents in the Agency compared to 10% in DG MOVE creates a financial benefit.

The net present value amounts to EUR 8.66 m in 2012 prices. The actual costs amounted to EUR 36.06 m for the period 2008 to 2011. The estimated cost for the full lifetime of the Agency amounted to EUR 70.09 m.

Table 8-6: Net present value and total costs

	EUR 2012 prices
Net Present Value (NPV)	8.664
Estimated total costs 2008-2015	70.085
Actual total cost 2008-2011	36.058

## Benchmark

When comparing the above calculations using actual costs for TEN-T EA with those of the 2007 CBA, the same picture appears, namely that the Agency option is favourable in monetary terms. The 2008 costs were significantly lower than foreseen due to the delay in recruitment as 67 staff were recruited compared with the 99 staff planned.

The NPV found in 2007 is at the same level as the one calculated in the retrospective CBA.

Table 8-7: Result of 2007 CBA

Operational budget	2007	2008	2009	2010	2011	2012	2013	2014	2015
2000-2006 RAL - Million €	947	800	450	100	10				
2007-2013 Commitment appropriations - Million €	817	936	1015	1048	1228	1343	1528		
<b>Inhouse Option (DG TREN)</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Number of Staff</b>	<b>70</b>	<b>123</b>	<b>123</b>	<b>123</b>	<b>123</b>	<b>123</b>	<b>123</b>	<b>98.4</b>	<b>61.5</b>
Officials/Temporary agents	62	112	112	112	112	112	112	89.6	56.0
Contractual Staff	8	11	11	11	11	11	11	8.8	5.5
<b>Cost</b>	<b>1,939,500</b>	<b>14,394,579</b>	<b>15,019,870</b>	<b>15,674,199</b>	<b>16,358,958</b>	<b>17,075,604</b>	<b>17,825,667</b>	<b>14,888,600</b>	<b>9,716,267</b>
Staff Cost	1,554,500	11,634,459	12,204,547	12,802,570	13,429,896	14,087,961	14,778,271	12,401,925	8,131,012
Overheads	385,000	2,760,120	2,815,322	2,871,629	2,929,061	2,987,643	3,047,396	2,486,675	1,585,255
<b>Executive Agency Option</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Number of Staff</b>	<b>81</b>	<b>129</b>	<b>129</b>	<b>129</b>	<b>129</b>	<b>129</b>	<b>129</b>	<b>103.2</b>	<b>64.5</b>
Executive Agency	44	99	99	99	99	99	99	79.2	49.5
Temporary Agents (Seconded officials from EC)	6	8	8	8	8	8	8	6.4	4.0
Temporary Agents recruited by Ex. Agency	17	32	32	32	32	32	32	25.6	16.0
Contractual Staff	21	59	59	59	59	59	59	47.2	29.5
DG TREN (Officials)	37	30	30	30	30	30	30	24.0	15.0
<b>Cost</b>	<b>2,085,750</b>	<b>13,873,281</b>	<b>12,932,192</b>	<b>13,480,242</b>	<b>14,053,435</b>	<b>14,652,967</b>	<b>15,280,094</b>	<b>13,630,789</b>	<b>10,231,053</b>
DG TREN Staff	878,750	4,454,790	3,136,143	3,289,814	3,451,015	3,620,114	3,797,500	3,186,862	2,089,386
Executive Agency Staff	761,500	6,523,731	6,843,394	7,178,720	7,530,477	7,899,471	8,286,545	7,335,583	6,160,098
Overheads	445,500	2,894,760	2,952,655	3,011,708	3,071,942	3,133,381	3,196,049	3,108,343	1,981,569
<b>Cost difference between the two options</b>	<b>-146,250</b>	<b>521,298</b>	<b>2,087,678</b>	<b>2,193,957</b>	<b>2,305,523</b>	<b>2,422,637</b>	<b>2,545,573</b>	<b>1,257,811</b>	<b>-514,786</b>
Discounted Net Present Value - 2007	9,884,774								

### 8.3.1 Reflection on the sensitivity analysis

The 2007 CBA assessed the sensitivity of the different components of the CBA model. The outcome of the CBA model was not sensitive to the financial rates but changes to the number of contract agents and temporary agents could have a significant impact on the benefits. The staff cost of contract agents is up to 60% lower than those of temporary agent/commission officials (see table 8.3).

Table 8-8: Financial rates

	2007 CBA	2012 CBA
Inflation rate	2%	1.6%
Salary adjustment rate	4.9%	1.5%
Interest rate	5%	4%

Even if the rates used in 2007 and 2012 vary the impact of the rates on NPV are still limited. The table below reconfirms the findings.

Table 8-9: Sensitivity of financial rates

Inflation rate	Reduced by ½	Baseline	Double
<b>Impact on NPV</b>	<b>8.51</b>	<b>8.66</b>	<b>8.99</b>
Salary adjustment rate	Reduced by ½	Baseline	Double
<b>Impact on NPV</b>	<b>8.15</b>	<b>8.66</b>	<b>9.71</b>
Interest rate	Reduced by ½ (2%)	Baseline	Double (8%)
<b>Impact on NPV</b>	<b>8.48</b>	<b>8.66</b>	<b>9.03</b>

#### Supervision and control

The resources used by the Commission for supervision and control are generally difficult to assess with precision. The definition and understanding of what coordination and control covers are not always clear. Furthermore, the Commission does not register the time spent on activities. The 3.15 FTE spent by DG MOVE is an estimate provided by the Commission.

The level of supervision and control is directly linked to staff costs and thus they have an impact on NPV. If the level of supervision and control is doubled then the NPV is reduced by approximately 25%. The NPV will increase if the resources spent on supervision and control are reduced.

Table 8-10: Sensitivity of supervision and control

Supervision and control	Reduced by ½ (1.58 FTE)	Baseline (3.15 FTE)	Double (6.3 FTE)
<b>Impact on NPV</b>	<b>10.13</b>	<b>8.66</b>	<b>5.74</b>

#### Commission salary levels

The average Commission staff cost is used to calculate the cost of TEN-T programme implementation in DG MOVE. The staff costs used are annual staff cost forecasts for the budgets as actual costs are not calculated ex-post per employee.

The model is sensitive to changes in staff costs as this is the main cost component in the model. When staff cost levels in the Commission are reduced or increased by 10% it has a direct impact on the NPV (by approximately EUR 6 m).

*Table 8-11: Sensitivity of Commission staff cost*

Staff costs	Reduced by 10%	Baseline	Increased by 10%
<b>Impact on NPV</b>	<b>2.58</b>	<b>8.66</b>	<b>14.75</b>

**Conclusion**

Changes to the financial rates used in the CBA have a limited impact on the outcome of the CBA. Staff costs is the main costs component of the CBA model and changes to the number of contract agents and temporary agents and increases/decreases to salary levels does impact the NPV significantly.

The level of supervision and control is directly linked to staff costs and thus has an impact on NPV. The NPV will increase if the level of supervision is decreased (and vice versa).

The NPV is also sensitive to the staff costs of Commission officials.

## 9 Conclusions and Recommendations

The specific purpose of this evaluation was to:

- › Identify whether the Agency continues to be the most efficient and effective solution for the management of the EU's support to the TEN-T network.
- › Identify any problems in the systems and processes used by the Agency.
- › Identify monitoring and control requirements by DG MOVE.

In response hereto, this chapter presents the conclusions and recommendations resulting from the key findings presented in the preceding chapters.

### 9.1 Conclusions

The overall conclusion of the evaluation is that the TEN-T EA is a well-run organisation that has successfully met the targets that have been set. The evaluation shows that the Agency is performing its mandated tasks in an effective and efficient way. It has a very high performance in relation to project management tasks. The Agency performance has also indirectly facilitated an improvement in the operational implementation of the TEN-T Programme. It is also noted that the level of satisfaction among stakeholders is high and the quality of services has improved in comparison with the time before the creation of the Agency.

Using an Agency to manage the projects financed by the TEN-T programme is the most cost-effective option and, as such, the relevance of the TEN-T EA continues to be high. In conclusion, the cost and delivery of the Agency fulfils the objectives and expectations of improved implementation of the TEN-T programme, as sought at the time of establishing the Agency.

#### 9.1.1 Conclusion on Relevance

The tasks carried out by the Agency are consistent with the ones defined in the Commission Decision to establish the Agency and the Act of Delegation. Our assessment shows that the relevance of the TEN-TEA to the needs it was intended to



meet was strongly demonstrated when the Agency was established and has remained so subsequently. The relevance of the Agency is fully confirmed.

The outsourcing to the Executive Agency remains the most cost-effective manner to ensure the management of the EU's support to the TEN-T network. There are no factors in the organisational environment that have changed to the extent that the merits of the outsourcing option should be questioned. If anything, given the more pronounced constraints on the EU budget, the need to maximise efficiency gains through arrangements such as outsourcing has become even more pressing.

### 9.1.2 Conclusion on Effectiveness

The creation of the Agency offered the possibility of increasing the number of (specialised) staff dealing with TEN-T project management compared to the level of staff available in DG MOVE.

Overall, the TEN-T EA is operating effectively and in compliance with Council Regulation 58/2003, the Financial Regulation and the legal framework by which it was established. The Agency's objectives have been achieved to a high degree and overall target-achievement has improved continuously from 2008 to 2011. The annual specific objectives were achieved from 2008 to 2011 with only minor exceptions. Furthermore, the level of satisfaction of the stakeholders with the services provided by the Agency is high.

The evaluation shows that the Agency is performing its mandated tasks. It has a very high performance level in relation to the project management tasks. This has also facilitated an improvement in the operational implementation of the TEN-T Programme. A task where the Agency should further augment its performance is in providing technical advice to Beneficiaries (especially EU-12 Member States) on issues related to the financial engineering of projects (e.g. how to blend grants with private funding) but also in relation to the compliance of TEN-T projects with EU environmental law.

Considering that it seems likely that funding for TEN-T will increase during the financial perspectives from 2014 and onwards, the characteristics of the projects may very well take on an even more pronounced focus on larger projects. This underlines the need for the TEN-T EA to further develop its competencies and experience in appraisal of project proposals to incorporate economic and financial viability analyses and cost-benefit assessments.

### 9.1.3 Conclusion on Cost effectiveness and CBA

The organisational structure of the Agency is well suited for managing its tasks and objectives. The Agency possesses a high level of expertise in project and financial management, but could acquire additional skills in some areas of transport expertise

such as traffic-flow forecasting, cost-benefit assessment of transport infrastructure and cost engineering<sup>80</sup>.

DG MOVE has produced a monitoring strategy of TEN-T EA, in which the different levels of monitoring and supervision of the Agency's activities are defined and outlined. The resources employed by the Commission on supervision and control of the Agency are estimated as 3.15 full time equivalents(FTE), which is in line with the other Executive Agencies though lower than the level anticipated at the creation of the Agency (6 FTE).

The implementation modules of TENtec facilitate the daily work of the Agency and contribute to the efficiency of the project management performed by it. It is difficult to quantify the added value the implementation module provides TEN-T EA staff, as without it, it would not be possible to do the same level of project monitoring and follow up.

The CBA estimation for 2008-2015 reconfirms that the Agency option to manage the implementation of the TEN-T programme is the more cost-effective, compared to a similar programme implementation structure in the Commission. The outcome of the CBA shows cost savings of the Agency option estimated at a net present value (NPV) of EUR 8.66 m, which is in the same range as the NPV estimated in the 2007 CBA. It is also concluded that the Agency fulfils the objectives and expectations as sought at the time of its creation.

Therefore internalising the project management back to DG MOVE is not expected to be beneficial to the TEN-T programme implementation. Analysis of the alternative options provides support for the concept of entrusting the management of the implementation of the future CEF to TEN-T EA, in order to enable the quality and discipline of the TEN-T programme management to be applied to the higher co-financing rate of the Cohesion Fund. The overall conclusion is that the current set-up of the Agency is the best solution for managing the TEN-T programme and the CEF in the future.

#### 9.1.4 Conclusion benefits and disadvantages

The assessment of the benefits and disadvantages of the TEN-T EA compared to DG MOVE shows that the Agency is performing positively in relation to all judgement criteria examined. Thus, the Agency has:

- › Enabled DG MOVE to focus on its institutional tasks and thereby improved the institutional task performance.
- › Established an adequate flow of information enabling DG MOVE to benefit from the in-depth know-how of TEN-T projects created within the Agency.

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<sup>80</sup> Cost engineering is the engineering practice devoted to the project cost management, involving such activities as (unit) cost assessment, cost control, cost forecasting, investment appraisal, and risk analysis.

- › Promoted the image of the TEN-T programme in a satisfactory manner through a professional and effectively executed communication effort.
- › Had an indirect positive impact on the achievement of the establishment of the TEN-T network through effective execution of the tasks entrusted to it.

The evaluation underlines the importance of both formal and informal channels of communication between DG MOVE and the TEN-T EA and of a sustained effort on both sides to ensure good coordination and sharing of knowledge. Cooperation and communication is on-going at many levels and on many issues. This is necessary and should be prioritised.

To improve information flows, it is suggested to render information channels between the two organisations more explicit, especially at the desk officer-level and according to areas of expertise.

One area where an increased cooperation could have potential benefits for the implementation of the TEN-T programme is communication on the TEN-T projects and programme impacts. This is an area with obvious interfaces between DG MOVE and the Agency and where there could be increased coordination. To this end, a clearer designation of a counterpart in DG MOVE to the communication unit in the Agency could be a valuable contribution.

## 9.2 Recommendations

The above conclusions give rise to a number of recommendations. Some are general and some are targeted specifically at either the TEN-T EA and/or DG MOVE.

### 9.2.1 Recommendations to DG MOVE

#### **Recommendation 1: The TEN-T EA should be maintained**

The evaluation has shown that it is still relevant to outsource the tasks managed by the Agency. The TEN-T EA has shown that it can effectively and efficiently execute the tasks entrusted to it and has built up considerable experience over the past couple of years. There is thus a good basis for continuing operations in the coming years.

Should the Commission decide otherwise, there would also be a risk of not keeping the separation between policy development and project management if the Agency was for instance to become a Directorate in DG MOVE. The danger of mixing policy development and project management activities in a policy development led structure should not be under-estimated.

Should the Agency be maintained, it is recommended to monitor the resources dedicated by DG MOVE to supervision and control of the Agency as increases in the level will reduce the monetary benefits of having an Agency. The cost of supervision and control amounted to EUR 0.40 m in 2011, which is equal to 25% of the costs savings achieved by the Agency that year.

**Recommendation 2: Maintain focus on continuously developing cooperation and communication between DG MOVE and TEN-T EA**

Although information and reporting is regarded as well-functioning and adequate, the hands-on knowledge of daily project implementation now lies primarily with TEN-T EA. The risk exists that the Agency produces information that is sometimes difficult to communicate to non-technical staff at the Commission. At the same time, the level and speed of technical information and reporting on project implementation has been increasing and continues to do so.

The evaluation has shown that much progress has been achieved in this area and that communication is functioning well. This is thanks to an effort from both sides to work proactively to solve issues and improve performance. Good coordination and communication is of high importance for a number of reasons, especially to ensure that the Commission retains sufficient know-how on the project-specific aspects and to ensure that the Agency has a correct basis and level of knowledge about the programme to manage its implementation. For this reason, there should be a continued emphasis on maintaining and further developing the existing practices and channels of communication.

Furthermore, this underlines that a relatively high level of understanding and capacity related to the technical aspects of project implementation is also to be kept in DG MOVE.

### 9.2.2 Recommendations to DG MOVE and TEN-T EA

**Recommendation 3: Maintain dialogue with Beneficiaries and Implementing Bodies and expand dialogue on project preparation**

The evaluation shows that Beneficiaries and Implementing Bodies are generally very satisfied with the services offered by the Agency. One of the positive aspects most often mentioned is the effort made by the Agency to enter in a constructive dialogue whether this is in connection with a specific project or in connection with the info-days, work groups, etc. arranged by the Agency. The Agency should maintain and also strengthen its work in this area. In particular, in the Cohesion Fund countries (EU 12 + Greece, Portugal and Spain) more focus on project development will be relevant for the next funding period. Countries that have less experience with the TEN-T project application process and centralised management might be in need of greater assistance in the preparation of their applications and will require closer project monitoring.

DG MOVE should enhance the dialogue with these Member States about the possibilities of the TEN-T programme (the CEF in the future) and the assistance to be provided by the Agency prior to project application submission. The Agency should reinforce its staff skills to be able to meet these requirements to assist these countries with their applications, as well as during the project (works) implementation.

**Recommendation 4: Increase joint communication efforts of DG MOVE and TEN-T EA to achieve a higher level of synergy in the promotion of the TEN-T programme and projects**

The evaluation shows that the efforts of the Agency to communicate information about the TEN-T projects and promote the TEN-T programme are well planned and

executed. Coordination of these activities with the relevant communication experts in DG MOVE works well in practise. However, a stronger linkage, and perhaps appointment of a relevant communication counterpart in DG MOVE, would support a more coordinated effort and exploitation of synergies in relation to communication on the TEN-T projects (TEN-T EA) and communication on the TEN-T programme/policy (DG MOVE).

### 9.2.3 Recommendations to TEN-T EA

#### **Recommendation 5: Develop the selection procedure and methods to achieve better gearing for increased programming budget and larger projects**

The selection of project proposals has improved during the lifetime of the Agency. The use of recognised evaluation criteria and external experts are the main explanatory factors. As budgets and projects are expected to grow, the focus is likely to shift from financing of studies and preparatory work to financing of actual infrastructure, and the appraisal of projects will take on a much larger significance. In addition to the evaluation methods and evaluation criteria already in place, there is a need to develop methods to focus more on project viability and to incorporate cost-benefit assessments of projects in the procedures. In this connection, there are important lessons to be learned from other financing mechanisms, e.g. the EIB, and the Agency should seek to draw on these where possible.

#### **Recommendation 6: Continued focus on improving the effectiveness and efficiency.**

The Agency has accomplished important work in streamlining and simplifying its working procedures to the benefit of the management of TEN-T projects and the improvement of the financial execution of its operational budget. In case the management of the CEF and the transport research programme are entrusted to the Agency from 2014 onwards, further efforts should already be planned to organise the expansion of the staff base and develop the needed management tools (including IT) and procedures based on lessons learnt from the current period (e.g. feed back from beneficiaries).

#### **Recommendation 7: Continue streamlining of application procedures**

Beneficiaries and Implementing Bodies appreciate that a lot has been done by the Agency to facilitate a smooth application procedure and satisfaction with the Agency is high. However, it is also emphasised that there are untapped possibilities for further simplification and streamlining. It is recommended that the Agency continues the dialogue on this with Beneficiaries and Implementing Bodies through the good practice working group and makes a specific assessment on the possibilities for further digitising the application process.

#### **Recommendation 8: Strengthen transport expertise skills amongst staff.**

The Agency possesses a high level of project and financial management expertise amongst its staff and has throughout its lifetime continuously supported beneficiaries to a very satisfactory level. The provision of further advice and support to Implementing Bodies (mostly in the EU 12) on issues related to financial engineering of projects and their compliance with EU environmental law is viewed as an area where the Agency should increase its staff capacity and performance. There is a need

for the Agency to take on a greater role in adding value and bringing maturity to the projects. This is an area where the potentials for enhanced cooperation with other financing mechanisms (managed by DG REGIO and EIB) seem promising. In view of the likely future expansion of the Agency, the recruitment of staff with specialised skills should be prioritised. Also, enhanced cooperation with the EIB Project Directorate on appraisal methodologies (including unit costs of works items) and mobilisation of ad-hoc expertise via DG MOVE's existing framework contracts in peak periods should be encouraged.

## Appendix A Abbreviations

Abbreviation	Full name
AAR	Annual Activity Report
AP	Annual Work Programmes
AMP	Annual Management Plan
ASR	Action Status Reports
ATM	Air Traffic Management System
AWP	Annual Work Plan
CA	Contract Agent
CBA	Cost Benefit Analysis
CEF	Connecting Europe Facility
CEOS	Conditions of Employment of Other Servants
CoA	Court of Auditors
DG	Directorate General
DG HR	DG Human Resources and Security
DG BUDG	DG Budget
DG ECFIN	DG Economic and Financial Affairs
DG MOVE	DG Transport and Mobility
DG REGIO	DG for Regional Policy
DG TREN	DG Transport and Energy (from 2010 DG MOVE and DG ENER)
EA	Executive Agency
EACEA	The Education, Audio-visual and Culture Executive Agency
EACI	European Agency for Competitiveness and Innovation
EAHC	Executive Agency for Health and Consumers
EC	European Commission
ERCEA	European Research Council Executive Agency
EERP	European Economic Recovery Plan
EIB	European Investment Bank
EPSO	European Personnel Selection Office
ERDF	European Regional Development Fund
ERTMS	European Rail Traffic Management System
EU	European Union

Abbreviation	Full name
EUR	Euro
FAB	Functional Airspace Block
FTE	Full Time Equivalent
GIS	Geographic Information System
HR	Human Resources
IAS	Internal Audit Service
IB	Implementing Body
ICS	Internal Control Standards
ICT	Information and Communication Technology
IT	Information Technology
ITS	Intelligent Transport Systems and Services
LGTT	Loan Guarantee Instrument for Trans-European Transport Network Projects
MIP	Multi-annual Indicative Programme
MAP	Multi-Annual Programme
MOS	Motorways of the Sea
OIB	Office for Infrastructure and Logistics in Brussels
PJ	Project Directorate of EIB
PSR	Project Status Report
REA	Research Executive Agency
RIS	River Information System
SAP	Strategic Action Plans
SIAC	Shared Internal Audit Capability
SLA	Service Level Agreement
TA	Temporary Agent
TAO	Technical Assistance Office
TEN-T	Trans-European Transport Network
TEN-T EA	Trans-European Transport Network Executive Agency
TENtec	Trans-European Transport Network Technical Database
ToR	Terms of Reference
WP	Work Programme



## Appendix B Literature list

Council Regulation (EC) No 58/2003 of 19 December 2002 laying down the statute for Executive Agencies to be entrusted with certain tasks in the management of Community programmes

Commission Decision 2007/60/EC of 26 October 2006 establishing the Trans-European Transport Network Executive Agency pursuant to Council Regulation (EC) 58/2003

Commission Decision 2008/593/EC of 11 July 2008 amending Decision 2007/60/EC as regards the modification of the tasks and the period of operation of the Trans-European Transport Network Executive Agency

Commission Decision C(2007)5282 final of 05/XI/2007 delegating powers to the Trans-European Transport Network Executive Agency with a view to the performance of tasks linked to implementation of the Community programmes for grants in the field of the trans-European transport network, comprising in particular implementation of appropriations entered in the Community budget

Commission Decision C(2008)5538 final of 07/X/2008 amending Decision C(2007)5282 delegating powers to the Trans-European Transport Network Executive Agency with a view to the performance of tasks linked to implementation of the Community programmes for grants in the field of the Trans-European transport network, comprising in particular implementation of appropriations entered in the Community budget

Council Regulation (EC, Euratom) No. 1605/2002 of 25 June 2002: on the Financial Regulation applicable to the general budget of the European Communities as last amended by Council Regulation (EC) No 1525/2007

Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002: laying down detailed rules for the implementation of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities as amended by Regulations No 1261/2005, No 1248/2006 and No 478/2007

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TEN-T EA Annual Activity Reports (2008-2011)

TEN-T EA Budgets (2008-2011)

TEN-T EA Decisions Management Meetings (2010-2011)

TEN-T EA ICS Action Plan (2010-2011)

TEN-T EA ICS Action Plan 2011

TEN-T EA Information and Communication, Quarterly Report (2008-2011)

TEN-T EA Management Minutes (2008-2012)

TEN-T EA Report Operational II, 2011

TEN-T EA Risk Action Plan (2010-2011)

TEN-T EA Work Programme Reporting (2010-2011)

TEN-T EA Risk Management Exercise 2011

TEN-T EA Internal Audits Performed

TEN-T EA External Audit Work Programme 2011

TEN-T EA Internal Annual Audit Plan (2010-2012), Strategic Internal Audit Plan (SIAP) (2010-2012), Description of Audit Process

TEN-FAC Liste d'adresses des membres du Comité Concours Financier, RTE - Section Transport

TEN-Regulatory: List of members of the Consultative Committee

List of Transport Attachés

TEN-T EA Strategic Action Plan, Assessment & Acceptance Form

TEN-T EA Action Status Rapport (ASR) Assessment & Approval Form, Approval Letters, Quick guide, Problem Solving Guide, Instalment Calculator

TEN-T EA Memorandum of Understanding with DG TREN (MOVE)

TEN-T EA Steering Committee Decisions, Minutes, Nomination of Steering Committee

TEN-T EA 2011 Risk Identification Exercise, Results from units, Report of the Exercise

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1<sup>st</sup> interim evaluation of the Public Health Executive Agency (EAHC since July 2008), December 2010

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## Appendix C Background information of TEN-T and TEN-T EA

The scope of the following chapter is to present the background of the TEN-T Executive Agency as well as the characteristics and purpose of the organisation being evaluated.

### The Executive Agencies

Executive agencies are Community bodies established by the European Commission in order to implement, by delegation, EU spending programmes. Since 2003, six Executive Agencies have been created, responsible for managing a financial envelope of around EUR 32 billion for the period up to 2013. The first Agency, the Intelligent Energy Executive Agency<sup>81</sup> (EACI), was created in 2003 and the latest two in 2009, namely, the Research Executive Agency (REA) and the European Research Council Executive Agency (ERCEA).

Executive Agencies are governed by Framework Regulation (EC) No. 58/2003, laying down the statute of Agencies<sup>82</sup>. The role of an Agency is to handle Community programmes fully or partly. The Agencies are established by the Commission and can only operate within the area entrusted to them. The Agencies cannot perform political or programming tasks as these remain exclusively with the Commission<sup>83</sup>. The main objective of outsourcing certain management tasks to Executive Agencies is to achieve the goals of Community programmes more effectively and cost efficiently.

The Commission has the responsibility to control and supervise the operation of the Executive Agencies. The Agencies can be based in Brussels or Luxembourg and will have a limited lifetime linked to that of the programme(s) they manage. An Executive Agency can report to one or more (parent) DG(s).

Prior to the establishment of the Executive Agencies, the Community programme management had been outsourced to privately owned organisations, the Technical Assistance Offices (TAO). After the reform of the Commission (in 2000), it was decided to no longer outsource the Community programme management to private organisations. This type of outsourcing had proved inadequate and problematic in terms of the implementation and monitoring of the participating programmes.

Following this decision, the alternatives considered to replace the TAOs were either to establish the Executive Agencies, carrying out tasks as we know it today, or to internalise these tasks within the Commission itself.

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<sup>81</sup> Transformed into the Executive Agency for Competitiveness and Innovation in 2007.

<sup>82</sup> COUNCIL REGULATION (EC) No. 58/2003 of 19 December 2002 laying down the statute for Executive Agencies to be entrusted with certain tasks in the management of Community programmes.

<sup>83</sup> Tasks assigned to the institutions by the Treaty, which require discretionary powers in translating political choices into action, may not be outsourced.

The Executive Agencies as a model of public organisation directly supervised by the Commission was considered the best alternative to provide more transparency in public funds management. The decision further complied with the wish to separate programme implementation from policy-making and programme design, the latter being the main task of the Commission that now focuses more on core activities and functions that cannot be outsourced.<sup>84</sup>

## The TEN-T Programme

The TEN-T programme was initiated in 1993<sup>85</sup>, as a single, multimodal network integrating European sea, land and air transportation networks in order to comply with the growing need to facilitate free movement of people and goods across Europe. The development of TENs was a key element for the creation of the internal market and the reinforcement of economic and social cohesion. In 1995, the first financial regulation to define the conditions to grant TEN-T support was adopted. Decision 1692/96/EC followed the next year, specifying the Community guidelines for the development of the TEN-T. These guidelines defined the objectives of the TEN-T, the network and the projects eligible for EU funding and set a timeframe for establishing the TEN-T network by 2010. The TEN-T guidelines have been updated twice since then, and the financial regulation was revised to introduce additional financial instruments and adapt the funding thresholds. The continuous improvement of the transport infrastructure is an important factor in the effort to reach the objectives of the Europe 2020 strategy and realise the economic and social potential in Europe. Furthermore, traffic between Member States is expected to double by 2020, which only reinforces the need to complete the TEN-T network.

In 2007, the Council and the European Parliament adopted the Regulation No. 680/2007 that fixed a budget of EUR 8.013<sup>86</sup> billion for the financing of the TEN-T Programme for the period 2007-2013. The programme supports financially transport projects in all Member States aiming at removing bottlenecks, completing (cross-border) sections of the TEN-t network and generally contributing to improve the European transport network. The programme supports all modes of transport (road,

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<sup>84</sup> Commission Decision (2007/60/EC)

<sup>85</sup> Chapter XV, Articles 154, 155 and 156, in the Treaty of the European Union, Official Journal C 191, 29 July 1992 (The Maastricht Treaty, establishing the European Union)

<sup>86</sup> In the transport sector, the Commission initial proposal for regulation provided for a budget of EUR 20.35 billion focuses aid on a limited number of projects and argued to authorise maximum level of EU aid as follows:

- › TEN-T priority projects: up to max 50% for studies (including geological investigations) and 30% for construction works; this ceiling being increased to 50% of the costs of cross-border projects as an incentive in exceptional cases.
- › Other projects of common interest: up to max 50% for studies and 15% for construction works; this ceiling being increased in exceptional cases to 50% of the costs of projects linked to the deployment of interoperable systems, security or safety systems (e.g. ERTMS)

rail, maritime, inland waterways, and air), logistics, co-modality and innovation<sup>87</sup>. EU grants are allocated to studies (from feasibility studies to comprehensive technical or environmental studies and costly geological explorations), helping to overcome early stage project difficulties, and to the works phase.

The TEN-T Programme is implemented through work programmes. There are three main types:

- › *Multi-annual Work Programmes (MAP)* are the core component of the TEN-T Programme attracting up to 85% of the total budget. The TEN-T MAP includes the 30 Priority Projects, as well as horizontal priorities, namely traffic management systems for all transport modes, measures to develop an interoperable railway network, especially for freight railway lines, and measures to promote maritime and inland waterway transport. The project selection mechanism currently allowed by the TEN Regulation is by publishing calls for project proposals. The 2007 calls of the MAP focused on Priority Projects, the subsequent ones of 2008, 2009 and 2010 on horizontal measures.
- › The *Annual Work Programmes (AP)* comprise a series of calls with an overall smaller budget focusing on projects of European common interest.
- › The *European Economic Recovery Plan (EERP)*. In response to the financial crisis in 2008, it was decided, under the European Economic Recovery Plan, to bring forward EUR 500 million of TEN-T funding. Therefore, an ad hoc call was launched in 2009. A significant proportion of the projects selected under the EERP call are sections of Priority Projects.

30 Priority areas The 30 priority areas and projects have been formulated in order to contribute to the pan-European integration and development, enhancing European competitiveness and cohesion:

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<sup>87</sup> Encompassing Air Traffic Management (ATM), the European Rail Traffic Management System (ERTMS), Intelligent Transport Systems and Services (ITS), Motorways of the Sea (MOS) and River Information Services (RIS).



*Table C-1: List of the 30 Priority projects covered by the MAP*

> <b>1. Railway axis Berlin-Verona/Milano-Bologna-Napoli-Messina-Palermo</b>	> <b>16. Freight railway axis Sines/Algeciras-Madrid-Paris</b>
> <b>2. High-speed railway axis Paris- Brussels-Köln-Amsterdam-London: PBKAL</b>	> <b>17. Railway axis Paris-Strasbourg-Stuttgart-Wien-Bratislava</b>
> <b>3. High-speed railway axis of southwest Europe</b>	> <b>18. Waterway axis Rhine/Meuse-Main-Danube</b>
> <b>4. High-speed railway axis east</b>	> <b>19. High-speed rail interoperability in the Iberian Peninsula</b>
> <b>5. Betuwe line: COMPLETED 2007</b>	> <b>20. Railway axis Fehmarn belt</b>
> <b>6. Railway axis Lyon-Trieste-Divača/Koper-Divača-Ljubljana-Budapest-Ukrainian border</b>	> <b>21. Motorways of the Sea</b>
> <b>7. Motorway axis Igoumenitsa/Patra-Athina-Sofia-Budapest</b>	> <b>22. Railway axis Athina-Sofia-Budapest-Wien-Praha-Nürnberg/Dresden</b>
> <b>8. Multimodal axis Portugal/Spain-rest of Europe</b>	> <b>23. Railway axis Gdańsk-Warszawa-Brno/Bratislava-Wien</b>
> <b>9. Railway axis Cork-Dublin-Belfast-Stranraer: COMPLETED 2001</b>	> <b>24. Railway axis Lyon/Genova-Basel-Duisburg-Rotterdam/Antwerpen</b>
> <b>10. Malpensa airport: COMPLETED 2001</b>	> <b>25. Motorway axis Gdańsk-Brno/Bratislava-Vienna</b>
> <b>11. Øresund bridge: COMPLETED 2000</b>	> <b>26. Railway/road axis Ireland/United Kingdom/continental Europe</b>
> <b>12. Nordic Triangle railway/road axis</b>	> <b>27. "Rail Baltica" axis: Warszawa-Kaunas-Riga-Tallinn-Helsinki</b>
> <b>13. Road axis United Kingdom/Ireland/Benelux</b>	> <b>28. "Eurocaprail" on the Brussels-Luxembourg-Strasbourg railway axis</b>
> <b>14. West coast main line: COMPLETED 2009</b>	> <b>29. Railway axis of the Ionian/Adriatic intermodal corridor</b>
> <b>15. Galileo</b>	> <b>30. Inland Waterway Seine-Scheldt</b>

These 30 priorities were established in response to Member States' suggestions and were chosen according to their European added value as well as their contribution to the sustainable development of the European transport network. The projects are expected to be finalised by 2020 and will support the goals and objectives set in the Europe 2020 strategy.

Four of the priority projects have already been completed (Nos. 9, 10, 11 and 14).

### **The Financing of the TEN-T network**

For the period 2007-2013, the bulk of the financing needs<sup>88</sup> to complete the TEN-T basic network were to be covered by the EU27 national budgets. The European Community contributions supporting the TEN-T implementation were estimated at EUR 105 bn (27%) to be channelled to projects via several Community financial instruments (about EUR 52.2 bn grants from the TEN-T Programme, ERDF

<sup>88</sup> Estimated at EUR 390 bn in 2007 (and not considering the impacts of the financial crisis).

(convergence regions) and the Cohesion Fund) and loans from the European Investment Bank.

Recent figures detailing the financial commitments granted by the Commission to support investment in different modes of transport and particularly TEN-T are available at the end of the present appendix. The great majority of Community grants to TEN-T projects are provided by the Cohesion and Structural fund instruments, that concentrate on supporting the development of the TEN-T network in the new Member States (the EU12 countries), whereas most TEN-T Programme funding goes to countries from the EU15.

While both supporting TEN-T projects, these two Community instruments have their specificities. The main differences are listed below.

*Table C-2: Community instruments supporting TEN-T grants*

	TEN-T Programme (under the responsibility of DG MOVE).	CF / SF (under the co-responsibility of DG REGIO).
Types of project supported	Sections of corridors, small projects, mainly studies, fewer construction projects.	Major projects, large sections of corridors, studies and complete works (full project cycle).
Management of supported projects	Centralised management by TEN-T EA.	Shared management with Member States
Selection of project	Project selection through calls (applicants are competing for the grants) with the support of external evaluators (TEN-T EA).	Programmes agreed with Member States and project selection by Member States. Support to project preparation through JASPERS (joint facility with EIB). Ex-ante approval for major Projects (over EUR 50 m).
Geographical focus	EU27 with majority of the grants in EU15.	EU27 but focus on EU12.
Level of financial support	Up to 30% for construction works on cross-border projects, up to 20% for other works on Priority Projects and up to 50% for studies	Up to 85% of cost of eligible work.
Performance management	Close project follow-up and	MS limited capacity in preparing mature projects

	TEN-T Programme (under the responsibility of DG MOVE).	CF / SF (under the co-responsibility of DG REGIO).
	high payment execution.	and in absorbing the EU funds. Issues are detected during ex-post control.

The weight of the EU15 project in the current TEN-T portfolio is due to the fact that Member States' choice of a funding instrument is triggered by the level of co-financing.

During the next financial period, the TEN-T Programme could better support all Members States as the CEF<sup>89</sup> will pay a special attention to the EU12 to ensure that these countries are equally included. The CEF should combine the quality and discipline of the TEN-T programme with the co-financing rate of CF. With the CEF the project applicants will be in competition and EU 12 MS will need support to strengthen their institutional capacity.

### TEN-T EA

Established in 2006, the TEN-T Executive Agency was set up as the fourth Executive Agency<sup>90</sup> following Council Regulation (EC) No. 58/2003 of December 2003 wherein the legal foundation agreed upon for the Executive Agencies is outlined. Initially, the Agency was in charge of all open projects under the TEN-T programme for 2000-2006. In 2008, the Agency had its mandate extended until 2015 and took over the management of all projects supported by TEN-T budget line over the period 2007-2013.

The overall task of TEN-T EA is to manage the technical and financial implementation of Community actions in the field of the trans-European transport network (TEN-T) and to carry out all tasks related to its mandate in a cost-efficient manner. The Commission has delegated the tasks of implementing the operational budget linked to the TEN-T Programme to TEN-T EA, under the supervision of the DG MOVE. The Agency's main objective is to implement the TEN-T Programme on behalf of the Commission, managing the entire lifecycle of the TEN-T projects and executing the programme's specific tasks within its specified lifetime.

In September 2007, the European Commission appointed the Executive Director of TEN-T EA. Later, the Commission approved the delegation of powers to the Agency related to the management of TEN-T projects that had been granted Community financial aid from 2000-2006 Financial Perspective.

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<sup>89</sup> The Connecting Europe Facility.

<sup>90</sup> In 2003, the Intelligent Energy EA (now Executive Agency for Competitiveness and Innovation) and EACEA were set up, followed by the Executive Agency for Health and Consumers (EAHC) in 2005, TEN-T EA in 2006 and lastly REA and ERCEA in 2009.

In July 2008, the Commission extended the mandate and lifetime of the Agency in order to cover the current Financial Framework (2007-2013) and two years of project closure, i.e. until 31 December 2015. Following the adoption of Commission Decision C (2008) 5538 (modifying the earlier Decision C (2007) 5282) TEN-T EA accepted financial autonomy for the implementation of the 2007-2013 TEN-T Programmes (budget line 06 03 03) from 22 October 2008 and full operational autonomy for the management of all TEN-T projects from 1 January 2009.

The Agency took over the responsibility for 390 files, representing EUR 780 million of open commitments and 138 requests for payment for an amount of EUR 238 million.

With a purpose to improve the implementation of the various TEN-T projects, TEN-T EA is a mean to strengthen the TEN-T Network. This entails assistance to DG MOVE during the programming and selection phases and monitoring the granted projects under the budget of TEN-T.

DG MOVE maintains its responsibility for the overall policy, programming and evaluation of the TEN-T programme, while the Agency executes the specific programme within the limited timeframe.

The Agency's Annual Work Programme for 2008 specified thorough and progressive recruitment and training of staff and targeted to employ a maximum of 44 specialists within the field of finance, transport, project management legal affairs and engineering.

#### TEN-T EA Objectives

The overall objective of TEN-T EA is to manage the implementation of the TEN-T programme. The aim is to assist DG MOVE in completing the pan-European network to enhance European competitiveness and cohesion by increasing the efficiency of the technical and financial implementation of the TEN-T programme.

The general objectives of the Agency are clearly defined in the Act of Delegation:

- › "The Agency shall be responsible in particular for the following tasks:
  - › (a) assistance to the Commission during the programming and selection phases, as well as management of the monitoring phase of the financial aid granted to projects of common interest under the budget for the trans-European transport network, as well as carrying out the necessary checks to that end, by adopting the relevant decisions using the powers delegated to the Agency by the Commission;
  - › (b) coordination with other Community financial instruments, in particular by ensuring the coordination of the granting of financial aid, over the entire route, for all projects of common interest which also receive funding under the Structural Funds, the Cohesion Fund and from the European Investment Bank;

- › (c) technical assistance to project promoters regarding the financial engineering for projects and the development of common evaluation methods;
- › (d) adoption of the budget implementation instruments for revenue and expenditure and implementation, where the Commission has delegated responsibility to the Agency, of all operations required for the management of Community actions in the field of the trans European transport network, as provided for in the Regulation (EC)No 2236/95 and the Regulation (EC) No 680/2007;
- › (e) collection, analysis and transmission to the Commission of all information required by the Commission for the implementation of the trans-European transport network;
- › (f) accompanying measures to contribute to the efficiency and effectiveness of the TEN-T programme in order to maximise its European added value, including promotion of the TEN-T programme to all parties concerned and the improvement of its visibility to the general public, in the Member States and in bordering third countries;
- › (g) any technical and administrative support requested by the Commission."

Additionally, TEN-T EA has more specific objectives related to the annual work programme. For example, the objectives for 2011 are specified as follows:

- 7 Support the completion of TEN-T infrastructure by the **effective and efficient technical and financial management** of the TEN-T Programme and projects, putting in evidence the added value and expertise of the Agency.
- 8 Support in particular the deployment of **Intelligent Transport infrastructure** throughout the TEN-T projects.
- 9 Support to DG MOVE in the context of the **TEN-T policy revision and mid-term programme review**, in particular by carrying out an evaluation of the project implementation.
- 10 Increase **awareness about the TEN-T Programme**, the Agency and its achievements, and improved support to its partners.
- 11 Increase efficiency of the Agency's operations by **streamlining its working methods**, internal organisation, structure and staff management, and developing new IT and reporting tools.
- 12 Further increase the efficiency of the **internal control system**.

It is the main task of the Director and Steering Committee of TEN-T EA to make sure that these objectives are achieved on a **project-by-project basis**. The Agency does not deal with policy issues, which is the responsibility of DG MOVE.

**Activities and tasks**      Activities carried out by the staff in TEN-T EA are all aligned with the objectives assigned to the Agency. These tasks involve implementing programmes as well as management of individual projects. This includes control of performance, evaluation of projects and preparation of programme evaluation (e.g. MAP Project Portfolio Review, European Economic Recovery Plan (EERP) Work Programme Review). The main activities can be summarised as the following:

- › Implement the TEN-T programme on behalf of the European Commission and under its responsibility.
- › Efficiently manage entire project life cycles, including:
  - organise calls and evaluations,
  - give support to Member States.
- › Prepare financing decisions.
- › Provide key feedback to the European Commission.

Overall, many of the tasks of the Agency are related to the calls for proposals that are published on an annual basis and all the related assignments that this entails.

**Reports**

Each year, the Agency prepares two bi-annual reports<sup>91</sup>. A first half-yearly report is prepared for the first semester of the year. At the end of the year, the Annual Activity Report (AAR) is prepared, summarising all the activities carried out throughout the year. The AAR reports on activities throughout the year, recapitulating the findings that were already reported on in the bi-annual report.

The reports should contain information on the activities carried out supporting the implementation of the TEN-T programme and a description of the operation of the Agency itself. They provide a detailed overview of the implementation of the tasks assigned, a resume of the launch and the results of the Calls for Proposals, figures on the implementation of the administrative budget and the execution of the operational budget.

The reports are prepared by the Agency and submitted to the Directorate General of DG MOVE and the Steering Committee.

The AAR of a given year has to be submitted to the Commission by the Executive Director no later than 31 March of the following year.

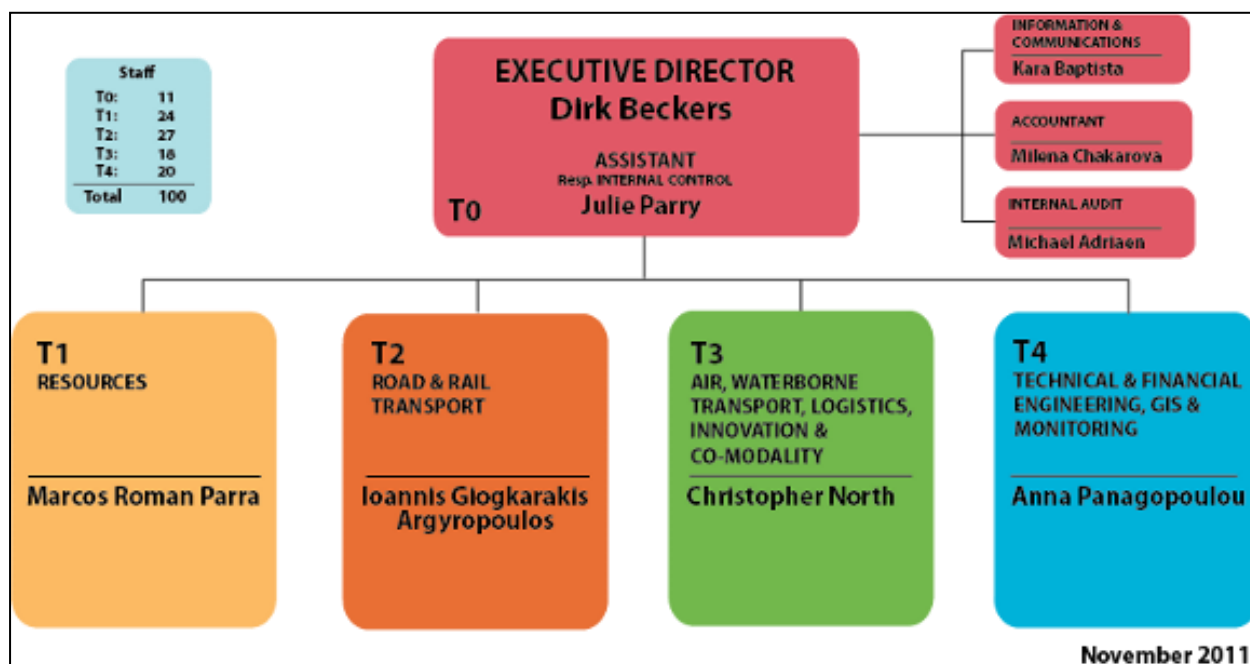
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<sup>91</sup> The word bi-annual is misleading and it is more correct to use half-yearly report. By agreement with the Steering Committee it was decided that the bi-annual (half-yearly) report for the second half of the year would be incorporated into/replaced by the Annual Activity Report that the Agency is also required to produce.

Structure of TEN-T  
EA

The structure of the Agency includes four units. The Agency is led by the Executive Director. In the Directors office, three additional sub-units are connected as marked by the pink boxes in the inserted figure below.<sup>92</sup>

Figure C-1: Agency structure



By April 2011, the Agency had employed 32 Temporary Agents and 67 Contract Agents. The Unit T2, Road & Rail Transport, is the largest with 27 employees. The T1 Resources Unit has 24 staff; Unit T3 has 18 staff; T4 Technical & Financial Engineering, GIS & Monitoring employs 20 persons and; lastly the Executive Director's office counts 11 staff. By the end of 2011, a new contract agent was hired for Unit T1 bringing the total amount of staff to 100.

Management

As all Executive Agencies, the TEN-T EA is managed by an Executive Director and a Steering Committee.

The five members of the Steering Committee, as well as the Executive Director, are all appointed by the Commission. The term of office for the Steering Committee members is two years and four years for the Executive Director, both of which can be renewed.

The Steering Committee supervises the activities of the Agency and currently consists of members from four different Commission Directorate Generals (Mobility & Transport, Regional Policy, Environment and Human Resources) and in addition an

<sup>92</sup> From the TEN-T EA website:

[http://tentea.ec.europa.eu/en/about\\_us/organisation/organisation.htm](http://tentea.ec.europa.eu/en/about_us/organisation/organisation.htm)

observer from the European Investment Bank. The Steering Committee meets four times a year.

It is the task of the Steering Committee to adopt the Agency's annual work programme at the beginning of each year. By 31 March each year, the Steering Committee should also adopt and submit to the Commission the AAR summarising the implementation of the operational budget appropriations corresponding to the Community programme managed by the Executive Agency and the implementation of its administrative budget.

The tasks of the Steering Committee and the Executive Director are outlined in the Council Regulation (EC) No. 58/2003.

T0: Executive Director

The Unit T0, the Executive Director's office is primarily responsible for the management of the Executive Agency. The Accountant Coordinator, the Internal Audit Capability, the Internal Control Coordinator and the Head of Information and Communication, all report directly to the Executive Director.

The implementation of the annual work programme is the responsibility of the Executive Director and he/she draws up the provisional statement of revenue and expenditure and is required to implement the administrative budget as laid down in the Financial Regulation. The Executive Director must ensure finalisation of the annual activity report as well as other reports to be submitted to the Commission and must prepare the work of the Steering Committee and ensure that the members of the Steering Committee receive the essential information.

The Assistant to the Executive Director takes part in the organisational matters as well as the overall management of the Agency, and is further responsible for the coordination of Internal Control. Additionally, the Accountant defines and manages the accounting processes on which he/she reports. The Internal Audit Capability provides management with independent, objective assurance and consulting services.

T1: Resources

The Resources unit is also referred to as the *Horizontal Unit* and is responsible for the three departments of: financial management, human resources and logistics & document management. The objectives of T1 are to provide high-level expertise in coordinating common issues concerning interpretation of the financial framework, to verify the legality and regularity of expenditure and to provide the operational units (T2 & T3) with the means to meet their commitments.

T2: Road and Rail Transport

Unit T2 is one of the operational units responsible for the operational follow-up and project management. This includes responsibility for all road and rail projects, which can be either studies (such as feasibility, design, geotechnical investigations, environmental impact assessment) or works (such as tunnelling, bridges, highways, railway lines and electrification, train stations, signalling, etc.). T2 is the largest unit staff-wise and in charge of most of the projects under TEN-T EA (as shown in the table below). The rail projects represent the highest volume of TEN-T funding managed by the Agency (the majority of Priority projects are situated on railways corridors).



T3: Air and Waterborne Transport, Logistics, Innovation & Co-modality

Unit T3 is also an operational unit and carries out their tasks through operational follow-up and project management of air transport, waterborne transport, logistics, innovation and co-modality projects. The unit is organised in three teams, each of which are responsible for the projects distributed to them. T3 has a number of complex multi-beneficiary projects such as Easyway II with 27 partners.

T4: Technical & Financial Engineering, GIS & Monitoring, Statistics

Unit T4 assists the two operational units (T2 and T3) in providing added value in the management of the TEN-T projects and the assistance required in improving the development of the Trans-European Transport Network. The mission of this unit is also to provide technical assistance and support and increase cooperation with the Member States in the promotion of TEN-T and best practices and to improve the follow-up of projects and reporting.

The unit manages the evaluation process related to proposals, projects and programmes and reports on the implementation of the Programme. Another important task of the unit is the development for the Information Technology (IT) strategy and tools for project management and IT support for the Agency. The unit develops specialised applications for project management, such as the TENtec modules that concern reception of applications, evaluation of project proposals, preparing draft decisions<sup>93</sup> and monitoring of the supported projects.

In addition, the Unit provides legal advice in the field of company law and Public Private Partnerships (PPPs) as well as environmental topics, in relation to the drafting and implementation of financing Decisions.

The Unit hosts the financial and engineering sector, whose mandate is to encourage the participation of the private sector in the trans-European transport network. The Agency is managing the TEN-T contribution to the LGTT (EUR 500 million). It also prepared a call for proposals to grants PPP studies in 2010 and 2011. The Unit is monitoring and managing the granted PPP projects.

Projects per unit

In the figure below<sup>94</sup>, the distribution of projects between the units T2, T3 and T4 for the year 2011 is specified.

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<sup>93</sup> This is only some parts of the preparation of Decisions and management of Commission Interservice Consultation when needed, the work of finalising the drafts and launching the legislative procedure itself is retained in DG MOVE as per Commission requirements.

<sup>94</sup> Figures in the table were derived from the Draft Annual Activity Report 2011.

Table C-9-2: Distribution of projects by unit at end 2011

Mode	T2	T3	T4	Total
Airport		11		11
ATM		14		14
ERTMS	36			36
Galileo		1		1
ITS		4		4
IWW		23		23
MOS		12		12
Multimodal	1	20		21
Port		15	1	16
Rail	129		2	131
RIS		11		11
Road	45	1		46
<b>Total</b>	<b>211</b>	<b>112</b>	<b>3</b>	<b>326</b>

#### DG MOVE and TEN-T EA

The main principles of coordination, collaboration and division of responsibilities between DG MOVE and TEN-T EA are defined in a Memorandum of Understanding issued in 2009. Other documents detail the above principles such as the Manual of Procedures of TEN-T EA and the fledgling DG MOVE Manual of Procedures and , the IT Governance agreements.

TEN-T EA management carries out its tasks in close liaison with Directorate B of DG MOVE, its Parent DG, and more particularly with the unit responsible for the coordination of the trans-European Transport Network<sup>95</sup>. Until December 2011, the TENtec team, and the designated liaison officer in charge of the coordination with TEN-T EA<sup>96</sup> were part of DG MOVE Unit B1. In the Agency, the mirroring position of the liaison officer is held by the Assistant of the Executive Director.

Regular management meetings are held between DG MOVE and TEN-T EA. The Directors and Heads of Unit from DG MOVE Directorate B and the Agency meet every six weeks to share knowledge, resolve problems and enhance the effectiveness of both organisations.

<sup>95</sup> Unit B1 until April 2011.

<sup>96</sup> 1 January 2012, a new unit B4 Connecting Europe - Infrastructure Investment Strategies was established and the designated liaison officer was moved to the unit. All matters regarding the Agency were moved to B4.

Control standards  
and audits

Several levels of controls of the activities of TEN-T EA are in place. As stated in the Council Regulation 58/2003 of 19 December 2002 laying down the statute for Executive Agencies, the Executive Directive of the Agency must establish management and internal control systems that are adapted to the tasks entrusted to the Agency. These systems are designed to provide sound assurance of the achievement of objectives for effectiveness and efficiency of operations, reliability of financial reporting, compliance with applicable laws and regulations and finally safeguarding assets. Appropriate Internal Control Standards (ICS) have been established and are implemented by the Agency<sup>97</sup>. Through the adopted ICS Action Plan, the Agency seeks to fulfil the internal control requirements set by the Commission. The planned actions of the Agency in order to meet the ICS requirements including a deadline for each of the actions are prepared annually.

16 ICS have been defined by the Commission for effective management against which the Agency is measured. Although efforts are made to meet all 16 ICS, the Agency draws up a special Action Plan each year, which prioritises certain ICS. For example in 2011 these involved 'Ethical and Organisational Values', 'Risk Management', 'Process and Procedures', 'Business Continuity' and 'Information and Communication'.

The Internal Audit Service (IAS) assesses the effectiveness of the ICS and has furthermore organised self-assessment workshops within the Agency during which strengths, opportunities and concerns were discussed and identified.

The Regulation establishing TEN-T EA specifies that DG MOVE is responsible for supervision and control of the Executive Agency. This supervision and control is implemented mainly through regular reporting and meetings between the two entities. Other DG MOVE staff are also partly involved in this supervision and control function. The definition of the control and supervision activities and its quantification in term of staff resources is further developed in evaluation question 8.

Additionally, the Agency is subject to an annual external audit performed by the European Court of Auditors on its administrative accounts.

## Calls for Proposals

One of the main tasks of the Agency is to lead all stages in the Calls for Proposals. When the Agency was established, this point was addressed in one of the recommendations from the Court of Auditors in their special report No. 6/2005<sup>98</sup>. The report stated the need to better address issues related to the TEN-T programme operation to which an autonomous Agency should pay attention.

This became one of the first tasks for TEN-T EA, and the application procedures have been developing gradually over the first years of the Agency's lifetime through feedback provided by parties involved in the call evaluation panels.

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<sup>97</sup> And reported in the Annual Work Programmes.

<sup>98</sup> 'Special report No.6/2005 on the trans-European network for transport (TEN-T)', published in the Official Journal, OJ C 94/1-36.

For the funding period 2007-2013 a budget of EUR 8 billion has primarily been allocated to projects that are selected through the Calls for Proposals that have been launched every year since 2009 by TEN-T EA on behalf of DG MOVE. The TEN-T programme is implemented through either the Multi-Annual Programme or the Annual Programme.

Every year, Multi-Annual and Annual Calls are launched in one or more specific fields to further enhance and support the top priorities of the TEN-T network. The projects applied for under the Annual Programme cannot already be supported by the Multi-Annual -Programme. Instead, they should support efforts that focus on new TEN-T priorities.<sup>99</sup> As these calls are annual, they allow a higher degree of flexibility in meeting new priorities and are, as opposed to the Multi-Annual Call, open to all fields.

The table below provides an overview of the distribution of funding broken down by Multi-Annual and Annual Programmes under the specific headings.

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<sup>99</sup> Guide for Applicants (Version 2), Calls for Proposals 2009, Trans-European Transport Network Programme 2007-2013.

The table below provides a basic overview of the Calls of Proposals in the last three years (2009-2011), including priority areas and the budget for each Call.

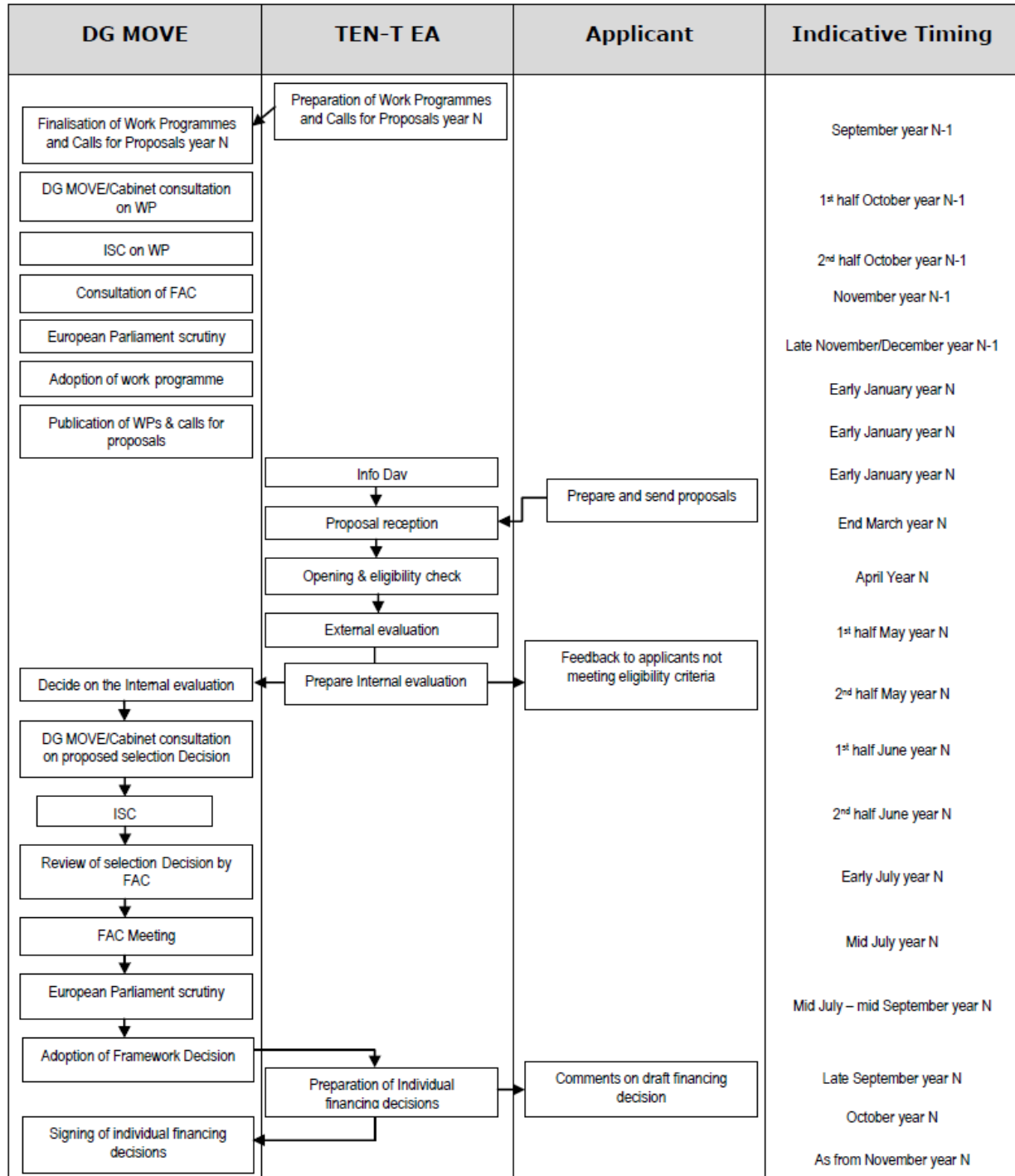
*Table C-9-3 Overview of calls of proposals*

Year	Programme	Call	Priority/Topic/Issue	Budget
2009	MAP	<b>Motorways of the Sea</b>	Providing viable alternatives for congested roads by shifting freight to sea routes	Max. €30 million
		<b>European Rail Traffic Management Systems (ERTMS)</b>	Harmonising European rail signalling systems	Max. €240 million
		<b>Intelligent Transport Systems for Roads (ITS Roads)</b>	Using the integration of information and communications technology to create more efficient and safer road transport	Max. €100 million
	AP		Acted as a flexible complement to the efforts developed under the Multi-Annual Programme. This included an amount of €60 million for the Loan Guarantee Instrument.	Max. €140 million
	Ad-hoc call for proposal	<b>European Economic Recovery Plan (EERP)</b>	To give an immediate boost to the European economy by accelerating investments in infrastructure.	€500 million
2010	MAP	<b>River Information Systems (RIS)</b>		Max. €10 million
		<b>Air Traffic Management / Functional Airspace Blocks (ATM / FABs)</b>		Max. €20 million
		<b>Motorways of the Sea (MoS)</b>	TEN-T Priority Project no. 21	Max. €85 million
	AP		<b>Priority 1</b> – Development of an integrated & environmentally friendly transport system	Max. €30 million
			<b>Priority 2</b> – Acceleration/facilitation of TEN-T project	Max. €40 million

Year	Programme	Call	Priority/Topic/Issue	Budget
			implementation	
			<b>Priority 3</b> – Support to PPPs	Max. €7 million
	MAP	<b>Motorways of the Sea</b> (MoS)	TEN-T Priority Project no. 21	Max. €70 million (€30 million earmarked in the MAWP and another €40 million in its amendment).
		<b>River Information Systems</b> (RIS)		Max. €10 million
		<b>European Rail Traffic Management System</b> (ERTMS)		Max. €100 million.
<b>2011</b>	AP		<b>Priority 1</b> – Promote the development of an integrated and multi-modal transport system	Max. €25 Million
			<b>Priority 2</b> – Promote infrastructure development contributing to mitigation and adaptation to climate change and reducing the impact of transport on the environment	Max. €35 Million
			<b>Priority 3</b> – Accelerate/facilitate the implementation of TEN-T projects	Max. €100 Million
			<b>Priority 4</b> – Support to Public Private Partnerships (PPPs) and innovative financial instruments	Max. €15 Million
			<b>Priority 5</b> – Support to the long-term implementation of the TEN-T network, in particular development of corridors that shall enable a coordinated implementation of the network	Max. €25 Million

Distribution of tasks for the Calls of proposals

The figure<sup>100</sup> below outlines the division of tasks between the Agency and DG MOVE and shows the role of the applicant. The indicative timing throughout the whole process of the call for proposals is also outlined.



<sup>100</sup> Source: Manual of Procedures

## Community Financial commitments to Transport and TEN-T projects

This section presents recent figures gathered by the evaluators concerning the amounts and numbers of projects granted by the different Community instruments by modes of transport and between the EU15 and EU12.

The 2 tables below outline the Cohesion and Structural Fund commitments earmarked for Transport and the level of execution in 2010.

Table C-9-4: Total Structural Funds (SF) and Transport Commitments in EUR (period 2007-2013)

	Total SF commitments	Transport Commitments	Engagement until 2010
EU 15	162.527.010.047	25.218.734.845	17.053.304.192
EU 12	176.294.351.586	55.759.543.191	30.823.880.302
<i>Sub total</i>	<i>338.821.361.633</i>	<i>80.978.278.036</i>	<i>47.877.184.494</i>
Cross-Border	7.899.731.639	1.062.318.870	571.883.720
<b>Total</b>	<b>346.721.093.272</b>	<b>82.040.596.906</b>	<b>48.449.068.214</b>
In % of total		24%	14%
In % of commitments for transport			59%

Source DG REGIO

Table C-7: EU Structural Fund allocations for Transport projects (2007- 2010)

Figures in EUR Modes	Total commitments		Implemented to date (2010)	
	EU 15	EU 12	EU 15	EU 12
Railways	2.097.056.266	2.092.185.948	1.282.999.244	770.268.593
Railways (TEN-T)	6.510.774.515	11.743.978.084	4.564.495.596	4.549.899.529
Mobile rail assets	50.104.000	603.771.393	0	539.147.474
Mobile rail assets (TEN-T)	0	408.949.910	0	67.575.000
Motorways	1.687.735.255	2.934.566.978	1.041.283.590	960.819.886
Motorways (TEN-T)	3.335.378.753	15.132.317.416	2.377.769.474	10.302.989.838
National roads	1.478.147.996	5.718.806.311	1.015.430.907	4.691.447.042
Regional/local roads	3.245.902.147	6.964.572.262	2.718.778.545	5.291.069.673
Cycle tracks	153.047.261	369.405.612	54.231.674	196.364.048
Urban transport	342.340.062	1.345.363.832	213.847.121	685.788.749
Multimodal transport	975.955.561	642.513.757	335.873.064	193.424.190
Multimodal transport (TEN-T)	51.915.535	253.486.960	12.306.120	1.898.785
Intelligent transport systems	164.432.705	720.315.142	86.880.970	51.466.562
Airports	803.236.025	906.810.865	523.311.123	367.476.792
Ports	2.311.571.940	978.700.444	1.317.541.392	465.862.859
Inland waterways (regional and local)	73.466.890	93.111.283	16.747.795	79.430.327
Inland waterways (TEN-T)	95.219.050	476.184.906	96.564.110	95.952.920
Promotion of clean urban transport	1.842.450.884	4.374.502.088	1.395.243.468	1.512.998.035
<b>Total</b>	<b>25.218.734.845</b>	<b>55.759.543.191</b>	<b>17.053.304.192</b>	<b>30.823.880.302</b>
in % of total EU	31%	68%	35%	64%

Source: DG REGIO

The following tables were prepared by TEN-TEA and present TEN-T project portfolio (Financial Perspective 2007-2013) per Member State group (EU15 and EU12), per project type and per mode. These represent both the on-going and closed projects at the date of 30/04/2012 and they do not include projects from the 2011 MAP and annual calls.



Table C-8: Number of projects per Multinational, single-country EU12 and single-country EU15 projects (as of 30/04/2012).

Number of projects Mode	Multinational			Multinational Total	EU-12			EU-12 Total	EU-15			EU-15 Total	Grand Total
	Mixed (studies & works)	Studies	Works		Mixed (studies & works)	Studies	Works		Mixed (studies & works)	Studies	Works		
Airport						4	2	6		1	4	5	11
ATM		10	2	12			1	1			1	1	14
ERTMS	1	3	6	10			5	5			21	21	36
Galileo		1		1									1
ITS	2			2		1		1			1	1	4
IWW	1			1		3		3	4	5	10	19	23
MOS	4	6	2	12									12
Multimodal	1	3		4		1		1		10	6	16	21
Port						4	1	5	1	5	5	11	16
Rail	5	7	3	15		19	3	22	9	35	50	94	131
RIS	2	1	1	4	1			1	4	1	1	6	11
Road		1		1		5	4	9		15	21	36	46
<b>Grand Total</b>	<b>16</b>	<b>32</b>	<b>14</b>	<b>62</b>	<b>1</b>	<b>37</b>	<b>16</b>	<b>54</b>	<b>18</b>	<b>72</b>	<b>120</b>	<b>210</b>	<b>326</b>

Table C-9: Sum of actual TEN-T funding per EU12 countries, EU15 countries and projects involving international organisations, joint undertakings or European Economic Interest Groupings (as of 30/04/2012).

Sum of actual TEN-T funding (€ Million) Mode	EU-12			EU-12 Total	EU-15			EU-15 Total	IO/JU/EEIG			IO/JU/EEIG Total	Grand Total	
	Mixed (studies & works)	Studies	Works		Mixed (studies & works)	Studies	Works		Mixed (studies & works)	Studies	Works			
Airport		4,1	7,3	11,4		3,1	39,4	42,5					53,9	
ATM			7,1	6,8	13,9		17,1	12,3	29,5		102,0	7,0	109,0	152,3
ERTMS	6,0			70,5	76,5	12,9	1,4	315,8	330,1	2,2	5,4	12,1	19,7	426,3
Galileo											190,0		190,0	190,0
ITS	18,4	0,8		19,2	178,8		11,7	190,5					209,7	
IWW		4,7		4,7	488,7	25,0	105,6	619,2					623,9	
MOS	1,0	2,2		3,2	63,8	33,2	21,8	118,9			0,1	0,1	122,1	
Multimodal		0,5		0,5	267,5	18,8	20,5	306,7					307,2	
Port		2,4	3,1	5,5	0,4	9,1	23,5	33,0					38,5	
Rail		86,2	65,1	151,2	1.683,6	472,4	1.888,0	4.044,0					4.195,2	
RIS	1,6	3,2		4,8	11,7	5,2	1,2	18,0					22,8	
Road		9,8	19,3	29,1		37,2	156,6	193,8					222,9	
<b>Grand Total</b>	<b>27,0</b>	<b>120,8</b>	<b>172,1</b>	<b>319,9</b>	<b>2.707,3</b>	<b>622,5</b>	<b>2.596,4</b>	<b>5.926,2</b>	<b>2,2</b>	<b>297,5</b>	<b>19,0</b>	<b>318,8</b>	<b>6.564,9</b>	

## Appendix D Summary of interviews with Beneficiaries and Implementing Bodies

The responses received in the satisfaction survey are summarised hereafter by type of feed-back.

Respondents to the questionnaire are both Implementing Bodies (IB), directly applying for TEN-T funding, and Beneficiaries, responsible for the national TEN-T projects and programme.

As per 17 April 2012 IB's from 14 different entities and six different countries had submitted their answers to the questionnaires distributed. Country wise responses are: one beneficiary from Belgium and one from Northern Ireland, two from the Netherlands, three from Italy and Poland, and finally four from Spain. They have in average been involved with the TEN-T programme for about seven years; the longest since 1995 and the shortest only since last year.

In total 20 Beneficiaries submitted their answers to the questionnaire distributed at the FAC meeting in January 2012. These are: Belgium, Bulgaria, Czech Republic, Denmark, Finland, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Sweden and the United Kingdom. Three countries (Belgium, Germany and Poland) each submitted two answers as more than one national entity has been dealing with TEN-T EA.

On average, national coordinators have been involved almost nine years with the TEN-T Programme, the longest since 1990 and the newest since 2011.

### **General opinion about the services delivered by the Agency**

The general opinion of the respondents is primarily positive regarding the work performed by the Agency. Matters such as clearer timetables, improved Calls procedures, better correspondence and better management of the beneficiaries' expectations are highlighted repeatedly.

The work conducted is considered as professional and of high quality and thereby effective with a positive influence on the implementation of their TEN-T projects.

Especially the provision of feedback information on project selection, as well as assistance in preparation of reports, is mentioned as two aspects that are very well functioning with the current setup.

According to the respondents the performance of the Agency staff is one of the main reasons that the Agency is performing so well. The officials and specialists of the Agency are evaluated to have executed good and high quality work and they have given good and timely relevant support and assistance in all phases of the project preparation and reporting.

On a more negative note the Agency is mentioned as being too bureaucratic and strict. The lack of opportunity to improve project applications after receiving

comments from the desk officer is mentioned as an example. Now, as opposed to when the projects were managed within the Commission, there is only one chance per year for each project to be selected. This is perceived as negative for countries that are less skilled and successful with preparing project applications (writing skills). This is resulting in some EU countries constantly lagging behind in the development of their TEN-T network.

### **Staff and Communication**

It is acknowledged that the Agency staff is fully (service) dedicated to address questions put forward by the beneficiaries and IBs in relation to applications or projects. The level of feedback is perceived to have increased compared to the time when DG MOVE was in charge of the projects.

Only a rather limited group of respondents complain that the Agency's helpdesks response time during the project application process is rather long, which can be problematic for the proposal writing. The Agency has asked to be contacted via email, but beneficiaries complain that the Agency seems unable to reply to the inquiries via email and thereby not providing the needed assistance.

So, overall the level of communication is equally perceived to be very high and is rated very positive. Questions addressed are resolved in a quick and efficient manner and the Agency is always open to contact. The assistance provided is very professional and contributes to projects whether it is related to the application phase or to manage conduction of projects in a qualified way.

The frequency of contact varies to a great extent between the respondents and during the project cycle. Naturally, during the application phase the level of contact with the Helpdesk is more frequent, some as often as every day. In normal periods most respondents are in contact with the Agency once every other week, but a few refer that they only speak to the Agency once a month. Some IB's mention that the only contact they have with the Agency is through their ministry and that they are only in direct contact a few times a year.

The need for contact also depends on the amount of TEN-T projects that the country is conducting, so therefore the frequency of contact is higher for some countries than others. Regardless, the amount of contact currently on-going between the parties, the Agency staff is viewed to be easy to contact directly and additionally is felt to pay a lot of attention to the projects.

Furthermore, some respondents commented that the current Agency staff is technically skilled in project management and that through their assistance they facilitate a more efficient implementation and financial realisation of the projects.

### **Call for proposals and projects**

These core tasks of the Agency are evaluated positively. Comments are equally made on the noticeable improvement on these through the establishment of the Agency, as staff is entirely devoted to the accomplishment the tasks. The

respondents are supported throughout all the phases of the management of the TEN-T portfolio with better communication and quick solving of problems.

All respondents praised the management of the Calls for Proposals process by the Agency. The project application procedures are nevertheless regarded as cumbersome and time consuming due to the level of detail required. IB's are to a greater extent than the MS struggling with this heavy workload during the application preparation, as they have mentioned it more frequently as an issue. They also comment that it reflects a programme that became more structured and therefore requires more paperwork, as well as more control and audits of the projects it finances. The procedures are more complex and somewhat complicated for the beneficiaries and in particular for those not used to managing EU funds.

The new procedures related to the selection of projects are evaluated more positively. Respondents overall agree that the process is professional and more transparent than previously. Respondents believe that project selection is done more professionally and that projects are chosen for the right reasons. The selection process is viewed as rather rigorous and lengthy, but most respondents ascribe this as being due to the professionalization of procedures.

Whether the Agency contributes to the acceleration of the implementation of projects is more ambiguous. Whereas most Beneficiaries and a few IB's mention that the Agency has no impact on the speed, but rather that this is influenced by other factors, some IB's believe that the overall project management performed by the Agency does indeed have an effect. There are however no indications that the Agency is slowing down procedures.

The deadlines of the Calls are mentioned frequently in the interviews, as it is a great concern that these are not set during any holiday period. Such deadlines make it close to impossible to properly prepare the project application entailing a greater chance of not being chosen for funding. This is a concern of both Beneficiaries and IB's.

### **Information**

The level of information on the programme priorities, the calls' content, etc. is viewed very positively. Most respondents reply that they have access to all the information they need. Not only through the direct help of the staff, but also through the website of the Agency and the guidelines and tutorials developed.

Respondents say that they have the impression that their project proposals have improved, as the guidelines developed for the process are very helpful and that the feedback that they receive from the staff at the Agency is additionally strengthening their chances of being chosen for funding.

Again it is mentioned that the Helpdesk sometimes, especially during the project application phase, have too long a response time. It is understood that the Agency staff is busy, but it is a very critical point for the applicants, as most of the questions are technical and directly related to the Call.

Furthermore, most of the respondents have participated in the workshops and TEN-T EA Info-days held for the possible project applications at which they are provided the opportunity to direct their questions immediately either in plenum or individually to the TEN-T EA staff that participates. The events are also an excellent opportunity to meet colleagues from other project entities and share problems and solutions, which is also beneficial for the TEN-T projects.

### **Payments**

The payment process has, according to the respondents, been improved and more payments are on time than previously, in particular the final payment. This helps the projects keep to their planning.

## Appendix E Comparison between WPs and AARs

This appendix shows how the achievement of tasks set out in AWP and reported in AARs have been scored by the evaluation team to provide an input to the assessment of the effectiveness of the TEN-T EA.

### Scoring methodology

The target achievement has been scored using a scale variable from 0 to 5. The scale ranges from a 0-value for 'no action' to 5 for full target achievement. If the activity was delayed but implemented during the year in question (e.g. with a deadline of implementation in April), the score was reduced by one; e.g. from 5 to 4, even if targets were fully met. If a task was not initiated in the year in question, a 0-score was given. However, if the task was initiated but the implementation postponed to the year after, the score was 1. In this context, 'initiated' signifies that initial operations or planning of the task has taken place. Table E- describes the scoring methodology in more detail.

Table E-1: Scoring methodology

Score	Description
0: No action	Task was not initiated or no evidence is found.
1: Very low achievement	The task was not initiated in a timely manner and targets were not achieved (e.g. initiated but postponed)
2: Low achievement	The task was initiated in a timely manner but targets were far from achieved
3: Medium achievement	The task was initiated in a timely manner but only partly achieved
4: High achievement	The task was initiated in a timely manner and almost achieved or achieved with a delay within the year in question
5: Full achievement	The task was initiated in a timely manner and fully achieved according to schedule

The Autonomy of the Agency was used as the starting point with regard to the evaluation of the achievement of certain targets. Thus, if an activity was carried out before and after, it was the activity after the Autonomy, which was measured.

The scores assigned to each task of each year are shown in the tables below.

2008

Specific objective: "Responsibility for the technical and financial management of open TEN-T files stemming from the TEN Programme 2001-2006."				
Tasks	Indicators	Targets	AAR account: Situation at year end (or target date)	Evaluation with comments
<b>Completion of recruitment of all Agency staff members</b>	% of staff recruited	Planned recruitment of 95% of posts by 31/05/2008.	On 31/05/2008 41 staff out of 44 had taken office. Interim staff was hired in order to cover some functional needs.	4: High achievement 93% was hired before the target date.
<b>Creation of a well-trained and efficient team of staff.</b>	Job descriptions, objectives & training maps defined.	All staff has Job Descriptions, objectives and training maps by 30 June 2008.	Vacancy notices include a precise JD for 100% of the posts. On 30/06/2008 all except 4% of JD were encoded in SYSPER2 for staff in place due to technical reasons.	4: High achievement On 30/06/2008 only 90% of training maps were established for staff in place.
	All staff members received training according to training maps.	80% of planned training organised by the end of 2008.	On 30/06/2008 90% of training maps were established for staff in place. The remaining 10% is attributed to the newcomers. 45% of the trainings were followed at the end of the year. The remaining trainings were postponed to 2009 for workload reasons and because the Agency encountered serious problems in getting full access to the SYSLOG catalogue.	2: Low achievement <sup>101</sup>
	Successful organisation of a team-building event.	Team building event completed by June 2008.	The event took place 19-20 May 2008.	5: Full achievement

<sup>101</sup> By the end of 2008, 45% of the training was carried out as opposed to the targeted 80%.

Specific objective: "Responsibility for the technical and financial management of open TEN-T files stemming from the TEN Programme 2001-2006."				
Tasks	Indicators	Targets	AAR account: Situation at year end (or target date)	Evaluation with comments
	Mentoring scheme established.	Mentoring scheme initiated by September 2008.	The scheme was presented to all staff on 15/05/2008	5: Full achievement
<b>Establishment and execution of the principles of good management.</b>	Internal administrative procedures and reporting systems set up.	Administrative procedures and systems to be finalised. Deadline 31 March 2008.	Approved in the scope of the Autonomy.	5: Full achievement
	Conclusion of Service Level Agreements.	All Service Level Agreements signed. Deadline 30 April 2008.	On 30/04/2008, all essential (7) SLAs were signed by the Agency (OIB, PMO, BUDG, DIGIT, DS). On 31st December 2008 a total of 12 SLAs were signed (OPOCE – Admin training, etc ...).	2: Low achievement <sup>102</sup>
	Dissemination of information on all procedures to Agency staff.	Preparation of the first version of the Agency's manual of procedures. Deadline 31 March 2008.	Approved in the scope of the Agency's Autonomy.	5: Full achievement
	Establishment of internal control standards.	Action plan for ICS established. Deadline 31 March 2008.	The Action Plan was established on 17/03/2008.	5: Full achievement
	Adequate reporting.	Conception and implementation by 30/09/2008 (and onwards) of a reliable reporting tool on key indicators for good management based as far as possible on an efficient IT tool.	Approved in the scope of the bi-annual reporting to the Steering Committee and DG TREN of 15/10/2008. Completed by a periodic internal reporting on financial and HR indicators.	4: High achievement Reliable reporting tools and key indicators were approved 15/10/2008 <sup>103</sup>

<sup>102</sup> By 30 April 2008, 37% of the SLAs of 2008 had been signed. However, it is noted that the 7 'essential' SLAs were signed, and this evaluation should therefore be viewed in light of this.

<sup>103</sup> Ref. Bi-annual reports (internal reports not published on-line)



Specific objective: "Responsibility for the technical and financial management of open TEN-T files stemming from the TEN Programme 2001-2006."				
Tasks	Indicators	Targets	AAR account: Situation at year end (or target date)	Evaluation with comments
<b>Setting up and implementation of procedures for sound financial management.</b>	Sound implementation of the administrative and operational budgets in accordance with the provisions of the Financial Regulation and TEN-T EA's internal procedures.	80% payments received after the Autonomy will respect payment delays.	Nearly 90% of administrative payments were made in time up to the end of the year 2008.	5: Full achievement
			Due to the phasing-in period and inherited accumulated delays only 22% of operational payments were done in time. (On 15/04/2008 this rate was 0%).	2: Low achievement <sup>104</sup>
			For costs claims received after the Autonomy 75% were paid in time.	4: High achievement
		Verification missions of at least 80% of final payment requests for works.	Target met – 81.5% of final payment requests for works involved a verification mission.	5: Full achievement
		Establishment of an appropriate risk assessment methodology by 30/06/2008.	Risk assessment carried out and risks identified by end June 2008. Risk register is now published on the intranet.	5: Full achievement
		Rate of budgetary execution and other budgetary indicators by 31/12/2008. <sup>105</sup>	The final level of execution for administrative expenditures reached 100% in commitments and 72% in payments.	4: High achievement
			For operational expenditure, 100% of budget was executed for both commitments and payments.	5: Full achievement
			The Agency individualised 100% of 2007 global commitments and 66% of 2008 global commitments up to an aggregated amount of 1,524 billion €.	4: High achievement

<sup>104</sup> NB. Evaluated against the same target of 80% as payments received after the Autonomy.

<sup>105</sup> Target unclear 'other budgetary indicators'

Specific objective: "Responsibility for the technical and financial management of open TEN-T files stemming from the TEN Programme 2001-2006."				
Tasks	Indicators	Targets	AAR account: Situation at year end (or target date)	Evaluation with comments
			A total amount of 881 million € was executed (211 millions € above the initial budget of 670 millions €) and the number of pending payments was reduced from 135 at 15/04/08 to 57 at 31/12/2008.	3: Medium achievement <sup>106</sup>
			115 files received the final payment and nearly 20% of the handed over files were financially closed	2: Low achievement
	Necessary controls and audits carried out.	Audit of 20% of final payment transactions.	The external audit activity is led in close collaboration with the Financial Audit Cell of DG TREN and 2008 must therefore be considered as a year of transition. The audit plan was established on the basis of DG TREN's approach, which includes among other things coverage of 30 to 35% of final payments made in 2007. All audits planned in that framework were implemented on schedule.	5: Full achievement
	Accountancy systems in place.	Accountancy system put in place Deadline 15/04/2008.	Approved in the scope of the Autonomy.	5: Full achievement
<b>Ensuring the visibility of the Agency and the TEN-T programme.</b>	Design of the Agency website.	Agency website in place by 30/09/2008.	Due to delays with the tender procedure, the website has been delayed. The contract was signed in December 2008, and the website will be ready by the end of March 2009.	1: Very low achievement
	Initiation and implementation of an annual information and communication programme for the Agency.	Information/communication plan conceived, agreed and implemented by 31/12/2008.	An initial Communication work plan was prepared and finalised for the start-up phase in 2008. Implementation of the key activities outlined (with the exception of the external website) were completed as planned. A Communication	5: Full achievement

<sup>106</sup> If target was a 100% reduction in pending payments, the reduction was 58%. Because the target is not concrete, this might however not be a valid indication and thus this evaluation should be viewed in this light.

<b>Specific objective: "Responsibility for the technical and financial management of open TEN-T files stemming from the TEN Programme 2001-2006."</b>				
<b>Tasks</b>	<b>Indicators</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
			Strategy for 2009, including a work plan, is being established.	
	Formulation and implementation of a "phasing in/ introduction" plan of the Agency to the main stakeholders.	Notification letters to beneficiaries by 30 June 2008.	Letters were sent following the Agency's Autonomy on 15/04/2008. Additionally, the Agency has organised a project management workshop on 3/12/2008 to introduce the Agency to the main stakeholders.	5: Full achievement
<b>Efficient management of the Agency's logistics and infrastructure, particularly in the relocation to temporary and permanent premises</b>	Removal to temporary premises.	Deadline end- April 2008.	Removal took place on 28-29 April 2008.	5: Full achievement
	Removal to final premises.	By October 2008	Removal to final premises has been postponed to 2009.	0: No action
<b>Taking over of existing projects from DG TREN by the Agency</b>	Actual transfer of identified projects.	Transfer to be completed; Deadline 31/3/2008.	Done on 15/04/2008 in the scope of the Agency's Autonomy.	5: Full achievement
	Preparation and signature of hand-over notes.	Each transfer is accompanied by a hand-over note.	Done on 15/04/2008 in the scope of the Agency's Autonomy.	5: Full achievement
<b>Appropriate and timely follow up of all dossiers handed over</b>	Review of content of transferred files and hand-over notes.	All files reviewed by 31/12/2008.	All files were reviewed by 31/05/2008	5: Full achievement
	Workload distribution among staff.	Each officer has a clear portfolio of projects.	Every project was allocated to a project officer at the hand-over. Portfolios are also being redistributed as new staff members become operational.	5: Full achievement
	Site visits to selected projects to physically verify progress.	Site visits to 80% of all projects concerning works requesting final payment.	For payment requests made before 15/04/2008 where the technical approval was already given by DG TREN, no onsite checks were made. For those received after the Autonomy, the target of 80% was achieved.	5: Full achievement

Specific objective: "Responsibility for the technical and financial management of open TEN-T files stemming from the TEN Programme 2001-2006."				
Tasks	Indicators	Targets	AAR account: Situation at year end (or target date)	Evaluation with comments
	Analysis of claims for payment.	Analysis of 100% of claims received within the allowed deadlines.	All claims received following the autonomy of the Agency have been analysed within the deadlines.	5: Full achievement
	Analysis of requests for modifications to Decisions granting financial aid.	Analysis of 100% of modification requests within 2 months of request.	95% of all requests received following the autonomy of the Agency have been analysed within the deadlines. This is lower than estimated due to the execution of other unforeseen activities on behalf of DG TREN (e.g. preparation of MAP Decisions; participation in evaluation and selection of projects under 2008 calls for proposals.)	4: High achievement - See AAR account
	Prepare amendments to Decisions granting financial aid.	Amendments to funding decisions prepared within 3 months of request.	More than 80% of amendments for all 'accepted' requests have been analysed and prepared within the deadline, as long as supporting documents and justification are provided by the beneficiaries.	4: High achievement

Specific objective: "Technical and financial management of the 2007 – 2013 TEN-T projects <sup>107</sup> ."				
Tasks	Indicators	Targets	AAR account: Situation at year end (or target date)	Evaluation with comments
<b>Recruitment of human resources necessary for the Agency's modified mandate.</b>	% of staff recruited.	Launch vacancy announcements following approval of modification by the Regulatory Committee for Executive Agencies. Complete evaluation of candidatures by end July 2008.	By 31/12/2008, 78% of staff has been recruited. The lower than foreseen recruitment % is due to the following problems: - delay in the adoption of the modified mandate of the Agency. (Job offers were made subject to the adoption of the extended mandate.) - 7 departures to be replaced - 12 offer letters refused	4: High achievement

<sup>107</sup> These activities were only performed after adoption of Commission Decisions 2008/593/EC of 11.07.2008 and C (2008)5538 of 07.10.2008.

Specific objective: "Technical and financial management of the 2007 – 2013 TEN-T projects" <sup>107</sup> ."				
Tasks	Indicators	Targets	AAR account: Situation at year end (or target date)	Evaluation with comments
		Planned recruitment of 95% of posts by 31/12/2008.	- poor quality of applicants for certain technical posts; 14 positions needed to be published more than once. For certain specialised posts it was difficult to find appropriate candidates because the grading of the post was too low.	
<b>Effective management of the Agency's Human Resources</b>	Setting up of Agency Staff Committee.	Staff Committee created by October 2008.	The Implementing Rule on the Staff Committee is ready and will be sent to the staff as soon as it has been adopted by the Steering Committee. The elections should be held in the first quarter of 2009. Rules governing the elections of the Staff Committee have been drafted and will be discussed in staff assembly.	1: Very low achievement <sup>108</sup>
	Drafting of the implementing rules for personnel management.	Implementing rules completed by 31/12/2008.	All Implementing rules from the 1st and 2nd package which are applicable (20 out of 27) have been sent to DG ADMIN for a launch in Inter-service consultation. 6 from the 3rd package have been prepared and are ready to be sent to DG ADMIN.	4: High achievement <sup>109</sup>
<b>Successful negotiation of MAP and Annual projects selected for support in the 2007 Calls</b>	Agreement on the content (technical/financial) of the Decision granting financial aid.	All project negotiations completed by 31/10/2008.	All but three negotiations were completed by 31/10/2008. The remaining were finalised in November due to delayed feedback from the Member States.	5: Full achievement <sup>110</sup>
<b>Successful Completion of Decisions granting financial aid for the projects selected for funding in 2007</b>	Assistance in the finalisation and notification of Decisions granting financial aid.	All Decisions granting financial aid are notified by 31/12/2008.	All Decisions were approved and notified by the end of 2008.	5: Full achievement

<sup>108</sup> Necessary steps were undertaken to set up the Staff Committee, but the Staff Committee was not created by October 2008

<sup>109</sup> Data on the 3rd package could not be located

<sup>110</sup> 100% of the negotiations possible to finalise (without MS delay) were finalised before the deadline.

Specific objective: "Technical and financial management of the 2007 – 2013 TEN-T projects <sup>107</sup> ."				
Tasks	Indicators	Targets	AAR account: Situation at year end (or target date)	Evaluation with comments
<b>Provide support to DG TREN to facilitate the evaluation of projects submitted in the 2008 Calls</b>	Assist in the preparation of a detailed planning of the entire process up until the conclusion of the Decisions	Plan prepared before deadline for submissions.	Plan prepared and agreed with DG TREN before the set deadline	5: Full achievement
	Prepare the required support and interventions in line with the plan.	Follow the plan as scheduled with minor deviations.	Evaluations took place as planned 7 to 18 July 2008. No deviations.	5: Full achievement
	Provide support as required by DG-TREN in the selection process.	Evaluation completed and 'recorded' for all proposals by 25/7/2008. List of projects considered 'suitable for funding' prepared by 31/7/2008.	All evaluation results completed and recorded by 18/07/2008  Initial list of 'suitable' proposals established 31/07/2008. Final selection Committee held on 09/10/2008.	5: Full achievement
<b>Negotiation of projects selected for support in the 2008 Call</b>	Prepare a negotiation plan for the projects selected by the Commission in 2008.	Plan prepared by 31/12/2008.	For T3 the plan was prepared by the end of 2008. For T2 a large part was prepared and it was finalised by the end of January 2009.	4: High achievement

Specific objective: "Increase in the efficiency of management of the TEN-T programme and projects." <sup>111</sup>				
Tasks	Indicators	Targets	AAR account: Situation at year end (or target date)	Evaluation with comments
<b>Improved analysis of requests for payment</b>	Reduce time for analysis.	Meet all payment deadlines.	Approximately 90% of administrative payments. Due to the phasing-in period and inherited accumulated delays 25% of operational payments were done in time.	4: High achievement
	Improve further depth of technical assessment.	Guidelines for proper financial and technical analysis established by 30/09/2008.  Qualified staff able to dedicate the time that is necessary for a proper analysis.  Joint technical/financial teams for assessment.	Partially implemented: Improved analysis of requests for payment; Note prepared on sampling. Operational guidelines to be finalised.	2: Low achievement
	Collaborative analysis by Technical and Financial officers.	Use ePMS operationally.	ePMS has been operational since end of May 2008. Given the number of identified drawbacks, the future use of ePMS will be examined as part of the preparation of the IT master plan.	5: Full achievement <sup>112</sup>
<b>Streamline Decision process granting financial aid processes (new and amendments)</b>	Application of IT tools.	Use TENtec operationally.	All new Decisions have been encoded as 'Final' in TEN-Tec.	5: Full achievement <sup>113</sup>

<sup>111</sup>These activities were only performed after adoption of Commission Decisions 2008/593/EC of 11.07.2008 and C (2008)5538 of 07.10.2008.

<sup>112</sup> ePMS is the updated version of DG-TREN's computerized Project Management System, which mainly is concerned with financial data.

<sup>113</sup> TENtec is the information system of the European Commission to coordinate and support the TEN-T Policy

Specific objective: "Increase in the efficiency of management of the TEN-T programme and projects." <sup>111</sup>				
Tasks	Indicators	Targets	AAR account: Situation at year end (or target date)	Evaluation with comments
	Shorter approval circuits. Simplified procedures	Minimise number of approval 'steps'.	A streamlined procedure was agreed and implemented by DG TREN and TEN-T EA	5: Full achievement
		Identification by 30/09/2008 of different actions and reaction and definition of maximum deadlines step by step. Procedures allowing actions and reactions within appropriate deadlines.	The processes have been limited to a minimum in order to give a reasonable assurance of the quality of the operations including the necessary training on the desk required. Processes will be re-evaluated in the scope of the improvement of the Manual of Procedures.	5: Full achievement <sup>114</sup>
		Appropriate reporting in order to identify sources of delays by 30/09/2008.	Detailed reporting is in place in order to identify delays in the area of financial and human resources management.	5: Full achievement
<b>Improved standard forms for applications and reporting</b>	Improved clarity of requirements. Consistency of application of the applicable rules.	Use forms with effect from 2008 Calls and Decisions. Reduced number of requests for complementary or repetitive information or clarifications.	Because of the delay in the approval of the Agency's extended mandate, these objectives are delayed until 2009 and will apply to the next (2009) calls. A Guide for Applicants is under preparation that will clarify the rules and lead to a reduction in the number of requests.	0: No action <sup>115</sup>
<b>Assessment of possible shortcomings in the current systems and procedures</b>	Critical assessment of the appropriateness of current systems and procedures. Effective encouragement of	Assessment complied by 31/12/2008.  Suggestions for improvements by 31/12/2008 (on-going process).	Because of the delay in the approval of the Agency's extended mandate, these objectives are delayed until 2009.	0: No action <sup>116</sup>

<sup>114</sup> See COMMISSION DECISION of 7 June 2010 Approving the 2010 Work Programme for the Trans-European Transport Network Executive Agency

<sup>115</sup> See AAR account (The creation of Unit T4 was delayed by later adoption of Dec. 2008/593/EC)

<sup>116</sup> See AAR account (The creation of Unit T4 was delayed by later adoption of Dec. 2008/593/EC)



Specific objective: "Increase in the efficiency of management of the TEN-T programme and projects." <sup>111</sup>				
Tasks	Indicators	Targets	AAR account: Situation at year end (or target date)	Evaluation with comments
	innovative solutions and approaches.			
<b>Enhanced Geographical Information Systems (GIS)</b>	More reliable GIS data.	Prepare proposals for Upgraded version of GIS by 31/12/2008.	Because of the delay in the approval of the Agency's extended mandate, these objectives are delayed until 2009.	0: No action <sup>117</sup>
<b>Enhanced global overview of the TEN-T programme</b>	Improved quality of statistical data. Improved use of GIS data for project monitoring, assessment and dissemination.	Define standard reporting by 31/12/2008. Define standard usage of GIS and ITS.	Because of the delay in the approval of the Agency's extended mandate, these objectives are delayed until 2009. However, joint T2/T3 operational tables are under development	0: No action <sup>118</sup>
<b>Innovative approaches for funding for infrastructure projects</b>	Develop a proposal for a 'Financial Engineering plan' including PPP.	First draft of Plan by 31/12/2008.	Due to delay in the approval of the Agency's extended mandate, this objective is delayed until 2009.	0: No action <sup>119</sup>
<b>Improved visibility for EU support to infrastructure projects</b>	Develop proposals for publicity and dissemination.	Plan by 31/12/2008.	Due to delay in the approval of the Agency's extended mandate, this objective is delayed until 2009 (e.g. website, press relations.) Some actions were completed as planned (Intranet, manual of procedures – first entries, workshop, Agency stand, brochure etc.)	4: High achievement The objective was delayed but activities were carried out as planned.

<sup>117</sup> Ibid.

<sup>118</sup> Ibid.

<sup>119</sup> Ibid.

## 2009

SPECIFIC OBJECTIVE: 1. To further increase the efficiency and improve the management of the TEN-T programme.			
Tasks	Targets	AAR account: Situation at year end (or target date)	Evaluation with comments
<b>Further improvement of management efficiency.</b>	Successful completion of the 2009 ICS and risk action plans.	18 of 24 ICS actions implemented and 6 ongoing; (4 ongoing; 2 for Q1 2010); 10 of 12 risk actions implemented. 2 ongoing	4: High achievement <sup>120</sup>
<b>Further improvement of the technical and financial project management</b>	The backlog of payment requests received by the Commission before the autonomy of the Agency will be absorbed by 31/03/2009.	This took longer than expected	4: High achievement <sup>121</sup>
	Improved standard forms and check lists for applications and reporting are in place.	New simplified templates for interim/final financial statements; Improved internal checklists and financial report.	5: Full achievement
	An improved even spread of budgetary execution over the year (avoid end of year peaks)	Budget execution was spread over the year: 42% after 6 months, 62% at the end of Q3 and 79% at the end of November.	5: Full achievement - It is clear, that the spread has improved significantly from 2008-2009
	100% of reports are commented on and/or accepted within the applicable deadlines	The average delay for the approval of technical reports in 2009 was 48 days. 79% of the technical reports were approved on time within the 45 days limit with an average approval delay of 17 days. Technical approval delays should considerably improve in 2010 as the main part of the delays occurred on projects transferred from DG TREN, which have all now almost been closed.	4: High achievement
	Visit or meet representatives from 100% of major projects each year and 80% of all other projects every two years	All major projects have been subject to an 'on-site visit' or progress meeting. 67% of others have already been visited	5: Full achievement - With 67% of other projects visited, the target of 80% is attainable.

<sup>120</sup> ICS: Internal control Standards. No direct reference or link to ICS Action Plan could be found, rather several references and sections on the ICS checks, audit and standards in general

<sup>121</sup> [AAR 2009: "The examination of pending cost claims has progressed well, with the majority (33 out of 35) of the backlog now absorbed."]. See chapter on budgetary execution in: [http://ec.europa.eu/atwork/synthesis/aar/aar2009/doc/ten\\_t\\_ea\\_aar.pdf](http://ec.europa.eu/atwork/synthesis/aar/aar2009/doc/ten_t_ea_aar.pdf)

<b>SPECIFIC OBJECTIVE: 1. To further increase the efficiency and improve the management of the TEN-T programme.</b>			
<b>Tasks</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
	More than 90% of payment claims are analysed and made within the allowed deadlines	Average 1% late payments in November and December. For year 82% on time	4: High achievement
	Technical verification missions /meetings are carried out for at least 80% of final payment requests relating to works and studies	Approximately 50% of all projects submitting a final cost claim have been visited. The majority were old projects technically approved before transfer to the Agency. Around 80% of 'new' payments have received an 'on-site visit'.	4: High achievement - See AAR-Account
	At least 20% of final payments (in monetary value) are audited	40% of final payments made in 2009 were covered by an audit (ex-post control).	5: Full achievement
	100% of backlog of old actions (under the 2000-2006 financial perspectives) for payment requests received before the date of the autonomy are cleared by the end of March 2009.	This took longer than expected	4: High achievement <sup>122</sup> NB: Repetition
	More than 90% of all sampling requests are done within 2 weeks of receipt of request for payment.	For the year 58% were on time. 92% of sampling requests were done on time during Q4 of 2009 (41% for Q1).	3: Medium achievement
	Set up a database containing all information related to TEN-T projects by the end of the year.	TENtec follow-up module established December 2009 (replacing existing Excel tables) for all open projects/most closed ones; to be used for reporting, monitoring and management of the projects	5: Full achievement
	Develop/improve the IT-tools used for the management of the projects by the end of the year.	[Not addressed in AAR Activity Overview]	3: Medium achievement <small>123</small>

<sup>122</sup> NB: Repetition: [AAR 2009: "The examination of pending cost claims has progressed well, with the majority (33 out of 35) of the backlog now absorbed."]

<sup>123</sup> AAR on risk assessment: "The IT tools do not provide adequate support for financial and project management: The new IT Tools do not provide the expected support to the Agency's operational needs and activities (TEN-Tec, ePMS). Interruptions and unavailability of service could have a negative impact on the effective performance of the Agency's tasks major influence on the Agency's services and the proper and timely execution of all tasks."

<b>SPECIFIC OBJECTIVE: 1. To further increase the efficiency and improve the management of the TEN-T programme.</b>			
<b>Tasks</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
	All requests for modification are analysed within 1 month	At least 90% of all requests analysed within 1 month	4: High achievement
	100% of accepted amendment requests to funding Decisions are prepared within 3 months of their reception.	Amendments for 70% of all requests were prepared on time. 30% required additional clarification which took longer	3: Medium achievement

<b>SPECIFIC OBJECTIVE: 2. The successful organisation and administration of the 2009 Calls for Proposals in order to maximize their impact and accountability.</b>			
Tasks	Targets	AAR account: Situation at year end (or target date)	Evaluation with comments
<b>The call and evaluation process is timely, effective, efficient and transparent</b>	The MAP, annual and Economic Recovery Action Plan Calls for proposals will be launched before 30 April 2009	Calls were published 31/03/2009. All information about the calls was included in a dedicated section on the website	5: Full achievement <sup>124</sup>
	A Guide for Applicants will be published by the end of March 2009	Guide was published with the Calls on 31 March 2009	5: Full achievement <sup>125</sup>
	An information day for potential applicants will be organised in April 2009	Information Day was organised by TEN-T EA on 22/04/2009 and attracted over 300 participants	5: Full achievement
	The text for the calls will be clarified in order to better identify key issues (e.g. environmental issues.)	Call texts and application forms were streamlined rationalised and clarified	5: Full achievement
	A detailed planning for the evaluation process following best practises (establishment of clear evaluation guidelines, appointment of independent observers, timely information to applicants, etc.) is established and executed according to plan	3 Calls for Proposals (EERP, MAP and AP) was established in close coordination with DG TREN and respected.	5: Full achievement <sup>126</sup>
	A detailed calendar for the launch of the calls until 2013 has been established and communicated to potential applicants by 31 March 2009.	The calendar is on hold as planning for future calls, except for 2010 is uncertain. (Future calls depend on use of EERP funds and 2010 mid-term review.)	0: No action
	A list of projects proposed for funding is established within the agreed deadlines	Completed for EERP, AP and MAP	5: Full achievement
	Internal training on the main issues and indicators (e.g. environmental) will be organised by the end of March 2009	Two courses took place in [spring 2009] on environmental criteria, and how to moderate a consensus meeting with external experts.	5: Full achievement

<sup>124</sup> MAP is the multi-annual work programme. The 2007-2013 MAP Portfolio review is available here: [http://tentea.ec.europa.eu/en/ten-t\\_projects/mid-term\\_review/](http://tentea.ec.europa.eu/en/ten-t_projects/mid-term_review/)

<sup>125</sup> The guide for applicants 2009 can be found here: [http://tentea.ec.europa.eu/download/calls\\_2009/Call%202009%20TEN-TEA%20Guidance%20document\\_EA\\_FINAL.pdf](http://tentea.ec.europa.eu/download/calls_2009/Call%202009%20TEN-TEA%20Guidance%20document_EA_FINAL.pdf)

<sup>126</sup> EERP: European Economic Recovery Plan. AP: Annual Programme.

<b>SPECIFIC OBJECTIVE: 2. The successful organisation and administration of the 2009 Calls for Proposals in order to maximize their impact and accountability.</b>			
<b>Tasks</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
	Other Commission services (like ENV, REGIO etc.) are involved in the process	Other services were consulted in the preparation of the process.	5: Full achievement
<b>The negotiations and commitments are completed in less time.</b>	All negotiations and commitments will be concluded by 31 March 2010	On track	5: Full achievement
	All Commission Decisions granting financial aid are established by 31 May 2010	90% of 39 EERP projects have been adopted. Discussions for Annual and Multi-annual calls will start end January 2010 (end of EP right of scrutiny. All decisions should be signed by 31 May 2010.	4: High achievement

<b>SPECIFIC OBJECTIVE: 3. Successful follow-up of the preparation and subsequent implementation of the projects selected under the 2007 and 2008 Calls for Proposals</b>			
<b>Tasks</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
<b>The negotiation and decision process for all projects selected in the 2008 Call is successfully completed.</b>	All negotiations and commitments are concluded by 30 April 2009	100% of all decisions were concluded by 31/12/2009.	4: High achievement - Task was initiated, but not followed through on time.
	All Commission Decisions granting financial aid are adopted by 30 June 2009	71% were adopted by 30/6/2009	3: Medium achievement
<b>Adequate quality SAPs for all projects selected under the 2007 and 2008 Calls are established</b>	All SAPs received are commented on and/or accepted within the applicable deadlines	80% of all SAPs received have been approved. 100% were commented within the deadline	4: High achievement
<b>The formal kick-off of all projects funded under the 2007 call has taken place</b>	Initial project meetings with beneficiaries (100% for MAP and 50% for AP) have taken place by the end of June 2009	Formal Kick-Off meetings, or project reviews have been held with all 2007 Decisions	5: Full achievement

<b>SPECIFIC OBJECTIVE: 4. To further emphasise information and communications on projects in order to promote and support the TEN-T programme to all stakeholders</b>			
Tasks	Targets	AAR account: Situation at year end (or target date)	Evaluation with comments
<b>The visibility of the Agency and the TEN-T programme is enhanced.</b>	The multi-annual strategic plan for information and communication is finalised by 31 March 2009	The multi-annual communications strategy was finalised in September. The strategy was made available publicly on the external website.	4: High achievement <sup>127</sup>
	The Agency's website is developed by 31 March 2009 and kept as up-to-date source of information about the calls, TEN-T projects and best practices	The website went live on 31 March. It has been continuously updated with news and information (maps, project fiches, and statistics) since the launch.	5: Full achievement
<b>The global overview of the TEN-T Programme is enhanced</b>	A GIS Master plan is developed by the end of 2009	The GIS master plan was included as part of the IT strategic plan (December 2009) - to be completed during the Q1 of 2010.	4: High achievement - Provisionally adopted in 2010 <sup>128</sup>
	A statistical database is developed by the end of 2009	A first version of the database was created at end of 2009 and statistical reports were produced for DG TREN. Cooperation with DG TREN and EUROSTAT on statistical issues has been started	4: High achievement - Completed in 2010
<b>Innovative approaches for funding for infrastructure projects have been explored</b>	In cooperation with EIB and other interested entities, a reflexion paper on new Financial Engineering methods is established	The Financial Engineering sector was established December 2009 and will be developed more in 2010. A concept paper on TEN-T project financing including PPP will be prepared Q1-Q2 of 2010.	2: Low achievement due to the fact that the sector established in its full configuration only in March 2010. During the last semester of 2009 the cooperation with the EIB on the implementation of LGTT instrument and the EPEC activities was established. <sup>129130</sup>  A similar target is also found in the WP2010.

<sup>127</sup> The strategy can be found here: [http://tentea.ec.europa.eu/en/about\\_us/mission\\_\\_introduction/external\\_communications.htm](http://tentea.ec.europa.eu/en/about_us/mission__introduction/external_communications.htm)

<sup>128</sup> GIS: Geographical Information System. Used by DG TREN and by TEN-T EA in data collection, mapping and reporting.

<sup>129</sup> See TEN-T EA (2010), 'Concept Paper: Promoting Increased Private Sector Participation in Financing TEN-T Projects: A Proposal from the TEN-T Executive Agency'

<sup>130</sup> PPP: Public private partnerships

<b>SPECIFIC OBJECTIVE: 4. To further emphasise information and communications on projects in order to promote and support the TEN-T programme to all stakeholders</b>			
<b>Tasks</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
<b>The communication and contacts with other DGs, services and Institutions concerned in the financing of transport infrastructure are further improved.</b>	A Memorandum of Understanding (MoU) with DG TREN, taking into account the existing modus operandi between TREN and other services (ENV, EIB, REGIO etc.) by 31 March 2009	The MoU with DG TREN was signed in September 2009. A Modus Operandi between DG TREN, DG ENV and the Agency was agreed in August.	4: High achievement
	Regular meetings will be ensured with DG REGIO, DG ENV, and EIB in order to discuss open topics and problems in the field.	Meeting on promotion and funding of PPP's with DG REGIO. Meeting with EIB, ECFIN and EPEC to discuss cooperation in marketing LGTT and working together to improve the approaches to funding transport infrastructure.	5: Full achievement <sup>131</sup>

<b>SPECIFIC OBJECTIVE: 5. To establish and consolidate the Agency in its final operational form</b>			
<b>Tasks</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
<b>The Agency's Human Resources are effectively managed</b>	The TEN-T EA Staff Committee will be set up and the Implementing Rules finalised by 30 April 2009.	Staff Committee was elected and put in place from 22 October 2009. It has started its functions by adopting the IR already in place.	4: High achievement
	An appropriate and complete Human Resources IT tool will be implemented upon its delivery by the Commission's services.	DIGIT provided a customised Sysper2 Executive Agency version on 01 December 2009. However, the scope of the tool is still very limited and further development is planned with Commission services.	3: Medium achievement
	The number of vacant posts will always be less than 5 %	By 31/12/2009, the Agency had 95 posts filled, which represents 96%).	4: High achievement - Target was first met at the end of the year
	All staff shall have a job description upon their arrival, objectives and a training map within 3 months after taking up duty	Staff members generally have a job description and objectives within 2 weeks of their arrival and a training map in the first month.	5: Full achievement

<sup>131</sup> EIB: European Investment Bank; ECFIN: Directorate General for Economic and Financial Affairs; EPEC: European Public Private Partnership Experience Centre



SPECIFIC OBJECTIVE: 5. To establish and consolidate the Agency in its final operational form			
Tasks	Targets	AAR account: Situation at year end (or target date)	Evaluation with comments
<b>The Agency's logistics and infrastructure are well-managed</b>	Meetings with the main horizontal service providers take place regularly in order to follow-up the SLAs and to discuss pending issues	Meetings with the main horizontal service providers took place in order to monitor and improve the SLAs.	5: Full achievement

## 2010

SPECIFIC OBJECTIVE: 1. To support the completion of TEN-T infrastructure by the effective and efficient technical and financial management of the TEN-T Programme and projects, putting in evidence the added value and expertise of the Agency			
Result Indicators	Targets (mid-term)	AAR account: Situation at year end (or target date)	Evaluation with comments
<b>Advanced implementation of the 30 priority projects</b>	Actual cumulative EU contribution vs. planned contribution = 100% for all priority projects	The Mid-Term Review shows that implementation is lagging significantly behind planning. Measures have been taken to maximise EU support by extending eligibility up to 2015, but under strict conditions	2: Low achievement <sup>132</sup> See AAR account.
<b>Effective and efficient follow up of project implementation and financial management for all actions including in particular the 30 priority projects</b>	More than 90% of reports and documents are analysed and commented within the applicable deadlines	Action Status Reports: 90% (Av. 26 days) Strategic Action Plans: 94% (Av. 31 days) Amendments: 74% (Av. 31 days)	4: High achievement <sup>133</sup> Less than 90 % of all amendments were analysed and commented within deadlines (74%)
	Visits to 50% of all projects including works as planned	Meetings and missions took place with 45% of all projects	4: High achievement

<sup>132</sup> Mid-term review available from: [http://tentea.ec.europa.eu/download/map\\_review/tent\\_map\\_project\\_portfolio\\_smaller.pdf](http://tentea.ec.europa.eu/download/map_review/tent_map_project_portfolio_smaller.pdf)

<sup>133</sup> Unclear what applicable deadlines are

SPECIFIC OBJECTIVE: 1. To support the completion of TEN-T infrastructure by the effective and efficient technical and financial management of the TEN-T Programme and projects, putting in evidence the added value and expertise of the Agency			
Result Indicators	Targets (mid-term)	AAR account: Situation at year end (or target date)	Evaluation with comments
	90% of payments are made within the applicable deadlines	99% of payments were made in time	5: Full achievement
	Maximum time to pay: 30 days for interim and final payments after approval of the technical report.	Time to pay was 16 days	5: Full achievement
	20 days for pre-financing payments % of budgetary execution: target of 100% for commitments and of >99% for payments	Time to pay was 12 days for pre-financing payments. Budget execution (C1 appropriations): 100% of commitments and payments (including a reinforcement of 10 million € taken over from DG MOVE at the end of 2010.)	5: Full achievement
	Timely implementation of the 2010 audit plan covering at least 20% of final payments	Achieved	5: Full achievement
	All Action Status Reports (ASRs) and Strategic Action Plans (SAPs) should be examined within one month of receipt and feedback given to the beneficiaries. All requests for amendments to Decisions should be examined within one month	ASR: 68% (Av. 26 days) SAP: 63% (Av. 31 days) Amendments: 58% (Av. 31 days)	3: Medium achievement <sup>134</sup>
<b>Timely preparation of 2009 Decisions, and an improvement in the average time to have a Decision adopted</b>	90% of the 2009 annual and multi-annual Decisions are sent for adoption by the end of March 2010	Due to delay in the adoption of the Framework Decisions, only 2% of Decision were sent for adoption by 31/3	1: Very low achievement - Due to delay in the adoption of the Framework Decisions only 2% of Decisions were sent for adoption by 31/3 2010, 81% were sent by 30/6. 100% were adopted by 31/12/2010
	The remaining 10% of Decisions are finalised by the end of June 2010	81% [of all Decisions] were sent by 30/6. 100% were adopted by 31/12/2010	5: Full achievement

<sup>134</sup> NB. Overlap with previous target and AAR-account on 'reports and documents'

<b>SPECIFIC OBJECTIVE: 1. To support the completion of TEN-T infrastructure by the effective and efficient technical and financial management of the TEN-T Programme and projects, putting in evidence the added value and expertise of the Agency</b>			
Result Indicators	Targets (mid-term)	AAR account: Situation at year end (or target date)	Evaluation with comments
	Average time from the CfP to adoption – 1 year;	Average time from CfP to adoption was 14 months	4: High achievement
	Average time from the adoption of the global framework Decision to adoption of the individual funding Decisions – 6 months	Average time from framework Decision to adoption was less than 2 months (57 days)	5: Full achievement <sup>135</sup>
<b>Good management, and improved procedures and guidance for the 2010 and 2011 Calls for Proposal cycles</b>	Draft 2011 work programmes sent to MOVE by September 2010	The draft for the 2011 work programmes were prepared in November and finalised by MOVE in December 2010.	4: High achievement - Programmes were delayed. <sup>136</sup>
	Respect of the calendar of each 2010 call from publication up to the final selection	A detailed planning schedule for each 2010 call (FAB/ATM, Annual, RIS/MoS) was established and executed according to plan.	5: Full achievement <sup>137</sup>
	In the external evaluation of proposals, the average scores for the 'quality' block of award criteria are greater than or equal to those for previous calls.	The average scores for the 'quality' block of award criteria of the 2010 Calls are comparable to the ones from last year'. An improvement could be verified, especially, for MAP RIS/MoS compared to their previous scores and, in general, for Priority 3 proposals in comparison to the overall 2009 Annual Call scores.	5: Full achievement <sup>138</sup> Scores were equal to and in some cases higher.

<sup>135</sup> No data to verify this could be found

<sup>136</sup> 2011 work programme can be found here: [http://tentea.ec.europa.eu/download/key\\_agency\\_documents/wp\\_2011.pdf](http://tentea.ec.europa.eu/download/key_agency_documents/wp_2011.pdf)

<sup>137</sup> The 2010 proposals and in depth information regarding the entire procedure for each call can be found here:  
[http://tentea.ec.europa.eu/en/apply\\_for\\_funding/follow\\_the\\_funding\\_process/calls\\_for\\_proposals\\_2010.htm](http://tentea.ec.europa.eu/en/apply_for_funding/follow_the_funding_process/calls_for_proposals_2010.htm)

<sup>138</sup> No data to directly verify this could be found, however; the outcome and evaluation from the 2010 calls, does show an increase of ppps, or priority 3 proposals. The result can be found here:  
[http://tentea.ec.europa.eu/download/events/feb2011/presentations/5ap\\_15febpm\\_workshop\\_evaluation2010calls\\_07022011\\_superfinal.pdf](http://tentea.ec.europa.eu/download/events/feb2011/presentations/5ap_15febpm_workshop_evaluation2010calls_07022011_superfinal.pdf)

SPECIFIC OBJECTIVE: 1. To support the completion of TEN-T infrastructure by the effective and efficient technical and financial management of the TEN-T Programme and projects, putting in evidence the added value and expertise of the Agency			
Result Indicators	Targets (mid-term)	AAR account: Situation at year end (or target date)	Evaluation with comments
<b>The Agency's Human Resources and HRM procedures are effectively managed</b> <sup>139</sup>	Less than 5% average vacancy rate of available posts (once Agency is fully staffed)	Currently reached the 5% vacancy rate though Agency is not entirely fully staffed.	4: High achievement - Vacancy rate is 5% (not less)
	100% of staff have Job Descriptions, Objectives and Training Maps within 3 months of entry into service	Objective has been reached throughout 2010.	5: Full achievement
	Training offered in 2010 will concentrate on specialised training for staff. Monitoring of needs, applications and participation.	Training concentrated on project management skills, advanced written language skills and continuous professional training. Participation was reported on bi-annually.	5: Full achievement <sup>140</sup>

SPECIFIC OBJECTIVE: 2. To support in particular the deployment of Intelligent Transport infrastructure throughout the TEN-T			
Result Indicators	Targets	AAR account: Situation at year end (or target date)	Evaluation with comments
<b>Percentage of FABs under study and receiving EU funding</b>	100%	Achieved - As a result of the 2010 FAB Call for proposals, all FABs are receiving TEN-T support	5: Full achievement <sup>141</sup>
<b>Number of countries involved in</b>	11	Achieved - As a result of the 2010 RIS Call, 11 MS are Involved.	5: Full achievement

<sup>139</sup> Not included in the specific objectives from the work plan 2010

<sup>140</sup> Unclear target

<sup>141</sup> FAB: Functional Airspace Blocks. It is not clear from the 'Outcome of the 2010 TEN-T Calls for proposals that all FAB's are receiving support since they are categorised together with ATM's, therefore this cannot be verified.

SPECIFIC OBJECTIVE: 2. To support in particular the deployment of Intelligent Transport infrastructure throughout the TEN-T			
Result Indicators	Targets	AAR account: Situation at year end (or target date)	Evaluation with comments
implementing RIS	Increase in number of vessels being equipped to 15,000	The 2010 RIS Call raised the number of vessels equipped from 10500 to 13000.	4: High achievement - 87% achieved (13,000/15,000)
Number of countries involved in implementing ITS	27	Achieved - As a result of the adoption of the EasyWay 2 project, all 27 MS are involved	5: Full achievement
Number of countries involved in ERTMS deployment	13	Achieved - As a result of the 2009 Call for Proposals, 15 Countries are involved	5: Full achievement

<b>SPECIFIC OBJECTIVE: 3. Support to DG MOVE in the context of the TEN-T policy revision and mid-term programme review, in particular by carrying out an evaluation of the project implementation.</b>			
<b>Result Indicators</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
<b>The mid-term assessment of all multi-annual programme (MAP) projects is timely and accepted by the Commission</b>	Evaluation by the Agency of the actual status of the implementation of the MAP projects and of the revised implementation plans as submitted by the beneficiaries is finalised by 31 May 2010 The final report is presented to DG MOVE before 30 June 2010	TEN-T EA performed the MAP Project Portfolio Review from 17-21 May. It evaluated the state of implementation and assessed expected development of individual projects selected under the 2007 TEN-T MAP Calls. The Internal Review Panel DG MOVE/Agency met on 30/6 and 6/7 to finalise the results and conclusions, so DG MOVE could present the final report for FAC on 29 October	5: Full achievement <sup>142</sup>
<b>Innovative approaches for funding for infrastructure projects have been explored</b>	In cooperation with EIB and other interested entities, a reflection paper on new Financial Engineering methods is established by the end of the 1 <sup>st</sup> semester 2010	A concept paper entitled 'Promoting Increased Private Sector participation in Financing TEN-T Projects' was sent to DG MOVE on 19 May. The Agency has also provided input into the EU Project Bond initiative, upon request by DG MOVE, including a list of candidate projects.	5: Full achievement

<sup>142</sup> Mid-term assessment of all multi-annual programme projects: [http://tentea.ec.europa.eu/download/map\\_review/map\\_review\\_v10.pdf](http://tentea.ec.europa.eu/download/map_review/map_review_v10.pdf)

<b>SPECIFIC OBJECTIVE: 4. Increased awareness about the TEN-T Programme, the Agency and its achievements, and improved support to its partners.</b>			
<b>Result Indicators</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
<b>Degree of implementation of the External Communication Strategy</b>	100%	90% of actions were completed or on-going, 10% getting underway at year end or rescheduled for 2011	4: High achievement
<b>Qualitative feedback received from participants in Agency events</b>	Satisfaction is maintained or improved from the previous year	An average of 83% from Agency's two events (Project Management Workshop & Info Day) gave the overall value of attending as positive	5: Full achievement
<b>Number of visits to the internet site</b>	Higher than last year	Visits doubled in 2010: 130,000 unique visitors	5: Full achievement
<b>Improved relations with partners and support to beneficiaries.</b>	Regular communication, contacts and coordination meetings with other DG's, services and Institutions concerned in the financing of transport infrastructure (DG REGIO, ECFIN, ENV, CLIMA and the European Investment Bank	Increased contacts and collaboration with other DGs and bodies throughout the year, in particular with DGs MOVE, REGIO and ECFIN. Greater visibility/increased contacts by Financial Engineering sector with EU bodies/stakeholders led to better understanding of PPPs in TEN-T implementation.	5: Full achievement <sup>143</sup>
	Organisation of a conference on the promotion of TEN-T financing and PPPs in the second half of 2010.	A well-attended seminar was organised on TEN-T Project Finance & PPPs. The event supplemented Priority 3 of the Annual Call, Support for PPPs.	5: Full achievement
	1 project management workshop for beneficiaries is organised in the first quarter of 2010	The second project management workshop was held in January 2010 with over 300 participants	5: Full achievement
	Improved cooperation and dissemination of news and information to TEN-T project beneficiaries; This will be measured on the basis of the evaluation of the communication actions undertaken.	A survey of beneficiaries on the Agency's communications tools, which was planned for 2010, will be undertaken in 2011.	0: No action

<sup>143</sup> Examples of this can be found in the use of external experts from EU institutions such as EMSA, EACI, ERA and EPEC in the evaluation of proposals. Also, DG REGIO participated in the seminar on Project Finance and PPP's. In general, the 2010 call involved collaboration with DG Budget and DG Environment.

<b>SPECIFIC HORIZONTAL OBJECTIVE 1: An increased efficiency of the Agency's operations by streamlining its working methods, internal organisation, structure and staff management, and developing new tools.</b>			
<b>Result Indicators</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
<b>Internal procedures and tools are streamlined and improved.</b>	2 internal workshops on simplification of procedures and working methods will be held in the first semester of 2010	1 one workshop was held on the method for determining the annual instalment for MAP and another one on procurement	5: Full achievement
	Development of new TENtec follow-up module by end January 2010. SAP and ASR modules by the end of 2010	TENtec follow-up module was developed, but SAP and ASR module development was postponed, due to change in priorities and discussion about DG MOVE and TEN-T EA	3: Medium achievement - One out of two tasks were initiated. <sup>144</sup>
	To have the use of GIS services available via Intranet; integration of GIS with reporting modules – by end of 2010, on basis of GIS Master Plan	A new GIS Evaluation viewer was developed and used successfully by the external evaluators in the 2010 Call evaluation exercise	5: Full achievement
	Reporting and statistical mechanism in place with a pilot reference data warehouse to be operational by the end of 2010	The analysis of the reporting requirements on the whole Agency level is still to be started	0: No action
<b>% Implementation of IT Strategic Plan and IT Schéma Directeur</b>	>90% Adoption of Schéma Directeur by the IT Steering Committee by end of March 2010	The IT Schéma Directeur was adopted February 2010. The IT Strategic Plan and IT Security Plan was finalised in October 2010 and adopted by the IT Steering committee in November 2010. Implementation is awaiting agreement from DG MOVE.	4: High achievement - IT plans were implemented in 2011.
<b>% of implementation of the annual external audit plan 2010 and improved adequacy of the ex-ante controls.</b>	> 90% of the annual external audit plan by 31/12/2010.	At 31/12/2010, 100% execution of the audit programme 2010 (21 audits).	5: Full achievement
	Coverage of 20% of those final payments made in 2009 and at least 3 audits on projects in countries with high inherent risk.	38% of final and interim payments from 2009 were covered as well as the sole country of the population with high inherent risk.	5: Full achievement

<sup>144</sup> TENtec module was developed. It is clear that ASR and SAP modules are now done, as targeted for end 2010. The verification for this is found in the Mid-Term evaluation of the TEN-T Programme (2007-2013) from the Commission: [http://ec.europa.eu/transport/infrastructure/midterm\\_review/doc/final\\_report\\_v\\_to\\_commission\\_12\\_04\\_2011.pdf](http://ec.europa.eu/transport/infrastructure/midterm_review/doc/final_report_v_to_commission_12_04_2011.pdf)



<b>SPECIFIC HORIZONTAL OBJECTIVE 1:</b> An increased efficiency of the Agency's operations by streamlining its working methods, internal organisation, structure and staff management, and developing new tools.			
<b>Result Indicators</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
	All ad hoc audit requests duly accepted are addressed within 2 weeks of their reception.	15 audit requests were received and addressed in due time: 9 were included in the audit programme and others were already audited in 2008/2009 and no material issues were identified).	5: Full achievement
	All follow-up sheets on audits from the 2009 programme will be issued.	All follow-up sheets on audits were issued by 30/6/2010	5: Full achievement
	Contribute to improving the effectiveness of ex-ante controls and financial management tools and practices of the Agency by issuing and disseminating recommendations and / or guidance inspired from weaknesses identified in the framework of audits done. In 2010, a particular attention will brought to fraud prevention (guidance and information / training sessions.	In May 2010 training was organised for operational ex-ante verifying agents on lessons learnt and fraud preventing techniques based on major issues identified during implementation of the audit programmes 2008 and 2009. Additional controls were included as a first step for system controls and increasing of fraud detection. 2 files were identified as having a potential risk of fraud and sent to OLAF.	5: Full achievement <sup>145</sup>
<b>Improved quality of the Agency's infrastructure and logistical capacity</b>	Successful removal of the Agency to its new building in the first semester of 2010	The move successfully took place the week of 22 November 2010.	5: Full achievement
<b>The Agency's Human Resources and HRM procedures are effectively managed</b>	Less than 5% average vacancy rate of available posts (once Agency is fully staffed)	The 5 % average vacancy rate has been maintained	4: High achievement <sup>146</sup> - Vacancy rate is 5% (not less)
	100% of staff have Job Descriptions, Objectives and Training Maps within 3 months of entry into service	The rate at the end of 2010 was 98% JD, 96% Obj. and 95% TM; the missing % is within the three months limit.	5: Full achievement <sup>147</sup>

<sup>145</sup> Not possible to find data to verify this

<sup>146</sup> NB. Point was treated previously under Specific Objective 1

<sup>147</sup> NB. Point was treated previously under Specific Objective 1

<b>SPECIFIC HORIZONTAL OBJECTIVE 1:</b> An increased efficiency of the Agency's operations by streamlining its working methods, internal organisation, structure and staff management, and developing new tools.			
<b>Result Indicators</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
	Training offered in 2010 will concentrate on specialised training for staff. Monitoring of needs, applications and participation.	Specialised training was offered: Financial Workshops; advanced EN written skills; Workshop on Motorways; Communication workshops; fraud prevention. Monitoring of needs is ongoing.	5: Full achievement <sup>148</sup>
	The use of MIPS will streamline the procedure for all missions starting	MIPS was launched in January and a paperless procedure further streamlined the process	5: Full achievement <sup>149</sup>

<sup>148</sup> NB. Unclear target.

<sup>149</sup> No data to verify this could be found

<b>SPECIFIC HORIZONTAL OBJECTIVE 2: Further increase the efficiency of the internal control system</b>			
<b>Result Indicators</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
Degree of implementation of mitigating measures for critical risks by the end of the year	100 %	83 %	4: High achievement
Degree of implementation of the accepted internal audit recommendations, with a deadline in 2010	>80% of the actions are implemented by 31/12/2010.	85%	5: Full achievement
Percentage of all new internal audits initiated as planned in the annual internal audit plan for 2010	100%	100 %	5: Full achievement
Number of Reservations in the Annual Activity Report	None	None	5: Full achievement

# 2011

<b>SPECIFIC OBJECTIVE 1. To support the completion of TEN-T infrastructure by the effective and efficient technical and financial management of the TEN-T Programme and projects, putting in evidence the added value and expertise of the Agency</b>			
<b>Result Indicators</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
<b>Gross time to pay for Operational expenditure/ interim and final payments</b>	90 days	100 days due the payment in 2011 of several long outstanding projects	4: High achievement
<b>Net time to pay for operational expenditure/interim and final payments</b>	30 days	18 days	5: Full achievement
<b>Net time to pay for operational expenditure / pre-financing</b>	20 days	11 days	5: Full achievement
<b>Net time to pay for administrative expenditure</b>	30 days	13 days	5: Full achievement
<b>Audit coverage (as % of final and interim payments from previous year)</b>	20% of final and interim payments made in 2010	Achieved – 26 audits were executed (field work) amounting to 30% of the interim and final payments made in 2010.	5: Full achievement
<b>Timely implementation of audits</b>	100% of the annual external audit plan by 31/12/2011	Achieved – 26 audits were executed (field work) out of 26, i.e. 100% of the audits scheduled.	5: Full achievement
<b>Timely implementation of audit findings.</b>	All follow-up sheets on audits from the 2010 programme should be issued and implemented by 30/06/2011	Partly achieved – 20 audit follow-up sheets out of 21 were issued and implemented by 31/12/2011.	4: High achievement (delay of 6 months in completion and one follow-up sheet missing)

<b>SPECIFIC OBJECTIVE 1. To support the completion of TEN-T infrastructure by the effective and efficient technical and financial management of the TEN-T Programme and projects, putting in evidence the added value and expertise of the Agency</b>			
<b>Result Indicators</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
<b>% Error rate in financial transactions</b>	Less than 2% of total budget	Achieved – An error rate of 1.91% in favour of the Commission and an error rate of 0.13% in favour of the beneficiaries were detected for audits executed and finalised in 2011.	5: Full achievement
<b>Effective and timely assessment of the revised planning of the projects subject to the Mid-Term Review to ensure it is being respected and specific conditions (if any) are being met</b>	100% of all Mid-term review projects assessed by 31/5/2011 Proposed rectification measures to DG MOVE by 30/6/2011	On the basis of mid-term review and 2011 ASRs, the Agency prepared amendments to the Commission funding decisions. For a small number of cases, the decision to adjust TEN-T support was deferred until 2012 ASR, due to large uncertainties.  The main issue that affected the pace of implementation of the projects was the budgetary reductions on public investments. The impact of these reductions will be determined in 2012 in a final round of modifications of 2007 MAP Decisions. Cancellations of projects are also envisaged. The released funding will be reallocated by the final MAP CfP. These actions are foreseen in the 2012 WP. This approach was discussed and agreed with DG MOVE.	5: Full achievement
<b>Timely adoption of 2010 Decisions</b>	More than 95% of Decisions to be sent for adoption within 3 months of adoption of the 'Global Financing Decision'	By 09/08/2011 all Decisions had been adopted (49), and the remaining Decisions have been cancelled. By the three month deadline (21/05/2011), 43 had been sent to MOVE (88% of the adopted Decisions). The 95% of adopted Decisions (47) was achieved on 23/6/2011 (one month delay).	4: High achievement. One month delay
<b>Timely examination of all Action Status Reports (ASRs) and Strategic Action Plans (SAPs) (to be done within one month of receipt with feedback</b>	100% of ASRs and SAPs assessed and commented within one month of receipt	96% of ASRs and 91% of SAPs were assessed and commented within one month of receipt.	4: High achievement

<b>SPECIFIC OBJECTIVE 1. To support the completion of TEN-T infrastructure by the effective and efficient technical and financial management of the TEN-T Programme and projects, putting in evidence the added value and expertise of the Agency</b>			
<b>Result Indicators</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
<b>provided to the beneficiaries)</b>			
<b>Timely examination of all requests for amendments to Decisions.</b>	90% of requests to be assessed within one month of receipt and appropriate action initiated	97% of the requests for modifications were dealt with within one month.	5: Full achievement
<b>Effective EERP bulk rule compliance assessment</b>	100% of all EERP projects to be reviewed for compliance with bulk rule by 30/4/2011  List of recommendations for revision to be established ready for submission to DG MOVE by 31/5/2011	TEN-T EA reviewed the EERP projects' compliance with the bulk rule by 30/04/2011, subject to timely ASR's submission by the beneficiaries. It evaluated the state of implementation and assessed the expected development of individual projects selected under the 2009 EERP Call.  A list of recommendations for revision was established in a meeting on 26/05/2011.	5: Full achievement
<b>Preparation and presentation to the European Coordinators of an overview report on each of their Priority Projects</b>	Two pilot reports to be presented by 30/06/2011. On the basis of the experience and feedback, all reports to be completed by 30/09/2011	Pilot reports were finalised by 24/11/2011 and presented to DG MOVE on 06/12/2011. The rest of the reports will follow in early 2012.	3: Medium achievement. Pilot reports were finalised but delayed, and all reports have also been delayed.

<b>SPECIFIC OBJECTIVE: 2. To support in particular the development and deployment of Intelligent Transport infrastructure throughout the TEN-T</b>			
<b>Result Indicators</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
<b>Number of countries involved in implementing</b>	27	The target of 27 countries has been achieved as a result of the EasyWay II project.	5: Full achievement

<b>SPECIFIC OBJECTIVE: 2. To support in particular the development and deployment of Intelligent Transport infrastructure throughout the TEN-T</b>			
<b>Result Indicators</b>	<b>Targets</b>	<b>AAR account: Situation at year end (or target date)</b>	<b>Evaluation with comments</b>
<b>ITS</b>			
<b>Number of countries involved in ERTMS deployment</b>	16	On the basis of the results of the 2099 ERTMS Call for Proposals, the number of countries was increased to 17. The target is therefore exceeded.	5: Full achievement
<b>Number of countries involved in implementing RIS</b>	11	As a result of the 2010 RIS call, the target countries has been achieved	5: Full achievement
<b>% FABs under study and receiving EU funding</b>	100%	The result of the 2010 FAB call now means that ALL FABs in Europe (and all EU Member States) are now receiving TEN-T support for their FABs.	5: Full achievement





## Appendix F Key performance indicators

We have identified seven 'key performance indicators' on the basis of the data available in the WPs and AARs and the performance indicators addressed in the Steering Committee Meetings. Below, each of the indicators is described and the degree of achievement in relation to targets set is presented based on the data from AAR and minutes of Steering Committee meetings. Not all indicators have been in focus in each year, which explains why some of the tables below are incomplete.

### Payments within deadlines

The first indicator concerns payments of the claims received. The table below shows the targets set for the four years in question and the degree to which these targets have been achieved according to AAR and reports to the Steering Committee.

*Table F- 1: Payments within deadlines*

Year	Target (% within deadline)	Actual achievement (% within deadline)
2008	80% (claims after autonomy)	75%
2009	90%	82%
2010	90%	99%
2011	100%	100%

The data in the table shows that, in 2008, the objective was to respect payment deadlines in 80% of the payment claims received after the autonomy of the Agency. This was almost attained as 75% (of the claims received after the autonomy) were paid in time (all together, only 22% of operational payments were done due to the backlog of previous years).

In 2009, 82% of payments were made within the deadline against a target of 'more than 90%', which was more ambitious than the previous year. This target was achieved in 2010, where 99% of all payments were made on time. In 2011, the payment claims were all paid on time.

### Responding to ASRs

The second indicator concerns the respect of deadlines for commenting and providing a response to the receipt of technical reports (ASRs). The table below shows targets set for the four years in question and the degree to which these targets have been achieved according to AAR and reports to the Steering Committee.

*Table F- 2: Responding to ASRs*

Year	Target (% within deadline)	Actual achievement (% within deadline)
2008		-
2009	100%	79%
2010	90%	90%
2011	90%	90%

The objective for the commenting and acceptance of technical reports was 100% in 2009 and reduced to 90% in 2010. In 2009, 79% of the technical reports were

approved on time, and the average processing time was 48 days after reception. In 2010, more than 90% of the technical reports (Action Status reports) were analysed and commented on within the applicable deadlines and the average processing time had decreased to 26 days after reception. In the 2011 AAR, 90% of the ASRs were completed within the deadline of two months. The average response time to beneficiaries was 11 days.

### Verification missions

The third indicator concerns the missions to the projects conducted to verify the implementation of the project prior to the issuing of final payments. The table below shows target set and the degree to which this target has been achieved according to AAR and reports to the Steering Committee.

Table F- 3: Verification missions for final payment requests

Year	Target (% of final payments involving a mission)	Actual achievement (%)
2008	80%	81.5% (of new projects)
2009	80%	80% (of new projects)
2010	-	-
2011	-	-

The table shows that, for 2008 and 2009, the target was 80% for verification missions for final payment requests for works (and studies in 2009). In both years, the target was reached for new projects. Projects inherited were technically approved before the transfer to the Agency and therefore only 50% of them were visited by the Agency. This indicator was not found in the 2010 or 2011 AWP.

### Audit controls

The fourth indicator concerns the audit controls conducted on some projects in connection with the issuing of final payments. The table below shows the targets set for the four years in question and the degree to which this target has been achieved according to AAR and reports to the Steering Committee.

Table F- 4: Audit controls

Year	Target (% of final payment transactions)	Actual achievement (% of final payment transactions)
2008	20%	30-35% (2007)
2009	20%	40%
2010	20%	38%
2011	20%	30%

The table shows that for the period evaluated, the target for audit controls was 20% of final payment transactions. In 2008, 30 to 35% of final payments made in 2007 were covered by an audit. The audit plan was taken over from DG TREN and all planned audits were implemented on schedule according to the AAR2008. In 2009 and 2010 respectively, 40% and 38% of final payments were covered by an audit. Thus, it seems that the Agency is over performing in this activity compared to the target. In 2011 the achieved target was 30 %, still above the targeted 20%.

### Requests for modifications

The fifth indicator concerns the TEN-T EA's replies to requests for modifications from the projects. The table below shows the target set for the four years in question and the degree to which this target has been achieved according to AAR and reports to the Steering Committee.

Table F- 5: Analysis of requests for modifications

Year	Target (% within deadline)	Actual achievement (% within deadline)
2008	100% in two months	95%
2009	100% in one month	90%
2010	100% in one month	58%
2011	-	-

The table shows that during the evaluation period, the target deadline for replying to requests for modifications to Decisions was reduced from two months in 2008 to one month in 2009 for all requests. The target in years 2008-2010 was set at 100% of the requests analysed within deadline. In 2008, 95% of all requests were analysed within the deadlines (all requests received after the autonomy). In 2009, the actual achievement was 90% within the deadline (which was now 1 month) and in 2010, the figure fell to 58%. In 2010, the average processing time was 31 days. There is no reference to modifications of decisions in 2011, but there is a reference to the initiation of internal guidelines regarding the modification of Decisions and public procurement issues.

### Amendments to funding decisions

The sixth indicator concerns the TEN-T EA's preparation of amendments to funding decisions. The table below shows target set for the four years in question and the degree to which this target has been achieved according to AAR and reports to the Steering Committee.

Table F- 6: Amendments to funding decisions

Year	Target (% within deadline)	Actual achievement (%within deadline)
2008	100% within three months	80%
2009	100% within three months	70%
2010	90% within three months	74%
2011	90% within three months	97%

The table shows that the target for amendments to funding decisions within a three month deadline was reduced from 100% in 2008/2009 to 90% 2010. In 2008, more than 80% of eligible amendments were prepared within the deadline. In 2009, the figure was 70% and in 2010 it increased slightly to 74%. In 2011, the target was 90% of all requests for amendments to decisions, but the achieved percentage was 97%, thus substantially above target.

### Preparation of decisions

The seventh indicator concerns the TEN-T EA's preparation of funding decisions. The table below shows the target set for the four years in question and the degree to which this target has been achieved according to AAR and reports to the Steering Committee.

*Table F- 7: Preparation of decisions*

Year	Target (% adopted by end-year)	Actual achievement (%adopted by end-year))
2008	100%	100%
2009	100%	100%
2010	100%	100%
2011	100%	100%

The table shows that for all four years, the Decisions for projects selected for funding the previous year were approved and notified (2008) or adopted at the end of the year. The target was therefore achieved. Nevertheless, in both 2009 and 2010, delays happened in relation to deadlines in the middle of the year. In 2010, 90% of the annual and multi-annual decisions should have been sent for adoption by the end of March. However, the figure was considerably lower at only 2% due to the late adoption by the Commission of the Global Framework Decision. In the case of 2009, 71% of the Decisions for the 63 projects were completed in the first half of the year. In 2011, 100% of decisions were adopted, however with a one month delay.

## Appendix G Overviews of key outcomes of the Agency per year

*Table G-1 Objectives and outcomes, 2008*

Objectives in the AWP 2008	Outcome of the Executive Agency reported in the AAR 2008 <sup>150</sup>
<p>Specific objective 1</p> <p>"Responsibility for the technical and financial management of open TEN-T files stemming from the TEN Programme 2001-2006."</p>	<p>The Agency managed to almost complete the recruitment of all Agency staff members but training was postponed to 2009 and a staff committee was not created.</p> <p>It implemented the principles of good management and procedures for sound financial management. Nevertheless, the financial management was confronted with a considerable backlog and it had problems executing the budget after it took over and followed-up on the projects from DG TREN.</p> <p>Moreover, the Agency worked to ensure visibility for itself and the TEN-T programme, but had to postpone the development of its website.</p>
<p>Specific objective 2</p> <p>"Technical and financial management of the 2007 – 2013 TEN-T projects"</p>	<p>The Agency carried out MAP-negotiations and Annual projects selected for support in the 2007 Calls and it continued by completing Decisions granting financial aid for the projects selected. At the same time, the Agency provided support to DG MOVE in the evaluation of projects submitted in the 2008 Calls and negotiations of projects selected for support.</p>
<p>Specific objective 3</p> <p>"Increase in the efficiency of management of the TEN-T programme and projects."</p>	<p>The Agency improved the analysis of requests for payment and streamlined the Decision process granting financial aid.</p> <p>A number of activities were deferred due to the delay in approval of the Agency's extended mandate including the improved standard forms for applications and reporting, the implementation of GIS, the enhanced global overview of the programme and the work with innovative funding approaches.</p>

<sup>150</sup> Activities related to objective 2 and 3 were only performed after adoption of Commission Decisions 2008/593/EC of 11.07.2008 and C(2008)5538 of 07.10.2008

Table G-2 Objectives and outcomes, 2009

Objectives in the AWP 2009	Outcome of the Executive Agency reported in the AAR 2009
<p>SPECIFIC OBJECTIVE: 1. To further increase the efficiency and improve the management of the TEN-T programme.</p>	<p>The Agency continued to improve its management efficiency by risk action plans and implementation of ICSs. It also improved technical and financial project management by absorbing the backlog from previous years and improving the spread of budget execution over the year. Simplified procedures for beneficiaries, streamlined internal processes and a closer follow-up of project deliverables and deadlines were implemented.</p>
<p>SPECIFIC OBJECTIVE: 2. The successful organisation and administration of the 2009 Calls for Proposals in order to maximize their impact and accountability.</p>	<p>The calls for proposals were made in a timely, effective and transparent manner together with a guide for applicants, an INFO day and clarification of key issues and the process in the call. The negotiations and commitments were completed.</p>
<p>SPECIFIC OBJECTIVE: 3. Successful follow-up of the preparation and subsequent implementation of the projects selected under the 2007 and 2008 Calls for Proposals</p>	<p>The negotiations were concluded in time but the decision adoption was delayed somewhat over the year but then finally adopted at the end of the year. The majority of SAPs for all projects selected under the 2007 and 2008 Calls were approved and formal kick-off meetings were conducted with all 2007 Decisions.</p>
<p>SPECIFIC OBJECTIVE: 4. To further emphasise information and communications on projects in order to promote and support the TEN-T programme to all stakeholders</p>	<p>The Agency enhanced the visibility of itself and the TEN-T programme by finalising a plan for information and communication and developing the Agency's website. The statistical database and a GIS master plan were developed to enhance the global overview of the TEN-T Programme.  Moreover, the Agency initiated cooperation with the EIB on financial engineering/innovative approaches for funding of infrastructure projects. A reflection paper on new methods of financial engineering was delayed, however.</p>
<p>SPECIFIC OBJECTIVE: 5. To establish and consolidate the Agency in its final operational form</p>	<p>In 2009, the Agency set up its Staff Committee and implemented an HR IT tool at the end of the year.</p>

Table G-3 Objectives and outcomes, 2010

Objectives in the AWP 2010	Outcome of the Executive Agency reported in the AAR 2010
<p><b>SPECIFIC OBJECTIVE: 1.</b></p> <p>To support the completion of TEN-T infrastructure by the effective and efficient technical and financial management of the TEN-T Programme and projects, putting in evidence the added value and expertise of the Agency</p>	<p>In 2010, the Agency set out to advance the implementation of priority projects and enhance the effectiveness of the follow-up of project implementation and financial management for all actions including in particular the 30 priority projects. This target was achieved to a large extent together with the final adoption of the Decisions of 2009 at the end of the year. Moreover, the Agency respected the calendar for the 2009 call.</p>
<p><b>SPECIFIC OBJECTIVE: 2.</b></p> <p>To support in particular the deployment of Intelligent Transport infrastructure throughout the TEN-T</p>	<p>The Agency prepared calls for proposals and thereby contributed to:</p> <ul style="list-style-type: none"> <li>- increasing the percentage of functional airspace blocks (FABs) under study and receiving EU funding to 100%.</li> <li>- increasing the number of countries involved in implementing river information systems (RIS), intelligent transport systems (ITS) and European rail traffic management systems (ERTMS).</li> </ul>
<p><b>SPECIFIC OBJECTIVE: 3.</b></p> <p>Support to DG MOVE in the context of the TEN-T policy revision and mid-term programme review, in particular by carrying out an evaluation of the project implementation.</p>	<p>The Agency carried out a mid-term assessment of all multi-annual programme (MAP) 2007 projects in a timely manner in May 2009 and started cooperation with the EIB on innovative approaches for funding for infrastructure projects.</p>
<p><b>SPECIFIC OBJECTIVE: 4.</b></p> <p>Increased awareness about the TEN-T Programme, the Agency and its achievements, and improved support to its partners.</p>	<p>The Agency carried out most of the activities related to the implementation of the External Communication Strategy. It received positive qualitative feedback from participants in the events hosted and recorded a higher number of visits to the internet site than the previous year. Moreover, it improved the relations with partners and its support to beneficiaries through a seminar and a workshop.</p>
<p><b>SPECIFIC HORIZONTAL OBJECTIVE 1:</b></p> <p>An increased efficiency of the Agency's operations by streamlining its working methods, internal organisation, structure and staff management, and developing new tools.</p>	<p>The Agency's internal procedures and tools were streamlined and improved including a high achievement of the implementation of the IT Strategic Plan and the IT Schéma Directeur as well as the annual external audit plan 2010 and improved adequacy of the ex-ante controls. The Agency was moved to its new location in the second semester of 2010.</p>
<p><b>SPECIFIC HORIZONTAL</b></p>	<p>The Agency implemented most mitigating measures for</p>

Objectives in the AWP 2010	Outcome of the Executive Agency reported in the AAR 2010
<p><b>OBJECTIVE 2:</b> Further increase the efficiency of the internal control system</p>	<p>critical risks by the end of the year. Moreover, it implemented the internal audit recommendations and all new internal audits were initiated as planned in the audit plan of 2010.</p>

Table G-4 Objectives and outcomes, 2011

Objectives in the AWP	Outcome of the Executive Agency reported in the AAR 2011
<p>Specific objective 1 "To support the completion of TEN-T infrastructure by the effective and efficient technical and financial management of the TEN-T Programme and projects, putting in evidence the added value and expertise of the Agency"</p>	<p>The Agency sought to improve project implementation and enhance financial and technical follow-up of project management. This has largely been achieved through close cooperation with beneficiaries, illustrated by improvements in the monitoring of payments and audit results and a focus on pre-financing payments to counter the repercussions of the global financial crisis.</p> <p>Update of manual of procedures. Ex-ante control methodology revised and recognised by IAS. Joint governance structure for TENtec agreed and established (DG MOVE/Agency). New IT strategy agreed.</p> <p>Revision of all call-related documents to further simplify procedures and increase user friendliness.</p> <p>Follow-up on the Mid-term Review, checking compliance with conditions and drafting amendments to Decisions initiated, some of which had to be deferred to 2012 due to uncertainties about financial austerity plans.</p> <p>Review of TEN-T component of the EERP comprising 39 projects.</p> <p>First series of strategic reports per Member State and Priority Project enabled by TENtec follow-up module.</p> <p>Participation in Steering Committee for EPEC<sup>151</sup> and cooperation with EIB and DG REGIO in this regard.</p> <p>New section on financial engineering on web-site</p>
<p>Specific objective 2 "To support in particular the development and deployment of Intelligent Transport infrastructure throughout the TEN-T"</p>	<p>In 2011, all annual tasks in this objective were fully achieved. This includes the number of countries involved in completing intelligent transport systems, transport modes such as rails, inland waterways and ensuring TEN-T support for all functional airspace blocks.</p> <p>Follow-up on calls from 2010, including a review of EasyWay I project, RIS projects, ATM/FAB projects and ERTMS projects was completed as planned.</p>

<sup>151</sup> European PPP Expertise Centre