

REPUBLIC OF SLOVENIA COURT OF AUDIT

# AUDIT REPORT Monitoring effectiveness of projects that received European funds for rural development

**Performance audit** Audit period: 1 January 2007 to 30 June 2018







# **Rural Development Measures are part** of Common Agricultural Policy (CAP)

# **€ 1,171.7M** (realised)

EU budget

€ 913.1M

national budget € 258.6M

**Slovenian Rural Development Programme (RDP)** for the period 2007-2013 (by 2015)

# **€ 1,107.2M** (available resources)

EU budget

€ 837.8M

national budget € 269.4M

#### **Slovenian Rural Development Programme (RDP)** for the period 2014-2020 (by 2023)

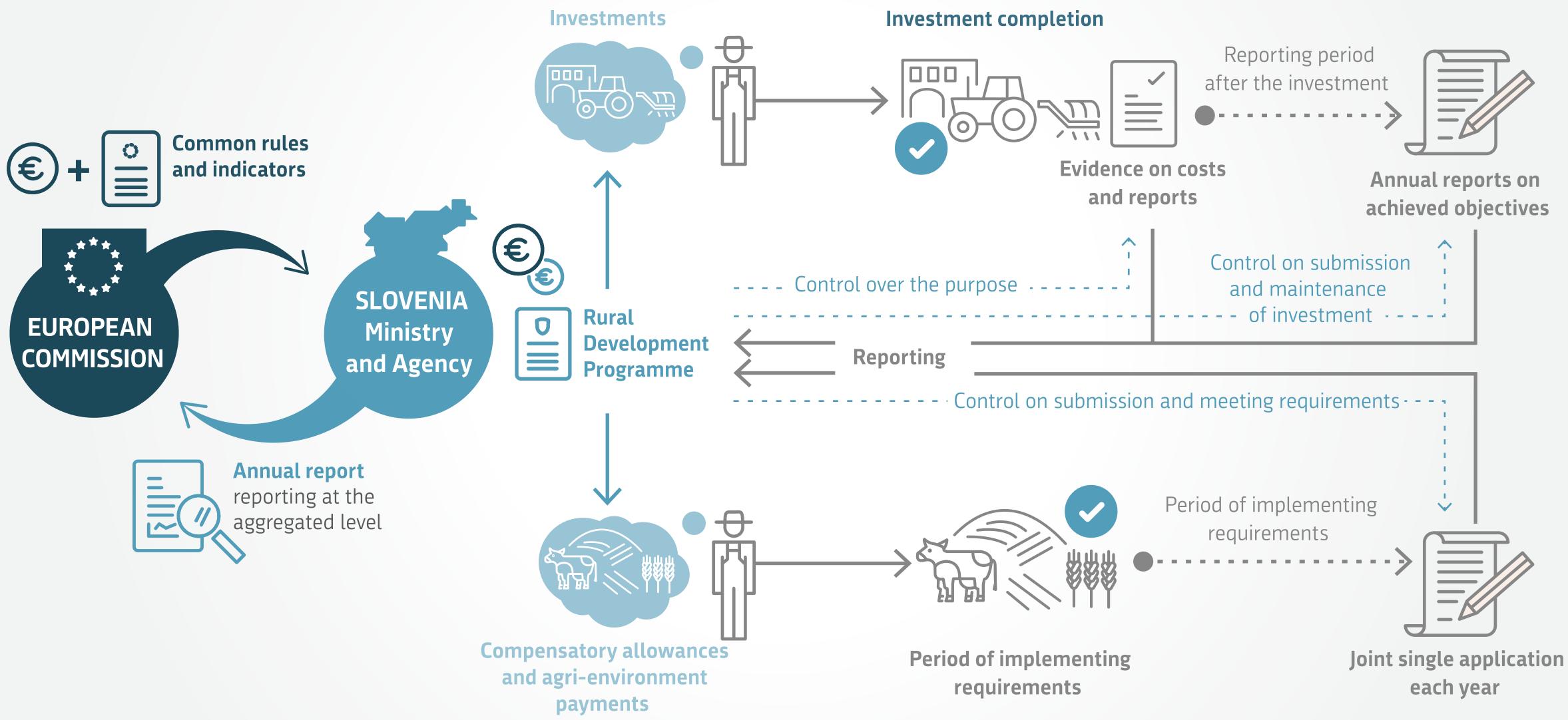
The tasks of the **Ministry** of Agriculture, Forestry and Food and Agency for **Agricultural Markets and Rural Development** are to implement and monitor the programmes.

**AUDIT REVIEWED** whether monitoring effectiveness of the rural development projects was efficient





## **Rural Development Programme Implementation**





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## **Monitoring Rural Development Programme**

#### The EU developed a common framework for monitoring and evaluation including indicators

Weaknesses of the indicators reflect also in national programmes.



**Beneficiaries were** obliged to report



**Provisions** related to reporting **not** always clear enough to enable the beneficiaries to be aware of their obligations, when they start, what is their duration and what are the consequences of non-compliance.



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**Unclear provisions** related to reporting caused **different reporting by** beneficiaries.



EUROPEAN

COMMISSION



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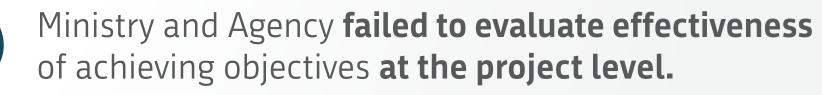
**Reporting on the achievement of** objectives and assessment of the project effectiveness at the **aggregated** level only.

2007–2013: **Projects** followed the objectives of the programme.

**SLOVENIA** Ministry and Agency



PROJECT HOLDERS





Agency **checked** whether beneficiaries submitted annual reports.

Data on meeting indicators presented in the annual reports were not reviewed. In several cases the data were incorrect, inadequate and not up-to-date.



### **Effectiveness of projects** in the period of 5 years after the completion

The Court of Audit **on the basis of the** selected completed projects from the period 2007-2013 estimated that:

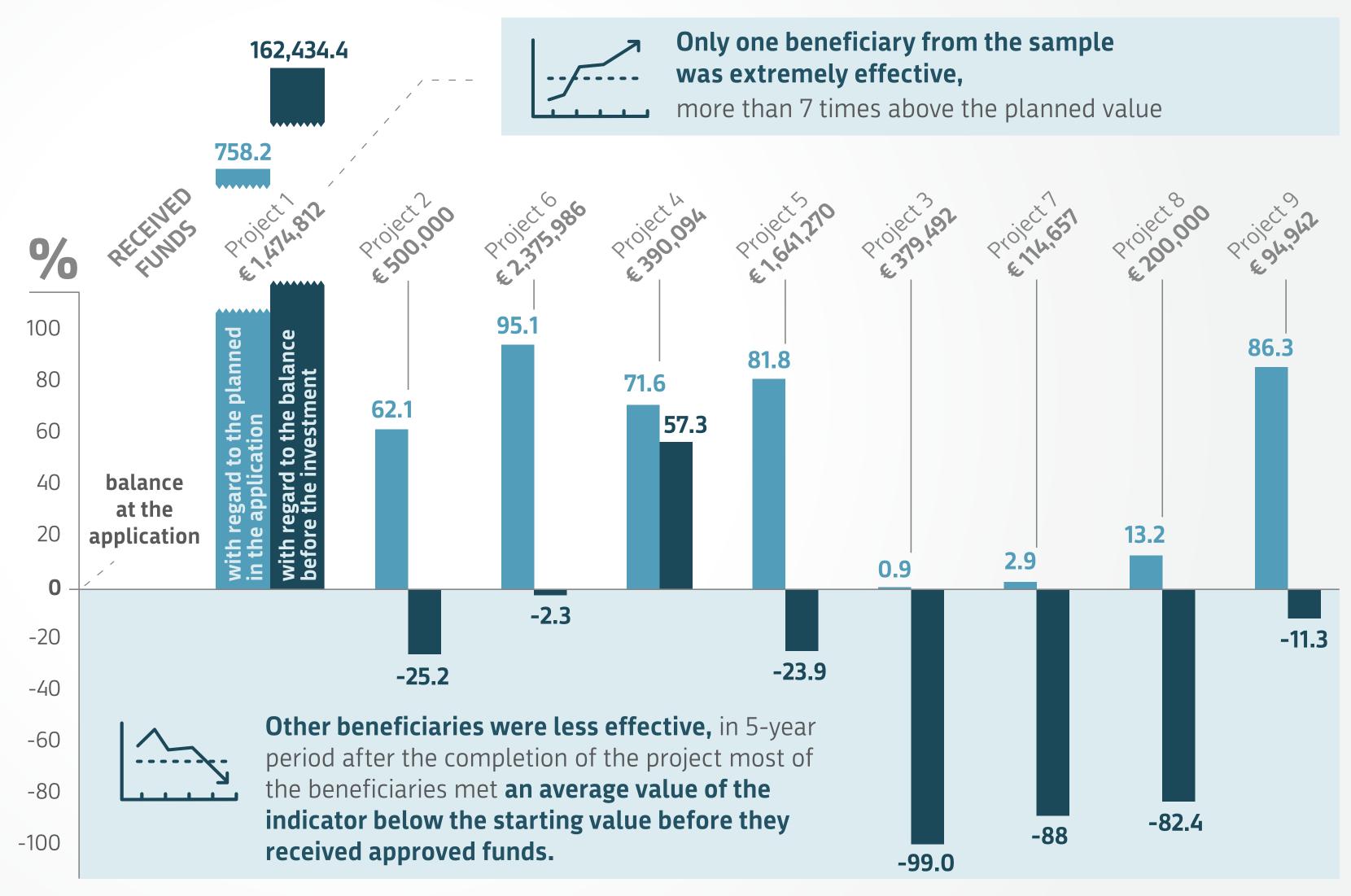
> **MOST** beneficiaries **failed** to meet all planned targets of the indicators.

**ONE FIFTH** of beneficiaries met even lower targets of the indicators compared to the balance when the application was submitted.

**ONE QUARTER** of beneficiaries met or exceeded planned targets of the indicators.

Ministry and Agency failed to review whether beneficiaries **met the objectives** set in the application, they only checked if they submitted annual reports.





### An example of meeting one indicator from the period 2007-2013: Whether the beneficiaries met planned gross added value?

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# **OPINION OF THE COURT OF AUDIT**



Monitoring effectiveness of projects that received European funds for rural development was **partially efficient.** 



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Ministry and Agency adopted some measures for the period 2014-2020 for more precise reporting and providing data of higher quality.

### RECOMMENDATIONS

The Court of Audit issued **several recommendations,** the most important one: Ministry or Agency should, if possible, **review effectiveness of meeting the objectives at the project level** and thereby obtain more complete **information on actual effects of the allocated funds** at the beneficiaries level.

