

Peer Review REPORT

We kindly ask each Host Partner to complete this form after each Peer Review.

Host Partner	Development Bank of Saxony-Anhalt
Date of Peer Review	28.-30.11.2016
Format of the meeting	Round table discussions and plenary sessions
PREPARATION	
What was your experience in arranging the Peer review? How was the reaction of the stakeholders? Did you receive any useful inputs from the Peer Review Team/experts during that preparation period?	

IMPLEMENTATION OF THE PEER REVIEW	
(a) Description of Peer Review focus: key issues that the host partner wanted to address	
<p>During the Peer Review we focused on digital funding processes regarding the following questions:</p> <ol style="list-style-type: none"> 1. Which obstacles of SME / public authorities, need to be removed in order to implement digital processes? 2. What is the importance of digital end-to-end processing in the administrative process? 3. Is it possible to have an end-to-end digital funding process without “behind the scene breaks”? (digital- analog - digital) 4. Which experiences do experts have with the implementation of digital funding processes? 	
(b) Please list here in bullet points the activities undertook during your Peer Review	
<ul style="list-style-type: none"> - Welcome session by Manfred Maas, Managing Director of the Development Bank of Saxony-Anhalt - Scene setting presentations <ul style="list-style-type: none"> o Gerd Osterloh, Head of Department for Organisation, IT and Reporting of the Development Bank of Saxony-Anhalt, gave information on the project, process chain of EU-funding implementation and the funding procedures in the Development Bank of Saxony-Anhalt o Susanne Eva Dörrwand, Chamber of Commerce and Industry Magdeburg, highlighted some of the challenges and barriers SMEs face when applying for funding - Round table session: Exploration of the requirements of digital funding processes from an internal (Development Bank of Saxony-Anhalt) and external (beneficiary) perspective in 2 smaller working groups of experts and internal/external stakeholders - Each group was chaired by a staff member of Development Bank of Saxony-Anhalt and was provided with several challenge questions to discuss with the aim to: <ul style="list-style-type: none"> - Explore the requirements of digital funding processes from an internal and external perspective - Identify barriers – brainstorm of the challenges and opportunities to implement digital funding - Consider possible solutions – learning from elsewhere; good practices 	

<ul style="list-style-type: none"> - Presentation of findings from the above on to the flipcharts - plenary session: Discussion how the Development Bank, the ministries and the managing authority could improve the funding procedure to make it more business friendly; main findings, recommendations and good practices 	
(c) Partnership: please list here the experts	
Name	Organisation
Gergely Mazsu	Director, Foundation For Enterprise Development in Hajdú-Bihar County (HU)
Paola Dellepiane	Manager, FI.L.S.E. SpA (Ligurian Finance Company for Economic Development), Italy (IT)
Piergiulio Maryni	Project Manager of ICT solutions for Public Administration – Liguria Digitale S.c.p.a., Genova (IT)
Rachel Stephens	European Structural and Investment (ESI) Funds Programme Manager, Welsh Government (UK)
(d) Partnership: please list here the participants from your region (including stakeholders)	
Name	Organisation
Sabine Buchmann	Ministry of Economy, Science and Digitalization
Susanne Eva Dörrwand	Chamber of Commerce and Industry, Magdeburg
Christoph Hartmann	Ministry of Finance, Managing Authority for EU structural funds
Emanuel Hesse	University of Applied Sciences Harz
Jochen Hoffmann	Förderservice GmbH of the Development Bank of Saxony-Anhalt
Sven Horn	Chamber of Commerce and Industry, Halle
Jörg Pelloth	Ministry of Labour, Social Affairs and Integration
Thorsten Kroll	Ministry of Finance, Managing Authority for EU structural funds
Sylvia Bicke	Development Bank of Saxony-Anhalt
Gerd Osterloh	Development Bank of Saxony-Anhalt
Carsten Drescher	Development Bank of Saxony-Anhalt
Birgit Grünthal	Development Bank of Saxony-Anhalt
Dennis Hoffsommer	Development Bank of Saxony-Anhalt
Wibke Pörschke	Development Bank of Saxony-Anhalt
Claudia Zott	Development Bank of Saxony-Anhalt
Natalie Exnowitz	Development Bank of Saxony-Anhalt
Karla Pawelec	Development Bank of Saxony-Anhalt
Karen Beyme	Interpreter
Holger Proschwitz	Interpreter
(e) Recommendations: please list and explain the conclusions and main points of advice you received from the experts	
Key prerequisites for efficient digital processes	
<ul style="list-style-type: none"> • Basic elements of IT knowledge and technology must be available in every company. 	



- Connectivity must be ensured.
- Besides technical requirements such as digital signature the new systems also must be accepted. Therefore a change mentality is essential which might be difficult for both for SMEs and officials.
- Applicants must have a digital identity.
- Use of standards is recommended, e.g. no new protocols, widely used technical instruments/solutions.

Importance of digital processing in administration: simplicity, transparency and automated processing

Simplicity: Digitalization is the first step to simplification.

- IT enables business process reengineering.
- Upload as many things as possible instead of paper.
- Have a helpdesk: application help desk and IT-helpdesk (e.g. explanation package, IT and phone support, advisors)
- An IT aided checklist about relevant information guides the applicant through the process, e.g. step 2 only after step 1 etc.
- Avoid „commission“-language: be straightforward.
- Do not ask for information which you can get somewhere else. (e. g. central data record) But only asking for information once is difficult across regions, especially where they have historically developed databases/kept information in different departments or groups, such as Chamber of Commerce. Possible solution could be an agreement between authorities to share data. We need to do this (or something similar) if simplicity is to be a reality for SMEs and funding organizations.
- Use common systems for authentication and identification.
- Make your system similar to existing systems (dialogs, data entry, etc.).
- Do not have long legal information in the forms, just put a reference (URL) to them.
- Offer multi media instructions.
- Use of simplification tools, e.g. simplified cost options, one application form for several funds, common front end for the customer.

In their final presentation the experts highlighted especially the need for reduction of complexity across all levels:

- Regional Legislation
- Funding Guidance
- Use Commission advise and opportunities
- Consistency
- Don't need to make it complicated.
- Don't be afraid to make decisions and stick to them.

Transparency can be improved by digitalization.

- Good idea to have a digital process where the client can see the status of the application.
- Providing realtime (up to date) statistical data about the whole process, e.g.
 - How many applications arrived?
 - How many have succeeded?
- Inform applicant in every step, provide push information.
- All costs, deadlines should be clear at the beginning.
- How much time is needed for each sub-process and the whole process?

Automatic Processing is always desired.

- Support for digital applications will always be needed.



- Digital can't substitute all processes, we will still need manual checks.
- Digital isn't about getting easier funding or fewer rules or reduced legal complexity, it's about reduced burden on the applicant.
- A digital system should help an applicant, not make it more difficult.
- Consistent written guidance is provided throughout system.
- Automatic processing is an assured and consistent method of receiving funding.

Upon the question if it is possible or needed to reduce the time taken, the experts agreed, but not at the expense of being correct. Funding and activity still has to be right for the program."

Benefits of IT Systems

The experts discussed the major benefits for funding administrators.

Good outcomes, e.g. easy access to information

- Avoid formal and informal {human} errors
- Easily identify missing data and request if missing, customer can focus on content not on formal requirements.
- Record preferences, information and data
- Record and keep up to date documents
- Email notifications
- No paper files

An IT System allows the running of reports with up to date and correct data without manual input. So authorities can check program and individual applications without having to look at the formal detail as the system will alert to errors.

But there are also benefits to the managing authority of being able to report management information very quickly and very confidently. For instance, if auditors were investigating an organization the funding administrator is dealing with. A good IT system would show when their project was approved, but also who submitted and authorized each claim both for beneficiary and on behalf of the payment/managing authority.

According the experiences of Welsh and Italian Experts a complete IT process is possible but the experts also emphasized that a complete IT process (without behind the scenes breaks) has to be realized by public administration as well and not just by the SMEs.

Recommendations for Implementation

- IT is an enabler for funding purposes.
- Rules make it difficult to simplify the process.
- Balance/path between rules and process.
- Digitalization is the first step to simplification.
- Don't need the digital system to say No.
- Maybe feedback on those who receive funding.

(f) Please list here the action points and next steps

Before the Peer review we had already worked out recommendations with our stakeholders and SMEs (by making a survey) to improve the competitiveness of SMEs.

All recommendations were valued by the stakeholders. We decided to focus first on those recommendations which were valued "indispensable" for the vast majority.

We also considered all recommendations and suggestions given in the Peer review.

A catalogue of measures was set up and it was asserted that an analysis of the current state is



absolutely necessary.

In our next regional stakeholder meeting we discuss how to go on.

Partners who participated in our Peer Review were asked to include there presented good practices in the Good Practice Register.

(g) Exchange of Experience: please list and (briefly describe) any **GOOD PRACTICE RECOMMENDED BY THE EXPERTS**

- Rachel Stephens: "implementation of an e-Cohesion compliant IT systems across ESI Funds"
- Gergely Mazsu: cross-platform IT system, which enables the applicants to apply for financing and the decision makers to assess the business plans, company data and other documents. The system also covers the contracting, monitoring and – if applicable – workout tasks
- Paola Dellepiane/Piergiulio Maryni: software for online calls for grants

**Please also send the agenda and the pictures of the meeting.
THANK YOU!**



Peer Review Programme

Date	Item	Participants	Room
Monday 28th November 2016			
18.00	<p>Peer Review Preparatory Meeting</p> <p>Introductions and background briefing with Peer Review experts in preparation for the Review.</p> <ul style="list-style-type: none"> • Review key topics and items for discussion • Understand specific areas of specialism and interest from experts • Agree approach 	experts only	5.13
19.30	Dinner – Franx, Hegelstr. 39, 39104 Magdeburg		
Tuesday 29th November 2016			
8.30	Registration		Foyer
9.00	<p>Welcome and Introduction</p> <ul style="list-style-type: none"> • Manfred Maas, Director of Development Bank of Saxony-Anhalt <p>Scene setting presentations</p> <ul style="list-style-type: none"> • Gerd Osterloh, Development of Bank of Saxony-Anhalt • Susanne Dörrwand, Chamber of Commerce and Industry, Magdeburg 	all	R 2.430
10.00	<p>Workshops/Round table discussions</p> <p>Requirements of digital funding processes from an internal and external perspective, presentation of main findings</p>	all	R 2.430
11.15	Refreshments		
11.30	Workshops/Round table discussions continue	all	R 2.430
12.30	Lunch		
13.30	Discussion of main findings	all	R 2.430
15.00	<p>Review of main findings and recommendations</p> <p>Debrief session for experts to discuss main findings</p>	experts only	R 2.430
19.00	Dinner – Ratskeller Magdeburg, Alter Markt 6, 39104 Magdeburg		
Wednesday 30th November 2016			
8.30	Registration		Foyer



9.00	Discussion of presentation feedback	experts only	R 2.430
10.00	Presentation of findings and recommendations, further discussions Present findings to Stakeholder Group - opportunity for experts to share international examples of good practice and for further discussion about findings	all	R 2.430
13.00	Lunch and close of Peer Review		

Pictures



