



GUVERNUL ROMÂNIEI



Instrumente Structurale
2007 - 2013



AAMCONSULTING

Evaluation a management tool supporting decision-making

dr. Tamás Tétényi

presented at the MC OP-DAC meeting,
November 22, 2011

PROJECT CO-FINANCED FROM ERDF THROUGH OPTA 2007-2013

AAM Management Information Consulting Ltd.

www.aam.hu



The presentation

1. What is evaluation?
2. The working of evaluation
3. Why to evaluate?
4. Partnership



UNIUNEA EUROPEANĂ



GVERNUL ROMÂNIEI



Instrumente Structurale
2007 - 2013

3

I. What is evaluation?



Importance of evaluation

Evaluation is a **judgement on interventions regarding their results, impacts and needs they aim to satisfy.**

The European Commission regulates that evaluations must be carried out to improve the quality of the design and implementation of programmes, as well as to assess their effectiveness, efficiency and impact. This makes evaluation an important tool:

- to be used in the design and management of programmes financed by EU Structural Instruments;
- to assess the extent to which interventions reach the policy objectives set and how their performance can be improved in the future;
- to provide a rigorous evidence base to inform decision-makers.

Importance of evaluation

Thus, evaluation can be regarded as:

- a way of **ensuring accountability**, throughout the process of decision-making;
- a way of **measuring performance** by assessing effectiveness, efficiency and impact of the intervention;
- a valuable **input** into the shape of future programmes and policies that can lead **to the improvement** of the quality of the design and implementation of programmes.

In order to achieve this, evaluation must be planned, designed and performed in partnership with all stakeholders.

What can evaluation provide?

The evaluation's purpose is to formulate useful recommendations for the efficient application of public funds.

Although evaluation commissioners place high expectations on evaluation's providing solutions to all problems identified, it must be said that **evaluation can provide PERSPECTIVES and RECOMMENDATIONS not solutions.**

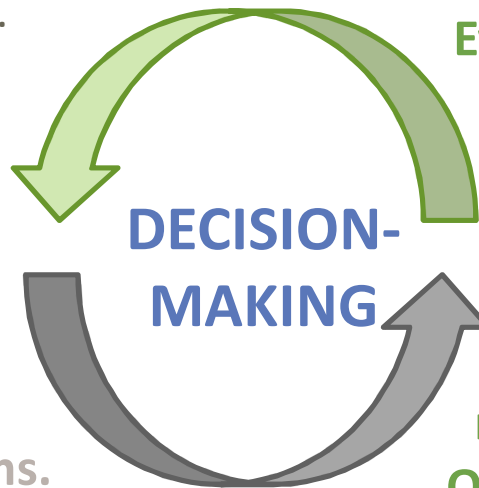
HOW?

By providing key data and knowledge to ensure better informed decision-making for planning, designing and implementing the OP as well as for managing the institution.
By enhancing the legitimacy of decisions and the accountability of decision-makers.

Evaluation – monitoring – decision-making

The proposed approach emphasizes the need for stronger links between monitoring and evaluation on the one hand, and on the other, between these two interlinked exercises and decision-making.

Monitoring examines process/operational information mainly on outputs and results achieved, financial absorption and on the quality of implementation mechanisms.



Evaluation examines information on socio-economic impact, continuing relevance and consistency of strategies at national/OP level, changes in community, national or regional priorities affecting an OP and proposed adjustments.

In order to ensure high quality of information and analysis to inform management decision, **monitoring and evaluation should be planned in advance** so that relevant evaluation results are available in due time for operational and strategic decision-making and reporting needs.

The timing of evaluations must enable the results to be included into any decision on the design, renewal, modification or suspension of activities or changing legislation.



UNIUNEA EUROPEANĂ



GVERNUL ROMÂNIEI



Instrumente Structurale
2007 - 2013

8

II. The working of evaluation

Stages of evaluation

Evaluation, throughout its stages, serves as management tool for decision-makers and stakeholders.

- ***At the ex-ante stage***, evaluation can help to improve the relevance and guarantee the rationale of the programme design. Ex-ante evaluations are meant to improve the quality and design of a programme, and verify that objectives and targets can be reached.

The new regulations on cohesion policy for 2014-2020 set out **the contribution to the EU strategy for smart, sustainable and inclusive growth -Europe 2020**, as a priority task for ex-ante evaluations (*Article 48, Common provisions on ERDF, ESF, CF, EAFRD and EMFF*), having regard to **11 thematic objectives**.



Thematic objectives

1. research, technological development and innovation;
2. information and communication technologies;
3. competitiveness of SMEs, agriculture and fisheries;
4. shift towards a low-carbon economy;
5. climate change adaptation, risk prevention and management;
6. protecting the environment and resource efficiency;
7. sustainable transport and removing bottlenecks in key network infrastructures;
8. employment and labour mobility;
9. social inclusion and combating poverty;
10. education, skills and lifelong learning;
- 11. institutional capacity and public administration.**

(Article 9, Common provisions on ERDF, ESF, CF, EAFRD and EMFF)

Stages of evaluation (cont.)

- ***On an ongoing basis***, evaluation can help to assess performance, detect implementation problems and point to corrective measures. On-going evaluations are used to assess effectiveness, efficiency and impact for each programme on the basis of the evaluation plan. (*Article 49, Common provisions*)
- ***At the ex-post stage***, evaluation can tell us what has been achieved and point to lessons for future periods. Ex-post evaluations shall examine the effectiveness and efficiency of the funds and their contribution to Europe 2020. (*Article 50, Common provisions*)

The project and evaluation cycle



Policy cycle

Programme cycle

Project cycle

Evaluation cycle



The thematic evaluation of the partnership principle

Scope

The study was undertaken by means of 54 case studies across fifteen member states and was concluded in 1999. The Partnership Principle, one of the four principles of the Structural Funds, was first introduced in 1988 and further strengthened in 1993.

Aim

- To demonstrate the impacts of partnership at the different stages of the policy cycle and highlight areas that can be improved.

Conclusions

- The development of the partnership principle is uneven across MS and programmes.
- There are specific characteristics of different countries which shape the context within which partnership functions.



The thematic evaluation of the partnership principle

- The Structural Funds have been a motor propelling the development of partnership forms across the EU.
- Formal partnerships improve the transparency of decision making but 'informal' partnership continues to dominate decision making in many instances.
- Partnership is situated in a context of de-centralisation.
- Implementation of the 'partnership principle' has effectively required some member states to 'invent' a regional tier of government, which varies widely and includes regionalisation of central government, regional co-ordination of local government, new regional institutions or developing previously weak regional institutions.
- The Community's municipalities are more often excluded from Structural Fund partnerships.
- The Community's NGOs are largely absent from Structural Fund partnerships.



The thematic evaluation of the partnership principle

Recommendations

- To conclude specific strategy for partnership between EC and member states.
- To apply the 'one territory - one programme' principle in order to improve the working of partnership and maximize its impact on outcomes.
- To include in formal partnership representatives of municipalities and/or NGOs wherever the programme/initiative touch on their areas of competence.
- To formalize partnerships at the outset of the programme development and planning period and stay operational throughout the period of implementation.
- To jointly supervise programmes by EC and MS.

Nowadays, National Strategic Reference Frameworks set out by the Strategic Guidelines for Cohesion, concluded between the Commission and member states, Monitoring Committees established as formal partnerships for operational programmes and shared responsibility for carrying out evaluations illustrate how proposals work in practice.

Who can make use of evaluation and how?

- *The extent to which the use and usefulness of evaluation can be strengthened depends on the demand and interest for evaluation results from decision-makers and senior management but also on the applicability of recommendations. It must be admitted that at times recommendations are too general or simply lack practicality.*
- In order to lessen **evaluation lag**, which hinders the evaluation to materially effect the programmes, policies and structures they are intended to benefit, **evaluation must be approached as a an integral part of programmes and institutional operational procedures.**
- It is crucial that evaluation is seen as a process which begins at the point of programme elaboration and is owned by and shaped by the stakeholders.



UNIUNEA EUROPEANĂ



GVERNUL ROMÂNIEI



Instrumente Structurale
2007 - 2013

17

III. Why to evaluate?

Who can make use of evaluation and how?

HOW?

WHO?

Programme managers;
Policy- and decision-
makers;
Other stakeholders.

- By using experience gained from previous interventions to translate political priorities into meaningful objectives and indicators;
- By using evaluation results to justify existing or new initiatives on efficient allocation of resources;
- By using evaluation results to complement and enrich data from monitoring exercises;
- By using evaluation to identify gaps (or missing links) and emerging needs.



Assessment of administrative framework in Croatia

Scope

The assessment is part of the Public service and administrative framework assessment conducted in May 2008. In order to access the EU, Croatia must fulfill the political criteria's key priorities “fully implement public administration reform measures on administrative procedures and on recruitment, promotion, training and de-politicisation” and to “improve human resource management in areas of public administration”.

Aim

- To analyze the progress of the administrative legal framework.

Conclusions

- Problems remain in terms of organization of the administration. The tendency to create agencies, *i.e.* central state offices, often has negative effects on transparency and accountability, as well as on the cohesiveness of government policy and action.



Assessment of administrative framework in Croatia

- There are far too many administrative procedures, which conflicts with the needs for a modern public administration.
- Existing accountability mechanisms do not function adequately.
- There are four independent ombudsman institutions, while functionality dictates one office with four different departments.
- Quality of legislation is affected by overregulation, inadequate and improper consultation, and insufficient review of old regulations. Current practice of adopting continuous amendments is harmful.
- In terms of transparency, with the new Law on Secrecy of Data in place, the legal framework is almost complete. The new law on general administrative procedures could have a very positive impact on improving transparency in the administration.
- Judicial review of administrative decisions is not in line with European standards. Performance of Administrative Court has slightly improved but the backlog of cases is still high and the duration of cases too long.



Assessment of administrative framework in Croatia

Recommendations

- To clarify and simplify laws regulating the organisation of the administration.
- To clarify and strengthen accountability mechanisms. Enhancing transparency in the administration requires more commitment and training.
- To ensure that participation in decision-making and in the preparation of legislation is effective at both political and administrative levels.
- To provide intense training to support implementation needs at all levels of government.
- To finalise, adopt and implement the draft law on General Administrative Procedures and review special administrative procedures.
- To support and possibly extend the ongoing twinning project on reviewing the legal framework for administrative justice at the Administrative Court to ensure that its outputs are completely in line with the law on General Administrative Procedures.



Assessment of administrative framework in Croatia

Croatia progress report issued by the EC in 2011 acknowledges the progress achieved in the field of public administration reform. In order to allow full application of the General Administrative Procedures Act (GAPA), the process of harmonising the relevant sectoral legislation has continued, with the majority of acts now adopted by the Croatian Parliament. Continuous training has been organised for civil servants at all levels.

Further efforts are needed in improving professionalism and ensuring efficient implementation of the relevant legal framework.

Judicial reform also made progress. The adoption of new legislation strengthened judicial independence and the overall case backlog was further reduced. Some challenges remain, especially relating to the further increase of judicial efficiency, implementation of new measures relating to independence, impartiality and accountability of the judiciary.



Contribution of evaluation to the programme management

Evaluation can:

- improve the Operational Programme management capacity in terms of analysis and decision-making;
- disseminate information within the Operational Programme's management and implementation structures;
- improve the co-operation within the Operational Programme's management and implementation structures;
- generate new ideas, perspectives;
- identify deficiencies in the monitoring system.



Challenges faced by Romanian public and private beneficiaries implementing projects co-financed from Structural Instruments

Scope

The evaluation spans over the whole territory of Romania. It consists of an analysis of 1,429 projects as they were approved at June 30, 2009.

Aim

- To identify main obstacles and propose ways for enhancing the implementation capacity.

Conclusions

- Multi-annual budgetary system is not applicable yet, which triggers constraints in terms of co-financing, sustainability and impact.
- Strategies are limited in coherence and stability which affects the beneficiary's management capacity.
- VAT recovery has major impact on the beneficiary capacity to mobilize resources and creates financial flow bottlenecks.



Challenges faced by Romanian public and private beneficiaries implementing projects co-financed from Structural Instruments

- Public procurement regulations place significant burden on the capacity of management and implementation and eventually, reimbursement of expenditures.
- Flawed communication process between authorities and beneficiaries.
- Worsened crediting conditions.
- Scepticism and resistance to potential benefits drawn from projects.
- Limited initiative to elaborate projects from local public beneficiaries.
- Lack of motivation in implementing projects by public beneficiaries due to low salary, heavy workload.
- Insufficient expertise in project management in public beneficiaries.

Recommendations

- To establish a multi-annual budgetary system, subject to public debate and sustained by expert panels resulting in the drafting of related legislation.
- To correlate multi-annual budget with strategic planning in order to identify and prioritise needs.



Challenges faced by Romanian public and private beneficiaries implementing projects co-financed from Structural Instruments

- To encourage local authorities to draw up strategic plans and consider multi-annual budget planning.
- To organise training sessions with beneficiaries, dedicated to VAT recovery procedures.
- To improve relevant procurement procedures by setting up simplified and clear evaluation criteria.
- To provide qualified information to beneficiaries and simplify procedures.
- To simplify and facilitate access to credit lines by setting up simplified reimbursement procedures and potential negotiation of a protocol between MPF and banks.
- To raise awareness on the benefits of the projects.
- To prioritise actions aimed to strengthen public beneficiaries' capacity and encourage decision-makers to consider technical assistance as long-run investment in institutional development.
- To improve skills by arranging in-house training.



Challenges faced by Romanian public and private beneficiaries implementing projects co-financed from Structural Instruments

The analysis was concluded in 2011 and recommendations concern all operational programmes. It is up to the relevant stakeholders to pursue the proposals to the best extent in order to improve the management capacity in terms of analysis and decision-making, improve co-operation within the operational programme and enhance communication inside its structures and with the outer public.



UNIUNEA EUROPEANĂ



GVERNUL ROMÂNIEI



Instrumente Structurale
2007 - 2013

28

IV. Partnership



Partnership

Partnership is essential for planning, designing and carrying out evaluation for it provides a basis for learning, openness and transparency during the whole process. Evaluation of cohesion policy is undertaken on a partnership basis, with Member States responsible for ex-ante and ongoing evaluation and Commission responsible for ex-post and other thematic evaluations.

Member State shall organize a partnership with partners:

- a) competent regional, local, urban and other public authorities;
- b) economic and social partners; and
- c) bodies representing civil society, including environmental partners, nongovernmental organisations, and bodies responsible for promoting equality and non-discrimination.

Evaluation – Partnership

PLANNING AND IMPLEMENTING EVALUATION

- When planning and carrying out evaluation, in order to ensure **relevant** and **useful** evaluation **results**, close co-operation between **all stakeholders** involved in national/local level monitoring and evaluation is important.
- Evaluators must cooperate with the concerned individuals /entities, which makes it necessary to define the evaluation objectives and **make** the concerned **individuals/entities aware** of these.
- Open approach is important during evaluation process and when formulating recommendations, in order to avoid that the concerned individuals/entities become opposed to the evaluation, or feel that they have no influence on procedures.

DECISION- MAKING

- When making informed decisions, **opinion** from **all stakeholders** should be sought and taken into consideration.

Evaluation – Transparency and publicity

Evaluations are important tools to inform national and regional authorities, the general public and other stakeholders about the outcomes of the Cohesion Policy.

- Effective and timely communication of evaluation results can increase their impact on decision-making, be more useful and better exploited.
- To facilitate the use of evaluation results, they must be communicated to decision-makers and other relevant stakeholders in a clear and transparent manner. This requires a careful assessment of *what* type of information is useful to *whom*.
- Evaluation results should be communicated in such a way that they **meet the needs of decision-makers**. The information needs to be politically relevant, concise and easily comprehensible.
- Policy implications and lessons learnt from evaluations must be synthesized and appropriately disseminated.
- Results must be followed-up.

Evaluation – Transparency and publicity

- According to the European Commission policy, each Member State must be committed to strengthening its citizens' confidence in Europe with a focus upon results, transparency, informed debate, and good co-ordination and partnership across Member States and European Institutions. Evaluation can facilitate these processes. Evaluation supports the Member States and their Managing Authorities in better communicating the added value of using the Structural Instruments to the European citizen.
- **All evaluations must be made public in their entirety** (Article 47, Common provisions), so they can enhance transparency of state operations and democratic accountability and stimulate dialogue and public debate on evaluation findings.



GUVERNUL ROMÂNIEI



Instrumente Structurale
2007 - 2013



AAM CONSULTING

Thank you very much for your attention

http://ec.europa.eu/regional_policy/sources/docgener/evaluation/rathe_en.htm

<http://www.sigmaweb.org/dataoecd/31/63/43912896.pdf>

http://www.evaluate-structurale.ro/images/stories/Documente/Exec_summaries/exec_summ_challenges_beneficiaries_en.pdf

PROJECT CO-FINANCED FROM ERDF THROUGH OPTA 2007-2013

AAM Management Information Consulting Ltd.

www.aam.hu