

Executive summary

The ex ante evaluation of the SOP HRD has been carried out by Panteia Research voor Beleid (Holland), in cooperation with the Institute for the Study of Education (Romania), from August to December 2006. The official start was a kick-off meeting in September 2006, while there were debriefing meetings for two interim reports in October and November 2006 respectively. In December 2007 a draft version of this final report was presented to the management authorities for the CSF and the SOP HRD. Both commented on this draft report. Their comments and observations are elaborated in this final version.

The evaluation had an interactive character. On the basis of the comments of the ex ante evaluator, the programmers at the Managing Authority for the SOP HRD have made changes in the texts of the Operational Programme.

In the framework of this ex ante evaluation, a lot of relevant documents (of course especially the SOP HRD itself in its April and November drafts) have been studied. Also, there were several interviews with persons involved in the programming process as well as external stakeholders. There have been additional analyses in the field of education, indicators for ESF, the role of the social partners in CVT and the situation of the Roma.

Main assessment

In general, the November draft of the Sectoral Operational Programme for Human Resource Development Romania 2007-2013 may be qualified as a document that meets the EU standards:

- It contains an extensive quantitative analysis on the Romanian labour market, on its educational system and on the position of vulnerable groups. While there a lot of meaningful statistics, the Current Analysis chapter could gain strength by including some qualitative analysis from other chapters.
- The analysis directs itself at the important strengths and many weaknesses, of which especially the backwards situation of rural areas and the low participation in CVT seems the most important elements.
- The strategy seems to include the interventions needed to address the EU policy objectives (CSG, Lisbon agenda, Integrated Guidelines) in the field of labour market, educational and social inclusion policies.
- The strategy is translated into a proposed set of Priority Axes and key areas of intervention which will tackle the weaknesses of the Romanian human resources development.
- The strategy and interventions are coherent with EU and national policies, including complementarity with the other Operational Programmes and EAFRD and EFF financed operations. As far as the regions, the Programme will link itself with regional initiatives in the field of HRD.
- The main objective of the programme is the assistance to 600,000 persons. This figure has to be explained better still. There is a set of output and result indicators attached to each of the Priority Axes, which can be assessed SMART (Specific, Measurable, Available, Realistic and Timely). The quantification of these indicators still needs some more explanation. Especially for some key areas of intervention with a large allocation of funding, it will be possible, to the opinion of the ex ante evaluators, to support a much larger

amount of participants as mentioned in the SOP now. This will mean, the effects and the impact of the SOP will also be much greater than described in the programme.

- The SOP HRD also contains the main outlines of the implementation which is being further elaborated in the Programme Complement.

Socio-economic analysis

The ex ante evaluators have the following comments on the socio-economic analysis:

- For all relevant fields of HR Development in Romania (education, employment, social inclusion) statistics have been provided for. Only for some minor themes statistics are lacking, mostly because these are not available. The most significant statistics missing are about the transition from school to working life: what kind of jobs do school leavers get? For the rest, all relevant statistics seem to be studied;
- There is still some lack of analysis in the Current Situation Analysis chapter. Most texts are statistics with some analytical explanation. The paragraph on education will be assessed better in this respect than the other ones. There is, at the other hand, a lot of useful analysis in the rest of the SOP;
- In almost all cases, the statistics have been presented and explained in a sound way. The ex ante evaluators only have comments on a few of the explanations given;
- There is some confusion with statistics. Sometimes there seems to be no sound information available on a certain theme. In these cases two or three different figures are given without a proper explanation. The most important examples are the amount of Roma and the involvement of companies and workers with CVT, for which several figures are given without explaining the differences;
- The definitions are clear. When available, Romanian statistics have been presented according to EU standards and comparisons with the scores for EU25 or EU10 have been made. There are, however, a few exceptions to this rule, especially in the field of educational attainments;
- All statistics have been updated, when possible to the year 2005 (or the school year 2005/6). This will make it possible to use these statistics as a baseline for the programme;
- There is a shortage of prognostics. Whereas the programme will last until 2013, there is a need to look at developments in the economy, in employment, demography and educational enrolment for a longer period. At the instigation of the ex ante evaluators, one table has been put in on developments within education (but without much explanation). At the same time, tables on the development of economy, labour productivity and employment, which are in the SOP IEC and in the NSRF, are lacking in the SOP HRD;
- What is still lacking in the whole of the SOP, is an analysis of the real needs on the labour market, stemming from: an analysis of possible jobs for school leavers, an analysis of jobs directly or indirectly created by the other SOP's and the consequences of ageing;
- As a consequence of the lack of a concise analysis of the actual and future state of HRD in Romania, there is no real recognition of the main themes of the sector: the transition from an agricultural to a services oriented economy seems the most relevant for now, but is not really pointed out as such; for the future the ageing problem will be most important. Maybe as a consequence of these conclusions (which could also stem from PHARE experiences) about the most important challenges for the future are missing in the SWOT: really changing the structure of education and especially strengthening VET and R&D in higher education; introducing LLL concepts by involving social partners; building sufficient institutional capacity for addressing the unemployed and the socially excluded

at the local and regional level (not on the basis of the NGO's but with governmental bodies involved such as the NAE and local, regional and minority administrations). Of course it should be pointed out, again, some of these challenges are in the strategy, but without a sufficient analytical basis;

- A last remark is on the quality of texts. The English should be improved upon, there should be some more tables in graphs in the text and the texts are still not comprehensive enough. There are also some problems with footnotes and the numbering of paragraphs.

As a consequence of this, the analytical strength of the socio-economic analysis must be assessed as **just about satisfactory** at the moment. An important asset is, however, that by transferring analyses from other parts of the SOP, this level of assessment can be improved upon quite easily.

SWOT analysis

The SWOT analysis derives from the socio-economic analysis. To assess the SWOT the following statements are being made:

- The SWOT-analysis does not show any kind of wishful thinking;
- The SWOT as such seems to be well executed and most of the elements (see above for a few exceptions) are at the right place. There are, however, no clear conclusions from the SWOT;
- The SWOT-analysis as a whole is consistent;
- Keeping in mind that HRD applies to three thematic fields (education, employment, social inclusion) the set of elements is coherent, elements belonging to the several categories implicitly linked with each other. There are sets of elements belonging to education, employment and social inclusion;
- There is no quantitative balance in the SWOT, the amount of Weaknesses exceeding the other categories. This, however, reflects the reality with the human resources development in Romania;
- All Weaknesses can be influenced by interventions;
- Almost all factors are measurable and operational. The exceptions are some elements expressing partnerships;
- While some of the elements of the SWOT are interlinked, there is no real redundancy;
- There are no internal real contradictions within the SWOT-analysis (one or two elements might be explained as a Threat for one sector, and an Opportunity for another).

The only thing which is missing, is a certain prioritization of SWOT-elements. In this way, it does not become clear that supporting the problems in the rural areas (caused by the transition from a rural to a services oriented economy) and preventing the dangers of ageing (by expanding LLL/CVT, keeping up the health status of the population, including excluded groups, etc.) are the most important tasks for this SOP. These messages turn up later, within the description of the strategy.

For these reasons the quality of the SWOT-analysis can be assessed as **satisfactory**.

The ex ante evaluators asked a group of external stakeholders whether they were involved in the elaboration of the SWOT-analysis. This was the case, but at a rather late stage and on individual basis. The earlier process of stakeholder meetings seems not to be appreciated as having had a chance for providing input into the SOP.

Rationale and consistency of the strategy

As a whole, the strategy and its translation into objectives and priority axes seems rationalistic and consistent:

- It is demonstrated why particular priorities have been chosen and why the budget was divided the way it has been allocated;
- The shares and weights of the proposed priority axes can be explained by the socio-economic analysis, whereas they are also in line with EU policy objectives;
- There is no real concentration of funding, but this can be explained by the many weaknesses the programme has to face;
- There are complementarities between the priority axes and the key areas of intervention, which will support the synergy of the programme;
- There are no conflicts between the proposed objectives;
- The consistency between the strategic and specific objectives and the available resources can be assessed (also from the perspective that other programmes, such as the ROP and the SOP IEC, will also contribute to the interventions in certain fields, such as education and social services infrastructure, ICT, business start-ups, ALMM for agricultural workers, etc.);
- The proposed policy mix seems, except for some remarks on the individual priority axes, and the need for a bigger involvement of the social partners, optimal. There do not seem to be conflicts between the several key areas of intervention;
- A comment has to be made on some inconsistencies between the chapter on the strategy and on the financial plan. Both chapters comprise a description of the objectives of the programme. While in chapter 3 the main objective is translated into seven specific objectives, in chapter 4 there is mention of three so-called "priorities". The specific objectives derive from the NSRF, while the priorities fit better to the Priority Axes.

The above will lead to the conclusion that the rationale and consistency of the strategy may be assessed **satisfactory**.

Coherence of the strategy with other policies

The assessment of the coherence of the strategy with national/regional and EU policy objectives is as follows:

- The proposed strategy is fine-tuned with national and EU policy objectives. Also future opportunities for regional strategies are included;
- The priorities and measures are consistent with the NSRF, the CSG, the Lisbon and Gothenburg Strategies, the Integrated Guidelines for Growth and Jobs and will also adopt by several interventions the main principles of the (former) EQUAL Community Initiative. Some more attention might be paid to the foreseen ageing problems in the future;
- The added value of the SOP HRD is that it will help develop Human Capital in Romania. It will attract and retain more people in employment, improve adaptability of workers and enterprises and the flexibility of the labour market, it will increase investment in human capital through better education and skills and will also strengthen administrative capacity (public sector, NGOs and also partly with social partners). There are also some measures included to help to maintain a healthy labour force;
- There is complementarity, but no real co-ordination with other Operational Programmes. Especially with the ROP (micro-enterprises and health) there could be some more fine tuning;

- The SOP does heavily contribute to the employment objectives of the EU and will also pay much attention to objectives in the field of equal opportunities. There are only a few references to environmental objectives, but the ex ante evaluator agrees that it is very difficult to link this objective with the SOP HRD.
- Territorial cohesion: the SOP does not take into account any spatial considerations. This may be explained by the lack of any real differences in the needs for HR development across the country except for the Bucharest-Ilfov region.

The above leads to the assessment that the coherence of the strategy with national policies, the CSG and other Operational Programmes might be assessed **satisfactory**.

Expected results and impact

The evaluation of the expected results and impact has been done by first assessing the set of indicators and then looking at the quantification itself.

Concerning the set of indicators the following remarks might be made:

- The structure and hierarchy of objectives and indicators might be assessed as good.
- The formulated indicators meet the SMART criteria well (except for the indicator on CVT, which has only a baseline for 1999, but for which a recent survey and the regular repetition of this survey might solve the problems) .
- The indicators can be aggregated.
- Because of the nature of the interventions, it is difficult to identify core indicators, except for two: a coverage rate indicator on the total amount of persons touched by the programme (which is in fact the core indicator of the SOP HRD) and a (result/impact) indicator in the amount of participants who will get or hold on to a job. The problem with the last indicator is that data will be very hard to gather except in case of a survey.
- There are no impact or context indicators. Whether it will be necessary to provide for impact indicators already in the Programme relies upon the European Commission. Anyway will it be wise to use both impact and context indicators for evaluation. The Annexes of this report contain a possible set of indicators for monitoring and evaluation.

Considering the above, the set of indicators might be assessed as **satisfactory**.

There are some problems with quantification:

- The main problem is that the total of persons covered by the programme for the several Priority Axes does not sum up to the general objective of covering 600,000 persons.
- When the total budget minus some allocations for systems, organizations and infrastructure is divided by the amount of persons, then it seems for each person a budget of 4,500 euro will be available, This seems a rather large amount of money for each activity in the framework of the programme.
- There are also differences between the average amount of funding per participant for each of the key areas of intervention. Partly this can be explained by the more expansive nature of some operations and by the existence of operation under the same areas of interventions which do not relate to participants, but there also seem to be great differences between the allocation for similar types of activities.
- There is also no information about the amount of participants (and expected result rate) for the second largest key area of intervention (social economy) and the average funding per participant in CVT also seems rather high. As a consequence of this, the total amount of participants might, by full absorption of funding, by far exceed the total of almost 700,000 which is the sum of the figures in the programme. As a consequence, the quantitative impact might also be much higher than expected in the programme.

From the above perspective, the quantification of the objectives is **in need of revision**.

Implementation

The proposed implementation system can be assessed as follows:

- The proposed delivery system will (at the least) contribute to a sound and efficient management and monitoring of the interventions.
- The division of the work between the Monitoring Committee, the Management Authority and the intermediate bodies seems transparent. It must be remarked that the management structure seems a little bit complex, and that the MA and the Monitoring Committee (each from its own responsibility) should clearly supervise the intermediate bodies in the field of absorption, separation of responsibilities as well as the coordination with other operational programmes.
- It is difficult to assess the competitiveness and transparency of the selection procedures already now. The selection criteria as such are in the Programme Complement, which will be evaluated separately. It is clear that all procedures will follow the provisions within the EU regulations.
- Control and audit measures, as much as can be learned from the SOP, are also in line with national and community regulations.
- The systems for monitoring and evaluation seem to be all right, especially when there will be an evaluation on delivery in 2008. Attention should be paid to the ways of gathering data on the impacts (amount of participants getting a job, or – when already employed – holding on to a job) of the programme.
- All relevant institutions will be involved in the implementation. It is important to involve the social partners as beneficiaries, especially for CVT.

As a whole, it may be concluded that the quality of the description of the implementation of the SOP is **satisfactory**.

Main recommendations

The main recommendations of the ex ante evaluators are the following:

- Regarding the socio-economic analysis: By transferring analytical parts of the description of the strategy, the priorities and the key areas of interventions as much as possible to the first chapter, it should also be possible to correct for some discrepancies between the analyses in the several chapters. The analysis could also be strengthened by including some more conclusions from experiences with PHARE;
- Regarding the SWOT analysis: the analysis should be strengthened when it should inform about a certain prioritization of SWOT-elements which should be the basis for making certain choices in the strategy;
- Regarding the rationale and consistency of the strategy: the inconsistencies between the chapters 3 and 4 of the SOP concerning the strategy should be solved;
- Regarding the coherence of the strategy with other policies: there should be real coordination (not only complementarity) with the other SOP's (especially the ROP and the OP IEC);
- Regarding the expected results and impact: as has also been recommended by the Commission, the quantification of its main objective (the amount of persons covered by the programme) should be improved and supported by a well-explained quantification of the results for the main key areas of intervention, which is especially lacking for CVT (a rather low prognosis of results) and social economy.

- Regarding the implementation: the SOP should better explain the reasons for the rather complex structure of intermediate bodies.
- Overall, but especially for the analysis chapter: it is recommended to improve the English.

In its observations on the draft final report, sent to the ex ante evaluator in December 2007, the MA SOP HRD, has pointed out that it will make changes in the next version of the programme following the above recommendations.

Specific points of attention

On the general level, the ex ante evaluators want to stress some points of attention in the analysis and strategy. These are the following:

- The SOP hardly contains any prognostics. After tackling the problem of transition from a agricultural and (state) industrial economy to a services economy, there is a next very huge threat to Romanian economy coming from the field of HRD. This is the *ageing problem*. Although there are several remarks in this field in the SOP and also some interventions meeting this problem, it is not satisfactory only to direct these interventions the 55+-age group and the younger people. Romania needs to develop a strategy of life-long learning, which especially directs itself at the 30-50 years-age group which will be obliged to work till a retirement age between 65 and 70. Some of these people may need to need a shift of occupation at middle age. Table 3.2. in the Annex of the SOP HRD is a good illustration of the ageing problem. It shows that there will be a big decrease in people in education.
- The sectoral approach needs more attention. This means involvement of the social partners. Policies in the fields of labour market, TVET, CVT and maybe even higher education should be organized according to a differentiated sectoral approach. This also means (further) involvement of the social partners. Raising awareness among the social partners of their contribution to ALMM, TVET and CVT is very important. The activities directed at strengthening the civil society (social partners, NGO's and others) should not be of a general character, but should be pointed specifically at themes at co-operation in the fields of labour market, social inclusion and education. Also the development of territorial employment pacts (in combination with the tripartite structure of the NAE at county level) needs much attention in the starting phase of the interventions of the HRD SOP.
- The setting up of activities at the regional and sector level also asks (as been commented by the Commission) for more co-ordination between the different sectoral OP's, such as the ROP, the IEC SOP and the agricultural SOP. Maybe, even other SOP's like Environment and Transport, will be relevant, as they will involve a lot of (temporary) direct employment. At the moment, the focus is on complementarity of activities. It has to be explained, in each SOP, in which way activities will be complementary and also how these will be co-ordinated.
- Some attention might be given to the temporal aspects of complementary interventions: which activities should be first (e.g. training of teachers and trainers, strengthening the NAE, awareness campaigns with social partners and regional actors, further developing the qualification system for TVET, etc.) and which activities should follow? From this perspective, it is also relevant considering progress already made in the framework of PHARE programmes.