



**MAKING SENSE OF EUROPEAN COHESION POLICY:  
2007-13 ON-GOING EVALUATION AND MONITORING  
ARRANGEMENTS**

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## PREFACE

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### **Austria**

- State Government of Niederösterreich, Economic and Tourism Department
- State Government of Steiermark, Economic Policy Department

### **Belgium**

- Agency for the Economy of Vlaanderen, Europe Economy

### **Czech Republic**

- Ministry for Regional Development

### **Denmark**

- Danish Enterprise and Construction Authority

**Finland**

- Keski-Suomi Alliance
- Ministry of the Interior

**France**

- Inter-ministerial delegation for the management and competitiveness of the territories (DIACT)

**Germany**

- Nordrhein-Westfalen, Ministry of Economy, SMEs and Energy, EU Affairs Unit
- Sachsen-Anhalt, Ministry of Finances

**Greece**

- CSF Management Organisation Unit, Ministry of Economy and Finance

**Italy**

- Lombardia Region, Presidency, Central Directorate for Integrated Programming
- Ministry of Economic Development and Institute for Industrial Promotion (IPI)

**Poland**

- Śląskie Voivodeship (Marshal's Office)

**Portugal**

- Financial Institute for Regional Development (IFDR)

**Spain**

- País Vasco, Provincial Council of Bizkaia, Department of Economy and Finance

**Sweden**

- NUTEK, Swedish Agency for Economic and Regional Growth

**UK**

- One NorthEast
- Department of Communities and Local Government
- Welsh European Funding Office
- Scottish Government

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# **MAKING SENSE OF EUROPEAN COHESION POLICY: 2007-13 ON-GOING EVALUATION AND MONITORING ARRANGEMENTS**

## **EXECUTIVE SUMMARY**

### **EVOLUTION OF MONITORING AND EVALUATION**

#### **Early developments: 1989-93**

The monitoring and evaluation of EU Cohesion policy has evolved considerably over successive policy reform phases. Before the 1988 reforms, the evaluation of the Structural Funds was accorded low priority and the monitoring and control of expenditure was widely acknowledged as inadequate. The landmark reforms of 1988 introduced the first systematic obligations to monitor and evaluate the Structural Funds, including provisions for ex ante and ex post evaluation, the collection of data in relation to financial and physical indicators, reporting procedures and the setting up of Monitoring Committees to allow for the periodic review of the implementation of Regional Development Plans over time and allow appropriate modifications. However, the implementation of the requirements revealed significant weaknesses in practice. The evaluations were generally of low quality and were considered to lack methodological rigour. Ex ante evaluation was hampered by the tight timing of the programming process. Community Support Frameworks and OP objectives were imprecise and targets were often missing or un-quantified restricting the ability to evaluate the expected effects. Inadequacies in the monitoring systems included a widespread lack of monitoring data, particularly on physical implementation. At the aggregate level, the comparative monitoring of developments across the Community was impeded by a lack of standardised indicators and the diverse nature of the economic development priorities.

#### **Stronger monitoring and evaluation obligations: 1994-99**

The 1993 reforms strengthened the regulatory obligations by making the Member States and the Commission co-responsible for appraisal and evaluation of the Structural Funds, clarifying the different stages of evaluation (including provisions for interim evaluation) and requiring more information to be incorporated in the RDPs and CSFs. With regard to monitoring, the regulations required targets to be set for financial and physical indicators and a strengthening of the role of the Monitoring Committee by providing it with the flexibility to modify the procedures for granting assistance. The new procedures on financial controls and publicity also had important implications for the collection of data for audit trails and the dissemination of information to the public. A key Commission initiative on the methodological front was the launch of the MEANS programme in 1994 to contribute to the spreading of a European evaluation culture. The Commission established a more coordinated approach to evaluation with the creation of a specialist unit for evaluation and the Member States were also developing more organised and coordinated monitoring and evaluation frameworks.

These changes led to substantial improvements in the scope, scale and rigour of monitoring and evaluation systems and activities. Ex ante and interim evaluation was systematically undertaken for the first time. The quality and content of the evaluations had progressed significantly and programme managers were increasingly regarding evaluation as a useful management tool. Improvements were also made to macro-economic modelling techniques, and the definition and quantification of objectives and indicators was significantly improved. Technical improvements were made to monitoring systems through the introduction of more efficient IT systems for data elaboration and collection. However, several shortcomings remained. The timing of evaluation continued to hamper its quality and utility, the scale of Objective 2 evaluation was 'patchy', and net employment effects were generally not calculated across the board. Other on-going shortcomings included poor quality of data in terms of output and physical indicators, a failure to set clear targets, and a lack of consistent and regular data collection systems.

### **New ambitions for monitoring and evaluation: 2000-06**

The third major Structural Funds reform in 1999 represented a major step in the consolidation of monitoring and evaluation practice across the EU with the introduction of more stringent obligations and a clearer definition of responsibilities between the Member States and the Commission. Specific rules defined the responsibilities of the Member States for the first time, notably through the designation of a Managing Authority. The role of the Monitoring Committee was more clearly defined, and its powers were enhanced. More detail on financial and physical indicators was required, and a categorisation of fields of intervention was to be included in the programming documents. The content of the Annual Implementation Reports was made more prescriptive, setting out a structured list of required elements. The evaluation requirements were also made more rigorous and comprehensive with a clearer articulation of the respective responsibilities of the Commission and Member States in ex ante, mid-term and ex post evaluation. Lastly, the performance reserve and automatic decommitment (n+2) rule were introduced to reward performance after a mid-term review and encourage effective implementation respectively.

The scale, coverage and rigour of the MTE exercises have been a unique experience in the history of Cohesion policy. A Commission assessment has highlighted several key trends and findings. First, the process revealed improvements in the quality of planning and the positive contribution of partnerships. Second, the MTEs did not witness a significant expansion in the evaluation market although an increasing number of evaluation consortia were involved. Third, the quality of the evaluations was higher than previously, reflecting increasing capacity and allocated resources in the Member States compared to the past. Quality deficiencies were associated with the scale of the task, the complex nature of some programmes, an excessive workload for some evaluators, and methodological weaknesses. Fourth, the cost of the evaluations was reasonable, but cost effectiveness was limited by the late or slow start of the programmes, the large number of evaluation questions and scale of programmes, and methodological weaknesses. Fifth, the methodologies employed were appropriate. A data collection problem for some of the evaluators was that the monitoring systems were not fully functional from the outset. Other identified shortcomings in some evaluations included a lack of primary research, disproportionate description to the

detriment of synthetic analysis and assessment, and, related, excessively long reports. Lastly, the MTEs had minimal influence on public debate in most cases. While financial reallocations were mainly motivated by absorption concerns, the evaluation findings had a stronger influence on the improvement of implementation systems

The update of the MTEs addressed several of the problematic aspects of the MTE by focussing on the 'analysis of outputs and results' and limiting the number of components and questions to be covered. In addition, an optional component on 'other evaluation questions' was included to increase ownership of the evaluation and results and to stimulate the generation of knowledge that was more useful for programme managers and authorities.

Evaluation activity has also expanded in the new Member States through the establishment of institutional frameworks and the carrying out of interim evaluations focusing primarily on process issues of management and implementation. With regards to monitoring, there has been a tendency in the new Member States to set up ambitious, complex and integrated systems for the 2004-06 period, which have not worked as initially planned in many cases. However, improvements have been made and much has been learned in terms of gathering monitoring data and defining indicators, baselines and targets. The new Member States are of course starting from a weak base. There is limited domestic academic research and literature on evaluation in many cases, little practical experience of conducting evaluations beyond those associated with Cohesion policy and insufficient human and institutional resources dedicated to these activities. Though expansion is underway, the evaluation market is still limited in many of the new Member States. Other problems include timing constraints associated with the short programming period, the limited measurement of different socio-economic trends, the absence of quality statistical data and, thus, difficulties in gauging the actual impact of the OPs.

### **Towards a more flexible and needs-based approach: 2007-13**

Finally, the latest review for 2007-13 aims to institutionalise a more strategic and results-oriented approach by introducing a flexible and needs-based evaluation framework and more focused and streamlined monitoring requirements. OPs are required to provide quantified indicator targets at priority level only, in line with the simplified and more strategic programming approach. An indicative breakdown of categories of expenditure must also be provided. The tasks and the composition of the Monitoring Committee will remain largely as before. Programme authorities must still compile Annual Implementation Reports for each OP, although financial and physical progress will only need to be reported at the priority level, and a new requirement to provide an indicative breakdown of the allocation of funds by categories of expenditure has been introduced. Annual examinations will place increased attention on the strategic nature of programme implementation. A more significant change is the requirement for strategic reporting to the European Council through the elaboration of two strategic monitoring reports for all OPs, analysing their contribution towards Cohesion policy objectives, and the inclusion of a section in the National Reform Programme annual reports on the contribution of the OPs to the NRP objectives.

The regulatory changes to evaluation primarily involve an increased level of flexibility for the Member States. The MTEs and UMTEs are to become optional, replaced by on-going, needs-based evaluations to assess programme implementation and react to changes in the external environment. Evaluations may also be triggered by actual or potential difficulties revealed by the monitoring system and can be undertaken to ensure regular review of strategic or operational aspects. Ex ante evaluation will remain compulsory for all programmes, though with differing degrees of flexibility. A new optional provision is the possibility to draw up an Evaluation Plan 'presenting the indicative evaluation activities which the Member State intends to carry out'. For the other two objectives, Member States can decide what level of evaluation is required (programme, groups of programmes, themes, Funds) based on their needs. Other changes to the effectiveness chapter include modifications to the performance reserve (making it optional) and the introduction of a new, national contingency reserve (also optional). As in the past, a series of guidance documents have been prepared by the Commission to support Member States in their monitoring and evaluation activities

There is a broad level of satisfaction amongst IQ-Net partners with the new regulatory requirements for monitoring and evaluation. The general requirement for needs-based and flexible evaluation provides a response to widespread criticism of the MTEs concerning the tight deadlines and excessive number of components and questions. Programming authorities support the Commission aim to encourage a more user-friendly and demand-based approach to evaluation. Equally, there is widespread support for the streamlining of programme monitoring and management. However, in order to take advantage of the added flexibility, Member States and regions will have to put more thought and planning into their evaluation needs.

Concerns have been raised about specific aspects of the evaluation requirements which run counter to the apparent simplification and flexibility, notably the requirement to undertake obligatory evaluations during the programme period where a significant departure is revealed or where proposals are made for revision. Some view these requirements as being unnecessarily burdensome and there is uncertainty over how a 'significant departure' is to be operationalised. A potential problem with the more flexible approach to monitoring and evaluation, and the likely resulting variation in practice across and within Member States, is that it could become even more difficult to gain an overall picture of outcomes at the aggregate level of the EU. On the other hand, the expected variations and the freedom to experiment with different approaches could encourage the development of more innovative approaches to monitoring and evaluation which may subsequently provide useful lessons, and the spreading of best practice, across the EU.

## **CURRENT STATE WITH PREPARATIONS OF FUTURE EVALUATION WORK**

The new Structural Funds programming period requires that all Member States and regions should have a well defined, decision-making orientated *evaluation approach*. For this purpose, the Commission recommends the drafting of *Evaluation Plans* (EPs). Even though the practice of drafting EPs had already been introduced by the Commission in some EU10 Member States over the 2004-06 period (e.g. in Czech Republic, Poland), for most EU15

Member States the plans represent an innovation. In most countries, with some exceptions, Evaluation Plans have previously been at most implicit, and evaluation was generally implemented according to the ex ante, mid-term, mid-term up-date (and ex post) cycle proposed by the previous regulations, in ways which were at times 'mechanistic' and not proactively thought-out to deliver useful evaluation results and feed into programming.

Conversely, the evidence gathered from IQ-Net partners suggests that, in this period, most countries and programmes are drafting explicit EPs, whether at national or regional level, or both.

- In Sweden and the UK, the plans will be elaborated at programme or regional levels.
- In Portugal, Spain and Slovenia, EPs are being drafted only at national level.
- In most other countries (e.g. Czech Republic, France, Italy and Poland), EPs are being drafted at both national and regional or programme level.
- In Germany, where the main evaluation tasks will be delivered at the level of each programme (and generally led by each programme Managing Authority), the decision has not been made regarding whether there will be a federal level EP, and the *Land*-level choices regarding the formalisation of EPs vary. For example, an Evaluation Plan is being prepared in Sachsen-Anhalt (a Convergence region, bound to observe Art. 48 of the General Regulations), whereas in Nordrhein-Westfalen it was preferred not to draft such a document as this was not felt to be necessary.

In Austria, Belgium and Finland, on the other hand, the choice was made not to establish a formal Evaluation Plan.

The progress with the preparation of EPs varies from country to country. Of the countries reviewed, only one EP has been finalised, the EP for the Polish NSRF, and only a few other national EPs have reached the stage of final drafts (e.g. Czech Republic, Denmark); in most other cases, programme authorities are aiming to finalise their plans by the end of the year or early 2008 (e.g. France, Italy, Portugal, Sweden, Wales).

The delays can be related mainly to the protracted negotiations and late approval of the OPs and to the administrative overload associated with the launch of the new programmes; these tasks are perceived as more urgent by programme managers than the planning of future evaluation work. Evaluation, at this point in time, is simply not the main preoccupation of programme managers.

The plans are generally conceived as 'live documents' which will be periodically reviewed and integrated or amended to suit emerging and changing needs. At this stage, however, the procedures and stages for the review of the plans are not yet clear. The content of the plans seems to reflect the elements described in the DG REGIO Working Document 5.

## APPROACHES TO EVALUATION DESIGN

To define the content of future evaluation work and draft the Evaluation Plans of the NSRF and/or OPs (when these are being drawn up), Member States and regions have adopted different approaches. Three main approaches can be identified with respect to the level at which the responsibility for the drafting of EPs has been placed, namely: (i) nationally-led (cooperative) approaches; (ii) guided approaches; and (iii) regionally-led approaches.

*Nationally-led (cooperative) approaches* can be found where: (a) NSRF EPs have been drafted by national-level coordinating authorities - often with the contribution of regional levels and national line ministries - which serve as the basis for the EPs of single programmes or indeed subsume OP evaluations (e.g. in Czech Republic, Greece, Portugal and Spain); or (b) where a single EP for a group of OPs has been developed by a national-level authority, in cooperation with regional bodies (e.g. Sweden).

*Guided approaches* are found where the drafting of EPs at national and programme levels has been conducted as separate exercises, but where national-level authorities have sought to provide guidance to programme authorities on how to approach the preparation of the EP and how to conduct their evaluation work. This is the case in Italy, France and Poland.

*Regionally-led approaches* are found in cases where there are no national-level EPs and programme-level or regional-level authorities are working independently on their programme/regional EPs (e.g. in Germany, Scotland, Wales and the English regions).

The approaches adopted for the organisation of the drafting of EPs tend to reflect the more general organisation of Cohesion policy in each country, in other words, whether a country has a centralised, regionalised or decentralised/de-concentrated institutional system also seems to affect the approach taken to the design of future evaluation work. For example, in Sweden the choice to draft one single Evaluation Plan for all ERDF OPs is coherent with the fact that all these OPs share the same national-level Managing Authority, NUTEK. Similarly, in countries such as Belgium and Germany the regional or programme-based approach taken to plan evaluation work reflects the federal approach of these countries.

If a trend has to be identified, however, it would be the rather important role of the national level in steering and coordinating the planning of future evaluation work. Regardless of whether the national level is leading by cooperation or guidance, national authorities seem to be seeking a consensual, collaborative approach to evaluation rather than prescription.

Irrespective of whether the drafting of EPs is cooperatively nationally-led, nationally guided or regionally-led, it would appear that the process has been mostly internal to the public administration in charge of the programmes.

The practical organisation of the process of preparation of the EPs varied across the EU. In some cases, working groups or Steering Groups were set up to draft the EPs, for example in Scotland. In other cases, the national level has provided guidance notes to the authorities in charge of drafting the EPs for the Operational Programmes, for example in the Czech Republic, England, Italy and Poland. In some further cases, seminars and conferences were

organised to debate the future content of the plans and identify relevant topics for future evaluation work (e.g. in Italy).

Generally, the draft plans (where available) have also tended to be discussed and validated by the Monitoring Committees, for example in Denmark, Sweden and Wales. Also quite common is the fact that the leading organisation for the preparation of the EPs within a country tends to be the body that will be in charge of overseeing and coordinating evaluation work throughout the programming period, notably DIACT in France, UVAL in Italy, KJO in Poland, the NSRF Observatory in Portugal, the Monitoring and Evaluation Advisory Committee in Spain etc, all of which are generally inherited from the past (although they had in some cases different names, e.g. in Spain).

## DESIGN CHOICES

Leaving aside the processes adopted in Member States and regions to draft the EPs and looking at the planned evaluation approaches (within or outwith explicit EPs), the review conducted amongst IQ-Net partners suggests that the increased freedom granted by Structural Funds regulations on when and what to evaluate is leading to evaluations that are going to be more closely informed by domestic factors, such as:

- the *domestic evaluation cultures and past experiences* with the implementation of ‘on-going approaches’ - which will inform how the ‘on-going’ evaluation approach will be interpreted;
- the *constitutional and institutional arrangements* of Member States, i.e. whether they are centralised, decentralised/deconcentrated or regionalised - which informs the relationship between the on-going evaluation of the NSRF and OPs;
- the *interrelationship between EU Cohesion policy and domestic regional policies* (and sectoral policies) of each country - which will have an impact on the scope of the on-going evaluation of NSRF and OPs; and
- the *level of evaluation capabilities* available in Member States and regions - which will determine the balance between using external evaluators and internal evaluations or self-assessments, the scope and types of capacity building activities planned, and the types and intensity of relations that will be developed with Commission representatives.

All of the above reveal an unprecedented degree of heterogeneity of evaluation choices made in the countries under review, as the following sections will discuss in more detail.

## Interpretation of on-going evaluation

In some countries, on-going evaluation was already implemented in the past programming period, for example in Austria and in some Italian and the UK programmes. In others, the on-going theme is novel and programme managers and evaluation specialists will have to give a meaning to ‘on-going’, finding methods and approaches to implement ‘on-going’

evaluation which suit their information needs. From a review of the approaches planned currently by IQ-Net partner programmes and countries, two main interpretations of on-going evaluation emerge:

- an interpretation of on-going evaluation as a succession of thematic studies: studies planned according to a formalised timetable, ad hoc studies or a mixture of planned and ad hoc studies; and
- an interpretation of on-going evaluation which integrates the planning of thematic/ad hoc studies with a mid-term evaluation exercise.

A large a large number of programmes (e.g. in Austria, Belgium, Denmark, France, Poland, Portugal and in the UK) plan to repeat mid-term evaluations, despite the criticism that these raised in 2000-06. However, programme managers now have the scope to choose when to undertake MTEs, and these will not necessarily be conducted at the exact mid-point of the programming period if this is not considered suitable. The content of the MTEs, moreover, is likely to be more focused and more limited in scope than in 2000-06.

Programmes will necessarily carry out evaluations in cases of a 'significant departure from the goals initially set' and to substantiate revision proposals (Art. 48.3 Council Regulation 1083/2006). There is no common understanding, however, on what constitutes a 'significant departure'. A number of countries have sought advice from the Commission on this. In a few cases, a definition of the level of deviation that would trigger evaluations was agreed domestically (e.g. in Latvia and Vlaanderen). Most countries preferred to keep the definition loose. In Wales, for instance, it was decided to leave it to the Monitoring Committee to decide whether or not something represents a 'significant departure'.

Finally, in some cases, on-going evaluations are supplemented by a more strategic use of monitoring information, for example in Steiermark, Vlaanderen and Wales.

### **Relationship between evaluation of the NSRF and of the OPs**

There is no universal approach to evaluation planning for the NSRFs. The strategic reporting obligations placed upon national authorities have not led all countries to plan evaluations of their NSRF. Countries which (at present) do not foresee a systematic evaluation of the NSRFs include Belgium, Denmark, Germany and the UK. In Sweden too there will not be a separate evaluation of the NSRF, but a national overview will be based on the evaluations undertaken for the OPs. In Finland, thematic evaluations on issues of genuine national relevance may be undertaken. In all other countries, the NSRFs will be evaluated, namely in Austria, Czech Republic, France, Greece, Italy, Poland, Portugal, Slovenia and Spain.

IQ-Net fieldwork suggests considerable variation in the approaches emerging for the evaluation of the NSRFs. This relates both to:

- whether evaluations are undertaken nationally (top-down) or compiled bottom-up on the basis of evaluations (or strategic monitoring) of the OPs; and

- whether NSRF evaluations address horizontal or cross-cutting themes that relate to the NSRF as a whole, its priorities or programmes, or whether the focus is rather on selected topics of national added value or interest.

The regulatory requirement to provide a national strategic report on the contribution of Cohesion policy to the Community Strategic Guidelines and to the Lisbon agenda (in 2009 and 2012) explicitly informs the design of NSRF evaluations in a number of partner countries, namely in the Czech Republic, France, Poland and Portugal, as well as in other Member States, particularly from the EU12, like Latvia and Lithuania.

### **Focus of on-going evaluation approaches**

Past Structural Funds evaluations, and especially the mid-term evaluations, have often been criticised for their lack of strategic vision and for being often too centred on operational, practical aspects of programme implementation and delivery. In this respect, a preliminary conclusion of the present research is that future evaluations will (or are intended to) focus more on strategic issues than in the past, whilst also continuing to deal with operational topics.

Evaluations will continue, as in the past, to attempt to address multiple issues. The topic of effectiveness appears a key issue in virtually all countries reviewed, indicating that evaluation is going to be used (or at least it is intended to be used) as a key tool to ensure that programmes deliver the intended outcomes. Efficiency, on the other hand, features less prominently (it was explicitly mentioned only in the Czech Republic, France and Spain).

If efficiency is not a dominant theme, very common is the focus on implementation-related topics more generally. This is a strong feature of: the Evaluation Plans of the new Member States (e.g. Czech Republic and Poland) and of other large recipients (e.g. Greece and Spain), where the absorption of the funds may need close attention; in regions or programmes which have introduced reforms in the way the Structural Funds programmes are delivered (like in Scotland); and, in cases where the new programmes include new policies or instruments (e.g. in the Italian OP for Research and Competitiveness, Nordrhein-Westfalen, North East England).

The emphasis on strategic issues appears too in a number of countries. It can be found in particular in countries, regions and programmes where European Cohesion policy is integrated with, or aligned to, domestic policies (for example in Finland, France, Italy, Sweden and Wales) and also features in countries where evaluation is explicitly linked to the strategic reporting on Lisbon and CSG goals (e.g. Czech Republic, Poland, Portugal and, again, France).

Finally, among the countries and regions reviewed, various will place emphasis on the assessment of impacts, i.e. Czech Republic, Germany, Italy, Poland, Portugal and, in the UK, Wales. In some cases, it is anticipated that the HERMIN model will be used to assess impacts (e.g. in the Czech Republic and Sachsen-Anhalt), in others the methodologies to be utilised are still under discussion.

## **Scope of on-going evaluation approaches**

The scope of planned evaluations is also expected to vary markedly. Generally speaking, evaluations will tend to deal with the following levels:

- policy level (regional policy overall or specific policies which contribute to regional policy);
- cross-programmes/multi-programme level;
- programme level;
- evaluations of key themes or questions; and
- project-level evaluation.

### **Evaluations of key themes or questions**

As can be expected, in the majority of countries, the on-going approach will entail undertaking thematic studies on a range of topics of interest to the national, regional or programme authorities. The themes that will be investigated through these approaches will likely vary from:

- cross-cutting themes, such as issues that pertain to the management of programmes (e.g. the quality of monitoring systems, as in Vlaanderen);
- territorial themes, such as the effects, impacts or implementation of programmes or specific measures in particular types of territories (e.g. urban or rural areas) or selected programme areas (e.g. in Śląskie);
- more ‘sectoral’ themes, such as innovation, regional disparities, SME development/support etc. (e.g. in France); overall, the theme of innovation is, unsurprisingly, emerging as quite common even at this preliminary stage of development of the evaluation strategies; and
- specific themes that relate particularly to the programme in question (e.g. to deepen the understanding of a newly introduced system for selecting projects, as in Nordrhein-Westfalen).

A variant on the ‘thematic’ approach can be found in Italy where the approach taken nationally - and that is intended to cascade down to individual programmes - is that the unit of analysis for the evaluation should not be the programme as such (i.e. the financial inputs), but should reflect meaningful questions derived from set criteria. Such questions can relate to a range of topics that can transcend, both spatially and temporally, the limits of individual programmes.

### **Programme-level evaluations**

A number of countries will, at some point during the programming period, carry out these types of evaluation, in the form of mid-term evaluation exercises or other programme-wide

studies. In most cases, the articulation of such programme-level evaluations has still to be finalised (e.g. Austria, Denmark, Sachsen-Anhalt, Greece, Italian programmes, Poland, Portugal, North East England). In only a few countries is the content of the planned programme-wide evaluations already relatively established, for example in Vlaanderen. In France, DIACT has produced a preliminary, common structure for all the MTEs of OPs and state-region contracts.

### **Policy-level evaluation**

In some cases, Structural Funds programmes are integrated, aligned or merged with domestic policies: for example in Finland, France and Italy. In these cases, evaluations tend to cover policies rather than individual programmes.

In Finland, the 2007-13 period will see Cohesion policy become more integrated with domestic programmes and this general trend will also impact on the evaluation activities that will be carried out. In the partner programme of Länsi-Suomi, for example, it is expected that any future evaluation will be linked to the evaluation of the regional strategic programmes. The integration of Cohesion policy evaluation with the evaluation of domestic programmes is seen as a means to improve the overall understanding of policy effects as a whole.

In France, the evaluation of European Cohesion policy programmes will similarly become more aligned with the evaluation of domestic policies, in particular concerning the relationship between OPs and state-region contracts. In this context, a more strategic partnership between state representatives and local authorities at the regional level, and between the regional and the national levels is encouraged which should contribute to transforming evaluation into a tool to improve overall policy performance.

Finally, in Italy, 2007-13 marks the launch of the 'unitary regional policy' and, at least in principle, the regional authorities are expected to draft, alongside their Structural Funds OPs, broader regional policy programmes. In theory, evaluation should be carried out for that level. In line with this, in Lombardia, the intention is to develop a single evaluation strategy that will incorporate all regional policy programmes. This should allow the interrelations and cross-effects of programmes to be established.

### **Cross-programme evaluation**

Examples of various types of cross-programme evaluation will potentially be found in a number of countries and regions, including France, Lombardia, Sweden and Wales. In France, the possibility of multi-programme evaluations is envisaged for certain thematic studies that will be carried out under a national lead, but for which a number of regions express an interest. In Lombardia, there will be evaluations that will address the effects and impacts of all regional programmes (ESF, ERDF and Rural Development) considered altogether. In Sweden, as for the UMTEs, national level, comparative evaluations will be carried out by NUTEK based on the evaluations of individual programmes. Lastly, in Wales, building on experience under the 2000-06 programmes, WEFO decided to cover both Convergence and Competitiveness programmes under one single Evaluation Plan. Moreover,

the four Welsh OPs have been re-organised in 19 'Strategic Frameworks' each one of which will be the subject of specific evaluation work.

### **Project-level evaluation**

Something of a novelty compared to the past is the systematic introduction of project-level evaluations in a number of areas. Plans for project-level evaluations are found in Belgium (Vlaanderen) and in the UK (Wales and Scotland).

In Scotland, the Scottish government is concentrating the implementation of the OPs in a smaller number of large projects and there is consensus that these should be monitored closely and evaluated thoroughly. As a result, all projects above a £2 million threshold will be evaluated through stand-alone evaluation exercises. In Wales, the project level is one of three levels at which evaluation will apply. Project-level evaluation will be carried out in two ways: (i) in the form of self-assessments by all project implementers (an Evaluation Plan, based on forthcoming guidance from WEFO, must be developed as part of the business case of each application), and (ii) in the form of external evaluations, foreseen for all projects receiving grants of £2 million or more and for projects implementing innovative or experimental actions (as defined in the OPs). Similarly, in Vlaanderen, project implementers are required to provide a self-assessment. This requirement is foreseen in the contract that the programme's beneficiaries sign with the Managing Authority.

A particularly effective illustration of how the various evaluation approaches discussed - policy, cross-programme, programme, thematic and project - can be integrated into a single evaluation strategy is provided by the Welsh evaluation strategy.

## **THE MANAGEMENT AND IMPLEMENTATION OF EVALUATION ACTIVITIES**

The effective realisation of the new plans for on-going evaluation of OPs and national strategies will depend upon the existence of effective and efficient coordination and management systems. The following sections review the structures and bodies that exist or will be established in partner programmes and countries to oversee and coordinate the evaluation work; the practical organisation of evaluation activities; some of the mechanisms planned to strengthen the quality and, possibly, the use of evaluation (namely the provision of performance reserve mechanisms); and the capacity building activities planned to strengthen evaluation.

### **Bodies and structures enabling effective evaluation**

In considering the arrangements being set up for the coordination and undertaking of evaluation, the following four issues are reviewed:

- the bodies that are responsible for evaluation work at national (if relevant) and programme level;
- whether and where national and/or regional evaluation units exist;

- whether Steering Groups are (or will be) set up to oversee and facilitate evaluation; and
- whether other bodies exist which carry out specific evaluation tasks, such as facilitation work, capacity building, networking and similar activities.

One point to note with respect to the bodies which have responsibility for evaluation and for the coordination of evaluation activities, both at national and programme level, is the high degree of continuity brought forward from the past programming period. At the national level, responsibility for the oversight of evaluation work generally falls within the same Ministry or Department that is in charge of NSRF management (e.g. the National Agency for Enterprise and Construction in Denmark, the National Coordinating Authority of the Ministry of Regional Development in the Czech Republic etc). Sometimes, as in Italy and Poland, this responsibility is placed in national-level evaluation units situated within the administration in charge of the coordination of regional policy; in other cases, such responsibility is attributed to dedicated departments (e.g. in Spain). At the programme level, the authority or body responsible for evaluation tends to be the Managing Authority or secretariat of the programme. In specific cases, e.g. in Lombardia and Wales, a single regional department or unit is in charge of overseeing and coordinating the evaluation work of more than one programme.

Among the countries reviewed, evaluation units or equivalent bodies (in terms of the functions carried out) exist at the national level in the Czech Republic (Evaluation Workplace), Italy (UVAL), Poland (KJO) and Portugal (the NSRF Observatory). The tasks and activities of these bodies are generally similar, ranging from the provision of guidance on evaluation, the organisation of capacity building activities, the dissemination of evaluation tools and results etc. to the actual undertaking of evaluation work. In these same countries, regional or OP specific evaluation units also exist or are being set up.

Steering Groups or committees, which also existed in the last programming period and whose setting up is recommended (as it was in 2000-06) by DG REGIO, are present in most cases, the exceptions being the Austrian partner programmes, Vlaanderen, Denmark, the OP for Länsi-Suomi and Greece.

Finally, particular bodies or arrangements exist in some countries to raise the profile of evaluation and generate better understanding of it, such as: the Evaluation Platform 'KAP-EVA' in Austria, the Italian National Evaluation System, the provision to set up evaluation-specific 'groups of experts' in the Czech Republic and the creation of an evaluation network in Portugal.

## **Internalised or externalised evaluation**

In the past, external consultants were generally commissioned to undertake Structural Funds evaluations. This was due to the EU regulatory requirements - that stressed the importance of the independence of evaluation, implying that evaluation work should be conducted by actors not directly involved in the management or implementation of the

programmes. For 2007-13, the somewhat relaxed Structural Funds regulations provide for scope to conduct more internal evaluations.

Whilst a small group of countries will continue to predominantly outsource evaluation work to external contractors (Austria, Vlaanderen, Czech Republic, Finland, Greece and Poland), the majority are planning to implement a mix of externally commissioned and internally conducted evaluations (in Denmark, France, Germany, Italy, Portugal, Spain, Sweden and the UK). The balance between external and internal evaluation is at the moment uncertain and decisions on this will be taken only at a later stage, based partly on the availability of skilled in-house human resources but also on political sensitivities (e.g. in Nordrhein-Westfalen).

Generally speaking, internal evaluations will be carried out in the following cases and for the following main reasons:

- When the evaluations require *specialist skills or techniques for which the domestic administration is considered better equipped* than evaluators available on the market, for example in Portugal, Denmark and Nordrhein-Westfalen.
- When the evaluations focus on very *technical topics* (e.g. support to firms for innovation oriented investments) *that the administrators in charge of the programme “know best”* and that external evaluators would not be able to grasp easily, for example in the in the Italian OP Research and Competitiveness and in Nordrhein-Westfalen.
- When the evaluations can be undertaken as adequately internally as externally, but internalisation presents the advantage of control over the work’s timetable and cost savings, such as in Sweden, where NUTEK will carry out a meta-analysis of the evaluations of the OPs to draw out comparative conclusions and lessons.
- Where the existence of ‘strong’ research institutes or evaluation units provides scope for more in-house work, for example in Lombardia and for the Italian NSRF more generally.

When evaluations are outsourced, the contractual arrangements through which evaluation activities are commissioned are expected to be similar to those utilised in the past, i.e. evaluation-specific contracts (e.g. in Wales, for the evaluations of each Strategic Framework, or in Nordrhein-Westfalen), or overall framework contracts where a single evaluator or consortium is appointed to follow the programme throughout its life (Italian programmes). In either case, external evaluators will be selected through public calls for tenders, in line with established national and European public procurement rules.

In Lombardia, where considerable evaluation work will be conducted by the region’s research institute, it is likely that the remit of the institute will be formalised through some form of agreement or covenant. Finally, in Nordrhein-Westfalen the Secretariat has recruited two evaluators as associates (i.e. working on a part-time consultancy basis rather than as full-time staff members).

## **Giving weight to evaluation: performance reserve mechanisms**

The quality of evaluation processes and outputs will be paramount to the credibility and thus usability of the evaluations. As in the past, national authorities and Managing Authorities in charge of the coordination of programme evaluation will have to pay attention to establishing quality checks and follow-up mechanisms. This is also underlined by DG REGIO's Working Document 5 which proposes standards for both the evaluation process and reports. It is too early for a review of the quality checks and follow-up mechanisms foreseen in partner countries; an interesting point that emerged during the fieldwork research is that in a few countries (Italy and Poland), as well as in one OP (the Spanish NOP for Innovation in firms), evaluation will be linked to a financial performance reserve.

## **Capacities and capacity building for evaluation**

The increased freedom and room for manoeuvre that Member States and regions have with respect to the evaluation of European Cohesion policy in their countries imply the need for a certain degree of 'maturity' and of diffused knowledge on the role, tools and utility of evaluation. This relates particularly to:

- the *administrations in charge of the programmes* who will commission and, in some cases, undertake evaluation work, and
- the *evaluation community*, including consultants and academics working as evaluators.

Without doubt, the experience gained from past Structural Fund programming rounds has embedded an evaluation culture and deepened evaluation capacity across all the EU15 Member States. Throughout programming periods, actors have become not only more familiar with the operational requirements for conducting evaluations, but have had access to larger pools of evaluator skills not least due to the extensive efforts paid to raise awareness on the utility of evaluation and to build capacities.

Over the past programming period (2000-06), national authorities have had an important role in this respect in most countries. Perhaps the most meaningful example of systematic capacity building over the past programming periods can be found in Austria, where a permanent evaluation discussion forum was set up in 1995, upon the country's accession to the EU, to bring together programme managers and evaluators, and to develop a debate on evaluation themes, management, organisation and methods.

As in Austria, also for the newer Member States, accession has led to extensive capacity building efforts in the field of evaluation and more generally. For instance, over the period 2004-06, a number of EU10 countries developed, following advice from DG REGIO, national Evaluation Plans and these tended to include provisions for capacity building (e.g. in the Czech Republic, Lithuania and Poland).

Notwithstanding past efforts, the issue of the capacities available to evaluation is still of primary importance, particularly in the context of the EU12, where past experiences with

regional policy evaluation were limited, as is highlighted in the conclusions of a study recently carried out for DG REGIO, summarised in the main report.

For the future, capacity building activities are planned in virtually every country and the types of activities planned, perhaps unsurprisingly, include: the organisation of conferences, workshops and seminars (e.g. Poland, Italy); the provision of training for administrators and evaluators (again, in Poland); the development of a methodological and theoretical bases for evaluation, through guidelines, setting evaluation standards and procedures, the creation of databases etc. (e.g. Czech Republic, France, Wales); initiatives to promote the exchange of good practice (as through KAP-EVA in Austria and the Italian Evaluation System); the implementation of generic initiatives for the development of a wider evaluation community, for example through the support of national evaluation societies (e.g. Czech Republic). A particularly structured approach to capacity building for evaluation in the 2007-13 period can be found in Poland where the planned activities relate to at least two elements: first, the organisation of annual evaluation conferences; and, second, the design of a structured training strategy.

Notwithstanding the fact that capacity building efforts are particularly crucial for the new Member States, many of the EU15 countries will also continue to invest in evaluation capacities. For instance, in Greece a specific OP dedicated to the 'reinforcement of the efficiency of the public administration' includes activities specifically related to evaluation (whilst being aimed at improving the efficiency of the public administration in a wider range of areas).

## **2007-13 MONITORING: AN ENABLING TOOL FOR EVALUATION**

Although not the only source of information for evaluation purposes, monitoring data are one of the crucial elements determining the quality and conclusiveness of evaluation exercises. A number of issues have to be considered when developing monitoring systems with a view to make them not only operational and efficient tools for programme management but also strategic and conducive to evaluation activities: How are monitoring systems being designed and which processes are used? What role do indicators play and how can they be made more usable and user-oriented? And finally, what is being done to implement monitoring systems in an efficient and user-friendly way?

### **Design of monitoring frameworks**

The strategic design of monitoring systems is crucial in providing the foundation for successful programme management and control. For 2007-13, there is a widespread ambition to learn from past experiences and improve the quality of monitoring.

- *Alignment of systems with new strategic objectives*, reflecting the increased focus of programme strategies on the Lisbon agenda, often in a context of greater result-orientation of public policy management; or
- *Operational modifications* with the aim of making monitoring systems more targeted, streamlined or coherent. This is mainly due to changes in management

responsibilities, past difficulties associated with fragmented monitoring systems, the programme scope, or an extended coverage of monitoring systems.

The operational arrangements of monitoring systems can be broadly distinguished according to a number of structural features. First, systems differ in terms of the relationship between monitoring activities at central and programme levels.

- *'Integrated' frameworks* use a standard monitoring system at all levels, thus enhancing the standardisation of monitoring processes and data sets. Trade-offs may occur as to the consideration of programme and region-specific issues. Integrated frameworks are often linked to centrally steered implementation systems. Moves towards greater integration can be observed across the board.
- *'Fragmented' frameworks* exist where different approaches are taken to monitoring within one country, thus allowing for needs-tailored systems; information exchange and data aggregation is, however, limited. Systems remain largely fragmented in countries with a federal or a strongly regionalised institutional set-up.

Second, the link between NSRF and programme monitoring can be of varying quality. In order to ensure coherence, monitoring activities for both exercises can be connected. This can take different forms: Explicit approaches can be found in the set-up of joint indicator systems. In other cases, the division of roles between actors or the existence of joint committees suggests a close alignment between NSRF and OP monitoring.

Third, monitoring systems can be more or less strongly aligned with evaluation frameworks. Their strategic alignment can be enhanced via a close coordination between involved bodies and actors. In a number of cases, a direct link is reflected in the joint design of both systems, the use of the same steering body or specific coordination mechanisms.

Various consultation or partnership-working mechanisms can be used to develop monitoring systems which are crucial for ownership and acceptance and can enhance the overall efficiency of monitoring activities. They can be either limited to the national level or include local actors to a greater extent. Additionally, internal or external expertise is used which can improve the quality of monitoring systems, notably via the inclusion of evaluators.

### **Indicator systems: Collecting usable and user-oriented data**

Indicator systems have been developed based on past experience and evaluation recommendations and are strongly in line with explicit guidance provided by the European Commission. Overall, there are signs that data availability and usability, especially for evaluation purposes, may improve in future. New trends for indicator definition include increasingly streamlined indicator systems in line with strategic objectives, a reduction in the number of indicators and a more coherent approach to indicator definition.

Looking at different indicator categories, *context indicators* set out the wider programming environment. Due to the end of the zoning approach, their definition was more

straightforward than in the past; they are usually not part of the day-to-day monitoring processes but are updated on an annual basis. Closely interlinked, *baseline data* refer to the initial value against which an indicator is measured, while *ex ante* quantifications help to appreciate the *targets* likely to be met. Most Member States appear to have included target values in their NSRF and/ or OPs, to be followed-up at different stages of programme implementation.

As to more operational indicator categories, the future use of output, result and impact indicators reflects a more realistic and pragmatic approach to monitoring. *Output indicators*, which monitor the direct physical and monetary effects of interventions, are used extensively as they are easy to gather, focus on up-to-date data and are suitable for national monitoring systems. In line with Commission guidance, more emphasis will be put on *result indicators*, which relate to immediate programme effects on direct beneficiaries. A much more careful and often selective approach is taken on *impact indicators* as they are often available only after a considerable time lag and require substantial methodological input in order to be valid. In organising different indicator types hierarchically, systems become more targeted, such as via thematic approaches based on overarching priority themes, or following a differentiated approach where different indicators are assigned to different levels.

The sustained importance of *horizontal indicators* is reflected in the fact that related themes are increasingly monitored at the national level. Additionally, more targeted approaches emerge, for instance relating to targeted guidance and monitoring processes. Specific attention lies on progress towards the reduction of greenhouse emissions although their measurement is felt to be challenging. Regarding the *measurement of other strategic indicators* which may have caused difficulties in the past, early precaution is taken. This happens for instance in the field of employment creation, where many programmes limit monitoring to the creation of gross jobs. Other project types, such as immaterial and more complex projects are bound to become more important and may present challenges in future. Qualitative approaches may provide an interesting alternative in this context, and in some cases, increased focus is placed on the monitoring of processes.

Efforts are made to enhance the strategic use of collected data, especially making it more usable for evaluation purposes. A number of trends emerge.

- *Indicators with strategic value* are identified, partly prompted by Commission guidance. The concept of core indicators is generally accepted, although there may be challenges in the absence of joint definitions. Additionally, some monitoring systems identify indicators which establish a close link between monitoring and evaluation activities, such as ‘alert’ or evaluation indicators.
- *The aggregation of non-financial data* may be facilitated in future by coherent indicator definition and targeted guidance, as well as by the use of directly entered, project-level data. Electronic monitoring systems are also expected to contribute to this objective.

- *Better targeting of data to specific user categories* can be observed in a number of cases, regarding the needs of programme administrators, such as Monitoring Committees, Managing Authorities and Implementing Authorities; external evaluators; and politicians.

## **Implementation of monitoring systems**

Whereas the day-to-day arrangements for monitoring activities do not diverge greatly across countries and use is mainly made of broader programme implementation structures, multi-faceted progress has been made regarding data collection processes. This can be observed notably on the IT side of monitoring systems where systems were replaced or have been adapted to new requirements. Some show signs of increased integration of data sets, improved information exchange or greater accessibility and user-friendliness. Another development relates to the increased integration of monitoring processes with other implementation stages, such as project application, appraisal and selection, as well as further management functions (e.g. certification, audit, payments and controls). Moreover, in-built quality checks and controls are introduced to minimise the accumulation of incorrect data at an early stage. In order to keep monitoring systems operational and in-phase with programme developments, provisions for reviewing the system are essential. This can involve on-going checks, ad hoc or planned reviews and regular reviews of indicators. Finally, initiatives in the field of information, training and capacity building help to improve the efficiency of monitoring systems and increase data reliability. Programme authorities are providing guidance on indicator collection and processing, support with electronic monitoring systems as well as more general capacity building measures.

## **CONCLUSIONS AND ISSUES FOR DISCUSSION**

### **Changing context for evaluation**

The Cohesion policy requirements for evaluation have changed radically in 2007-13. Evaluation arrangements are made more flexible and linked to specific needs of programme managements and Member States. Evaluation during the programming period is required only in two circumstances: when monitoring highlights a significant departure from the goals originally set, and when revisions to the OPs are proposed. Outwith these two scenarios, it is up to each Member State and Managing Authority to conduct evaluations based on specific information needs. The new strategic approach is also increasing the flexibility in monitoring and financial management, which will only take place at the priority axis level. However, the aim is also to encourage stronger links between monitoring, evaluation and decision-making.

### **New approaches and arrangements for the evaluation of NSRF and OPs**

The paper shows that the increased freedom granted by the Structural Funds regulations on when and what to evaluate is leading to a significant heterogeneity of approaches, as evaluations are more closely informed by domestic factors. Approaches differ in a number of respects including: (i) the ways in which on-going evaluation is interpreted and operationalised (which is affected by domestic evaluation cultures and past experiences with the implementation of 'on-going' approaches); (ii) the interrelations between the

evaluations of the NSRF and of the OPs, and indeed the very existence of NSRF-level evaluations (which is informed by the constitutional and institutional arrangements of Member States); (iii) the scope of the evaluations, for example whether they include also domestic policies, and the breadth of the evaluation efforts planned (which is affected by the domestic interrelationship between EU Cohesion policy and domestic regional and sectoral policies, as well as the overall weight that regional policy has in any given country); and, (iv) the balance between external evaluators and internal evaluations, and the scope and types of capacity building activities planned (which are determined largely by the level of evaluation capabilities available in Member States and regions).

Notwithstanding this heterogeneity, some key trends emerge, in particular: the evaluation of Cohesion policy will continue to be carried out throughout the EU and to be done so seriously (at least if plans are taken to fruition); Member States and regions intend to take full advantage of the flexibility provided by the regulations, adapting evaluation mandates (and methodologies) more closely to own policy and programming needs; efforts will continue to be paid in the Member States to build capacities for evaluation, especially (but not just) in the new Member States.

#### **New monitoring systems and arrangements**

While evaluation activities are becoming more diverse, monitoring systems are becoming increasingly harmonised and standardised. The paper identifies some trends including: (i) that data availability and usability, especially for evaluation purposes, may improve in future due to an increased awareness of the importance of physical progress rather than financial aspects, a more strategic use of indicators and a greater awareness of evaluation needs; (ii) a trend towards more streamlined and integrated monitoring systems, as an increasing number of programmes display integrated systems and introduce coordination provisions; systems cover an increased number of phases of programme implementation (application, appraisal, monitoring, audit, control) and become more coordinated with other funds and/ or with the monitoring systems of domestic policies; (iii) a generalised (although not universal) more active involvement and responsibility of project promoters, for example through more emphasis being placed on project-level data and the increased involvement of project implementers in the delivery of monitoring information.

#### **Some concluding remarks on the role of the European Commission**

Lastly, in the past, the European Commission (and DG REGIO in particular) has been fundamental in stimulating a debate on evaluation and in developing evaluation capabilities and practices across the EU. In the past programming periods, and especially since 1994, the Commission exercised multiple roles. It provided direction, advice and guidance to national authorities on a range of areas, including evaluation terms of reference, budgets, tendering procedures, methods and the quality of evaluation reports. The Commission has stimulated the cross-dissemination of good practices across Member States and, in general, has acted as a point of reference for the community of policy-makers involved the evaluation of regional policy. Although for 2007-13 the Commission is delegating a large amount of evaluation responsibilities to Member States and regions it is not taking a step back; its future role in this sphere is therefore likely to remain important.



# MAKING SENSE OF EUROPEAN COHESION POLICY: 2007-13 ON-GOING EVALUATION AND MONITORING ARRANGEMENTS

## 1. INTRODUCTION

Over the last two decades, successive phases of Cohesion policy reform have institutionalised a comprehensive and rigorous system of monitoring and evaluation. The underlying aim has been to enhance the effectiveness and efficiency of the deployment of resources on EU regional development programmes and measures. By stimulating a process of learning, identifying aspects of Cohesion policy that deliver added value and feeding this information back into the policy process, monitoring and evaluation activities provide a means through which to improve the quality, relevance and impact of programming. The transparent provision of periodic and up-to-date information on the performance of programmes also contributes to ensuring the accountability, and, ultimately, legitimacy of EU expenditure. Moving beyond EU-funded assistance, the Structural Funds regulations have been the central driving force in the expansion of monitoring and evaluation practices in the domestic regional policies of practically all EU Member States.

The main objective of this paper is to explore how the tasks of monitoring and on-going evaluation of EU Cohesion policy are developing in the 2007-13 period in IQ-Net partner countries and regions. To set the context, Section 2 begins with a historical overview of the evolution of Structural Funds monitoring and evaluation requirements and practice, highlighting the main regulatory shifts, experiences and trends over time. It then summarises the main changes introduced for the 2007-13 period, including the general reactions of IQ-Net partners to the new rules. Section 3 focuses on Member State plans for on-going evaluation in 2007-13. It reviews the preparations underway of future evaluation work, the approaches to evaluation design and the design choices, including the different interpretations of on-going evaluation and the relationship between the National Strategic Reference Frameworks (NSRF) and the Operational Programmes (OPs). Section 4 turns to the new approaches to monitoring in 2007-13, considering the general trends and progress to date, operational arrangements, indicator systems and initial experiences with the implementation of monitoring systems. Lastly, some issues for discussion are identified in the conclusion section.



## 2. EVOLUTION OF MONITORING AND EVALUATION

The monitoring and evaluation of EU Cohesion policy has evolved considerably over successive policy reform phases. Before the 1988 reforms, the evaluation of the Structural Funds was accorded low priority and the monitoring and control of expenditure was widely acknowledged as inadequate.<sup>1</sup> The landmark reforms of 1988 introduced the first systematic obligations to monitor and evaluate the Structural Funds, although the implementation of the requirements revealed significant weaknesses in practice. The 1993 reforms strengthened these obligations and led to substantial improvements in the scope, scale and rigour of monitoring and evaluation systems and activities, but several shortcomings of the previous approaches remained. The third major Structural Funds reform in 1999 represented a major step in the consolidation of monitoring and evaluation practice across the EU with the introduction of more stringent obligations and a clearer definition of responsibilities between the Member States and the Commission. Finally, the latest review for 2007-13 aims to institutionalise a more strategic and results-oriented approach by introducing a flexible and needs-based evaluation framework and more focused and streamlined monitoring requirements.

### 2.1 Early developments: 1989-1993

Systematic requirements on the monitoring and evaluation of the Structural Funds were first introduced under the 1988 reforms.<sup>2</sup> The increased emphasis on these aspects was driven by a series of factors, including the doubling of funding, the shift from a project-based approach to multi-annual programming, the need to verify additionality and on-going concerns about the effectiveness of interventions.<sup>3</sup>

The regulations defined the main aim of evaluation, or ‘assessment’ as it was referred to, as gauging the effectiveness of the Structural Funds and specified three different levels of analysis: the macro-level, to measure the overall impact of the Structural Funds on the treaty objective of strengthening economic and social cohesion; the meso-level, to assess the impact of the Community Support Frameworks (CSF); and the micro-level, to test the impact of operational interventions (e.g. programmes, global grants etc.). Evaluation was to cover all five priority Objectives and to take place at the ex ante and ex post stages.

The monitoring requirements were also upgraded, not least because of the intimate association with evaluation “since there can be no ex post assessment without monitoring arrangements that operate satisfactorily”, but also with the aim of facilitating modifications to the

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<sup>1</sup> Bachtler J and Michie R (1995) ‘A New Era in EU Regional Policy Evaluation? The Appraisal of the Structural Funds’, *Regional Studies*, Vol.29.8, pp. 745-751.

<sup>2</sup> Council Regulation (EC) No 2052/88, Article 6; Council Regulation (EC) No 4253/88, Articles 25-26.

<sup>3</sup> CEC (1989) *Guide to the Reform of the Community Structural Funds*, Office for Official Publications of the European Communities, Luxembourg, p. 40.

frameworks and OPs in the light of changed circumstances during policy implementation.<sup>4</sup> The arrangements for carrying out monitoring involved three main elements.

- First, systematic data had to be collected in relation to financial and physical indicators, the former to track funds' absorption and verify additionality, and the latter to monitor the material implementation of programmes and measures on the ground. Financial and physical indicators were to be specified in the decision of approval for each CSF and OP.
- Second, reporting procedures provided for the submission of annual progress and final reports by the Member States to the Commission on the implementation of operations.
- Third, within the context of the newly-introduced partnership principle, Monitoring Committees had to be set up for the CSFs and OPs to allow for the periodic review of the implementation of the plans over time and allow for appropriate modifications.<sup>5</sup>

The structures and systems for monitoring and evaluation were gradually organised and set up at all levels throughout the 1989-93 programming period. This included the development of indicators and statistical tools and, in some cases, the creation of computerised systems, often funded through technical assistance. Most of the Monitoring Committees were up and running during 1990, with common working rules defined jointly by the Commission and Member States. The committees came to play a key role in the reprogramming of the CSFs and OPs throughout the programming period as well as providing an input into some of the evaluations carried out in partnership with the Commission.

Evaluation activity was initially centred on the ex ante appraisals of Regional Development Plans (RDP). Internally, the Commission services carried out their own assessment as a basis for the negotiations and also appointed external consultants in each Member State to undertake impact analyses.<sup>6</sup> Subsequently, the focus was on activities to deepen knowledge and understanding of policy interventions and on improving methodological approaches to evaluation, mainly with a view to supporting the future design of programmes and measures. By the end of the first programming period, no less than 300 studies had been undertaken,<sup>7</sup> including: thematic evaluations on a range of measures (such as R&D, telecommunications, human resources, the environment and small and medium-sized businesses); on-going assessments of programmes; evaluations of the Integrated Mediterranean Programmes;

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<sup>4</sup> CEC (1989) *Op. Cit.* p. 40.

<sup>5</sup> Council Regulation (EC) No 4253/88, Article 25.

<sup>6</sup> CEC (1991) *Annual Implementation report on the implementation of the Structural Funds 1989*, Office for the Publications of the European Communities, Luxembourg, pp. 80-81.

<sup>7</sup> Bachtler J and Michie R (1995) *Op. Cit.* p. 746.

evaluations of the Community Initiatives; and a range of studies on methodological and evaluation techniques, including the coordination work for the ex post evaluations.<sup>8</sup>

Notwithstanding this rapid expansion in activity, the evaluations were generally of a low quality and were considered to lack methodological rigour.<sup>9</sup> A particular problem for the ex ante evaluations was the tight timing of the programming process.<sup>10</sup> The Council had approved the regulations in December 1988 and the plans were to be submitted from the start of 1989. The pressure to approve the programmes in a timely fashion and the lack of clarity in the regulations over responsibilities meant that most Member States did not undertake ex ante appraisals of their plans, forcing the Commission to take the initiative.<sup>11</sup> Final versions of the ex ante reports on the Objective 1 CSFs, carried out by external consultants contracted by the Commission, were only ready after the formal adoption of the plans. Similarly, the ex ante evaluations of the Objective 2 programmes were undertaken as late as 1991.

Evaluation was also confronted by significant methodological challenges. In the case of Objective 2 programmes, the socio-economic impact of interventions was not assessed as this was considered to be impossible in light of the low level of EU funding relative to domestic expenditure in the selected areas and the poor or non-existent availability of baseline statistical data. More generally, a common weakness across all the CSFs and OPs was that the objectives were imprecise and targets were missing or un-quantified, restricting the ability to evaluate the expected effects. A further contextual barrier in some countries was the under-developed nature of the evaluation culture, both in terms of the capacity to undertake evaluations and in relation to public administration perceptions towards, and understanding of the need for, evaluation.<sup>12</sup>

Inadequacies in the monitoring systems were apparent from the outset. There was a widespread lack of monitoring data, particularly concerning physical implementation. These problems were particularly acute at the regional level, where the “authorities had neither the expertise nor the resources for efficient monitoring of projects ... [and] encountered technical problems in analysing and using the monitoring data collected”.<sup>13</sup> At the aggregate level, the

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<sup>8</sup> The results are summarised in the annual reports on the reforms of the Structural Funds over the 1990-1996 period.

<sup>9</sup> Centre Européen d'Expertise en Evaluation (1998) *Le développement de l'évaluation des interventions structurelles dans les Etats Membres*, Rapport Final, Commission Européenne, Direction Générale de la Politique Régionale, Bruxelles, p. 7.

<sup>10</sup> CEC (1991) *Op. Cit.* p. 9.

<sup>11</sup> *Court of Auditors Special Report No 15/98 on the assessment of Structural Fund intervention for the 1989-1993 and 1994-1999 periods together with the Commission's replies*, C 347/1, 16.11.98, Official Journal of the European Communities, p. 5.

<sup>12</sup> Centre for European Evaluation Expertise (1995) *Analysis of ex-post evaluations of the Community Support Frameworks of Objective 1 regions for the period 1989-93: Methodological lessons across seven Member States*, European Commission, Directorate General for Regional Policy, Brussels.

<sup>13</sup> CEC (1997) *The Structural Funds in 1996: 8<sup>th</sup> Annual Report*, Office for Official Publications of the European Communities, Luxembourg, p. 156.

comparative monitoring of developments across the Community was hampered by the lack of standardised indicators, not to mention the diverse nature of the economic development priorities selected across the Member States.<sup>14</sup>

In reviewing the key challenges, a number of general reasons can help to explain the difficulties experienced with monitoring and evaluation during the 1989-1993 programming period.<sup>15</sup> First, the regulatory requirements for monitoring and evaluation were open to interpretation. As noted, the respective responsibilities of the Member States and the Commission with regards to evaluation were unclear. Moreover, no detailed evaluation guidance or publicity was provided at the start of the period.<sup>16</sup> As a result, different actors interpreted the regulatory requirements in the light of their own particular interests. Second, the programming approach was new, with all participants in the process needing to make considerable adjustments to their mode of implementation. In many countries, the requirement to establish multi-annual programmes constituted a 'cultural mini-revolution' in existing practice.<sup>17</sup> Third, a key principle underpinning the monitoring and evaluation of the Structural Funds was partnership, but the partnerships which developed were rarely among equals, enabling some national authorities to avoid or block compliance with monitoring and evaluation requirements. Lastly, the tight time-frames for formulating the programmes and the need to spend the allocated funds quickly increased the pressure for a speedy adoption of the programmes, consequently minimising the attention given to ex ante appraisal and the setting up of adequate monitoring systems.

## 2.2 Stronger monitoring and evaluation obligations: 1994-1999

In response to requests from the Edinburgh European Council of 1992 and the deficiencies of the previous period, the 1993 reforms of the Structural Funds regulations confirmed and reinforced the importance attached to monitoring and evaluation.<sup>18</sup> While retaining and consolidating the existing implementation principles, a central aim of the reform was to increase the effectiveness of the Structural Funds, not least due to the two-fold increase in funding in the context of the Delors-II financial framework. A number of elements were enhanced to this effect.

- Evaluation roles and duties were clarified by making the Member States and the Commission co-responsible for the appraisal and evaluation of Structural Funds

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<sup>14</sup> CEC (1991), *Op.Cit.* p. 39.

<sup>15</sup> Kearney C *et al.* (1996) *Monitoring and Evaluation in Objective 2 Programmes: Progress and Challenges*, IQ-Net Thematic Paper, 1(2), European Policies Research Centre, University of Strathclyde, Glasgow.

<sup>16</sup> McEldowney J.J (1991) 'Evaluation and European Regional Policy', *Regional Studies*, Vol.25, No.3, p. 262.

<sup>17</sup> Centre Européen d'Expertise en Evaluation (1998) *Op. Cit.* p. 7.

<sup>18</sup> Council Regulations (EC) 2081/93 and 2082/93, both approved on 20 July 1993.

assistance. The different stages of evaluation were also made clearer, distinguishing between prior appraisal, on-going monitoring and ex post evaluation.

- At the ex ante phase, the principle of ‘value-for-money’ was made more visible with a provision for assistance to ‘be allocated where appraisal shows medium-term economic and social benefits commensurate with the resources deployed’.<sup>19</sup>
- Although an explicit reference to interim evaluation was not made in the regulations, a standard clause was subsequently introduced in the adopted CSFs and Single Programming Documents (SPDs) which set out the obligation to carry out mid-term reviews.
- Improved ex post evaluations were anticipated, particularly due to the ex ante appraisal obligations which would ensure that objectives and targets were more clearly defined at the outset.
- Moreover, the regulations were more precise and prescriptive about the information to be incorporated in the Regional Development Plans and CSFs, including quantified objectives, an evaluation of environmental impact, more detailed financial tables and specific information to allow additionality to be verified.

With regard to monitoring, the main change in the text of the regulations was to provide for targets to be set for financial and physical indicators. Furthermore, the role of the Monitoring Committee was strengthened by providing it with the flexibility to modify the procedures for granting assistance, including transfers between Community sources of finance and adjustments to the rates of assistance. In line with the extended partnership principle, provisions were included for the participation of economic and social partners in the committees, albeit within the framework of national rules and practice. Lastly, the new procedures on financial controls and publicity introduced during the programming period had important implications for monitoring, notably in terms of the collection of data for audit trails and the dissemination of broader information on the programmes to the general public.

Beyond these regulatory changes, a key Commission initiative on the methodological front was the launch of the MEANS (Methods for Evaluating Activities of a Structural Nature) programme in 1994 to contribute to the spreading of a European evaluation culture, initially running over a three year period with a budget of ECU 2.8 million. The main objectives of the programme were to improve the quality of evaluations, to strengthen the credibility of the evaluations for European institutions and the Member States and to enhance evaluation expertise within the Commission and the evaluation community. Lastly, and from an internal organisational perspective, the Commission established a more coordinated approach to evaluation with the creation of a specialist unit for evaluation with lead responsibility for the management of ex

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<sup>19</sup> Council Regulation (EC) No 2082/93, Article 26.1.

ante, interim and ex post evaluations of Objective 1 and 2 programmes. This should be seen within the context of a broader European Commission initiative on Sound and Efficient Management (known as SEM 2000) put forward in 1995 in which the use of evaluation was seen as a core element in improving the management culture of the Commission; in this vein the requirement for systematic evaluation of all EU expenditure programmes was introduced.<sup>20</sup>

These efforts led to important improvements in the practice of monitoring and evaluating the Structural Funds programmes. Ex ante evaluation was far more systematic with all Member States carrying out appraisals of their development plans, while the Commission contracted its own independent ex ante appraisals of each plan submitted. In general terms, the appraisals made an important contribution to the quality of the plans by clarifying objectives and improving the structure of the strategies and the hierarchy of priorities.<sup>21</sup> Of particular note is the more precise and distinctly better quantification of objectives under the 1994-1999 programmes, a vital requisite for successful assessment and evaluation of intentions.<sup>22</sup> The informational background contained in the ex ante appraisals also provided the Commission with an important source of leverage in the negotiation process.<sup>23</sup> The delayed adoption of the programmes, extending beyond the regulatory deadline, was the result of Commission efforts to ensure that the standards foreseen in the regulations were upheld, notably regarding the 'precision in the quantified objectives, prior appraisal of the expected impact, environmental information and respect of the principle of additionality'.<sup>24</sup>

With respect to monitoring, two main trends can be highlighted in relation to the 1994-1999 period.<sup>25</sup>

- First, the definition of indicators was significantly improved, with the best programmes specifying indicators at three levels: programme, priority and measure.<sup>26</sup> The inclusion and enhancement of indicators on employment effects and the environmental theme is a notable feature of the new programmes.<sup>27</sup>

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<sup>20</sup> CEC (1995) *Sound and Efficient Management*, SEC (95) 1814 Final, European Commission, Brussels.

<sup>21</sup> Centre Européen d'Expertise en Evaluation (1998) *Op. Cit.* p. 8.

<sup>22</sup> CEC (1995) *The New Regional Programmes under Objectives 1 and 2 of Community Structural Policies*, Communication from the Commission; COM(95)111 final, Brussels, p. 18.

<sup>23</sup> Bachtler J and Mendez C (2007) 'Who Governs EU Cohesion Policy: Deconstructing the Reforms of the Structural Funds', *Journal of Common Market Studies*, Vol.45, No.3, pp. 535-564.

<sup>24</sup> CEC (1995) *Op. Cit.* p. 3.

<sup>25</sup> Taylor S *et al.* (2001) *Information into Intelligence: Monitoring for Effective Structural Fund Programming*, IQ-Net Thematic Paper, 8(2), European Policies Research Centre, University of Strathclyde, Glasgow, p. 12.

<sup>26</sup> Aalbu H *et al.* (1996) *The Diversity of EU Regional Development Policy: Synthesis of Metaevaluation Studies of Objective 1 Programmes 1994-1999*, NF-report np.12/96, Nordland Research Institute, Athens and Bodø.

<sup>27</sup> CEC (1995) *Op. Cit.* p. 5.

- Second, technical improvements were made to monitoring systems through the introduction of more efficient IT systems for data elaboration and collection. The main on-going trend here was the shift from paper-based to computerised data management systems, first from databases in a single computer to networked databases, and, later towards flexible internet or intranet based systems.

Notwithstanding these positive developments, important deficiencies remained. Timing problems continued to hamper the ex ante appraisals and resulted in many studies being too superficial to have a meaningful impact on the proposed strategic policy choices and implementation systems.<sup>28</sup> In most of the Objective 1 CSFs, estimates of macro-economic impact were incomplete, either missing baseline scenarios of the growth path and/or the contribution made by the Structural Funds.<sup>29</sup> As in the previous period, problems were encountered by the Commission with obtaining information on additionality and the verification of the Member States' estimates.<sup>30</sup>

A comprehensive review of Objective 2 programmes found that indicator lists were often incomplete or un-quantified, particularly concerning employment effects.<sup>31</sup> Timescales were omitted and the types of impact (e.g. direct permanent jobs, temporary jobs etc.) were not specified in many cases. Little or no attempt was made to go beyond gross figures for employment effects by taking account of dead-weight, displacement or other indirect effects.<sup>32</sup> More generally, the methodological assumptions underpinning quantification were hardly ever made explicit, leading to significant variations across programmes and Member States on issues such as cost-per-job calculations and difficulties in obtaining a reliable EU-level overview of the effectiveness and efficiency of interventions.

Over the course of the programming period, improvements were made to the monitoring and evaluation systems, driven by the mid-term reviews/evaluations and the growing amount of methodological and institutional support available. Methodological guidance by the Commission included the publication 'Common Guide for Monitoring and Interim Evaluation' and documents such as 'Counting the Jobs' and 'Understanding and Monitoring the Cost-Determining Factors of Infrastructure Projects'.<sup>33</sup> A number of outputs from the MEANS programme also became

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<sup>28</sup> Centre Européen d'Expertise en Evaluation (1998) *Op. Cit.* p. 8.

<sup>29</sup> Aalbu H *et al.* (1996) *Op. Cit.* p. 35.

<sup>30</sup> CEC (1995) *Op. Cit.* p. 17.

<sup>31</sup> Bachtler J and Taylor S with Kearney C (1996) *Extended Synthesis of Agreed Single Programming Documents in Objective 2 Areas 1994-96*, Report to the European Commission (DG XVI), European Policies Research Centre, University of Strathclyde, Glasgow.

<sup>32</sup> *Ibid.*

<sup>33</sup> CEC (1995) *EC Structural Funds: Common Guide for Monitoring and Interim Evaluation*, Office for Official Publications of the EC, Brussels; CEC (1997) *Counting the Jobs. How to evaluate the employment effects of Structural Fund interventions*, Evaluation and Documents No.1, Commission of the European Communities, January 1997; CEC (1998) *Understanding and Monitoring the Cost-Determining Factors of*

available, such as guidance documents for the different types of evaluation, a series of handbooks (e.g. on improving the quality of evaluations, evaluating employment effects and assessing the synergy effects of programmes) and three high-profile conferences were held on monitoring and evaluation in 1995 (Brussels), 1996 (Berlin) and 1998 (Seville). In addition, the Commission set up a Technical Evaluation Group, comprising representatives from the Commission services and Member States with responsibilities for Structural Funds evaluation.

In parallel with these initiatives, several Member States were developing more organised and coordinated monitoring and evaluation frameworks or common guidelines.<sup>34</sup>

- In the **UK**, the Scottish Office and the UK Department of Environment formed a sub-group to produce a guidance note in the form of a 'Framework for the Evaluation of Area-based European Structural Funds interventions' for all government departments.
- A similar approach was adopted in **France** where the Delegation for Territorial Development and Regional Action (DATAR, now DIACT) produced a *Vade-Mecum* for the Structural Funds backed up by specific guidance notes on specific types of evaluation and held a series of seminars with programme managers. The DATAR also encouraged regional managers to build links with long-standing government regional evaluation units which were able to provide substantial expertise and resources for evaluating government policies.
- In both **Ireland** and **Italy**, dedicated and specialised Structural Funds evaluation units were set up and strengthened within the public administration with capacities for both supporting evaluation activities and conducting evaluation studies.
- A particularly pro-active approach to evaluation coordination was initiated in **Austria**, involving two main features. First, the Austrian Conference on Spatial Planning (ÖROK), an informal intergovernmental relations mechanism, was assigned responsibilities for coordinating Structural Funds evaluation activities and organising exchanges of experience amongst evaluators and with other relevant parties. Second, upon the initiative of the federal chancellery, a resource ('Checkpoint EVA') was set up to promote new thinking in evaluation with a library of evaluation literature, discussion groups of evaluation experts, and a consultancy service for evaluation experts and public officials.
- Elsewhere, the focus of attention was on developing frameworks for on-going/interim evaluation (e.g. **Netherlands**, **Ireland** and **Spain**),<sup>35</sup> particularly in the light of the new

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*Infrastructure Projects. A User's Guide*, Evaluation and Documents, Commission of the European Communities No.5, April 1998.

<sup>34</sup> Bachtler J and Michie R (1997) 'The Interim Evaluation of EU Regional Development Programmes: Experiences from Objective 2 Regions', *Regional Studies*, 31:9.

<sup>35</sup> Court Of Auditors (1998) *Op. Cit.* C347/13.

demands for the 1994-1999 period. In fact, the exercise turned out to be unprecedented in scale, involving some 390 evaluations across all six Objectives (of which 235 were accounted for by Objectives 1 and 2).<sup>36</sup>

The Commission's assessment of the Objectives 1 and 6 mid-term reviews highlighted several positive trends.<sup>37</sup>

- First, *the quality and content of the evaluations had progressed significantly* compared to the 1989-1993 period; most studies were regarded as being of 'reasonable good quality' against the MEANS standard of assessment yardstick.
- Second, programme managers were increasingly regarding *evaluation as a useful management tool* to enhance the effectiveness of the programmes and not simply as a regulatory obligation. In this respect, it is of note that some Member States complemented the evaluations of the programmes with specific thematic or operational evaluations to address additional questions of interest and provide added depth to the exercise.
- Third, *improvements were made to macro-economic modelling techniques*, notably by the incorporation of longer-term impacts on the supply side of the economy in some models (e.g. QUEST II and HERMIN).
- Fourth, the *Monitoring Committees assumed a central role in the organisation of evaluation* activities for the first time (e.g. by drawing up terms of reference, selecting evaluators, organising the work and examining the reports), extending participation to a broader range of partners than had hitherto been involved in Structural Funds evaluation. In many cases, technical evaluation sub-groups or committees were set up under the aegis of the Monitoring Committees (e.g. **Portugal, UK**).
- Lastly, significant *improvements were noted with regards to quantitative indicators*. The quality and relevance of the indicator systems was further enhanced following the mid-term review process.

On the other hand, several weaknesses were also noted. Some of the interim evaluations were of low quality, largely where the launch of programmes was delayed or where inappropriate methodologies were employed. In a number of cases, the evaluators were considered to lack independence from the public actors commissioning the work or to have faced resistance from them. While indicator systems were generally better, experiences were uneven across and within Member States. The main weaknesses included unsatisfactory definition and

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<sup>36</sup> *Ibid.*

<sup>37</sup> CEC (1999) *Mid-term Review of Structural Interventions Objective 1 and 6 (1994-1999) - Developing a management culture through evaluation: towards best-practice*, Report from the Commission, COM(1998) 782 final, Brussels.

quantification of indicators, poor target setting and the lack of consistent and regular systems of data collection for physical outputs, results and impacts. The nature and quality of the evaluation methodologies employed also varied significantly, with particular problems faced in relation to the measurement of employment effects. Methodological challenges were also to blame for the generalised lack of attention to the measurement of the efficiency of interventions.

Regarding Objective 2, the reprogramming in 1997 showed ambitions of creating fully-integrated physical and financial reporting systems, and comprehensive monitoring and evaluation frameworks in the most advanced cases. There was a considerable improvement in the scale and quality of evaluation being undertaken, and evidence that regions were increasingly accepting the value of monitoring and evaluation.<sup>38</sup> The quality and reliability of monitoring data were much improved compared to the first round of Objective 2 programmes in 1994-1996. In particular, the quantification of effects was substantially better, with 55 out of 67 SPDs providing detailed estimates at the measure-level, the focus being largely on jobs created or safeguarded.<sup>39</sup> In this context, several elements of good practice relating to employment indicators were reported.<sup>40</sup> First, more programmes were specifying what was included in the employment targets, revealing the underpinning assumptions, and setting target deadlines. Second, the type and nature of jobs was being more strictly specified. Third, employment-related concepts and terminology were being employed with increased precision.

However, the experience across programmes was still mixed and many of the weaknesses of the 1989-1993 and 1994-1996 programmes continued to apply. Although evaluation activity was more systematic, the coverage of the interim evaluations was 'patchy' with only the **Netherlands, France** and, to a lesser extent, **Belgium** having comprehensive coverage.<sup>41</sup> The utility of undertaking interim evaluations so soon into the programming period was questionable as it was difficult to provide firm results and conclusions on the actual impacts of the programmes. Net employment effects were not calculated and the Commission was critical of programming authorities for the under-utilisation of the guidance on ex ante quantification of employment effects.<sup>42</sup> Other on-going shortcomings included poor data quality in terms of

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<sup>38</sup> Bachtler J and Taylor S (1999) *Objective 2: Experiences, Lessons and Policy Implications*, Evaluation Report Series, Directorate General for Regional Policy, Commission of the European Communities, Brussels, p. 249.

<sup>39</sup> CEC (1997) *The New Regional Programmes 1997-99 under Objective 2 of the Community's Structural Policies - Focusing on Job Creation*, COM(97) 524 final, Commission of the European Communities, Brussels.

<sup>40</sup> Taylor S and Fitzgerald R (1998) *Employment and the Structural Funds - Making a Good Job of Making Jobs*, IQ-Net Thematic Paper, 4(2), European Policies Research Centre, University of Strathclyde, Glasgow, pp. 28-29.

<sup>41</sup> Bachtler J and Michie R (1997) *Op. Cit.* pp. 849-858.

<sup>42</sup> Communication from the Commission (1997) *The New Regional Programmes 1997-1999 under Objective 2 of the Community's Structural Policies - focusing on job-creation*, COM(97) 524, Brussels, p. 14.

output and physical indicators, a failure to set clear targets, and a lack of consistent and regular data collection systems.<sup>43</sup>

### 2.3 New ambitions for monitoring and evaluation: 2000-2006

Building on the Agenda 2000 drive for increased cost-effectiveness in the use of the Structural Funds, the 1999 reforms represented another major step in the consolidation of monitoring and evaluation. In general terms, the regulatory changes introduced a more decentralised approach to programming and programme management in return for more stringent obligations and a clearer definition of responsibilities with respect to reporting, monitoring, evaluation, and financial control.

The 2000-06 period marked a shift in responsibilities for the management of the Structural Funds by making the Member States solely responsible for the detailed content of the programmes and their management, monitoring, evaluation and control - at least on paper. Specific rules defined the responsibilities of the Member States for the first time, notably through the designation of a Managing Authority for each programme tasked with: the collection and transmission of financial and statistical data on implementation, using a computerised system of data exchange with the Commission where possible; the drafting and transmission of the AIR to the Commission; ensuring the regularity of operations; ensuring conformity with Community policies; ensuring compliance with information and publicity obligations; organising mid-term evaluation; undertaking annual meetings with the Commission; and preparing modifications to the Operational Programme and Programme Complement.

The role of the Monitoring Committee was also more clearly defined, and its powers were enhanced. In particular, it was given the authority to approve the Programme Complement before its formal submission to the Commission, providing significant potential for influence over programme content. It was also granted responsibility for the approval of project selection criteria and AIRs, to propose changes to the programme and to make adjustments to the Programme Complement (within the bounds of each priority). The examination of the implementation of the programme, its targets and evaluation activities remained a core task of the Monitoring Committee, but, different to the previous period, the Commission would only participate on an advisory basis and not as a voting member.

The regulations also prescribed more detail on financial and physical indicators (with an increased emphasis on the latter) to be adopted and, new for 2000-06, a categorisation of fields of intervention to be included in the programming documents. It was specified that this would be facilitated by an indicative methodology and a list of example indicators provided by the Commission as well as a proposed categorisation of fields of intervention to be

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<sup>43</sup> CSES (2003) *Ex-Post Evaluation of 1994-1999 Objective 2 Programmes*, Synthesis report for the European Commission, Brussels.

subsequently developed. The regulatory provisions on the content of the AIRs were also more prescriptive, setting out a structured list of required elements: changes in general conditions with relevance to implementation; progress in the implementation of priorities/measures in relation to quantified targets of physical, result and impact indicators; financial implementation; the steps taken to ensure the quality and effectiveness of implementation; the steps taken to ensure compatibility with Community policies; and, where applicable, progress on the financing of major projects and global grants.

During 2001, two implementing regulations on management and control systems and the procedure for making financial corrections were adopted by the Commission, and these also had implications for the monitoring of financial flows and arrangements.<sup>44</sup> The regulations required more sophisticated and effective financial management and control systems than in the past, including standardised procedures, greater separation of tasks and enhanced and integrated information systems.

The evaluation requirements were also made more rigorous and comprehensive with a clearer articulation of the respective responsibilities of the Commission and Member States. Building on the experience of the previous period, the general provisions confirmed the principle of assessing the effectiveness of the Structural Funds through *ex ante*, mid-term and *ex post* evaluation.<sup>45</sup>

The purpose of *ex ante evaluation* was defined in the regulation as providing a basis for preparing the development plans, assistance and programme complement. Responsibility for *ex ante* evaluation was devolved entirely to the Member States, but with more stringent and clearly specified obligations. The aims and key components of *ex ante* evaluation were defined and special attention was given to the appraisal of impacts on the labour market, the environment, and equality between men and women. In addition, it was made obligatory to incorporate the *ex ante* evaluation into the planning documents.

The *mid-term evaluation* (MTE) was formally institutionalised into the regulation, charged with examining the initial results of the assistance, their relevance and the performance in relation to set targets, as well as the operation of monitoring and implementation arrangements. Unlike the *ex ante* evaluation, the responsibility for the MTE lay with the Member State in partnership with the Commission and was to be organised by the Managing Authority. The Monitoring Committee was also assigned a role in examining the findings of the MTE with a view to proposing changes to the programme. Lastly, provisions were included for an update to be completed two years after the finalisation of the MTE (that is, by 31 December 2005).

The primary responsibility for the 1994-99 *ex post evaluation* was assigned to the Commission in partnership with the Member State. The objectives were more clearly defined than

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<sup>44</sup> Council Regulations (EC) No 438/2001 and 448/2001 respectively.

<sup>45</sup> Council Regulation (EC) No 1260/1999, Articles 41 and 42.

previously, specifically in terms of covering the utilisation of resources, the effectiveness, efficiency and impacts of assistance, the factors influencing the success or failure of implementation, achievements and results, and policy conclusions. The deadline for the completion of the ex post evaluation was set at 31 December 2005, in order to provide information for the next period, and it was to be undertaken by an external consultant.

An important innovation for 2000-06 with significant implications for both monitoring and evaluation was the provision for the creation of a 'performance reserve'. This mechanism involved the retention of four percent of programme allocations to Member States by the Commission, which was to be subsequently awarded at the mid-point of the programming period in line with programme performance following mid-term evaluation and review. The assessment of performance was to be based on a limited number of monitoring indicators reflecting effectiveness, management and financial implementation. Lastly, the introduction of the so-called decommitment (or n+2) rule, which specified that any funding committed had to be spent within two years or be lost to the programme, implied an increased focus on the monitoring of financial performance in order to ensure that spending was on track.

The increased obligations in monitoring and evaluation were accompanied by a significant amount of methodological work by the Commission from the outset and throughout the programming period. DG Regional Policy produced a comprehensive series of guidance documents on various aspects of monitoring and evaluation<sup>46</sup> and specific themes,<sup>47</sup> while DG Employment and Social Affairs produced several specific guidance documents for the evaluation of ESF interventions.<sup>48</sup> Also of note is the updating of the MEANS collection in 1999, providing a comprehensive series of volumes on 'Evaluating Socio-Economic Programmes'.<sup>49</sup>

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<sup>46</sup> Vademecum on the Preparation of Plans and Programming Documents (Working Paper 1); The Ex-Ante Evaluation of the Structural Funds Interventions (Working Paper 2); Indicators for Monitoring and Evaluation: An Indicative Methodology (Working Paper 3); Implementation of the Performance Reserve (Working Paper 4); The Verification of Additionality for Objective 1 (Working Paper 5); Ex Ante Evaluation and Indicators for INTERREG III (Working Paper 7); The Mid Term Evaluation of Structural Fund Interventions (Working Paper 8); The Mid Term Evaluation of Structural Fund Interventions - INTERREG III (Working Paper 8a); The Mid Term Evaluation of Structural Fund Interventions - URBAN (Working Paper 8b); The Update of the Mid-term Evaluation of the Structural Fund Interventions (Working Paper 9).

<sup>47</sup> Information Society and Regional Development: ERDF Interventions 2000/2006 (Technical Paper 2); Mainstreaming Equal Opportunities for Women and Men in Structural Fund Programmes and Projects (Technical Paper 3).

<sup>48</sup> Guidelines for Systems of Monitoring and Evaluation of ESF Assistance in the Period 2000-2006; Evaluation of the Contribution of the Structural Funds to the European Employment Strategy; Note on the Evaluation of the Quality of Monitoring Systems of the ESF; Roles and Responsibilities of Different Actors in the Mid-Term Evaluation of Structural Funds 2000-2006; Guidance Paper on ESF ex-ante evaluation; Guidance Paper on ESF final evaluation; Guidelines for Systems of Monitoring and Evaluation for the Human Resources Initiative EQUAL in the period 2000-2006; Key issues for the Mid-Term Evaluation of EQUAL CIP in the Members States; and several methodological guides on the EQUAL Community Initiative.

<sup>49</sup> CEC (1999) Evaluating Socio-Economic Programmes, Volumes 1-6, Office for Official Publications of the European Communities, Luxembourg. In 2003, the MEANS collection was replaced by Tavistock Institute with GKH and IRS (2003) *The Evaluation of Socio-Economic Development, The Guide*, Tavistock Institute, London, available online at <http://www.evaled.info/>.

The major innovation for the 2000-06 period with regards to evaluation was the formal requirement to undertake comprehensive MTEs for all programmes. The scale, coverage and rigour of the MTE exercise has been a unique experience in the history of Cohesion policy, involving close to 350 studies (120 evaluations for Objective 1, nearly 100 for Objective 2 and 120 for the Community Initiatives, Interreg III and Urban II).<sup>50</sup> An overview of IQ-Net partner country responses to the MTE requirements has been discussed in detail in previous IQ-Net reports to which partners are directed for more detail.<sup>51</sup> A pan-EU comparative report on the processes and outcomes of the MTEs in Objective 1 and 2 regions was undertaken by DG REGIO's evaluation unit, with input provided by the evaluation network of national representatives.<sup>52</sup> The main findings of the report were as follows:

- *Process:* Notwithstanding the inherent complexities of the MTE process, two particular strengths were noted: the quality of planning (e.g. through the early start of the process and the preparation of core terms of reference and guidance at Member State level) and the positive contribution of partnerships (encompassing beneficiaries, evaluators, Steering Groups, Monitoring Committees, Managing Authorities, the Member States and the Commission).
- *Capacity:* The MTEs did not witness a significant expansion in the evaluation market, consisting mainly of consultancies, some academic institutions and an increasing number of evaluation consortia.
- *Quality:* The quality of the evaluations was higher than previously with two thirds being rated as 'good' or 'excellent'. This reflected increasing capacity in the Member States and the assignment of greater resources to evaluation by the Managing Authorities than in the past. Deficiencies in quality were associated with the scale of the task and, in some cases, the large and complex nature of programmes. Other limitations resulted from the excessive workload faced by some evaluators, due to their involvement in an excessive number of evaluations, and methodological weaknesses.
- *Cost and cost effectiveness:* The Commission's view is that the cost of the evaluations was reasonable, but that cost effectiveness was limited by the late or slow start of the programmes, the large number of evaluation questions and scale of programmes, and methodological weaknesses.

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<sup>50</sup> CEC (2004) *A Report on the Performance Reserve and Mid Term Evaluation in Objective 1 and 2 Regions*, DG Regional Policy, European Commission, Brussels.

<sup>51</sup> See the thematic paper: Raines P and Taylor S (2002) *Mid-term Evaluation of the 2000-06 Structural Fund Programmes*, IQ-Net Thematic Paper, 11(2), European Policies Research Centre, University of Strathclyde, Glasgow; subsequent updates of the MTE process and outcomes were provided in the IQ-Net review papers over the 2002-2004 period.

<sup>52</sup> CEC (2004) *The Mid Term Evaluation in Objective 1 and 2 Regions: Growing Evaluation Capacity*, DG Regional Policy Evaluation Unit, REGIO C2, Brussels.

- *Methodologies:* Overall, it was considered that the methodologies employed were appropriate, involving a mix of desk research, primary research and, for larger programmes, macro-economic modelling. A data collection problem for some of the evaluators was that the monitoring systems were not fully functional and were unable to provide the required information. Other identified shortcomings in some evaluations included a lack of primary research, disproportionate description to the detriment of synthetic analysis and assessment, and, related, excessively long reports.
- *Usage of the MTE:* The MTEs were primarily used by Managing Authorities, Monitoring Committees and Implementing Bodies, with minimal influence on public debate at large in most cases. While financial reallocations were mainly motivated by absorption concerns, the evaluation findings had a strong influence on the improvement of implementation systems, notably with regards to indicators, horizontal priorities and project selection criteria. The use of the MTE was greatest where the quality of the evaluation was high and managed by a pro-active partnership.

Aside from these key messages, several other points of interest were raised with regards to monitoring and evaluation. As in the past, indicator systems continued to be deficient in some cases, requiring revisions to definitions and targets. More generally, it was noted that improvements to monitoring systems were needed in order to convert them into genuine management tools. In particular, a greater concentration on core indicators was recommended as was the necessity of ensuring that data is gathered regularly, used by decision-makers and made available to evaluators.

With regards to evaluation, it was noted that the MTEs' rigid completion deadline seriously hampered the assessment of effectiveness in some cases, notably where the programmes got off to a late start. A common methodological weakness in the evaluations was that efficiency was often conceptualised as simple absorption instead of costs per output or results achieved. An over-emphasis on financial (as opposed to physical) analysis remained an important concern, one, moreover, that was exacerbated by the n+2 rule. Lastly, the report noted the need for 'urgent' improvements to the systems of quantification of objectives, another weak element over successive programming periods.

Several of the problematic aspects noted above were subsequently addressed in the MTE update (UMTE) exercise. In particular, the Commission's guidance was deliberately kept 'light' in order to attend to the excessive number of questions covered in the MTE. In addition, a strong emphasis was placed on the 'analysis of outputs and results' component which, as noted, had been weakly covered in a large number of MTEs due to the late start of the programmes and the fact that monitoring systems were not always fully operational from the outset.

Also of note was that an optional component on 'other evaluation questions' was included in the Commission guidance for the very first time. The underlying aim was to increase ownership of the evaluation and its results and to stimulate the generation of knowledge that was more

useful for programme managers and authorities.<sup>53</sup> IQ-Net research suggests that this aim was largely fulfilled in that most partners considered this component of the evaluation to be a key element, particularly in terms of contributing towards the future programmes.<sup>54</sup>

Interim evaluations were also carried out in the new Member States. Although the accession countries were not obliged to carry out mid-term evaluations or updates, the Commission recommended that they should “gather and analyse data on financial and physical performance to date in the same timeframe as the mid-term evaluation update. This information would be important for the preparation of future policies and programmes”.<sup>55</sup> While there is as yet no official Commission assessment of the evaluation activities in the new Member States, interviews with Commission officials from the evaluation unit indicate that nearly all countries have carried out some form of evaluation work outside the ex ante obligations. A key aim for the Commission has been “to develop evaluation capacity as well as to identify examples of good practice in managing evaluation in accordance with internal demand, e.g. by establishing evaluation plans”.<sup>56</sup>

The main focus of evaluation activity in the new Member States has been on process issues of management and implementation.<sup>57</sup> For example, in **Hungary**, three internal evaluations were launched in 2004 and completed in the first quarter of 2005. One provided a preliminary evaluation of supported projects; the goal was to give the Managing Authority preliminary information about achieving output and performance targets. Another evaluation study examined the operation of the Project Selection Committee. The third study looked at the overall implementation set-up of the OP. In addition, the National Development Office, as the Community Support Framework Managing Authority, has asked for an internal evaluation to be carried out to look at efficiency, impact and indicators.

Some new Member States have made a concerted effort to set up and embed institutional frameworks for evaluation:

- In **Poland**, the National Evaluation Unit (KJO), established in 2004 in the Department of Structural Policy Coordination in the Ministry of Economic Affairs and Labour (but now

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<sup>53</sup> Veronica Gaffey (2005) *Update of the Mid Term Evaluation*, Presentation at IQ-Net Meeting, Newcastle upon Tyne 23-25 May 2005.

<sup>54</sup> Bachtler J *et al.* (2005) *Planning for Programme Closure and Beyond: Review of Programme Developments: Spring - Autumn 2005*, IQ-Net Review Paper, 1(1), European Policies Research Centre, University of Strathclyde, Glasgow.

<sup>55</sup> CEC (2004) *The Update of the Mid Term Evaluation of Structural Fund Interventions, The 2000-2006 Programming Period*, Methodological Working Papers, Working Paper no 9, p. 2.

<sup>56</sup> CEC (2007) *Indicative Guidelines on Evaluation Methods: Evaluation during the programming period*, Working Document No.5, DG Regional Policy and DG Employment, Social Affairs and Equal Opportunities, Brussels, p. 5 (cited as CEC (2007a)).

<sup>57</sup> CEC (2007) *Mapping Progress: Key Findings from the Updates of the Mid-Term Evaluations*, European Cohesion Policy 2000-2006, European Commission Working Document, Brussels, p. 1 (cited as CEC (2007b)).

located in the Ministry of Regional Development), was in charge of evaluating the National Development Plan (NDP). It drew up *The Evaluation Plan of the NDP for 2004-2006* and supervised the evaluation of the NDP and OPs. The KJO performed its duties in cooperation with Managing Authorities of particular OPs, but also indirectly with other partners involved in the implementation of programmes co-financed from EU funds. Meanwhile, six evaluation units were established within the structures of Managing Authorities to develop Evaluation Plans (EPs) and organise the outsourcing of evaluations in particular OPs. These Managing Authorities were located in central ministries, while regional governments were responsible for the evaluation of regional contracts, which are one of the main domestic regional policy instruments. In order to facilitate coordination of evaluation activities at the NDP/OP levels and maximise evaluation effects during the implementation period an Evaluation Steering Group was established. This included participants from bodies involved in the management and implementation of all OPs and the Commission, with KJO providing the Secretariat. It constituted a platform for exchanging knowledge and information concerning works of all evaluation units located in authorities managing EU funds in Poland.

- In the **Czech Republic**, a Structural Funds Evaluation Unit was set up in the Department of the Community Support Framework (within the Ministry of Regional Development). Similarly, a Steering Group for Evaluation was constituted for the coordination of evaluation activities at the level of the National Development Plan and individual OPs. The Steering Group included representatives of all OP Managing Authorities and delegates of the Department of the CSF. At the OP level, Steering Groups have also been set up in most cases.

With regards to monitoring, there has been a tendency in the new Member States to set up ambitious, complex and integrated systems for the 2004-06 period. For instance, the **Slovenian** monitoring system covered domestic policies as well as the Structural Funds and was interconnected with the national statistical office. Consultations with Commission officials indicate that in most countries the systems have not worked as initially planned and have often been unreliable, although improvements are gradually being made. In this context, “evidence of a learning cycle in terms of management” is becoming apparent, e.g. “in Estonia and the Czech Republic, evaluators noted how much has been learned in terms of gathering monitoring data and defining indicators, baselines and targets.”<sup>58</sup>

It is important to note that monitoring and evaluation processes in the new Member States are starting from a traditionally weak base. There is limited domestic academic research and literature on evaluation in many cases and little practical experience of conducting evaluations beyond those associated with Cohesion policy. There is, thus, a tendency to conflate evaluation theory and practice with Commission regulations and goals. Additionally, although approaches

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<sup>58</sup> CEC (2007b) *op.cit.* p. 11.

are evolving, there can still be a need to ensure that the function of evaluation is properly understood and that appropriate human and institutional resources are dedicated to it in public administration. There can still be perceptions of evaluation as a form of audit and a tendency to produce large, unwieldy evaluation outputs that are unlikely to be fully utilised. Though expansion is underway, the evaluation market is still limited in many of the new Member States. Moreover, the quality of evaluations can be uneven as new consultancy companies develop evaluation experience.

Time constraints have presented a clear problem, given the short programming period in 2004-06. There is the challenge of balancing work on programming documents with work on evaluation. This has created a situation where evaluators have been working on draft versions of OPs and in a sense trying to hit a 'moving target'. Similarly, there is little time to reflect on the evaluation reports. The situation can be exacerbated by language difficulties and the time taken to translate documents. Beyond this, a fundamental weakness in many evaluations has been the limited measurement of different socio-economic trends, the absence of quality statistical data (particularly over longer time periods) and, thus, difficulties in gauging the actual impact of the OPs.

## **2.4 Towards a more flexible and needs-based approach for 2007-13**

### ***2.4.1 The regulatory requirements***

The current round of reforms for 2007-13 has aimed to increase the effectiveness and efficiency of Cohesion policy by enhancing its strategic focus on core EU priorities and by making important modifications to the delivery system, including to monitoring and evaluation requirements. The new strategic approach attempts to strengthen the contribution of Cohesion policy to the delivery of the EU's renewed growth and jobs agenda through a cascade of strategic documents (Community Strategic Guidelines (CSG), the National Strategic Reference Frameworks and OPs), the results of which are to be followed up at the level of the European Council through strategic reporting. The streamlining of the planning framework has simplified decision-making processes by eliminating the Programme Complement and by restricting programming and management to the mono-fund OP. A consequence of this is that there will be added flexibility in monitoring and financial management, which is to take place at the priority axis level. Similarly, evaluation is to become more strategic and results-oriented by introducing a new, flexible and needs-based framework.

Changes to the monitoring arrangements are minimal and are largely a response to the new planning framework. For instance, the OPs are required to provide quantified targets at priority level only, in line with the simplified and more strategic programming approach. An indicative breakdown of categories of expenditure must also be provided. The tasks and the composition of the Monitoring Committee will remain largely as before. The key differences are that the Programme Complement will no longer have to be approved, given its elimination, and that the committee should be informed about the new annual control report. As in 2000-06, programming authorities are required to prepare an Annual Implementation Report for each

OP. In line with the programming requirements, financial and physical progress in the AIRs will only need to be reported at the priority level. On the other hand, there is a new requirement to provide “the indicative breakdown of the allocation of funds by categories...”.<sup>59</sup> Annual examinations will place increased attention on the strategic nature of programme implementation.

Strategic reporting represents an innovation for 2007-13, requiring the elaboration of two strategic monitoring reports in 2009 and 2011 for all OPs, analysing their contribution towards Cohesion policy objectives, the Community Strategic Guidelines and the Integrated Guidelines for Growth and Jobs. A summary of the Member States’ strategic reports will be prepared by the Commission in 2010 and 2013. With regards to the broader Lisbon strategy, the AIRs for the National Reform Programmes (NRPs) must include a concise section analysing the contribution of each OP to the objectives of the NRP beginning in 2007. A summary of the Member States’ Annual Reports will be submitted by the Commission to the spring European Council on an annual basis from 2008.

The regulatory changes to evaluation primarily involve an increased level of flexibility for the Member States. Compared to the past period, where compulsory ex ante, mid-term and ex post evaluations were required for all interventions, the new regulation implies a significant reduction in the number of evaluations needed, while also allowing Member States to implement evaluations adapted to their needs.

The most significant change from current practice is that programme MTEs, and the related updates, are to become optional. In their place, on-going needs-based evaluations should be undertaken to assess programme implementation and react to changes in the external environment. The aim is to overcome the shortcomings experienced in the MTEs (e.g. regarding the timing rigidities and excessively broad scope of the exercise) and to build upon the positive experience of the UMTEs (e.g. increased ownership and addressing real needs). An increased emphasis is placed on pursuing closer connections between monitoring, evaluation and decision-making, in order that evaluation can be more closely adapted to the demands of the users. An evaluation may be triggered by actual or potential difficulties revealed by the monitoring system and can also be undertaken to ensure a regular review of strategic or operational aspects which cannot be solely analysed on the basis of monitoring data.

Ex ante evaluation will remain compulsory. For programmes under the Convergence objective, they are recommended to be carried out for each OP, but may be undertaken for more than one programme if ‘duly justified’ and ‘agreed with the Commission’ in line with the proportionality principle. For the other two objectives, Member States can decide what level of evaluation is required (programme, groups of programmes, themes, Funds) based on their needs. A new optional provision under the Convergence objective is the possibility to draw up

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<sup>59</sup> Council Regulation (EC) No 1083/2006, Article 67.

an Evaluation Plan “presenting the indicative evaluation activities which the Member State intends to carry out”.<sup>60</sup>

Other changes to the effectiveness chapter include modifications to the performance reserve and the introduction of a new, national contingency reserve. Member States are free to set up a ‘national performance reserve’ for the Convergence and Regional Competitiveness and Employment (RCE) programmes amounting to three percent of their respective allocations, contrasting with the current period where the reserve was obligatory and accounted for four percent of a programme’s allocation. A new ‘national contingency reserve’ may also be set up voluntarily to respond to unforeseen crises (disasters, etc.). The allocated amounts for this second reserve will vary by objective, one percent of the Structural Funds contribution for the Convergence objective and three percent for the RCE objective.

As in the past, a series of guidance documents have been prepared by the Commission to support the Member States in their monitoring and evaluation activities, listed in **Box 1** below.

**Box 1 - EC Guidance on Monitoring and Evaluation for 2007-13**

**Working Document No 1: Indicative Guidelines on Evaluation Methods: Ex Ante Evaluation:** clarifies the contents and organisation of the ex ante evaluation, outlining its role, the evaluation criteria, the main questions and key components, the process, ex ante evaluation of a National Development Plan or NSRF, the examination of the external coherence of ESF programmes, as well as the Strategic Environmental Assessment (SEA).

**Working Document No 2: Indicative Guidelines on Evaluation Methods: Monitoring and Evaluation Indicators:** discusses how indicators fit into the programming cycle, monitoring and evaluation and provides key definitions. It also discusses how the quality of indicator systems can be improved and issues relating to the establishment of an indicator system.

**Working Document No 3: Commission Methodological Paper giving guidelines on the calculation of public or equivalent structural spending for the purpose of additionality:** covers the eligibility of expenditure, eligible national or equivalent structural expenditure, the verification of the additionality principle, the assessment of additionality, financial corrections and reporting.

**Working Document No 4: Guidance on the Methodology for carrying out Cost-Benefit Analysis (CBA):** clarifies general principles of CBA for major projects and the process of determining the EU grant for all projects.

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<sup>60</sup> Council Regulation (EC) 1083/2006, Article 48.

**Working Document No 5: Indicative Guidelines on Evaluation Methods: Evaluation during the Programming Period:** outlines the rationale, guiding principles and main features, including the roles and responsibilities of Member States and the Commission, the focus of on-going evaluation, the planning process, managing the process, key principles and evaluation quality standards.

**Working Document No 6: Measuring Structural Funds Employment Effects:** provides common definitions and methodological guidance on setting targets and estimating gross employment effects, converting gross employment estimates into net effects, and an overall assessment and contribution to EU priorities.

**Handbook on SEA (Strategic Environmental Assessment) for Cohesion Policy 2007-2013:** developed by the Greening Regional Development Programmes Network; the handbook clarifies the purpose and process of SEA and explains its role within the Cohesion policy programming process.

#### ***2.4.2 Partners view of the new regulatory requirements***

Research undertaken for this paper suggests that there is a broad level of satisfaction amongst IQ-Net partners with the new regulatory requirements for monitoring and evaluation in 2007-13. The general requirement for needs-based and flexible evaluation provides a response to widespread criticisms of the MTEs concerning the tight deadlines and number of components. Programming authorities at all levels support the Commission aims to encourage a more user-friendly and demand-based approach to evaluation. Equally, there is widespread support for the streamlining of programme monitoring and management.

The reforms have introduced improvements, but in order to take advantage of the added flexibility, Member States and regions will have to put more thought and planning into their evaluation needs. To this end, the provisions for developing an Evaluation Plan, and updating it as and when necessary, will provide a useful tool for the strategic steering of evaluation activity. A concern raised by several IQ-Net partners is that the more flexible approach to evaluation could prove to be more problematic in the new Member States where there has been less experience with Cohesion policy evaluation. On the other hand, the upsurge in evaluation activity in these countries in recent years and the evidence of a proactive approach to capacity building and exchange of experiences should provide a useful basis on which to consolidate monitoring and evaluation practice in 2007-13. In addition, some experience of planning is already available as Evaluation Plans were introduced in 2004-06 in the EU10 Member States. This was promoted by DG REGIO, which elaborated a simplified note including guidance on how to plan the evaluations, how to develop capacities, training and various implementation issues on evaluation etc.

IQ-Net partners have also raised concerns about some specific aspects of the evaluation requirements which run counter to the apparent simplification and flexibility. The requirement to undertake evaluations during the programming period linked to monitoring where a

significant departure is revealed from initial goals or where proposals are made for revisions (Art. 48.3 of the General Regulation) is problematic in two respects. First, undertaking an evaluation every time a proposal for a programme revision is made seems unnecessarily burdensome, introducing an additional obligation for Managing Authorities. However, the Commission has indicated in its guidelines that evaluation should only be undertaken where proposals for modification relate to 'major' changes of a financial, content or implementation related nature. Second, there is also uncertainty over the operationalisation of what constitutes a 'significant departure'.

A potential problem with the more flexible approach to monitoring and evaluation, and the likely resulting variation in practice across and within Member States, is that it could become even more difficult to gain an overall picture of outcomes at the aggregate level of the EU. On the other hand, the expected variations and the freedom to experiment with different approaches could encourage the development of more innovative approaches to monitoring and evaluation which may subsequently provide useful lessons, and the spreading of best practice across the EU.

Having reviewed the regulatory context for the 2007-13 period and general reactions to the new framework, the remainder of this paper seeks to explore how IQ-Net partners are responding to the new monitoring and evaluation requirements in practice.

### 3. 2007-13 ON-GOING EVALUATION

#### 3.1 Current state with preparations of future evaluation work

As discussed in Section 2.4.1, the new Structural Funds programming period requires that all Member States and regions should have a well-defined, decision-oriented *evaluation approach*. The new regulations place emphasis on on-going evaluation and, within the boundaries specified by Art. 48 of Council Regulation 1083/2006, on the freedom of programme authorities to undertake evaluation that is considered relevant and at a time that is viewed as appropriate. In this framework of flexibility, the planning of evaluation activities becomes of crucial importance. For this purpose, the Commission recommends the drafting of *Evaluation Plans* (EPs).<sup>61</sup>

- EPs should be drafted at both national level (NSRF) and, where appropriate, programme level (in line with the proportionality principle);
- the main purpose of the EPs is “to provide an overall framework for on-going evaluation and ensure that it is effectively used and integrated as a management tool” during implementation;
- the EPs should describe overall coordination arrangements for the on-going evaluation process (e.g. links with monitoring) and may include specification of an evaluation budget, human resources and planned capacity building activities; and
- EPs should cover the whole programming period but should also include a list of planned evaluation activities and outputs which should be up-dated periodically (e.g. annually), although the plan may also be revised on an ad hoc basis according to needs or where evaluation is required under Art. 48(3).

Even though the practice of drafting EPs had already been introduced by the Commission in some EU10 Member States over the 2004-06 period (e.g. in the **Czech Republic, Poland**), for most EU15 Member States the plans represent an innovation. In most countries, though with some exceptions, Evaluation Plans had previously been at most implicit, and evaluation was generally implemented according to the ex ante, mid-term, mid-term up-date (and ex post)<sup>62</sup> cycle proposed by the previous regulations, in ways which were at times ‘mechanistic’ and not proactively thought-out to deliver useful evaluation results and feed into programming.

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<sup>61</sup> European Commission (2007) *The New Programming Period 2007-13. Indicative Guidelines on Evaluation Methods: Evaluation during the programming period. Working Document 5*, April 2007, p. 13. As already mentioned in Section 2.4, the regulations foresee the possibility for Member States to draw up EPs under the Convergence Objective (Art. 48, Council Reg. (EC) No. 1083/2006). Working Document 5, however, recommends the drafting of EPs also under the other two objectives, Regional Competitiveness and Employment, and European Territorial Cooperation.

<sup>62</sup> See Section 2.3.

In contrast, the evidence gathered from IQ-Net partners suggests that, in the current period, most countries and programmes are drafting explicit EPs, whether at national or regional level, or both.

- For instance, in **Sweden** and the **UK**, the plans will be elaborated at programme or regional levels.
- In **Portugal, Spain** and **Slovenia**, the EPs are being drafted only at national level.
- In most other countries where EPs are being drafted (e.g. **Czech Republic, France, Italy** and **Poland**), this is being done at both national and regional or programme levels.
- In **Germany**, where the main evaluation tasks will be delivered at the level of each programme (and generally led by each programme Managing Authority), the decision has not been made regarding whether there will be a federal level EP, and the *Land*-level choices regarding the formalisation of EPs vary. For example, an Evaluation Plan is being prepared in **Sachsen-Anhalt** (a Convergence region, bound to observe Art. 48), whereas in **Nordrhein-Westfalen** it was decided not to draft such a document as this was not felt to be necessary.

On the other hand, in **Austria, Belgium** and **Finland**, the choice was not to establish a formal Evaluation Plan:

- because the existing evaluation system and approach are already considered effective and are delivering good-quality on-going evaluation (in **Austria**, on-going evaluation was already a strong feature in the past programming period);
- because, to streamline efforts and in line with the proportionality principle, the preference was to include a rough indication of evaluation activities directly in the OP instead of having a separate document (in **Vlaanderen**); or
- because the utility of mapping out evaluation activities at the outset of the programming period was felt to be negligible, with a preference instead for leaving scope to the Managing Authority and Monitoring Committee to initiate evaluations as and when there is a need for one (e.g. in **Finland**, where the choice was made to keep evaluation commitments loose and therefore flexible).

An overview of the choices made regarding the preparation of the EPs in each country is presented in Table 1 below. The table also reviews the progress made with the preparation of the EPs which varies from country to country. Of the countries reviewed, only one EP has been finalised, the EP for the **Polish** NSRF, and only a few other national EPs have reached the stage of final drafts (e.g. **Czech Republic, Denmark**); in most other cases, programme authorities are aiming to finalise their plans by the end of the year/early 2008 (e.g. **France, Italy, Portugal, Sweden, Wales**).

The delays can be related mainly to the protracted negotiations and late approval of the OPs and to the administrative overload associated with the launch of the new programmes - relating to activities such as the preparation of implementation and control procedures, the launch of tenders, the setting-up of programme management structures, the provision of guidance to Implementing Bodies and beneficiaries, the finalisation of the monitoring systems etc. - all of which are perceived by programme managers as more urgent tasks than the planning of future evaluation work. Evaluation, at this point in time, is simply not the main preoccupation of programme managers.

**Table 1: Evaluation Plans in IQ-Net countries and partner programmes**

Country	NSRF EP	Status	OP EPs	Status
Austria	No	-	No	-
Belgium	No	-	No	Vlaanderen: section on evaluation in OP.
Czech Republic	Yes	Sept. 2007 final draft (to be ratified)	Yes	Drafted by the OPs MAs, based on the NSRF EP.
Denmark	Yes	Draft submitted to PMC	Yes	Drafts submitted to PMC
Finland	No	-	No	-
France	Yes	Plan expected by end 2007/start 2008	Yes	Expected by end 2007/start 2008
Germany	To be decided	-	SA: Yes NRW: No	SA: to be developed as soon as OP approved
Greece	Yes	n/a	n/a	n/a
Italy	Yes	Expected by end 2007	Yes	Deadline of end 2007 (but delays expected in some cases, e.g. OP R&C)
Latvia	n/a	-	Yes	In preparation by MAs and to be approved by PMC
Poland	Yes	Finalised Aug. 2007	Yes	Śląskie: draft dated Sept. 2007
Portugal	Yes	Expected by end 2007	No	(Subsumed under the NSRF EP)
Slovenia	Yes, two (one for ERDF and CF, one for ESF)	ERDF and CF Plan being finalised, final draft due March 2008	No	-
Spain	Yes	Drafting phase, final EP due Spring 2008	No	-
Sweden	No (linked to OP EPs)	-	Yes	Draft of July 2007 (final plan due start 2008)
UK	No	-	Yes	<ul style="list-style-type: none"> <li>• NEE: to be developed</li> <li>• Scotland: draft submitted to PMC</li> <li>• Wales: draft Sept. 2007 (final plan due by end 2007)</li> </ul>

Source: EPRC research.

From the interviews conducted with national and regional programme managers, one of the crucial strengths of the EPs lies in their flexibility. The plans are generally conceived as 'live documents' which will be periodically reviewed and integrated or amended to suit emerging and changing needs. At this stage, however, the procedures and stages for the review of the plans are not yet clear, and the degree of formalism of such exercises is likely to vary from loose arrangements to more institutionalised approaches.

From the preliminary evidence gathered through field research, it would seem that the content of the plans reflects the elements described in the DG REGIO Working Document 5. For example, the draft NSRF EP of the **Czech Republic** includes: the provisions of coordination and cooperation among the National Coordinating Authority, the Managing Authority of the OPs and other institutions involved in the preparation and implementation of the plan; the description of the management of future evaluation activities; an indicative list of planned evaluation activities (and the related schedule); a brief reference to the financial resources that will be devoted to evaluation activities over the period 2007-13; and a list of the capacity building activities that will be implemented to support evaluation work.

Similarly, the EP of the **Polish** NSRF sets out the main evaluation activities planned, describes the organisational system being developed for the evaluation process and provides some details on the financing of evaluation activities. Interestingly, the plan is supplemented by some guidelines issued by the Ministry of Regional Development, for the evaluation of the OPs<sup>63</sup> which include definitions of the role and aim of on-going evaluations; descriptions of the main organisations that should be involved in the evaluation process and their roles; a list of the basic requirements for the evaluation activities to be undertaken; a description of the main stages in the evaluation process; and, guidance on the contents of Evaluation Plans prepared by Managing Authorities for individual OPs.

### 3.2 Approaches to evaluation design

To define the content of future evaluation work and draft the Evaluation Plans for the NSRF and/or OPs (when these are drawn up), Member States and regions have adopted different approaches. Three main approaches can be identified with respect to the level at which the responsibility for the drafting of the EPs has been placed, namely:

- nationally-led (cooperative) approaches;
- guided approaches;
- regionally-led approaches.

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<sup>63</sup> Polish Ministry of Regional Development (2007) *Wytyczne nr 6 w zakresie ewaluacji programów operacyjnych na lata 2007-13*.

**Nationally-led (cooperative) approaches** can be found where: (a) NSRF EPs have been drafted by the national-level coordinating authorities - often with the contribution of regional levels and national line ministries - which serve as the basis for the EPs of single programmes or indeed subsume the evaluations of the OPs (e.g. in the **Czech Republic, Greece, France, Portugal and Spain**); or (b) where a single EP for a group of OPs has been developed by a national-level authority, in cooperation with regional bodies (**Sweden**). In more detail:

- In the **Czech Republic**, a draft NSRF EP was developed by the Evaluation Unit of the Ministry of Regional Development (formerly Department of Analyses and Evaluation) in partnership with OP Managing Authorities. The proposed Evaluation Plan was sent to the OP Managing Authorities who prepared their EPs on the basis of the EP of the NSRF. The Operational Programme EPs were then discussed at the meetings of the Evaluation Steering Group to ensure that evaluation activities were coordinated and synergic.
- In **Greece**, the EP for the NSRF has been drafted within the Special Service for Strategy, Planning & Evaluation of Development Programmes of the Ministry of Economy and Finances. The plan foresees two main evaluation stages to be conducted for both the NSRF as a whole and the individual OPs.
- In **Portugal**, the drafting of the NSRF EP was undertaken by the NSRF Observatory in cooperation with other authorities, namely: the Financial Institute for Regional Development (IFDR) and the Institute for the Management of the European Social Fund (IGFSE), i.e. the two leading authorities for the ERDF and ESF respectively, but also with the programme Managing Authorities and other institutions such as the ‘Thematic Rationalisation Centres’ and the ‘Centres for Regional Dynamics’.<sup>64</sup> The OPs’ evaluation activities will be subsumed under the national evaluations.
- In **Spain**, the EP is being drawn up at the national level by a Monitoring and Evaluation Advisory Committee, including representation from the regions and the Commission; the programmes will comply with evaluation requirements based on the national EP (and on the basic elements included in the programming documents).
- In **Sweden**, on the other hand, the National Agency for Economic and Regional Growth (NUTEK) - which is the Managing Authority of all Swedish ERDF OPs - has been leading the preparation of an EP for all ERDF OPs. An initial draft plan prepared by NUTEK is being refined in dialogue with the eight Structural Funds partnerships located in the

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<sup>64</sup> The ‘Thematic Rationalisation Centres’ are bodies created to bring together representatives from all institutions responsible for public policies, including the NSRF Observatory, the Certifying Authorities and the programme Managing Authorities. Among their functions are the analysis of programme implementation, participation in evaluation exercises and the dissemination of best practice. These centres will be defined under the responsibility of the Ministerial Coordination Commission for the NSRF (top-level decision making). The ‘Centres for Regional Dynamics’, currently being established, are regional-level observatories set up to monitor the results of the regional programmes and measure the effect of EU financing on regional public policies.

regions. The plan will be finalised and agreed at the second Monitoring Committee meeting (due at the beginning of 2008). There will not be an EP for the NSRF as such, but the NSRF will be evaluated based on the results of the OP evaluations.

**Guided approaches** are found where the drafting of EPs at national and programme levels have been conducted as separate exercises, but where the national-level authorities have sought to provide guidance to programme authorities on how to approach the preparation of the EP and how to conduct their evaluation work. This is the case in Italy and Poland.

- In **Italy**, the national level EP is being prepared by the National Evaluation Unit of the Ministry of Economic Development, in cooperation with the ESF and rural development Evaluation Units (ISFOL and INEA) and involving consultation with regional and national authorities participating in the 'National Evaluation System',<sup>65</sup> whilst the EPs of individual OPs are prepared independently by the regional authorities. However, the national level has provided guidance to the programme level authorities on key issues such as how to generate useful research questions; it is also available for support wherever required.
- In **France**, the NSRF EP is being prepared by the Inter-ministerial Delegation for Territorial Development and Competitiveness (DIACT), through a collaborative process with the Association of French Regions (ARF). Programme authorities are in the process of drafting separate Evaluation Plans with support of the national level.
- In **Poland**, the EP for the NSRF 2007-13 was prepared by the National Evaluation Unit (KJO), located in the Department for Coordinating Structural Policy in the Ministry for Regional Development (MRR), in August 2007.<sup>66</sup> As noted above, the Unit issued guidelines on the evaluation of OPs, and the EPs of individual OPs are being developed following these guidelines (e.g. **Śląskie**). Further guidelines will be formulated on a year-to-year basis by the KJO on evaluation themes that the OPs should address, though they will have scope, resources permitting, to launch evaluations on further topics that they consider relevant.

**Regionally-led approaches** are found in cases where there are no national-level EPs and the programme level or regional level authorities are working independently on their programme/regional EPs (e.g. as in Germany, UK).

- In **Germany**, the regulations recommend the development of EPs for the Convergence regions. Each RCE *Land* has the scope to decide whether to set up EPs and, where drafted, each *Land* authority has full freedom regarding the organisation of the plans.

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<sup>65</sup> This will be discussed in detail in 3.4.1.

<sup>66</sup> Polish Ministry of Regional Development (2007) *Op. Cit.*

- Similarly in the UK, **Scotland, Wales** and the **English** regions are making independent choices in the preparation of their EPs (even though, for the English regions, the Department for Communities and Local Government (CLG) has provided guidance in the form of a manual). The EPs are being drafted respectively by the Monitoring and Evaluation Group (MEG) chaired by the Scottish Government, by the Welsh European Funding Office (WEFO) and by the Regional Development Agencies (RDAs) in England (the programme secretariats).

It appears that the approaches adopted for the organisation of the drafting of the EPs tend to reflect the more general organisation of Cohesion policy in each country. In other words, whether a country has a centralised, regionalised or decentralised/de-concentrated organisation also seems to affect the approach taken to the design of future evaluation work. For example, in **Sweden** the choice to draft one single Evaluation Plan for all ERDF OPs is coherent with the fact that all these OPs share the same national-level Managing Authority, NUTEK. It also continues the approach taken to the 2000-06 MTE, when NUTEK selected one evaluator to carry out the evaluations of all Objective 1 and 2 OPs.<sup>67</sup> Similarly, in countries such as **Belgium** and **Germany** the regional or programme-based approach taken to plan evaluation work reflects the federal approach of these countries.

If a trend has to be identified, however, it would be in terms of the relatively important role of the national level in steering and coordinating the planning of future evaluation work. Regardless of whether the national level is leading by cooperation or guidance, national authorities seem to be seeking a consensual, collaborative approach to evaluation. Also, in some cases, the planning of evaluation work through the instrument of the EPs seems to embody a more strategic approach to evaluation than has previously been the case, in particular because the evaluations of single programmes are not being conceived as stand-alone pieces but as components of a bigger picture (e.g. **Italian, Portuguese, Spanish and Swedish** programmes).

A further issue concerns the degree of inclusion of socio-economic partners and other stakeholders in the process. Irrespective of whether the drafting of the EPs is cooperatively nationally-led, nationally-guided or regionally-led, it would appear that the process has been mostly internal to the public administration in charge of the programmes. The inclusion of partners' and stakeholders' views does not appear to have been paramount at this stage of planning, arguably as a result of the time pressures currently being faced by programme managers. This does not of course exclude the possibility of future adaptations and revisions of the plans, involving a wider range of actors than programme managers and evaluation specialists (within and, in some cases, outwith administrations).

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<sup>67</sup> On the reorganisation of Structural Funds implementation in Sweden see Ferry et al (2007) *Turning strategies into projects: the Implementation of 2007-13 Structural Funds programmes*, IQ-Net Thematic Paper, 20/2, p. 37.

The practical organisation of the process of preparation of the EPs has varied across the EU. In some cases, working groups or steering groups were set up to draft the EPs (of NSRFs and OPs).

- In **Scotland**, as mentioned above, a Monitoring and Evaluation Group, chaired by the Scottish Government and including the Intermediary Advisory Bodies and the two leading economic development agencies, has been set up to draw up the evaluation working plans, oversee what evaluation work will be carried out (Scotland-wide), decide on the budget to spend on evaluation, draft tender specifications and commission ad hoc evaluations.

In other cases, the national level has provided guidance notes to the authorities in charge of drafting the EPs for the Operational Programmes - for example in the **Czech Republic, England, Italy and Poland**.

- In the **Czech Republic**, a guidance note on evaluation was annexed to the more general guidance on the drafting of the programming documents for the period 2007-13.<sup>68</sup> This included several annexes, one of which on evaluation,<sup>69</sup> covering issues such as: (i) the definition of evaluation and of different types of evaluation; (ii) the instructions for the preparation of Evaluation Plans; (iii) the management and organisation of OP evaluations; (iv) the national-level organisation and management of evaluation activities; (v) the financing arrangements, preparation of terms of references, selection of external evaluators; and (vi) the ways to strengthen the use of evaluation outputs. This guidance note was supplemented by a further note on the definition of indicators<sup>70</sup> which addressed, *inter alia*, the issue of core indicators and of how to ensure coherence between indicators used in the NSRF and in the OPs.
- In **England**, the CLG prepared a guidance note for the English RDAs in the form of a 'user manual' based on Commission guidelines.
- In **Italy and Poland** some guidelines for the preparations of the EPs were drafted and disseminated by the national Evaluation Units (UVAL in Italy and KJO in Poland).

In some further cases, seminars and conferences were organised to debate the content of the plans and identify relevant topics for future evaluation work. In **Italy**, for instance, two conferences involving programme managers from across the country were held in June and October 2007. In June, discussions focussed predominantly on the national plans for the

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<sup>68</sup> MRD, Department of CSF (2006) *Guidance for the Preparation of Programming Documents for the Period 2007-2013*.

<sup>69</sup> MRD, Department of CSF (2006) *Guidelines for Ensuring Evaluation of the Programmes Economic and Social Cohesion. Annex 5*, MRD, Department of CSF in *Guidance for the Preparation of Programming Documents for the Period 2007-2013*.

<sup>70</sup> MRD, Department of CSF, Evaluation Unit of Structural Funds (2006) *Guides of Indicators Creation for Monitoring and Evaluation*, pp. 21.

evaluation of the NSRF (i.e. what should be evaluated and why), on criteria proposed to select relevant 'questions' for the on-going evaluation of 2007-13 programmes and on the approach taken to develop a 'national evaluation space'. In the October seminar, regional and national administrators were invited to discuss their experiences with the development of their Evaluation Plans, and presentations were held on the role of the EPs and on the integration of gender equality and environmental sustainability in the on-going evaluation.

Generally, the draft plans (where available) have also tended to be discussed and validated by the Monitoring Committees, for example in **Denmark**, **Sweden** and **Wales**. Also quite common is the fact that the leading organisation for the preparation of the EPs within a country tends to be the body that will be in charge of overseeing and coordinating evaluation work throughout the programming period - notably DIACT in **France**, UVAL in **Italy**, KJO in **Poland**, the NSRF Observatory in **Portugal**, and the Monitoring and Evaluation Advisory Committee in **Spain**. These bodies are generally inherited from the past (although in some cases with different names, e.g. in Spain). A detailed description of these institutions and of their responsibilities can be found in Section 3.4.

### 3.3 Design choices

Leaving aside the processes adopted in Member States and regions to draft the EPs and looking instead at the planned evaluation approaches (within or outwith explicit EPs), the review conducted amongst the IQ-Net partners suggests that the increased freedom granted by the Structural Funds regulations on when and what to evaluate is leading to evaluations that are going to be more closely informed by domestic factors, such as:

- the *domestic evaluation cultures and past experiences* with the implementation of 'on-going approaches' - which will inform how the 'on-going' evaluation approach will be interpreted;
- the *constitutional and institutional arrangements* of Member States, i.e. whether they are centralised, decentralised/deconcentrated or regionalised - which informs the relationship between the on-going evaluation of the NSRF and OPs;
- the *interrelationship between EU Cohesion policy and domestic regional policies* (and sectoral policies) of each country - which will have an impact on the scope of the on-going evaluation of NSRF and OPs; and
- the *level of evaluation capabilities* available in Member States and regions - which will determine the balance between using external evaluators and internal evaluations or self-assessments, the scope and types of capacity building activities planned, and the types and intensity of relations that will be developed with Commission representatives.

All of the above reveal an unprecedented degree of heterogeneity of the evaluation choices made in the countries under review, as the following sections will discuss in more detail.

### 3.3.1 Interpretation of on-going evaluation

In some countries, on-going evaluation was already implemented in the past programming period, for example in Austria and in some Italian and the UK programmes (see Case Study Box 2). In others, the on-going theme is novel and programme managers and evaluation specialists will have to give a meaning to the term 'on-going', finding methods and approaches to implement 'on-going' evaluation which suit their information needs.

#### Case Study Box 2 - On-going approaches in past Structural Funds programming periods - examples from Austria, Italy and the UK

In Austria, both **Niederösterreich** and **Steiermark** decided to embed the MTEs and their updates into on-going evaluations that were conducted by external evaluators. The reason for adopting an on-going evaluation concept was that Managing Authorities perceived the results of selective evaluations (as envisaged by the regulations) to be inappropriate to their needs. The same evaluators chosen for the MTEs were also responsible for updating the MTEs and provided continuing advice on programme implementation. Both partners viewed their systematic approach to evaluation as being very helpful for programme management as it allowed the implementation of strategic changes to the SPDs to be based on evaluation results, ultimately improving financial performance.

In Italy, an on-going evaluation approach was found in the two partner programmes of Lombardia (Objective 2 SPD) and Local Entrepreneurial Development (LED) (Objective 1 National Operational Programme (NOP)). As in Austria, for both these Italian programmes, one evaluator was selected to follow the programme throughout its life. The evaluators conducted the MTEs and the UMTEs but were also required to respond to specific evaluation topics. In **Lombardia**, the evaluator conducted annual updates which were part of the framework contract but whose object/topic was defined annually with the programme's Secretariats. In the **OP LED**, on the other hand, the on-going evaluation was based on an EP agreed between the evaluators and the programme secretariat. This plan foresaw a series of intermediate deadlines that preceded the MTE report and was periodically revised by the Evaluation Steering Group. As an example, in 2003 the evaluator was required to produce eight thematic outputs. This approach, which for the OP LED had already been experimented within the previous programme (the Objective 1 MOP 'Industry' 1994-99), was felt to be extremely beneficial by programme managers in that it allowed evaluation to be responsive to programme needs and to tackle topical issues in a timely manner, informing programme performance.

In the UK, in **North East England**, two consultancy firms were kept on a retainer/stand-by basis after the MTEs to carry out ad hoc studies when required. These consultancies studied emerging issues as a rolling evaluation process which was felt beneficial to the programme.

Source: Past IQ-Net research, e.g. Raines P and Taylor S (2002) *Mid-term Evaluation of 2000-06 Structural Fund Programmes*, IQ-Net Thematic Paper, 11(2), European Policies Research Centre, University of Strathclyde, Glasgow; Polverari L et al (2003) *Taking Stock of Structural Fund Implementation: Current Challenges and Future Opportunities*, IQ-Net Thematic Paper, 12(1), European Policies Research Centre, University of Strathclyde, Glasgow.

From a review of the approaches planned currently by the IQ-Net partner programmes and countries, two main interpretations of on-going evaluation emerge:

- on-going evaluation as a succession of thematic studies: studies planned according to a formal timetable, ad hoc studies or a mixture of planned and ad hoc studies; or
- on-going evaluation which integrates the planning of thematic/ad hoc studies with a mid-term evaluation exercise.

An overview of the approaches chosen in the programmes of the countries reviewed is presented in Table 2. The fact that a large number of programmes (e.g. in **Austria, Belgium, Denmark, France, Poland, Portugal** and in the **UK**) plan to repeat mid-term evaluations, despite the criticism that these raised in 2000-06, could be seen as surprising. However, it should be noted that programme managers now have the scope to choose when to undertake the MTEs; these will not necessarily be conducted at the mid-point of the programming period if this is not considered suitable. The content of the MTEs, moreover, is likely to be more focussed and more limited in scope than in 2000-06.

Clearly, as it is a requirement prescribed by the regulations, programmes will carry out evaluations in cases of ‘significant departure from the goals initially set’ and to substantiate revision proposals (Art. 48.3 Council Regulation 1083/2006). There is no common understanding, however, as to what constitutes a ‘significant departure’. A number of countries have sought advice from the Commission on this. In a few cases, a definition of the level of deviation that would trigger evaluations has been agreed domestically. In **Latvia**, for instance, for the OP Infrastructure and Services, the criterion of a 25 percent deviation on annual expenditure targets was adopted, whereas in **Vlaanderen**, the interpretation of ‘significant departure’ was linked to the achievement of physical targets (a deviation of more than 50 percent for more than half of the output and result indicators related to each priority in 2011). Most countries preferred to keep the definition loose; in **Wales**, for instance, it was decided to leave it to the Monitoring Committee to decide whether or not a departure was indeed ‘significant’.

Finally, it should be mentioned that, in some cases, the on-going evaluations are supplemented by a more strategic use of monitoring information - as, for example, in **Steiermark, Vlaanderen** and **Wales**.

- In **Steiermark**, the Managing Authority will be adopting an approach called ‘Process Monitoring of Impacts’, based on tighter monitoring requirements imposed on the implementing agencies in charge of the various measures that make up the OP. This strategic monitoring system was developed in the course of the past programming period, designed by the evaluators in charge of the on-going evaluation of the 2000-06 SPD and tested on a pilot basis on some measures of that programme. In the current period, the system is being rolled out across the whole OP (for more detail see Section 4.2.1).
- In **Vlaanderen**, projects are going to be required to include periodic self-assessment as part of their reporting obligations. Again, this is monitoring rather than evaluation, but

the Managing Authority sees this approach as enabling on-going evaluation, in that it allows consideration of the outcomes of the programme as a whole through project assessments and to track progress towards the targets set.

- A similar approach can be found in **Wales** where the integrated monitoring and evaluation strategy includes a self-evaluation of projects which, on aggregate, is intended to allow drawing programme level impacts.

The following table summarises information on the interpretation of on-going evaluation in IQ-Net partners' programmes.

**Table 2: Interpretation of on-going evaluation at OP level in IQ-Net partners' programmes**

Country	Type of on-going	Description
<b>Austria</b>	Thematic, ad hoc studies + MTE in some cases	Thematic studies according to need (e.g. plan to commission thematic evaluation of Structural Funds impacts in Austria since accession) <ul style="list-style-type: none"> <li>Steiermark - MTE in 2010, rolled into on-going approach (periodic updates/thematic, ad hoc studies)</li> <li>Niederösterreich - thematic, ad hoc studies (not yet decided if there will be a MTE)</li> </ul>
<b>Belgium (Vlaanderen)</b>	MTE + ad hoc studies if/when needed + on-going projects monitoring (projects self-evaluations)	MTE in 2011 to assess preliminary results, coherence with ex ante, achievement of goals, use of resources, quality of monitoring, evaluation and financial management. Ad hoc studies to be undertaken if and when needed, and in cases of significant deviation (more than 50% of resources or physical targets). Evaluation of projects integrated in monitoring system (requirement for projects)
<b>Czech Republic</b>	Thematic studies + annual operational evaluations	Mix of thematic studies (listed in the EPs and ad hoc) & annual evaluations on operational issues
<b>Denmark</b>	MTE + ad hoc studies	Wide-ranging MTE (at relevant point in time, tbc), supplemented by ad hoc studies (number and topics tbc)
<b>Finland</b>	Thematic, ad hoc studies	Thematic studies undertaken when needs arise. Needs will be carefully assessed
<b>France</b>	MTE (2010) + ad hoc studies	Mix of MTEs and ad hoc studies (timetable/periodicity tbc)
<b>Germany</b>	Not yet decided	Not yet decided, will vary from <i>Land</i> to <i>Land</i> /from OP to OP
<b>Greece</b>	2011, 2013 + ad hoc	Two major rounds for both the NSRF and the OPs in 2011 and 2013 (2011 to examine progress, effectiveness, issues needing to be addressed, 2013 to examine outcomes and achievement of goals), possibly supplemented by ad hoc studies (topics and timetable tbc)
<b>Italy</b>	Thematic studies	Thematic studies (topics and timetable tbc) - will vary from OP to OP
<b>Poland</b>	MTE + ad hoc studies	Combination of MTE and ad hoc studies (both thematic and operational, topics and timetable tbc)
<b>Portugal</b>	MTE + ad hoc studies	MTE in 2011, global evaluations (PT-wide) and thematic evaluations in 2008, 2010, 2011 and 2012, plus other possible ad hoc studies (topics and timetable tbc)
<b>Slovenia</b>	NA	NA
<b>Spain</b>	Thematic studies + ad hoc if/when needed	Thematic studies planned for 2009 (R&D and innovation OP only), 2008 (environment, all OPs), 2010 (equal opportunities, all OPs), and operational evaluations in 2008, 2009 and 2012. Supplementary studies tbc by PMC and Evaluation Advisory Committee
<b>Sweden</b>	Thematic	First evaluations planned for 2007-2009, further evaluation planned afterwards
<b>UK</b>	MTE + ad hoc studies or thematic approach only	<ul style="list-style-type: none"> <li>North East England - MTE + ad hoc studies of contextual and thematic nature</li> <li>Scotland - thematic studies partly already planned (potentially 2008 ESF, 2009-10 strategic evaluation, 2010 on operational issues), partly tbc (as regards topics/timetable)</li> <li>Wales - thematic studies partly already planned (e.g. possibly on implementation processes in 2010, on impacts in second part of period), partly tbc (as regards topics/timetable). Project self-evaluations and evaluations of 'Strategic frameworks'</li> </ul>

Source: EPRC research

### **3.3.2 Relationship between evaluation of the NSRF and of the OPs**

There is no universal approach to evaluation planning for the NSRFs, as illustrated in Table 4 below. The strategic reporting obligations placed upon national authorities do not seem to have an impact on the choices made with respect to whether or not to evaluate the NSRF. In the **UK**, for example, there will be an evaluation of the National Reform Programme, notably through the Annual Implementation Reports to be produced by BERR (the Department for Business, Enterprise and Regulatory Reform, formerly DTI). BERR will also produce, by the end of 2009 and 2012, the reports on the contribution of Structural Funds towards achieving NSRF priorities. However, these reports will be prepared without a formal evaluation of the NSRF.

Apart from the UK, other countries which (at present) do not foresee a systematic evaluation of the NSRFs include **Belgium, Denmark and Germany**. In **Sweden**, too, there will not be a separate evaluation of the NSRF, but a national overview will be based on the evaluations undertaken for the OPs (which will have a standardised and harmonised approach, similar to the approach taken for the MTEs in 2003). In **Finland**, on the other hand, there were (at the time of writing) no plans for a systematic evaluation of the NSRF, but the Managing Authorities were open to the possibility of carrying out thematic evaluations on issues of genuine national relevance, potentially identified at a later stage.

In all other countries, the NSRFs will be evaluated - namely in Austria, Czech Republic, France, Greece, Italy, Poland, Portugal, Slovenia and Spain.

- In **Austria**, the evaluation of the NSRF will be based partly on the evaluations of the OPs and partly on topics of national interest (not yet identified at the time the research for this paper was conducted).
- In the **Czech Republic**, the evaluation of the NSRF will consist of a mix of thematic studies on cross-cutting themes (such as the evaluation of absorption capacity, the synergy amongst the interventions funded, the overall macro-economic impacts of the NSRF and others) and of elements drawn directly from the OPs or their evaluations; this particularly concerns the more operational aspects of programme implementation and delivery (such as the assessment of monitoring data, the evaluation of absorption capacity, the annual evaluation of the problems met in the implementation of the OPs and the assessment of OP effectiveness).
- In **France**, the NSRF will be evaluated through both national-level evaluations on selected topics and through a reasoned assessment of the issues emerging from the standardised aspects of the OPs' strategic monitoring (whereby all OPs are required to take into account a number of indicators defined at the national level, through a methodology similar to that experimented with under the UMTEs in 2005). This will result in a mixed framework incorporating evaluations launched by the national level involving all programmes or specific topics, or evaluations which concern only a

number of programmes on a voluntary basis (when certain evaluation topics are investigated under national leadership, but involving interested regions).

- In **Greece**, the current plans for the evaluation of the NSRF include two general evaluation exercises on issues that relate to the NSRF as a whole and on the OPs considered individually.
- In **Italy**, on the other hand, the national-level evaluation will focus on specific evaluation questions of national interest, e.g. relating to controversial topics relevant for the effective implementation of interventions or their strategic reorientation. This means that the NSRF will not necessarily be evaluated as a whole or based on the outcomes of the OP evaluations.
- In **Poland**, too, there will be global evaluations of the NSRF, in this case articulated around the priorities of the Framework.
- In **Portugal**, as illustrated in Table 3, there will be a mix of national thematic evaluations (e.g. on selected topics, including macro-economic impacts) and of national evaluations based on the evaluations of the OPs.

**Table 3: Portugal's plans for on-going evaluation of the 2007-13 NSRF and OPs**

Programme	Year	Scope/focus	Goals
NSRF/OPs	2008 (first half)	Global evaluation of the NSRF in 2007-2008	To contribute to the National Strategic Report (to be sent to COM by end 2009) on the OPs' contribution to the objectives of Cohesion policy and the CSG
NSRF	2011	Global Thematic Evaluations, e.g. <ul style="list-style-type: none"> <li>• qualification levels of the population</li> <li>• environmental heritage</li> <li>• business innovation</li> <li>• public context costs</li> <li>• regional disparities</li> </ul>	Objective of evaluating the contribution of various operational interventions to the general objectives of the NSRF
NSRF	2010 (first half)	MTE of the macro-economic impact of the NSRF during 2007-09	To estimate the macro-economic impacts of expenditure during the first three years of implementation
OPs	Mid 2011	MTE of the OPs	To evaluate the global performance of the OPs with respect to their specific objectives and their contribution to the general objectives of the NSRF and Cohesion policy
NSRF	2012	Global evaluation of the NSRF in 2007-2008 to be completed during the first semester of 2012	To contribute to the National Strategic Report (to be sent to COM by end 2012) on the OPs' contribution to the objectives of Cohesion policy and the CSG

Source: Operational Programmes.

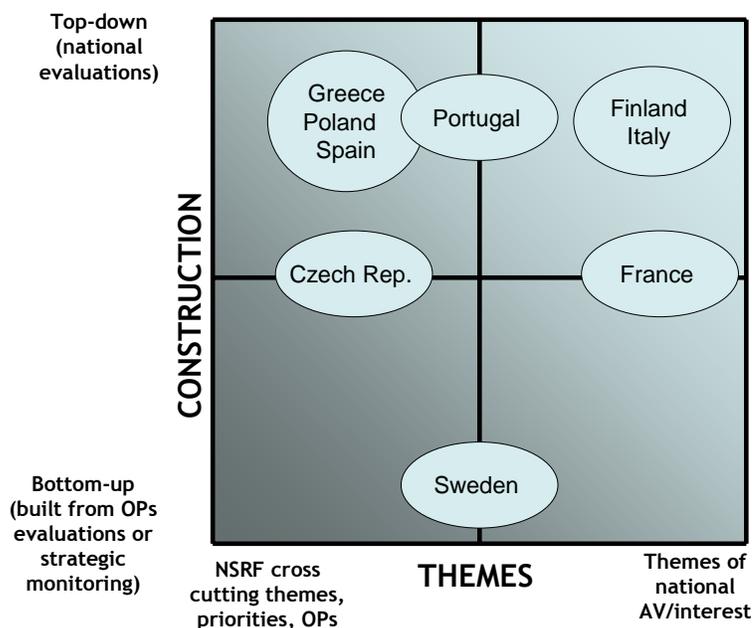
- Lastly, in **Spain**, the evaluation of the NSRF will involve the preparation of an annual report providing: an illustration of the operational, strategic and (when ready) evaluation indicators, including targets, level of implementation and unit cost; the contribution of all the OPs to the NSRF; and conclusions on the quality of the monitoring system and the main strategic and operational departures witnessed in the OPs.

Bearing in mind the caveat that many of the NSRF Evaluation Plans are still being finalised, and that the information available at this stage is highly provisional, IQ-Net fieldwork suggests considerable variation in the approaches emerging for the evaluation of the NSRFs. This relates to two main aspects:

- whether the evaluations are undertaken nationally (top-down) or are based on the evaluations (or strategic monitoring) of the OPs (bottom-up); and
- whether the evaluations of the NSRF address horizontal or cross-cutting themes that relate to the NSRF as a whole, its priorities or programmes, or whether the focus is rather on selected topics of national added value (AV) or interest.

A tentative visual representation of such variation is proposed in Figure 1 below.

**Figure 1: Approaches to national level evaluation**



Source: Own elaboration. Belgium, Germany and the UK are left out of the diagram due to the lack of a national-level evaluation framework. Austria and Denmark are not included because the information available at this stage is insufficient to enable a categorisation of the countries.

The regulatory requirement to provide a national strategic report on the contribution of Cohesion policy to the CSG and to the Lisbon agenda (in 2009 and 2012) explicitly informs the design of NSRF evaluations in a number of partner countries, namely in the **Czech Republic**, **Poland** and **Portugal** (see Table 4), as well as in other Member States, particularly from the EU12, such as **Latvia** and **Lithuania**. In **Portugal**, for example, it has been decided that, before such reports can be submitted, it would be useful to undertake general global evaluation exercises (in 2008 and 2011). However, NSRF thematic evaluations will also consider important themes of national interest. In other countries, the necessity to carry out NSRF-level evaluations to report on the Structural Funds contribution to the National Reform Programme and the CSG is still being debated as it is felt that this work could be done without an explicit evaluation at NSRF level, however, a firm decision has not been taken yet (e.g. **Germany**).

**Table 4: NSRF On-going evaluation and linkage with CSG/NRP reporting obligations**

Country	NSRF On-going evaluation?	Link to CSG & NRP reporting?
<b>Austria</b>	Possibly yes; NSRF evaluations will be linked to evaluations of OPs. There may be evaluations on themes of national interest (not decided yet)	Not planned when fieldwork was done
<b>Belgium (Vlaanderen)</b>	No current plans to evaluate the Flemish section of the NSRF. It does not appear that there will be comprehensive evaluations of the whole NSRF	NA
<b>Czech Republic</b>	Yes, as specified in NSRF Evaluation Plan	Yes
<b>Denmark</b>	NA	Not planned when fieldwork was done
<b>Finland</b>	No concrete plans for NSRF evaluation exist at present. It is likely that national evaluation will focus on themes of national interest to be identified in due course	Not planned when fieldwork was done
<b>France</b>	Yes, the May 2007 circular on evaluation includes the possibility to directly undertake national evaluations or to support regional work based on a joint methodology which had been tried with the 2005 UMTE. On-going evaluation at the national level will be based on thematic evaluations of all or part of the regional OPs allowing for the added value of Structural Funds to be appreciated at the national level. The NSRF will not be evaluated systematically	Yes
<b>Germany</b>	No decision taken yet	Not planned when fieldwork was done
<b>Greece</b>	Yes, to examine the course of the NSRF, effectiveness and problems with implementation (in 2011) and to assess achievement and consistency with goals set (in 2013)	Not planned when fieldwork was done
<b>Italy</b>	Yes, NSRF evaluations will be carried out directly and possibly also commissioned by UVAL. These will focus on issues and topics of genuine national interest/relevance and will not be based on outcomes of evaluations of OPs and domestic policies. Timetable of evaluations will be specified in the national EP	Not planned when fieldwork was done
<b>Poland</b>	Yes, as specified in NSRF Evaluation Plan	Yes
<b>Portugal</b>	Yes, there will be two global evaluations of the NSRF (in 2008 and 2012) and various national thematic evaluations	Yes, in 2008 and 2012
<b>Slovenia</b>	Yes, as will be defined in NSRF EP	NA
<b>Spain</b>	Yes, as specified in NSRF Evaluation Plan	Not planned when fieldwork was done
<b>Sweden</b>	No separate evaluation of the NSRF. This will be done based on the results of the evaluations of the OPs and on the outcomes of the evaluations of domestic programmes	Not planned when fieldwork was done
<b>UK</b>	No separate NSRF evaluation. However, this will be incorporated in the evaluation of the NRP, i.e. through the AIRs to be produced by BERR. Additionally, by the end of 2009 and 2012, BERR will produce reports on contribution of Structural Funds towards achieving NSRF priorities. BERR will lead on these but CLG and the devolved administrations would be involved. There is an expectation that these evaluations will split the UK into nations (as for NSRF)	No

Source: EPRC research

### 3.3.3 Focus of on-going evaluation approaches

Past Structural Funds evaluations, and especially the mid-term evaluations, have often been criticised for their lack of strategic vision and for being often too centred on operational, practical aspects of programme implementation and delivery. As a consequence, when considering the impact that the new evaluation requirements are likely to have on future evaluation activities, one of the obvious questions is whether the new regulatory frameworks will inform evaluations that will be more focussed on strategic rather than operational issues. In this respect, a preliminary conclusion of the present research is that future evaluations will (or are intended to) focus more on strategic issues than in the past, whilst also continuing to deal with operational topics (see Table 5 below).

In considering the *foci* or *rationales* of planned evaluation work, DG REGIO's Working Document 5 proposes four possible dimensions:

- *Relevance*, i.e. the (continued) adequacy of goals in relation to changing contexts;
- *Consistency*, i.e. strategic coherence among the different parts of a programme and between the programme and other policies;
- *Effectiveness*, i.e. the degree to which programmes meet their intended goals (measured as outputs, results and impacts); and
- *Efficiency*, i.e. the degree to which programmes are able to mobilise to the maximum effect their resources (measured by the relationship between the outcomes achieved and the resources employed).

Since in most IQ-Net Member States and regions the planning of future evaluation activities is still embryonic, a thorough assessment of the *foci* or *rationales* of future evaluations is not possible at this stage. Yet, a preliminary overview based on interview evidence is provided in Table 5. The table shows that in many cases the evaluations will continue, as in the past, to attempt to address multiple issues: from the programmes' effectiveness (and, in some cases efficiency), to the operational aspects of programme implementation and delivery, to the strategic fit of strategies and programmes (e.g. contribution to the CSG and Lisbon, consistency with domestic strategies, continued fit with changing socio-economic trends), and the assessment of macro-economic impacts.

The topic of *effectiveness* appears a key issue in virtually all countries reviewed, indicating that evaluation is going to be used (or at least it is intended to be used) as a key tool to ensure that programmes deliver the intended outcomes. *Efficiency*, on the other hand, features less prominently (it was explicitly mentioned only in the **Czech Republic, France, Nordrhein-Westfalen** and **Vlaanderen**).

If efficiency is not a dominant theme, very common is the focus on *implementation*-related topics more generally. This is a strong feature: of the Evaluation Plans of the new Member

States (e.g. **Czech Republic** and **Poland**) and of other large recipients (e.g. **Greece** and **Spain**), where the absorption of the funds may need close attention; in regions or programmes which have introduced reforms in the way the Structural Funds programmes are delivered (like in **Scotland**); and, in cases where the new programmes include new policies or instruments (e.g. in the **Italian OP for Research and Competitiveness**, **Nordrhein-Westfalen**, **North East England**).

The emphasis on *strategic issues* appears too in a number of countries. It can be found in particular in countries, regions and programmes where European Cohesion policy is integrated with, or aligned to, domestic policies (for example in **Finland**, **France**, **Italy**, **Sweden** and **Wales**) and also features in countries where evaluation is explicitly linked to the strategic reporting on Lisbon and CSG goals (e.g. **Czech Republic**, **Poland**, **Portugal** and, again, **France**).

Finally, among the countries and regions reviewed, a number emphasise the assessment of *impacts*, i.e. **Czech Republic**, **Germany**, **Italy**, **Poland**, **Portugal** and, in the UK, **Wales**. In some cases, it is anticipated that the HERMIN model will be used to assess impacts (**Czech Republic** and **Sachsen-Anhalt**), in others the methodologies to be utilised are still under discussion.

In illustration of the above, a brief review of the foci and rationales in each partner country and programme is provided in the paragraphs that follow. In **Austria**, as already noted, the planning of future evaluation work is not advanced and the focus and scope of future evaluations have not yet been agreed. It is expected that firmer decisions on these elements will be made once the new programmes are running, when more detailed planning on future evaluation work will take place (for example, a KAP-EVA seminar is planned for 2008 to discuss the details with the Managing Authorities). In the two Austrian partner programmes (**Niederösterreich** and **Steiermark**) it was noted that the four dimensions identified in DG REGIO's Working Document 5 are all relevant, but a hierarchy will only be agreed at a later stage.

In **Vlaanderen**, the main focus of future evaluation work will be on effectiveness and efficiency. The programme will carry out a MTE in 2011 which will focus on the assessment of first programme results, the coherence with the ex ante evaluation, the implementation of objectives, the use of financial resources, and the quality of monitoring, evaluation and financial management. In the **Czech Republic**, the NSRF describes the key areas on which evaluation will focus. The document explicitly refers to the goals of increasing the quality and efficiency of Cohesion policy interventions, as well as the consistency of the NSRF and its programmes with domestic and EU objectives (e.g. Lisbon agenda, CSGs). The NSRF EP explores these aims further by stating that the main focus of evaluation work will lie on efficiency and effectiveness (evaluation of interventions' effectiveness, annual assessment of problematic areas/issues, evaluation of absorption capacity and of the synergy between interventions). It also involves a strategic dimension by linking the planned evaluation activities to strategic reporting and foreseeing an assessment of macro-economic impacts through the use of the HERMIN model.

Table 5: Focus/rationale of evaluation approaches

Country	Focus/Rationale	Predominantly Strategic/Operational
Austria <i>Niederösterreich</i> <i>Steiermark</i>	To be decided To be decided To be decided	Both, but scope for more strategic evaluation
Belgium (Vlaanderen)	Effectiveness, implementation, efficiency	Operational
Czech Republic	Effectiveness, efficiency, strategy (fit with domestic and EU priorities), impacts	Both
Denmark	Effectiveness, implementation, strategy (e.g. fit with regional/national economic trends)	Both
Finland <i>Länsi-Suomi</i>	Strategy (e.g. fit with domestic policies) Strategy (e.g. fit with domestic policies)	Strategic
France	Effectiveness, efficiency, strategy (Relevance/usefulness i.e. outcomes v. needs and sustainability, i.e. longer term effects), implementation	Both
Germany <i>Nordrhein-Westfalen</i>  <i>Sachsen-Anhalt</i>	Transparency/ accountability, effectiveness/ efficiency/ implementation (of selected initiatives, e.g. clusters, new competitive tender system), effects/ impacts To be defined, will include macro-economic impacts (Hermin)	Both  To be decided
Greece	Effectiveness, implementation	Operational
Italy  <i>OP R&amp;C</i> <i>Lombardia</i>	Effects, impacts, key questions (across programmes and periods, identified through set criteria) To be decided Effects and impacts	Strategic  Not decided yet Strategic
Poland  <i>Śląskie</i>	Effects/ impacts (of NSRF on specific sectors/themes), implementation (e.g. governance and evaluation), strategy Effects/ impacts (socio-economic and on selected sectors/themes and Human Resources), strategy (fit with NSRF/NRP/regional strategy to 2020), effectiveness, implementation (e.g. monitoring)	Both  Both
Portugal	Strategy (contribution to NSRF and NRP), impacts (macro-economic), effectiveness	Both
Slovenia	n/a	n/a
Spain	Effectiveness, efficiency, strategy (relevance) and implementation	Both
Sweden	Implementation (contribute to quality of programming), strategy (coordination across OPs and with domestic programmes)	Operational at first, strategic subsequently
UK <i>North East England</i> <i>Scotland</i> <i>Wales</i>	Implementation, strategy (key OP priorities) Implementation (new systems), strategy (tbc) Strategy (19 'Strategic Frameworks'), impacts, implementation	Both Both Both

Source: EPRC research

Not much detail is available at this stage regarding the evaluations planned in **Denmark**. It is anticipated, however, that evaluations will focus on three main elements: the processes and organisational issues of programme implementation (through qualitative approaches, involving a large numbers of interviews, similar to the methodology used in the 2000-06 MTEs); the effects of individual programmes and projects (using a combination of monitoring data from applications and project completion sheets, and data gathered from public databases from control groups of e.g. firms or employees/unemployed which have not been supported through similar measures); and, the overall macro-economic, strategic assessments of the coherence of the programmes with trends in the regional/national economy.

In **Finland**, despite the fact that there are no concrete plans for evaluation at this stage, it is anticipated that future evaluations will focus more on strategic rather than on operational issues. This will be achieved through thematic evaluations, rather than evaluations covering aspects of the entire programme (as was the case with the 2000-06 evaluations). There may also be specific evaluations carried out at the Regional Council level (e.g. on the clusters that they are involved in) which could be linked to the national-level policy evaluations (for instance, regarding cluster evaluations, the evaluation of the 'Centre of Expertise' programme).

The focus of evaluation work in **France** will be on both operational aspects and on strategic issues and in particular on the following: programme effectiveness; programme efficiency; relevance (of objectives relative to needs); usefulness (correspondence between effects obtained and needs identified in the analysis, notably regarding the gender dimension); and, sustainability (expected long-term effects). Overall, it is expected that evaluation will be approached in a more strategic way both in terms of programme management and as regards the link with domestic policy-making, i.e. via an aligned evaluation of OPs and state-region project contracts (CPER).

As already noted, in **Germany** the main evaluation tasks will be undertaken at the level of each programme, and generally will be led by the programme Managing Authority. There will thus be federally-led evaluations of the individual OPs which are managed at federal level, but no decisions have yet been taken on evaluation at the level of the NSRF. Also, in the two partner programmes, most evaluation questions are still open. In **Nordrhein-Westfalen**, there will be more emphasis placed on evaluation overall, especially as a means of accountability. Evaluation will be organised more strategically (at OP level rather than being undertaken or organised by each Ministry for its own instruments) and it is anticipated that there will be evaluations of the new competitive call-for-tender approach under the ERDF OP, of the *Land* cluster initiative, and of the general shift to a more extensive use of competitive calls for tender in the *Land's* policy instruments. Focus is expected to be on the effects, efficiency and impacts of such initiatives. In **Sachsen-Anhalt**, on the other hand, most decisions have yet to be taken. However, it is expected that future evaluation will focus at least on impacts, as the State Chancellery has commissioned the adaptation of the Hermin macro-econometric model

for the *Land* and it intends to base its approach to evaluation mainly on this model (via a formal MTE).

In **Greece**, the planned future evaluations appear to be focussed mostly on issues such as effectiveness, implementation and operational aspects. As already noted, two national level evaluations are planned for 2011 and in 2013. In the first instance, evaluation will examine the progress of programmes, with a view of proposing the changes necessary to ensure that programmes are able to deliver the intended outcomes and impacts. Subsequently, evaluation will aim to identify small corrective actions needed to avoid a loss of funds and ensure successful programme closure.

In **Italy**, national level evaluations will deal predominantly with the effects produced by the new 'unitary regional policy', resulting from the merger of domestic regional policy and European co-funded Cohesion policy. National level evaluations will focus on specific questions relating to topics of interest and relevant for the effective implementation of interventions or their strategic reorientation. Similar to the position in Finland, past evaluations were not fully able to capture the effects and impacts of policy, and these two aspects will be the main object of future evaluation efforts. At the national level at least, evaluation is expected to focus more on strategic rather than operational issues. This is echoed by current (very preliminary) thinking in **Lombardia** where it is expected that strong emphasis will be placed on the unitary approach to regional development (whereby Structural Funds programmes, interventions funded under domestic regional policy and the rural development plan are all integrated in a single overall strategic framework). This unitary approach will inform the evaluation activities that will be carried out: evaluation will focus on the interrelations and joint/cross-effects of these programmes and will aim to establish effects and impacts achieved. At the time of the fieldwork research, the planning of the evaluation of the **Convergence OP for Research and Competitiveness** had not yet started. Yet, as the programme will largely focus on a new national policy strategy - 'Industry 2015' - and will incorporate its new 'flagship' instrument (the PII, Industrial Innovation Projects),<sup>71</sup> it is anticipated that evaluation will focus on these aspects, covering their implementation, effectiveness and impacts.

Future evaluation efforts in **Poland** will be extensive and wide-ranging, in line with the substantial EU and domestic resources that will be employed over 2007-13 for regional development. Evaluations seem likely to focus on all of the dimensions identified in Table 5. They will include: the assessment of the strategic coherence of the NSRF and OPs with other EU strategies (evaluations will be linked to the strategic reporting exercises); the assessment of effects and impacts of the NSRF, its programmes, priorities and horizontal themes; the analysis of the operational aspects of implementation, particularly as regards the governance of European Cohesion policy (recently devolved to the regional authorities); and the suitability of

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<sup>71</sup> These were discussed in detail in the past IQ-Net thematic paper, Ferry M et al (2007) *Op. Cit.*, p. 75.

evaluation processes. Also in the partner region of **Śląskie** (ERDF ROP), evaluations will focus on all of the above-mentioned dimensions, including the assessment of socio-economic impacts, the effects of the programme on selected sectors or themes (namely, environment, equal opportunities, towns and rural areas, information society and competition policy), the effectiveness of the OP (assessed in two stages in 2010 and 2013), and the implementation of the programme, in areas such as management and monitoring systems. In illustration, a synthetic overview of the evaluation activities planned for this OP is presented in the Table 6 below.

**Table 6: Planned evaluation activities and timetable for the Śląskie ERDF ROP 2007-13**

	Subject of research	2007	2008	2009	2010	2011	2012	2013	2014	2015
1.	Verification of ex ante evaluation			x	x					
2.	Evaluation of the ROP management system		x	x		x		x		
3.	Analysis of the ROP monitoring system		x	x		x		x		
4.	Horizontal themes: - Environment - Equal Opportunities - Towns and rural areas - Information Society - Competition policy				x			x		
5.	Evaluation of the realisation of the main goals of the ROP and the achievement of related indicators				x				x	
6.	Evaluation of the support of beneficiaries at priority level			x		x		x		
7.	Evaluation of the socio-economic impact of the ROP					x	x	x	x	x
8.	Research on the consistency of the ROP with the strategic aims of the Śląskie Regional Development Strategy 2000-2020.				x					x
9.	Research on the consistency of the ROP with the NSRF					x				x
10.	Research on the consistency of the ROP with the National Reform Programme						x			x

Source: Urząd Marszałkowski (2007) *Plan ewaluacji Regionalnego Programu Operacyjnego Województwa Śląskiego na lata 2007-2013*, p. 16.

In **Portugal**, the focus of evaluation in 2007-13 will be particularly on the strategic aspects of the NSRF and the OPs (especially, as already discussed, their contribution to the NSRF and National Reform Programme), on the macro-economic impacts of the National Development

Plan, and on the effectiveness of interventions. A clear distinction is made between operational and strategic evaluations which are mirrored by the organisational arrangements planned for evaluation. The operational evaluations of the NSRF or OPs will mainly be the responsibility of the Certifying Authorities (e.g. the IFDR IQ-Net partner in relation to the ERDF/Cohesion Fund or the IGFSE for the ESF), while the more strategic evaluations (at the NSRF level or in relation to cross-cutting themes of various interventions) will primarily fall under the responsibility of the Observatory (with involvement and support from the regional Managing Authorities of the two island regions, from the national 'Thematic Rationality Centres' and from the regional 'Centres for Regional Dynamics').

In **Spain**, the evaluations will focus particularly on issues of effectiveness, efficiency, strategic relevance and implementation. In this sense, evaluation will be orientated to both strategic and operational issues. In general terms, the main objective of the evaluations is to obtain information on the capacity of the programmes to contribute to the strategic targets set. Although the components of future evaluations are likely to vary depending on the evaluation, the core issues covered will generally include: financial implementation and ability to meet targets; physical effectiveness and efficiency of the interventions; the assessment of results achieved (based on evaluation indicators)<sup>72</sup>; the evolution of the context, and the contribution of the Structural Funds.

In **Sweden**, on the other hand, evaluation is expected to have the overall aim of contributing to the quality of programming and, as such, in an initial stage of programme implementation, will focus predominantly on operational issues. Strategic topics, such as the coordination and synergies across programmes (including domestic programmes, such as the national Regional Growth Programmes and the Regional Development Plans, as well as the EU co-funded Rural Development Programmes) are foreseen to be addressed in the second part of the programming period.

Lastly, in the three **UK** partner programmes - North East England, Scotland and Wales - the emphasis of evaluation appears to be mainly on strategic and implementation issues (perhaps less so on effects, effectiveness and impacts). In **Scotland**, considerable emphasis will be placed on assessing the operational aspects of the new Structural Funds management and implementation arrangements (which will be reviewed in 2010); specific evaluations are also planned to assess the operation of the new bodies that will deliver components of the programmes (e.g. Strategic Delivery Bodies, Community Planning Partnerships, the South of Scotland Global Grant). As it is part of the strategy for the new programmes to try and tie-up large amounts of resources in major projects, these will also be reviewed closely, and evaluations will be carried out on all projects of £2 million or more. The scope and content of the more strategic evaluations are still to be discussed (probably in a forthcoming meeting of

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<sup>72</sup> As will be seen in Section 4.2.2, the Spanish authorities are planning to set up an 'early alert' system of indicators in order to identify changes needed in the programmes to ensure that goals are met and to anticipate problems in programme management in a timely manner.

the Monitoring and Evaluation Group in late November or early December 2007). In **North East England**, too, evaluation is expected to cover both implementation and strategic issues, but the scope of future evaluations is not yet clear at this stage. Among strategic evaluations there are plans to conduct an evaluation of a recent government policy on economic development and regeneration (which affects the Structural Funds programmes) - the Sub-National Review (SNR) - which was published in July 2007 and set out a number of reforms at local, sub-regional and regional levels.<sup>73</sup> To conclude, in **Wales**, similar to the other countries reviewed, WEFO plans to implement a staged approach in which implementation processes are assessed in the middle of the programming period, and programme impact is assessed at a later stage (for more detail see Case Study Box 3 in the Section below).

### ***3.3.4 Scope of on-going evaluation approaches***

The scope of the planned evaluations is also expected to vary markedly. The following categories - which are not mutually exclusive - provide an overview of the main coverage of the planned on-going evaluations (see Table 7). Generally speaking, from the evidence gathered from the IQ-Net partners and other interviewees in partner countries, evaluations will tend to deal with the following levels:

- policy level (regional policy overall or specific policies which contribute to regional policy);
- cross-programmes/multi-programme level;
- programme level;
- evaluations of key themes or questions; and
- project-level evaluation.

As can be expected in the context of on-going evaluation approaches, thematic evaluations are found in virtually all countries and regions. Programme-level evaluations are also rather common, continuing past practice.

In order to illustrate Table 7 in more detail, the following sections will review each level of evaluation, starting from the most common one (evaluation of key themes or key questions).

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<sup>73</sup> The SNR announced that the regional tier will be streamlined, leading to an increased strategic role for RDAs, and set out a more programme-based approach to delivery for RDAs in the future; it was presumed that these will delegate funding to local authorities or sub-regions wherever possible to support economic development.

Table 7: Scope of evaluations planned

Country	Policy	Multi- OP	Programme	Projects	Themes
Austria*			✓		✓
<i>Niederösterreich*</i>			✓		✓
<i>Steiermark*</i>			✓		✓
Belgium* (Vlaanderen)			✓	✓	✓
Czech Republic			✓		✓
Denmark			✓		✓ (4 OECD drivers of growth)
Finland*	✓				✓
<i>Länsi-Suomi</i>	✓				✓
France	✓	✓	✓		✓
Germany					
<i>Nordrhein-Westfalen</i>					✓
<i>Sachsen-Anhalt*</i>	✓		✓		✓
Greece			✓		
Italy*	✓				✓
<i>OP R&amp;C</i>	✓		(✓)		✓
<i>Lombardia</i>	✓		(✓)		✓
Poland			✓		
<i>Śląskie</i>			✓		✓
Portugal		✓	✓		✓
Spain		✓	✓		✓
Sweden		✓	✓		✓
UK					
<i>North East England</i>	✓		✓		✓
<i>Scotland</i>		✓		✓	✓
<i>Wales</i>	✓ (Strategic Frameworks)	✓	✓	✓	

Source: EPRC research. \* indicates that current plans are initial and that the content and scope of evaluations are largely still to be defined. For these countries, the information provided is particularly preliminary. Brackets indicate that the classification is uncertain.

(i) *Evaluations of key themes or questions*

In the majority of countries, the on-going approach will entail undertaking thematic studies on a range of topics of interest to the national, regional or programme authorities. The themes that will be investigated through these approaches are likely to vary from:

- cross-cutting, such as issues that pertain to the management of programmes (e.g. the quality of monitoring systems, like in **Vlaanderen**);

- territorial themes, such as the effects, impacts or implementation of the programmes or specific measures in particular types of territories (e.g. urban or rural areas) or selected programme areas (e.g. in **Śląskie**, as described in Table 6);
- more ‘sectoral’ themes, such as innovation, regional disparities, SME development/support etc. (e.g. in **France**); overall, the theme of innovation is, unsurprisingly, emerging as quite common even at this preliminary stage of development of the evaluation strategies; and
- specific operational themes that relate particularly to the programme in question (e.g. to deepen the understanding of a newly introduced system for selecting projects, as in **Nordrhein-Westfalen**).

Given that most partners and regions are still only starting to determine the topics of future evaluations, it would be premature to attempt a synthesis of the themes foreseen in all partner programmes and regions. Instead, to give a flavour of the types of themes that may be proposed, some examples are provided based on initial ideas developed in **France, Portugal and Nordrhein-Westfalen** (Table 8).

**Table 8: Topics of possible thematic evaluations in France, Portugal and NRW**

France (national level evaluations)	<ul style="list-style-type: none"> <li>• Innovation policies (e.g. development dynamics of regional SME/SMI systems, retention effect of competitiveness poles and large supply chains)</li> <li>• Reduction of regional and infra-regional disparities (e.g. growth disparities; catching-up in infrastructure provision, particularly in the field of transport; better spatial distribution of strategic jobs)</li> <li>• Environmental policies and sustainable development policies (e.g. energy efficiency, new energies, reduction of CO<sub>2</sub> emissions)</li> <li>• Human capital policies (e.g. education, higher education; vocational training)</li> <li>• Transport (e.g. structure of regional and interregional passenger services)</li> </ul>
Portugal (national level evaluations)	<ul style="list-style-type: none"> <li>• Qualification levels of population</li> <li>• Environmental heritage and environmental assets</li> <li>• Cost of the public context (e.g. relations between the public administration and companies, quality of market regulatory mechanisms)</li> <li>• Innovation</li> <li>• Regional disparities</li> </ul>
NRW ERDF OP (programme level evaluations)	<ul style="list-style-type: none"> <li>• New competitive call for tender approach under the ERDF OP</li> <li>• Innovation</li> <li>• The cluster initiative of the <i>Land</i></li> <li>• Environment (including the OP’s contribution to climate protection)</li> </ul>

Source: EPRC research. It should be noted that these are only preliminary ideas that may change in the course of the preparation and up-dating of the evaluation strategies/plans.

A variant on the ‘thematic’ approach can be found in **Italy** where the approach taken nationally - and that is intended to cascade down to individual programmes - is that the unit of analysis

for evaluations should not be the programme as such (i.e. financial inputs), but should reflect meaningful questions derived from set criteria proposed by the National Evaluation Unit. Such questions can relate to a range of topics such as policy instruments, areas, beneficiaries, specific problems tackled etc. In this sense, evaluations will be able to deal with issues that transcend, both spatially and temporally, the limits of individual programmes. To keep the evaluation questions relevant and meaningful over time, the EPs will be up-dated periodically.

*(ii) Programme-level evaluation*

As above mentioned, a number of countries will, at some point during the programming period, carry out these types of evaluation, in the form of mid-term evaluation exercises or other programme-wide studies. In most cases, the articulation of such programme-level, generally mid-term, evaluations is not yet fleshed-out (e.g. **Austria, Denmark, Greece, Italian programmes, North East England, Poland, Portugal, Sachsen-Anhalt**). In only a few countries, the content of the planned programme-wide evaluations is already relatively established. In **Vlaanderen**, for example, as already noted, the MTE scheduled for 2011 will assess programme results, the coherence with the ex ante evaluation, the likely achievement of objectives, the use of financial resources and the quality of monitoring, evaluation and financial management. In **France**, DIACT has produced a preliminary, common structure for all OP MTEs and domestic state-region contracts (scope and method to be defined) which will all include: a ‘zoom’ on the environment, a ‘zoom’ on greenhouse gas emissions, and an assessment of the potential of OPs and state-region contracts to achieve their financial and physical targets.

*(iii) Policy-level evaluation*

In some cases, Structural Funds programmes are integrated, aligned or merged with domestic policies as in Finland, France and Italy. In these cases, the evaluations tend to cover policies rather than individual programmes.

In **Finland**, the 2007-13 period will see Cohesion policy become more integrated with domestic programmes (e.g. ‘Centre of Expertise’ Programme and economic development strategies), and this general trend will also impact on the evaluation activities that will be carried out. In the partner programme of **Länsi-Suomi**, for example, it is expected that any future evaluation will be linked to the evaluation of the regional strategic programmes.<sup>74</sup> The integration of Cohesion policy evaluation with the evaluation of domestic programmes is seen as a means to improve the overall understanding of the effects of policy as a whole, something that was lacking in the past, partly due to the fragmentation of domestic regional policy responsibilities.

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<sup>74</sup> The four-year regional strategic programme, together with its implementation plan, is at the centre of the programme-based delivery of regional policy goals in Finland. Within each region, the regional strategic programme outlines regional development targets and key measures for the programme for the years to come and evaluates the funding required for implementation. The programme is designed to coordinate regional development activities; it takes into account national policy targets, special national programmes implemented by the region, programmes co-financed by the EU and the strategies and development work of different authorities.

In **France**, the evaluation of European Cohesion policy programmes will similarly become more aligned with the evaluation of domestic policies, in particular concerning the relationship between OPs and state-region contracts. These will be implemented in a much more aligned way (e.g. a joint committee for both exercises will be set up at the central level and similar bodies will be created in the regions). In this context, a more strategic partnership between regional state representatives and local authorities, and between the regional and the national levels is encouraged which, it is hoped, will contribute to transforming evaluation into a tool to improve overall policy performance.

Finally, in **Italy**, 2007-13 marks the launch of the ‘unitary regional policy’, a single strategic framework where domestic regional policy (the Fund for Underutilised Areas, FAS) and European Cohesion policy are merged together. At least in principle, the regional authorities are expected to draft, alongside their Structural Funds OPs, broader regional policy programmes (called DUPs, *Documenti Unici di Programma* - Single Programming Documents, not to be confused with the SPDs implemented in Objective 2 regions during the past programming periods). In theory, evaluation should be carried out for that level.<sup>75</sup> In line with this, in **Lombardia**, the intention is to develop a single evaluation strategy that will incorporate all regional policy programmes (the ERDF OP, the ESF OP, the part of regional development which will be funded solely with FAS resources and, potentially, also the Rural Development Plan even though this is not strictly part of Cohesion policy, at least from an EU perspective). This should allow the interrelations and cross-effects of programmes to be established.

(iv) *Cross-programme evaluation*

Examples of various types of cross-programme evaluation, i.e. of cases where evaluations will cover more than one OP, will potentially be found in a number of countries, including France, Lombardia, Sweden and Wales. In **France**, the possibility of multi-programme evaluations is envisaged for certain thematic studies that will be carried out under a national lead, but for which a number of regions express an interest. As already mentioned, in **Lombardia**, there will be evaluations that will address the effects and impacts of all regional programmes (ESF, ERDF and Rural Development) considered altogether. In **Sweden**, as for the UMTEs, national level, comparative evaluations will be carried out by NUTEK based on the evaluations of the individual programmes. As already noted, this will in essence be the basis for the evaluation of the NSRF. Lastly, in **Wales**, building on experience under the 2000-06 programmes, WEFO decided to cover both Convergence and Competitiveness programmes under one single Evaluation Plan. Moreover, the four Welsh OPs have been re-organised in 19 ‘Strategic Frameworks’ each one of which will be the subject of specific evaluation work.<sup>76</sup>

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<sup>75</sup> In theory, as it is not clear if all regions and national administrations with responsibility for the delivery of components of regional policy are developing such unitary regional policy strategies.

<sup>76</sup> These were discussed in detail in Bachtler *et al.* (2007) *The 2007-13 Operational Programmes: A Preliminary Assessment*, IQ-Net Thematic Paper, 19(2), European Policies Research Centre, University of Strathclyde, Glasgow, p. 70.

(v) *Project-level evaluation*

Something of a novelty compared to the past is the systematic introduction of project-level evaluation in a number of areas. Plans for project-level evaluations are found in Belgium (**Vlaanderen**) and in the UK (**Wales** and **Scotland**).

In **Scotland**, the Scottish government is concentrating the implementation of the OPs in a smaller number of large projects and there is consensus that these should be monitored closely and evaluated thoroughly. As a result, all projects above a £2 million threshold will be evaluated through stand-alone evaluation exercises. In **Wales**, the project level is one of three levels at which evaluation will apply. Project-level evaluation will be carried out in two ways: (i) in the form of self-assessments by all project implementers (an Evaluation Plan, based on forthcoming guidance from WEFO, must be developed as part of the business case of each application), and (ii) in the form of external evaluations, foreseen for all projects receiving grants of £2m or more and for projects implementing innovative or experimental actions (as defined in the OPs). Similarly, in **Vlaanderen** project implementers are required to provide a self-assessment. This is foreseen in the contract that the programme's beneficiaries sign with the Managing Authority. The contract specifies the reporting duties associated with such self-assessments, the methods and frequency of reporting (due every six months) and the project-specific indicators that implementers are required to report upon. The programme secretariat aims to use the evaluations of individual projects to 'build', via a bottom-up approach, the evaluation of the whole programme. It can be argued that the Flemish and Welsh self-assessments of project beneficiaries are more a form of reasoned monitoring than evaluation exercises per se - and indeed they lack the independence characteristic of evaluations - nonetheless, these exercises are expected to contribute positively to overall programme evaluation.

At the start of this section, the point was made that the various evaluation approaches discussed - policy, cross-programme, programme, thematic and project- are not generally mutually exclusive. An illustration of how different levels can be integrated into a single evaluation strategy is presented in the case study box below. The case study illustrates the **Welsh** on-going evaluation approach, a composite and synergic evaluation framework articulated on three levels: project, 'Strategic Framework' and cross-cutting.

**Case Study Box 3: The on-going evaluation approach in Wales 2007-13**

Building on experience under the 2000-06 programmes, WEFO decided to cover both Convergence and Competitiveness programmes under a single Evaluation Plan. Also, in recognition of the importance of data quality to evaluation, the choice was made to include a monitoring strategy within the plan, i.e. to develop a single Monitoring and Evaluation Plan.

Three key principles will guide the evaluation strategy, i.e. the need to investigate:

1. potential areas of risk (e.g. due to the innovative nature of an activity or to external factors which may affect results);

2. areas that lack coverage through the routine monitoring system (e.g. where indicators could not be identified or their collation would be disproportionately resource-intensive); and
3. components of the programmes that are substantially over- or under-achieving (e.g. due to changes in external conditions or reflecting a need to amend targets).

Evaluation is planned at three levels: project, Strategic Framework and programme level:

- At **project level**, an Evaluation Plan must be developed as part of each project application's business case (WEFO will provide advice and guidance). External evaluation will be required for all projects receiving grants of £2 million or more as well as for projects implementing innovative or experimental actions (as defined in the OPs).
- At **Strategic Framework** level, evaluation will be managed by WEFO's Monitoring and Evaluation Team, and contracted out in a similar way to the previous MTEs and UMTEs. All of the (19) Strategic Frameworks contain a list of indicators and a section on evaluation questions. There will be some evaluation questions common to all of the Strategic Frameworks and some that are specific to an individual Framework. This combination of questions is intended to represent a horizontal and a vertical cut across a series of Frameworks. The 'vertical' questions will be included in the evaluation criteria for individual projects. Evaluation will be based on project monitoring data, project-level evaluations and additional fieldwork. Evaluation work will take place in two phases, in the middle and towards the end of the programming period.
- The **cross-cutting approach**, based on a synthesis of the project-level responses, will then form part of the programme-level evaluations. On-going evaluation at programme level will include: (a) establishing the effectiveness of the processes and administration of the programmes; (b) on-going evaluation - where there is a significant departure from initial goals and where major changes are proposed to the OP (financial, content-related, implementation-related); (c) evaluation of programme impact, focusing on net jobs (ERDF), net SME creation, sustainability and source (creation by under-represented groups) (ERDF), number of people who gain qualifications and/or are helped into further learning (ESF), number of people helped into employment (ESF); and, (d) cross-cutting themes - environmental sustainability and equal opportunities.

WEFO plans to implement a staged approach in which implementation processes are assessed in the middle of the programming period, and programme impact is assessed at a later stage. For the Strategic Frameworks, for instance, this would entail the following:

- Phase 1 - assessment of whether and to what extent the Framework is still relevant to the socio-economic circumstances of the area; analysis of progress to date against key output, result and financial indicators; assessment of whether the Framework is working well as a mechanism for implementing the Programme, including the cross-cutting themes; assessment of how the Framework is interacting with other Frameworks;
- Phase 2 - assessment of whether previous evaluation recommendations relevant to the Framework were implemented; analysis of progress against key output, result and financial indicators in the field covered by the Framework; and assessment of current impact, and likely end-Programme impact.

Overall, the focus will be on both impacts (from project to programme level) and processes (due to the changes in the management and implementation of the programmes, such as the reorientation of divisions within WEFO and the new computer system introduced). Process issues will be examined from a top-down perspective only; impacts will be examined from both a bottom-up and a top-down perspective (although the top-down methodology potentially may be complex for smaller projects).

### 3.4 The management and implementation of evaluation activities

The effective realisation of the new plans for the on-going evaluation of OPs and national strategies will depend upon the existence of effective and efficient coordination and management systems. The following sections review the structures and bodies that exist or will be established in partner programmes and countries to oversee and coordinate the evaluation work; the practical organisation of evaluation activities; some of the mechanisms planned to strengthen the quality and, possibly, the use of evaluation (namely the provision of performance reserve mechanisms); and capacity building activities planned to strengthen evaluation.

#### 3.4.1 *Bodies and structures enabling effective evaluation*

Table 9 presents an overview of the structures and bodies in place in IQ-Net partner countries and programmes to oversee, manage and coordinate evaluation work. The table describes four issues:

- the bodies that are responsible for evaluation work at national (if relevant) and programme level;
- whether and where national and/or regional evaluation units exist;
- whether Steering Groups are set up (or will be set up) to oversee and facilitate the evaluations; and
- whether other bodies exist which carry out specific evaluation tasks, such as facilitation work, capacity building, networking and similar.

One point to note with respect to the bodies which have responsibility for evaluation and for the coordination of evaluation activities, both at national and programme level, is the high degree of continuity brought forward from the past programming period. At the national level, responsibility for the oversight of evaluation work generally falls within the same Ministry or Department that is in charge of the management of the NSRF (e.g. the National Agency for Enterprise and Construction in **Denmark**, the National Coordinating Authority of the Ministry of Regional Development in the **Czech Republic** etc). Sometimes, as in **Italy** and **Poland**, this responsibility is placed in national-level evaluation units situated within the administration in charge of the coordination of regional policy, in other cases, such responsibility is attributed to dedicated departments (e.g. in **Spain**). At the programme level, the authority or body responsible for evaluation tends to be the Managing Authority or Secretariat of the programme. In specific cases, e.g. in **Lombardia** and **Wales**, a single regional department or unit is in charge of overseeing and coordinating the evaluation work of more than one programme (i.e. the Central Coordination Unit in Lombardia; the Research, Monitoring and Evaluation Unit (WEFO) in Wales).

Among the countries reviewed, evaluation units or equivalent bodies (in terms of the functions carried out) exist at the national level in the **Czech Republic** (Evaluation Workplace), **Italy** (UVAL), **Poland** (KJO) and **Portugal** (the NSRF Observatory). With the exception of the Italian evaluation unit - which has existed since the 1980s - they were all established in the last programming period. The tasks and activities of these bodies are generally similar, ranging from the provision of guidance on evaluation, the organisation of capacity building activities, the dissemination of evaluation tools and results etc., as well as the actual undertaking of evaluation work (an activity that, in **Italy** for instance, is expected to become more important in this current period). In these same countries regional or OP-specific evaluation units also exist or are being set up.

Steering Groups or Committees, which also existed in the last programming period and whose setting up is recommended (as it was in 2000-06) by DG REGIO, are present in most cases, the exceptions being the **Austrian** partner programmes, **Denmark**, **Greece**, the **OP for Länsi-Suomi** and **Vlaanderen**. Finally, particular bodies or arrangements exist in some countries to raise the profile of evaluation and generate better understanding of it, such as: the Evaluation Platform KAP-EVA in **Austria** (discussed in more detail in Section 3.4.4), the **Italian** National Evaluation System (described below, in Case Study Box 4), the provision to set up evaluation-specific 'groups of experts' in the **Czech Republic** and the creation of an evaluation network in **Portugal**.

**Table 9: The management of evaluation work in IQ-Net countries and programmes (ERDF)**

Country	Responsible coordinating body	Evaluation Unit?	Steering Group?	Other body?
<b>Austria</b> <i>NÖe Steiermark</i>	ÖROK PMC PMC	- No No	KAP-EVA ( <i>quasi</i> SG) No No	KAP-EVA No No
<b>Belgium</b> (Vlaanderen)	Programme Secretariat	No	No (but Working Group to be set up for MTE)	No
<b>Czech Republic</b>	NCA, National Coordinating Authority of MRD	National 'Evaluation Workplace' (also in 2004-06) and OP Evaluation Units	Yes, national and programme level SGs (SGs also in 2004-06)	Expert Groups to be set up for specific evaluations
<b>Denmark</b>	NAEC (Managing Authority of 2 OPs)	No	No	No
<b>Finland</b> <i>Länsi-Suomi</i>	Ministry of Interior Managing Authority	No No	Joint Evaluation Group No	No No
<b>France</b>	DIACT	In DIACT	Yes, National Evaluation Body and regional evaluation committees (for OPs/CPER)	
<b>Germany</b> <i>NRW Sachsen-Anhalt</i>	MA/Secretariat Land St. Chancellery	No No	Probably Yes (not yet set up)	Associate evaluators No
<b>Greece</b>	National Coordinating Authority	Technical Committee within NCA	No	No
<b>Italy</b> <i>OP R&amp;C Lombardia</i>	UVAL (Ministry of Economic Development) NA Central Coordination Unit (for all OPs)	UVAL, + Units in regions/ministries (also in 2000-6) NA Yes, but role for 2007-13 OPs unclear	Yes (not yet set up)  Probably Yes (not yet set up)	National Evaluation System  No Regional research institute (IRER)
<b>Poland</b> <i>Śląskie</i>	KJO (Ministry of Regional Development) Managing Authority	KJO (Ministry of Regional Development)  Yes	Yes, chaired by Department for Structural Policy Coordination Yes, being set up	No No
<b>Portugal</b>	NSRF Observatory	NSRF Observatory and for each OP	Yes, for each OP, but core responsibility lies in NSRF Evaluation Network	Evaluation Network
<b>Slovenia</b>	Managing Authority	-	Yes, chaired by MA	No
<b>Spain</b>	Sub DG Territorial Programming and Evaluation of Community Policies (MEF)	-	Monitoring and Evaluation Advisory Committee	
<b>Sweden</b>	NUTEK	-	Yes (not yet set up)	No
<b>UK</b> <i>NEE Scotland Wales</i>	RDA Scottish Government  Research, Monitoring and Evaluation Unit (WEFO)	No No  Research, Monitoring and Evaluation Unit (WEFO)	NA Monitoring & Evaluation Group (MEG) Yes, Evaluation Advisory Group (to be set up) + SG for each Strategic Framework	No No  No

Source: EPRC research

#### Case Study Box 4 - The Italian National Evaluation System (NES)

The National Evaluation System will involve representatives from the national evaluation units responsible for each fund (ISFOL (ESF), UVAL (ERDF) and INEA (EAFRD)), even though rural development is not now strictly part of regional policy) and from the evaluation units of the regional and national administrations in charge of Structural Funds programmes. It is seen as very important to have a system covering all funds, especially in a context where interventions funded by different Structural Funds are organised in separate programmes (requiring a stronger strategic coordination capacity).

The NES will do three things:

1. It will *build capacities*, supporting evaluators and policy-makers in their evaluation activities.
2. It will carry out *meta-evaluations*, intended as evaluations of the evaluations (to help the administrations assess the quality and correspondence to needs of their evaluation work); more generally the NES will read the evaluation reports, act as an external observer and look at ways to improve evaluation processes (observatory).
3. It will *provide guidance*, in the form of guidelines, seminars, meetings, guidance on instruments and choices that can be made; it will participate in parts of the evaluation processes and meet with administrations (similar to what was already done in the Objective 1 regions in 2000-06 and on request).

The participation to the NES will be voluntary. In theory, all regional and national evaluation units can participate, but as the system will have to be operational, it was decided to make involvement in the NES non-compulsory. UVAL asked the regional and national evaluation units if they wanted to be involved and to commit to a certain amount of working days. Some units have replied, granting 5, 10 or 25 percent of the time dedicated to specific evaluation components for NES activities.

The NES will operate through a *coordination group* and a *working group*. At the moment, the NES includes c.43 staff, 10 of which come from UVAL, 12 representatives from regional units, the representatives from three Ministries (excluded the MED, for which UVAL also acts as evaluation unit) and representatives from ISFOL and INEA.

The choice was made to limit the participation to the NES to the components of the evaluation units of national and regional administrations (and not to include, for example, representatives of the programme Managing Authorities or secretariats). This was to ensure focus and to limit the size of the NES. As one of the objectives of the NES is to internalise evaluation competencies, clearly the NES' activities will be targeted especially at the administrations in charge of Structural Funds programming and hence there will be strong communication (even through indirect involvement in the NES).

### 3.4.2 Internalised or externalised evaluation

In the past, external consultants were generally commissioned to undertake Structural Funds evaluations. This was due to the EU regulatory requirements that stressed the importance of the independence of evaluation, implying that evaluation work should be conducted by actors not directly involved in the management or implementation of the programmes. For 2007-13, the somewhat relaxed Structural Funds regulations provide for scope to conduct more internal

evaluations, an opportunity which is being seized by a number of IQ-Net partners, as shown in the overview table below (Table 10).

**Table 10: Use of external evaluators, internal evaluation and self-assessment**

Country	External	Internal and/or Self-assessments	Both
<b>Austria</b> <i>Niederösterreich</i> <i>Steiermark</i>	/		
<b>Belgium (Vlaanderen)</b>	/ (MTE)		
<b>Czech Republic</b>	/ (nearly 100%)		
<b>Denmark</b>			/, possibly MTE externally commissioned, internal for thematic and/or impact evaluations
<b>Finland</b> <i>Länsi-Suomi</i>	/		
<b>France</b>			/, balance tbc
<b>Germany</b> <i>Nordrhein-Westfalen</i> <i>Sachsen-Anhalt</i>	Not yet decided	Not yet decided	/, balance tbc Not yet decided
<b>Greece</b>	/		
<b>Italy</b> OP R&C <i>Lombardia</i>			/, balance tbc /, more self-assessments than in past /, more use of IRER than in past
<b>Latvia</b>			
<b>Poland</b> <i>Śląskie</i>	/ (probably)		
<b>Portugal</b>			/, mostly external, with exception of econometric studies done internally
<b>Slovenia</b>	-	-	-
<b>Spain</b>			/, mostly external, but greater in-house evaluation than in past
<b>Sweden</b>			/, mostly external, but it is expected that the NSRF evaluation based on results of OP evaluations will be done internally by NUTEK
<b>UK</b> <i>North East England</i> <i>Scotland</i> <i>Wales</i>			/, balance tbc /, balance tbc by MEG /, balance tbc

Source: EPRC research

Whilst a small group of countries will continue to predominantly outsource evaluation work to external contractors (**Austria, Vlaanderen, Czech Republic, Finland, Greece and Poland**), the majority are planning to implement a mix of externally commissioned and internally conducted evaluations (in **Denmark, France, Germany, Italy, Portugal, Spain, Sweden** and the **UK**). The balance between external and internal evaluation is at the moment uncertain and decisions on this will be taken only at later stage, based partly on the availability of skilled in-house human resources but also on political sensitivities (e.g. in **Nordrhein-Westfalen**).

Generally speaking, internal evaluations will be carried out in the following cases and for the following main reasons:

- When the evaluation requires *specialist skills or techniques for which the domestic administration is considered better equipped* than evaluators available on the market, for example:
  - in **Portugal**, where econometric studies on the impact of the NSRF will be done in-house;
  - in **Denmark**, where work focusing on macro-economic trends or using public databases to trace long-term developments will be done internally within the domestic administration; and
  - in **Nordrhein-Westfalen**, where a simplified form of cost-benefit analysis will be carried out in-house by the programme secretariat for strategic projects or new types of project.
- When the evaluations focus on very *technical topics* (e.g. support to firms for innovation oriented investments) *that the administrators in charge of the programme “know best”* and that external evaluators would not be able to grasp easily, for example
  - in the **Italian OP Research and Competitiveness**, continuing some self-assessments successfully carried out during the past programming period; the Intermediate Body in charge of half of the programme and its technical secretariat are planning to undertake in-house studies on topics relating to programme implementation and performance; and
  - in **Nordrhein-Westfalen**, where the Managing Authority, the secretariat or the various funding ministries (Intermediate Bodies) will undertake an evaluation of the shift to a more extensive use of competitive calls for tender.
- When the evaluations can be undertaken as adequately internally as externally, but internalisation presents the advantage of control over the work’s timetable and cost savings, such as in **Sweden**, where NUTEK will carry out a meta-analysis of OP evaluations to draw out comparative conclusions and lessons.
- Where the existence of ‘strong’ research institutes or evaluation units provides scope for more in-house work, for example in **Lombardia** where it is envisaged that IRER, the regional research institute, will have a larger role in the delivery of evaluation work or, more generally, for the **Italian NSRF** for which UVAL is expected to carry out more direct evaluation work than in the past (e.g. in 2000-06, it oversaw and coordinated the MTE of the Italian Objective 1 CSF; this time there are expectations that it will take a more active, direct role).

When evaluations are outsourced, the contractual arrangements through which evaluation activities are commissioned are expected to be similar to those utilised in the past, i.e.

evaluation-specific contracts (e.g. in **Wales**, for the evaluations of each Strategic Framework, or in **Nordrhein-Westfalen**), or overall framework contracts where a single evaluator or consortium is appointed to follow the programme throughout its life (e.g. possibly in the **Italian** programmes, as was the case with the 2000-06 programmes). In either case, it can be expected that external evaluators will be selected through public calls for tenders, in line with established national and European public procurement rules.

In **Lombardia**, where a considerable part of the evaluation work will be conducted by the region's research institute, IRER, it is likely that the remit of the institute will be formalised through some form of agreement or covenant. Finally, it should be mentioned that in **Nordrhein-Westfalen** the Secretariat has recruited two evaluators as associates (i.e. working on a part-time consultancy basis rather than as full-time staff members). This is similar to a solution adopted during the last programming period in **North East England**, where the Programme Secretariat (the Government Office) employed two consultancy firms 'on retainer', to provide an on-going evaluation service as and when issues arose.

### 3.4.3 Giving weight to evaluation: performance reserve mechanisms

The quality of evaluation processes and outputs will be paramount to the credibility and thus usability of the evaluations. As in the past, national authorities and Managing Authorities in charge of coordinating programme evaluation (NSRF and OPs) will have to pay attention to establishing quality checks and follow-up mechanisms. This is also underlined by DG REGIO's Working Document 5 which proposes standards for both the evaluation process and the main outputs of evaluation work, the evaluation reports (see Table 11 below).

**Table 11: Quality standards as specified in DG REGIO's Working Document 5**

<b>Evaluation Process</b>	<ul style="list-style-type: none"> <li>• Coherent objectives (evaluability)</li> <li>• Well drawn-up terms of reference</li> <li>• Well designed and conducted tender selection procedures</li> <li>• Effective dialogue and feedback between the parties involved</li> <li>• Availability of adequate information (e.g. monitoring data)</li> <li>• Good management and support of the evaluation team</li> <li>• Effective dissemination to decision-makers and stakeholders</li> </ul>
<b>Evaluation Reports</b>	<ul style="list-style-type: none"> <li>• Meeting needs</li> <li>• Relevant scope</li> <li>• Open process</li> <li>• Defensible design</li> <li>• Use of reliable data</li> <li>• Sound analysis</li> <li>• Credible results</li> <li>• Impartial conclusions</li> <li>• Clear report</li> <li>• Useful recommendations</li> </ul>

Source: DG REGIO (2006) *Op. Cit.*, Annex 2, p. 18.

At this early stage of preparations of evaluation strategies, there is not much new evidence to justify a review of the quality checks and follow-up mechanisms foreseen in partner countries and programmes to enhance the solidity of evaluation. Yet, an interesting point that emerged during the fieldwork research is that in a few countries (**Italy** and **Poland**), as well as in one OP (the **Spanish NOP for Innovation**) evaluation will be linked to a financial performance reserve. In illustration, some more detail on the Italian performance reserve system is presented in the Case Study Box 5 below.

#### Case Study Box 5 - Performance Reserve for the Italian Mezzogiorno in the period 2007-13

The Italian performance reserve applies to the Southern part of the country, the so called Mezzogiorno (an aggregate of regions which is larger than the sum of Convergence regions). This choice was made in consideration of the much higher 'need' of this area and, related, the high concentration of the financial allocations of regional policy in this part of the country. For the performance reserve, the NSRF identifies some 'target service goals' (*Obiettivi di servizio*) in four strategic areas: education; services for the care of children and the elderly; management of urban waste, and integrated water services. The distribution of the financial performance reserve (of c. €3 billion) is linked to the achievement of these goals: for each strategic area the 'service target goal' is measured by appropriate quantitative indicators and for each indicator - there are 11 in all - a target is identified for 2013.

All eight Mezzogiorno regions and the Ministry of Education participate in this performance reserve system. The amount of resources obtainable by each administration has been decided based on allocation criteria (available from the website of the Department for Cohesion Policies). The distribution of the performance reserve will be made on a pro-rata basis, i.e. based on the number of indicators for which the targets have been achieved.

The achievement of the target values will be established in two stages, in 2009 and 2013:

- In 2009, part of the performance reserve resources will be allocated based on an assessment of the relative progress made in the progression from the baseline data towards the 2013 target values;
- In 2013, the remaining part of the performance reserve resources will be allocated.

For the allocation of the performance reserve in 2013, a flexibility clause is available. According to this clause, for a maximum of four indicators chosen by each regional administration, the full amount of resources obtainable under the indicator will be awarded simply by having achieved 60 percent of the target value (however, for the flexibility clause to apply, at least one indicator must have been achieved fully in each one of the four strategic areas).

#### **3.4.4 Capacities and capacity building for evaluation<sup>77</sup>**

The increased freedom and room for manoeuvre that Member States and regions have with respect to the evaluation of European Cohesion policy in their countries imply the need for a certain degree of 'maturity' and of diffused knowledge on the role, tools and utility of evaluation. This relates particularly to:

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<sup>77</sup> Heidi Vironen of EPRC contributed to this section.

- the *administrations in charge of the programmes* who will commission and, in some cases, undertake evaluation work, and
- the *evaluation community*, including consultants and academics working as evaluators.

Without doubt, the experience gained from past Structural Funds programming rounds has embedded an evaluation culture and deepened evaluation capacity across all the EU15 Member States. Throughout programming periods, actors have become not only more familiar with the operational requirements for conducting evaluations, but have had access to larger pools of evaluator skills not least due to the extensive efforts paid to raise awareness on the utility of evaluation and to build capacities.<sup>78</sup>

Over the past programming period (2000-06), national authorities have had an important role in this respect in most countries. Many issued their own general evaluation guidance, based on the Commission's requirements but reflecting national priorities. A number were also active in the provision of technical advice and methodological and organisational good practice; in the organisation of workshops and consultations with individual programmes (e.g. to impart to programme managers the requirements of the MTEs); in providing technical advice and support to programme managers in the drafting of terms of reference; and, acting as a source of methodological and organisational good practice upon which programmes could draw.<sup>79</sup> Perhaps the most meaningful example of systematic capacity building over the past programming periods can be found in **Austria**, where a permanent evaluation discussion forum was set up in 1995, upon the country's accession to the EU, to bring together programme managers and evaluators, and to develop a debate on evaluation themes, management, organisation and methods (see Box 6 Below).

#### Case Study Box 6 - the Austrian KAP-EVA platform

The creation of a permanent forum on evaluation has been a key element of the strategy to enhance evaluation capabilities over the past programming periods. Capacity building activities became more established upon the country's membership to the EU in 1995. At this time, the Austrian Federal Chancellery (BKA) established a so-called 'Checkpoint EVA' platform (run by the Austrian Spatial Planning Institute, ÖIR) which had the objective to facilitate exchange of experience and learning in regional policy evaluation. The network included evaluators and national as well as regional policy makers.

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<sup>78</sup> Raines P and Taylor S (2002) *Op. Cit.*

<sup>79</sup> *Ibid*, p. 25.

During the five years of its existence 'Checkpoint EVA' collected and distributed information on evaluation issues and organised annual conferences.<sup>80</sup> The platform concept was developed further for 2000-06 as part of the MTE, when the coordination and work platform KAP-EVA was established by the Austrian Conference on Spatial Planning (ÖROK). KAP-EVA represents one of the most active examples of institutionalisation of capacity building in an international context.<sup>81</sup> For example, during the period 2002-06, it organised a series of workshops dealing with a variety of evaluation related issues and involving a range of national and *Land*-level actors, as well as evaluators from different research institutes. These workshops have been perceived as very useful tools for stimulating discussions, setting common standards and adapting EU requirements to domestic needs. The success of the KAP-EVA initiative has led to its reiteration in the current programming period, although the exact role and relationship with the NSRF strategic forum '*STRAT.AT plus*' is still under development.

As in Austria, also for the newer Member States accession has led to extensive capacity building efforts in the field of evaluation and also more generally. For instance, over the 2004-06 period, a number of EU10 countries developed, following advice from DG REGIO, national Evaluation Plans and these tended to include provisions for capacity building (e.g. in the **Czech Republic, Lithuania and Poland**). In **Poland**, for example, the 2004-06 Evaluation Plan included a specific annex on capacity building which comprised: the development of guidelines for the evaluation of the NDP and OPs; the setting up of an Evaluation Steering Group to support the evaluation process and of a Consultative Group to support the work of national and programme evaluation units and evaluators, with the aim of developing the evaluation system in the country. Important components of the Consultative Group included a database of institutions involved in the evaluation of Structural Funds both within Poland and in the rest of the EU, and an online discussion forum dedicated to evaluation (see also Case Study Box 8).

Notwithstanding past efforts, the issue of capacities available to evaluation is still of primary importance, particularly in the context of the EU12, where past experiences with regional policy evaluation are limited, as is highlighted in the conclusions of a study recently carried out for DG REGIO<sup>82</sup> (see Box 7 below for a detailed summary of the conclusions and recommendations formulated in the study). The research resulted in an analytical framework that addresses multiple aspects of evaluation capacity development and allows for a review of progress in this field. It concluded that still to date there are a number of challenges facing government administrations, programme authorities and evaluators that hinder to a more or lesser degree the use that is made of evaluation in all European countries, especially in the EU12.

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<sup>80</sup> Holzinger, E (2001) *6 Jahre Programm-Evaluation - eine Bilanz*, ÖIR: Wien, p. 29.

<sup>81</sup> Raines, P and Taylor, S (2002) *Op. Cit.*; Strohmeier, G and Holzinger, E (2006), *Die Koordinations- und Arbeitsplattform KAP-EVA: Ein Prozess in der Evaluierung der Strukturfonds-Programme in Österreich*.

<sup>82</sup> DG REGIO (2007) *Final report on the framework to analyse the development of evaluation capacity in the EU Member States*, 2<sup>nd</sup> draft, Estep, September 2007.

### Case Study Box 7 - Evaluation Capacities in the EU27: A study for DG REGIO

Evaluation capacity was defined as “the ability of Structural and Cohesion Fund administrations to effectively organise and utilise timely, high-quality evaluations of EU-funded programmes”. Based on the definition and wider literature review, a draft framework for evaluation capacity development was established around four dimensions:

- *Demand* which refers to the commissioning side of the evaluation process;
- *Supply* which refers to the availability and quality of external evaluation expertise and socio-economic data resources;
- *Dissemination and utilisation* of evaluation outputs;
- *Institutionalisation* which aims to capture whether the wider (i.e. beyond Structural Funds) administrative environment or culture is conducive to, or enabling of, evaluation (a secondary focus is on whether Structural Funds evaluation requirements influence Member State evaluation practice).

Each dimension was broken down into a series of criteria and sub-criteria, and then into quantitative and qualitative indicators. The draft framework was subsequently tested to see how well it served the purpose of assessing and analysing evaluation capacity development in different EU countries. For each dimension the study identified some conclusions and recommendations. Key conclusions and recommendations were also formulated regarding the framework as a whole.

#### Conclusions and recommendations on demand side

The research found that the Member States had generally set up formal structures for evaluation. However, challenges were reported regarding limitations on the human resource side, differing levels of awareness within the national authorities, and the timeliness and quality of monitoring data, especially in the EU12. To address these limitations, the European Commission was recommended to organise specific themed workshops at EU level which would discuss practical evaluation issues. Similarly, Member States were recommended: to strengthen human resources, including training and other evaluation capacity building measures; to organise events on exchange of experience between different national institutions; and, to carry out evaluations to assess the quality of monitoring systems and data.

#### Conclusions and recommendations on the supply side

The research concluded that the evaluation market is considerably less developed in the EU12, although there is room for improvement across the EU in terms of the quality of external evaluations. To strengthen the supply side, Member States were recommended: to commission more evaluations which would provide more possibilities for market participants to take part in evaluation activities; to create incentives for the development of external evaluation expertise by using tendering and specific requirements (e.g. attract academia); to publicise Evaluation Plans to inform on future evaluation work; to consider undertaking meta-evaluations of evaluation reports; to advertise evaluation events and invite evaluators to participate in them. In this context, it was also recommended that evaluation societies could contribute to developing evaluation capacity by providing an opportunity for debate and learning.

### Conclusions and recommendations on dissemination and utilisation

Although the dissemination of evaluation reports was concluded to be relatively good, it was considered that the utilisation of the results could be improved, particularly in the EU12. It was recommended that the Member States could introduce measures, such as centralised online access to evaluation reports; minimum requirements for publications (e.g. at least executive summary publicly available); or a formal procedure to address and follow-up evaluation results.

### Conclusions and recommendations on the wider governance environment

The national importance attached to evaluation was generally concluded to be limited, with evaluation reports only sometimes used in wider public debate. The situation was considered less favourable in the EU12. The influence of EU requirements on national evaluation practices was found to range from 'moderate' to 'strong'. The European Commission was recommended to encourage the Member States to use the Structural Funds for evaluation capacity building. The Member States in turn could then use this as a means to enhance evaluation capacity more widely and make the administrative culture more conducive to evaluation practice.

### Conclusions and recommendations on the framework

Although the intention of the research was to develop a benchmarking tool, it was found that setting benchmarks and ranking performance was not relevant in the field of Structural Funds evaluation due to the complex institutional structures and historical contexts. Hence, no best practice approach was identified. The research resulted in an analytical framework that addresses multiple aspects of evaluation capacity development and allows for a review of progress in this field. It can be used for instance as a means for monitoring and comparing evaluation capacity development across the EU, or as a self-assessment tool by Member States. In this context, the European Commission shall encourage Member States to use the framework, notably in the upcoming ex post evaluation; to collect data against indicators which can be easily communicated; to consider undertaking more in-depth analysis of evaluation capacity development; and, to disseminate good practice lessons.

Source: DG REGIO (2007) *Final report on the framework to analyse the development of evaluation capacity in the EU Member States*, 2<sup>nd</sup> draft, Estep, September 2007.

For the future, capacity building activities are planned in virtually every country and the types of activities planned, perhaps unsurprisingly, include: the organisation of conferences, workshops and seminars (e.g. **Poland, Italy**); the provision of training for administrators and evaluators (again, in **Poland**); the development of methodological and theoretical bases for evaluation, through guidelines, setting evaluation standards and procedures, the creation of databases etc. (e.g. **Czech Republic, France, Wales**); initiatives to promote the exchange of good practice (as through KAP-EVA in **Austria** and the **Italian** Evaluation System, those discussed in Case Study Boxes 6 and 4 above); and the implementation of generic initiatives for the development of a wider evaluation community, for example through the support of national evaluation societies (e.g. **Czech Republic**).

A particularly structured approach to capacity building for evaluation in the current period can be found in **Poland**. In this country, approaches to evaluation are evolving rapidly with broader, more strategic scope, more sophisticated methodologies and gradually maturing evaluation experience amongst public administration and private consultancy firms. Nevertheless, these processes are developing from a traditionally weak base, and the challenge

associated with evaluating some of the largest sectoral OPs in the history of the EU and a new generation of regionalised OPs is significant. There is also an issue of critical mass, in that whilst there are highly qualified and skilled human resources in the country, the challenge is to increase their number and broaden the base of potential evaluation experts. All this is reflected in the special emphasis being placed on capacity building and 'good governance' in emerging evaluation strategies, as well as efforts to transfer good practice associated with the monitoring and evaluation of Structural Funds programmes to the Polish system of public administration as a whole. Capacity building activities planned for the 2007-13 period relate at least to two elements: first, the organisation of annual evaluation conferences; and, second, the design of a structured training strategy (see Box 8 below).

#### Case Study Box 8 - Capacity building for evaluation in Poland

Capacity building for evaluation over the 2007-13 period will include at least two elements: the organisation of annual evaluation conferences and the implementation of a structured training strategy.

**The annual conferences** - The annual Evaluation Conferences were launched in 2005. The third and most recent conference was held in October 2007. It entailed four panel discussions on the following topics: the organisation of the evaluation system for the 2007-13 programming period, objectives and challenges; the conceptualisation of evaluation methods, and challenges for measuring the effectiveness of Cohesion policy; the results of Cohesion policy in Poland, based on the evaluation conclusions of the 2004-06 programming period; and the utilisation of evaluation recommendations: an international experience. The conference was organised by the Polish Ministry of Regional Development and the Polish Agency for Enterprise Development. It was attended by c.200 participants from national and regional administrations within Poland, the Polish evaluation community and various international participants. Past conferences held in 2006 and 2005 focused respectively on the ex ante evaluation of 2007-13 programmes (ex ante evaluation as a tool of improvement of strategic management in public administration) and on the importance of evaluation in the context of socio-economic programmes.

**Training** - A training programme is also organised by the Ministry of Regional Development. It is built around four priorities: to develop evaluation as a tool for a better understanding of regional development; how to transform needs into services; how to define, manage, implement and evaluate projects; and, how to set up evaluation teams and support networks. The strategy was developed to capitalise on past experiences, to prioritise the different actions, to maximise the leverage effect of actions, avoiding overlaps with existing activities, and to limit intervention fields according to what is achievable given existing capacities.<sup>83</sup>

As in Poland, capacity building in the **Czech Republic** for 2007-13 entails a number of elements. First, there will be an increasing focus on developing the methodological and theoretical base for evaluation (e.g. macro-economic modelling; creation of GIS databases for evaluation purposes; elaboration of evaluation standards and procedures). Second, knowledge strengthening exercises such as workshops and seminars will be run, particularly for the evaluation units of the ROPs. Third, the evaluation community and institutional framework will

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<sup>83</sup> Brower A (2007) *Assessment of the evaluation system in Poland*, presentation to the Third Polish Evaluation Conference, Warsaw 25 October 2007.

be enhanced by activities such as the establishment of an Evaluation Society and a foundation of public registry of evaluation reports. Notwithstanding the fact that capacity building efforts are particularly crucial for the new Member States, many countries in the EU15 continue to invest in evaluation capacities. For instance, in **Greece**, a specific OP is dedicated to the 'Reinforcement of the efficiency of the public administration' and includes activities specifically related to evaluation (whilst being aimed at the improvement of the efficiency of the public administration in a wider range of areas). With a budget of approximately €505 million, the OP will include activities such as training, knowledge and technology transfer as well as staff support and networking and should increase the coherence of activities, in contrast to the fragmentation that characterised similar activities in the past.

## 4. 2007-13 MONITORING: AN ENABLING TOOL FOR EVALUATION

Although not the only source of information for evaluation purposes, monitoring data are one of the crucial elements determining the quality and conclusiveness of evaluation exercises. The last section of this paper looks at responses to the recurring need to improve monitoring systems and activities as a basis for evaluation. As underlined by a 2004 evaluation report:<sup>84</sup>

*“There is a need for monitoring systems to be refined to concentrate on core indicators and to ensure that data are gathered regularly and considered by decision makers and are available to evaluators”.*

A number of issues have to be considered when developing monitoring systems, with a view to making them not only operational and efficient tools for programme management, but also strategic and conducive to evaluation activities: How are monitoring systems being designed and which processes are used? What role do indicators play and how can they be made more usable and user oriented? And finally, what is being done to implement monitoring systems in an efficient and user-friendly way?

Looking at IQ-Net partner programmes, and their emerging approaches to monitoring in the 2007-13 period, efforts are being made across the board to set up simpler and more streamlined systems with more achievable objectives. It remains to be seen in how far monitoring activities will be enhanced in practice, as many systems have not yet been finalised, and a qualitative assessment will only be feasible when programmes start producing their first effects. There are, however, signs that data availability and usability, especially for evaluation purposes, may improve in future. These issues are examined in detail in the following, based on IQ-Net partner responses to past difficulties and new challenges.

### 4.1 Design of monitoring frameworks

The strategic design of monitoring systems is crucial in providing the foundation for successful programme management and control; at the same time, it can make information readily available in a more targeted way, thus allowing evaluation activities to be carried out more efficiently and effectively. Transparent monitoring activities also contribute to the accountability and legitimacy of Structural Funds interventions and provide the basis for information dissemination. After a review of general trends and progress to date, the main changes in monitoring systems and operational arrangements will be highlighted.

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<sup>84</sup> DG REGIO (2004) *Op.Cit.* p. 62.

### **4.1.1 General trends and progress to date**

A number of developments can be identified in the approaches of Member States and regions to monitoring for 2007-13. The starting point is an overview of the main changes and the current state-of-play.

#### *(i) Main objectives and ambitions for 2007-13*

As noted in Section 2, many programmes have experienced difficulties with monitoring in previous periods, due to various factors such as over-ambitious, large-scale or impractical monitoring systems, poor indicator choices or problems with data collection and analysis. For 2007-13, there is a widespread ambition to learn from past experiences and improve the quality of monitoring. Evaluations undertaken during the 2000-06 period, notably mid-term evaluations and their updates, have played an important role in the design of monitoring systems. In some cases, ex ante evaluations have also played a part in re-designing approaches. In most partner programmes, change has been quite significant, either concerning the alignment of systems with new strategic objectives or relating to operational modifications.

#### **New strategic objectives**

The first set of changes involve new strategic objectives, generally reflecting the increased focus of programme strategies on the Lisbon agenda, often in line with domestic development choices (e.g. **Nordrhein-Westfalen**, **Vlaanderen**). In **Denmark**, the whole monitoring system will be implemented in alignment with the four overarching development goals - Innovation, Entrepreneurship, New Technologies and Human Resources. Similarly, in **France**, a national vision of the Structural Funds' contribution to the achievement of national and community goals has been shaping the new national monitoring system; this contrasts with past practice when efforts were made to reconstruct a global perspective ex post. The transfer to more results-oriented public policy management also plays a role, as is the case in **Portugal** where greater focus will be placed on the monitoring of physical indicators as opposed to financial progress. These changes are reflected in the new indicator systems discussed in Section 4.2.

#### **Operational modifications**

A second set of changes involve operational modifications, frequently with the aim of making monitoring systems more targeted, streamlined or coherent. This is happening in response to several factors.

- *Changes in management responsibilities* are a reason for more streamlined approaches to monitoring. This is the case in **Vlaanderen** where a centralised system will replace provincial monitoring systems. Similarly, **Scotland** is developing a more streamlined system in line with the centralisation of management functions.
- *Past difficulties associated with fragmented monitoring systems* have been the impetus for more coordinated approaches, as in **Greece** where the National

Coordination Authority (NCA) replaces the Special Coordination Service of the Ministry of Economics and Finance. It will cooperate with the inter-ministerial Monitoring Committee for Community Programmes as well as with individual line ministries. Also in **Finland**, a highly fragmented monitoring system based on data transfers by sectoral ministries has been replaced by a uniform system under the responsibility of the Ministry of Labour.

- *Large programmes* pose particular monitoring challenges. Reflecting initial experiences in 2004-06, the **Czech Republic** is making efforts to simplify the monitoring system and make it more transparent. The National Coordination Authority, together with the Advisory Authority, is responsible for overseeing related activities while a specific Steering Group is in charge of external relations. Additionally, monthly ‘monitoring meetings’ will be organised with representatives of Managing, Paying and Certifying Authorities. In contrast to increasingly integrated monitoring approaches observed in countries with decreasing funding envelopes (see below), the focus of some large programmes will be more restricted in future. This can be seen in **Slovenia** where monitoring activities will only cover Cohesion policy in contrast to the past period when efforts were made to include domestic policies in the system.
- *Integrated approaches to monitoring*, where systems cover several funds and, in some cases, also domestic policies, require significant coordination. In **France**, monitoring will, in future, span Structural Funds and domestic programmes, and the central monitoring system will be steered by the Inter-ministerial Delegation for Territorial Development and Competitiveness (DIACT) in cooperation with sectoral ministries. Similarly, in **Italy** an integrated approach has been developed for the monitoring of all regional policy instruments in line with the new ‘unitary regional policy’. The regions can choose to adopt the same approach. This has happened in **Lombardia** where ERDF, ESF, the ‘Fund for Underutilised Areas’ (FAS) and the rural development programmes will be jointly monitored.

Only in a few cases has change to monitoring systems been marginal. In **Austria**, for example, the centralised monitoring system has been constantly refined since the country’s EU accession in 1995, and it is now seen to be working effectively. Coordinated by the working-group of Managing Authorities within the Austrian Conference on Spatial Planning (ÖROK), all Structural Funds monitoring activities are being undertaken by the European Recovery Programme Fund (ERP). Another example are the German *Länder* of **Nordrhein-Westfalen** and **Sachsen-Anhalt** where monitoring systems are perceived to be working well, and only minor changes will be made to update the systems in order to comply with new requirements.

(ii) *Current state of play*

Timing is an important issue for the establishment of monitoring systems, and ideally they should be in place early in the programme design cycle. This would ensure the collection and availability of data from the moment the first project enters the system. However, at the time

of the IQ-Net fieldwork, most monitoring systems for partner programmes were still under development or in the process of being further refined, and some of the following information is therefore only partial or preliminary.

- *Advanced progress:* In a number of cases, systems were already, or about to be, operational such as in **Austria** or in **France** where final consultations on indicators are underway. While in **Finland** and **Vlaanderen** newly developed IT systems are now ready to receive applications, data processing mechanisms are expected to be finalised by the end of the year. A similar situation can be observed in **Sweden** where applications will be received in paper format until the end of the year before the electronic data system takes over.
- *Reasonable progress:* In **Scotland**, the new electronic monitoring system is planned to be introduced in time for the first claims under the first application round. In **Poland**, both the NSRF monitoring system and the electronic monitoring system are still under development. In some cases, programmes are still awaiting approval which has priority over the development of monitoring systems, as in **Italy** and **Portugal**.
- *Pending issues* on the division of responsibilities can also hold back progress. For example, in **Greece**, structures and procedures still need to be approved via an implementation law, and the delegation of implementation responsibilities has not yet been clarified. In **Sachsen-Anhalt**, a decision on the type of data collection systems cannot be made as long as the division of responsibilities remains unclear. Finally, some discussions are still taking place on indicator development, such as in **Wales**, due to extensive consultation processes, and in **Sachsen-Anhalt**.

#### **4.1.2 Operational arrangements**

The operational set-up of monitoring systems is embedded in the arrangements used for Structural Funds implementation in a specific country. Similarly, the institutional context will, to a certain extent, determine the processes used to develop monitoring and indicator systems. The following sections review structural features of monitoring systems and processes used in their set-up.

##### *(i) Structural features of monitoring systems*

Although monitoring activities differ widely across countries, depending on the use that has been made of monitoring in mainstream policies and the degree of experience with Structural Funds monitoring, some broad categorisations can be identified. First, systems differ in terms of the relationship between monitoring activities at central and programme levels which can be integrated or fragmented; second, the link between NSRF and programme monitoring can be of varying quality; and third, monitoring systems can be more or less strongly aligned with evaluation frameworks.

### Integrated versus fragmented monitoring frameworks<sup>85</sup>

*'Integrated' monitoring frameworks* are characterised by a standard monitoring system, either determined by the central government or by collective agreement between national and regional authorities. They are based on a common set of key indicators and joint electronic information exchange systems. Integrated approaches can enhance the standardisation of monitoring processes and data sets but may present trade-offs as to the consideration of programme and region-specific issues. In the case of the EU12, for instance, there may be more scope for flexibility in the context of new regional OPs; central guidance remains, however, strong in order to ensure coherence between the large numbers of programmes and to coordinate approaches between Managing Authorities and Implementing Bodies. Integrated approaches may be found in the following cases.

- *Central steering of Structural Funds implementation and high funding levels:* In the **Czech Republic**, binding monitoring procedures and deadlines are set out at all implementation levels. A theme-based, central indicator set is mandatory for all OPs, while regions can choose to include additional indicators. The situation is similar in **Poland** where the Ministry for Regional Development has provided an extensive list of programme-level and thematic indicators to be included in the regional OPs. In **Śląskie**, programme authorities are therefore developing their own electronic monitoring system in line with the national system. Integrated systems can also be found in **Slovenia**, as well as in **Greece** and in **Portugal**, following on from the 2000-06 Community Support Frameworks.
- Reflecting *continuity with past experience*, integrated approaches can also be observed in **Austria** where data will be aggregated by the central monitoring agency (ERP Fund); processes will continue to be based on measure-level reporting, using a common set of core indicators. In **France**, there has been an on-going trend towards more integration. For 2007-13, the electronic monitoring system will process data from ERDF, ESF and domestic policy programmes; indicator sets and definitions will be harmonised though regional Managing Authorities retain the possibility to include additional indicators. In **Spain**, moves towards a more integrated approach are also evident. In the past, large indicator numbers were developed in order to take account of the large numbers of beneficiaries. This time, the indicator set will be more streamlined and OPs will have to choose from a joint indicator list.
- *Changes from past practice* can be identified in **Sweden** where monitoring activities will be based on a common set of indicators for all ERDF programmes with a possibility for regions to include additional indicators. This contrasts with the past when regions had more extensive scope to make their own decisions on indicators. Change will be more significant in **Finland** where an approach which was fragmented along sectoral

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<sup>85</sup> Taylor S, Bachtler J and Polverari L (2001) *Op. Cit.* p. 27/28.

lines will give way to a joint electronic monitoring system used by all funding authorities.

In contrast to integrated systems, frameworks can be described as '*fragmented*' when several different approaches are taken to monitoring which operate in parallel at different levels within the country. This gives programme authorities the possibility to develop monitoring systems tailored to their specific needs; however, coordination between systems to support exchanges of information and aggregation efforts at a higher level is limited. Monitoring systems remain largely fragmented in countries with a federal or a strongly regionalised institutional set-up. This is the case in **Germany** where different regional and sectoral programmes take individual approaches to monitoring. **Belgium** provides a similar example as the management of Structural Funds is a regional responsibility and no joint approach is taken to monitoring activities. The constituent nations of the **United Kingdom** also approach monitoring in different ways.

An alternative approach between the integrated and the fragmented models has been developed in **Italy**. Here, monitoring will be based on two parallel systems, a national system for information purposes focussed on a few key indicators, and more complex, programme or region-specific systems with additional management functions. Both systems are, however, interlinked via periodic data exchanges. The integrated or fragmented character of a monitoring system has implications for the link between NSRF and OP monitoring (see below), but also regarding processes for the development of indicator systems (see Section 4.1.2(ii)).

### Links between the monitoring of NSRF and OPs

In order to ensure coherence of monitoring activities beyond the links which are apparent between the strategic contents of NSRF and programme documents, monitoring activities for both exercises can be interlinked. This linkage can take different forms.

- *An explicit approach* can be found in the common design of indicator systems. In **France**, for example, strategic monitoring of the NSRF will be based on the on-going evaluation of regional OPs via the collection of common indicators across programmes. This constitutes a useful tool for the NSRF monitoring group in charge of disseminating the main results and reporting on Cohesion policy. Also in **Spain**, NSRF and OPs are linked via strategic indicators set out at priority level. Similarly, in **Denmark**, a strong internal link can be detected between the NSRF, the OPs and the indicators.
- In other cases, the *division of roles* between actors suggests a close alignment between NSRF and OP monitoring. In **Poland**, for instance, the committee in charge of coordinating NSRF monitoring is headed by the Ministry of Regional Development which also provides targeted guidance on OP monitoring, for example on indicators. A specific coordination mechanism will be set up in **Greece** where the Annual Conference of Presidents of Monitoring Committees is responsible for monitoring NSRF targets as well as programme contributions. In **Portugal**, interaction will take place at several levels.

In order to enhance coherence, 'Thematic Observation Centres' will involve the NSRF Observatory, Certifying Authorities and Managing Authorities under the steering of the Ministerial Coordination Commission for the NSRF, while 'Regional Observation Centres' are in charge of monitoring regional OPs under the responsibility of Regional Development Coordination Commissions.

In a number of cases, no explicit link exists between the monitoring of OPs and the NSRF, notably where monitoring systems are fragmented. In **Germany**, for example, monitoring work is carried out by programme Managing Authorities at *Land* and federal levels for individual OPs, rather than at NSRF level. The same applies to **Belgium** where no coordination takes place on monitoring between the regions or between the regions and the federal level.

### Links between monitoring and evaluation systems

Increased attention is being paid to the strategic alignment of monitoring and evaluation exercises. The quality of the linkage between both systems relies to a significant extent on the availability and usability of data on indicators (see Section 4.2). This can be enhanced by close coordination between bodies and actors involved in monitoring and evaluation. Looking at IQ-Net partner examples, three scenarios emerge.

- The *same steering body* is in charge of both evaluation and monitoring. This is the case in **Austria, Denmark, France, Slovenia** and **Spain** but can also be observed at the sub-national level, such as in **Nordrhein-Westfalen, Vlaanderen** and **Wales** where both frameworks are inextricably linked.
- *Separate steering bodies* are in place for evaluation and monitoring as in **Poland**; although the bodies are separate, provisions for coordination are in place via joint participation in Steering Groups.
- *Enhanced coordination* can be observed in **Greece** where the Evaluation Plan and the monitoring system were designed by the same body. Similarly in **Italy**, national evaluation and monitoring activities were designed by the National Evaluation Unit (UVAL). In **Lombardia**, coordination is expected to be ensured by the Central Authority for Coordination. In **Sweden**, the Managing Authority has hired an extra staff member responsible for evaluation and monitoring activities.

#### (ii) *Processes for setting up new monitoring systems*

The processes used to set up monitoring and indicator systems vary not only according to whether systems are more integrated or more fragmented but also in response to other factors, such as the degree of consultation or partnership-working involved or the extent to which internal or external expertise is used.

## Consultation and guidance mechanisms

With some exceptions, the integrated character of a monitoring system generally relies on key indicators being defined at the central level, while guidance is provided to regions on how to develop programme-specific indicators (e.g. **Czech Republic, Poland, Slovenia**). Similar situations can be observed at sub-national level in the context of fragmented systems, such as in **England and Scotland**. The fact that a monitoring system is based on important central guidance does not necessarily mean that it is imposed, as the use of consultation mechanisms can make it more inclusive. This is crucial for ownership and acceptance by actors involved in monitoring and can enhance the overall efficiency of monitoring activities.<sup>86</sup> Stakeholder involvement seems to have been more important for the set-up of monitoring systems than for the development of evaluation frameworks (see Section 3.2).

- In some cases, *consultation was mainly taking place at the national level*. In **Italy**, for instance, the national monitoring system was designed based on the consultation of central-level data users by the General Accounting Body of the State (IGRUE). A proposal was circulated to regional authorities followed by bilateral meetings under the overall coordination of the National Evaluation Unit. Similarly in **France**, thematic indicators were defined in close alignment with sectoral ministries. In parallel, guidance was provided to the regions such as on the identification of alert indicators.
- In other cases, a *multi-level approach* was used. In the **Spanish** case, a proposal was submitted to ministries and local actors, followed by an agreement on a common indicator list. In the process, Managing Authorities were asked to establish minimum uniform criteria and received guidance on how to define strategic indicators. In line with past practice, the design of monitoring systems in **Austria** was based on close cooperation between the ERP Fund and Managing Authorities in the framework of the ÖROK working group for Managing Authorities. In **Sweden**, a workgroup was set up in 2004 within the Ministry of Industry. Input was gained from actors involved in past programme implementation and the development of new programmes. Extensive consultation also took place in **Wales** where stakeholders were closely associated by WEFO's unit for Research, Monitoring and Evaluation in collaboration with the Workstreams on Monitoring and Evaluation.

## Use of expertise

In addition to the consultation of actors involved in programme implementation and monitoring activities, the use of expertise at an early stage is another factor that can considerably improve the quality of monitoring systems. In particular, the involvement of evaluators can

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<sup>86</sup> See also DG REGIO (2006) *The New Programming Period 2007-2013, Indicative Guidelines on Evaluation Methods: Monitoring and Evaluation Indicators*, Working Document No. 2, August 2006, p. 21. Available online from [http://ec.europa.eu/regional\\_policy/sources/docoffic/2007/working/wd2\\_indic\\_en.pdf](http://ec.europa.eu/regional_policy/sources/docoffic/2007/working/wd2_indic_en.pdf).

allow systems to be more targeted and indicators to be better defined for evaluation purposes. In some countries, systems are *mainly developed in-house*, such as in **France** where indicator development was based on a long-term approach following on from the update of the mid-term evaluation. Recommendations on the monitoring of thematic and territorial priorities were provided by a ‘workgroup on the territorialisation of indicators’ in the context of the Lisbon and Gothenburg processes. Additional data and thematic fiches were provided by the Observatory of Territories to support indicator definition at the regional level. Expertise is also often used for technical aspects of electronic monitoring systems, as in **Spain** where the monitoring system was designed with the help of internal IT experts.

Other programme authorities make *use of external support* as was the case in **Nordrhein-Westfalen** where the monitoring system was developed with the expertise of ex ante evaluators in addition to discussions with funding ministries. Also, in **Lombardia**, indicators were defined with the support of the ex ante evaluator. The **Scottish** Government chose to commission a study in the context of an iterative process to identify a suitable set of indicators and targets involving the organisation of two workshops. In **England**, a consultancy carried out definitional work on core indicators which was complemented at the regional level, such as in **North East England**. Here another consultant devised a set of regional indicators to match the national definitions. In the case of **Vlaanderen**, work was outsourced regarding the technical aspects of the monitoring system which were designed by an external company.

## 4.2 Indicator systems: Collecting usable and user oriented data

The quality of indicator systems, which are at the heart of monitoring frameworks, is decisive for sound management based on the feedback on programme progress, as well as for the successful evaluation of programme performance. Looking at IQ-Net partner approaches, indicator systems have been developed based on past experience and evaluation recommendations and are strongly in line with explicit guidance provided by the Commission in the form of Working Document 2.<sup>87</sup> In this context, it is not only important to set up systems which are coherent and based on relevant and manageable indicators; it is also necessary to make strategic use of indicators to allow the data to contribute to a meaningful assessment of what Cohesion policy has achieved via the implementation of Structural Funds programmes.

### 4.2.1 Coherent indicator systems

Indicator systems show a number of characteristics which determine their overall usefulness and strategic role, such as the number of indicators and their relevance to the programme context (i); the strategic organisation of indicators in terms of causal links between operational

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<sup>87</sup> DG REGIO (2006) *Op. Cit.*

and more strategic indicators and programme goals (ii); and the manageability of indicators, mainly with respect to their measurability (iii).

(i) *Reduced number of relevant indicators*

Monitoring in the 2000-06 period was often based on large numbers of indicators trying to capture very specific programme effects. In many cases, the amount of data accumulated in the process proved to be unmanageable and did not allow overriding conclusions on programme performance to be drawn. In line with the proportionality principle, Commission guidance suggests taking a much more strategic stance and defining indicators for the most relevant priority themes, taking account of the programme scope and complexity.<sup>88</sup> In order for indicators to play a strategic role, it is crucial to establish clear links with underlying objectives and goals.<sup>89</sup> It is therefore important to invest sufficient resources at an early stage in order to avoid past difficulties which often required substantial revisions of indicator systems.

### **Past difficulties**

Looking at past monitoring practices in IQ-Net partner programmes, a fundamental problem consisted of divergences in indicator definition and usage criteria. In some cases, this led to the collection of overlapping information with methodological implications (e.g. **Spain**) and often made it impossible to aggregate data at higher levels (e.g. **Czech Republic, France**). Larger programmes also faced challenges due to large numbers of indicators, for example in the presence of a high number of final beneficiaries (e.g. **Spain**) or due to the fragmentation of projects (e.g. **Greece**). As a result, data gaps occurred, as indicators were too specific and partly not used. Furthermore, implementation problems, such as unclear divisions of responsibilities and access rights (e.g. **Czech Republic**) or a lack of controls meant that data was not up-to-date or reliable. As a consequence of these strongly interrelated elements, data were not only inappropriate for evaluation exercises, but they also frequently proved to be unusable for management purposes (e.g. **Finland, Czech Republic, Sachsen-Anhalt**).

### **New principles for indicator definition**

In response to the above-mentioned difficulties and in line with Commission guidance, programme authorities have made important efforts to improve indicators, both regarding qualitative and strategic aspects and have, in many cases, managed to rationalise indicator numbers.

- Increasingly *streamlined approaches* are emerging across the board, focusing on strategic priorities and indicators linked to global objectives. In **Spain**, for instance, strategic indicators for priorities and objectives were derived from context indicators

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<sup>88</sup> DG REGIO (2006) *Op. Cit.* p. 21.

<sup>89</sup> This was already underlined in Tavistock Institute with GKH and IRS (2003) *Op.Cit.* p. 9.

agreed with the Commission. In other cases, such as in **France** and **Portugal**, NSRF objectives are broken down into indicators at different levels.

- Often, a more strategic approach goes hand-in-hand with a *reduction of indicator numbers* which also helps avoiding data overload and limits the administrative burden (e.g. **Denmark**, **Finland**, **Italy** and **Vlaanderen**). In some cases, this can be a result of smaller funding allocations to programmes, as in **North East England**, whereas for large funding envelopes the decision can be made to cover only the most strategic aspects. An example of this can be seen in **Greece** where a decision was taken that indicators should cover only 70 percent of the overall budget. In many cases, a more selective approach meant that not all information requests could be taken into account, as in **Spain**, where it was necessary to come up with ‘second best’ solutions,<sup>90</sup> or in **Italy**. Generally, the rationalisation of indicator numbers has proved to be challenging, and a reduction in actual numbers could sometimes not be achieved (e.g. **Sweden**) or was not achieved sufficiently (e.g. **Sachsen-Anhalt**).
- Looking at *indicator definitions*, ambitions to make them more useful and manageable can be observed, notably in the provision of standardised and unequivocal definitions (e.g. **France**, **Sweden**). This was often complemented by improved methods of indicator quantification, such as in **Nordrhein-Westfalen** or in **Vlaanderen** where all indicators are numeric and easy to aggregate. The responsiveness of indicators to evaluation needs was also an issue given increased attention (e.g. in **Austria**).

The following example from **Spain** (Box 9) shows that considerable efforts were made to rationalise the indicator system.

#### Case Study Box 9: Rationalisation of the indicator system in Spain<sup>91</sup>

A number of principles guided the design of the Spanish indicator system, taking into account past weaknesses and improving their usability in future:

- Solving the problems deriving from the design of the 2000-06 Framework
- Rationality when creating and assigning indicators
- Introducing objective criteria from the beginning (closed definitions and units)
- Standardising information as much as possible in each action in order to establish comparisons between them

<sup>90</sup> Jose-Luis Kaiser (2007) *Management of the Physical Indicators in the ERDF, Spain as a case study: 2000-2006 and 2007-2013*, Presentation at the DG REGIO Evaluation Network meeting, Brussels, 20 - 21 September 2007 [available under [http://ec.europa.eu/regional\\_policy/sources/docgener/evaluation/doc/agenda2007.doc](http://ec.europa.eu/regional_policy/sources/docgener/evaluation/doc/agenda2007.doc)].

<sup>91</sup> *Ibid.*

- Simplification of the database of indicators
- Respecting horizontal environment and equal opportunities policies

Overall, the number of indicators was reduced significantly. In contrast to 2000-06, when only 15 percent of the 573 result indicators were effectively used, 300 operational indicators were identified for 2007-13 which had been used most in the past (e.g. with an execution rate of over 100 percent and used by a high number of beneficiaries). Already in the preparation phase, a round of training sessions was carried out on the new indicator system involving regions, local agents and ministries.

## (ii) *Indicator categories*

There are a number of indicator categories which are important at different stages of programme development and implementation and have different strategic values. Ideally, indicator systems are defined with reference to the wider programme context (reflected in context indicators), while their potential effects are specified in the form of target values as derived from baseline data. Significant developments in the overall approach to monitoring can be observed regarding the definition and organisation of the three most used types of output, result and impact indicators. In addition, some interesting examples emerge with regard to the use of horizontal indicators.

### **Context indicators, baselines and target setting**

In providing quantified information on the socio-economic and environmental situation, *context indicators* establish the wider programming environment. These indicators have often been derived with the help of domestic economic development strategies, while the Lisbon indicators were also used as a source (e.g. **Wales**). In **Spain**, context indicators were negotiated with the Commission and served as a basis for the monitoring system more generally. In contrast to previous programming periods, when funds were allocated based on a complex zoning structure which often did not correspond to statistical data boundaries, the definition of context indicators was more straightforward for the 2007-13 period due to the end of the zoning approach. It is in the nature of context indicators that longer time periods may elapse before data is available and usable for monitoring and evaluation. Therefore, such indicators are usually not part of the day-to-day monitoring processes but are updated on an annual basis.

Closely interlinked, *baseline data* refer to the initial value against which an indicator is measured, while ex ante quantifications help to appreciate the *targets* likely to be met. In the past, many monitoring systems did not provide realistically quantified objectives; this led to situations where performance was far in excess of targets as those had been set too low.<sup>92</sup> According to Commission guidance, the quantification of a target can function as a quality

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<sup>92</sup> DG REGIO (2004) *Op. Cit.* p. 42.

check for an indicator<sup>93</sup> and, during negotiations, efforts were made to ensure that target values were at least set out for core indicators (see Section 4.2.2(i)). Most Member States appear to have included target values in their NSRF and/ or OPs, to be followed-up at different stages of programme implementation. In the absence of comparable information, some interesting examples emerge from IQ-Net partner programmes:

- In **Poland**, a very comprehensive approach has been taken as indicators at NSRF level are defined detailing baseline indicators, target values and details on information sources.
- The indicator set of the Finnish region of **Länsi-Suomi** shows that baselines and targets are set out for the results of core indicators, but no such data are provided for indicators relating to the Lisbon or Gothenburg agendas. This reflects the fact that it is challenging to establish baselines and targets for all indicators, notably for impact indicators.
- Similarly, it may be difficult to set out targets at a very detailed level of programme implementation. This can be observed in the case of **Vlaanderen** where the inclusion of sub-indicators (e.g. firm size and type) and related targets is perceived as not feasible and where the use of ex post data is preferred.
- While the definition of baselines is mainly based on official statistics, it is also possible to use past activities carried out under the same or a similar instrument as a reference value. In this context it may be necessary to set the baseline at zero, notably if the scope of the programme has changed significantly (e.g. **Lombardia**). In other cases, the Commission has encouraged programme authorities to include baseline data based on outputs realised in the 2000-06 programming period (e.g. **Vlaanderen**).
- Regular monitoring of targets is built into monitoring systems, as in **Wales** where progress against targets will be reported in the AIRs. In **Spain**, targets for impact indicators are set for 2010 and will be monitored on an annual basis.

**Portugal** provides an interesting example for the definition of targets adapted to the 2007-13 programming context (see Box 10).

#### Case Study Box 10: Differentiated target-setting in Portugal

In the context of the changed status of a number of OPs, a differentiated approach was taken to the definition of indicator targets. Three different types of situations were identified, and appropriate procedures were applied:

- Interventions which continued from CSF III - the modulation of goals was defined with reference to the past, this being the most simple situation;

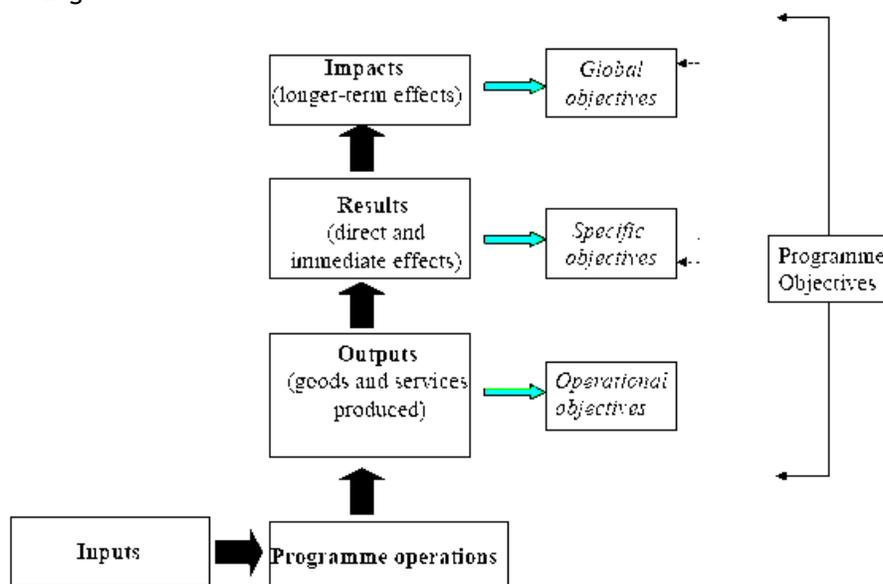
<sup>93</sup> DG REGIO (2006) *Op. Cit.* p. 13.

- Interventions with limited continuity from CSF III, i.e. with a more restricted budgetary framework (regions falling under the RCE Objective or regions under the transitional regime) - the modulation was based on previous experience adapted to these restrictions;
- Targets for new interventions defined with the help of policy goals, using references or comparative values and thematic expert knowledge.

### Output, result and impact indicators

The basic categorisation of indicators is based on the assumption that the allocation of public financial interventions (inputs), leads to a series of effects which can be split into outputs, results and impacts that each relate to a different level of programme objectives (see Figure 2 below).

Figure 2: The Logical Framework



Source: DG REGIO (2006) *The New Programming Period 2007-2013, Indicative Guidelines on Evaluation Methods: Monitoring and Evaluation Indicators*, Working Document No. 2, August 2006, p. 7.

The approaches being taken by IQ-Net partners suggest that, following-on from past efforts, a qualitative ‘jump’ has taken place from the monitoring of financial to physical indicators. The following section briefly reviews the general characteristics of output, result and impact indicators together with preferences visible from partners’ approaches. Overall, these reflect a more realistic and pragmatic approach to monitoring, as also promoted by the Commission.

*Output indicators* monitor the direct physical and monetary effects of interventions. They can also relate to the number of projects financed or the number of beneficiaries profiting from the support. In many cases, the majority of indicators relate to outputs, as in **Austria** or in **Vlaanderen**. The advantage is that their focus is on up-to-date data, whereas results take much longer to emerge. Also, in the context of national monitoring systems, as in **France**, the use of output indicators is preferred as it is felt to be difficult to monitor results and impacts

at the national level. Similarly, the **Italian** system is based on project output data which is seen as most relevant to national monitoring activities. Moreover, efforts have been made to devise straightforward output indicators, as in **Nordrhein-Westfalen**, where a single, representative output indicator was selected at priority level to reflect the broad strategic goal.

In line with Commission guidance, a focus of monitoring will be on *result indicators*, which relate to immediate programme effects on direct beneficiaries. This was generally welcomed as it is seen to help programme formulation as well as monitoring.<sup>94</sup> In **Portugal**, this can be seen in the context of increased results-orientation of public management. Increased attention is also apparent in **Finland** and in **Sweden** where result indicators are conceived more widely and also cover impact-related issues. In contrast to the quantitative nature of outputs, it appears more challenging to take account of the qualitative aspects of results. Efforts to reflect better the causal links between actions and reactions are made in **Vlaanderen**, where results achieved within target groups will be assessed based on surveys with project promoters (see Section (iii) below).

Regarding *impact indicators*, a much more careful approach can be observed, both on the part of the Commission and the Managing Authorities. In its main guidance document, the Commission clearly underlines the fact that impact indicators should only be defined for the most important priorities and that attention and resources should primarily be focussed on the establishment of reliable, measurable result indicators.<sup>95</sup> This is mainly due to the fact that impact indicators - by their nature - are often available only after a considerable time lag and require substantial methodological input in order to be valid.<sup>96</sup>

In response, impact indicators have been set out in a selective way, as in **Greece**, where they were only included where realistic. In **Vlaanderen**, only measurable indicators were used as it is considered impossible to measure programme impact on R&D expenditure. Similarly in **Scotland**, reservations were expressed regarding the scope for assessing the impact of the limited resources of the Lowlands and Uplands OP on the area's economy. Others have decided to assess impact indicators at later stage, notably via evaluations (e.g. **Sweden**, **Wales**). Also in **Vlaanderen**, output and result indicators will be followed up in six-monthly progress reports, whereas a specific method will be used to collect impact indicators. Similarly, in **Scotland** more complex indicators will have to be monitored via specific follow-up survey work. Programme authorities in **Nordrhein-Westfalen** will also carry out thematic evaluations and

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<sup>94</sup> Abdulwahab A (2007) *Indicators during the 2007-13 Programming Period: Feedback on Responses to Questionnaire from Member States*, Presentation at the DG REGIO Evaluation Unit meeting in Brussels, 20.09.2007 [available under [http://ec.europa.eu/regional\\_policy/sources/docgener/evaluation/doc/agenda2007.doc](http://ec.europa.eu/regional_policy/sources/docgener/evaluation/doc/agenda2007.doc)].

<sup>95</sup> It emerges, however, from discussions with country experts that the inclusion of impact indicators was greatly encouraged during negotiations with the Commission.

<sup>96</sup> DG REGIO (2006) *Op. Cit.* pp. 9-10.

have therefore refrained from including impact indicators, while in **Greece** the use of impact indicators remains optional.

### Indicator hierarchies

In organising different indicator types in a meaningful way, indicator systems progressively become more targeted and clarity increases. In an ideal case, indicators are interlinked based on logical causality chains in order to ensure internal coherence (see Figure 2 above).

- This can be achieved through a *thematic approach*, such as in **Denmark** where output, result and impact indicators are devised for each of the four growth drivers (see Box 11 below). In many cases, key indicators are set out at the level of priority themes, such as in **Portugal, Scotland and Wales**.

<b>Case Study Box 11: Thematic approach to indicator organisation in Denmark</b>				
In Denmark, indicators and targets were established for each of the four growth drivers at output, result and impact levels. Although the link between impacts and results as well as outputs remains to be further specified, the ambition to create a link between the three types of goals clearly comes across with respect to the four overriding themes. The following table summarises the most important targets on the basis of the indicator appendices in the two national OPs.				
Target/ indicator level	Innovation	Entrepreneurship	New Technologies	Human Resources
Impact	Increase share of innovative firms, nationally and relative to EU	Maintain level of entrepreneurship; Increase share of fast-growing new firms	Increase level of ICT use in Danish firms by around 20 %	Maintain high level of labour market participation; Increase training/education frequency, also among low-skilled
Result	1000 supported organisations report more innovation	900 new entrepreneurs supported	200 supported organisations report more ICT use	Increase workers' competences; Organisations adopting new HR strategies
Output	Increase innovation competences for 70 % of supported organisations; 500 new innovation partnerships	600 advisory sessions/ courses; DKK100 million in co-funding for entrepreneurs	70 % of supported organisations use more ICT for customer contact	Number of participants; Number of participant organisations

- Some adopt a more *differentiated approach*, based on the perception that different indicators are relevant at different levels (i.e. Member State, programme and project levels). The programme authority in **Vlaanderen** decided to structure indicators according to a pyramid approach; this means that outputs will be measured at the level of operational objectives, results will be monitored at priority level, while impacts will

be followed up at programme level. In **Spain**, ‘strategic’ indicators will be used to monitor the programmes’ context and impacts at priority level, while outputs and job creation will be assessed via ‘operational’ indicators.

- The *selective use of indicators* becomes apparent in cases where indicators are monitored nationally in addition to regional monitoring activities. While regional OPs will be responsible of monitoring outputs, results and impacts, only certain indicator types may be monitored at national level. This can be observed in **France** where EU core indicators and national thematic indicators mainly relate to data on outputs. Similarly, in **Italy**, the national system monitors key output and employment indicators for each project.

### Horizontal indicators

Up to now, the monitoring of horizontal indicators has, with some exceptions, remained rather patchy.<sup>97</sup> In line with its overall approach, the Commission has advised programme authorities to focus horizontal indicators mainly on interventions that have a significant impact on the relevant theme.<sup>98</sup> It is common practice to monitor related effects simply by registering the number of implemented projects in support of a specific horizontal theme. This happens notably in relation to the core indicators set out by the Commission (e.g. **Länsi-Suomi**) (see Section 4.2.2(i)). They can also be monitored in the context of mainstream projects, for example regarding gender equality and job creation or progress on sustainable development based on changes to business use of energy and resources. Looking at IQ-Net partner approaches, some trends can be identified.

The sustained importance of horizontal indicators is reflected in the fact that related *themes are increasingly monitored at the national level*, as in **Sweden** where an increase in the number of horizontal indicators can be observed. In **Spain**, it was decided to include at least one environmental and one gender-related indicator at strategic and operational levels for each priority. In **Poland**, gender mainstreaming and sustainable development will be monitored centrally across programmes, as is the case in **France**, where a cross-programme focus will be placed on environmental issues. In **Greece**, the enhanced role given to the Committee for Actions of the Social (Cohesion) Fund reflects an increased commitment in the sphere of equal opportunities.

*More targeted approaches* to the monitoring of horizontal themes are also apparent. In **Nordrhein-Westfalen**, a bonus will be awarded to projects which meet horizontal criteria in the context of competitive calls for tender, while in **Sweden**, the option of ‘neutral environmental effects’ has been eliminated from the indicator set (i.e. projects have either

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<sup>97</sup> See for example ASBL Engender (2002) *Integration of Equal Opportunities Between Women and Men in Objective 1 and 2 Structural Fund Programming Documents*, Synthesis Report.

<sup>98</sup> DG REGIO (2006) *Op. Cit.* p. 19.

positive or negative environmental effects). In **Austria**, a separate guidance document has been provided to support actors in the monitoring of environmental indicators, whereas the **Finnish** IT system contains a separate questionnaire for sustainable development, environmental impacts and equality issues. The programme authority of **Vlaanderen** is planning to carry out surveys with project promoters in order to assess programme effects on the horizontal programme themes (spatial dimension, interregional cooperation, sustainable development and environmental protection, and equal opportunities).

In the context of sustainable development, specific attention has been given to progress towards the reduction of greenhouse emissions which is part of the Commission's list of core indicators. Its measurement is, however, felt to be challenging. In the case of **France**, a specific system has been devised to monitor related effects for domestic and European programmes (see Box 12 below).

#### Case Study Box 12: Monitoring greenhouse emissions with NECATER in France

In the context of government efforts to extend the principle of sustainable development to public sector decisions, regional *préfets* were asked to implement domestic programmes (i.e. state-region project contracts) in a perspective of 'carbon neutrality'. Although OPs do not have to comply with this requirement they will be monitored with the same instrument based on 'CO<sub>2</sub>' indicators. The objective will be monitored on an on-going basis, and corrective measures may be applied if necessary (e.g. by imposing a label of very high energy performance (THPE) on new buildings or in compensating emissions by implementing projects that save greenhouse gases, such as the development of renewable energies or collective transport schemes).

The impact of public spending on carbon emissions will be monitored with respect to a number of themes via related indicators:

- employment (commuter journeys, added value and flow of goods by sector);
- infrastructure and urban development (infrastructure type, performance); and
- regional energy and environmental policies (leverage effect and performance of aids).

The methodology of the NECATER instrument is based on national statistics, and it will be interlinked with the electronic monitoring system PRESAGE. This will allow the combination of financial indicators, output indicators (m<sup>2</sup> of built/ regenerated surface) as well as result and impact indicators (e.g. on employment creation) in order to calculate emitted or saved CO<sub>2</sub>. The instrument is also used to provide information on context indicators regarding the regional situation (e.g. travel, activity).

#### (iii) *Measurement of strategic indicator categories*

While basic output and result indicators are relatively straightforward to measure (e.g. via physical or monetary units), it is more challenging to assign adequate indicators for certain key indicator categories or for immaterial and more complex projects. These project types are bound to become more important, especially in the context of the overarching goal of 'more growth and more jobs' based on the renewed Lisbon agenda. The following section reviews

insights regarding the measurement of two main categories: job creation and Lisbon-related themes more generally. In this context, emerging signs of the increased use of qualitative methods are highlighted.

### Measuring job creation

Throughout previous programming periods, the measurement of job creation has been a challenging issue (see also Section 2.2). This is mostly due to methodological problems in taking account of deadweight, displacement, substitution and multiplier effects of spending. The strategic importance accorded to the monitoring of job creation is reflected in specific Commission guidance provided in Working Document 6 on the measurement of Structural Funds employment effects.<sup>99</sup> The indication given to focus monitoring on the creation of gross jobs was appreciated and adopted by programme authorities across the board.

In order to raise awareness of potential implications at an early stage, methodological problems with the use of monitoring data on job creation have been highlighted in some OPs, as in **Nordrhein-Westfalen**<sup>100</sup> and **Sachsen-Anhalt**. In line with the Commission's core indicators, the focus of monitoring activities in partner programmes lies on employment creation. In **France**, the creation of direct, indirect and temporary jobs will be monitored while the measurement of safeguarded, suppressed and induced jobs has been abandoned.<sup>101</sup> A more selective approach is taken by the national monitoring system in **Italy**, as national employment indicators only monitor direct jobs created in the course of project implementation. However, some systems continue to include additional indicators, such as on the number of safeguarded jobs (e.g. **Nordrhein-Westfalen**).

As the scope of monitoring activities appears to be limited in the field of job creation, evaluations are intended to provide further insights, as in the case of **Slovenia** where net employment impact will be evaluated. In the French region of **Midi-Pyrénées**, it is hoped to gain additional information on windfall, induced and negative effects as well as on qualitative aspects and the conditions of employment creation.

### Monitoring progress towards Lisbon objectives

The monitoring of Lisbon objectives will become increasingly relevant, especially in the context of Regional Competitiveness and Employment programmes. In line with the earmarking

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<sup>99</sup> DG REGIO (2007) *Measuring Structural Funds Employment Effects*, Working Document No. 6, March 2007.

<sup>100</sup> See also Ridder M (2007) *Measuring employment effects of the Objective 2 programme of North Rhine-Westphalia and conclusions for the new programming period*, Presentation at the DG REGIO Evaluation Unit meeting in Brussels, 20.09.2007 [available under [http://ec.europa.eu/regional\\_policy/sources/docgener/evaluation/doc/agenda2007.doc](http://ec.europa.eu/regional_policy/sources/docgener/evaluation/doc/agenda2007.doc)].

<sup>101</sup> See Péguy T (2007) *Measurement of employment effects - lessons learnt and guidelines for the period 2007-2013*, Presentation at the DG REGIO Evaluation Unit meeting in Brussels, 20.09.2007 [available under [http://ec.europa.eu/regional\\_policy/sources/docgener/evaluation/doc/agenda2007.doc](http://ec.europa.eu/regional_policy/sources/docgener/evaluation/doc/agenda2007.doc)].

exercise, progress towards Lisbon objectives will be followed up via thematic intervention codes and expenditure categories. In addition, monitoring systems comprise more targeted indicators on themes such as R&D expenditure levels or progress in the use of ICT. In the case of **France**, for example, an overarching, cross-programme focus will be placed on themes like innovation and ICT. Others plan to raise the importance of the Lisbon objectives in the context of reporting activities (e.g. **North East England, Scotland, Wales**). However, the measurement of Lisbon-related interventions which are often determined by ‘soft’ factors (e.g. in the field of innovation and human capital) is perceived as challenging.

In this respect, qualitative approaches may provide an interesting alternative to monitoring approaches based purely on quantitative, physical data. Efforts in this direction can be observed in some cases (e.g. **Finland**), although it is acknowledged that related indicators are more challenging to define and processes may require increased experience and capacities. In **Vlaanderen**, scoring methods will be used to assess result and impact indicators in the context of project surveys after the project has been finalised. Data will be made objective via a scoring method on a scale from 0 to 5 with a focus on process issues (e.g. ‘How has the OP helped promoters in innovation management?’). Similarly, the design of the new **Steiermark** OP took account of the view that quantitative approaches are often not appropriate for measuring the effects of Structural Funds interventions. Future programme monitoring and evaluation will therefore be partly based on the so-called Process Monitoring of Impacts (see Box 13 below). Regarding these more sophisticated approaches, the fine dividing line between monitoring and evaluation approaches and related overlaps become increasingly apparent.

#### Case Study Box 13: ‘Process Monitoring of Impacts’ in Steiermark

The concept of ‘Process Monitoring of Impacts’ has been tried in the context of the on-going evaluation of the **Steiermark** programme in 2000-06. It aims to identify likely connections between inputs, outputs, results and impacts, and to check whether these links remain valid and actually take place during implementation. Related findings have contributed to the design of the regional OP and are expected to influence future monitoring and evaluation activities. The main elements of this concept are the following.

- Emphasis on impact-led management instead of input-driven implementation;
- Context-based interpretation of indicators;
- Results and impacts assessed *during* project implementation via process observation;
- Focus on links and relationships crucial for achieving effects; and
- Awareness-raising of project owners regarding importance of results and impacts.

This approach is seen as particularly well suited to monitor ‘soft’ measures dealing with open tasks. It is implemented based on surveys and interviews with selected project holders.

Source: Hummelbrunner R (2005) *Process Monitoring of Impacts, Towards a new approach to monitor the implementation of Structural Funds Programmes* [available under <http://www.bka.gv.at/DocView.axd?CobId=14624>].

### **4.2.2 Strategic use of indicator systems**

The use made of indicators in the overall framework of monitoring systems can be strategic in several respects. Regarding programme management, the feedback function of indicators on programme progress is particularly important, initiating or informing specific actions such as programme modification. Indicators are also a useful tool in a situation of delegated management as they help clarify the targets included in contracts with Intermediate Bodies. However, the fact that monitoring systems are designed for day-to-day programme management of the programme does not necessarily mean that they produce the data needed for an evaluation of impacts.<sup>102</sup> The following sections provide an overview of IQ-Net partner indicator systems and their potential to make strategic use of collected data, relating to the identification of strategic indicators (i), the aggregation of non-financial data (ii) and the targeting of specific user categories (iii).

#### **(i) Indicators with strategic value**

For the new period, some indicators have been given a strategic role in order to fulfil a specific function in the context of monitoring activities more generally. This was partly prompted by the Commission's list of core indicators which programme authorities are asked to include whenever appropriate.<sup>103</sup> Additionally, some monitoring systems identify indicators which establish a close link between monitoring and evaluation activities.

#### **Core indicators**

The concept of core indicators is not new and has been used in the past, especially in large countries,<sup>104</sup> although their importance has sometimes been limited (e.g. **France**). For the 2007-13 programmes, a list of core indicators has been set out at the EU level for the first time. They relate to the Community priorities as outlined in the Community Strategic Guidelines and are intended to provide insights into Structural Funds effects across programmes and, in effect, across countries. In addition, data may be used to enhance accountability and justify Structural Funds interventions more generally. Throughout the development of the new monitoring systems and programme negotiations significant emphasis has been placed on this indicator category.

A review of IQ-Net partner programmes shows that this request has been taken into account across the board, though often in a selective way (e.g. **Länsi-Suomi, Niederösterreich, Sachsen-Anhalt, Steiermark**). There are also signs of an integration of Commission requirements with domestic approaches. In **England**, a national working group tried to integrate (England-wide) RDA Tasking Framework indicators and definitions as far as possible.

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<sup>102</sup> Tavistock Institute with GHK and IRS (2003) *Op. Cit.* p. 66.

<sup>103</sup> DG REGIO (2006) *Op. Cit.*, Annex I, pp. 27-28.

<sup>104</sup> Taylor S, Bachtler J and Polverari L (2001) *Op. Cit.* pp. 43-45.

In some cases, the inclusion of core indicators was not straightforward, as in **Vlaanderen**, where it proved difficult to match some of them with programme indicators; this may be due to the fact that the programme is not based on a thematic approach, and funding is not pre-allocated to thematic spending categories.

The general acceptance of the core indicator concept is reflected in the fact that additional sets of national core indicators were established in a number of cases, notably to monitor the NSRF (e.g. **France, Poland**). Apart from improved data comparability, the enhanced communication effect is seen as an advantage of using core indicators (e.g. **Portugal**). However, several challenges have been encountered, the main one being that the Commission refrained from providing definitions of core indicators. In the absence of detailed information and a joint understanding of indicators, it is believed that the aggregation of data will be problematic. In some cases, complementary guidance was therefore provided, as in **France**. Some programme managers would have preferred a more focused approach, concentrating on the main objectives of Cohesion policy, such as the Lisbon themes (e.g. **Portugal**). A further concern relates to administrative burdens which are likely to occur, notably if questionnaires have to be used for data monitoring. The Commission is aware that definitions of core indicators will inevitably vary between Member States and takes the view that it would have been impossible to impose a harmonised approach.<sup>105</sup>

#### **Alert and evaluation indicators**

Apart from providing insights into immediate implementation issues related to programme progress, monitoring systems may help in identifying problem areas that deserve more detailed investigation.<sup>106</sup> An explicit link between monitoring and evaluation has been established in some monitoring systems by introducing ‘alert’ or ‘evaluation’ indicators (see Section 3.3 and Section (iii) below). The first category has a more operational role as it can be used to inform requirements for programme modification or to identify management problems at an early stage (e.g. **Spain**). In **France**, each region can decide to select a number of ‘alert indicators’ within its indicator set, depending on regional needs. In the case of major deviations, an analysis of programming difficulties can be carried out and evaluations may be triggered.

At a more strategic level, specific ‘evaluation indicators’ can be defined which are monitored and feed directly into evaluation exercises. For instance, in **Niederösterreich** and **Steiermark**, additional indicators have been included in the Programme Complements for internal purposes only. They will be followed-up in a flexible approach, which means that they are not compulsory for all evaluations and will be employed depending on the needs and interests of the Managing Authorities. In **Spain**, there are plans to develop evaluation indicators during the implementation phase. They are considered useful for the analysis of cause-effect relationships based on the specific study of each priority and will be monitored at specific

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<sup>105</sup> See also Abdulwahab A (2007) *Op. Cit.*

<sup>106</sup> Tavistock Institute with GKH and IRS (2003) *Op. Cit.* p. 119.

implementation stages; they will feed into strategic monitoring reports in 2009 and 2012 as well as on-going evaluation activities.

(ii) *Aggregation of non-financial data*

As outlined above with respect to the concept of core indicators, one of the main purposes of monitoring activities is the possibility of gaining comparative insights into programme achievements. Whereas this is relatively straightforward in the case of financial indicators, it is challenging to aggregate physical indicators at higher levels. Related difficulties are acknowledged by the Commission which has stated that “physical indicators are more difficult to aggregate, and it is often inappropriate to attempt to do so”.<sup>107</sup> This reflects past difficulties rooted in inaccurate data sets which made aggregations impossible.

A fundamental problem with the collection of realistic data relates to diverging approaches to indicator definition and their use, which is inevitable in the absence of targeted guidance. In the past, this deficit was enhanced by the fact that data was often entered into monitoring systems at a level which was different from the level where the actual outputs were achieved. In **Slovenia**, for example, data was entered by the Managing Authority rather than by the Implementing Body or the final beneficiary. Monitoring at the measure-level also proved to be ineffective in some cases, as it was impossible to obtain the implementation status of indicators per beneficiary, and data trails based on aggregation were impossible to establish (e.g. **Spain**). On the other hand, information collected at the measure-level was often found to be insufficiently strategic for evaluation purposes as it did not allow assessment of overall programme performance (e.g. **North East England**).<sup>108</sup> Looking at partner programmes, two main approaches can be identified which may facilitate data aggregation in future.

**Clarification of indicator use and data processing**

As outlined in Section 4.2.1(i), important efforts are underway to achieve a common understanding of indicator definitions and to make them more manageable (e.g. by simplifying their quantification). Aggregation can take place at different levels and is often focused on the priority level in line with a thematic approach to the organisation of indicator sets (see Section 4.2.1(ii)). In **Spain**, for instance, minimum uniform criteria were identified at priority level in order to make comparisons between actions possible. In other cases, as in **Vlaanderen**, the Commission recommended the inclusion of synthesis indicators at priority level.

Attempts are also being made to achieve data aggregation at the national level. As with the European core indicators, agreement on national key indicators may facilitate data aggregation, as in **France**. Here, national data will be gathered based on extrapolations from regional data. Specific guidance was issued not only on indicator definition but also on

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<sup>107</sup> DG REGIO (2006) *Op. Cit.* p. 14.

<sup>108</sup> DG REGIO (2004) *Op. Cit.* p. 33.

processes of data collection. Programme authorities are asked to allocate data to the appropriate level of a joint indicator structure based on a tree diagram, categorising all indicator types in relation to actions and objectives. Common rules for the collection of physical data are also set out in **Portugal**; these are ultimately intended to allow for the organisation and comparison of different OPs.

### **Project-level data collection**

In order to acquire timely and realistic monitoring data, there is a trend towards collecting information close to the production of immediate effects - at the project level. This reflects a fundamental change with respect to the unit of analysis of monitoring and evaluation activities and responds to past deficiencies regarding the channelling of information from the project level into the monitoring system.<sup>109</sup> In order to enhance the awareness and capacities necessary to make a bottom-up approach work, programme authorities have taken a number of steps.

- In many cases, monitoring obligations are detailed at the stage of project appraisal, for example in the context of project delivery or business plans (e.g. **Wales**). In **France**, appraisal services are responsible for entering project data into the electronic monitoring system, based on information provided by project promoters at the application stage.
- In **Austria**, responsible implementing agencies record and collate monitoring information for each EU-funded project in a single monitoring form.
- In a number of cases, project promoters are asked to provide progress reports on indicators, as in **Scotland**, where project sponsors submit a report together with their claim forms. Overall, the Intermediate Administration Body (ESEP) will follow up physical and spending progress much more closely. In **Nordrhein-Westfalen**, measure-specific monitoring forms or project completion forms need to be filled in.
- In **Vlaanderen**, project promoters are asked to indicate the project's expected contribution to programme objectives in the form of a score on a number of scales. They are also responsible for reporting on project impact at the end of the project period.

The national monitoring system developed in **Italy** is an example of a streamlined and simplified approach to monitoring based on project-level data (see Box 14).

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<sup>109</sup> *ibid.*

#### Case Study Box 14: Bottom-up project monitoring in Italy

In contrast to the 2000-06 period, the national monitoring system will rely on data relating to projects rather than programmes. In the past, there were large variations within programmes in terms of the data inserted into the monitoring system. The fact that what constitutes a 'project' is open to interpretation (e.g. in the past an aid scheme or a single investment programme under an aid scheme could equally be considered a project by different actors) made the information gathered through the monitoring system uneven, and thus hindered the understanding of what was actually being funded by the programmes. This, in turn, hampered efforts to build a national overview and to understand the effects delivered. In 2007-13, the aim is therefore to increase the clarity, reliability and usability of information by using the project-level as the main 'building block' for the national monitoring system. The system will continue to be coordinated by the State General Accounting Office (*Ragioneria Generale dello Stato*, IGRUE).

National-level monitoring will be carried out on the basis of output indicators, while result or impact indicators are not considered to be directly attributable to projects, but rather linked to their outcomes. Nevertheless, information is still required on the goals to which projects contribute within the programmes in order to carry out cross-project elaborations. In practice, each project will be given a 'Single Project Code' (CUD, *Codice Unico di Progetto*) when inserted into the system and will be categorised under a specific project type. The system will allocate one output indicator per project which relates to a physical output directly connected to the project rather than referring to financial values or the number of financed projects.

Difficulties may arise regarding the identification of indicators for certain project types, e.g. immaterial interventions. In case the pre-identified output indicator does not fit, the responsible Managing Authority can ask to monitor an additional (more suitable) output indicator. Similarly, for complex interventions, it is possible to divide the project into sub-parts according to the allocation of resources within the project (e.g. based on the classification of investment types of Law 488/92). For each sub-part, specific output indicators can be monitored. The limited flexibility in the context of the national monitoring system will be outweighed by the possibility to monitor specific and more comprehensive indicator sets at programme level.

As will be outlined further below (see Section 4.3.2(i)), bottom-up data collection and data synthesis can be greatly facilitated by electronic monitoring systems. This may also allow faster processing of data as no additional staff are required for collating the data (e.g. Sweden). In Germany, monitoring systems generally allow data to be broken down or aggregated to provide information on geographical areas and themes such as R&D and innovation or sustainable development. The new IT system developed in Wales makes it possible for projects to be linked to individual Frameworks, ensuring that progress at Framework level can be reported; furthermore, category breakdown data can be analysed and impact indicators can be aggregated at programme level.

#### (iii) Targeting data to specific user categories

Having discussed the strategic aspects of data supply and processing, the importance of actors making actual use of the information is now briefly considered. Generally, three types of data users can be identified at different levels: (a) programme administrators, such as Monitoring

Committees, Managing Authorities and Implementing Bodies; (b) external evaluators; and (c) politicians. Each of these groups has different needs in terms of data availability and quality.<sup>110</sup> Looking at IQ-Net partner programmes, there are signs of increased awareness of mutual information needs. This may be due to a stronger link between monitoring and evaluation functions and the overall need to justify Cohesion policy.

- The opinion of *administrators* can be solicited at different stages. In **Italy**, the needs of actors involved in programme implementation, coordination and evaluation have been assessed in the context of the development of the monitoring system. At a more operational level, regional evaluation units in **France** are encouraged to give their opinion on documents (such as scoreboard tables and AIRs) in order to provide a critical and evaluative view on the indicators. The progress being made with electronic monitoring systems (see Section 4.3.2(i)) also facilitates data use by administrators, as in **Sweden**, where the system allows selected information to be extracted in a form that is directly available for reporting.
- Apart from the inclusion of evaluation indicators in monitoring systems (see Section 4.2.2(i) above), monitoring data can be made more useful to *external evaluators* if they are directly involved in the design of the monitoring system (e.g. **Finland**, **Nordrhein-Westfalen**). Throughout programme implementation, a project-based approach (see Section 4.2.2(ii) above) can also facilitate the reconstruction of data trails and causal effects for evaluators. A good example in this context is **Austria**, where individual data has been provided to evaluators in addition to standard spreadsheets; this provides increased opportunity for exploiting the potential of monitoring data. In general, electronic databases should be accessible to evaluators at all times (e.g. **Vlaanderen**); they should also allow the extraction of specific data tailored to evaluators' needs, as in **Austria** where, upon request, the ERP Fund is able to provide datasets which are useful for undertaking thematic evaluations.
- In some cases, efforts have been made to improve the information made available to *politicians*. Programme authorities in **Nordrhein-Westfalen**, for instance, are attempting to provide more effective indicator assessment in order to demonstrate, in political terms, what the OP has achieved. In **Sweden**, the methods of reporting to the government will be significantly different from the past period with the reporting of more and better structured information which meets the needs of politicians. New approaches to monitoring also present challenges. In **Denmark**, for example, there is a perceived discrepancy between the new, technically sophisticated approach for monitoring progress on growth drivers (valued by administrators) and the more

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<sup>110</sup> CEC (2006) *Working Document 2*, pp. 20-21; Hummelbrunner R (2005) *Process Monitoring of Impacts, Towards a new approach to monitor the implementation of Structural Funds Programmes* [available under <http://www.bka.gv.at/DocView.axd?CobId=14624>], pp. 3-4. The importance of data availability is also underlined in Tavistock Institute with GKH and IRS (2003) *Op. Cit.* p. 75.

traditional methods for assessing the effectiveness of regional policy, such as jobs data, valued by politicians.

### **4.3 Implementation of monitoring systems**

This last section provides an overview of practical aspects of monitoring arrangements with respect to the day-to-day management of monitoring, the approaches to data collection, highlighting signs of increasing efficiency, and initiatives planned to enhance monitoring capacities.

#### **4.3.1 Day-to-day arrangements for monitoring**

In most cases, no specific bodies have been put in place to implement the monitoring system, which means that monitoring activities are mostly performed in the context of broader programme implementation structures. This may be partly linked to the fact that more responsibility is given to project promoters who are often required to enter their data directly into the system (see Section 4.2.2(ii)). Also, progress with IT-based monitoring systems has meant that access to data files is no longer necessarily limited to a reduced number of staff but is more widely accessible. In most cases, the Managing Authority has overall responsibility for monitoring, with the practical tasks being carried out by the programme secretariat and Intermediate Bodies.

Other implementation arrangements also exist. In **Lombardia**, a regionally-owned company *Lombardia Informatica* has been entrusted with the implementation of the monitoring system for all programmes. In **Austria**, the ERP Fund was commissioned by the federal chancellery to undertake programme monitoring alongside its function as central Paying Authority. For the **Portuguese** OPs, preference was given to the development of independent information systems for financial and physical monitoring, however using common rules.

A key challenge for programmes is the coordination of monitoring across Implementing Bodies in order to ensure data consistency across the board and to avoid disparities, e.g. with respect to timing. In **Scotland**, Operational Agreements with Implementing Bodies will be monitored on an on-going basis, complemented by regular reporting to the Monitoring Committee.

#### **4.3.2 Collecting data efficiently**

Although considerable progress has been made over past periods with respect to the collection and processing of monitoring data, systems have still been suffering from deficiencies relating to administrative overload, delays and data inaccuracy (e.g. double-counting, overestimated values). Apart from technical developments of electronic systems (i), programme managers aim to ensure that monitoring procedures become increasingly integrated and efficient in future, not only in terms of the amount of data that is processed but also regarding data quality (ii). In addition, plans to review monitoring systems reflect efforts to adapt systems in line with programme needs (iii).

(i) *Progress on electronic data collection and processing*

Progress on electronic monitoring systems via the establishment of new systems or the adaptation of existing systems has been multi-faceted. In a number of IQ-Net partner countries and regions, more sophisticated electronic systems have been introduced. A long-term approach has been taken in **Sweden**, where the new electronic data system 'NYPs' (*NY Projekt och stödärendehantering*) operated by the development agency, NUTEK, was introduced in 2005 and tested in a number of pilot regions. In **Nordrhein-Westfalen**, new monitoring software was introduced already at the end of 2006, allowing all data to be input electronically. In **Poland**, the 'SIMIK' system is being replaced by a new electronic monitoring system allowing for the timely processing of comprehensive data. Following on from changes in programme management structures, a centralised system was introduced in **Vlaanderen** which will be implemented separately for ERDF and ESF programmes. Similarly, the **Scottish** Government is developing a new computer system after the centralisation of programme management.

In other cases, progress was limited to the adaptation of existing systems for the requirements of the 2007-13 period. This occurred in **Sachsen-Anhalt** where 'efREporter' was modified in relation to the Lisbon codes and to take account of the division of the *Land* into Convergence and Phasing-out regions. A similar situation applies to the **Greek** 'Complete Information System' (CIS) and the new 'FONDOS 2007' system developed in **Spain**. In the case of **North East England**, the RDA will adopt 'TESA' (Transactional ERDF and State Aid) which has been in use in a number of English regions in the past period. In the **Czech Republic**, the electronic system has been updated based on previous experiences. In most cases, the retention of systems is either due to the fact that systems worked well in the past, or that a complete overhaul was seen as too costly and difficult.

In many cases, the adaptation of systems has been accompanied by an extension of their functions. Some of the changes are of a technical nature whereas others have more direct implications for strategic monitoring. Examples include the integration of different data sets, the improvement of information exchanges as well as increased coverage, accessibility and user-friendliness.

- *Functional progress* has been made in **Austria** where 'ATMOS' (Austrian Monitoring System) will no longer be based on MS Access but on mSQL. In **France**, 'PRESAGE' will in future allow the export of data (e.g. into Excel, Access).
- *The integration of data sets* will be possible in **France** where indicators defined at European, national and regional levels are all collated in a single file. Additionally, 'PRESAGE' will be interconnected with the instrument for calculating CO<sub>2</sub> emissions (NECATER, see Box 12 in Section 4.2.1(ii)). In **Śląskie**, the web-based system will bring together monthly reports on physical and financial project progress in one document.

- *Improved information exchange* can be observed between levels, as in **Italy** where data transfers from programme-specific systems to the national system will only cover information that varies from the previous system-dialogue. Exchanges between Managing Authorities and Intermediate Bodies or final beneficiaries are also being improved. For instance, in **Sachsen-Anhalt**, more funding ministries will directly input data into the electronic monitoring system; this is also the case in **Nordrhein-Westfalen** where funding ministries previously sent information in paper form. In **Wales**, a newly created beneficiaries database works with an interface allowing projects to link their own monitoring systems with the 'PPIMS' (Programme and Project Information System) database.
- *Increased coverage* is being achieved in **France**, as 'PRESAGE' will cover all funds (with the exception of EAFRD), as well as domestic regional policies based on the monitoring of all public financing activities. Similarly, in **Lombardia**, an integrated monitoring databank is being set up to cover all assistance programmes, including domestic policies.
- *Increased accessibility and user-friendliness* are being introduced in **Italy**, where the national monitoring system categorises input project data and indicates the appropriate output indicator that needs to be provided. In **Austria**, interactivity will be increased, for instance, by integrating a new document information database enabling users to get access to all relevant EU and national documents. Similarly in **France**, the electronic system allows to access information on the definition and application of individual indicators. In **Spain**, it is planned to make greater use of electronic signatures in order to improve relations between the various actors involved and to reduce paperwork.

As can be seen with the **Finnish** example, electronic monitoring systems may combine a number of the above mentioned functions (see Box 15).

#### Case Study Box 15: The development of EURA2007 in Finland

EURA2007 ([www.eura2007.fi](http://www.eura2007.fi)) replaces the former monitoring systems of FIMOS2000 of the Ministry of the Interior, IRIS of the Ministry of Education, and ESRA of the Ministry of Labour. It is developed and funded by the Ministry of Labour together with the Ministry of the Interior, taking into consideration the needs of ministries involved in Structural Funds implementation. Whereas in the past period, the FIMOS2000 system was under the responsibility of the Ministry of the Interior, the Ministry of Labour is responsible for the implementation of the new system.

EURA2007 is designed for all project applicants and project implementers to manage ERDF and ESF co-funded project applications, their respective decisions, payments, monitoring and final reporting. It is expected to improve the smoothness and effectiveness of programme management, because information will be easily accessible, and can also be processed for public use.

The solution provides interfaces for the transfer of information between other fund management systems in use (WEPA and TUKI2000 for EU-funded business aids), i.e. information needs to be inserted only once, whereas in the past a number of different application forms were in use resulting in problems with data accuracy. The system can also be accommodated to the needs of different authorities. Applicants may fill out the application themselves on-line to be processed by the authority. Data from the EURA2007 systems will consequently be transferred to the Commission SFC2007 system.

Source: Ministry of the Interior (2007), *Suomen rakennerahastostrategia 2007-2013*, July 2007.

A further trend relates to the simplification of existing systems. In **Greece**, there are plans to simplify the 'Complete Information System' at all levels, including the reform of technical fiches to reduce complexity. Similarly, in **North East England**, the complexity of monitoring tables has been much reduced. The example of **Slovenia** shows that it is challenging to set up an overarching system from scratch, as was attempted in 2004-06, when domestic policy monitoring was also included in the system. For the new period, Cohesion policy (ERDF and ESF) will be given absolute priority with the option to extend the system at a later stage. Further challenges persist as monitoring systems will be handling more information, as in **Spain**. Also, the increased standardisation of project application and monitoring forms may lead to reduced flexibility (e.g. **Finland**).

(ii) *Integrated procedures*

The use of monitoring and indicator systems is important with regard to the entire life cycle of a programme, beginning with programme development until the stage of ex post evaluation.<sup>111</sup> In this sense, monitoring is a crucial element of programme management and contributes to enhanced efficiency of processes. By working with integrated procedures, the use of monitoring systems, and notably of IT-based systems, can greatly facilitate the individual stages of programme management and, at the same time, ensure efficient data collection:

- *The application stage* is often the first entry point for projects into the monitoring system. In **Sweden**, for example, the monitoring system covers the registration of applications, the categorisation of applications, funding decisions, as well as the automatic monitoring of timetables of approved projects. In **France**, the control point is at the moment of appraisal, and information on indicators is included in the contract between the project promoter and the funding body.
- *At the stage of project appraisal and selection*, indicators are often used as tools for prioritising applications. In **Nordrhein-Westfalen** and **Vlaanderen**, project calls contain programme-specific indicators which need to be included and provided by applicants. Similarly in **France**, qualitative horizontal indicators are used as factors of project

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<sup>111</sup> DG REGIO (2006) *Op. Cit.* p. 26.

improvement. This means that, rather than measuring performance ex post, appraisal services are encouraged to integrate an evaluative approach a priori.

- *Further management functions* are performed by a number of monitoring systems, as in **Greece** and the **Italian** regional monitoring systems, where monitoring, management, certification and audit activities are covered. The **Spanish** 'FONDOS 2007' includes a paying and control module. In **Nordrhein-Westfalen**, the database is key to the administration of the entire OP as concerns payments, commitments, progress towards targets, as well as the administration of individual projects. In **Śląskie**, the interconnectivity of monitoring and payments systems allows for improved strategic management.

Regarding the reliability of the monitoring system itself, quality checks and controls which are built into the system can minimise the accumulation of incorrect data at an early stage, and reduce the need for additional control mechanisms. Thanks to advanced technologies, monitoring systems can block insufficient or wrong data. Also, in many cases, funding can only be released once all data has been entered, thus reducing the need for sanctions.

- The *processing of applications is linked to the completion of data requirements* in **Sweden**, where the system highlights outstanding sections. In **Sachsen-Anhalt**, project data must be entered into 'efREporter' before the project can be approved, and in **Wales**, applications and claims cannot progress through the system if they do not have the necessary indicator data in place.
- *Automatic checks* are in place for the national monitoring system in **Italy** in the form of a validation period, including conformity checks and a series of controls. The **Austrian** system carries out plausibility checks automatically, as in **France** where quality checks on deviant entries and non-entries are detected electronically. Also, in **Sachsen-Anhalt**, the electronic system includes plausibility tests, which make it, for example, impossible to enter payments data which are higher than commitments data or over-commitments without changing the financial plan.
- *Payments are only released once all data has been provided*, as in **Austria** where no payments are made in case of failures or delays. In **Finland**, all of the required information has to be provided before funding can be processed, as is the case in **France**, where particular attention is paid to the estimate of actual job creation.
- *Secured access* is another way of making data more reliable. In **Vlaanderen**, actors can only access the system with an electronic ID card or a federal number whereas in **Austria**, data can only be entered via user codes and passwords. This implies that only authorised staff can gain access to the system.

In some cases, an additional level of checks is in place, as in **Sachsen-Anhalt**, where a unit in the *Land's* Investment Bank is in charge; in other cases, as in **Nordrhein-Westfalen**, a

simplification of data checks is being considered, with two levels of checks (secretariat and external evaluators) being replaced by only one level. It is, however, evident that additional checking of data will always be required, notably via random checks. Related provisions are in place in **Austria**, as the ERP Fund cross-checks some data manually. Similarly in **Italy**, random controls are carried out on the accuracy of the system, notably on areas which were weak in the past. Although sanctions seem to be rather unlikely in most cases due to the constraining character of monitoring systems, some consider using them on an optional basis, as in **Greece** where projects may be taken out of a programme in cases of non-compliance.

Throughout the monitoring process, it is also crucial to pay attention to the quality of monitoring data. An increased focus on this aspect can be observed in **Italy** in the context of on-going activities of the National Evaluation Unit involving sectoral expertise (e.g. on business aids, environmental interventions, infrastructure, innovation and research). In **France**, thematic appraisal services at programme-level will be made aware of potential issues relating to data reliability in project applications. In order to allow applications to be improved at an early stage, state authorities provide examples for possible codifications.

### *(iii) Review of monitoring systems*

Although progress on monitoring systems proves to be significant, and requirements of the new programming period have been largely taken into account, systems need to be reviewed in order to keep them operational and in-phase with programme developments. There are several options.

- *On-going checks* will be carried out in **Nordrhein-Westfalen**, based on discussions between the Managing Authority, the secretariat and the evaluators. In **Portugal**, it is planned to improve the system throughout the implementation phase. In the **Spanish** case, the Monitoring and Evaluation Advisory Committees are in charge of ensuring that quality standards of the monitoring system are maintained.
- *Ad hoc reviews* are planned in **Greece** with the possibility to assess the functioning of the monitoring system followed by corrective actions. In **Sweden**, it is envisaged that the system will be revised based on user feedback in line with its current structure.
- *Planned reviews* are integrated in the Evaluation Plan in **Spain** where qualitative evaluations of the monitoring system will be carried out in 2008 and 2010. Plans to evaluate monitoring arrangements also exist in **Śląskie**.
- *Reviews of indicators* can also make monitoring systems more adequate. Programme authorities in **Nordrhein-Westfalen** will assess progress towards quantified ex ante targets and the need for any revision of these targets at the mid-point of programme implementation. Similarly in **Scotland**, baselines will be assessed in the second half of the programme. In the case of **France**, regional evaluation units are encouraged to review programme and context indicators on a regular basis.

### **4.3.3 Information, training and capacity building**

In the past, deficiencies in terms of monitoring capacities related to limited understanding of complex monitoring systems and time-consuming procedures. The situation was often aggravated by high staff turnover and lack of continuity.

Many of the 2007-13 OPs (or related documents) provide general information on indicators. In addition, a number of specific initiatives can be highlighted.

- *Guidance on indicator collection and processing* is widely available across countries. As discussed above, it is essential to achieve a joint understanding of indicators regarding their meaning and content, relevance, information sources, calculation methodologies, periodicities of updating and division of responsibilities. In **Portugal**, general methodological guidelines will be developed in order to ensure reliable information systems. Similarly in **Vlaanderen**, indicator fiches exist for each indicator with information on its definition, its link with the OP, its category, sub-indicators, the relevant data volume, the data source and survey method, the frequency and reporting method, and its interpretation. A comprehensive approach has been taken in **France**, where a national guide provides definitions for all core indicators as well as information on procedures. This was complemented by training sessions on the understanding of indicators in order to support project promoters.
- *Support with electronic monitoring systems* is provided in **Sweden** via a helpline introduced by NUTEK. In **Spain**, a round of training sessions was carried out with regions, local agents and ministries during the preparation phase while in **France**, thematic workgroups on PRESAGE were organised by DIACT for regional Managing Authorities. Also in **Keski-Suomi**, partners of the Regional Council plan training courses for potential project applicants regarding EURA2007.
- *Capacity building* more generally is enhanced in **Italy** to ensure the consistent interpretation of project classifications associated with the 'Single Project's Code' (CUD). In **Austria**, coaching is organised by the ERP Fund for Managing Authorities and implementing agencies. Guidance for monitoring at project level will be made available in **Wales** to enhance the design and implementation of good project monitoring systems. Assistance for Intermediate Bodies is also provided, for example in **Nordrhein-Westfalen** where options are considered regarding how to assist funding ministries more effectively. In **Greece**, manuals, technical fiches, implementation instructions and programme guides will be issued and guidance is provided on data collection and processing. Similarly in **England**, a user manual is being distributed by the Communities and Local Government Department.



## 5. CONCLUSIONS AND ISSUES FOR DISCUSSION

The paper has reviewed the evaluation and monitoring arrangements being set up in partner programmes and countries for the 2007-13 period. In doing so, three main topics were addressed in detail: first, the changing context for the evaluation of European Cohesion policy; second, the new approaches and arrangements for the evaluation of NSRF and OPs; and, third, the new monitoring systems, monitoring being an essential enabling factor for evaluation.

### Changing context for evaluation

The Cohesion policy requirements for evaluation have changed radically in 2007-13. Evaluation arrangements are made more flexible and linked to specific needs of programme managements and Member States. Evaluation during the programming period is recommended only in two circumstances: when monitoring highlights a significant departure from the goals originally set, and when revisions to the OPs are proposed. Outwith these two scenarios, it is up to each Member State and Managing Authority to conduct evaluations based on specific information needs. The new strategic approach is also increasing the flexibility in monitoring and financial management, which will only take place at the priority axis level. However, the aim is also to encourage stronger links between monitoring, evaluation and decision-making. In this respect, two key questions emerge:

- What are partners' views on the new regulatory requirements on Structural Funds evaluation and what are the perceived strengths and weaknesses of the new approach? For example, overall, will evaluation become more important than in the past?
- More specifically, what are partners' views on the requirement to undertake evaluations during the programme period where a 'significant departure' is revealed from initial goals or proposals are made for programme revisions? How is this provision affecting your plans for future evaluation work?

### New approaches and arrangements for the evaluation of NSRFs and OPs

The paper shows that the increased freedom granted by Structural Funds regulations on when and what to evaluate is leading to a significant heterogeneity of approaches, as evaluations are more closely informed by domestic factors. Approaches differ in a number of respects including: (i) the ways in which on-going evaluation is interpreted and operationalised (which is affected by domestic evaluation cultures and past experiences with the implementation of 'on-going' approaches); (ii) the interrelations between evaluations of the NSRF and of OPs, and indeed the very existence of NSRF-level evaluations (which is informed by the constitutional and institutional arrangements of Member States); (iii) the scope of evaluations, for example whether they include also domestic policies, and the breadth of planned evaluation efforts (which is affected by the domestic interrelationship between EU Cohesion policy and domestic regional and sectoral policies, as well as the overall weight that regional policy has in any given

country); and, (iv) the balance between external evaluators and internal evaluations, and the scope and types of capacity building activities planned (which are determined largely by the level of evaluation capabilities available in Member States and regions).

Notwithstanding this heterogeneity, some key trends emerge, in particular: the evaluation of Cohesion policy will continue to be carried out throughout the EU and to be done so seriously (at least if plans are taken to fruition); Member States and regions intend to take full advantage of the flexibility provided by the regulations, adapting evaluation mandates (and methodologies) more closely to own policy and programming needs; efforts will continue to be paid in the Member States to build capacities for evaluation, especially (but not just) in the new Member States.

In this context, two key sets of questions emerge:

- What are partners' views of the actual role that the evaluation of Cohesion policy will play in the coming years in their respective contexts? Overall, will evaluation *really* become more strategic and better serving the needs of policy-makers and programme managers?
- Related, in a number of countries and regions formal Evaluation Plans are being introduced to improve the way evaluation activities are conceptualised and make evaluation work as a whole in a more systematic and systemic way. What are partners' views regarding their future evaluation arrangements? Is evaluation in their programme/region/country *really* going to be approached in a more strategic manner? Or, in practice, as the programming period unfolds, are there risks that evaluation will be penalised by the likely spending challenges and usual administrative overload? In short, will it really be the case that more and better evaluations will be done?

### **New monitoring systems and arrangements**

While evaluation activities are becoming more diverse, monitoring systems are becoming increasingly harmonised and standardised. The paper identifies some trends including: (i) that data availability and usability, especially for evaluation purposes, may improve in future; this is due to an increased awareness of the importance of physical progress rather than financial aspects, a more strategic use of indicators and a greater awareness of evaluation needs; (ii) a trend towards more streamlined monitoring systems, as a growing number of programmes display integrated systems and introduce coordination provisions; systems cover an increased number of phases of programme implementation (application, appraisal, monitoring, audit, control) and become more coordinated with other funds and/ or with the monitoring systems of domestic policies; (iii) a generalised (although not universal) more active involvement and responsibility of project promoters, for example through more emphasis being placed on project-level data and the increased involvement of project implementers in the delivery of monitoring information. These trends lead to two key sets of questions:

- First, will the homogenisation of indicators and the standardisation of monitoring systems more generally deliver the benefits expected (e.g. regarding data aggregation and usability for evaluations)? Are issues likely to emerge in situations where there is less scope for taking specific programme/local inputs into account?
- Second, where efforts are being made to increase project-level inputs to monitoring systems, how can the collection of coherent and usable data be ensured without overburdening involved actors?

### **Some concluding remarks on the role of the European Commission**

Lastly, in the past, the European Commission (and DG REGIO in particular) has been fundamental in stimulating a debate on evaluation and in developing evaluation capabilities and practices across the EU. In the past programming periods, and especially since 1994, the Commission exercised multiple roles. It provided direction, advice and guidance to national authorities on a range of areas, including evaluation terms of reference, budgets, tendering procedures, methods, and the quality of evaluation reports. The Commission stimulated the cross-dissemination of good practices across the Member States and, in general, acted as a point of reference for the community of policy-makers involved in the evaluation of regional policy. Although for 2007-13 the Commission is delegating a large amount of evaluation responsibilities to Member States and regions it is not taking a step back. Related to this,

- What role do partners think the European Commission (and DG REGIO in particular) should play in future? What type of support (if any) would they like to receive from this institution?



## 6. ANNEX 1: EVALUATION AND MONITORING FICHES

The following tables summarise the key features of the approaches to evaluation and monitoring of partner countries (i.e. for those with national evaluation and/ or monitoring systems) and programmes. It is important to note that the information provided is provisional at this stage, and may not be complete, as a number of Member States are still in the process of finalising their evaluation approaches and plans, and monitoring systems.

### 6.1 National Strategic Reference Frameworks

Table 1: Austria

<b>Evaluation</b>	
<i>Evaluation Plan</i>	No
<i>Management</i>	
- Responsible body	> Austrian Conference on Spatial Planning (ÖROK)
- Steering group	> KAP-EVA platform
- Other bodies	> STRAT.AT plus forum
<i>Implementation</i>	
- Internal/external expertise	Use of external evaluators
<i>Thematic scope</i>	To be agreed
<i>Timing</i>	Ad hoc
<i>Resources</i>	NA
<i>Capacity-building measures</i>	No
<i>Performance reserve</i>	No
<b>Monitoring</b>	
<i>Management</i>	European Recovery Programme Fund (ERP Fund)
<i>Indicators</i>	Core indicators (comparative indicators)
<i>Data collection system</i>	Monthly update of statistical data by ERP Fund to Managing Authorities and Measure Managers
<i>Control/ review arrangements</i>	Controls by ERP Fund
<b>Coordination arrangements</b>	
<i>Coordination between evaluation and monitoring arrangements</i>	Coordination within KAP-EVA forum and STRAT.AT plus

**Table 2: Czech Republic**

<b>Evaluation</b>	
<i>Evaluation Plan</i>	Yes
<i>Management</i> - Responsible body  - Steering group	> National Co-ordination Authority (NCA), Cohesion Policy National Framework (CPNF), Ministry for Regional Development (MRD) > Steering Group for evaluation and horizontal themes; members include representatives of OP Managing Authorities, Evaluation Workplace of NCA (located at the MRD and other concerned institutions)
<i>Implementation</i> - Internal/external expertise	Mainly external expertise; minimum evaluations intended to be carried out internally (particularly those dealing with systemic issues or processes)
<i>Thematic scope</i>	Strategic (STRATEval), operational and capacity-building
<i>Timing</i>	Explicit timetable (annual, on-going, ad hoc and ex post evaluations; supportive studies)
<i>Resources</i>	To be decided
<i>Capacity-building measures</i>	> Developing methodological and theoretical foundation for evaluation > Enhancing knowledge, exchange of experience and consultancy support > Building evaluation community and institutional framework
<i>Performance reserve</i>	No
<b>Monitoring</b>	
<i>Management</i>	> NCA, CPNF, MRD > Management and Coordination Committee acting as NSRF Monitoring Committee, MRD > Advisory Committee of NCA with OP Managing Authorities, Audit and Certifying Authorities > Steering Group for monitoring
<i>Indicators</i>	38 NSRF result and impact indicators: - 15 targeted at context - 3 targeted at global objectives - 20 targeted at four strategic objectives > Key themes: economic performance, special rates of unemployment, indicators of environment quality and education, regional differentiation > For OPs: National Code List of Indicators
<i>Data collection system</i>	IT system MSC2007, monthly updates
<i>Control/ review arrangements</i>	> Responsible bodies: NCA, CPNF, MRD > Government decrees for control of data system > Evaluation of monitoring and implementation system
<b>Coordination arrangements</b>	
<i>Coordination between evaluation plans at national and OP level</i>	Joint Steering Group meetings; proposal of National Evaluation Plan sent to OP Managing Authorities; OP Evaluation Plans discussed Evaluation Steering Group meetings
<i>Coordination between evaluation and monitoring arrangements</i>	E.g. information exchange, coordinated data systems, discussion fora between evaluators and coordinators of monitoring system

**Table 3: Denmark**

<b>Evaluation</b>	
<i>Evaluation Plan</i>	Yes
<i>Management</i> - Responsible body - Steering group	> National Agency for Enterprise and Construction (NAEC) > NA
<i>Implementation</i> - Internal/external expertise	To be decided; possibly 2/3 external for MTE; larger internal input on thematic and/or impact-oriented evaluations
<i>Thematic scope</i>	Main rationale: Effectiveness
<i>Timing</i>	MTE + ad hoc
<i>Resources</i>	NA
<i>Capacity-building measures</i>	NA
<i>Performance reserve</i>	NA
<b>Monitoring</b>	
<i>Management</i>	NAEC
<i>Indicators</i>	Output, result and impact indicators; Focus on improvement of national-level performance re 4 growth drivers
<i>Data collection system</i>	Combination of project reporting, regular monitoring of macro-data on regional economic performance, and ad hoc tailor-made database research
<i>Control/ review arrangements</i>	NA
<b>Coordination arrangements</b>	
<i>Coordination between evaluation plans at national and OP level</i>	NA
<i>Coordination between evaluation and monitoring arrangements</i>	Both activities run by NAEC

**Table 4: Finland**

<b>Evaluation</b>	
<i>Evaluation Plan</i>	No
<i>Management</i> - Responsible body - Steering group	> Ministry of the Interior > Evaluation group to be set up
<i>Implementation</i> - Internal/external expertise	External expertise
<i>Thematic scope</i>	To be agreed
<i>Timing</i>	Need-based evaluation
<i>Resources</i>	NA
<i>Capacity-building measures</i>	NA
<i>Performance reserve</i>	No
<b>Monitoring</b>	
<i>Management</i>	Ministry of Labour
<i>Indicators</i>	National guidance provided for OP indicator definition
<i>Data collection system</i>	IT system EURA2007 (linked with systems for ESF and business aids programmes)
<i>Control/ review arrangements</i>	NA
<b>Coordination arrangements</b>	
<i>Coordination between evaluation and monitoring arrangements</i>	To be agreed

**Table 5: France**

<b>Evaluation</b>	
<i>Evaluation plan</i>	Yes
<i>Management</i> - Responsible body	> National Evaluation Body for OPs and state-region contracts involving the Inter-ministerial Delegation for Territorial Development and Competitiveness (DIACT), state and regional representatives and experts > Regional evaluation units
<i>Implementation</i> - Internal/external expertise	Internal and external expertise
<i>Thematic scope</i>	Focus likely to be on: - Innovation policies - Reduction of regional and infra-regional disparities - Sustainable Development policies - Enhancement of Human Capital - Transport
<i>Timing</i>	> MTE in 2010 (linked to MTE of state-region contracts) > Periodicity for thematic evaluations to be decided
<i>Resources</i>	NA
<i>Capacity-building measures</i>	Information on indicators, training cycle on evaluation and monitoring
<i>Performance reserve</i>	No
<b>Monitoring</b>	
<i>Management</i>	DIACT
<i>Indicators</i>	40-45 indicators obligatory for regional OPs (mainly output indicators): - European and national core indicators; - Horizontal indicators: Environment, Employment, Innovation, ICT
<i>Data collection system</i>	IT system PRESAGE covers ERDF, ESF and state-region contracts
<i>Control/ review arrangements</i>	Evaluation units and Monitoring Committees encouraged to review indicator validity
<b>Coordination arrangements</b>	
<i>Coordination between evaluation plans at national and OP level</i>	National level guidance
<i>Coordination between evaluation and monitoring arrangements</i>	Strategic link; coordination function of regional evaluation units and National Evaluation Body; monitoring of alert indicators to trigger evaluations

**Table 6: Greece**

<b>Evaluation</b>	
<i>Evaluation plan</i>	Yes
<i>Management</i> - Responsible body - Steering group - Other bodies	> National Coordination Authority (NCA) > Technical Evaluation Committee to be set up > Coordination unit in Ministry of Employment
<i>Implementation</i> - Internal/external expertise	External evaluators
<i>Thematic scope</i>	Strategic targets, NSRF and programme progress
<i>Timing</i>	NSRF and OPs evaluated in 2011 and 2013
<i>Resources</i>	New staff hired
<i>Capacity-building measures</i>	Training by Management Organisation Unit (MOU) of Ministry of Economy and Finance; OP on support for public administration capacity
<i>Performance reserve</i>	Not planned so far
<b>Monitoring</b>	
<i>Management</i>	NCA, Monitoring Committees, Annual Conference of Presidents of the Monitoring Committees, Special Services
<i>Indicators</i>	> Result and output indicators > Core indicators
<i>Data collection system</i>	CIS (Complete Information System); informed by Managing Authorities
<i>Control/ review arrangements</i>	Under reform
<b>Coordination arrangements</b>	
<i>Coordination between evaluation plans at national and OP level</i>	To be decided; NCA responsible for coordination together with fund-specific services based on joint participation in Technical Evaluation Committee
<i>Coordination between evaluation and monitoring arrangements</i>	NCA responsible for designing and coordinating both systems; guidance and control function; evaluators and coordinators of monitoring system belong to the same service

**Table 7: Italy**

<b>Evaluation</b>	
<i>Evaluation plan</i>	Yes
<i>Management</i> - Responsible body  - Steering group	> Evaluation Unit (UVAL) of Department for Cohesion and Development Policies/ Ministry of Economic Development > to be set up
<i>Implementation</i> - Internal/external expertise	Both internal and external evaluation. Some use of self-assessments
<i>Thematic scope</i>	Evaluation of relevant questions across programmes and evaluation periods
<i>Timing</i>	Flexible periodicity
<i>Resources</i>	NA
<i>Capacity-building measures</i>	National Evaluation System (NES) as key instrument for effective evaluation processes, outputs and usage; will carry out capacity building activities and other work (e.g. observatory and other)
<i>Performance reserve</i>	Yes
<b>Monitoring</b>	
<i>Management</i>	General Accounting Body of the State (IGRUE)
<i>Indicators</i>	1 output and 1 employment indicator per project (additional 'optional' output indicator if needed)
<i>Data collection system</i>	Bi/tri-monthly (to be confirmed)
<i>Control/ review arrangements</i>	Validation period for entered data, checks and alerts; periodic analysis on selected themes (e.g. weak areas according to past experience)
<b>Coordination arrangements</b>	
<i>Coordination between evaluation plans at national and OP level</i>	Via NES, description in OPs' Evaluation Plans on relation to NSD's Evaluation Plan
<i>Coordination between evaluation and monitoring arrangements</i>	UVAL staff involved in both, management of evaluation and design of monitoring system

**Table 8: Portugal**

<b>Evaluation</b>	
<i>Evaluation Plan</i>	Yes
<i>Management</i> - Responsible body  - Steering group  - Other bodies	> NSRF Observatory together with Financial Institute for Regional Development (IFDR) and Institute for the Management of the European Social Fund (IGFSE) > NSRF Evaluation Network with representatives of Centres of Thematic Rationality, Centres for Regional Dynamics, Managing and Certifying Authorities > Regional evaluation units
<i>Implementation</i> - Internal/external expertise	Mainly external expertise (except for econometric studies on macro-economic impact)
<i>Thematic scope</i>	Indicative list of strategic, operational and financial evaluations for NSRF and OPs: - Global NSRF evaluation for reporting duties - Thematic NSRF evaluation - MTE of NSRF and OPs
<i>Timing</i>	Explicit timetable; Evaluation Plan reviewed on an annual basis
<i>Resources</i>	NA
<i>Capacity-building measures</i>	No
<i>Performance reserve</i>	NA
<b>Monitoring</b>	
<i>Management</i>	NSRF Observatory
<i>Indicators</i>	Groups of indicators assigned to NSRF objectives; 1 result and 1 output indicator for OP objectives
<i>Data collection system</i>	Common rules for OP information systems; independent monitoring of physical and financial data
<i>Control/ review arrangements</i>	To be decided
<b>Coordination arrangements</b>	
<i>Coordination between evaluation plans at national and OP level</i>	National Evaluation Plan linked to individual OPs
<i>Coordination between evaluation and monitoring arrangements</i>	NSRF Observatory is the key coordinating body for both strategic monitoring and evaluation

**Table 9: Poland**

<b>Evaluation</b>	
<i>Evaluation plan</i>	Yes
<i>Management</i> - Responsible body  - Steering group  - Other bodies	> National Evaluation Unit (KJO), Department of Structural Policy Coordination, Ministry of Regional Development (MRR). > Chaired by Department in MRR; members: directors of other MRR departments, Coordinating Institution for ROPs, representatives of OP Managing Authorities. > Strategic Steering Groups
<i>Implementation</i> - Internal/external expertise	NA (strong input from external experts likely)
<i>Thematic scope</i>	Thematic evaluation of NSRF priorities; development of evaluation culture NSRF evaluation themes: - Socio-economic development - Development and modernisation of infrastructure - Innovative economy - Human capital and social cohesion - Regional and spatial development - 'Good governance' - OP evaluation
<i>Timing</i>	To be decided (combination of ad hoc and MTE likely)
<i>Resources</i>	€15 million from Technical Assistance
<i>Capacity-building measures</i>	Second focus of NSRF evaluation, activities include: - Building coordination system for NSRF and OP evaluation - Deepening knowledge and information on evaluation theme via set-up of network of academics and practitioners - Cooperation with external bodies - Development of evaluation research methodologies
<i>Performance reserve</i>	Yes
<b>Monitoring</b>	
<i>Management</i>	NSRF Co-ordination Committee (CC NSRF) chaired by Minister in charge of regional development; composed of Implementing Bodies (representatives of line ministries), Minister in charge of public finances, regional marshals, voivods, representatives of territorial self-government groupings and representatives of social partners
<i>Indicators</i>	48 cross-cutting indicators for 6 basic NSRF aims
<i>Data collection system</i>	Streamlined electronic system under development
<i>Control/ review arrangements</i>	NSRF Co-ordination Committee
<b>Coordination arrangements</b>	
<i>Coordination between evaluation plans at national and OP level</i>	National Evaluation Unit coordinates OP evaluations in cooperation with Managing Authorities
<i>Coordination between evaluation and monitoring arrangements</i>	Joint participation in Steering Groups

**Table 10: Spain**

<b>Evaluation</b>	
<i>Evaluation plan</i>	Yes
<i>Management</i> - Responsible body - Steering group	> Monitoring and Evaluation Advisory Committee (Commission, national and regional programme managers, including ERDF and ESF representation, involvement of external experts if necessary) > Monitoring and Evaluation Steering Group
<i>Implementation</i> - Internal/external expertise	Push for greater use of internal expertise
<i>Thematic scope</i>	Thematic studies and ad hoc evaluations for all or individual OPs, e.g. on R&D and innovation, environment, equal opportunities and operational evaluations on evaluation indicators.
<i>Timing</i>	Explicit timetable
<i>Resources</i>	
<i>Capacity-building measures</i>	
<i>Performance reserve</i>	
<b>Monitoring</b>	
<i>Management</i>	Directorate General for Community Funds and regional programme managers
<i>Indicators</i>	OPs choose out of list of 300 operational indicators; Strategic indicators (5 per Priority), operational indicators (3 per Priority) and horizontal indicators (at least 2 per Priority); evaluation indicators to be decided
<i>Data collection system</i>	IT system FONDOS 2007
<i>Control/ review arrangements</i>	Quality evaluations of monitoring system in 2008 and 2010
<b>Coordination arrangements</b>	
<i>Coordination between evaluation plans at national and OP level</i>	Coherence of indicators; OP managers at different levels participate in national steering committee
<i>Coordination between evaluation and monitoring arrangements</i>	National steering committee responsible for monitoring and evaluation

**Table 11: Sweden**

<b>Evaluation</b>	
<i>Evaluation plan</i>	No
<i>Management</i> - Responsible body	Managed internally by National Agency for Economic and Regional Growth (NUTEK)
<i>Implementation</i> - Internal/external expertise	Internal expertise
<i>Thematic scope</i>	NSRF evaluation based on results of OP evaluations which include thematic evaluations
<i>Timing</i>	After OP evaluations, before 2009
<i>Resources</i>	NA
<i>Capacity-building measures</i>	To be decided
<i>Performance reserve</i>	To be decided
<b>Monitoring</b>	
<i>Management</i>	Managing Authority (NUTEK)
<i>Indicators</i>	National guidance provided for OP indicator definition
<i>Data collection system</i>	IT system NYPS operated by NUTEK
<i>Control/ review arrangements</i>	NA
<b>Coordination arrangements</b>	
<i>Coordination between evaluation plans at national and OP level</i>	Results of OP evaluations will feed into NSRF evaluation
<i>Coordination between evaluation and monitoring arrangements</i>	Yes

## 6.2 Partner programmes

**Table 1: Niederösterreich ERDF Regional Competitiveness and Employment OP**

<b>Evaluation</b>	
<i>Evaluation plan</i>	No
<i>Management</i> - Responsible body	Programme Management Committee (Managing Authority, Measure Managers, Social and Economic Partners)
<i>Implementation</i> - Internal/ external expertise	External expertise
<i>Thematic scope</i>	NA
<i>Timing</i>	NA
<i>Resources</i>	NA
<i>Capacity-building measures</i>	No
<b>Monitoring</b>	
<i>Management</i>	European Recovery Programme Fund (ERP Fund)
<i>Indicators</i>	Core indicators mentioned in WP 2; additional indicators in Programme Complement for internal use
<i>Data collection system</i>	ERP Fund
<i>Control/ review arrangements</i>	NA
<b>Coordination arrangements</b>	
<i>Coordination between monitoring and evaluation arrangements</i>	Via KAP-EVA
<i>Coordination with other programmes/ policies</i>	KAP-EVA, ÖROK working group, Managing Authority

**Table 2: Steiermark ERDF Regional Competitiveness and Employment OP**

<b>Evaluation</b>	
<i>Evaluation plan</i>	No
<i>Management</i> - Responsible body/ bodies	Programme Management Committee (Managing Authority, Measure Managers, Social and Economic Partners)
<i>Implementation</i> - Internal/external expertise	External expertise
<i>Thematic scope</i>	NA
<i>Timing</i>	MTE probably by 2010
<i>Resources</i>	NA
<i>Capacity-building measures</i>	No
<b>Monitoring</b>	
<i>Management</i>	ERP Fund
<i>Indicators</i>	Core indicators mentioned in WP 2; additional indicators in Programme Complement for internal use
<i>Data collection system</i>	European Recovery Programme Fund (ERP Fund)
<i>Control/ review arrangements</i>	NA
<b>Coordination arrangements</b>	
<i>Coordination between monitoring and evaluation arrangements</i>	Via KAP-EVA
<i>Coordination with other programmes/ policies</i>	KAP-EVA, ÖROK working group Managing Authorities

**Table 3: Vlaanderen ERDF Regional Competitiveness and Employment OP**

<b>Evaluation</b>	
<i>Evaluation plan</i>	No
<i>Management</i> - Responsible body/ bodies - Steering group	> Central programme secretariat > Ad hoc workgroup
<i>Implementation</i> - Internal/ external expertise	MTE carried out externally
<i>Thematic scope</i>	> MTE: first programme results, coherence with ex ante evaluation, implementation of objectives, use of financial resources, quality of monitoring, evaluation and financial management; > Thematic evaluations in link with 4 programme priorities
<i>Timing</i>	> MTE in 2011 > Thematic ad hoc evaluations
<i>Resources</i>	<i>Central programme secretariat:</i> €1.7 million (for IT monitoring system, external evaluation, financial audits/ other studies) <i>Sub-regional contact points:</i> €1.4 million (monitoring, evaluation and promotion activities)
<i>Capacity-building measures</i>	E.g. information, facilitation, training
<b>Monitoring</b>	
<i>Management</i>	
<i>Indicators:</i> - output - result - impact  - core/ comparative indicators - context indicators - synthesis indicators	27 23 23 > 18 on Economic Development and Employment > 5 horizontal indicators 15 7 12
<i>Data collection system</i>	Data collected by project promoters and entered directly in the IT system; Surveys to collect qualitative data
<i>Control/ review arrangements</i>	NA
<b>Coordination arrangements</b>	
<i>Coordination between monitoring and evaluation arrangements</i>	Monitoring as basis for on-going evaluation
<i>Coordination with other programmes/ policies</i>	No coordination between ERDF and ESF monitoring and evaluation

**Table 4: Länsi-Suomi ERDF Regional Competitiveness and Employment OP**

<b>Evaluation</b>	
<i>Evaluation plan</i>	No
<i>Management</i> - Responsible body/bodies - Steering group	> Managing Authority > Evaluation group for administrative purposes
<i>Implementation</i> - Internal/ external expertise	External expertise
<i>Thematic scope</i>	To be agreed
<i>Timing</i>	Need-based evaluation
<i>Resources</i>	NA
<i>Capacity-building measures</i>	NA
<b>Monitoring</b>	
<i>Management</i>	Ministry of Labour
<i>Indicators:</i> - output - result - impact - core/ comparative indicators	NA 8 8 7
<i>Data collection system</i>	IT system EURA2007
<i>Control/ review arrangements</i>	
<b>Coordination arrangements</b>	
<i>Coordination with other programmes/ policies</i>	Close coordination with ESF

**Table 5: Sachsen-Anhalt ERDF Convergence OP**

<b>Evaluation</b>	
<i>Evaluation plan</i>	Yes
<i>Management</i> - Responsible body bodies - Steering group	> Land's State Chancellery > To be set up
<i>Implementation</i> - Internal/ external expertise	To be decided
<i>Thematic scope</i>	To be decided
<i>Timing</i>	To be decided
<i>Resources</i>	To be decided
<i>Capacity-building measures</i>	To be decided
<b>Monitoring</b>	
<i>Management</i>	Managing Authority
<i>Indicators:</i> - output - result - impact - core/ comparative indicators	25 17 8 8
<i>Data collection system</i>	IT system 'efReporter' based on project data
<i>Control/ review arrangements</i>	Undertaken by Managing Authority
<b>Coordination arrangements</b>	
<i>Coordination between monitoring and evaluation arrangements</i>	To be decided
<i>Coordination with other programmes/ policies</i>	> Managing Authority responsible for ERDF and ESF > Inter-ministerial working group coordinates the ERDF, ESF and EAFRD OPs

Note: The Commission has not yet approved the OP and the indicators may therefore be subject to changes in the final version of the OP.

**Table 6: Sachsen-Anhalt ESF Convergence OP**

<b>Evaluation</b>	
<i>Evaluation plan</i>	Yes
<i>Management</i> - Responsible body/ bodies - Steering group	> Land's State Chancellery > To be set up
<i>Implementation</i> - Internal/external expertise	To be decided
<i>Thematic scope</i>	To be decided
<i>Timing</i>	To be decided
<i>Resources</i>	To be decided
<i>Capacity-building measures</i>	To be decided
<b>Monitoring</b>	
<i>Management</i>	Managing Authority
<i>Indicators:</i> - output - result - impact - core/ comparative indicators	17 13 8 2
<i>Data collection system</i>	IT system 'efReporter' based on project data
<i>Control/ review arrangements</i>	Undertaken by Managing Authority
<b>Coordination arrangements</b>	
<i>Coordination between monitoring and evaluation arrangements</i>	To be decided
<i>Coordination with other programmes/ policies</i>	> Managing Authority responsible for ERDF and ESF > Inter-ministerial working group coordinates the ERDF, ESF and EAFRD OPs

Note: The Commission has not yet approved the OP and the indicators may therefore be subject to changes in the final version of the OP.

**Table 7: Nordrhein-Westfalen ERDF Regional Competitiveness and Employment OP**

<b>Evaluation</b>	
<i>Evaluation plan</i>	No
<i>Management</i> - Responsible body/ bodies - Steering group	> Managing Authority & Secretariat > Likely to be set up
<i>Implementation</i> - Internal/external expertise	Mixture of external evaluators and internal expertise
<i>Thematic scope</i>	To be decided
<i>Timing</i>	To be decided
<i>Resources</i>	Two additional staff attached to OP secretariat
<i>Capacity-building measures</i>	To be decided
<b>Monitoring</b>	
<i>Management</i>	Managing Authority & Secretariat
<i>Indicators:</i> - output - result - impact - core/ comparative indicators	30 46 1 4 (OP level); 3 (priority level)
<i>Data collection system</i>	IT system based on project data
<i>Control/ review arrangements</i>	Undertaken by Managing Authority and Secretariat
<b>Coordination arrangements</b>	
<i>Coordination between monitoring and evaluation arrangements</i>	Undertaken by Managing Authority and Secretariat
<i>Coordination with other programmes/ policies</i>	None planned

Note: Figures for the output and result indicators are the gross figures of the total number of indicators at measure level.

**Table 8: Macedonia- Thrace ERDF Convergence OP**

<b>Evaluation</b>	
<i>Evaluation plan</i>	
<i>Management</i> - Responsible body/ bodies	National Coordination Authority (NCA); operational role of Intermediate Bodies
<i>Implementation</i> - Internal/ external expertise	Mainly external expertise
<i>Thematic scope</i>	NA
<i>Timing</i>	NA
<i>Resources</i>	NA
<i>Capacity-building measures</i>	Training by Management Organisation Unit (MOU) of Ministry of Economy and Finance
<b>Monitoring</b>	
<i>Management</i>	NCA, Monitoring Committee, Annual Conference of Presidents of the Monitoring Committees
<i>Indicators</i> - output indicators - result indicators - impact indicators - core/ comparative indicators	Yes Yes No Yes
<i>Data collection system</i>	Complete Information System (CIS)
<i>Control/ review arrangements</i>	NA
<b>Coordination arrangements</b>	
<i>Coordination between monitoring and evaluation arrangements</i>	Coordination of different units (to be decided)
<i>Coordination with other programmes/ policies</i>	Technical Committee, NCA, cooperation with other OPs' Managing Authorities

**Table 9: Lombardia ERDF Regional Competitiveness and Employment OP**

<b>Evaluation</b>	
<i>Evaluation plan</i>	Yes
<i>Management</i> - Responsible body/ bodies - Steering group	> Central Coordination Unit > To be set up
<i>Implementation</i> - Internal/ external expertise	Internal and external; increased delegation to region's research institute (IRER)
<i>Thematic scope</i>	To be decided; evaluation will capture effects across ESF, ERDF and Rural Development programmes and Fund for Underutilised Areas (FAS) resources
<i>Timing</i>	NA
<i>Resources</i>	NA
<i>Capacity-building measures</i>	NA
<b>Monitoring</b>	
<i>Management</i>	<i>Lombardia Informatica</i> (company owned by Region Lombardia)
<i>Indicators</i>	To be approved
<i>Data collection system</i>	IT system managed by <i>Lombardia Informatica</i>
<i>Control/ review arrangements</i>	NA
<b>Coordination arrangements</b>	
<i>Coordination between monitoring and evaluation arrangements</i>	NA
<i>Coordination with other programmes/ policies</i>	NA

**Table 10: Italy - ERDF Research and Competitiveness Convergence OP**

<b>Evaluation</b>	
<i>Evaluation plan</i>	Yes
<i>Management</i> - Responsible body/ bodies - Steering group	> Managing Authority > To be set up
<i>Implementation</i> - Internal/ external expertise	Internal and external; use of self-assessments
<i>Thematic scope</i>	NA
<i>Timing</i>	On-going (timing of specific outputs NA)
<i>Resources</i>	NA
<i>Capacity-building measures</i>	NA
<b>Monitoring</b>	
<i>Management</i>	Managing Authority with overall responsibility; Implementing Body for Competitiveness-part of OP with some responsibility
<i>Indicators</i>	NA
<i>Data collection system</i>	NA
<i>Control/ review arrangements</i>	NA
<b>Coordination arrangements</b>	
<i>Coordination between monitoring and evaluation arrangements</i>	NA
<i>Coordination with other programmes/ policies</i>	NA

**Table 11: Śląskie ERDF Convergence OP**

<b>Evaluation</b>	
<i>Evaluation plan</i>	Yes
<i>Management</i> - Responsible body/ bodies - Steering group	> Managing Authority (Marshall's Office) > To be set up
<i>Implementation</i> - Internal/ external expertise	Mainly external expertise
<i>Thematic scope</i>	Thematic and operational evaluations
<i>Timing</i>	Explicit timetable
<i>Resources</i>	€3 million from Technical Assistance; staffing levels currently being expanded
<i>Capacity-building measures</i>	Mostly under NSRF provisions; evaluation of management system as part of capacity-building
<b>Monitoring</b>	
<i>Management</i>	Managing Authority (Marshall's Office)
<i>Indicators:</i> - output - result - impact - comparative/ core indicators	(Based on guidance from MRR to ROPs) 38 33 37 -
<i>Data collection system</i>	In development in line with new national system; includes additional tools for ROP management
<i>Control/ review arrangements</i>	NA
<b>Coordination arrangements</b>	
<i>Coordination between monitoring and evaluation arrangements</i>	Different units of Marshall's Office
<i>Coordination with other programmes/ policies</i>	Set-up of joint steering groups or horizontal body for different OPs under discussion

**Table 12: Śląskie Regional Component of ESF Human Capital Convergence OP**

<b>Evaluation</b>	
<i>Evaluation plan</i>	NA
<i>Management</i> - Responsible body/bodies - Steering group	> Managing Authority (Ministry of Regional Development (MRR)); Intermediate Body (ESF units in Marshall's Office) > National level Steering Group to be set up
<i>Implementation</i> - Internal/ external expertise	Mainly external expertise
<i>Thematic scope</i>	Thematic and operational evaluations
<i>Timing</i>	Combination of on-going and ad hoc evaluations
<i>Resources</i>	Staffing levels currently being expanded
<i>Capacity-building measures</i>	NA
<b>Monitoring</b>	
<i>Management</i>	Shared between MRR and Marshall's Office
<i>Indicators:</i> - output - result - impact - comparative/ core indicators	(Based on all HC OP priorities) - 33 30 -
<i>Data collection system</i>	In development in line with new national system; includes additional tools for ROP management
<i>Control/ review arrangements</i>	NA
<b>Coordination arrangements</b>	
<i>Coordination between monitoring and evaluation arrangements</i>	Different units of Marshall's Office
<i>Coordination with other programmes/ policies</i>	Set-up of joint steering groups or horizontal body for different OPs under discussion

**Table 13: País Vasco ERDF Regional Competitiveness and Employment OP**

<b>Evaluation</b>	
<i>Evaluation plan</i>	No
<i>Management</i> - Responsible body/ bodies  - Steering group	> Directorate General for Economy and Planning (País Vasco Government) > Sub-Directorate General for Territorial Programming and Evaluation of European Funds (Ministry of Economy and Finance) > Monitoring and Evaluation Advisory group (at national level)
<i>Implementation</i> - Internal/ external expertise	External; perhaps some internal in future
<i>Thematic scope</i>	NA
<i>Timing</i>	NA
<i>Resources</i>	NA
<i>Capacity-building measures</i>	Technical assistance used for evaluation and to support monitoring and control
<b>Monitoring</b>	
<i>Management</i>	> Directorate General for Economy and Planning (País Vasco Government) > Directorate General for Community Funds (Ministry of Economy and Finance)
<i>Indicators</i>	- 12 Strategic indicators (context and impact indicators from the NSRF) - 39 Operational indicators (mainly outputs, some result and impact indicators)
<i>Data collection system</i>	IT system FONDOS 2007
<i>Control/ review arrangements</i>	NA
<b>Coordination arrangements</b>	
<i>Coordination between monitoring and evaluation arrangements</i>	Monitoring and Evaluation Advisory group
<i>Coordination with other programmes/ policies</i>	NA

**Table 14: Norra Mellansverige ERDF Regional Competitiveness and Employment OP**

<b>Evaluation</b>	
<i>Evaluation plan</i>	Yes
<i>Management</i> - Responsible body bodies - Steering group	> Managing Authority (NUTEK) overall responsible > Working group with oversight role to be set up (representatives from Monitoring Committees, Structural Fund partnerships and NUTEK)
<i>Implementation</i> - Internal/ external expertise	External consultants
<i>Thematic scope</i>	One of the first evaluations will focus on innovative environments and entrepreneurship
<i>Timing</i>	Evaluations during 2007-09; later evaluations to be decided
<i>Resources</i>	NA
<i>Capacity-building measures</i>	NA
<b>Monitoring</b>	
<i>Management</i>	Managing Authority (NUTEK)
<i>Indicators:</i> - output - result - impact - comparative/ core indicators - horizontal indicators	(Only broad indicator categories) 9 (Priority 1); 6 (Priority 2) 3 (Priority 1); 6 (Priority 2) 3 2 9
<i>Data collection system</i>	IT system NYPS
<i>Control/ review arrangements</i>	NA
<b>Coordination arrangements</b>	
<i>Coordination between monitoring and evaluation arrangements</i>	Yes
<i>Coordination with other programmes/ policies</i>	Evaluation of ESF and ERDF coordinated; evaluations of Structural Fund and domestic programmes contribute to NSRF evaluation

**Table 15: Mellersta Norrland ERDF Regional Competitiveness and Employment OP**

<b>Evaluation</b>	
<i>Evaluation plan</i>	Yes
<i>Management</i> - Responsible body bodies - Steering group	> Managing Authority (NUTEK) overall responsible > Working group with oversight role to be set up (representatives from Monitoring Committees, Structural Fund partnerships and NUTEK)
<i>Implementation</i> - <i>Internal/external expertise</i>	External consultants
<i>Thematic scope</i>	One of the first evaluations will focus on innovative environments and entrepreneurship
<i>Timing</i>	Evaluations during 2007-09; later evaluations to be decided
<i>Resources</i>	NA
<i>Capacity-building measures</i>	NA
<b>Monitoring</b>	
<i>Management</i>	Managing Authority (NUTEK)
<i>Indicators:</i> - output - result - impact - comparative/ core indicators - horizontal indicators	8 (Priority 1); 15 (Priority 2); 32 (both) 6 (Priority 1); 6 (Priority 2); 5 (both) 12 3 output and 4 result indicators for both Priorities Included in above indicator groups
<i>Data collection system</i>	IT system NYPS
<i>Control/ review arrangements</i>	NA
<b>Coordination arrangements</b>	
<i>Coordination between monitoring and evaluation arrangements</i>	Yes
<i>Coordination with other programmes/ policies</i>	Evaluation of ESF and ERDF coordinated; evaluations of Structural Fund and domestic programmes contribute to NSRF evaluation

**Table 16: Scotland - Highlands and Islands ERDF and ESF Phasing-out OPs; Lowlands and Uplands Scotland ERDF and ESF Regional Competitiveness and Employment OPs**

<b>Evaluation</b>	
<i>Evaluation plan</i>	Yes
<i>Management</i> - Responsible body/ bodies - Steering group	Monitoring and Evaluation Group (MEG); chaired by Scottish Govt, including SDBs (Scottish Enterprise, Highlands and Islands Enterprise) and IABs (ESEP and HIPP)
<i>Implementation</i> - Internal/ external expertise	Needs-based mix of internal and external expertise (to be decided by MEG)
<i>Thematic scope</i>	Strategic; operational; triggered by departure/change
<i>Timing</i>	(To be confirmed) 2008: ESF 2009-10: strategic evaluation 2010: operational issues Needs-based evaluations for departure/change
<i>Resources</i>	MEG has own budget for evaluation
<i>Capacity-building measures</i>	NA
<b>Monitoring</b>	
<i>Management</i>	Managing Authority (Scottish Govt.), assisted by IABs
<i>Indicators:</i> - output - result - impact - comparative/ core indicators	(LUPS ERDF OP) 18 27 8 To be decided
<i>Data collection system</i>	New IT system being introduced
<i>Control/ review arrangements</i>	Regular reports to PMC; quarterly checks on IABs.
<b>Coordination arrangements</b>	
<i>Coordination between monitoring and evaluation arrangements</i>	Monitoring information to be used in strategic evaluation
<i>Coordination with other programmes/ policies</i>	All Scottish programmes covered by single MEG and plan

**Table 17: North East England ERDF Regional Competitiveness and Employment OP**

<b>Evaluation</b>	
<i>Evaluation plan</i>	Yes
<i>Management</i> - Responsible body/ bodies - Steering group	> Regional Development Agency (RDA) > To be decided
<i>Implementation</i> - Internal/ external expertise	Managed internally; commissioned externally
<i>Thematic scope</i>	MTE; ad hoc contextual and thematic evaluations
<i>Timing</i>	MTE and ad hoc
<i>Resources</i>	
<i>Capacity-building measures</i>	Knowledge transfer programme
<b>Monitoring</b>	
<i>Management</i>	RDA
<i>Indicators:</i> - output - result - impact	14 + 7 cross-cutting/horizontal 11 + 7 cross-cutting/horizontal 4
<i>Data collection system</i>	TESA
<i>Control/ review arrangements</i>	To be decided
<b>Coordination arrangements</b>	
<i>Coordination between monitoring and evaluation arrangements</i>	To be agreed
<i>Coordination with other programmes/ policies</i>	NA

**Table 18: Wales ERDF and ESF Convergence and Regional Competitiveness and Employment OPs**

<b>Evaluation</b>	
<i>Evaluation plan</i>	Monitoring and Evaluation Plan
<i>Management</i> - Responsible body/ bodies - Steering group	> Managing Authority (WEFO) > Evaluation Advisory Group and Evaluation Steering Groups, aided by RME (Research, Monitoring and Evaluation) unit within WEFO
<i>Implementation</i> - Internal/ external expertise	Internal and externally commissioned expertise as needed
<i>Thematic scope</i>	- Implementation processes; - Impact; - Significant departure/change; Cross-cutting themes.
<i>Timing</i>	> Implementation processes c 2010; > Impact after 2010; > Significant departure/change as needed; > Cross-cutting themes to be confirmed
<i>Resources</i>	NA
<i>Capacity-building measures</i>	NA
<b>Monitoring</b>	
<i>Management</i>	Managing Authority (WEFO)
<i>Indicators:</i> - output - result - impact - comparative/ core indicators	(ERDF Convergence OP) 39 across 5 Priorities 66 across 5 Priorities 52 across 5 Priorities Not specified in OP
<i>Data collection system</i>	PPIMS; new interface between sponsors' own existing monitoring databases and WEFO's beneficiaries database
<i>Control/ review arrangements</i>	> Close management of project application process re data requirements > PMC review of progress
<b>Coordination arrangements</b>	
<i>Coordination between monitoring and evaluation arrangements</i>	Very closely interlinked - in plan, within Managing Authority and throughout strategy
<i>Coordination with other programmes/ policies</i>	Plan covers all Welsh Structural Fund Programmes

## 7. ANNEX 2: LIST OF INTERVIEWEES

For the preparation of this paper a wider set of interviewees was contacted than the representatives of IQ-Net partners. This was done to gather national level views where relevant and to obtain insights from evaluation and monitoring specialists in the partner countries. A list of organisations and a number of interviewees are included below.

### **Austria**

State Government of Niederösterreich, Department of Economics, Tourism and Technology (2 representatives)

State Government of Niederösterreich, Department of Spatial Planning and Regional Policy (2 representatives)

The Austrian Conference on Spatial Planning (ÖROK) (1 representative)

State Government of Steiermark, Department of Economics and Innovation (2 representatives)

### **Belgium**

Agency for the Economy of Vlaanderen, Unit Europe Economy (1 representative)

### **Czech Republic**

Ministry for Regional Development, Department of Cohesion Policy (1 representative)

### **Denmark**

North Jutland Region, Regional Policy Department (1 representative)

National Agency for Enterprise and Construction (NAEC) (2 representatives)

### **Finland**

Regional Council of Keski-Suomi (2 representatives)

Ministry of the Interior, Department for Development of Regions and Public Administration (1 representative)

### **France**

Délégation interministérielle à l'aménagement et à la compétitivité des territoires (DIACT), Evaluation Unit (1 representative)

### **Germany**

Nordrhein-Westfalen's Objective 2 Secretariat (1 representative)

Sachsen-Anhalt's Ministry of Finance (1 representative)

### **Greece**

Ministry of Economy and Finance, CSF Managing Authority (4 representatives)

Managing Authority of ROP Central Macedonia (1 representative)

### **Italy**

Ministry of Economic Development, Evaluation Unit of the Department for Development and Cohesion Policies (2 representatives)

Ministry of Economic Development, Institute for Industrial Promotion (IPI) (2 representatives)

Ministry of Economic Development, DG for the Coordination of Incentives to Businesses (1 representative)

Lombardia Region, Presidency, Central Directorate for Integrated Programmino (1 representative)

Lombardia Region, Finlombardia (1 representative)

### **Poland**

Śląskie Marshal's Office, Regional Development Unit, (2 representatives)

Śląskie Marshal's Office, ESF Unit (3 representatives)

### **Portugal**

NSRF Observatory (2 representatives)

Financial Institute for Regional Development (2 representatives)

### **Slovenia**

Government Office for Local Self-Government and Regional Policy (1 representative)

### **Spain**

Ministry of Economy and Finance, DG for European Funds (1 representative)

Provincial Council of Bizkaia (2 representatives)

### **Sweden**

Swedish Agency for Economic Growth (Nutek), Stockholm Office (1 representative)

Nutek, Programme Support, Östersund (1 representative)

Nutek, Secretariat of Mellersta Norrland OP (1 representative)

Nutek, Secretariat of Norra Mellansverige OP (1 representative)

### **UK**

Scottish Government, European Structural Funds Division (1 representative)

Intermediate Administrative Body (IAB) (1 representative)

Welsh European Funding Office (WEFO), Monitoring and Evaluation (1 representative)

Communities and Local Government (CLG) (1 representative)

Government Office North East England (1 representative)

One NorthEast (1 representative)

### **European Commission**

D.G. Regional Policy, Evaluation Unit (4 representatives)



## Improving the Quality of Structural Funds Programming through Exchange of Experience

IQ-Net is a network of Convergence and Regional Competitiveness programmes actively exchanging experience on practical programming issues. It involves a programme of research and debate on topical themes relating to Structural Funds programme design, management and delivery, culminating in twice-yearly meetings of members. IQ-Net was established in 1996 and has successfully completed three periods of operation: 1996-99, 1999-2002 and 2002-07. A new phase was launched on 1 July 2007 (Phase IV, 2007-10).

### IQ-Net Meetings

Twenty-two partners' meetings and a special 10<sup>th</sup> anniversary conference have been held in nine European countries during 11 years of operation of the Network. Meetings are held at approximately six month intervals and are open to IQ-Net partners and to observers interested in joining the Network. The meetings are designed to facilitate direct exchange of experience on selected issues, through the presentation of briefing papers, plenary discussions, workshop sessions and study visits in the hosting regions.



### IQ-Net Website

The IQ-Net Website is the Network's main vehicle of communication for partners and non-partners alike ([www.eprc.strath.ac.uk/iqnet](http://www.eprc.strath.ac.uk/iqnet)). The launch of Phase IV has been accompanied by an extensive redesign of the site which comprises two sections:



*Partner Intranet Pages* available exclusively to IQ-Net members.

*Public Pages* which provide information on the Network's activities and meetings, allow the download of IQ-Net Reports and Bulletins, and provide a news section on issues relevant to the Network.

The Partners' section of the website provides exclusive services to members of the Network, including access to all materials prepared for the IQ-Net meetings, a constantly up-dated list of EU27 links (programmes, institutions, economics and statistics etc.), partners' contact details, a partners' blog and other items of interest.

### IQ-Net Reports

The IQ-Net Reports form the basis for the discussions at each IQ-Net meeting. They present applied and practical information in a style accessible to policy-makers, programme executives and administrators. The reports can be downloaded, at no charge, from the IQ-Net website. To date, around 30 thematic papers have been produced on both 'functional issues' (e.g.

management arrangements, partnership, information and communication, monitoring systems) and ‘thematic issues’ (e.g. innovation, enterprise development, tourism). A similar number of papers have also been produced to review developments in the implementation of the Network’s partner programmes.

### IQ-Net Thematic Papers

- Turning ideas into action: the implementation of 2007-13 programmes
- The New Generation of Operational Programmes, 2007-2013
- National Strategic Reference Frameworks and OPs, 2007-2013
- Preparations for the Programme Period 2007-13
- Territorial Cohesion and Structural Funds
- Cohesion Policy Funding for Innovation and the Knowledge Economy
- The Added Value of Structural Funds
- Information, Publicity and Communication
- Mid-term Evaluation of the 2000-06 Programmes
- Mainstreaming Horizontal Themes into Structural Fund Programming
- The Structural Funds: Facilitating the Information Society
- Information into Intelligence: Monitoring for Effective Structural Fund Programming
- At the Starting Block: Review of the New Programmes
- Tourism and Structural Funds
- Preparations for the New Programmes
- The New Regulations and Programming
- Strategic Approaches to Regional Innovation
- Effective Responses to Job Creation
- The Evolution of Programmes and Future Prospects
- Equal Opportunities in Structural Fund Programmes
- The Contribution of Meso-Partnerships to Structural Fund Implementation
- Regional Environmental Integration: Changing Perceptions and Practice
- Structural Fund Synergies: ERDF and ESF
- The Interim Evaluation of Programmes
- Monitoring and Evaluation: Principles and Practice
- Generating Good Projects
- RTD and Innovation in Programmes
- Managing the Structural Funds - Institutionalising Good Practice
- Synthesis of Strategies 1994-96

### IQ-Net Bulletin

The IQ-Net Bulletin promotes the dissemination of the Network’s activities and results. Thirteen issues have been published to date, over the period from 1996 to 2007. Bulletins are published using a standard format, with each providing summaries of the research undertaken and reports on the discussions which take place at IQ-Net meetings. The Bulletins can be downloaded from the IQ-Net website (public pages). A printed version is also sent out to the IQ-Net mailing list.



Admission to the IQ-Net Network is open to national and regional Structural Funds Managing Authorities and programme secretariats. For further information or to express an interest, contact Professor John Bachtler ([john.bachtler@strath.ac.uk](mailto:john.bachtler@strath.ac.uk)) or Laura Polverari ([laura.polverari@strath.ac.uk](mailto:laura.polverari@strath.ac.uk)).