



UNIUNEA EUROPEANĂ



GUVERNUL ROMÂNIEI



Instrumente Structurale
2007 - 2013



AAM CONSULTING

Evaluation

a management tool supporting decision-making

dr. Tamás Tétényi

presented at the MC SOP-E meeting,
Botosani, November 24th, 2011

PROJECT CO-FINANCED FROM ERDF THROUGH OPTA 2007-2013

AAM Management Information Consulting Ltd.

www.aam.hu



The presentation

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



UNIUNEA EUROPEANĂ



GUVERNUL ROMÂNIEI



Instrumente Structurale
2007 - 2013

3

I. What is evaluation?



Importance of evaluation

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

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

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



Importance of evaluation

Thus, evaluation can be regarded as:

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

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

What can evaluation provide?

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

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

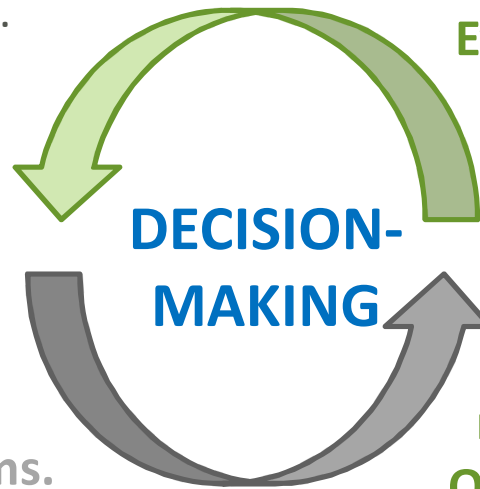
HOW?

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

Evaluation – monitoring – decision-making

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

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



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

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

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



UNIUNEA EUROPEANĂ



GUVERNUL ROMÂNIEI



Instrumente Structurale
2007 - 2013

8

II. The working of evaluation



Stages of evaluation

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

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

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



Thematic objectives

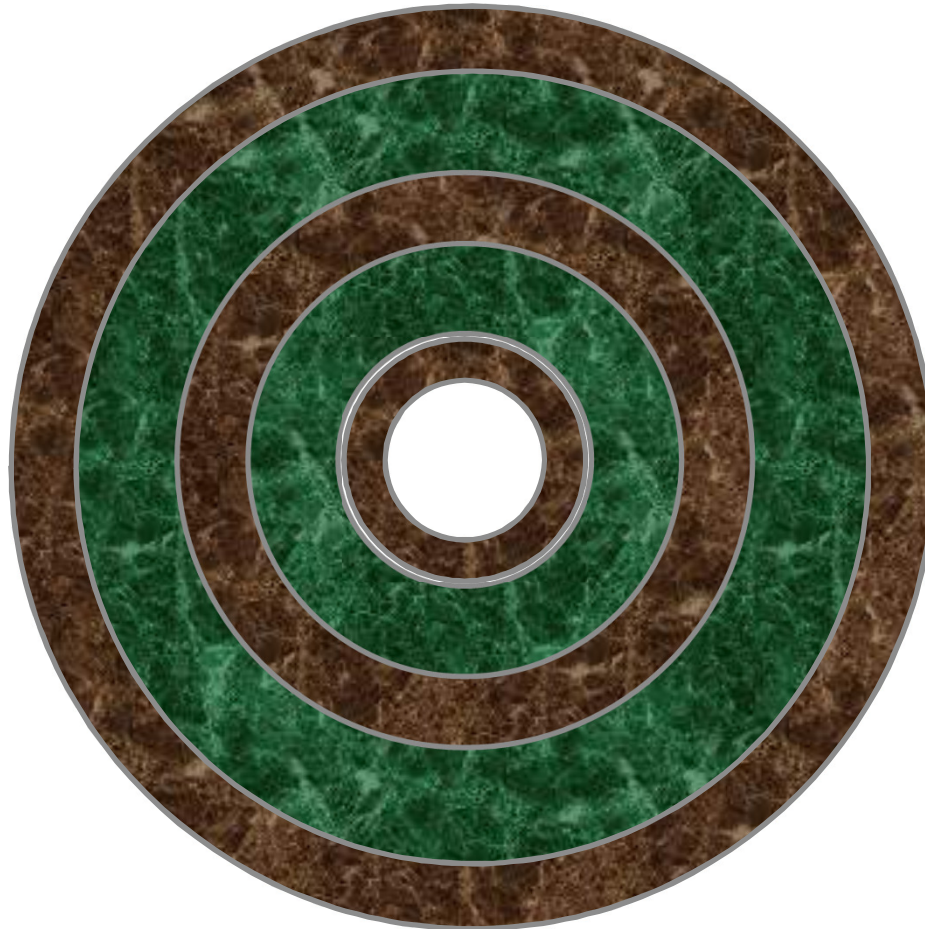
1. research, technological development and innovation;
2. information and communication technologies;
3. competitiveness of SMEs, agriculture and fisheries;
4. **shift towards a low-carbon economy;**
5. **climate change adaptation, risk prevention and management;**
6. **protecting the environment and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

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

Stages of evaluation (cont.)

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

The project and evaluation cycle



Policy cycle

Programme cycle

Project cycle

Evaluation cycle



Evaluation of environment and climate change programmes financed by ERDF during 2000-2006

Scope

This is the ex-post evaluation of cohesion policy programmes 2000-2006 co-financed by the ERDF (Objectives 1 and 2) - Work package 5b: Environment and climate change. During 2000-2006, 21% of the overall ERDF budget was allocated for environmental interventions, totalling €25.5 billion in EU25.

Aim

- To evaluate ERDF contribution towards the implementation of EU environmental strategies between 2000 and 2006.

Conclusions

- EU-10 are lagging behind EU requirements and need to accelerate investment to comply with the acquis;
- EU-15 countries need to complete their sewerage networks in order to fulfill EU requirements.



Evaluation of environment and climate change programmes financed by ERDF during 2000-2006

- ERDF environmental measures taken across Portugal, Spain and Greece, followed by Italy, Ireland, Germany and France.
- Small ERDF environmental expenditures in EU-10 as compared with EU-15, partly explained by the shorter 2004-2006 programming period.
- **40% of environmental expenditures** in Objective 1 regions went towards **water infrastructure** due to need to comply with environmental standards.
- Limited use of the ERDF in the waste sector, due to lack of clear targets, development of a market for waste and growing role of private sector.
- **9% of the environmental package** represented by **climate-friendly interventions** and 2% - land protection.
- **Climate change ERDF allocations** - **80%** in Objective 1 regions, split evenly between the four main ERDF beneficiaries of Greece, Ireland, Spain and Portugal and the rest of the EU-15.
- **More than 60% of the ERDF allocation to climate change** was aimed at supporting private companies' **investment in environment-friendly technologies**.



Evaluation of environment and climate change programmes financed by ERDF during 2000-2006

- Water supply was a priority in Spain and to a lesser extent in Latvia.
- Small ERDF interventions in the waste sector focused mainly on treatment modalities.
- ERDF interventions in energy efficiency and renewable energy were more exploratory.
- No support to development of innovative environmental activities.
- No evidence that environmental infrastructures have influenced economic growth, except for upgraded infrastructure in one specific area.
- Significant contribution of environmental measures to living conditions and quality of life.
- **More than 20 million additional people may have benefited from wastewater projects, out of which 15 million live in Objective 1 regions.**
- Weak institutional capacities, absence of clear guidelines and complexity of problems targeted hindered development of a more-integrated programme linking environmental measures with other actions.
- Programmes covered a wide array of environmental projects, geographically dispersed and showing poor integration with other measures or axes of regional policies.



Evaluation of environment and climate change programmes financed by ERDF during 2000-2006: Recommendations

- To adopt a new approach due to a need to integrate environmental issues into economic growth strategy.
- Priorities to be changed and address innovation and development of new technologies, incentives for private green investment and for changing consumer and producer behavior regarding the use of natural resources.
- The effectiveness of the programme to be enhanced by reinforcing strategic and management capacities.
- To improve institutional capacities in order to ensure a successful transition towards more integrated strategies and to maintain coherence with the whole policy mix at various levels.
- To improve monitoring and follow-up of results.



Who can make use of evaluation and how?

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



UNIUNEA EUROPEANĂ



GUVERNUL ROMÂNIEI



Instrumente Structurale
2007 - 2013

18

III. Why to evaluate?



Who can make use of evaluation and how?

HOW?

WHO?

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

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

Evaluation of water supply and waste water treatment in Latvia

Scope

The study is part of the Strategic evaluation on environment and risk prevention under structural and cohesion funds for 2007-2013 in Latvia, dealing with water supply, waste water treatment, municipal solid waste, renewable energy and natural risk management and was concluded in 2006.



Aim

- To define current situation and identify investment needs for the future programming period.

Conclusions

- Generally, urban water supply network is in bad conditions. Appropriate drinking water is being provided for only around 40% of the population.
- **Whole territory of Latvia is classified as sensitive area for the UWWTD** (Urban waste water treatment directive). In most of the Latvian settlements, wastewater collection and treatment are not provided in appropriate quality and in accordance to the environmental requirements.



Evaluation of water supply and waste water treatment in Latvia

- By the end of 2008 Latvia will finish improvements to the waste water collection and drinking water supply systems in the largest cities with a population equivalent above 100,000.
- By the end of 2015, the European requirements on urban waste water treatment will be introduced in all Latvian cities and towns with a population equivalent above 2,000.
- **Investment needs estimated for 2007-2013** in water supply and waste water treatment: euro 879 million in water supply in local and long distance drinking water network and renovation of existing DW production plants and euro 1,325 million investment in waste water in construction, renovation and upgrading of sewerage and sewerage water treatment plants (STP).
- **Other needs requiring further investments are:** to renovate 60 % of long distance and local drinking water network, raise from 71% to 95% current connection rate mainly in smaller agglomerations by end of 2015, improve 18 existing DW production plants. In terms of waste water: by 2015, to build 59 new STPs, to upgrade non-compliant STPs, to build 637 km of new sewers and rehabilitate 1,592 km of sewers.



Evaluation of water supply and waste water treatment in Latvia: Recommendations

- To be prepared for larger pressure on the absorption capacity given than the calculated investment needs for the next period are significant larger.
- Due to shift from larger to smaller agglomerations, to secure funding for technical and institutional capacity building for municipalities and local beneficiaries.
- Due to financial needs likely to be higher than available SF, to prioritise the allocation of funds.
- Funds in water supply not to go to extension of capacity, as existing capacity is enough to meet demand or production facilities.
- Investments in environmental infrastructure to be made so as to ensure substantial improvements in the coverage, quality, cost efficiency and sustainability of the services provide and secure increased economic attractiveness of specific geographical areas.
- To consider the need for consolidation of the water market by grouping municipal water companies on regional level, to promote stability and effectiveness.
- To explore more PPP possibilities in order to secure additional funding for environmental investments.
- MA to recalculate the underestimated investment needs of euro 123 million in water supply as compared to the figures provided by evaluation.



Contribution of evaluation to the programme management

Evaluation can:

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

Evaluation of natural risk management in Hungary

Scope

The study is part of the Strategic evaluation on environment and risk prevention under structural and cohesion funds for the period 2007-2013 in Hungary and was concluded in 2006. Floods on the river Tisza directed considerable attention towards the functioning of the present flood control system. In the past 5 years, in between 30 and 90% of country was endangered by drought.

Aim

- To define current situation and identify investment needs for the future programming period.

Conclusions

- Flood protection measures and anti-drought measures are both to be considered as funding priorities. Forest fire protection is not an important funding issue in Hungary.
- Drought mitigation received sporadic and inadequately consolidated measures, with no focus on prevention.

Evaluation of natural risk management in Hungary

- Nearly 65% of self-government embankments need improvement and strengthening.
- Institutional capacity problems likely to be expected due to limited experience with SF funding in risk management in the past.

Recommendations

- Actions related to drought mitigation to shift from crisis management to risk management.
- Financial investments for 2007-2013 estimated at 1,944 M euro to provide support to flood protection development, including protection systems in the property of self-governments and drought mitigation.
- Further investment in flood endangered areas to make flood control structures compliant with safety rules and in cultivated lands to address drought issues.

However, it is admitted that final allocation for anti-flood measures strongly depends on local support to projects from green NGOs, farmers, local economic organizations.



UNIUNEA EUROPEANĂ



GUVERNUL ROMÂNIEI



Instrumente Structurale
2007 - 2013

26

IV. Partnership



Partnership

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

Member State shall organize a partnership with partners:

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



Evaluation – Partnership

PLANNING AND IMPLEMENTING EVALUATION

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

DECISION- MAKING

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



Evaluation – Transparency and publicity

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

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



Evaluation – Transparency and publicity

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



UNIUNEA EUROPEANĂ



GUVERNUL ROMÂNIEI



Instrumente Structurale
2007 - 2013



AAM CONSULTING

Thank you very much for your attention

http://ec.europa.eu/regional_policy/sources/docgener/evaluation/expost2006/wp5b_en.htm

http://ec.europa.eu/regional_policy/sources/docgener/evaluation/pdf/evalstrat_env/lt_main.pdf

http://ec.europa.eu/regional_policy/sources/docgener/evaluation/pdf/evalstrat_env/hu_main.pdf

PROJECT CO-FINANCED FROM ERDF THROUGH OPTA 2007-2013

AAM Management Information Consulting Ltd.

www.aam.hu