



**Evaluation of the EU Agencies under the remit of DG  
EMPLOYMENT: EUROFOUND, CEDEFOP, ETF and EU-OSHA**

**Annex 5. ETF Update**

*Request for services in the framework of the multiple framework contracts for the provision of services related to evaluation, evaluative studies, analysis and research work, including support for impact assessment activities (VC/2013/0082)*



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Implemented by PPMI (lead partner) and Ecorys (partner)

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Invitation to tender "Evaluation of the EU Agencies under the remit of DG EMPLOYMENT: EUROFOUND, CEDEFOP, ETF and EU-OSHA" in the context of the framework contract "Provision of services related to evaluation, evaluative studies, analysis and research work, including support for impact assessment activities".

Framework contract for the provision of services related to evaluation, evaluative studies, analysis and research work, including support for impact assessment activities (VC/2013/0082)

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## 1. Introduction

The European Training Foundation (ETF) is an agency of the European Union (EU) that provides support to countries in the EU's immediate "neighbourhood" to develop vocational education and training. Ecorys, as the leader of the EFECTIV<sup>1</sup> consortium, submitted the external evaluation of the ETF<sup>2</sup> covering the period 2011-2014 in 2016<sup>3</sup>. The results of this evaluation fed into the overarching Evaluation of the EU Agencies under the remit of DG EMPLOYMENT: EUROFOUND, CEDEFOP, ETF and EU-OSHA. As this evaluation covers two additional years, namely 2015 and 2016, the evaluators took into account developments in ETF operations following the completion of the previous external evaluation. In this report, the key outcomes of the external evaluation will be presented as well as the signalled developments post-2014. Notably, following the recommendations laid out in the 2016 evaluation report, the ETF drafted a document consisting of proposed preliminary action lines and elaborated these actions in its Single Programming Document 2017-2020<sup>4</sup>.

This report presents the key findings of the 2016 evaluation report related to the internal and external coherence, efficiency and cost-effectiveness of the organisation, as well as providing insights as to the effectiveness and added value of ETF activities. Issues of sustainability are touched upon, in addition to discussions on the effectiveness of the ETF at reaching its general objectives and impacts. The evaluators also present analyses on developments post-2014. It concludes by presenting the general recommendations for the improvement of ETF functionality in future programming periods presented in the external evaluation and discuss the steps taken in response to these recommendations.

The findings in the 2016 report were based on evidence from a wide variety of sources. Following a comprehensive scoping research phase that included face-to-face high-level discussions in Brussel and Turin (as well as via telephone), extensive desk research was carried out. In-depth interviews with 39 stakeholders from EU and international institutions as well as key ETF staff were subsequently carried out as well as a focus group with ETF Governing Board (GB) members. Insights from core stakeholder groups were gathered through online surveys. A total of 266 respondents took part in the surveys, including 175 partner country stakeholders, 19 EU-level beneficiaries, 55 ETF staff and 17 Governing Board members. Five case studies were prepared including three partner country studies (Georgia, Serbia and Tunisia), along with a regional study (Central Asia) and a study of the EC project and programming cycle (Egypt, Georgia and Jordan). Lastly, a three-month online public consultation was carried out generating nine responses. At the final synthesis and analysis stage an expert virtual Delphi process was applied.

Under the current evaluation, additional ETF-specific interviews were carried out, including eight interviews with Commission representatives, two ETF GB members and six ETF staff members. The ETF was additionally touched upon in a range of interviews with stakeholders from other organisations, such as the European Parliament, other decentralised agencies (e.g. EIGE and FRA), the Committee of the Regions, the ILO and the OECD. An additional survey was carried out among ETF staff, which ultimately received 91 responses. An open public consultation furthermore informed the evaluation activities. Lastly, the ETF was included in four of the five transversal case studies in which a range of additional stakeholders were interviewed (see a full list of interviewees in Annex 15).

A number of challenges were encountered during the evaluation activities and mainly relate to the availability and typologies of data and information. In order to analyse the relevance and coherence of ETF activities the evaluation team needed to take into account the multiplicity of stakeholders and the heterogeneity of their political and strategic relations with the ETF. There is furthermore a dearth of reliable and rigorous quantitative data in partner countries supporting the analysis of efficiency, effectiveness, impacts and added value. The evaluation team therefore had to rely upon the opinions of stakeholders in the assessment of efficiency, effectiveness, impacts and added value of the ETF. Lastly, seeing as the ETF works by providing expertise and advice to partner countries at systems level, it is

<sup>1</sup> Evaluation consortium For Education, Culture, Training and InnoVation

<sup>2</sup> Within the context of DG EAC framework contract for evaluation and evaluation-related services (EAC/22/2013).

<sup>3</sup> Effective Consortium, External Evaluation of the European Training Foundation (ETF), 2016, p. 131. Available at: [http://www.etf.europa.eu/web.nsf/pages/Evaluation\\_of\\_the ETF EN](http://www.etf.europa.eu/web.nsf/pages/Evaluation_of_the ETF EN)

<sup>4</sup> European Training Foundation (2016). Single Programming Document 2017-2020. Available via: [http://www.etf.europa.eu/wpubdocs.nsf/0/C7E9FBAD070B5966C125807B004B6B6F/\\$File/GB16DEC011\\_EN.pdf](http://www.etf.europa.eu/wpubdocs.nsf/0/C7E9FBAD070B5966C125807B004B6B6F/$File/GB16DEC011_EN.pdf)

difficult to make causal connections from ETF activities through changes in vocational education and training systems to effects on individuals.

When looking at developments post-2014 a key challenge was in measuring impacts of developments as insufficient time had passed to adequately analyse the effects of recently implemented organisational developments. As a result, the evaluation team based their analysis on consultation results (stakeholder interviews, staff survey responses and the open public consultation), internally contracted evaluations and other relevant documentation.

The following section presents the key findings of the 2016 evaluation as well as developments post-2014 and is structured according to the evaluation criteria (relevance, coherence and complementarity, effectiveness and impact, efficiency and cost-effectiveness, and added value). It additionally presents and elaborates on the main conclusions and recommendations stemming from 2016 evaluation.

## 2. Overall strategy and relevance of the ETF

Even though it has very limited resources per partner country, it was concluded in the 2016 external evaluation that the ETF achieves effective interventions which are relevant to the needs of those countries across a broad range of activities, and that the organisation's existence remains justified with respect to the objectives assigned to it. Overall the ETF is deemed highly responsive to the needs of stakeholders, being flexible in its reaction to requests and using the Torino process effectively as a systematic tool to assemble tailored packages of support from its broad "menu" of activities (although this is only part of the function of the Torino process). Many of these activities are "tried and tested" but the ETF also innovates and is on the leading edge of global thinking in its field, including in the areas of qualifications and entrepreneurship education. Moreover, the ETF operates in a dynamic political environment and continues to respond to changes effectively. It has coped well with changes in EU policy, although there is scope to improve the processes through which it works together with the European Commission (EC). The ETF has been adept at dealing with unstable political environments in partner countries, in some cases being one of only a few organisations to maintain links to state bodies during turbulent times, as in Tunisia.

## 3. Coherence and complementarity

The 2016 evaluation explored the positioning of the ETF in terms of the coherence and complementarity with EU policies and other actors such as the European Commission, EU Delegations, Member States and their aid agencies, other international organisations and other EU agencies such as Cedefop and Eurofound. It was concluded that overall the ETF is coherent with EU policies and its activities in partner countries are highly complementary with those of others. Indeed, it goes beyond ensuring that its own activities are complementary and helps partner countries to ensure that the different pieces of the complex "jigsaw puzzle" of development assistance fit together well.

This finding was reaffirmed when looking at post-2014 developments, as the evaluation team noted the introduction of Country Strategy Papers (CSPs). Through formulating these papers, the ETF clearly presents its strategy for 2017-2020 in partner countries, allowing it to focus on areas where the impact would be greatest. It also refers explicitly to complementarity (and potential synergy) with other EU programmes or initiatives carried out by other international bodies. Senior ETF staff additionally highlighted the importance of these Country Strategy Papers in relation to the concern that the new organisational structure might lead to a loss in country-specific knowledge. Notably, these papers, inter alia, convey the actions of other relevant actors in the field and explore the ways in which collaboration can be encouraged. It was indicated in interviews with senior ETF staff that they have scaled up the dialogue with bilateral and multilateral organisations and have started introducing cooperation action plans in order to ensure complementarity and sustainability of country-specific interventions.

The ETF's objectives are presented in an intervention logic, as well as in the new proposed intervention logic, which were developed as part of the 2016 evaluation. The evaluation subsequently explored how far the ETF was able to achieve its specific objectives related particularly to: (1) Governance, systems and policy-making; (2) VET provision and quality assurance; (3) Qualifications and qualification systems; (4) Entrepreneurial learning and enterprise skills, and; (5) Labour market information systems and skills for

employability. These thematic objectives are considered coherent to and complementary with EU policies both in respect of external relations and internal policies. The organisation plays an important role with respect to promoting the adoption of common EU reference tools in vocational education and training in partner countries, and also plays a key function in relation to the implementation of the EU Small Business Act. Through its expertise, it plays an indispensable part in assisting partner countries to build up VET policy and practice so that they share a common understanding with the EU. Its work with EU Delegations in partner countries is central to being able to successfully contribute to EU policies.

Effective working relationships with EU Delegations are important for the success of ETF activities in partner countries. The 2016 evaluation concluded that these are too dependent on informal processes which hinder efficiency and effectiveness, and there is a need for a more structured cooperation framework. This would help to ensure stronger, more systematic inputs to the EU project and programming cycle which would help to increase impacts and sustainability. The development of the CSPs additionally allows the ETF to communicate its activities and strategy with EU actors, including delegations.

Within partner countries, the ETF works in the same space as many organisations without there being any obligation for cooperation to take place, which presents a challenging environment. Despite this, the ETF ensures its activities are complementary with those of other agencies and its activities also help partner country governments to ensure complementarity amongst stakeholders. Moreover, the ETF is well respected by other international and multinational agencies. It has a solid reputation for its expertise and is invited to participate as a full partner in global projects, conferences etc. It is a knowledge co-creator and "punches above its weight" given its size.

The ETF's work is additionally coherent and complementary to the work of the other EU agencies. It has effective relationships with Cedefop and Eurofound based on the development of joint annual action plans that are annexed to the Work Programmes of the respective agencies. It was found in the 2016 evaluation that the ETF has shown particularly effective collaboration with Cedefop throughout the evaluation period, working together on several large-scale joint ventures as well as actively participating in joint events, seminars and supporting the development of publications and policy notes. While the ETF and Eurofound readily exchange information when needed, the level of activity is heavily dependent on whether there are joint thematic interests at that particular time, and there is scope to strengthen cooperation. Lastly, it can be concluded that the ETF's objectives and activities are coherent with the Common Approach of the European Parliament, the Council and the European Commission and the Commission's Roadmap regarding decentralised agencies.

Given the comparative element and the nature of the current evaluation of the four agencies under the remit of DG EMPL, the evaluation team elaborately analysed the cooperation activities of the ETF and other decentralised agencies. One of the recommendations provided by the evaluators of the external evaluation of the ETF (2011-2014)<sup>5</sup> was to improve the effectiveness of ETF interventions was in relation to the ETF's collaborative activities with Cedefop and Eurofound. The evaluation found that collaboration with Cedefop was well established. However, in this regard, it should be noted that the proposal for revision of Cedefop's Founding Regulation considers giving an observer status in the Governing Board to representatives of Eurofound and EU-OSHA (and vice versa), but does not refer to the ETF.

Regarding the ETF's collaboration with Eurofound, the 2016 evaluation report found that there was room for improvement. It was stated that there should be closer collaboration with Eurofound when developing Annual Work Programmes or Mid-Term Perspectives in order to capitalise on the potential opportunities for more collaborative work. As a result of this recommendation, the ETF has explicitly outlined its cooperation with both Cedefop and Eurofound in both the Single Programming Document as well as Work Programmes. In the 2016 ETF Work Programme, for instance, an annex has been included with an ETF-Eurofound action plan. This action plan lists the areas of cooperation in 2016 as well as the key contact

<sup>5</sup> Effectiv Consortium, External Evaluation of the European Training Foundation (ETF), 2016, p. 131. Available at: [http://www.etf.europa.eu/web.nsf/pages/Evaluation\\_of\\_the ETF EN](http://www.etf.europa.eu/web.nsf/pages/Evaluation_of_the ETF EN)

persons within the two organisations (listing key contact persons for each action is a new feature that was not included in other Work Programmes as explicitly). To illustrate, it was noted that the organisations would collaborate by sharing particular survey results: *“The EF [Eurofound] will share the results of the analysis of the European Company Survey as well as of the European Working Conditions Survey. ETF will share with EF [Eurofound] its knowledge on the Candidate countries as background to the analyses of the results of the ESC for those countries.”*<sup>6</sup> It also outlines the fact that there would be exchange on the development of Work Programmes and an annual review of activities (similarly stating the key responsible individuals in both organisations).

Upon further investigation through the compilation of a set of case studies covering activities of multiple agencies, deeper insight was gained into the level of inter-agency cooperation and the barriers and success factors of working collaboratively. It was concluded that while there was scope for collaboration across several thematic and methodological areas, the intensity and nature of cooperative activities differed.

Methodologically, both the ETF and Eurofound work with large-scale, transnational surveys. It was noted that Eurofound had expanded its European Working Conditions Survey (EWCS) and the European Company Survey (ECS) to third countries also covered by the ETF (Former Yugoslav Republic of Macedonia and Montenegro). Throughout this process, both organisations have been sharing and discussing the results of these surveys of employees and employers. These discussions are mutually beneficial, as Eurofound can gain insights into the national contexts, which the ETF knows well, while the ETF can use the findings of the surveys and translated them into policy advice adapted to those countries.

From the analysis of the joint action plans in place in the period of the evaluation, it has become evident that social dialogue and social partners have also been an area of collaboration between Eurofound and ETF. Even so, however, the extent and scope of cooperation has been referred to as limited by interviewees. This mainly consists of an exchange of information and knowledge sharing on the activities of the two Agencies on the topic of social dialogue. Collaboration focused particularly on sharing knowledge, which could be transferred and/or used in a comparative manner. Overall, the main limit to cooperation between ETF and Eurofound refers to the difference in the geographical scope and mandate of the two Agencies. These findings are in line with what emerged from the last ETF evaluation, according to which *“while the ETF and Eurofound readily exchange information when needed, the level of activity is heavily dependent on whether there are joint thematic interests at that particular time”*<sup>7</sup>.

With regards specifically to the cooperation between Eurofound and the ETF, it is less relevant for Eurofound to use ETF’s experience in the field of social dialogue, because of the differences in mandates and because the ETF’s work is more operational and targeted to national contexts where social dialogue is often less developed than in EU Member States. The ETF’s expertise is however useful when knowledge is required with regard to non-EU contexts. Stakeholders at Eurofound moreover envisage that the transfer of knowledge is more beneficial to ETF in the specific field of social dialogue.

The issue of the differing mandate and type of support provided was also considered a limiting factor to collaboration when exploring cooperative activities in the field of mobility and migration. The ETF has a track record in the area of migration since approximately 2007, when the management strategically decided to pursue this area. This choice resulted from emerging findings from work in partner countries where they noted skills shortages in local labour markets<sup>8</sup>, and imbalances in labour markets that caused immigration. Following their work in the area, and their participation on the Mobility Partnership discussions, the ETF has positioned themselves as experts in the field of VET and migration. Notably they

<sup>6</sup> ETF Work Programme, 2016, p. 68.

<sup>7</sup> Effectiv Consortium, External Evaluation of the European Training Foundation (ETF), 2016, p. 131. Available at: [http://www.etf.europa.eu/web.nsf/pages/Evaluation\\_of\\_the ETF EN](http://www.etf.europa.eu/web.nsf/pages/Evaluation_of_the ETF EN)

<sup>8</sup> E.g. as noted in the Employment Policy in ETF Partner Countries Concept Note (2006), [http://www.etf.europa.eu/web.nsf/pages/Employment\\_policy\\_in ETF\\_partner\\_countries: concept note](http://www.etf.europa.eu/web.nsf/pages/Employment_policy_in ETF_partner_countries: concept note)



defined the ‘skills dimension of migration and mobility’ as one of their main intervention areas as it falls under the Strategic Project on “*Employment, skills and employability – including skills and migration*”<sup>9</sup>.

While the ETF does have a track record in migration issues, there is limited evidence of inter-agency collaboration the remit of their work is non-EU partner countries, which differs from Cedefop’s mandate of focusing on EU Member States. Moreover, the ETF’s work differs from that of Cedefop as their operations include capacity building exercises to build stronger governance structures in generally unstable political and social environments. As a result, the ETF was invited by the OECD and Cedefop to participate in the joint Cedefop-OECD experts’ forum on the role of VET in the integration of refugees in 2016 but they were not asked to be a partner in the joint venture, nor were there other clear examples of collaborative activities.

Lastly, an area where there is ample evidence of collaborative action between the ETF and the other DG EMPL agencies is the field of skills and VET and the development of skills anticipation systems. Supporting countries in the development of VET and skills anticipation systems through skills and labour market intelligence are common areas of work for both Cedefop and the ETF. Despite the ETF’s slightly wider mandate (beyond VET per se), and the different methodologies and geographical areas in which Cedefop and the ETF operate,<sup>10</sup> this area provides scope for collaboration. An analysis of the joint Implementation Reports (IR) of both Agencies from 2011-2016 reveals that they have together to produce the following tools:

- A series of six methodological guides on skills anticipation and matching for EU and Candidate Countries, in close collaboration with the ILO;
- Joint training courses / workshops on skills anticipation and financing skills, in close cooperation with the International Training Centre of the ILO (ITC-ILO);
- An OECD questionnaire on country activities to anticipate and analyse skills needs in the labour market in 2014; and
- Policy recommendations on “Greening TVET and skills development”, which were developed through an Inter-Agency Working Group (IAWG) including representatives from UNEVOC, the OECD and other international organisations.

Besides producing these more ‘tangible’ outputs, both organisations have contributed to each other’s conferences, seminars and working groups by sharing experiences on their respective activities in the field of skills and VET. They also make use of each other’s work because, as was emphasised during the interview programme, the work of other Agencies should not be duplicated. The two most important examples of this type of collaboration are:

- Bi-annual knowledge-sharing seminars organised in Turin and Thessaloniki to keep each other updated on relevant outputs and developments;
- Building on each other’s expertise for capacity building activities.

Overall, it can be concluded that despite there being variation in the nature of collaboration, there is scope for increasing cooperation between the ETF and the other agencies under the remit of DG EMPL. In certain instances, as was the case in the field of social dialogue and migration, cooperation can be hindered by the difference in mandate as the ETF works with EU partner countries while Eurofound and Cedefop’s operations predominantly focus on countries within the European Union. The difference in type of activities can also be a challenging factor, as the ETF is specialised in capacity building of VET providers in geographically challenging and politically unstable areas while Eurofound and Cedefop focus on policy analysis, research and advice.

<sup>9</sup> Effectiv Consortium. External Evaluation of the European Training Foundation (ETF), 2016, available at: [http://www.etf.europa.eu/web.nsf/pages/Evaluation\\_of\\_the ETF\\_EN](http://www.etf.europa.eu/web.nsf/pages/Evaluation_of_the ETF_EN)

<sup>10</sup> The ETF’s mandate and work primarily covers advocacy and capacity building activities at Ministry level in Partner Countries to support the development of skills intelligence strategies (i.e. working with PEOPLE). Cedefop’s work is primarily quantitative in nature, building on existing data on skills anticipation and matching from, for example the OECD and Eurostat, to inform the development of skills strategies in EU countries (i.e. working with DATA).



## 4. Effectiveness and impact of ETF activities

In light of the objectives, mandate and functions defined in the Regulation, the 2016 ETF evaluation found that the agency delivers effective interventions across a wide range of policy fields. Furthermore, it concluded that its success in individual partner countries depends very much on conditions outside its control, and especially on the political situation. Being acutely aware of this, it adjusts its activities accordingly in order to achieve its objectives. The following subsections will summarise some of the key areas in which the effectiveness and impacts of ETF activities were explored.

### *Maintaining a country presence*

One of the valued elements of the ETF's work is its country-specific expertise and constant country presence. The 2016 evaluation concluded that seeing as the ETF has limited resources per country it has focused its efforts on strategically important and systemic developments where it is likely to have most impact, increasingly so in recent years with the advent of the Torino process and the focus on governance, systems and policy-making.

Given the size of the ETF's budget, the agency has additionally opted to prioritise interventions in particular partner countries. As stated in the Single Programming Document (2017-20)<sup>11</sup>, the ETF gives high priority in 2017-2018 to *“Enlargement countries, Eastern Partnership countries with Association Agreements (Georgia, Republic of Moldova and Ukraine) and EU priorities in in the Neighbourhood South (Jordan, Morocco and Tunisia). Other Neighbourhood countries will have medium priority, while the countries of Central Asia will be given low priority and engaged in regional rather than bilateral ETF activities. Low priority is also given to Russia and Israel according to the bilateral EU cooperation agreements with these countries while no actions are foreseen in Syria and Libya at present”*.

When discussing this prioritisation in high-level interviews, it was stated that the ETF still has a presence in all partner countries and is keen to maintain its status as VET experts across the regions; however, more emphasis is being placed on specific interventions in the priority partner countries. It was felt that by managing seven larger projects the ETF has more critical mass, as staff no longer have to dedicate resources to issues such as procurement in each individual partner country.

These finding was corroborated in the evaluation of the ETF's activities in the field of VET governance, as the evaluators stated that the Strategic Project's ability *“to focus on a limited number of countries in which a window of opportunity for governance reforms existed, was a key driver for the high relevance of its interventions”*. Moreover, it was posited that *“such prioritisation enabled the team to be flexible and adjust its interventions to the evolving context of each supported Partner Country. This approach also proved highly efficient, and served as a warrant that resources are spent on those interventions that displayed a strong potential to yield the intended systemic change.”*<sup>12</sup>

It was explained in the high-level interviews that the ETF's constant country presence (albeit from Turin) is one of the ETF's key strengths as no other bilateral or multilateral organisations has the ability to do so. Moreover, these organisations prize the longstanding networks of the ETF and are keen to make use of them. The ETF is currently, for instance, signing cooperation agreements with UNESCO and the European Bank for Reconstruction and Development (EBRD) who indicated that they would like to have a more structured exchange with the ETF's networks as it gives these international organisations more credibility and the opportunity to gain endorsement and approval of the work that they are doing by local actors. The ETF also continues to respond to EC requests and supports partner countries through regional actions.

### *Contribution to achieving the ETF's specific objectives*

The 2016 evaluation report found that the ETF's contribution has been strongest and most widespread across partner countries in respect of three specific objectives: governance, systems and policy-making; vocational education, training provision and quality assurance; and, qualifications and qualifications systems. In relation to the other two specific objectives (labour market systems/skills for employability

<sup>11</sup> Single Programming Document, 2017-2020, p. 8.

<sup>12</sup> PPMI & Europe Ltd. (2017) Evaluation of ETF activities in the field of VET governance – final report.

and entrepreneurial learning/enterprise skills), it was concluded that the ETF's contribution has been more varied. It was stated that the ETF has been particularly influential in respect of enhancing the involvement, coordination and collaboration of social partners, the development of national qualifications frameworks, improved policy-making cycles, focusing systems on the labour market, and better data collection and analysis. Beyond these interventions, there is also some evidence that developments feed through into effects "on the ground" in terms of their impact on individuals. However, the 2016 evaluation report found that there is scope for the ETF to achieve stronger synergies between individual activities to build up more cumulative effects in partner countries, and to continue to strengthen its communication efforts to ensure stakeholders fully understand its role, work and objectives.

A key development occurred was initiated in 2014 and came into force in January 2015 through which the ETF sought to strengthen its work along thematic lines. An organisational rearrangement divided operational teams along thematic lines rather than focusing on specific geographic areas. As of 2015, activities have thus been organised around seven Strategic Projects: (1) support to EU assistance in the context of EU external policies; (2) Policy analysis and system wide progress monitoring; (3) VET governance; (4) VET provision and quality; (5) Qualifications and Qualifications systems; (4) Employment, skills and employability – including skills and migration; and (6) Entrepreneurial learning and enterprise skills. The operational teams operating under these Strategic Projects are experts in the thematic area and seek to implement activities in these fields across partner countries. The previous external evaluation recognised that this reorganisation had potential benefits, but marked that the ETF should also be wary of potential disadvantages, including reductions in an 'on the ground' presence and expertise in partner countries.

Mixed opinions were gathered from interviewees and survey respondents regarding the effectiveness of the rearrangement of the organisational structure<sup>13</sup>. Several survey respondents noted improvements in terms of efficiency and effectiveness, expressing the value of the reorganisation to partner countries, the EC and international bodies. One survey respondent, for instance, stated that *"following the latest re-organisation, efficiency and effectiveness of the ETF has greatly improved."*

In contrast, another respondent indicated that they were less positive regarding the impact of the reorganisation as there was *"not enough space for experts to exploit their expertise in an efficient and effective way."* They suggested that the ETF should focus more on priority countries as *"impact is now very limited because the ETF does a bit in all countries..."* despite the fact that the ETF has already indicated that they prioritise particular partner countries over others. Another respondent corroborated this sentiment and stated that the changes in management structure have decreased their proximity to partner countries' needs as well as their capacity to produce knowledge and expertise; they felt that it was inappropriate to have thematic experts taking on increasing managerial and procurement duties.

Senior management at the ETF indicated that they are seeking to maintain their country-specific expertise by assuring a country presence in partner countries despite limited resources. They have committed to the use of digital technology to enhance its outreach activities. A survey respondent reflected on the increased use of digital technology: *"the recent evaluation of the ETF acknowledged the relevance and complementarity of ETF's interventions. Concerning efficiency, ETF has been working hard, achieving significant progress, in the use of digital technologies to support online collaboration and use of online platforms with relevant partners and beneficiaries, thus achieving cost-effective interventions, tailored to stakeholder needs. In my view, the virtualisation of work (e.g. research, co-creation of new knowledge, sharing of good practice) and the adoption of digitally innovative methods of work are the main instruments to gain further efficiency and effectiveness, and to promote closer cooperation among relevant EU bodies."*

The 2016 ETF evaluation report suggested that the ETF consider whether its heterogeneous contribution to developments in partner countries in the areas of labour market systems and skills for employability as

<sup>13</sup> Acknowledging that the reorganisation occurred in January 2015 and that it is consequently too soon to conclude definitively the impact of the new structure, it should be noted that the findings presented in this report offer preliminary insights into the effects of the new structure. These findings were gathered through high-level interviews with ETF staff, Commission staff, a survey among staff members as well as an open public consultation. Reference will also be made to a range of internal evaluations contracted by the ETF.

well as entrepreneurial learning and enterprise skills are due to circumstances beyond its control or whether they require action on the ETF's part. Following an evaluation of the ETF's work in the field of skills and employment between 2011 and 2016<sup>14</sup>, evaluators concluded that despite it being too early to draw definitive conclusions into the impact of the structural changes within the ETF *"[w]hat is clear is that the thematic approach enables the ETF to be more aligned with the EU's aims and objectives and this is particularly evident in the Skills and Employment field."*

Similarly, in an evaluation of the ETF's activities between 2012 and 2016 in the field of VET governance<sup>15</sup> it was subsequently established that there was *"strong evidence"* regarding the relevance of the ETF's interventions in the field of VET governance as well as contributing to the capacity of stakeholders to carry out VET reforms in partner countries. It was furthermore concluded that the Strategic Project on VET governance *"facilitated these processes particularly well, through successful learning and capacity building actions. It developed unique VET governance products and services, which provided high utility and added value for the work of ETF's immediate stakeholders"*.

Overall, the evaluators concluded that it was a "good decision" to restructure the ETF's operations in terms of Strategic Projects, and that it ultimately has led to the increased added value of the ETF's work in partner countries. They stated that the ETF has effectively integrated methodologies and activities carried out on the preceding "Community of Practice" on VET governance and that they have consequently consolidated and expanded their expertise and knowledge on relevant issues and have addressed VET governance more holistically across partner countries. Lastly, the evaluators found that through the introduction of Strategic Projects, ETF interventions have adopted a sub-national dimension to their interventions through which there has been more participatory activity in the development of VET policies in partner countries<sup>16</sup>. Notably, the reorganisation did not adversely affect the attainment of the ETF's annual KPIs. Noting the published performance indicators in the ETF's annual reports, it can indeed be seen that the ETF is able to improve or retain stability across a range of its KPIs, illustrating its ability to readily absorb the restructuring.

Despite the positive findings, the evaluation on VET governance noted a series of areas in which improvement was desirable. Firstly, it was stated that at present the planning and monitoring practices of the ETF were underdeveloped in order to adequately monitor the cost-effectiveness of the governance interventions within the various Strategic Projects. Moreover, it was concluded that the mechanisms facilitating the planning and monitoring of cooperation between Strategic projects was not yet sufficiently developed. Thirdly, the evaluators concluded that as yet there was no efficient streamlining of missions in partner countries across Strategic Projects, with as a consequence that scheduling issues could overwhelm partner country stakeholders and diminish their capacity to capitalise on the ETF's support. Lastly, the evaluation concluded that there is a lack of effective communication within the operational staff of the ETF across Strategic Projects, resulting in tensions between ETF colleagues. They explained that in the case of VET governance, there were certain VET governance topics that were covered transversally across Strategic Projects, but that due to their specialisation, the Strategic Projects were not aptly able to address issues such as VET laws, strategies or tripartite cooperation independently within a Strategic Project.

### *ETF Contribution to the effective integration of candidate countries*

The ETF has made a significant contribution to helping countries to integrate into the EU coordination process for vocational education and training (the Copenhagen process). During 2011-2014, it supported the development of national strategies and reform programmes while also ensuring the development of national ownership. At the same time, there is scope to engage social partners and stakeholders more deeply in the decision-making processes. Candidate countries are additionally prioritised by the ETF in terms of support received.

<sup>14</sup> ICON-INSTITUTE GmbH & Co. KG Consulting Gruppe (2016) Evaluation of ETF activities in the Skills and Employment field in Partner Countries Organisation and Methodology,

<sup>15</sup> PPMI & Europe Ltd. (2017) Evaluation of ETF activities in the field of VET governance – final report.

<sup>16</sup> Idem.

### *Work Programme implementation and achievement*

No evidence was found during the 2016 evaluation of any systemic difficulties in the implementation of Work Programmes. Generally, the ETF has been successful in this regard. That said, an important minority of outputs were either cancelled or postponed each year (12–21%) but these normally occurred as a result of developments in partner countries and/or European Commission requests. New, ad hoc requests can also be received during the course of the year which offset these cancellations and postponements. This fluidity in requests is a challenge and the ETF is valued for the effective and efficient way it handles them. Where the issues have been identified exist, they concern the process of the preparation of Work Programmes with the European Commission.

### *Mix of activities*

Overall, the 2016 evaluation found that the quality of ETF outputs is considered to be high. In relation to the operational objectives specified in the evaluation intervention logic, capacity building is widely valued, along with the provision of information, policy analysis and advice. Knowledge dissemination and networking are, almost by definition, more nebulous activities but are similarly valued, although the ETF could ensure more widespread development of networks to support sustainability. The 2016 evaluation stated that the provision of expertise with regard to the EU project and programming cycle would benefit from being given placed on a more formal systematic basis so that EU Delegations are obliged to tap into ETF expertise. The introduction of a Strategic Project dedicated to offering support to EU assistance in the context of EU external policies could offer this formal systematic dialogue with EU Delegations and other Commission services. The 2016 evaluation findings additionally support the idea that the introduction of the Torino process, and the focus on governance, systems and policy-making, increases the capacity of the ETF to support countries at strategic points.

Ultimately, 2016 evaluation claimed that the ETF is most effective when most or all of the following mutually-reinforcing factors are present: a systematic approach, strategic interventions, high levels of expertise, flexibility with respect to country needs, being professional and practical, ensuring stable working relationships, mutual trust and neutral broker status, and working through collaboration and the development of dialogue. The new reorganizational arrangements and the prioritisation of partner countries do not seem to hinder the effectiveness of the ETF's interventions nor do they seem to lead to a reduction of ETF presence in partner countries. The development of Country Strategy Papers in particular, in which the ETF maps the activities carried out by the Agency as well as other relevant stakeholders, are considered of particular importance in maintaining expertise across partner countries.

## **5. Cost-effectiveness and efficiency of the organisation**

Overall, the 2016 evaluation found that the size of the ETF's budget and human resources are appropriate and proportional to what the ETF is expected to achieve, given the specific requests made of it. However, they are insufficient for the ETF to fulfil its mandate in the fullest sense across all partner countries. There are evidently insufficient resources for the ETF to extend current forms of support to all partner countries and to reach a critical mass of impact throughout the EU's neighbourhood. But in this context, the introduction of greater commonality in the tools and approaches used by the ETF (resulting from recent reorganisation) and the introduction of strategic projects is a welcome step forward. However, the continuation of a flat or declining budget year-on-year will continue to mean that the ETF has to make hard choices about the activities it can deploy and this may also affect its ability to reach a critical mass in individual partner countries given that its average budget per country is already very small.

It was furthermore noted that the cost structure of the ETF is not dissimilar to those of other EU agencies and, using this benchmark, it is concluded that there are no concerns with the balance between the administrative and operational budgets, or the use of subcontracting, although there may be scope to streamline some administrative functions in order to improve cost-effectiveness. Some actions have already been taken in this regard. Data support the ETF's claim to be "*a centre of expertise, whose main asset is the expertise of its staff*" since staff expenditure represents nearly two-thirds of the total, which is somewhat higher than for comparative agencies. Generally, no major issues were found with respect to the effectiveness and efficiency of management and governance in the evaluation period. Although difficult to judge because of the timing, changes to the organisation appear to be generally beneficial. The

loss of responsiveness in partner countries which has been widely identified as a potential issue has not surfaced as a major concern in partner countries themselves.

Ultimately the 2016 evaluation report concluded that in terms of cost effectiveness, alternatives to the ETF are unlikely to be preferable and indeed they have a high risk of being less effective especially in the short to medium term. Overall, it is concluded that it is highly unlikely that the results achieved by the ETF could be achieved with fewer resources or by allocating resources differently or through other organisations. For a further comparative cost-effectiveness analysis (CEA) between the four agencies under the remit of DG Employment see Annex 17.

## 6. Added value and sustainability

### *Added value*

The overall added value of the ETF lies in a number of characteristics. The ETF's combination of competences and approaches, and the existence of the Torino Process set it apart from other organisations. While other organisations might deliver similar activities, none offers the coherence and systematic approach of the ETF to help establish priorities and guide developments. Added value lies in: the ETF's thematic and geographical expertise and the synergies it achieves between the two; its use of participatory approaches to involve all stakeholders; the continuity of its interventions; its impartiality and independence; the European dimension of its work; and the complementary nature of its activities with respect to other services of the European Commission.<sup>17</sup>

The additional projects and activities attributed to the ETF by European Commission services (the FRAME and GEMM projects) were strongly coherent with the objectives and activities of the organisation and with the needs of partner countries. Overall, the ETF executed the projects efficiently and effectively, dealing with the complex socio-political situation of partner countries well and engaging a wide range of stakeholders. At the same time, there were instances where the strategic objectives could have been better defined and the ETF could have been more transparent when it deviated from the initial strategy. The projects added value and were complementary to the activities carried out by national and international organisations and stakeholders.

### *Exploitation and sustainability of results*

The services provided by the ETF were deemed of high quality by the evaluators in the 2016 evaluation report who furthermore posited that the organisation operates at the highest level internationally, helping to develop new knowledge about its field. At the same time, there were question marks about the extent to which its activities and results continue to be used after projects have been completed or have stimulated other activities and results in partner countries. Although this is largely due to circumstances beyond its control, the evaluators felt that the ETF could strengthen follow-up activities.

It was additionally noted that the ETF provides specialised thematic expertise and country-specific knowledge to EC services and EU Delegations, which are valued. At the same time, the complexity and often informal (non-mandatory) nature of the relationships involved, especially with Delegations, means that whether the ETF is called upon to provide such services can depend too much on the "chance" knowledge of individuals. This means there is probably some untapped potential with respect to the exploitation of ETF services which could be addressed if ETF-Delegation relationships were placed on a more systematic footing. However, this finding must be tempered by the fact that the ETF resource base, without any increase in recent years, is already stretched, a situation which evidently limits the capacity of the organisation to extend its activities.

Delving deeper into these issues under the current evaluation, the evaluation team explored the manner in which these issues were potentially addressed in the years following the completion of the 2016 evaluation. Initial findings from the ETF's evaluation of the VET Governance Strategic Project indicate that the ETF's activities continue to be more sustainable than other international development cooperation

<sup>17</sup> See section 5.10 in the 2016 evaluation report for further analysis on the ETF's added value

actors: the ETF has a continuous presence in countries, carries out follow-ups and maintains contact. Interviewees consulted for the current evaluation state that the issue of sustainability has been given considerable thought by the ETF, and one of the key developments to monitor the impact of ETF activities has been the creation of country progress indicators. As stated by a survey respondent: *“ETF has developed the country progress indicators to measure progress in system change in the partner countries. Through the development of the Country Strategy Papers (CSPs) 2017-2020 focuses on areas where the impact would be greater in specific countries. Also CSPs 2017-2020 explicitly refer to the complementarity and synergy with EU programmes in the PCs. All in all the added value of ETF is in its role as an operational actor in bringing change in our partner countries.”*

Interviews with the ETF have also emphasised the importance of these indicators as well as the development of the Country Strategy Papers. The importance of the development of results indicators was underlined in the external evaluation covering 2006-2010 and was subsequently echoed by the most recent external evaluation of the ETF covering 2011-2014. The 2006-2010 evaluation concluded that the ETF had a useful performance indicator system, but that it was focused only on immediate outputs and that there was therefore a need to extend the indicators and associated data collection to incorporate results-level indicators with a longer-term perspective. The 2016 evaluation concluded that *“[s]ince then, various developments have taken place, including the adoption of country progress indicators for 2015-17, the further development of its “dashboard” project monitoring tool and the use of a “policy development stage” tool which helps the ETF to identify optimum “modality of work” and target interventions, and contains progress indicators”*. Interviews with senior staff have shown that acceptance of the new intervention logic recommended in the 2016 evaluation which outlines mid-term and long-term impacts has been of significant use in shaping such indicators and that indicators are used to monitor activities across the strategic projects and in partner countries (as can be seen in the Country Strategy Papers).

The introduction of monitoring indicators, coupled with regular evaluations of the ETF’s interventions, are designed to ensure that there is accurate monitoring of the progress being made in partner countries under particular thematic areas. The Torino Process assessments additionally continue to be regarded as an essential tool in the monitoring of developments in VET governance and policymaking in partner countries.

The development of the abovementioned Country Strategy Papers also serves as a tool to identify the role of the ETF in partner countries in relation to other EC services or international organisations in order to avoid the duplication of activities. The 2016 evaluation recommended that it should be made clearer how the priorities of different DGs are to be balanced through a stronger focus on strategic issues in the process of preparing the Work Programmes and through better articulation by the ETF of its objectives at strategic and detailed partner country levels. Interviewees have stated that the ETF has defined its objectives clearly through the adoption and dissemination of its new intervention logic. It additionally drafts its strategic and country-level documents in consultation with a range of stakeholders, and maps out the activities conducted by other actors in the field.

There are bi-annual structured meetings between the ETF and EC services. This meeting is chaired by DG EMPL and includes among others DG DEVCO, DG NEAR and the EEAS. These meetings are a platform to capture the priorities of the EC services and help shape the new ETF Work Programme as well as review the Annual Activity Reports. While these meetings are not new, senior management of the ETF indicated that they have become more efficient following the adoption of the new intervention logic.

With regard to communication with Delegations, it was noted that due to an ongoing decentralisation process there has been a shift in power from Brussels to the Delegations. Senior ETF staff indicated that the EC sends letters encouraging Delegations to make use of the ETF’s services but that their response differs per Delegation. Some Delegations have a tradition of using the ETF’s services, while others may be less aware of the possibilities of using the ETF’s services, perhaps due a high turnover in staff. A partner country, for instance, was identified as not having made use of the ETF’s services when a programme was introduced that was deemed not fit for purpose. An EC representative recognised that the ETF had not been involved in setting up the programme and subsequently raised this fact with the Delegation. The ETF noted that the ETF and DG EMPL have sought to develop a more structured relationship between



Commission services, EU Delegations and the ETF, for instance through the organisation of a workshop for partner countries from the Western Balkans and Turkey. They stated that they envisage further workshops would be organised in future to stimulate discussion and exchange with stakeholders from other regions.

## 7. Conclusions and recommendations

Given the fact that an external evaluation of the European Training Foundation (ETF) covering 2011-2014 was concluded by Ecorys, as leader of the EFECTIV Consortium in 2016, the ETF had a unique position within the larger Evaluation of the four agencies under the remit of DG EMPL: DG EMPLOYMENT: EUROFOUND, CEDEFOP, ETF and EU-OSHA (2011-2016). The purpose of this report was to present some of the key findings regarding the relevance, internal and external coherence, efficiency and cost effectiveness and added value of the ETF stemming from the 2016 evaluation report which covered the period of 2011-2014. Given the wider timeframe of this current evaluation, the report also provided insights into ETF activities post-2014 and was able to touch on the ways in which the ETF has responded to the recommendations laid out in the 2016 evaluation report.

The main conclusions and recommendations presented by the evaluators are as follows:

1. Firstly, it was concluded that **the ETF effectively shapes the course of VET developments in partner countries** although steps could be taken to further improve effectiveness in certain areas. The ETF achieves a wide range of effective interventions in a wide variety of contexts. At the same time, there is evidence of variation in its effectiveness at the level of specific objectives. Its contribution to partner country developments has been especially strong in respect of governance, systems and policy-making, the development of VET provision and quality assurance, and in the domain of qualifications and qualifications systems. Nevertheless, it was recommended that the ETF should consider whether its more limited contribution to developments in partner countries in the areas of labour market systems/skills for employability and entrepreneurial learning/enterprise skills is due to circumstances beyond its control or requires action on its part. It was also concluded that the effectiveness of ETF operations is bolstered by its work with other European and international bodies. Cooperation with Cedefop was considered well-developed and quite extensive, although room for improvement was noted with regard to cooperation with Eurofound on issues of common interest.
2. Secondly, it was concluded that **the capacity of partner countries to absorb ETF interventions varies and requires attention and tailoring**. Countries (and different stakeholders within countries) vary in terms of the distance they may have to travel to implement policy reforms and their capacity to absorb developments. It was recommended that the ETF should do more to understand systematically where its interventions are likely to have most effect and how the nature of required activities may vary depending upon factors such as country size and general stage of development, as well as the stage of policy development in individual policy fields.
3. It was furthermore noted that **the Torino process has been a key and successful development for the ETF and many partner countries**. This regular participatory review of the status and progress of VET policy development and implementation in ETF partner countries is a key unifying process for ETF activities, and it is therefore significant to conclude that it has helped to consolidate a more systematic approach to VET development in partner countries. At the same time, there is evidence that the ETF underperforms in terms of the achievement of synergies between interventions and their cumulative effect which Torino could help address, although Country Strategic Perspectives also provide analysis of (potential) links between activities. It is therefore recommended that the ETF use the Torino framework to identify the conditions needed for the success of interventions and thereby establish, on the basis of good practice, which interventions need to take place in which sequence to guarantee a greater chance of success.
4. The evaluation also found that **a gap exists between the high quality of ETF activities and the implementation and sustainability of subsequent policy reforms**. The evaluation demonstrated a striking paradox in the work of the ETF: on the one hand, the quality of its

activities is considered to be high whilst on the other hand there is evidence of weak levels of policy implementation and a lack of sustainability. To address this issue, it was recommended that the ETF and the EC work together to ensure more systematic links between ETF projects, and EU programming and technical assistance since current links depend too often on informal relationships.

5. It was also found that **further steps should be taken to improve communication and coordination between the ETF and the EC** so that the ETF is clearer as to how the priorities of different DGs are to be balanced through a stronger focus on strategic issues in the process of preparing Work Programmes, and through better articulation by the ETF of its objectives at the strategic and detailed partner country levels. There should also be a more systematic basis to the 'triangular' relationship between the ETF, the EC and EU Delegations in the partner countries, including a link to the ETF being made from EU Delegations' websites.
6. **The ETF's new organisational arrangements have the potential to deliver benefits, though consideration should also be given to particular drawbacks.** Although it has been said that the new arrangements may reduce the organisation's country expertise, such concerns have not manifested themselves in partner countries to any major degree. Nonetheless, there is scope for the ETF to make greater use of digital communication tools than at present and it could also use any resources freed up by efficiency gains to purchase more expertise located in partner countries should this prove necessary.
7. Lastly, it was concluded that **there are no prima facie reasons for concluding there are major issues with the ETF's cost-effectiveness but some steps could be taken to improve efficiency.** Where the ETF's new approaches and efficiency actions deliver cost savings, it might prove useful to use such savings to increase the number of staff in operational roles (particularly at senior level) and/or to fill any gaps in internal expertise by using external experts with requisite country knowledge and contacts. It was also deemed important that the ETF monitors and publishes information on its relative cost-effectiveness, including on the costs associated with the Governing Board.

The evaluators conducting the current evaluation have found that the ETF have taken notable steps to act on the abovementioned recommendations. The development of a document highlighting and monitoring progress against the key action lines corresponding to each evaluation recommendation shows that the ETF is actively attempting to address identified issues.

Several examples of the manner in which they have addressed issues have been discussed throughout this report. It was, for instance, noted that the reorganisation of ETF operations along seven Strategic Projects has allowed the ETF to address issues of effectiveness of its activities. While it is challenging to convey the impact of the reorganisation due to limited time lapse, initial findings show that there is evidence that the restructuring allows for more effective interventions as a particular issue within a partner country can be addressed holistically by a pool of thematic experts. A series of recommendations to improve the impact of the restructuring were presented in internally contracted evaluations. They include a suggestion for the ETF to attempt to better align the communication and activities between and across Strategic Projects. The ETF seems to have maintained its country presence despite the organisation along thematic rather than geographic lines and the prioritisation of particular partner countries.

The country-specific expertise has been identified as one of the key strengths of the ETF which is valued by both the European Commission and international organisations. The development of Country Strategy Papers (CSPs - 2017-2020) has allowed the ETF to systematically review and communicate its strategy in particular partner countries and subsequently develop activities based on this strategy. It allows the ETF to identify complementarity and potential synergy of actions with other EU actors as well as potential partners for collaboration. In this way, the ETF can maintain its country presence and expertise despite the prioritisation of certain partner countries.

Moreover, identifying a multi-year strategy for partner countries as well as mapping existing activities being carried out by other organisations in a CSP can potentially lead to more sustainable impacts at local

level. The introduction of country progress indicators also allows the ETF to better monitor the impact of activities across partner countries.

Another recommendation related to the strengthening of cooperation between the ETF and the other agencies under DG EMPL (particularly Cedefop and Eurofound). Ample evidence has been gathered with respect to the strengthening of cross-agency collaboration in the transversal case studies. It was noted, however, that there was variation in the extent to which collaborative action was possible due to differences in remit as well as methodologies. The fact that the ETF focuses on partner countries and that its expertise lies in capacity building in politically unstable and geographically challenging environments illustrates the difference in nature of the ETF's work compared to that of Cedefop and Eurofound.

The results of the 2016 evaluation of the ETF as well as the recent findings pertaining to developments post-2014 all feed into the transversal analysis on the functioning of the EU agencies under the remit of DG EMPL. Elaborated analysis on the comparison between the agencies can be found in the main body of the report. The report also presents prospective scenarios for future operations of the EU agencies.