MINUTES OF THE EVALUATION NETWORK MEETING  
Brussels, 21-22 June 2012  

First day of meeting, 21.06.2012

Veronica Gaffey, Acting Director for Policy Development and Head of the Evaluation Unit in DG REGIO, welcomed participants and opened the meeting. She presented the state of play of negotiations on the legislative package for future Cohesion policy in the Council and in the European Parliament. She reminded participants of the partial general agreement reached over Monitoring and Evaluation thematic blocks and referred to developments concerning the Performance Framework and financial discussions taking place in Council's 'Friends of the Presidency' Working Party. V. Gaffey also informed of upcoming changes to the InfoRegio website, including partial rewriting of the Evalsed guide.

I. INTRODUCTION, AGENDA, MINUTES OF LAST MEETING

Veronica Gaffey introduced the agenda of the meeting. The minutes of the previous meeting in March 2012 were adopted.

II. PILOT EXERCISE ON FUTURE RESULT INDICATORS

V. Gaffey shortly introduced the pilot exercise which tests on current programmes the change in the way result indicators are selected. Since its launch in 2011, twelve Member States have participated in this learning experience. V. Gaffey informed about the latest issue of Panorama magazine, which provides a section devoted to result orientation and the exercise itself. She also encouraged other Member States to volunteer for the pilot.

Iruma Kravale (Latvia) presented the experience of the Entrepreneurship and Innovation Operational Programme.

V. Gaffey raised two issues related to the pilot, i.e. the importance of coherent design of programmes allowing our successors to implement them as well as the choice of appropriate result indicators, which should not relate exclusively to supported entities, thus allowing for capturing the change in a region or sector.

Adam Abdulwahab (Evaluation Unit) referred to the scope of the analysed priority axis, which was much wider than the envisaged change. To prevent such situations, he recommended selecting output indicators that correspond to the majority of spending under the axis in question. Similarly, V. Gaffey suggested performing a plausibility check on feasibility of actions with available resources.

I. Kravale agreed that concentration is essential in the successful design of a programme.

András Osztoics shared the Hungarian experience with the pilot exercise building on the Environment and Energy Operational Programme. The question concerning uncertainty of delivery of results was raised.
V. Gaffey underlined that results should relate to change we want to achieve; at the same time she agreed that we cannot guarantee results of the intervention due to external factors. Nevertheless, failure to observe any change in results despite actions undertaken as planned and outputs delivered should induce debate on policy appropriateness and right choice of indicators.

The outcomes of the last pilot exercise were presented by Christilla Dambricourt-Comparin and Dominique Guiol-Bodin (Rhône-Alpes, France).

Marielle Riché (Evaluation Unit) thanked for the presentation and encouraged further efforts to improve the quality of operational programmes, including clarification of programme objectives and means.

The following issues were discussed:
- necessity to evaluate and publicly debate on policy results and indicators;
- the importance of evaluation in assessing the results of innovation measures;
- different methods to explore innovation support outcomes, including indicators which provide first insight into intermediate results and other tools permitting further in-depth analysis, e.g. case studies;
- link between result indicators and the change we want to achieve (sectoral/regional);
- the issue of environmental effects of programme implementation.

III. EX ANTE EVALUATION GUIDANCE

M. Riché presented the revised version the Commission's guidance document on ex ante evaluation for the ERDF, ESF and Cohesion Fund.

Latvia inquired about the deadline for submission of final Strategic Environmental Assessment (SEA) in operational programmes and the United Kingdom asked about the role of ex ante evaluation at partnership agreement level.

INTERACT expressed concern about SEA design in the case of cross-border cooperation.

Further remarks concerning SEA were raised by Germany and Poland who respectively inquired about its relation to evaluation requirements under the Habitats Directive and suggested deletion of the time schedule for SEA submission bearing in mind different ways of implementation of the SEA Directive across EU Member States.

Austria supported Germany's concerns in terms of SEA, welcomed the section on proportionality and inquired about a possibility of designing one ex ante evaluation for several operational programmes. They also underlined the political dimension of funding allocations at Member State level and subsequent difficulty in measuring the change at macro level.

The Czech Republic referred to differences between the ERDF and the ESF in reporting on monitoring data and asked about a possibility of introducing annual, not cumulative, data reporting.

Italy inquired about ways to assure proper definition of achievable milestones, including the need for reliable data on current programmes.

Yvette Izabel (DG ENV) responded to questions concerning SEA and indicated that the Directive does not provide specific details on strategic environmental assessment carried out in
transnational programmes. This allows for submission of either a joint or separate environmental reports prepared by Member States.

M. Riché underlined that SEA should be carried out before draft operational programmes are submitted to the European Commission. The annex of the ex ante evaluation guidance will be reviewed in order to clarify the points raised (final version available on Infregio website next August 2012): [http://ec.europa.eu/regional_policy/information/evaluations/guidance_en.cfm#1](http://ec.europa.eu/regional_policy/information/evaluations/guidance_en.cfm#1)

**Kamil Valica (DG EMPL)** commented on current annual reporting on achieved outputs and results of ESF programmes and informed about measures already undertaken to prepare the SFC for delivering cumulative values for indicators in the near future.

V. Gaffey's response included the following:
- Ex ante evaluation should help programme designers to fix realistic milestones.
- In reference to SEA, the common provisions regulation clearly indicates that ex ante evaluations shall incorporate, where appropriate, the requirements for Strategic Environmental Assessment set out in implementation of Directive 2001/42/EC.
- Ex ante evaluations are obligatory for each operational programme. However, it is not a requirement at partnership agreement level where it is sufficient to include the summary of ex ante evaluations.

**IV. EX ANTE EVALUATION GUIDANCE (CONT.)**

V. Gaffey invited Member States to report on the progress in ex ante evaluation design and in preparation for developing future operational programmes. She encouraged countries' representatives to share their concerns and indicate the areas where they require further support from the Commission.

A group of countries reported that they had already started preparation for launching procurement procedures for ex ante evaluation - Austria, the Czech Republic, Hungary, Latvia, Lithuania and Wales. Among them Latvia seemed to be the most advanced with its invitation to tender being already open.

In Romania coordination responsibilities have already been assigned. In Greece, Finland and the Netherlands debate is currently taking place over the shape of ex ante evaluation. Latvia and Poland have already published guidance documents and Bulgaria and Lithuania are working on National Development Plans that will underpin design of partnership agreements and operational programmes.

The analysis of needs with a view to developing operational programmes is taking place in Ireland and France. England, Spain and Sweden remain at policy debate stage. Policy debate will be developed at partnership agreement level in Bulgaria, Greece, Poland and Romania.

Poland expressed its concerns about the role of result indicators in triggering public debate on policy achievements. It also called the Commission to choose one approach to reporting on ESF and ERDF results (annual or cumulative) and inquired about the level of precision concerning indicators selection at partnership agreement level.

V. Gaffey thanked Member States for debriefing on the current state of play and encouraged all to start preparatory work on ex ante evaluation. She noted that certain thematic blocks, including Monitoring, Programming and Thematic concentration, are relatively stable. She
informed Member States that the Commission's position papers for negotiations of operational programmes will be sent to them in early autumn. Referring to the Polish question, she stated that only a summary of main result indicators is required in a partnership agreement.

V. COUNTERFACTUAL IMPACT EVALUATION

Daniel Mouqué (Evaluation Unit) presented the lessons learnt from Counterfactual Impact Evaluation.

Italy asked how it could be justified that smaller grants were more effective. Poland welcomed the presentation and was interested to find out when the final report would be available. Its representative informed that two separate studies have been launched, one on supporting SMEs and another one on grants. A training session on counterfactual evaluation will be organised for managing authorities.

United Kingdom highlighted the effectiveness of small grants. Case studies and surveys were recommended as impact evaluation methods. A good evaluation proving that loans are more effective than grants was mentioned as well.

D. Mouqué commented that counterfactual evaluations have the potential to quantify many of the outcomes of interest (e.g., investment, productivity, employment) and to compare these for different instruments (e.g., grants vs. loans). However, many questions remain unanswered (notably the mechanism for impacts). The method therefore represents the beginning of the debate, not the end of it. This also underlines the need for other forms of impact evaluation (including those presented by the UK).

V. Gaffey requested Member States to inform DG REGIO if there is any interest in running a counterfactual evaluation or if there is one being carried out at present.

VI. LOCAL DEVELOPMENT AND INTEGRATED TERRITORIAL INVESTMENTS

Samuele Dossi (Evaluation Unit) made a presentation on territorial instruments proposed for the programming period 2014 – 2020.

V Gaffey commented that the Integrated Territorial Investments would be discussed in the Council in the near future.

Latvia noted that due to the novelty of the approach, a final decision in the Council would be welcome. A question about carrying out a counterfactual evaluation on local development instruments was raised.

V. Gaffey suggested that counterfactual evaluation suited the interventions with large numbers of similar units, which is not the case for territorial instruments.

Denmark asked about innovative actions. Portugal inquired if they should expect the local development concept to be applied to urban areas. Italy stated that the danger was to overlap the local development instrument and integrated territorial investments. The focus should be on the specialization of the two tools. The United Kingdom was interested in finding out if territorial instruments would become compulsory for MS.
VII. EIB CONTRIBUTION TO COHESION POLICY

René-Laurent Ballaguy (European Investment Bank) presented the conclusions and recommendations of the Evaluation of EIB investment loans for economic and social cohesion in France, Portugal and the United Kingdom.

VIII. TRANSPORT SECTOR DEVELOPMENTS – HUNGARY

Beatrix Horvath (National development Agency, Hungary) presented the evaluation of the developments taking place in transport sector, carried out by the Hungarian authorities.

Discussion on appropriate result indicators followed. The United Kingdom inquired if "travel time" is either a result or an outcome and what could be the best result indicator for transport projects. V. Gaffey answered that time saving or improved accessibility would be more logical as result indicators. A. Abdulwahab pointed out that a good result indicator could be found if focused on the changed being sought. He inquired about the usage of the evaluation findings.

EIB’s representative commented about a possible intermediate result indicator such as the volume of changes between point A and point B. Regarding safety, Member States inquired about the number of fatalities (i.e. whether they increased or not). The questions about the time devoted to the evaluation and resources involved were also raised.

Romania acknowledged the quality of the evaluation. Questions about the administrative process during the exercise and about the lessons learnt followed.

B Horvath provided more information about the exercise. She appreciated the experience as a difficult and complex one. As for the result indicator "travel time", the most important impediment in defining it was the lack of roads' maintenance. All the stakeholders were included in the Terms of Reference. They were very cooperative and provided necessary data free of charge. Institutions were very cooperative and helpful. The evaluation findings will be used in the planning process, not only in the situational analysis. Ms Horvath highlighted that indicators concerning safety existed but she did not mention them in the presentation. In terms of the resources allocated, the evaluation was not expensive and was designed to use existing data.

V Gaffey stressed out that the crucial element of the evaluation was to bring together data available.

IX. CLOSING REMARKS

An exchange of views on the topic of capacity building took place.

Sweden presented "A synthesis of the on-going evaluation in the regional structural fund programmes". Poland mentioned a seminar on evaluation in two sessions that will be organized and a peer review process. Romania informed about the internship for evaluation managers organised jointly with Hungary, Poland and Italy. Denmark briefed on the activities concerning capacity building at programme level. Lithuania informed that a counterfactual
impact evaluation has been launched. **Italy** mentioned that an evaluation of technical assistance to the managing authorities involved in innovation measures has been carried out.

V Gaffey announced that the Guidance on Theory Based Evaluation by Frans L. Leeuw can be found on DG REGIO website. DG REGIO will present three papers at the European Evaluation Society meeting (to take place in 2012 in Helsinki) on the following subjects: counterfactual impact evaluation, theory based evaluation and intervention logic.

*Second day of meeting, 22.06.2012*

**X. EX POST EVALUATION OF THE COHESION FUND (INCL. FORMER ISPA)**

A. Abdulwahab presented the synthesis report of the 2000-2006 ex post evaluation of the Cohesion Fund, including former ISPA.

V. Gaffey underlined interesting findings of this evaluation and mentioned other studies, which are on the way and should contribute to shaping future Cohesion policy.

**Sweden** inquired about the impact of the projects on overall objectives, e.g. regional competitiveness.

**Hungary** referred to the pace of project development that might be significantly influences by problems with public procurement procedures or by including into the frame of project development its preparatory phase.

**Latvia** noted a positive role of macroeconomic modelling in conducting impact assessment.

**Romania** pointed out that slower pace of developing environmental projects in comparison to transport ones or railway projects compared to road ones is due not only to technical reasons but also to the capacity of contractors. Its representative referred to unit costs issue informing that Romania has developed sound expertise in this regard.

A. Abdulwahab's response included the following:
- It is difficult to capture the impact of Cohesion Fund investments on overall objectives. In terms of environmental projects, no specific spillover effect has been noticed. However, it is not clear whether the reason here is data insufficiency or factual lack of change. Moreover, the field of transport should be assessed taking into account Member States' own investment and continuous evolution of transport networks.
- Referring to local capacity, experience shows that centralisation improves project implementation. However, evidence coming from railway projects conducted in Central and Eastern Europe counteracts this finding.
- Unit costs at the European level show considerable divergence which hampers their global intelligibility and extensive use across the EU27.

**XI. EUROPEAN TERRITORIAL COOPERATION**

**Ieva Kalnina (INTERACT)** presented the outcomes of the exercise started in 2010 which was to capture change and show added value of European Territorial Cooperation (ETC) programmes.
Juliet Martinez (Evaluation Unit) referred to the long process of clarifying ETC intervention logic that is now bearing fruit. She pointed to the challenge of translating the observed change into the output/result scheme.

V. Gaffey added that to some extent ETC programmes' experience encouraged the Commission to introduce qualitative indicators to describe the captured change. Moreover, here lies the importance of clear presentation of baseline situation.

Sweden inquired about measuring happiness and learning processes taking place in ETC programmes.

I. Kalnina pointed to employee turnover between ETC programmes where most of knowledge exchange and learning takes place. However, as she stated, the primary aim of this exercise was not scientific but rather concerned with the analysis of the cooperation taking place between countries.

Dr John Bradley presented main findings of the study "Cross-Border Economic Renewal – Rethinking Regional Policy in Ireland" which reflects on the regional development challenges facing the territory and underlines the importance of in-depth analysis of regional needs and currently implemented policies before making decisions on future programmes.

The discussion included the following points:
- It is necessary to adopt a twofold approach incorporating qualitative and quantitative analysis in order to get a precise picture of the situation.
- It is difficult to reconcile micro and macro-level analysis when it comes to competence division.
- There is no one way to examine and reconcile micro and macro level approaches. Both Cost-Benefit Analysis and macro modelling play their role in evaluation.
- Political decisions which step in at macro level shall be taken into account in evaluation.
- One of possibilities to define a baseline situation in a region is its analysis before intervention.

XII. CLOSING REMARKS

The next meeting of the Evaluation Network will be scheduled by the end of the year. She thanked everyone for participation.