

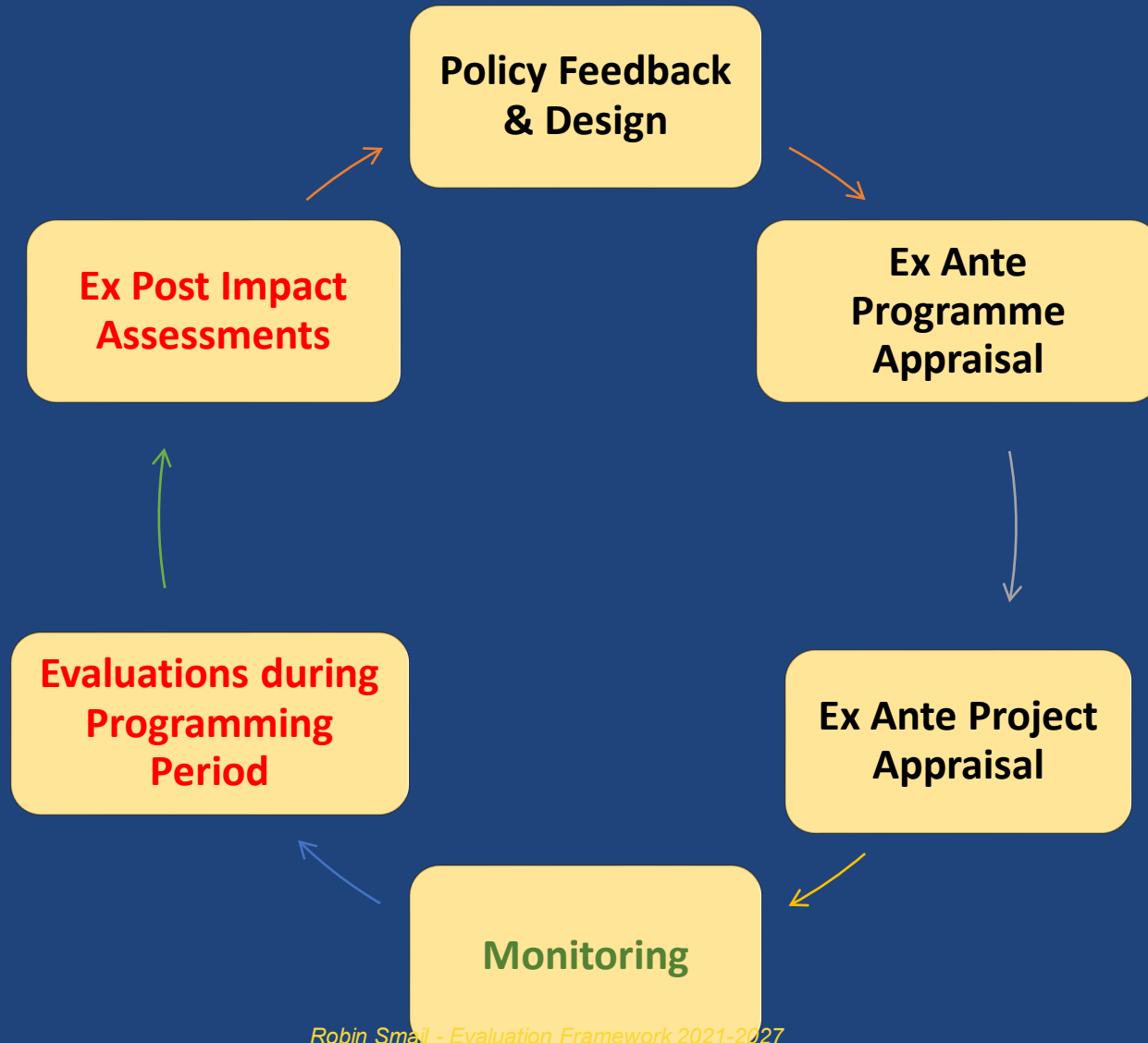
The new Evaluation Framework, 2021-2027

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Timing of Evaluations – The Evaluation-Policy Cycle



1. What is evaluation?
2. Evaluation requirements, 2021-2027
3. Evaluation method
4. Value-for-money (VfM)

1. What is evaluation?

Evaluation in socio-economic development

is judging the “value” of interventions, in terms of:

- **relevance** (activities are addressing needs/problems?)
- **effectiveness**
- **efficiency**
- **sustainability** (changes which endure?)

Evaluation in socio-economic development

or in terms of:

- **rationale** (addressing needs/problems?)
- **usefulness / utility** (positive impact?)
- **market failure** (additionality?)
- **economy**
- **value for money** (VfM?)

overall evaluation questions

In order to make the judgements, we need to understand:

- 1. What happened? The nature of the EFFECTS? Measure the size of the IMPACT?*
- 2. Was the intervention successful? Did it meet the targets/objectives? Create the benefits? Was it cost-effective?*
- 3. How these changes occurred? WHY? What is the causality? What other factors had an effect?*

type of evaluation

1. Size of effects? - descriptive
2. Successful ?- normative
3. Explain how? - causal

➤ these will determine the level of enquiry (depth)

timing of evaluation

- The **timing** of a programme (or sub-programme) evaluation will determine what your exercise is now...
 - earlier – outputs only? delivery working well?
 - later – outputs, more results, wider effects/impact?
- **maturity** of intervention is critical for impact:
 - evidence needs to be coherent / steady relationships
 - find causality (and so check rationale for project)
 - attribute effects to intervention?

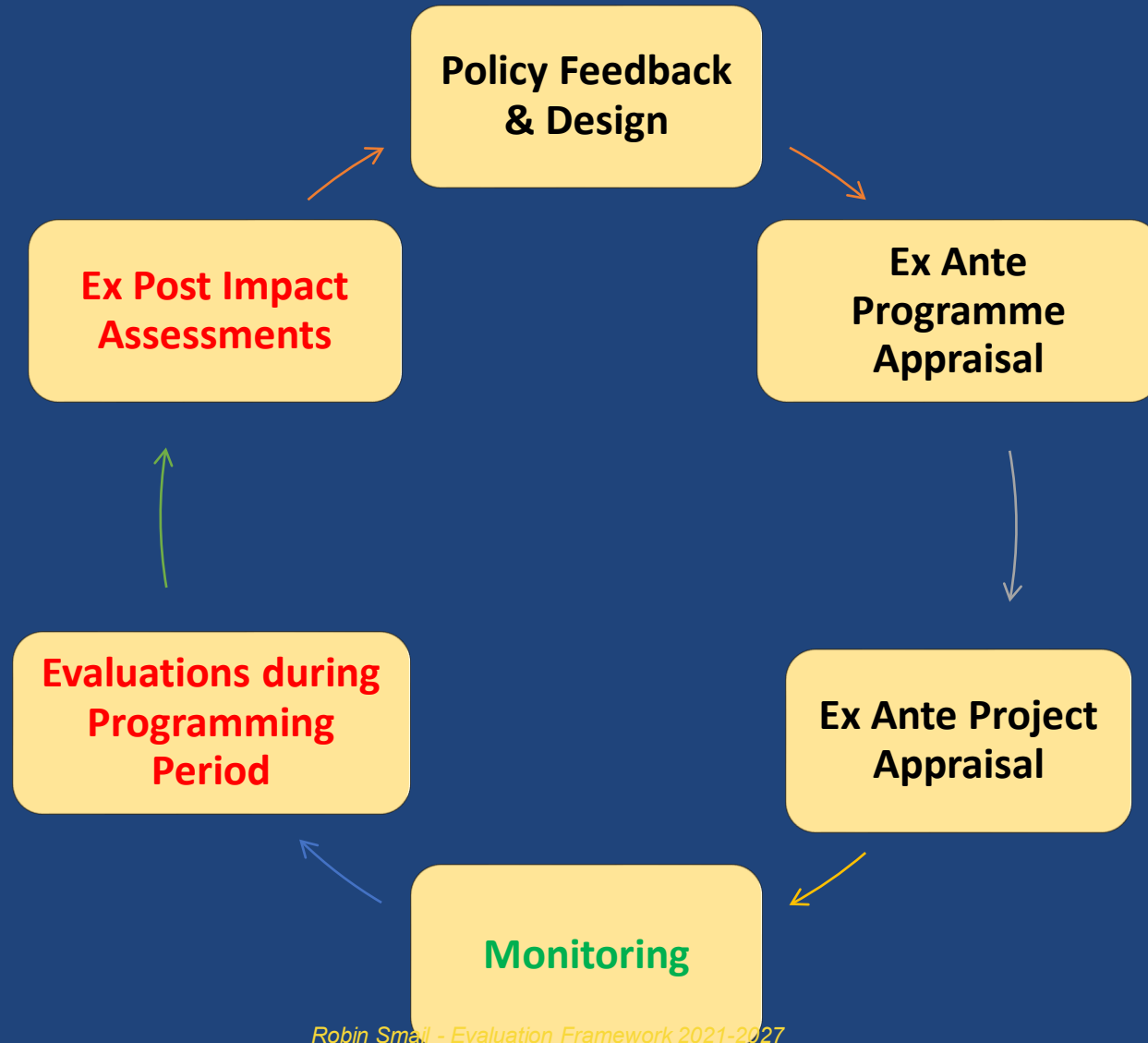
nature of evaluation

- well executed intervention? (earlier) - *implementation evaluations*
- effects / impacts of intervention? (later) - *impact evaluations*

Evaluations during the Programme Period, 2014-2020

- including those “assessing effectiveness, efficiency and impact of programmes”
- “at least once – for each priority axis - how each fund has contributed to the (achieving) objectives..” (*specific objectives*)
- distinguish implementation (early) and impact (later) evaluations – EC wants impact evaluations

Timing of Evaluations – The Evaluation-Policy Cycle



the need to evaluate

- monitoring – *the regular checking of progress against plan* - observing outputs and some results
- but many results (impacts) come later; effects unclear
- final impact not observable through monitoring:
 - does supporting one business hurt another business, not supported? (displacement?)
 - business support / training grants / infrastructure - did they need the whole grant to make the investment? (deadweight?)
 - knock-on effects of an investment through the supply chain? (multipliers?)
- monitoring looks at “gross” effects (short-term)
- need evaluation studies to calculate “net” effects, and...
- ...we measure the effects – then assess/understand the level of attribution to the intervention

- ...we measure the effects – then assess/understand the level of **attribution** to the intervention

➤ **IMPACT: that part of the change caused by the intervention**

EC want MS to look at WHY the changes came about and measure HOW MUCH is attributable to the intervention:

- **theory-based evaluation**: what is the intervention logic? Why does the change take place? How does it happen?
- **counterfactual evaluation**: what is the size of the effect, as against the policy-off scenario?

2. Evaluation requirements, 2021-2027

Evaluation, 2021-2027

- **Evaluation Plan ✓**
- MS evaluations required at different times
 - ex ante programme evaluation..... X (no longer compulsory)
 - ongoing evaluations continue..... ✓ (see criteria below)
 - ex post IMPACT evaluation compulsory..... NEW
- MA will evaluate Programme using criteria:
 - effectiveness, efficiency, relevance, coherence, EU added value (** see below: ADD horizontal requirements)
- MA Evaluation of Prog. IMPACT by 30 June 2029 (** or MS)

The Evaluation Plan includes...

- objectives, themes and scope of evaluations
- timing of evaluations
- scale of evaluations
- depth of evaluations: descriptive, normative, causal?
- methods employed, data requirements
- tools/techniques employed
- managing evaluations, budgets/resources, expertise
 - planning ahead, issues, challenges, communication

Evaluation for 2021-2027

Criteria:

- Effectiveness
- Efficiency
- Relevance
- Coherence (with other EU priorities and policies)
- EU - added value

**** Final CPR: to use ONE OR MORE of these criteria; and can ADD other criteria eg. inclusiveness, non-discrimination, etc.**



Evaluation, 2021-2027

European Commission:

- mid-term evaluation of each Fund:
 - use same 5 criteria
- (retrospective) ex post evaluation of each Fund:
 - using same 5 criteria
 - plus social, economic and territorial IMPACT of each Fund in relation to the 5 broad Policy Objectives

3. Evaluation method

Choice of evaluation methods...

- number of cases
- level of detail of observation of units of analysis

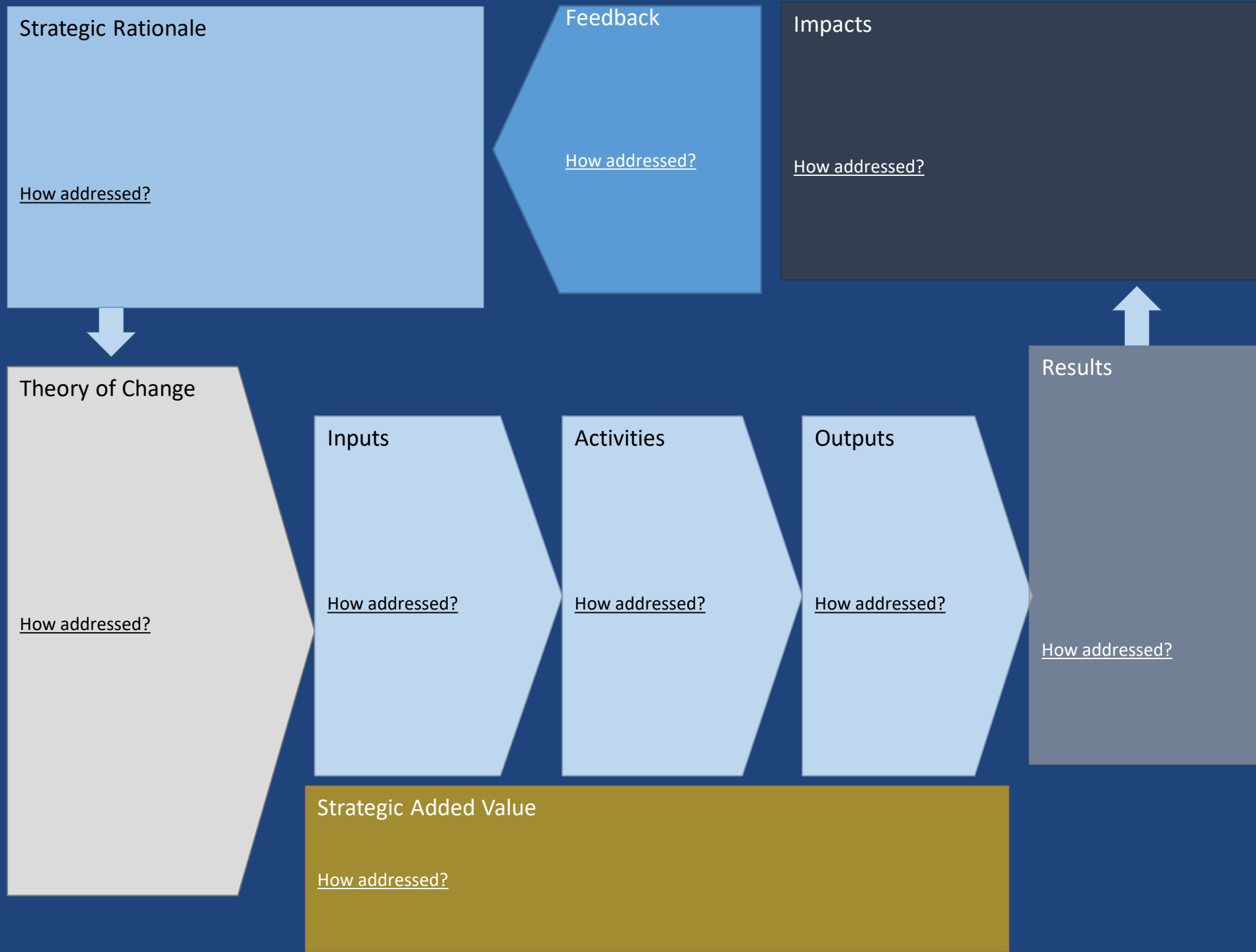
probabilistic	deterministic
high number of cases	one or relatively few cases
relatively low level of detail	medium to high level of detail
Counter-factual	Theory-based

theory-based evaluation methods

Name	Key features
Process-tracing	• n=1 (for example, one service provider) • testing one theory of change (other factors?) • unbroken series of links / events • Bayesian updating (on links)
Congruence Analysis	• n=1 • Compares different theories • not an unbroken chain of events • observe some key spots • Which theory explains outcomes better?
Case study research	• n is small (2 to 20 cases)(eg delivery agents) • test a prepared design / designs • (pilot case study) • comparative results – what works best?
Qualitative Comparative Analysis	• N is medium (10s of cases) (eg users of service) • Control/group for characteristics • Observe results and conclude logic of causality

theory-based evaluation methods

- Process-tracing
- Congruence analysis
- Case study research
- Qualitative comparative analysis (QCA)
- Logic models...



Strategic Rationale

- What were the specific problems/opportunities to be addressed?
- What market failures identified – how were these acting as a constraint?
- What was the specific policy/strategy context?
- What was the wider market context within which the project developed?
- What were the programme aims and objectives?

How addressed?

- Review of project files, project appraisals and approvals
- Consultation with Project Managers and other stakeholders

Feedback

- Learning
 - Good practice
 - Policy /practice implications
- How addressed?**
- Stakeholders survey
 - Businesses
 - Desk review
 - Learning workshop

Impacts

- What are changes to identified problem/opportunity
- What are the measurable impacts of intervention?
- How far has market adjustment been achieved?
- Have project objectives and targets been met?
- What are the net effects taking account of additionality?
- What have we learned from the interventions?
- Did the theory of change hold good?

How are these addressed?

- Business survey
- Evaluation evidence
- Impact assessment

Theory of Change

- How or why will the prog tackle the market failure and identified problems?
- How will the prog deliver against stated objectives?
- How will the prog lead to measurable economic benefits?

How addressed?

- Review of prog files, project appraisals /approvals
- Review of monitoring data
- Project Manager feedback
- Stakeholder consultation
- Business survey

Inputs

- What was the prog spend (£)?
- What scale, source and timing of spend?
- Other sources of funding or income?

How addressed?

- Review of monitoring and financial data
- Consultation with Project Manager

Activities

- On what have inputs been spent
- Who was involved in delivery?
- How effectively was the project delivered?

How addressed?

- Review of monitoring and reporting data
- Consultation with Project Manager and delivery agents

Outputs

- What immediate and direct consequences/ effects?
- Any indirect effects or consequences?

How addressed?

- Monitoring and reporting data
- Project managers
- Business survey

Outcomes

- What are the longer term changes in the behaviour and/or performance of the project beneficiaries?
- What are the external or spillover effects of the intervention?
- Are there any negative consequences of the intervention?

How addressed?

- Primary research
- Business survey
- Monitoring data

Strategic Added Value

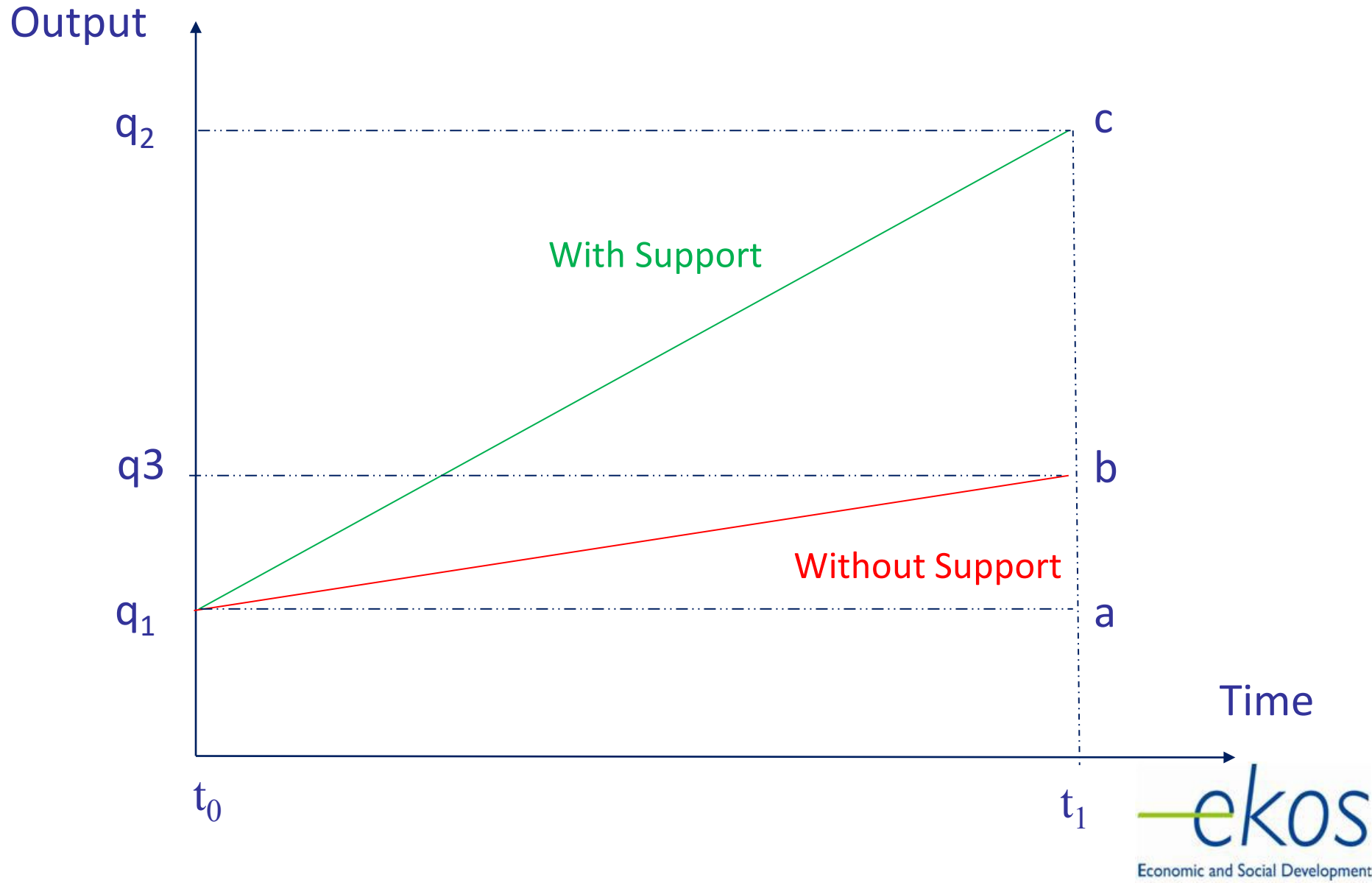
- Has the project generated change other than through the specific intervention?
- Leadership /catalytic effects, Leverage, Influence, Partnership ,Knowledge /understanding

How Addressed

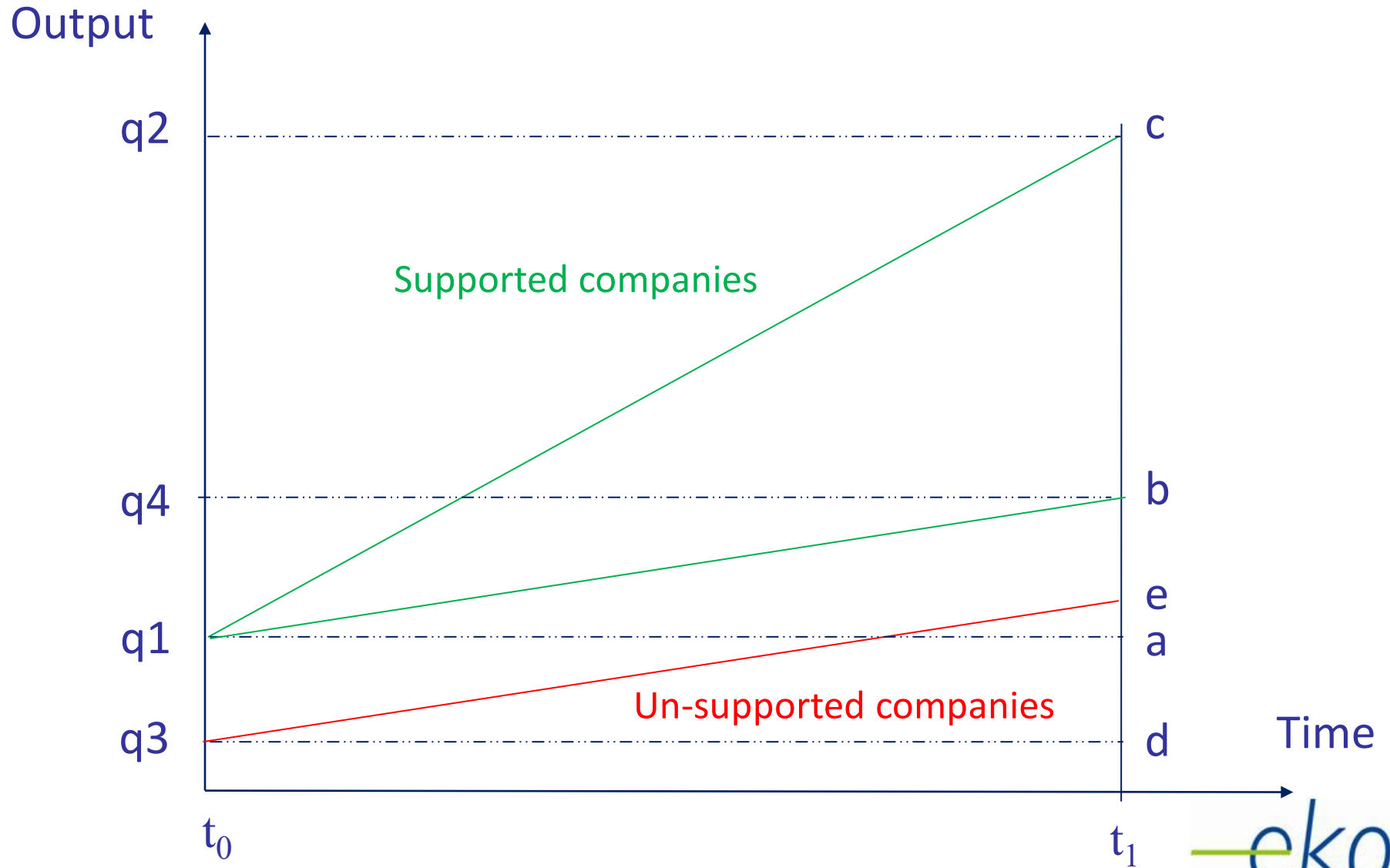
- Stakeholder Survey and Business Survey

Case: supporting companies to innovate and/or become more energy efficient

What is the counterfactual?



What do the techniques try to measure?



building the counter-factual?

- following those not receiving support (the control groups)
- analyse and extrapolate trends
- using models
- at the very least, asking those who received support what else they might have done

counter-factual evaluation methods

Can we follow a control group?

- RCT – randomised control testing

versus quasi-experimental designs:

- DID – Difference in Differences
- Propensity Score matching
- Regression discontinuity design

Extrapolating trends?

Other impact evaluations:

- *ex post* CBA
- Economic impact assessments

and note:

- ad hoc evaluations
- thematic evaluations, eg. horizontal objectives

method for the ex post CBA

1. project description / competence of beneficiary – accurate, competent?	6. economic analysis – data available
2. project context and objectives and contribution to specific objective / results – level of contribution ?	7. risk and sensitivity analysis – the reality?
3. project rationale / demand - accurate?	8. environmental impact – measure
4. option & feasibility appraisal – problems?	9. compliance with legislation – check
5. financial analysis - recalculate	10. horizontal and non-quantifiable aspects / project outputs / other impacts? project synergies? - describe

economic impact assessments

- looks at wider knock-on effects (multiplier effects) in secondary markets, broader area
 - eg. motorway opens up a region for development
- economic impacts: jobs and GVA (NB: cost per job)
- considers development objectives of a region / locality
 - impacts of a major investment
- EIA broader than the (micro approach) CBA
- use as a complement to CBA

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