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Policy Development
**Evaluation**

# The Programming Period 2014-2020

## MONITORING AND EVALUATION OF EUROPEAN COHESION POLICY - EUROPEAN REGIONAL DEVELOPMENT FUND AND COHESION FUND –

## CONCEPTS AND RECOMMENDATIONS

## Guidance document

This draft guidance is the result of discussions between DG Regional Policy and the Member States in April and October 2011. The guidance document will remain provisional up to the approval of legal provisions on cohesion policy.

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**Preface**

Cohesion policy is a visible expression of solidarity across the European Union and represents a very substantial part of the budget of the European Union. Citizens expect to know what has been achieved with public money and want to be sure that we run the best policy. Monitoring and evaluation have a role to play to meet such expectations.

This guidance document provides concise guidance for programmes that cover a wide variety of themes and contexts. We believe that this concise approach is the right one, given the rich experience that Member States and Commission have accumulated in the past years. The paper sets out some important changes in the understanding and organisation of monitoring and evaluation. The most important one is the emphasis on a clearer articulation of the policy objectives. This is key to implement a results oriented policy and moving away from an excessive focus on the absorption of funding. The second major concern is the better specification of differences in tasks between monitoring and evaluation. It sets out more clearly the different types of evaluation and calls for more methodological rigour in capturing the effects of our interventions.

The paper also advocates some important standards that should guide our work. Appropriate and rigorous methods are a necessary base for the credibility of evaluation. Transparency throughout the whole process, starting from the design of Terms of Reference up to the publication of reports is another key ingredient to ensure quality and unbiased results.

This paper does not include detailed guidance on evaluation methods or on the assessment of projects. Guidance on methods is given in the online portal EVALSED, maintained and updated on the website of the Directorate-General for Regional Policy. The paper also does not deal with Commission proposals on conditionality and the performance framework. Guidance on these issues may be provided separately if considered necessary. While Structural Funds are governed by the same general regulation, some differences occur when it comes to implementation. Therefore this guidance paper covers the European Regional Development Fund and the Cohesion Fund. For the European Social Fund, a separate guidance paper will be issued.

Governance shared between Member States, regions and the European level is a central feature of Cohesion Policy. The success and relevance of monitoring and evaluation will depend on the commitment of actors at all levels. The Commission sees as one of its main tasks the facilitation of exchanges of experience across Member States and reaching out to the academic community to make the best ideas available for the policy. We will continue to learn, to fail in some cases but aim to improve systematically our policy. We must remain open to include new ideas in order to maintain the relevance of our approach and of the guidance provided.

[add later: acknowledgements]

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## 1. KEY CONCEPTS

A common understanding of key concepts and terms of programming, monitoring and evaluation should form the basis of their practical application by regions, Member States and the Commission. Section 1 of this document undertakes to facilitate such shared understanding[1].

### 1.1. Intervention logic of a programme as starting point. Results and result indicators[2].

The starting point in designing any public intervention is to identify a problem to be addressed. As there will be always a multitude of real or perceived needs, the decision on which unmet needs should be tackled is the result of a deliberative social process (a "political decision"). It is part of this process to also define the direction of the desired change and sometimes the desired situation that should be arrived at (target). A public intervention often will aim at more than one result. For instance, investment in the railway network might aim to improve the accessibility of a region and to reduce the burden on the environment.

**Results and result indicators**

The intended *result* is the specific dimension of well-being and progress for people[3] that motivates policy action, i.e. what is intended to be changed, with the contribution of the interventions designed. An example is mobility, the improvement of which is the aim of building transport infrastructures, for instance a new railway line.

Once a result has been chosen it must be represented by appropriate measures. This can be done by identifying one or more result indicators. Examples for the above case of railways are travel time, $CO_2$ emissions and traffic fatalities. A reduction in these dimensions could be the objective of a policy.

*Result indicators* are variables that provide information on some specific aspects of results that lend themselves to be measured.

Selecting clear result indicators facilitates understanding of the problem and the policy need and will facilitate a later judgement about whether or not objectives have been met. In this context it is useful to set targets for result indicators.

Having identified needs and a desired result does not yet mean that the public intervention has been fully designed. Different factors can drive the intended result towards or away from the desired change. A policymaker must analyse such factors and decide which ones will be the object of public policy. In other words, an intervention with a certain *intervention logic* must be established. For example, if number of traffic accidents is the result indicator of a programme, safer roads, a modal shift towards rail or a better behaviour of drivers could be assumed to change the situation. The programme designers must clarify which of those factors they want to affect. The specific activity of programmes leads to outputs.

*Outputs* are the direct products of programmes, they are intended to contribute to results.

[1] Section 1 provides a general discussion of key concepts for monitoring and evaluation. Specific legal terms of structural funds regulations are applied only in the following sections.

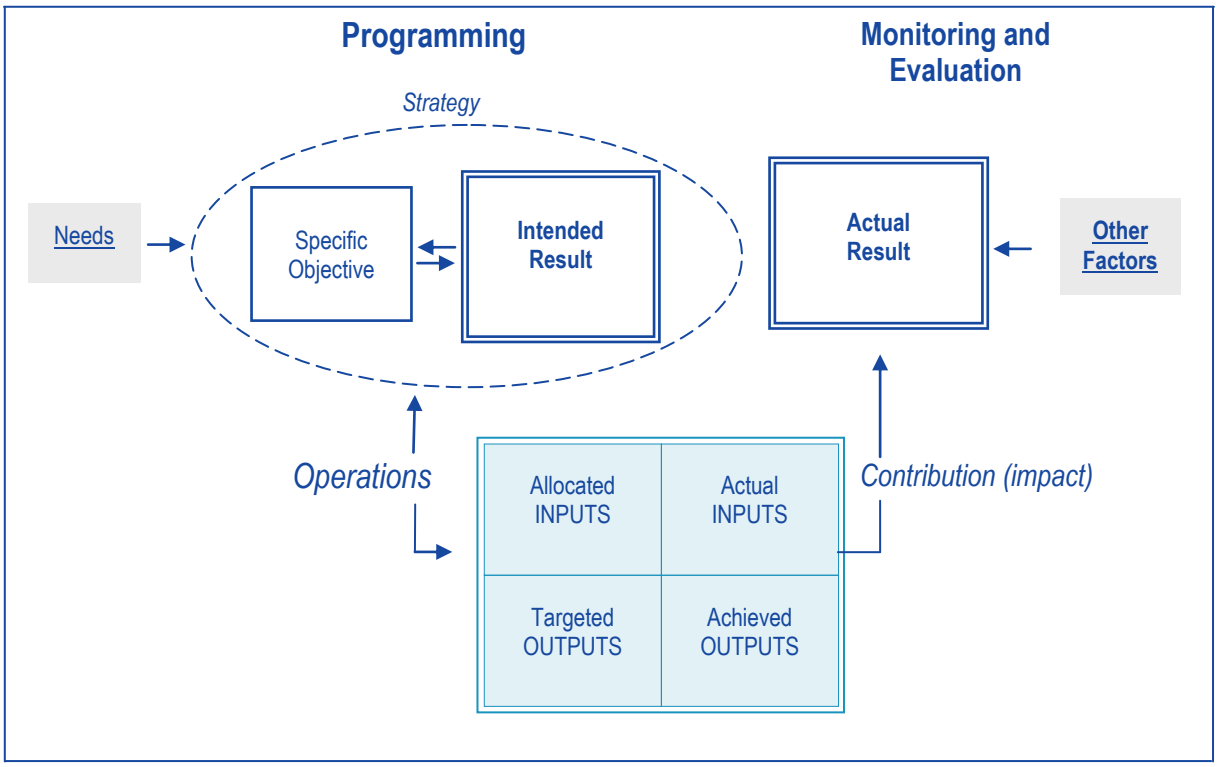
[2] This section benefits from the methodological note "Outcome indicators and targets" produced for DG Regional Policy by an expert group led by F. Barca and P. McCann. In this paper, the meaning of the term "result" is the same as "outcome" in the Barca/McCann paper. In most languages there is only one word for both terms. For further information on the definition of ESF result indicators, please consult the upcoming ESF guidance paper on evaluation and monitoring

[3] The notion of change also comprises changes in behaviour, social practices, institutions etc. Desired results include changes to be achieved via a "horizontal" approach (e.g., environmental objectives) because the question remains the same: What should be changed by the public intervention?

It can be useful to illustrate an intervention graphically by a *logical framework*. Such a stylised representation of a programme should reflect that an intervention can lead to several results and that several outputs can lead to these changes. Equally, it can be useful to differentiate the result(s) by affected groups and time horizons.

Graph 1 illustrates outputs, results and impacts in a simplified logical framework for the purposes of programming and monitoring and evaluation. Note that use and place of "impact" has changed from former guidance provided by DG Regional Policy. Section 1.2 below explains the part of monitoring and evaluation, including the use of the term impact.

Graph 1: Outputs, results and impact in relation to programming, monitoring and evaluation




### 1.2 Monitoring and evaluation: supporting management and capturing effects

The public expects managing authorities to fulfil two essential tasks when running a programme:

- to deliver the programme in an efficient manner (the management of a programme) and
- to verify whether a programme has produced the desired effects.

We will argue below that monitoring is a tool serving foremost the management purpose, while evaluation contributes to both tasks. Learning is an overarching objective of all evaluations.

#### 1.2.1 Monitoring

To monitor means to observe. *Monitoring of outputs* means to observe whether intended products are delivered and whether implementation is on track.

Cohesion policy programmes are implemented in the context of multilevel governance with a clear demarcation of roles and responsibilities. The actors in this system – implementing agencies, managing authorities, the national and the EU level – differ in their information needs to be met by

monitoring. One of the tasks at the European level is to aggregate certain information across all programmes in order to be accountable to the Council, Parliament, the Court of Auditors and EU citizens in general on what Cohesion Policy resources are spent on. This is the task of *common indicators* defined at EU level.

*Monitoring also observes changes in the result indicators* (policy monitoring). Tracking the values of result indicators allows a judgement on whether or not the indicators move in the desired direction. If they do not, this can prompt reflection on the appropriateness and effectiveness of interventions and on the appropriateness of the result indicators chosen.

The values of result indicators, both for baselines and at later points in time, in some cases can be obtained from national or regional statistics. In other cases it might be necessary to carry out surveys or to use administrative data, such as registry of enterprises or unemployment benefit recipient data.

### 1.2.2 Evaluation

Changes in the result indicator are due to the actions co-financed by the public intervention, for example by the Funds, as well as *other factors*. In other words, the difference between the situation before and after the public intervention does *not* equal the effect of public intervention:

Change in result indicator = contribution of intervention + contribution of other factors

Only the left hand side of this equation can be observed.

*Impact* is the change that can be credibly attributed to an intervention. "Effect of an intervention" or "contribution of an intervention" are alternative expressions for this idea.

#### 1.2.2.1 Impact evaluation – capturing effects

To disentangle the effects of the intervention from the contribution of other factors and to understand the functioning of a programme is a task for impact evaluation. Two distinctive questions are to be answered:

- did the public intervention have an effect at all and if yes, how big – positive or negative – was this effect. The question is: *Does it work?* Is there a causal link? This is the question *counterfactual impact evaluations* aim to answer.
- why an intervention produces intended (and unintended) effects. The goal is to answer the "*why and how it works?"* question. To answer this question is the aim of *theory-based impact evaluations.*

Note that both questions cannot exist in complete separation from each other: Each evaluation asking the "does it work" question needs to assume basic elements of a theory of change (a how? and why?) to determine which changes should be looked at and attributed to a cause. Similarly, every evaluation asking "why it works?" will assume – maybe implicitly – a counterfactual situation. This is the conceptual level at which the two wings of impact evaluation share some features, whilst primarily answering the two different questions of "does it work?" and "why?".

The importance of *theory-based impact evaluations* stems from the fact that a great deal of other information, besides quantifiable causal effect, is useful to policy makers to decide what policy to implement and to be accountable to citizens. The question of *why* a set of interventions produces effects, how, for whom and under what conditions, intended as well as unintended, is as relevant, important, and equally challenging, if not more, than the "made a difference" question. This approach does not mainly produce a quantified estimate of the impact, *it produces a narrative*. Theory-based evaluations can provide a precious and rare commodity, insights into why things work, or don't and

under what circumstances. The main focus is not a counterfactual ("how things would have been without") rather a *theory of change* ("did things work as expected to produce the desired change"). The centrality of the theory of change justifies calling this approach theory-based impact evaluation.

Typical methods include literature reviews, administrative data analysis, case studies, interviews and surveys in order to reconstruct and verify the intervention logic. Often mentioned approaches are realist evaluation, general elimination methodology and participatory evaluation. A good evaluation of this type will always be open to flag up unintended effects. Such effects and the understanding of their mechanisms can be as important as the intended intervention logic.

*Counterfactual impact evaluation* is a set of techniques borrowed from statistical and medical science. They have the potential to provide a credible answer to the question "Does it work?". The central question of counterfactual evaluations is rather narrow — how much difference does a treatment make and produces answers that are typically numbers, or more often differences, to which it is plausible to give a causal interpretation based on empirical evidence and some assumptions. Is the difference *observed* in the outcome after the implementation of the intervention *caused* by the intervention itself, or by something else? Evaluations of this type are based on models of cause and effect and require a credible and rigorously defined counterfactual to control for factors other than the intervention that might account for the observed change.

Typical methods are difference-in-difference, discontinuity design, propensity score matching, instrumental variables and randomised controlled trials. The existence of *baseline data* and information on the situation of *supported* and *non-supported* beneficiaries at a certain point in time after the public intervention is a critical precondition for the applicability of counterfactual methods.

Note that counterfactual methods can typically be applied to only some interventions (e.g., training, enterprise support), i.e. relatively homogenous interventions with a high number of beneficiaries. If a public authority wishes to estimate the effects of interventions for which counterfactual methods are inappropriate (for instance, for major infrastructures), other methods can be used. For example, for a road project this could be an *ex post* cost-benefit-analysis or a sectoral transport model.
Ideally, *counterfactual and theory based approaches should complement each other*. Policymakers should use the results of both sets of methods as they see fit. Even assuming that the counterfactual methods proved that a certain intervention worked and could even put a number on this, this is still a finding about one intervention under certain circumstances. Qualitative evaluation techniques are needed to understand to which interventions these findings can be transferred and what determines the degree of transferability.

Impact evaluations of both types are carried out during and after the programming period. The ex ante evaluation of programmes can be understood also as a theory-based analysis, assessing the strength of the theory of change and the logical framework before the programme is implemented. An important task is to look into different possible interventions and to select those most likely to achieve the programme goals at the least cost.

**Is there an ideal evaluation guaranteeing valid answers?**

As illustrated in the example of impact evaluations, all methods and approaches have their strengths and weaknesses. All evaluations need:

- to be adapted to the specific question to be answered, to the subject of the programme and its context.
- whenever possible, evaluation questions should be looked at from different viewpoints and by different methods. This is the principle of triangulation.
- The costs of evaluation need to be justified by the possible knowledge gain. When deciding on an evaluation what is already known about an intervention needs to be considered.

**In sum: Choice and combination of methods need to be decided on a case-by-case base. A range of methods is available and there is no "best" method for all circumstances.**

#### 1.2.2.2 Implementation evaluation – the management side

Implementation evaluations look at how a programme is being implemented and managed. Typical questions are whether or not potential beneficiaries are aware of the programme and have access to it, if the application procedure is as simple as possible, if there are clear and relevant project selection criteria, is there a documented data management system, are results of the programme effectively communicated.

Evaluations of this type typically take place early in the programming period.

To date Cohesion Policy evaluations have tended to focus more on implementation issues than capturing the effects of interventions. For the 2014+ period, the Commission wishes to redress this balance and encourage more evaluations at EU, national and regional level, which explore the impact of Cohesion Policy interventions on the well-being of citizens, be it economic, social or environmental or a combination of all three. This is an essential element of the strengthened result-focus of the policy.

#### 1.2.2.3 The evaluation of integrated programmes

Most regional policy programmes are of an integrated, complex nature. This means that different parts of programmes are planned to interact and to reinforce each other in their working. The evaluation of such programmes represents a special challenge.

One strategy is to evaluate first of all the components of an integrated programme separately. The effectiveness of the components is typically a necessary condition for the effectiveness of the package. If their effectiveness can be demonstrated, it becomes more plausible that the whole programme is delivering on its objectives. In a next step, we could evaluate if the combination of two or more interventions is more effective than a single intervention.

Theory-based evaluations could assess if the intervention logic of the different components fit with each other and make synergies likely to occur. This could be done both during the ex ante evaluation and during a programming period.

Thirdly, it is possible to assess the effect of an integrated programme as a whole. Traditionally this has been undertaken for large programmes by macroeconomic models. Other methods are also being tested, for example counterfactual methods comparing the development of supported with non-supported regions[4].

## 2. STANDARDS FOR EVALUATIONS

In order to ensure the quality of evaluation activities, the Commission recommends Member States and regions to base their work on clearly identified standards, established either by themselves or to use European Commission standards or those of national evaluation societies, the OECD and other organisations. Most of the standards converge on principles such as the necessity of planning, the involvement of stakeholders, transparency, use of rigorous methods, independence and dissemination of results. A possible structure with some explanations is provided in annex 3.

[4] See, for example: "Measuring the effects of European regional policy on economic growth: a regression discontinuity approach". Busillo, Muccigrosso, Pellegrini, Tarola, Terribile (2010). Reproduced also in Fifth report on economic, social and territorial cohesion, 2010.

## 3. PRACTICAL POINTS FOR THE PROGRAMMING PERIOD 2014-20 FOR EUROPEAN REGIONAL DEVELOPMENT FUND AND COHESION FUND

The intention of this section is to provide (future) programme managers with some practical ideas on what is required for monitoring and evaluation of cohesion policy. It explores what should be done and when taking into account the ideas and principles sketched out in the previous section of this paper and what has already been presented in the 5th Cohesion Report and the proposed regulations for the future programming period.

### 3.1 Programming

Programmes with a clear identification of changes sought, concentrated on a limited number of interventions are a decisive condition for achieving tangible results. The concentration of financial means will also facilitate a programming process of good quality, in which the limited administrative resources can be dedicated to the careful preparation of interventions.

#### 3.1.1 Clear objectives and selection of result indicators
(art. 24, art. 87, CSF regulation)

Priority axes are the building blocks of programmes. Each priority axis will include one or more investment priorities selected by Member States and regions according to their specific needs and context. The specific objective is the expression of what each investment priority aims to achieve. The change sought by the specific objective is expressed in one (or some very few) *result indicators.*

Result indicators shall to meet certain quality criteria. They should be (CSF regulation, annex IV):

a) responsive to policy: closely linked to the policy interventions supported. They should capture the essence of a result according to a reasonable argument about which features they can and cannot represent;

b) normative: having a clear and accepted normative interpretation (i.e. there must be agreement that a movement in a particular direction is a favourable or an unfavourable result);

c) robust: reliable, statistically validated;

d) timely collection and public availability of data: available to a wide public, with room built in for public debate and for revision when needed and justified.

Annex 2 provides worked examples of result indicators.

Each result indicator requires a *baseline value* (art. 6, ERDF regulation, art. 4, CF regulation; art. 15, ETC regulation). A baseline is the value of a result indicator at the beginning of the programming period (for example, the number of start-ups in that year for a priority that intends to drive up the number of start-ups in a region). It can be available from statistical or administrative data. Especially for smaller interventions, it can be necessary to generate unavailable information, for example by surveys.

**Attention, a trap: A baseline for what or whom?**

At the programming stage, when deciding about the programme, the future managing authority will analyse the situation of all potential beneficiaries. For example, this could be the productivity of SMEs in a region before programme implementation. This is the baseline required by the regulation.

This should be distinguished from the data needed for counterfactual evaluations which will be *different* in most cases. What is needed here is information for supported entities and for a group of non-supported comparison entities. This information will often not be available from statistics. It must be collected for the purpose of the planned evaluation, for example through the monitoring system for supported SMEs and other appropriate means for non-supported SMEs. See annex 2 for examples.

Programmes shall set targets for programme specific *result indicators* for 2022, but they may be expressed in quantitative or qualitative terms (art. 6, ERDF regulation; art. 4, CF regulation; art. 15, ETC regulation). As explained in section one of this paper, two issues need to be clearly distinguished from each other:

- the estimate of a future value of the result indicator. This value will be influenced by the programme and other factors. It is this stated aim that is meant by the legal text.
- an estimate of the contribution of the programme to the change in the result indicator (the impact of the programme). Impact evaluations can answer this question.

Annex 2 provides examples how the target of a result indicator could be expressed. To set *qualitative* targets can mean to spell out the range of expected values, the expected direction of change and the expected pace of change. If no meaningful indication is possible, the priority should set out certain intermediate steps or barriers to be overcome in order to achieve the final objective.

Investment priorities will be implemented through projects. Result indicators are an expression of the objective of an investment priority. Consequently, result indicators can inform the decision on project selection criteria because projects should be able to demonstrate how they will contribute to the achievement of the objectives of a priority. It should be underlined that project selection is a task of Member States.

#### 3.1.2 The role of output indicators

*Output indicators* shall cover all priorities of a programme (art. 24.3, 87.2(b) CSF regulation). As explained in section 1.1, they should be derived from the intervention logic of the programme, expressing its actions. Output indicators from the list of common indicators may be insufficient to reflect the actions of a certain programme; in this case it is necessary to identify programme specific output indicators.

The programme shall set *cumulative targets* for output indicators for 2022 (art. 6, ERDF regulation; art. 4, CF regulation; art. 15, ETC regulation). Baselines for output indicators are not required (or in other words, the baseline is zero).

**How to set targets for output indicators?**

To set targets for *output* indicators requires knowledge on what products of an intervention should be supported at what cost. For many interventions it will be possible to base the computation of unit costs on past experience, be it a programme co-financed by cohesion policy or national schemes or based on the use of sectoral norms.

If an intervention is completely new, setting targets can be challenging. At the programming stage, the planning body can only set out their best estimate that might need revision at a certain point in time.

What is important in both cases is to provide to the public enough information to understand the estimate. This approach will enhance democratic transparency and open up the estimate to critique and improvement.

#### 3.1.3 Common indicators

Common indicators are designed to aggregate information in a Member State and across Member States. They reflect key intervention areas of the ERDF and the Cohesion Fund.

Member States shall use indicators from the list of *common indicators* whenever appropriate (art. 6, ERDF regulation; art. 4, CF regulation; art. 15, ETC regulation; see annex 1). "When appropriate" means, for example, if a programme does not support the construction of roads, the corresponding

common indicators "kilometres of new roads" is not applicable. Equally, if a cultural heritage project *also* has an impact on tourism, it should be recorded only under the common indicator for cultural heritage projects, not as a tourism project. If, however, a project genuinely contributes to several indicators, all should be used.

There is a risk that programme managers adapt their programmes to common result and output indicators. This approach should be avoided: indicators should *reflect* the objectives of programmes.

Baselines for common indicators are not required.

Most of the common indicators for the ERDF and the Cohesion Fund are output indicators, some few are input or result indicators. The common result indicators differ from result indicators in general. Their value is determined largely by the programme intervention, in other words, the influence of other factors is relatively small. This is why an aggregation of their values (usually derived from before-and-after comparisons) seems meaningful.

### 3.2 Ex ante evaluation of operational programmes
(art. 48, CSF regulation)

An ex ante evaluation shall appraise the following elements in order to improve the quality of operational programmes:

- the contribution to the Union strategy for smart, sustainable and inclusive growth having regard to the selected thematic objectives and priorities, taking into account national and regional needs;
- the internal coherence of the proposed programme or activity and its relation with other instruments;
- the consistency of the allocation of budgetary resources with the objectives of the programme;
- the consistency of the selected thematic objectives, the priorities and corresponding objectives of the programmes with the Common Strategic Framework, the Partnership Contract, the country-specific recommendations under art. 121(2) of the Treaty and the Council recommendations adopted under art. 148(4) of the Treaty;
- the relevance and clarity of the proposed programme specific indicators;
- how the expected outputs will contribute to the results;
- whether the quantified target values for indicators are realistic, having regard to the support from the Funds envisaged;
- the rationale for the form of support proposed;
- the adequacy of human resources and administrative capacity for management of the operational programme;
- the suitability of the procedures for monitoring , and for collecting the necessary data to carry out evaluations.
- the suitability of the milestones selected for the performance framework;
- the adequacy of planned measures to promote equal opportunities between men and women and prevent discrimination;
- the adequacy of planned measures to promote sustainable development.

The ex ante evaluation can help to understand the data needs for the envisaged evaluations and it can also establish baselines for result indicators. Ex ante evaluations can also support Member States in their assessment of the ex ante conditionalities linked to statistical systems and result indicators (annex IV, CSF regulation).

The ex ante evaluation should be carried out in interaction with the establishment of the programme and shall be submitted to the Commission at the same time as the operational programme together with an executive summary. Member States shall integrate, where appropriate, the strategic environmental assessment into the ex ante evaluation.

More detailed guidance on the ex ante evaluation will be made available by the Commission.

### 3.3 Monitoring – the annual implementation report
(art. 44, art. 101, CSF regulation)

Annual reports are one of the key elements of the monitoring of an operational programme. All implementation reports are required to set out certain information, starting with the report for 2016:

- on the implementation of a programme and its priority axes. Besides financial data, this will require providing *cumulative values for output indicators and common result indicators.* Values will relate to selected and fully implemented operations.

  "Cumulative" means to provide each year a value that includes the achievements of former years.

  Information based on selected projects will be especially valuable in the first years of a period when the actual values, using information of completed projects will be necessarily very low.
- any issues affecting the performance of the programme, including the achievement of target values,
- values for the result indicators of programmes taken either from statistics or provided by information sources specific to the priority such as surveys, at particular points in time. Note that such values encompass the contribution of the programme and the contribution of other factors.

The reports submitted in 2017 will in addition *assess*:

- progress towards achieving the objectives of the programme,
- including the contribution of the programme towards the change of result indicators, when evidence from evaluations is available.

The report submitted in 2019 and the final report shall include the above mentioned elements and include information on and *assess* the contribution to achieving the Union strategy for smart, sustainable and inclusive growth.

**Electronic data transmission**

For the ERDF it is planned that only values for common indicators should be transferred to the Commission electronically as so called "structured data". Values of programme specific indicators should be provided only in the text of annual reports. This issue will be treated detail in the forthcoming implementing regulation (see art. 101.4, CSF regulation).

**Typical reporting errors**

Seemingly small errors can compromise the value of the reporting, especially when information is aggregated across programmes as it is the case for common indicators. Some typical errors are:

- the use of a wrong measurement unit (for instance square kilometres instead of hectares),
- reporting annual instead of cumulative values,
- wrong use of decimal separator in electronic systems (comma instead of point),
- inconsistencies between annual implementation report and structured data transmission via SFC,
- typing errors when inputting data.

Quality control by regional and national authorities is essential.

### 3.4 Evaluation during the programming period
(art. 49, CSF regulation)

Evaluation during the programming period should reflect the needs of programmes. Evaluations can cover programmes, priorities, themes across programmes etc.

All types of evaluation, including impact evaluation and implementation evaluation, will play a role. Implementation evaluations supporting the smooth delivery of a programme are more likely to be useful in the early stages of implementation. Evaluation capturing the effects of priorities and looking into their theory of change will occur at a later stage. The legal provisions do not prevent Member States from carrying out mid-term evaluations.

The Commission encourages Member States to include, on a voluntary basis, the examination of the impacts of similar interventions in a previous programming period. This can make sense as for many interventions it takes years before the effects fully are realised (e.g., for large scale infrastructures).

At least once during the programming period, an evaluation shall assess how support from the CSF Funds has contributed to the objectives of each priority. Impact evaluations using theory based approaches or counterfactual methods are appropriate tools. It is possible that one evaluation covers several priority axes or a whole operational programme.

A summary report for each operational programme in December 2020 shall wrap up main evaluation findings and assess main outputs and results. One of the main purposes would be to feed the ex post evaluation under the lead responsibility of the European Commission.

Evaluations and their follow-up shall be examined by the monitoring committee. The monitoring committee may issue recommendations to the managing authority regarding evaluation of the programme. It shall monitor actions taken as a result of its recommendations (Art. 43.4, CSF regulation). Steering groups nominated by the monitoring committee can be a valuable part of the process of steering evaluations. All evaluations shall be sent to the Commission in electronic format (Art. 49.3, CSF regulation).

Although not required by the regulation, evaluations across all programmes under a partnership contract can be very useful, depending on the institutional context of a Member State.

Art. 47 of the CSF regulation stipulates that evaluation shall be carried out by experts that are *functionally* independent of the authorities responsible for programme implementation. This provision does not exclude the possibility that experts within the administration evaluate programmes. Verification of functional independence should be carried out on a case by case basis. Functional independence within the same institution may be assumed when the entity carrying out evaluations does not have a hierarchical link with the entity responsible for programme implementation[5].

### 3.5 The evaluation plan

The purpose of an evaluation plan is to improve the quality of evaluations carried out during the programming period.

#### 3.5.1 Establishing an evaluation plan

An evaluation plan shall be drawn up by the managing authority for each operational programme (art. 49, CSF regulation) and submitted to the first meeting of the monitoring committee (art. 104.1, CSF

[5] This recommendation is inspired by art. 146 of the implementing rules to the financial regulation applicable to the budget of the European Communities.

regulation). The monitoring committee will examine and approve the evaluation plan (art. 100.2, CSF regulation). The Commission recommends that the evaluation plan should be approved during the first or second meeting of the committee. Where a single monitoring committee covers more than one operational programme, an evaluation plan may cover all the operational programmes concerned (art. 104.1). The evaluation of domestic resources can be included in the evaluation plan.

#### 3.5.2 Elements of an evaluation plan

An evaluation plan should include the following elements:

- indicative list of evaluations to be undertaken, their subject and rationale;
- methods to be used for the individual evaluations and their data requirements;
- provisions that data required for certain evaluations will be available or will be collected;
- a timetable;
- a strategy to ensure use and communication of evaluations;
- human resources involved;
- the indicative budget for implementation of the plan;
- possibly a training map.

Including a budget, human resources and possibly a training plan contributes to meeting the legal obligation of Member States to provide the resources necessary for carrying out evaluations (art. 47.2, CSF regulation).

The planning for evaluations to be carried out early in the programming period is likely to be more precise than for evaluations planned for a later point in time. Note, however, that for certain evaluations techniques baseline data need to be created at the beginning of the programming period. Omissions in this respect cannot be rectified later in the period.

Member States may set up coordination mechanisms for evaluation at national or regional level or across funding sources, according to their needs.

#### 3.5.3 Examination and amendment of evaluation plan

(art. 100.2, CSF regulation)

The Monitoring Committee shall examine the evaluation plan and approve necessary amendments. The Commission recommends an examination and update, if necessary, of evaluation plans once a year. Note that the existence of an evaluation plan does not exclude the possibility of additional evaluations, responding to emerging urgent needs.

### 3.6 The use of evaluations

Planning and organising robust evaluations of the impact of interventions, explaining their mechanisms and understanding their delivery systems are demanding tasks. Nevertheless, even evaluations of good quality can remain without consequences if their use has not been considered in advance, during and after completion.

Without any claim of completeness, the Commission recommends that certain issues are considered:

- The usefulness of evaluations depends on the motivation and awareness of the organisation commissioning the evaluation. Is there an understanding, openness for the idea of learning? Regions and Member States should develop and communicate to their stakeholders their own understanding on these topics. Or is evaluation seen just as an obligation imposed by the Commission?
- Evaluation should be a task not just for managing authorities. In particular for regional programmes with a wide range of interventions it is important to ask questions that are relevant for implementing agencies and sectoral ministries.

- An evaluation process needs to be use and user oriented from the beginning. The communications between evaluator and commissioner of evaluations on purpose, methods and use should start before any real work is undertaken.
- The communication of evaluations, their process and their reports should be organised. Reports need to be adapted to the future reader or a variety of different readers.
- Often the use of evaluations can start *during* the course of an evaluation. Feed-back from the evaluator to beneficiaries and commissioners can enhance the quality and use of an evaluation process.
- It is generally better to develop recommendations in a dialogue between evaluator and the commissioner of evaluations because commissioners often have a clearer understanding what is feasible in a certain institutional or political context.
- The creation of knowledge - learning - is a cumulative process. It takes time, the effort of many evaluators, the exchange of findings and critical discussion. The Commission believes that there is a role to be played especially by central national administrations to organise this process.

A more detailed discussion on the use and usability of evaluations will be provided in the corresponding sections of EVALSED.

### 3.7 Ex post evaluation

(art. 50, art. 104, CSF regulation)

The purpose of the ex post evaluation shall be to obtain a view of the programming period as a whole. It will examine the effectiveness and efficiency of the Funds and their impact on economic, social and territorial cohesion and their contribution to the Union priorities of smart, sustainable and inclusive growth.

The ex post evaluation shall be a responsibility of the Commission in close cooperation with Member States and managing authorities to be finished by 31 December 2023. The ex post evaluation will be facilitated by evaluations of Member States and Commission during the programming period, especially by the Member States' summary of evaluations and main outputs and results during the period in 2020.

The Commission encourages Member States to carry out their own ex post evaluations.

### 3.8 Transparency

(art. 47.4, CSF regulation)

All evaluations shall be made public in their entirety, preferably via internet. English abstracts are recommended to allow for an European exchange of evaluation findings.

### 3.9 Role of the European Commission

The regulations governing regional policy require the European Commission to summarise a certain amount of information at European level, for instance via progress reports (CSF regulation, art. 46) and evaluations carried out by the Commission (CSF regulation, art. 49.4). Going beyond such obligations the Commission wishes to cooperate with Member States and to support them, when necessary.

The Directorate-General for Regional Policy aims:

- to make the knowledge and experiences of regions and Member States in the field of evaluation available to their peers, e.g., via seminars and the publication of all evaluation reports on its website;
- to support the development of a quality assurance system, for instance by using a peer review approach;
- to facilitate the exchange of experience across Member States, for example via the DG REGIO network with Member States;
- to provide guidance on evaluation approaches and methods, for instance by guidance documents and further development of EVALSED;
- by offering learning events, for instance evaluation summer schools.

**Glossary**

| | |
|---|---|
| Baseline | The value of the indicator before the policy intervention at stake is undertaken. |
| Common indicators | A list of indicators with agreed definitions and measurement units to be used where relevant in Operational Programmes, permitting aggregation to the national and EU level. |
| Evaluation | Evaluation is the systematic collection and analysis of information about the characteristics and results of programmes and projects as a basis for judgments, to improve effectiveness, and/or inform decisions about current and future programming. |
| Impact | The change that can be credibly attributed to an intervention. |
| Indicator | A variable that provides quantitative or qualitative information on a phenomenon. It normally includes a value and a measurement unit. |
| Method | Methods are families of evaluation techniques and tools that fulfil different purposes. They usually consist of procedures and protocols that ensure systemisation and consistency in the way evaluations are undertaken. Methods may focus on the collection or analysis of information and data; may be quantitative or qualitative; and may attempt to describe, explain, predict or inform action. The choice of methods follows from the nature of the intervention, the evaluation questions being asked and the mode of enquiry – causal, exploratory, normative etc. |
| Result | The specific dimension of the well-being of people that motivates policy action, i.e. that is expected to be modified by the interventions designed and implemented by a policy. Examples are: the improvement in mobility pursued by building transport infrastructures; the increased competence pursued by providing additional or modified training; the reduced rationing of SMEs pursued by providing them with subsidised loans |
| Result indicator | An indicator describing a specific aspect of a result, a feature which can be measured. Examples are: the time needed to travel from W to Y at an average speed, as an aspect of mobility; the results of tests in a given topic, as an aspect of competence; the share of firms denied credit at any interest rate, as an aspect of banks' rationing. |
| Output indicator | An indicator describing the "physical" product of spending resources through policy interventions. Examples are: the length, width or quality of the roads built; the number of hours of extra-teaching hours provided by the intervention; the capital investment made by using subsidies. |

Annex 1

**List of Common Indicators**

Common indicators are legally required and listed in the annexes to the ERDF, Cohesion Fund and ETC regulations. The list below numbers the common indicators, provides indicative definitions and sets out their type.

| | | UNIT | NAME | Definition / Comments |
|---|---|---|---|---|
| | **Productive investment** | | | |
| 1 | | enterprises | Number of enterprises receiving grants | Number of enterprises receiving support in forms of non-refundable direct financial assistance conditional only to completion of project (grants).<br>Enterprise: Organisation producing products or services to satisfy market needs in order to reach profit.<br>*Note that the indicator measures the number of the enterprises and multiple counting needs to be eliminated (i.e. an enterprise receiving grants more than once is still only one enterprise receiving grants).* |
| 2 | | enterprises | Number of enterprises receiving financial support other than grants | Number of enterprises receiving non-grant type financial support, in forms of loan, interest subsidy, credit guarantee, venture capital or other financial instrument |
| 3 | | enterprises | Number of enterprises receiving non-financial support | Number of enterprises receiving support that does not involve direct financial transfer (guidance, consultancy, enterprise incubators, etc.). Venture capital is considered as financial assistance. |
| 4 | | enterprises | Number of new enterprises supported | Number of enterprises created receiving financial aid or assistance (consultancy, guidance, etc.) from Structural Funds or Structural Funds financed facility. The created enterprise did not exist one year before the project started. The legal form of enterprise may be various (self-employed persons, partnerships, etc.). |
| 5 | | EUR | Private investment matching public support to SMEs (grants) | Total value of private contribution in assistance that qualifies as state aid where the form of support is grant (see Common Indicator 1) |
| 6 | | EUR | Private investment matching public support to SMEs (non-grants) | Total value of private contribution in assistance that qualifies as state aid where the form of support is other than grant (see Common Indicator 2 and 3) |

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| 7 | | full time equivalent | Number of jobs created in assisted SMEs | Gross direct jobs created in SMEs as a direct consequence of the assistance received, in full time equivalents (FTE).<br>Job: A new working position created (did not exist before) as a direct result of project completion (workers employed to implement the project are not counted). The position needs to be filled (vacant posts are not counted) and increase the total number of jobs in the enterprise.<br>Gross: Not counting the origin of the jobholder as long as it directly contributes to the increase of total jobs in the organisation.<br>Full-time equivalent: Jobs can be full time, part time or seasonal. Seasonal and part time jobs are to be converted to FTE using ILO/statistical/other standards.<br>Durability: Jobs are expected to be permanent, i.e. last for a reasonably long period depending on industrial-technological characteristics; seasonal jobs should be recurring. |
| 8 | Tourism | Visits | Number of visits to supported attractions | Number of visits to a tourism attraction that was created or improved using assistance from Structural Funds. One visitor can make multiple visits; group of visitors count as many visits as group members. Visits are counted in the calendar year following project completion. Includes sites that are adjusted to accept visitors (e.g. nature parks or buildings converted to museum) if that was the objective of the assistance. It does not include facilities with the main profile of providing accommodation (hotels, B&Bs, etc.)<br>*Note that the difference between this indicator and indicator 39 (Number of visits to supported sites of cultural heritage) must be decided in the programming stage according to the strategy. The differentiation can also be made based on the type recipient of support (e.g. enterprise vs. municipality, profit or non-profit), revenue generation (e.g. with or without entrance fee).* |
| | **ICT** | | | |
| 9 | Infrastructure | persons | Population covered by broadband access of at least 30 Mbps | Number of persons who can access to the internet with a download speed of at least 30 Mb/sec and who before only had more limited access or did not have access at all. The capacity to access must be a direct result of the assistance.<br>*Comment: 30Mbps is in line with EU2020, see COM(2010)245 "A digital agenda for Europe"* |
| | **Transport** | | | |
| 10 | Railway | Km | Total length of new railway line | Length of railroads constructed by the project where no railroad existed before |
| 10a | | Km | of which TEN-T | |

| | | | | |
|---|---|---|---|---|
| 11 | | Km | Total length of reconstructed or upgraded railway line | Length of railroads of which quality of capacity have been improved. This can include electrification, developing single track railroad into double track, increasing the possible speed on the track, or ensuring ERTMS (European Rail Traffic Management System) compatibility |
| 11a | | Km | of which TEN-T | |
| 12 | Roads | Km | Total length of newly built roads | Length of roads (in kilometres) constructed by the project where:<br>• no road existed before<br>or<br>• the capacity and quality of the previously existing local/secondary road is significantly improved to reach a higher classification (e.g. national road or equivalent) |
| 12a | | Km | of which: TEN-T | |
| 13 | | Km | Total length of reconstructed or upgraded roads | Length of roads where the capacity or quality of the road (including safety standards) was improved |
| 13a | | Km | of which TEN-T | |
| 14 | Urban transport | Passenger trips | Increase of passenger trips using supported urban transport service | The number is based on the daily average of trips that users make in a year. The baseline is zero if the service is new (the indicator covers both new and improved services). The increase is calculated as the difference between the daily average in the calendar year following the completion of the supported project and the baseline. |
| 15 | Inland waterways | Tonne-km | Increase of cargo transported on improved inland waterways | Increase of freight transported on parts of an inland waterway (river, canal, etc.) that has been improved for transportation (independent of the port of origin or port of destination). |
| | **Environment** | | | |
| 16 | Solid waste | Tonnes | Additional waste recycling capacity | Annual capacity of newly built waste recycling facilities. |
| 17 | Water supply | persons | Additional population served by improved water supply | Number of persons provided with drinking water through the drinking water transportation network as a result of increased drinking water production/transportation capacity built by the project, and who were previously not connected or were served by sub-standard water supply. It includes reconstruction projects but excludes projects aiming to create/improve irrigation systems. |

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| 18 | | $m^3$/ per day | Estimated reduction of leakage in water distribution network | Reduction of leakage from part of the supply network that has been improved. Includes reservoir leakage if the improvement affected reservoirs. Leakage: The loss of water from the distribution network, which escapes other than through a controlled action. Practically the difference between the amount of water supplied from the plant to the distribution network and the amount of water used by consumers (integrated flow method).<br>Where metering is not possible, leakage may be estimated using the "minimum night flow" method.<br>*Measurement unit should be corrected to cubic meter per day ($m^3$/d)* |
| 19 | Wastewater treatment | population equivalent | Additional population served by improved wastewater treatment | Number of persons whose wastewater is transported to wastewater treatment plants through wastewater transportation network as a result of increased waste water treatment/transportation capacity built by the project, and who were previously not connected or were served by sub-standard wastewater treatment.<br>*(not necessarily an output indicator, e.g. if the household connections are not part of the projects)* |
| 20 | Risk prevention and management | persons | Population benefiting from flood protection measures | Number of people exposed to flood risk and whose vulnerability decreased as a direct result of a supported project. |
| 21 | | persons | Population benefiting from forest fire protection and other protection measures | Number of people exposed to a certain risk and whose vulnerability decreased as a direct result of a supported project. |
| 22 | Land rehabilitation | hectares | Total surface area of rehabilitated land | Surface of contaminated or derelict land made available for economic (except agriculture) or community activities. |
| 23 | Soil sealing | hectares | Change in land sealed due to development | *To be added* |
| 24 | Nature and biodiversity | hectares | Surface of habitats in better conservation status | *To be added* |
| | **Research, innovation** | | | |
| 25 | | persons | Number of R&D personnel / researchers working in newly built or equipped research infrastructure | *To be added* |

| | | | | |
|---|---|---|---|---|
| 26 | | enterprises | Number of enterprises cooperating with assisted research institutions | Number of enterprises that cooperate with research institution in R&D projects. At least one enterprise and one research institution participates in the project. The cooperation should last at least for the duration of the project.<br>Enterprise: Organisation producing products or services to satisfy market needs in order to reach profit.<br>Research institution: an organisation of which R&D is a primary activity. |
| 27 | | full time equivalents | Number of posts for R&D personnel / researchers created in assisted entities | Gross direct jobs created to directly perform R&D activities, in full time equivalents, as a result of a finished or on-going R&D project. If less than 100% of working time is devoted to R&D activity, the FTE should be modified accordingly. Support staff for R&D (i.e. jobs not directly involved in R&D activities) is not counted.<br>*Formerly Research jobs created in assisted enterprises* |
| 28 | | EUR | Private investment matching public support in innovation or R&D projects | Total value of private contribution in assistance to innovation or R&D projects |
| 29 | | enterprises | Number of enterprises that introduced new or significantly improved products, new to the market as result of supported innovation or R&D projects | A product is new to the market if there are no other product available on a market that offers the same functionality, or the technology that the new product uses is fundamentally different from the technology of already existing products. Products can be tangible or intangible. |
| 30 | | enterprises | Number of enterprises that introduced new or significantly improved products, new to the firm as result of supported innovation or R&D projects | A product is new to the firm if the firm did not produce a product with the same functionality or the production technology is fundamentally different from the technology of already produced products. Products can be tangible or intangible. |
| | **Energy and climate change** | | | |
| 31 | Renewables | MW | Additional capacity of renewable energy production | Increase in energy production capacity of facilities using renewable energy resources, built/equipped by the project. Includes electricity and heat energy.<br>Renewable energy resource: Any energy source that is not fossil or nuclear. |

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|---|---|---|---|---|
| 32 | Energy efficiency | households | Number of households with improved energy consumption classification | Number of residential properties with improved energy classification – see Directive 2010/31/EU. Improved classification must be the direct effect of the project completion. |
| 33 | | kWh/year | Decrease of primary energy consumption of public buildings | Calculations are based on the energy certificate of buildings (see Art.12.1.b of Directive 2010/31/EU). In line with the deadlines set in the Directive, the indicator must apply to all public buildings above 500$m^2$ total useful area and were reconstructed using Structural Funds assistance. If the construction starts after 9 July 2015, the threshold for public buildings decreases to 250$m^2$ total useful area. |
| 34 | | Users | Number of additional energy users connected to smart grids | Smart grid: Electricity network that integrate the actions of energy users by exchanging digital information with the network operator or supplier. An energy user can be consumer, generator, or both. |
| 35 | GHG reduction | tons of $CO_2$ eq | Estimated decrease of GHG in CO2 equivalents | The gross total reduction in greenhouse gas emissions (in $CO_2$ equivalents, kiloton per annum) as a result of interventions financed by Structural Funds. Calculating $CO_2$ equivalent is in line with United Nations Framework Convention on Climate Change (UNFCCC) standards (also see Decision No 280/2004/EC).<br>*Comment: this is a result indicator that is calculated using decreased energy consumption or increased renewable energy production.* |
| | **Social Infrastructure** | | | |
| 36 | Childcare & education | persons | Service capacity of supported childcare or education infrastructure | Number of users who can use newly built or improved childcare or education facilities. It includes new or improved buildings, or new equipment provided by the project. |
| 37 | Health | persons | Capacity of supported health services | Population expected to use the health services benefiting from the project. It includes new or improved buildings, or new equipment for various type of health service (prevention, outpatient or inpatient care, aftercare) |
| 38 | Housing | households | Number of households benefiting from improved housing conditions | |

| | | | | |
|---|---|---|---|---|
| 39 | Cultural heritage | Visits | Number of visits at supported sites | Number of visits to a site that is considered as culturally significant and was renovated using assistance from Structural Funds. Visits are counted in the calendar year following project completion.<br>*Note that the difference between this indicator and indicator 8 (Number of visits to supported attractions of tourism) must be decided in the programming stage according to the strategy. The differentiation can also be made based on the type recipient of support (e.g. enterprise vs. municipality, profit or non-profit), revenue generation (e.g. with or without entrance fee).* |
| | **Urban Development** | | | |
| 40 | | persons | Population living in areas with integrated urban development strategies | Population living in areas with integrated urban development strategies within the meaning of Article 7 of Regulation XX (ERDF Regulation) |
| 41 | | square meters | New open space in urban areas | Size of renovated / newly developed publicly accessible open-air areas |
| 42 | | square meters | New public or commercial buildings in urban areas | Size of renovated / newly developed public and commercial areas |
| 43 | | square meters | New housing in urban areas | Size of renovated / newly developed residential areas |
| | **Territorial cooperation** | | | |
| 44 | Labour Market and Training | persons | Number of participants in cross-border mobility initiatives | |
| 45 | | persons | Number of participants in joint local employment initiatives and joint training | |
| 46 | | persons | Number of participants in projects promoting gender equality, equal opportunities, and social inclusion across borders | |

| | | | | |
|---|---|---|---|---|
| 47 | | persons | Number of participants in joint education and training schemes to support youth employment, educational opportunities and higher and vocational education across borders | |
| 48 | Institutional and Administrative Capacity | number | Number of projects promoting legal and administrative cooperation and cooperation between citizens and institutions | |
| 49 | | number | Number of projects developed and implemented to support the implementation of macro-regional strategies | |
| 50 | | number | Number of concepts in interregional cooperation developed to reinforce the effectiveness of cohesion policy | |
| 51 | | number | Number of concepts in interregional cooperation developed and implemented to reinforce the effectiveness of cohesion policy | |

**Examples for the use of result indicators**

**Example 1: Support to enterprises**

Description of priority
Region X wants to boost the productivity of its SMEs. The *result indicator* connected to this objective is defined as the value added per worker, averaged across all SMEs. The policy instrument is non-repayable grants, funded by the ERDF and national co-financing.

Measured in this way, the *baseline value* of SME productivity in the region is significantly below the national average. Its baseline value is 80% of the national average. The baseline is known from national statistics.

*Target for result indicator*: The region aims to improve the productivity of SMEs in the region, bringing it up to 85% of the national average. Given the budget available, it is expected a maximum of 15% of SMEs will be supported by the programme. There is no past evaluation available that would allow to quantify by how much the investment grants increase the productivity of the supported enterprises.

Monitoring of result indicator
The annual reports will provide information on the development of the productivity of SMEs in the region. The information is available from national statistics, with a time lag.

Evaluation
Besides documenting the extent to which the target was reached, the region wants to learn whether the support programme is truly effective. To this end, it intends to use a counterfactual approach to evaluation: the study will attempt to determine which effect the support has on the SME productivity two years after the investment took place.

The evaluation design will use the fact that the available budget was limited, allowing to support of only a fraction of the eligible firms that apply for the grant. The estimate of the effect is obtained by comparing the productivity of the firms right above and those just below the cut-off point for admission..

| **Impact on what?** (result indicator) | **Data required** |
|---|---|
| Productivity | Productivity of supported enterprises after support<br>Productivity of non-supported enterprises after support |

Data sources for evaluation
Region X is in a lucky situation: Data for supported and non-supported enterprises is available from the balance sheets of enterprises which is collected by the tax authority. The region agrees access to data for evaluation purposes with the tax authority. To reach this agreement took several months.

**Example 2: Support to construction of a highway network, including missing links in trans-European network**

Description of priority
As part of its major infrastructure programme, Member State X intends to expand its highway network, including the construction of a last missing project in the trans-European network. This programme continues a similar transport programme from the previous programming period. The Member State aims to improve its accessibility by the road network, measured by a road accessibility index (*result indicator*).

The *baseline* for the extension of the TEN-T projects is that 2 out of three concerning the Member State (three highway projects) are completed, representing 70% of the envisaged road length. The baseline for the infrastructure programme as a whole is the value X of the road accessibility index. The index value at programme start has been calculated by applying the existing national transport model. The Member State aims to reduce the index value for the three most lagging regions by about 15% within the programming period (the *target for the result indicator*).

Monitoring of result indicator
During the programming period, the accessibility index will be modelled every second year, starting with the third year of implementation.

Evaluation
The evaluation plan comprises several elements:

- ex post cost benefit analyses for key projects co-financed by the programme of the *previous* programming period;
- modelling of the accessibility index, using the existing transport model. The models allows to isolate the effect of key projects financed under the infrastructure programme on the accessibility index.

| **Impact on what?** (result indicators) | **Data required** |
|---|---|
| Road accessibility index | Road transport data, collected by regular national and regional surveys |

**Example 3: Enhancing innovation in SMEs**

Description of priority

Region X wants to enhance the innovation of SMEs. The problem to be addressed is the insufficient capacity of in-house innovation and the degree of cooperation between SMEs in this field. Consequently, the *result indicator* is the percentage of SMEs innovating in-house. This indicator is taken from the basket of indicators used for the European Regional Innovation Scoreboard (RIS). It is defined as follows:

> SMEs with in-house innovation activities. Innovative firms are defined as those firms which have introduced new products or processes either 1) in-house or 2) in combination with other firms. This indicator does not include new products or processes developed by other firms.

The policy instrument is non-repayable grants to enterprises. The region estimates that the programme volume will allow the support to 10% of SMEs in the region.

The *baseline* is the percentage of SMEs innovating in-house in the year before the programme (25%).

The *target* is a higher percentage of such SMEs. The region believes that a value between 30-35% at the end of the period is possible.

Monitoring of result indicator

The Regional Innovation Scoreboard is updated every 2 years. In principle, data is collected via the Community Innovation Survey, carried out every two years.

Evaluation

Evaluation will focus on the mechanisms and barriers that induce or prevent SMEs from undertaking in-house innovation. Potential factors influencing the decisions of SMEs, and therefore to be explored are:

- access to credit,
- ability to attract qualified professionals,
- 'innovative environment', e.g. the degree of cooperation between enterprises, universities and public institutions.

Two surveys – one on enterprises, another on policy makers – three years into the programming period will provide the necessary input. It is a key concern to let the interviewees rank the above mentioned factors and explore others. The survey results will be interpreted via expert review and a discussion with beneficiaries and policy makers.

| **Impact on what?** | **Data required for evaluation** |
|---|---|
| Percentage of SMEs innovating in-house | Values of the indicator, taken from Regional Innovation survey,<br>Results of surveys for evaluation purposes |

**Example 4: European Territorial Cooperation**

Description of Priority

Two regions covered by a cross-border co-operation programme intend to improve education services across the border. The support (grants) is provided to education-related cross-border activities in the following fields: co-operation between universities, schools and training providers, mobility of personnel, mutual recognition of degrees, language training and exchange programmes.

The programme identifies two *result indicators*:

1. Access to education services on the other side of the border measured as number of persons using education services on the other side of the border
2. Quality of education services across the border measured as satisfaction rate of persons using such services.

*Baselines*

1. The number of persons using education services on the other side of the border at programme start is known from administrative data (2000 persons).
2. The satisfaction rate of persons using education services on the other side of the border at programme start was unknown. When preparing the programme, the regions launched a telephone survey among one thousand current users. The survey found that 50% of users were satisfied with the quality of education services, 20% very satisfied and 30% found the situation unsatisfactory.

*Target for result indicators*. The regions aim to bring up the percentage of satisfied and very satisfied users up to 80% of all users, while the number of users should go up by at least 100 persons.

Monitoring of result indicators

The number of persons using education services on the other side of the border can be monitored annually by administrative statistics. In order to monitor the development of the satisfaction rate, a telephone survey will be organised every two years.

Evaluation:

The regions plan to set up an evaluation process that will closely involve active and potential users of cross border education services. In a series of discussions with participants, the evaluators will inquire which of the supported services are seen as especially successful, why and which services are seen as less useful. In addition, the evaluators will inquire with non-users why they are not (yet) using cross-border education offers and what should be changed in their opinion.

**A structure of evaluation standards[6]:**

**A) Evaluation activities must be appropriately organised and resourced to meet their purposes.**

1. Programmes should use an evaluation function with a clearly defined responsibility for co-ordinating evaluation activities.
2. For this evaluation function, human and financial resources must be clearly identified and proportionately allocated.
3. Each programme must clearly define the procedures for the involvement of stakeholders.

**B) Evaluation activities must be planned in a transparent way so that evaluation results are available in due time.**

1. An evaluation programme is to be prepared by the evaluation function in consultation with stakeholders.
2. All activities must be periodically evaluated in proportion with the allocated resources and the expected impact.
3. The timing of evaluations must enable the results to be fed into decisions on the design and modification of activities.

**C) Evaluation design must provide objectives and appropriate methods and means for managing the evaluation process and its results.**

1. A steering group should be set up for each evaluation to advise on the terms of reference, to support the evaluation work and take part in assessing the quality of the evaluation.

**D) Evaluation activities must provide reliable and robust results.**

1. The evaluation must be conducted in such a way that the results are supported by evidence and rigorous analysis.
2. All actors involved in evaluation activities must comply with principles and rules regarding conflict of interest.
3. Evaluators must be free to present their results without compromise or interference.
4. The final evaluation reports must as a minimum set out the purpose, context, questions, information sources, methods used, evidence and conclusions.
5. The quality of the evaluation must be assessed on the basis of the pre-established criteria.

We recommend the consultation of the following sources:

- Quality of an evaluation report: EVALSED, The Guide.
  http://ec.europa.eu/regional_policy/sources/docgener/evaluation/evalsed/guide/designing_implementing/managing_evaluations/quality_en.htm
- Website of European Evaluation Society: It provides access to the standards of national evaluation societies.
  http://www.europeanevaluation.org/library/evaluation-standards.htm
- OECD, 2010. Quality standards for development evaluation.
  http://www.oecd.org/dataoecd/55/0/44798177.pdf

[6] Adapted from: Evaluation standards of the European Commission. Communication to the Commission from Ms Grybauskaite in agreement with the president. Responding to Strategic Needs: Reinforcing the use of evaluation. Brussels, 2007.

**Recommended reading**

1. EVALSED. An online resource providing guidance on the evaluation of socio-economic development.
   http://ec.europa.eu/regional_policy/sources/docgener/evaluation/evalsed/guide/index_en.htm

   EVALSED provides a short introduction to several evaluation techniques. A library of evaluations carried out in the framework of regional policy is part of EVALSED.

2. Impact Evaluation and Development. NONIE - Network of networks on impact evaluation.
   http://www.worldbank.org/ieg/nonie/

3. Outcome indicators and targets. Methodological note produced for DG Regional Policy by the High Level Group led by F. Barca and P. McCann.
   http://ec.europa.eu/regional_policy/sources/docgener/evaluation/performance_en.htm

4. Société Française de l'Evaluation. Evaluation des impacts des programmes et services publics. 2011.
   http://www.sfe-asso.fr/sfe-evaluation.php?mode=cahiersindiv&id_cahier=21

5. Key evaluation checklist. Michael Scriven, 2005
   http://www.wmich.edu/evalctr/archive_checklists/kec_feb07.pdf

6. Evaluation standards of the European Commission. Communication to the Commission from Ms Grybauskaite in agreement with the president. Responding to Strategic Needs: Reinforcing the use of evaluation. Brussels, 2007.
   http://ec.europa.eu/dgs/information_society/evaluation/data/pdf/sec_2007_0213_en.pdf