



EUROPEAN COMMISSION
Regulatory Scrutiny Board

Brussels,
D(2016)

Opinion

Title **DG EMPL – Ex-post evaluation of the 2007-2013 European Social Fund programmes**
(draft version of 2 September 2016)*

(A) Context

The aim of the European Social Fund (ESF) is to support Member States in carrying out measures related to the creation of more and better jobs and the promotion of economic and social cohesion. The total budget of the ESF for the 2007-2013 programming period was €115.6 billion, of which €76.8 billion was from the EU budget (about 10% of the EU budget).

Each programming period is followed up by an ex-post evaluation in order to draw lessons for the future programming periods of the ESF.

(B) Overall opinion

The Board considers that despite the commendable efforts to consolidate a considerable preparatory work and to cope with serious data limitations and lack of sufficient counterfactual analysis, the evaluation report remains too limited in its scope. It offers no strong conclusive evidence and does not provide a sufficient basis to inform the design of future initiatives under the next Multiannual Financial Framework.

The Board recommends substantive improvement, in particular in the following key areas:

- (1) The report should specify more explicitly the objectives of the ESF and its links with other employment policies (e.g. the Employment Guidelines).**
- (2) The report should further analyse whether there is evidence of improved performance in comparison with the previous programme cycle. It should do more to assess the effectiveness of the ESF, for instance by referring to results of the first counterfactual impact evaluations and by identifying success factors and bottlenecks.**
- (3) The EU added value should be better demonstrated and the report should better analyse the coherence with other spending programmes, in particular with the structural funds and education programmes.**

* Note that this opinion concerns a draft evaluation report which may differ from the one adopted

(4) The report should go beyond presenting outputs and better highlight the key lessons learned from this exercise for policy making (e.g. with regard to data collection administrative burden, quality of programming and delivery mechanisms). The report should explain how it feeds into broader discussions on the effectiveness and efficiency of the employment and social policies.

The lead DG shall ensure that the report is adjusted accordingly prior to launching the inter-service consultation.

(C) Main recommendations for improvements

(1) Objectives. The evaluation report should set out more specific objectives (quantified, if possible) for the period under consideration so that their achievement can be assessed in subsequent chapters. It should explain how these objectives can be measured in the context of shared management of the ESF. For instance, it should explain the practical translation of the objectives concerning convergence, regional competitiveness and employment. The report should better explain the link between the ESF and the Employment Guidelines, present the (quantified) targets of the employment guidelines and describe the expected contribution of the ESF to these targets. The report should also explain whether, for the period under consideration, there were targets in terms of regional cohesion to which the ESF is supposed to contribute. It should clarify whether gender sensitivity and economic impact are part of the objectives, as they are considered as separate criteria.

(2) Evidence base, effectiveness and efficiency. The report should further analyse whether there is evidence for showing improvement in comparison with the previous programme cycle, in terms of design, monitoring and implementation of the programme. It should also present data and experiences to support capacity building at national and European levels to better inform the next programme cycle. It should indicate to what extent the results represent a realisation of the objectives and explain them with regard to the deviation from a clear and explicit baseline that has to be developed. For instance: (a) is 98.7 million participants the intended result?; (b) does a balanced focus between inactive, employed and unemployed correspond to what was targeted?; (c) in how far does 31.6 million "positive results" correspond to what was intended? The report should also explain to what extent improved success indicators (reference value to be provided) can be attributed to the action of the ESF, how important was the contribution from other actions/funds/programmes and to what extent were they influenced by other developments in the EU outside of the ESF (e.g. in how far is the reported employment of 9.2 million participants attributable to the ESF intervention only?). When analysing the different types of interventions, the report should shed light on how successful the interventions have been: it should highlight bottlenecks; indicate where the interventions have been the most useful. The efficiency indicators pointing to lower costs of ESF actions compared to national actions should be assessed for their robustness and the report should draw clear conclusions on the policy implications of such indicators.

(3) EU added value and coherence. The report should assess, using available evidence, the size of the volume effects, scope effects, role effects and process effects mentioned in the report, and explain why intervention by the ESF was more effective in reaching the objectives than what national action alone could have achieved. When describing the value added, the report should clarify how the added value has been created: through programming by targeting the right target groups, or by selecting the most successful training and unemployment schemes in national policies, or by influencing the design of institutions and schemes in the Member States, or by incentivising new delivery

mechanisms at national/regional level? Furthermore, the report should further elaborate on the reasons for little coordination between the ESF and other structural fund interventions at the level of Member States and whether the ESF activities are coherent with other employment policies. Given the significant human capital component in the ESF, the report should also look at coherence with education programmes. The report would benefit from references to some relevant or significant country examples.

(4) Lessons learnt. The report should further develop the lessons learnt from this exercise, including how to deal with exceptional circumstances (e.g. the financial crisis). It should clearly conclude on what worked well and what worked less well. Furthermore, it should explain whether the evidence gathered is robust enough to justify conclusions for the regulatory framework of the coming programming period. The report should better describe the methodology used to overcome the acknowledged data gaps. How were data selected and extracted to ensure that they were representative? Given the lack of firm conclusions in many areas, despite more than 700 evaluations conducted, the report should outline a better approach for the future organisation of ESF evaluations. It should explain how the data collection for the evaluation of the ESF and its timing might be improved. With regard to administrative costs and their slow reduction despite measures taken, the report should further explore the reasons behind this problem and draw lessons for the future. Moreover, it should refer to the audit reports and further develop aspects relating to delivery of the funding.

Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the evaluation report.

(D) Procedure and presentation

The views of different categories of stakeholders, including the divergent minority views, should be better referred to, both in the dedicated annex and in the main report. For instance, stakeholders' remarks with regard to the "extensive administrative requirements," the set-up of management and control systems, and reporting and audit and "whether all funds were put to good use" should be better described. The strengths and weaknesses of the consultation process should be mentioned. The executive summary should keep to the page limit and should better explain the context between the different objectives and the results.

(E) RSB scrutiny process

Reference number	2016/EMPL/013
External expertise used	No
Date of RSB meeting	28 September 2016