



**PRACTICE AND MANAGEMENT OF INTERIM
EVALUATION AND MONITORING**

**DEVELOPING EFFECTIVE MONITORING AND INTERIM
EVALUATION INDICATORS**

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PREFACE

This Manual consists of two sections, dealing with a step-by-step approach covering all aspects of performing and managing interim evaluations, and with the practice of using interim evaluation and monitoring indicators. The Manual has been prepared by EMS Central Office¹ (section 1), informed by the practical experience in performing interim evaluations gathered by OMAS and EMS since 1996, representing approximately 37.000 man-months of work, producing more than 900 reports over 7 years in all Candidate Countries, and by Epsilon Consulting² (section 2). Major parts of this Manual are reflecting the current methodology and practise applied for the interim evaluation of the EU Phare Programme.

The Manual is supported by 23 Annexes, including an annex providing background information on the key issues for the development of evaluation capacity. This has been prepared on the basis of material recently published, including proceedings of the Evaluation Advisory Group.

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² The author of Section 2 is Colm Dunne

Section

1

INTERIM EVALUATION SERIES

**A PRACTICAL GUIDE TO THE CONDUCT
AND MANAGEMENT OF INTERIM
EVALUATION**

INTERIM EVALUATION SERIES

A Practical Guide to the Conduct and Management of Interim Evaluation

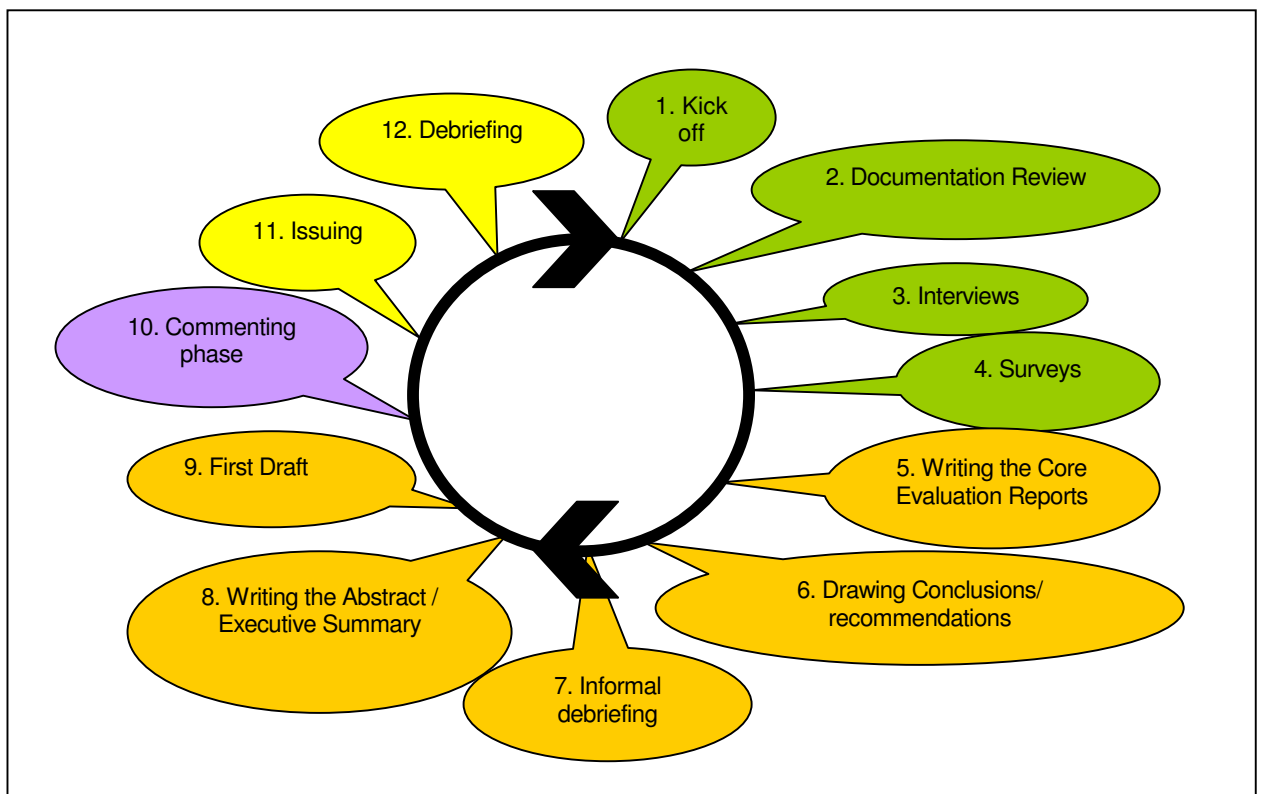
**A Step-by-Step Guide to
the Conduct of Interim
Evaluation**

Purpose of Chapter 1

The purpose of this Chapter to present the practical aspects of making Interim Evaluations (IEs). This Chapter intends to take the reader into the practice of evaluation. The evaluation process is broken down into the logical sequence of actions required. For each step definitions are provided, and the step is analysed from the point of view of its objectives and expected output, accompanied by practical hints resulting from the experience with the on-going IE scheme.

The Interim Evaluation Cycle

The twelve steps in the IE Cycle are set out in the figure below.



Each of the Steps is discussed in detail below.

Step 1: Kick Off: (Annex 2, Annex 8)

Definition

The first step in the IE cycle is the kick off meeting. This involves the notification to all the stakeholders of the imminent start and duration of an IE, its purpose, the framework within which it falls, the scope (projects covered), and the names of the members of the evaluation team.

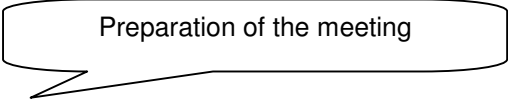
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The kick off meeting communicates the proposed IE plan to relevant stakeholders, provides the evaluators with initial points of view of the progress of the programme and the current status of any outstanding issues from the previous IE.

The outcomes of a good kick off should be:

- Commitment of all stakeholders to the success of the evaluation
- Clarification of the purpose of IE and of the process for all stakeholders
- Identification of one stakeholder who will act as liaison officer for the evaluation
- Fine-tuning of the methodology to be used
- Agreement on a timeline, the scope of the IE, the key stakeholders to be interviewed
- If appropriate, agreement on a sample of projects to be included in the evaluation, or on the criteria for selecting such sample
- Identification of area of special concerns
- Identification of the need for specialist inputs to the evaluation
- Availability of information and documents to the evaluation team on a timely basis.

To obtain these outcomes:



Preparation of the meeting

- Send a formal fax of announcement of the evaluation
- Organize a pre-meeting of the IE team
- Circulate a brochure explaining the IE methodology, its purpose and the processes involved
- Send an Agenda for the Kick Off Meeting
- Circulate a list of invitees in advance
- Read documentation available and, if existing, previous IE reports

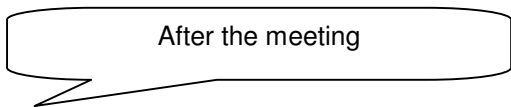


Key issues during the meeting

- Stress a participative approach
- Be prepared to explain and illustrate the IE process to the meeting
- Target consensus rather than acceptance
- When organising timelines, factor in the likely delays such as holidays, public holidays, etc and make sure it is realistic

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- When the cluster of programmes is very large, take the time to discuss with the stakeholders how the IE should be structured



- Prepare minutes of the meeting as soon as possible, including the agreed set of documents to be handed over
- **Optional:** Prepare a database of projects / milestones/ documents / contacts and circulate it to the evaluation team and to the liaison person for the evaluation

Most common problems and how to deal with them

Issue	How to deal with the Issue
<p>Poor attendance at the meeting; lack of senior officials</p> <p>When there is a poor attendance at the meeting or where an important programme manager does not attend, the IE plan may be seen not to have the support needed. It is important that a meeting with the programme owner should be held, even if this is separate from the kick off meeting.</p>	<p>Good preparation for the meeting, circulation of the invitees list and the agenda in advance should ensure an adequate attendance so that the meeting can achieve the expected outcome.</p>
<p>IE associated with a blame culture</p> <p>Evaluation in general and interim evaluation in particular is often associated with reporting negative or poor performance and can be seen to lack objectivity.</p>	<p>A clear explanation of the approach to IE and the reporting style should emphasise the objective of the IE and the aim for balance in reporting.</p>

Step 2: Documentation Review and Meeting (Annex 3)

Definition of the Documentation Review

The documentation review is an important part of planning the field work for the IE. It confirms the feasibility of the IE and enables the evaluators to begin to consider the different options for the collection of supporting information for the IE findings.

The documentation review is made in a short period following the kick off meeting. It is the initial stage during which all available documentation is collected, analysed and indexed. It can be concluded by a meeting with stakeholders during which, the

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decision is taken whether the information base is sufficient to start the interim evaluation field work.

The outcome of the Documentation Review should be:

To identify and confirm availability of important data and facts:

- Documents on strategic / policy / Sectoral background
- Documents relevant to the acquis components linked to the programmes
- Documents on projects (Terms of Reference, inception and other reports)
- Public sector / ministerial responsibility including any variation from original design
- Monitoring Reports

To review relevant Monitoring Reports and provide authors with constructive feedback

- Review the monitoring report to gain an understanding of programme processes and expected results milestones.
- Suggest ways in which monitoring could be improved.

To decide whether the information base is sufficient for starting the Interim Evaluation

- Consider the completeness, accuracy and validity of available data sets needed for the IE
- Identify any missing information and consider its impact on the IE

To prepare the basis for interviews / surveys, provide answers to elementary questions of the IE

- Identify potential interviewees
- Identify the need for surveys and the target survey audience
- Interact with stakeholders to respond to queries about the IE and build support

To obtain these outcomes:

- Use the Kick Off meeting to launch precise requests for information
- Set up the working files, prepare a personal filing system and documentation listing
- Make an early and detailed request for information from the appropriate data owners
- Distinguish important information from less essential information
- Take the time to analyze the monitoring report in a critical but constructive way and write down a short detailed review of this analysis
- Prepare checklists of questions for interviews and surveys, where required
- Prepare project fiches with basic project data

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Most common problems and how to deal with them

Issue	How to deal with the Issue
Lack of timely delivery of documents No matter how much advance notice is provided, it is quite common for evaluators to face delays in the receipt of the documentation requested. This can have a knock-on effect for the conduct of the IE.	Problems with the availability of documentation should be raised at the kick-off meeting so that they can be dealt with quickly.
Data validity issues over the documents presented, for example Redundant or missing information Conflicting information from different sources Confusion between actual performance versus planned activities Proper access to management information or corrective actions	The Evaluators weigh up the potential impact of deficiencies in the data and information presented to them. It is particularly important to discuss any data deficiency issues with senior officials.

Step 3: Interviews (ANNEX 4)

Definition

Most IE require a series of meetings with key players to inform the findings that will emerge. These meetings are often held in a mission (i.e. a series of meetings will be held within a short space of time). The meetings can be face-to-face or by telephone with stakeholders using a semi-structured set of pre-determined questions. The questions asked are usually developed during the documentation review and from key findings of previous evaluations

The outcomes of the interviews should be:

- To widen understanding of the factors influencing projects results, impact and sustainability
- To understand the perspective of the interviewees, and the factors driving their decision making that affects the projects.
- To provide a more balanced and accurate information base, which includes facts but also opinions and ideas derived from these facts
- To strengthen the participatory aspects of IE
- To identify good illustrations of the scale and quality of the results

To obtain these outcomes:

Preparation of the meeting

- If a sampling of projects is needed, agree the selection criteria with the key stakeholders at the kick off meeting or at the end of the document review phase
- Prepare an interview schedule, and distribute it in advance of the mission
- Plan to interview a wide range of stakeholders, and also relevant stakeholders not directly involved in the programme (e.g. NGOs, SMEs, potential end-beneficiaries)
- Make a conscious choice between individual and collective interviews, knowing the advantages and disadvantages of each solution: collective interviews allow for brain storming and confrontation of opinions, but are less suitable for the discussion of more sensitive issues and expression of controversial opinions;
- Prepare a list of questions, preferably a semi-structured interview guide which is based on the key evaluation questions which have been identified at the previous stages. The same guide should then be used for all interviews in order to facilitate cross-checking of responses / opinions and identify trends (this is particularly important when interviews will be carried out by a team of more than one evaluator)
- Prepare a standard introduction, re-explaining the purpose of IE and the objectives of the meeting
- Review carefully all relevant documents

Step 4: Surveys

Definition

A survey is the sending of a structured or semi-structured questionnaire (or a series of telephone interviews) to a selected group who may or may not be representative of a wider target audience. Surveys enable the evaluator to gather more data efficiently, but of a more standardised form, than what would be possible through interviews.

The outcomes of the survey should be:

- To obtain a large data basis, adequate for descriptive statistical purposes, in order to confirm understanding of the factors influencing projects results, impact and sustainability
- To identify trends in performance
- To identify good illustrations of the scale and quality of the results

To obtain these outcomes:

Preparation of the survey

- Check that the sample target groups selected for the survey are representative by checking criteria with key stakeholders
- Prepare a questionnaire and test it over a small sample; if possible, organise a workshop to fine tune the questionnaire
- Limit the number of open questions in the questionnaire
- Prepare a very clear accompanying letter, preferably signed by a senior official
- Emphasise the confidentiality of information provided to the evaluators.
- Plan sufficient time for survey responses
- Plan resources in your team for follow up the survey and for data entry
- Define your survey target in terms of rate of responses (depending on the topic and the characteristics of the sample)

Survey analysis

- Follow up the survey until you have reached your target rate of response
- Process to data entry with double check for quality assurance
- Use only descriptive statistics and at most non-parametric/ distribution free tests of hypotheses
- Avoid the use of terms such as “correlation”, which are reserved to parametric statistics and have a precise statistical definitions for all analysis made.
- Be very careful in the use of the results and in the type of conclusions made. These should always be in line with the original key issues that were to be tested
- Exploit the survey to give illustrations of typical or exceptional events

Step 5: Writing the Core Evaluation Report

Note: Before writing the core evaluation report, it is worth listing the preliminary conclusions and then reflecting on these in the light of the evaluation questions and the key findings of previous evaluations.

Definition

The core evaluation report is a concise, clear and unambiguous description of sectoral strengths and weaknesses in respect of the five evaluation criteria; a statement of concise, clear and unambiguous conclusions about Sectoral performance during the

evaluated period, and an assessment of likely future performance. The report also provides specific, relevant, achievable and clearly targeted recommendations.

The characteristics of a well-written report include:

- A good structure, reflecting the way the evaluator has clustered the projects;
- No gaps: the evaluation criteria should be worked through in the same way for each cluster of projects;
- Conciseness and precision, whereby the use of words such as “appears to be”, “seems”, or “apparently” is avoided, and generalisations are avoided but concrete examples are given to illustrate issues;
- Short sentences, with one idea per sentence;
- Simple and unambiguous wording;
- Coherence between analysis and conclusions.

What should the content of the report be?

The core of the report is the evaluation of each cluster of projects, with respect to the agreed evaluation criteria (at present relevance, efficiency, effectiveness, impact and sustainability). The evaluation forms the basis for sector evaluation, the rating, the conclusions and recommendations at sector level.

The prerequisites to a good evaluation report are:

To interpret correctly the meaning of the evaluation criteria

To use properly the information gathered during the previous phases of the evaluation

These 2 points are detailed below for each of the current five evaluation criteria.

A) To interpret correctly the evaluation criteria, a series of key evaluation questions

Relevance: Programme design relevance before and during implementation?

There are 4 main aspects involved in the evaluation of relevance:

- (i) the extent to which a proper *needs analysis* has been conducted;
- (ii) the quality and comprehensiveness of the *logical framework*;
- (iii) the level of development of *indicators*;
- (iv) the extent to which *relevance is being followed up*.

Needs analysis

- Is the project/cluster relevant to the current needs and capacities of the sector and the stakeholders
- Are the objectives clear and specific
- Are the beneficiaries clearly identified

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- Are project implementation responsibilities clearly identified

Logical framework

- Are the expected results clearly defined and relevant to the objectives?
- Are the planned activities well targeted to the expected results
- Are risks and assumptions identified?

Indicators

- Have process indicators been defined? (Is it clear how implementation progress will be monitored, i.e. are milestones of project implementation (activities to be performed) defined and time-bound?)
- Have results indicators been defined? (Is it clear how the achievement of immediate objectives will be measured)
- Have impact indicators been defined? (Is it clear how the achievement of the wider objectives will be measured)
- Have the conditions necessary to ensure sustainability of the achievements been identified, and are these conditions being monitored?

Follow up of the relevance

- Has anything happened during the reporting period to make the project more, or less relevant?
- Is project design being kept up-to date to take account of the changing project environment?

Efficiency: How were resources/ inputs transformed into outputs?

There are 2 main aspects in the evaluation of efficiency:

- (i) management
- (ii) measure of process indicators and analysis of variance

Management

How well are the project resources (i.e. money, staff, consultants, equipment, etc.) converted into output? Consider here:

- Co-ordination
- Co-operation
- Monitoring
- Financial management
- Time management
- Stakeholders performance (in the above)
- Contractors/ twinned performance (in the above)

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Measure of the Process indicators, which give an indication of implementation progress

The process indicators are the milestones defined in project implementation, in terms of activities and in terms of disbursements. Ideally, there should be milestones defined and the monitoring exercise should allow for identification of any variance from the plan. The evaluation then consists in the identification and discussion of the factors having caused variance, which can be, for instance:

Management as described above

External influences on project implementation (e.g. changes in senior management, changes in procedures, problems with original design)

Note: Whilst in many cases the process indicators are not explicitly described as indicators, there is always an activity plan from which they can be derived. It is a relatively simple matter to identify the plan of activities and check whether it is being held. If this has not been pin-pointed during the monitoring process, and reflected in corrective actions recommended by the monitors, the evaluators can also add value in designing a clear timeline of implementation with key milestones, which can be used for project monitoring.

Effectiveness: Are the Immediate Objectives being achieved?

Effectiveness can be broadly described as the measure of achievement of the projects immediate objectives. It is at the core of the interim evaluation and is amongst the most difficult issues. In order to measure properly the achievement of immediate objectives, the latter need to be expressed very clearly in terms of milestones.

Ideally, results indicators should exist and be reported on in the monitoring report. Their measure could be the basis for the evaluation of effectiveness. In the absence of clear immediate objectives and measurable results indicators, the task of the evaluator becomes more difficult and a larger part is left to its subjectivity. However, this does not make the exercise less valuable. On the contrary, it is the task of the evaluator, to put up with the absence of indicators, and he can do so as follows³:

- develop a few simple key results indicators which can be used to judge effectiveness, either by breaking down the immediate objectives into subsets of which the achievement can easily be identified;
- use Sectoral key performance indicators of results as provided in the Means collection Volume II. Examples drawn from Means are included in Annex 1.

³ Examples of both methods are provided in the Section : Case Studies and Practical Examples. Further examples in the Training Package on Monitoring and evaluation Indicators

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Where the project is at an early stage, an assessment of its likely effectiveness can be made on the basis of current indications such as:

- The performance of stakeholders in the implementation of other on-going projects;
- Institutional stability of the stakeholders;
- Relevance of the project;
- Positive or negative influence in the project environment;
- Expected key political changes.

Impact: What is the reach, and have the wider objectives been achieved?

The impact criterion is difficult to use in the context of Interim Evaluation, because the programmes / projects are usually still under implementation. Therefore, evaluators should rather seek to (i) assess the likelihood of impact, and, if appropriate, (ii) make recommendations to develop the information basis which is going to be necessary to evaluate impact in the scope of ex-post evaluation.

To assess the likelihood of impact, several factors need to be taken into account:

- the logical chain (wider objectives- immediate objectives – results – activities) as laid down in the logframe, i.e. the quality of the programme / project design;
- the current stage of implementation;
- the evaluation of efficiency and effectiveness;
- the influence of the environment (political, economic, legislative, social,...)

To make appropriate recommendations for the development of a good information basis for impact evaluation, the evaluator can use the following methodologies, similar to those described above for the evaluation of effectiveness:

- develop a few simple key impact indicators by breaking down the wider objective into subsets of which the achievement can easily be identified; In practice, gathering relevant data to measure the value of the indicator will require the planning and implementation of impact studies which should be carefully designed and regularly conducted during implementation, so as to gather the data needed for a dynamic impact analysis.
- use Sectoral key performance indicators of results as provided in the Means collection Volume II. Examples drawn from Means are included in Annex 1.

Sustainability: Will the benefits be sustained when the intervention stops?

Sustainability too is a criterion difficult to use in the context of Interim Evaluation, because the programmes / projects are still under implementation. Therefore, evaluators should rather seek to assess the likelihood of the sustainability of the results achieved.

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To assess the prospect for sustainability, it is necessary to identify clearly which specific results **need** to be sustainable. It may well be that some of the immediate results are interim in nature, that need to be achieved at a point in time but are not required to be sustainable. This is less true with the results associated with achieving the wider objectives. These results are expected to have a more permanent nature.

Issues affecting sustainability need to be reflected upon based on the nature of these results, but some of the generic issues are:

- will financial resources be necessary to maintain the results achieved, and is it likely that these resources can be funded?
- will qualified human be needed to maintain the results achieved, and can these be provided for?
- is the environment supportive? (by environment, it is meant the social, economic, political, legislative environment)

B) To use properly the information gathered during the previous Steps of the evaluation

The Core Evaluation Report uses all the information gathered to date form a basis for the interim evaluation, according to the evaluation criteria as described above. The following is a check list of all information means and how these can be used in order to come to a correct interpretation of the evaluation criteria.

Evaluation Criteria	Information base	Comments on use for the Evaluation
<ul style="list-style-type: none"> • Relevance, Needs analysis: • Project relevant to current needs and capacities of sector and stakeholders? • Programme/project design: • Objectives clear and specific? • Beneficiaries clearly identified? • Projects implementation responsibilities clearly identified? 	<p>Project documentation, Field interviews</p>	<p>To evaluate the clarity of objectives, it is useful to make a critical review of the logframe, and rebuild the problem tree.</p>
Relevance, logframe	Programme documentation, logframe	See above
Relevance, indicators	Programme documentation, logframe	See above

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Evaluation Criteria	Information base	Comments on use for the Evaluation
Follow up of relevance	Field interviews	Do not forget to include the relevant questions in your semi-structured questionnaire
Efficiency, management	Implementation documentation, Field interviews	See above
Measure of the Process indicators	Work plan, implementation and disbursement schedule or any similar document Monitoring report	Ensure conclusions based on indicators are valid.
Effectiveness Indicators of results	Field interviews Surveys Monitoring report, Project implementation documents	If none of the available documents provide indicators, you may need to develop some.
<ul style="list-style-type: none"> • Effectiveness for projects at an early stage • The performance of stakeholders in the implementation of other on-going projects • Institutional stability of the stakeholders • Relevance of the project • Positive or negative influence in the project environment • Expected key political changes 	Same as above	
<ul style="list-style-type: none"> • Impact indicators of achievement of wider objectives 	Field interviews Surveys Monitoring report, Project implementation documents	
<ul style="list-style-type: none"> • Impact likelihood • quality of intervention logic • current stage of implementation • evaluation of efficiency and effectiveness • influence of environment 	Same as above plus draft IE report	

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Evaluation Criteria	Information base	Comments on use for the Evaluation
<ul style="list-style-type: none"> • Sustainability likelihood • Financial resources • Human resources • Environment supportiveness 	<p>Same as above plus policy and strategy documents relevant to the sector</p>	

Step 6: Drawing Conclusions/ Recommendations

Definition of Conclusions

Conclusions are the salient points, the messages the evaluator wishes to convey, and the basis for recommendations that need to be made, emerging from the evaluation. Conclusions must be constructive and should never point out to any one individual. They should flow naturally from the core evaluation report.

Definition of Recommendations

Recommendations are actions that need to be taken to put a project/programme back on track or issues which will require to be considered in future programming. Recommendations must be constructive and should never point out to individuals.

The key characteristics of good Conclusions and Recommendations

Conclusions need to be clearly based on the evidence gathered and clearly support the rating.

Conclusions should be formulated in such a way that recommendations can be easily related to them and be clearly understood.

The conclusions **are not** a summary of the evaluation findings. They should be based on the evaluation findings, but establishing the link to recommendations. They should be what the reader will remember from the report. Therefore, they should be written in a very concise and clear way.

Recommendations need to be timebound and should identify who will progress them.

A recommendation should ideally be broken down into its logical implementation steps.

The evaluator must ensure that recommendations can indeed be implemented. Therefore, generic recommendations should be avoided (e.g. change the Phare rules, etc.).

Furthermore, the evaluator should try to track down the causes of problems rather than its effects. In doing so, he will also formulate recommendations which genuinely address these causes. This will be facilitated by the organization of an informal debriefing (see below).

How to write Conclusions and Recommendations

Ideally, the evaluator builds conclusions and recommendations whilst writing the core evaluation report. The most frequent problems are:

- not all the relevant points are taken into the conclusions
- the same conclusion is written in several different ways.

In order to avoid such issues, it is recommended that conclusions should be developed whilst preparing the core evaluation report. For each point written in the core evaluation, against a DAC criterion, the evaluator should reflect on whether a conclusion emerges. He will in this way build a initial list of conclusions which will then need to be tested and refined.

When the conclusions have been clearly formulated, the evaluator should take each of them and decide whether a recommendation needs to be attached, or not. While not all the conclusions need to be translated into a recommendation, in a good report, all recommendations will flow from the conclusions.

Once the list of recommendations has been prepared, the evaluator should:

- Check that they address the cause of problems identified in the conclusions
- Check that there is no duplication or contradiction
- Check that all the actions proposed are in line with applicable rules and regulations
- Check that the recommendation is logically split into implementable actions, and that an addressee and a timeframe has been attached to it.
- Prioritise recommendations and limit the list to 5-10 key recommendations rather than listing numerous less important recommendations

Step 7: Informal Debriefing with stakeholders

Definition

An informal debriefing is a meeting organised with the key stakeholders in order to present the results of the evaluation and the draft recommendations to them.

Once conclusions have been reached and recommendations formulated, the practice to call for an informal debriefing with all stakeholders, and particularly those to whom recommendations are addressed, has developed increasingly over the past few years. These meetings are an important part of the overall IE process as they communicate the progress of the IE to stakeholders in good time, avoid embarrassing surprises later on and enrich the finalisation of the reports.

The addition of the opportunity to exchange views and brainstorm on the adequacy of recommendations increases ownership and transparency of the IE process.

What should the outputs of an informal debriefing be?

- Identify where conclusions are off target
- Identify recommendations that are inappropriate or unrealistic and therefore unlikely to be accepted and implemented
- Prepare stakeholders for critical or unfavorable conclusions before they are widely circulated
- Reach a consensus view or agreement on an understanding of conclusions and recommendations
- Increased ownership of the final report by stakeholders at the outset.

How to obtain the desired outputs

The informal meeting should be organised in the form of a workshop. The supporting material should not be the draft report but a special presentation summarising the key findings, conclusions and recommendations. Participants need to be reassured that their opinion and knowledge is respected and is taken into account. Accordingly, the debriefing meeting establishes the final direction of the IE report and there should be little need to significantly modify the report following the meeting. However, the evaluator has to stay independent and not be influenced by subjective comments of the stakeholders.

Step 8: Writing the Abstract and Executive Summary

Definitions of Abstract and Executive Summary

ABSTRACT: a stand alone document that is a very brief summary of the key findings, conclusions and recommendations that gives a flavor of the evaluation results, for wider circulation outside the stakeholders.

EXECUTIVE SUMMARY: a summary of the key findings, conclusions and recommendations with sufficient detail to provide the reader with an understanding of how the rating and overall conclusion has been reached, and insight into specific strengths and weaknesses, but without supporting details. It is aimed at the hierarchy of the stakeholders.

The key characteristics of a well written Abstract / Executive summary

- A concise: maximum 5-6 pages for the Executive Summary, 1 page for the abstract.
- Well structured: should follow the structure of the main report.
- Easy to read: use short sentences, avoid abbreviations and acronyms.

The main difficulty is to identify which are the key issues/ conclusions to be included. For that reason, it may be easier for someone else (e.g. the quality reviewer) than the report's author to write these documents.

The abstract should be written before the Executive Summary. Both documents should always be reviewed by an independent person to ensure that they are an accurate reflection of the main report, and do not include new information.

**Steps 9: First Draft of the Report and Step 10: The Commenting Phase
(ANNEX 6)**

Definition

The first draft is the version of the report which is formally circulated to stakeholders for comments. The commenting phase (also referred to as the exposure period) is the period during which all stakeholders are invited to comment on the draft report.

The key issues for these two steps are:

All key stakeholders should receive the report on time, and should be prompted to provide their comments on time.

Sometimes, more than one set of comments is received from the same institution, and they contain contradictions. It is therefore essential to request, up-front, that a single set of consolidated comments, representative of the institution rather than of specific individuals, is provided by each institution.

Comments relating to reports that contain negative conclusions are often voluminous and aggressive. It is essential that the evaluators are trained to not take these comments personally and to learn to handle them as constructively as possible, stressing to the authors of such comments the distinction between an interim evaluation and an external audit.

Proper responses to comments received should be formally prepared by listing them in a comments table. The comments table should list every comment and provide an explanation of how the comment has been dealt with and in particular, whether it has been incorporated in the report, or not. This should not be circulated back to stakeholders because a) it may contain sensitive information and b) it may result in further comments.

Step 11: Issue the Report and Step 12: Debriefing (ANNEX 7)

Definition

Step 11 is the formal issuing of the finalised, approved report to the main stakeholders

The debriefing (Step 12) is a formal meeting held approximately one month after the report is issued, involving the evaluators and senior decision-making representatives of institutions to which recommendations have been directed, and other key stakeholders such as the National Aid Co-ordinator and the European Commission

DEVELOPING EFFECTIVE MONITORING AND INTERIM EVALUATION INDICATORS

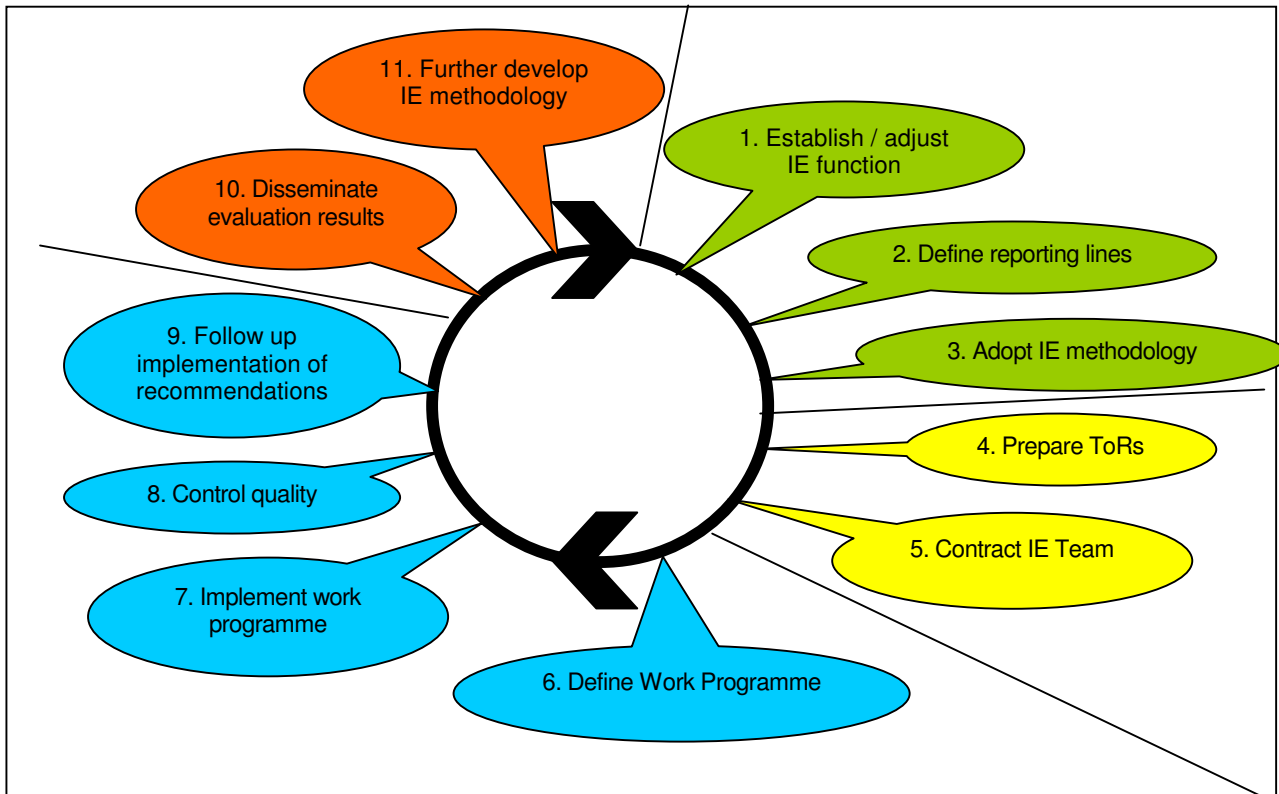
Delegation. The objective of the meeting is to review progress towards implementation of the recommendations contained in the report.

The key issue is to ensure that the report is promptly distributed - otherwise it loses its relevance.

The key characteristics of a good debriefing meeting should be

- It should take place no more than a month after issuing the final report
- The participation of sufficiently senior decision-making representatives of institutions to which recommendations are addressed, should be ensured.
- The meeting should be organised in a flexible and constructive approach, like the informal debriefing.
- The chairman of the meeting has to be instructed to ensure the meeting does not last too long, and not to allow participants to become bogged down in irrelevant details.

A Step-by-Step Guide to the Management of Interim Evaluation



Purpose of Chapter 2

The purpose of this Chapter to present the practical aspects of establishing, developing and supervising of Interim Evaluations (IEs). This Chapter intends to take the reader into the practice of the management and capacity building for IE. It focuses on the basic aspects of the IE management function.

Phase 1: establish the IE function

Steps 1 to 3: Establish IE function; Define reporting lines; AdApt IE methodology

General

The development of evaluation capacity, the definition of reporting lines and the identification of appropriate evaluation methodologies are at the centre of the work currently undertaken by the Evaluation Advisory Group. Accordingly, it is fitting to begin the step-by-step management guide with these three important tasks. These themes will be developed gradually under this framework, and the results of the working group sessions will be used to determine outlines, trends and practices that may be useful to the new Member States. It is also foreseen that the action plans for the Extended Decentralised Implementation System (EDIS) currently drafted by the candidate countries will contribute to clarify these issues. In addition, the present Guide includes an Annex that gives additional information on those topics (See Annex 23).

Interim Evaluation

In terms of creating an IE function; the new Member States will have to set up an adequate evaluation system for the EDIS system. The comprehensiveness of the system will be essential in the context of sound and efficient financial management since it gives a much clearer insight into the performance and implementation of programmes funded from public sources. Corrective actions can be introduced more timely and necessary redirections or even closure of badly performing programmes can be accomplished much quicker helping either to save tax payers money and to use tax payers' funds more efficiently.

Phase 2: prepare terms of reference and contracts

Step 4: Prepare IE Terms of Reference (ANNEX 10)

Definition

The IE terms of reference is a document setting out the objectives of the IE contract, the activities to be performed by the IE team and the expected outputs, the resources he will be required to allocate, and the indicators which will be used to measure his performance. The terms of reference are based on the logical framework defining the IE function and is the key tendering and contractual document.

The key objectives of preparing the IE Terms of Reference are:

- To provide a definitive statement of the scope and objectives of the proposed interim evaluation.
- To provide a comprehensive description of expectations so that tenderers can respond with adequate technical and financial proposals.
- To provide a solid contractual basis for the engagement of contractors
- To serve as a final source of reference for the terms of the IE engagement

To achieve this objective, the Terms of Reference should have the following key characteristics:

- Be based on the logical framework methodology and on the mandate of the IE function
- Take realistic account of the financial resources available for IE implementation
- Provide sufficient information as to the profile of evaluators
- Be comprehensive and well structured
- Be agreed by the stakeholders

*Be based on the logical framework methodology and on the mandate of the IE function;
Take realistic account of the financial resources available for IE implementation;
Be comprehensive and well structured.*

- Terms of reference should reflect the mandate of the IE function
- Objectives, inputs, outputs and indicators should be clearly defined
- The drafter of the Terms of Reference should ensure that outputs bear reference to inputs and that sufficient information is given to the tenderers to shape the scope of the IE team

Agreed by all stakeholders

Prior to issuing the tender, it is recommended that all concerned parties should be informed and distribute the terms of reference for comments. Should there be any comments or disagreement, it will be up to the IE manager to deal with them.

Most common problems and how to deal with them

Issue	How to deal with the Issue
<p>Difficulty to match needs and resources</p> <p>The scheduling of IE can often lead to resource allocation problems, especially where specialist expertise may be needed.</p>	<p>This is a matter of managing priorities.</p>
<p>Difficulty to develop indicators</p> <p>The development of suitable indicators is usually the more difficult aspect of the preparation of the Terms of Reference.</p>	<p>Indicators should be kept realistic and should be subjected to the SMART test.</p>
<p>Secure the agreement of stakeholders</p>	<p>A good Terms of Reference document facilitates agreement of all stakeholders to the IE. Transparency rather than full consensus should be aimed for.</p>

Step 5: Prepare IE contract

When the Terms of Reference are finalised, the IE function must allocate the appropriate staff resources to perform the IE. Of key importance is the selection of the Team Leader. In some cases specialist expertise may need to be brought in on contract. There should be established procedures in place for this. Accordingly, this step does not need to be detailed in this guide.

Phase 3: manage the conduct of the interim evaluation

Step 6: Define Work Programme (ANNEX 11)

Definition

The IE Work Programme is the planning of all Interim Evaluations for a cycle – generally one year. It usually follows the cycle of Sectoral Monitoring Sub Committees (SMSCs).

The key objectives of the work programme are:

- To provide for a management of the IE process, both from the point of view of the IE team and from the point of view of the IE managers in the national administration.

DEVELOPING EFFECTIVE MONITORING AND INTERIM EVALUATION INDICATORS

- To provide information that can be used to inform management decisions concerning the performance of a programme or project.

To achieve these objectives, the key characteristics of the Work Programme should be

- Meeting the needs of all stakeholders
- Taking account of the resources of the IE team and providing for realistic time schedule
- Taking account of the resources of the IE managers
- Comprehensive and well structured
- Agreed by the stakeholders
- Timing to meet the needs of SMSCs

Meeting the needs of stakeholders

- Set up a meeting to review the list of all programmes under implementation, the evaluation reports and the key recommendations with IE team
- Define the list of clusters of programmes requiring evaluation according to IE methodology.
- Get the IE team to check with stakeholders the stage of implementation of programmes to further define the clusters.

Taking account of the resources of the IE Team

- The IE team should assess the list against its resources.
- This assessment should take account of the time (man days evaluator + man days short term technical expertise) needed to complete each report, plus quality assurance and overall management.
- Following revision, a list of priorities will need to be established, in case resources needed exceed resources available
- A realistic provisional time schedule for implementation of IE work programme should also be drafted.

Taking account of the resources of the IE manager

- The list provided by the IE team should be assessed by the IE manager against its own resources.

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- This assessment should take account of the time required from the IE manager to check the quality of each report and for monitoring overall implementation.
- Following revision, a list of priorities will need to be established, in case the resources needed exceed those available

Comprehensive and well structured

- The Work Programme should contain a text part describing the work to be done, the expected outputs and an overview of time planning.
- This text should be completed in a standard word processing package (e.g. MS Word) with technical annexes in Excel, MS project or any other format providing for comprehensive and easily accessible information on time scheduling.

Agreed by all stakeholders

- Prior to giving the green light to the IE team to start implementation of the work programme, it is recommended that all concerned parties should be informed by distributing the final work programme to them. Should there be any comments or disagreement, it will be up to the IE manger to deal with them on a case by case basis.

Most common problems and how to deal with them

Issue	How to deal with the Issue
Difficulty to match needs and resources The scheduling of IE can often lead to resource allocation problems, especially where specialist expertise may be needed.	This is a matter of managing priorities.
Difficulty to adjust timelines Once the schedule of IE for a year has been made it can be difficult to change the planning timing of evaluations without a major disruption of the entire planning process.	Due regard for slippage and slack periods should be made in time scheduling.
Large clusters, small clusters	The impact of the size of the cluster and potential complexity should be reflected in time / resources needed.
How to plan thematic and ad hoc evaluations?	These need specific timelines and specific ToRs

Step 7: Implement Work Programme

Definition

**DEVELOPING EFFECTIVE MONITORING AND INTERIM
EVALUATION INDICATORS**

The Implementation of the work programme is mainly concerned with contract management and the monitoring of the IE process.

Tasks regarding the contract management include:

- make sure that evaluations are designed, contracted, launched and implemented in due time;
- follow the progress of evaluation activities throughout the year;
- ensure that the planned resources are mobilised as initially foreseen;
- ensure regular coordination with the contractor, and request regular progress reports on financial as well as physical aspects of the contract;
- adjust the work programme should an urgent need for evaluation occur or circumstances change;
- draw on lessons from implemented work programmes in order to prepare the next ones.

Tasks regarding evaluation monitoring include:

- to organise kick off meetings introducing the evaluation process to key stakeholders and establishing first contacts between these stakeholders and evaluators;
- to facilitate actual cooperation between key stakeholders and evaluators and arbitrate conflict situations that may eventually arise from tensions between stakeholders and evaluators;
- to facilitate the evaluators work, notably by giving them access to relevant information
- to make sure that evaluations develop according to agreed timelines;
- to receive and deliver comments on first and final draft evaluation reports;
- to organise commenting process with other key stakeholders on these draft reports;
- to ensure quality control;
- to organise relevant debriefing workshops;
- to make sure that evaluations final results are disseminated to relevant people;
- to develop means contributing to final evaluation results being taken into account into decision-making.

Step 8: Control quality (ANNEX 12 & 13)

Background

The evaluation authority should supervise the overall IE process and control the quality of the evaluations performed. There is no uniform system of professional certification anywhere in the world institutionalising quality criteria in this area. The evaluation authority should therefore develop their own quality standards with the aim of:

- (i) making sure that evaluations adopt a structure that meet the needs of the main evaluation stakeholders, and
- (ii) addressing all the planned issues in accordance with agreed evaluation criteria.

Regarding the content of evaluation reports, it is widely recognized by professional evaluators that:

- evaluation reports should follow agreed evaluation methodologies;
- indicators of achievement should be used to assess the performance of the programme(s) under evaluation;
- evaluation reports should be based on reliable and comprehensive factual basis and understanding of the sector/programme under evaluation;
- evaluators should be able to draw well justified, impartial, fair, and coherent conclusions;
- these conclusions should provide value judgements based upon evaluation criteria agreed prior to the commencement of the evaluation;
- recommendations should follow logically from conclusions, be useful, operational, target relevant stakeholders; be accompanied by an indication of timing;
- When required, specialist input should be introduced in the evaluation process to ensure the accuracy of the analysis. **Specialist inputs require necessary technical back-up.** This specialist input should be properly reflected in the evaluation report.

Regarding the way evaluation reports are presented/ published:

- a good evaluation report should be clear and understandable even by non-technicians;
- evaluation reports should include a good executive summary or abstract as a separate and stand alone document.
- evaluation reports should be published on time;

Practically, evaluation managers should also:

- Check overall conformity of structure of the report, annexes, abstract and executive summary;
- Check dates;
- Check whether authors of the report are inserted in the report;
- Check if totals are adding up in tables of financial figures;
- Write down the acronyms whilst they appear and check whether they are all in the table of acronyms. Avoid proliferation of acronyms;
- Read abstract and executive summary twice: once before having read the report, in order to check whether they are stand alone documents, and a second time after having read the report, in order to ensure whether they cover the key points of the report;

Step: 9: Follow up of recommendations (ANNEX 14 & 15)

Background

The entire evaluation process must be geared towards maximizing the benefit obtained from the evaluation results.

Evaluation recommendations should be used:

- to improve programme management or programme design;
- to take account of the lessons learnt;
- to support argumentation in the framework of policy development discussions.

Therefore it is recommended that each interim evaluation is systematically followed up to ensure that its recommendations are taken up.

This follow-up requires the following actions:

- the establishment of an early warning system when issues are detected during the course of the evaluation that need urgent attention by stakeholders. If the evaluator finds irregularities or an urgent need for corrective actions, this should be reported immediately to the evaluation authority;
- the dissemination of the results of individual interim evaluations, including debriefing meetings focusing on the means and the timing of implementing the recommendations with the relevant stakeholders and, where appropriate, thematic or country summary dissemination seminars organised by the evaluation authority.
- the development of a follow-up procedure checking the progress made in implementing evaluation recommendations. For instance, 'recommendation follow up tables' describing the actions to be taken by each stakeholder to

implement the recommendations, can be filled in during debriefing meetings, endorsed by the main stakeholders, and reviewed on a regular basis to assess the progress made.

- the production of consolidated reports reporting and analysing the performance of the IE function and key evaluation results produced during the year.
- The maintenance of relevant websites giving access at different levels to different end-users to: evaluation reports, summaries/abstracts, databases providing statistics based on evaluation works, and various information services.

Two types of dissemination

1. Dissemination amongst the main stakeholders concerned by the evaluation:

The evaluators must be prepared to report on evaluation findings at any time of the evaluation process, notably at the end, during a debriefing workshop;

This involves distributing a full copy of the final version of the evaluation report to these stakeholders who were consulted during the commenting phase of the report.

2. Dissemination to the 'public audience':

There is a wide range of practice across the EU Member States and the extent of wider distribution of evaluation reports, ranging from the non-publication to the public audience, up to the full publication of evaluation reports to the public at large, typically through websites. As a balance, it is recommended to publish the executive summary or an abstract of the report (without rating) on a web site with different levels of information accessible to different range of potentially interested persons/institutions.

Overall, various issues should be given consideration:

- Whether to publish the final report, or not?
- Why publish?
- Who should be involved in the 'internal' and 'external' dissemination list?
- What sort of information should be published? (e.g. conclusions, a summary etc.?)
- Which media should be used for dissemination purposes? (e.g. Internet, distribution of hard copies of the report, access to the information on an intranet?)
- When should evaluation results be published? (deadline)?

These issues should be given consideration prior the start of the Evaluation process. Dissemination can be actively planned and managed by the Evaluation function in:

- the reporting requirements of evaluations' terms of reference;
- through agreed diffusion plans for each evaluation;
- or through a notified communication policy.

Phase 4: disseminate results

Step 10: Disseminate Evaluation Results and step 11: further develop IE methodology

Background

A feedback mechanism appropriate for communicating evaluation results effectively to management and relevant stakeholders needs to be put in place. This mechanism should contribute to policy formulation and planning, and to the dissemination of lessons learned and good practices to other actors. Furthermore, it should be used for developing and improving the evaluation methodology. If an evaluation is to add real value in the institutional and decision-making process, its conclusions must be disseminated correctly to potential users.

Section

2

INTERIM EVALUATION SERIES

**A MANUAL FOR DEVELOPING
EFFECTIVE MONITORING AND INTERIM
EVALUATION INDICATORS**

INTERIM EVALUATION SERIES

**A Manual for Developing Effective
Monitoring and Interim Evaluation
Indicators**



Introduction

Purpose of this Chapter

The general purpose of this Chapter is to introduce this manual on Developing Effective Monitoring and Interim Evaluation Performance Indicators. The manual has been produced to provide a source of practical material to assist decision makers and evaluators in the new Member States in the effective implementation of programme monitoring and interim evaluation activities.

Learning Outcomes

By the end of this Chapter, you should

- Understand the objectives and scope of the manual;
- Know the intended audience for the manual;
- Understand how the manual is organised and intended to be used.

Objectives and Scope of the Manual

Rationale for the Manual

The focus of this manual is on the selection and use of performance indicators for the purposes of both monitoring and evaluating policy interventions. While there is a lot of reference material on the theoretical use of indicators, the experience of EMS over the past five years is that there is a deficit in good practice in the use of indicators for both monitoring and interim evaluation.

General Objective of the Manual

The general objective of this manual is to provide a comprehensive source of material on the selection and use of performance indicators for monitoring and interim evaluation.

Specific Objectives of the Manual

The specific objectives of the manual are:

- To propose a methodological framework for the consideration of indicators in programmes and projects;
- To define the different types of indicator and their uses in performance monitoring and interim evaluation;
- To specifically consider indicators for monitoring; and
- To specifically consider indicators for interim evaluation.

Scope of the Manual

The Manual is divided into this introductory Chapter and four working Chapters. Chapter 2 proposes a methodological framework for considering indicators in the context of interventions.

Chapter 3 introduces the general subject of indicators and discusses the different types of indicators that are relevant to monitoring and to interim evaluation.

Chapter 4 is a workbook covering the use of indicators for the monitoring of programmes.

Chapter 5 is a workbook for the use of indicators for interim evaluation purposes.

SAQ1: Why was this Manual produced?

Intended Audience

Different types of indicators are used by different end-users. Accordingly it is important to identify the targeted audience for this manual. In the area of the administration of programme funds in new member states, indicators will be used by all participants in programme management cycle. This includes the funding authorities, programme designers and policy makers, project planners and managers, those responsible for programme monitoring and, not least, the evaluators of programmes and projects. The different participants will use indicators for different purposes. For example, while evaluators will be concerned with indicators of achievement selected to reflect the mix of activities and outputs of a project, programme designers and policy makers will be more interested in key indicators that can be related to context indicators to facilitate benchmarking studies.

The Manual was developed with different target audiences in mind.

In the Candidate Countries or in new Member States of the EU, the manual has been written to assist in the technical establishment of evaluation and monitoring capacity within the Public Administrations. Thus, the primary intended audience includes those responsible for the establishment of a monitoring or an evaluation function in the new Member States. The manual is also expected to be useful for more senior officials responsible for resource allocations for monitoring and evaluation activities. It is also expected to be used by evaluation units to support their recommendations for the selection and use of better indicators by public officials responsible for the design of programmes.

SAQ2: Who should benefit from using this Manual?

Sources of Reference

The Manual has been produced by EMS from the following primary sources.

MEANS Collection, Volumes 2, 3 and 6

EMS Report R/ZZ/PIoA/02.153 Inventory and Improvement of the PHARE Indicators of Achievement

Practical Guide to the Conduct of Interim Evaluation, EMS, December 2003

The PHARE IE Guide, Principles and Procedures of Phare Interim Evaluation

The New Programming Period 2000-2006: methodological working papers – Working Paper 3 – Indicators for Monitoring and Evaluation: An indicative methodology, DG Regio

The New Programming Period 2000-2006: methodological working papers – Working Paper 8 – The Mid-Term Evaluation of Structural Fund Interventions

White Paper on European Governance, Work Area 2, Handling the Process of Producing and Implementing Community Rules – Report of the Working Group Evaluation and Transparency, Group 2b

How the Manual should be used

Design of the Manual

The Manual is designed to be used in a number of different ways.

It has been specifically written to be used as a stand-alone document that readers can use as a self learning text. Each Chapter is presented as a separate subject that can be studied in isolation.

The Manual also forms the basic text to accompany a two day workshop course on performance indicators for monitoring and interim evaluation. Each Chapter is design to be a self contained module on the workshop. The five chapters combine to cover the overall objectives of a practical course on performance indicators.

There are a number of exercises, self assessment questions and workbook activities that are designed to provide the basis for a hands-on learning experience in the selection and use of performance indicators.

Each Chapter concludes with a selected glossary taken from the MEANs Collection, which builds up to a concise reference to the basic terminology of performance indicators in the context of monitoring and interim evaluation.

Self Learning Features of the Manual

The Manual has been designed to be part of the study material for a course on indicators. Each Chapter is a stand alone text that may be studied separately. For each Chapter, you should find:

- Course slides to accompany the text
- The course material (the relevant chapter of the manual)
- Supporting readings, where appropriate
- Exercises
- Suggested answers to exercises

Self Assessment Questions (SAQs)

In each Chapter, you will frequently find Self Assessment Questions (SAQs). These are designed to give you the opportunity to immediately test your understanding of what you have just read. The answers to SAQs are usually taken directly from the preceding paragraphs in the relevant Chapter.

Glossary

At the end of each Chapter, a short glossary of key terms is provided. The glossary is taken from Volume 6 of the MEANS Collection. The full glossary is reproduced at the end of the Manual.

Scope of Evaluation	<i>Precise definition of the evaluation object, of what is evaluated</i>
Policy	<i>A set of different activities (programmes, procedures, laws, rules) directed towards a single goal or general objective</i>
Programme	<i>An organised set of financial, organisation and human resources mobilised to achieve an objective or set of objectives in a given lapse of time</i>
Project	<i>The non-divisible operation delimited in terms of schedule and budget, and placed under the responsibility of an operator</i>
Intervention	<i>Any action of operation carried out by public authorities regardless of its nature (i.e. an intervention could be a policy, programme, measure or project)</i>
Measure	<i>The basic unit of programme management, consisting of a set of similar projects and disposing a precisely defined budget</i>

Answers to Self Assessment Questions

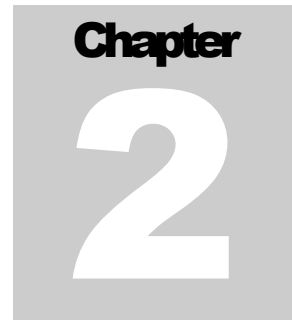
SAQ1: Why was this Manual produced?

While there is a lot of reference material on the theoretical use of indicators, the experience of EMS over the past five years is that there is a deficit in good practice in the use of indicators for both monitoring and interim evaluation. This Manual was produced, as part of an overall training package, to address the deficit.

SAQ2: Who should benefit from using this Manual?

The primary intended audience for the Manual includes those responsible for the establishment of a monitoring or an evaluation function in the new Member States. The manual is also expected to be useful for more senior officials responsible for resource allocations for monitoring and evaluation activities.

The Manual is intended to be relevant to all participants in the programme and project control cycle.



A Sound Methodology

**DEVELOPING EFFECTIVE MONITORING AND INTERIM
EVALUATION INDICATORS**

“Clear rules or standards for all aspects of the quality of an evaluation, in particular a **sound methodology**, reliable data and the balanced presentation of findings, may be even more effective in ensuring objectivity and impartiality than the formal autonomy of the evaluation function ...”

- Report of the Working Group “Evaluation and Transparency” (Group 2b), p24

“The development of comprehensive working methods (**a comprehensive methodological framework**) for the definition of appropriate and good indicators is a major priority to be addressed ...”

*- Inventory and Improvement of the PHARE indicators of achievement,
EMS report R/ZZ/PIoA/02.153, p16*

Purpose of this Chapter

The two quotations above emphasise the importance of a solid methodological basis for the selection and use of indicators. This applies whether you are engaged in monitoring or interim evaluation. This Chapter proposes a methodological framework for the consideration of indicators for monitoring and evaluation. The framework is closely aligned to the 'intervention logic', derived from the Logical Framework approach and Project Cycle Management used extensively by EC Directorates.

The framework proposed was originally articulated in Chapter 3 of EMS Report R/ZZ/PIoA/02.153 titled "Inventory and Improvement of the PHARE indicators of achievement.

Learning Outcomes

By the end of this Chapter, you will:

- Understand the Logical Framework Matrix;
- Understand the use of indicators in the Logical Framework Matrix
- Understand intervention logic and the logical chain;
- Understand the linkages between the indicators of achievement (output, result and impact indicators).

The Logical Framework Matrix

Logical Framework Approach

The logical framework approach is the core tool used for project planning and management in European Union programmes. It is divided between problem analysis and programme design and involves the definition of a programme in terms of the intervention logic, that is, the global objectives, specific project purposes, expected results and the implementation approach. The strength of the logical framework approach is that the analysis undertaken results directly in the definition of objectives and activities that should be undertaken to solve the problem under consideration. The focus on objectives and activities, and the linkages between them is an ideal platform for the development of downstream monitoring systems and of an evaluation framework. This focus is also a necessary underpinning for the selection of indicators.

SAQ1: What is the Logical Framework Approach?

Logical Framework Matrix (the Logframe)

The logical framework matrix (usually shortened to the “Logframe”) is a tool used to assemble the different components of the intervention logic in the programming stage so that the overall integrity of a programme or project can be viewed. The Logframe matrix is an important tool used in the logical framework approach.

The following paragraphs describe the Logframe matrix and are taken from the Project Cycle Management (PCM) Handbook.

The logical framework approach starts with an analytical process and gives a structure to present the results of the analysis of the need or problem to be addressed. The results are summarised in a matrix with 16 boxes (the Logframe) which show the most important aspects of a project, summarising:

- Why a project is carried out (i.e. the intervention logic)
- What the project is expected to achieve (Intervention logic and Indicators)
- How the project is going to achieve it (activities, means)
- Which external factors are crucial for its success (Assumptions)
- Where to find the information required to assess the success of the project (Sources of Verification)
- Which means are required (means)
- What the project will cost (cost)
- Which pre-conditions have to be fulfilled before the project can start (Preconditions).

Figure 2.1 The Logical Framework Matrix (Logframe)

<i>Intervention Logic</i>	<i>Indicators</i>	<i>Sources of Verification</i>	<i>Assumptions</i>
Overall objective			
Project Purpose			
Results			
Activities	Means	Cost	

SAQ2: What is the Logframe? What information does the Logframe capture about a proposed intervention?

Using the Logframe

The Logframe matrix is a way of presenting the substance of an intervention in a comprehensive form. The matrix has four columns and four rows and is best viewed in terms of the vertical and horizontal logic of the cells in the matrix.

Vertical Logic

The vertical logic identifies what the project intends to do, clarifies the causal relationships and specifies the important assumptions and risks beyond the project manager's control.

The vertical logic (blue arrow) starts with identifying the means needed to carry out the proposed project activities. By completing the activities, the results are achieved, The results collectively achieve the project purpose which contributes to the overall objective.

The intervention logic represents the programming stage of the logical chain. The logframe matrix captures four key components of the logical chain needed to identify indicators of achievement:

- The **overall objective** of project explains why it is important to society, in terms of the longer term benefits to final beneficiaries and the wider benefits to other groups. The overall objective will not be achieved by any one project – projects make a contribution to the overall objectives.

In the Logframe there is usually only one overall objective. The objective is very high level usually written in terms of Sectoral impact.

- The **project purpose** is the objective to be achieved by implementing the project. The purpose should be defined in terms of sustainable benefits for the target group(s) as part of the beneficiaries.

It is recommended that there should be very few project purposes, in many cases there will be only one. Project Purpose will usually represent the broad impact of the project on target groups in the medium term.

- The **results** are products of the activities undertaken, the combination of which achieve the purpose of the project. Results should be directly related to the target groups identified in the Project Purpose.

- The **activities** are the actions necessary to produce the results. They summarise what will be undertaken by the project.

There should be a one-for-one relationship between the activities and the results.

Examples of Intervention Logic

Complete the following table for an example of typical intervention logic for a structural and social programme.

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Title of Programme			
Overall Objective			
Specific Project Purpose			
Expected Results			
Activities			

Horizontal Logic

The horizontal logic (purple arrows) relates to the measurement of the effects of and resources used by the project through the specification key indicators, and the sources there they will be verified.

An important part of the construction of the Logframe matrix is the identification of indicators of achievement at each level of the intervention logic and the specification of the sources of information that will be used to produce and verify the indicators during project implementation. The indicators are described in the PCM Handbook as a detailed description of the overall objectives, the project purpose and the results. No indicators are identified for activities as these are expected to be directly related to the results.

The third and fourth columns of the Logframe matrix contain the sources of verification and assumptions. This information is valuable to place the indicators in context. The sources of verification indicate where and in what form information on the achievement of the overall objectives, project purpose and results will be found. The assumptions are the external factors that influence the success of a project but lie outside its control.

Indicators in the Logframe Matrix

Indicators in the Logframe matrix are referred to as “Objectively Verifiable Indicators (OVIs)”. They are defined as indicators that describe the project’s objectives in operationally measurable terms – quantity, quality, target group, time and place. Emphasis is placed on the need for OVIs to be independent of each other and to only relate to one overall objective, one project purpose and one result in the intervention logic. Indicators at the level of results should not be a summary of what was achieved at activity level but should describe the consequences of activities. It is often necessary to use several indicators for one objective although the Handbook warns

against including too many indicators. Indicators for the project purpose should incorporate the notion of sustainable benefits for the target group.

The following summary of how to define OVIs is taken from Table 19 in the PCM Handbook

How to define OVIs

1. Specify for each result, the Project Purpose and the Overall Objectives:

<i>The quantity</i>	<i>how much</i>
<i>The quality</i>	<i>What</i>
<i>The target group</i>	<i>Who</i>
<i>The time period</i>	<i>Starting when and for how long</i>
<i>The place</i>	<i>Where</i>

2. Check whether the indicators describe the overall objectives, purpose or results accurately. If not, other indicators should be added or new ones found.

3. Care should be taken to ensure that OVIs for the project purpose – the project's centre of gravity – do in practice incorporate the notion of sustainable benefits for the target group.

It can be seen that considerable care is taken in specifying indicators at the programming stage where the Logframe matrix is used. However, when dealing with indicators, the only reference used is their relationship with the associated level of objective in the Logframe. In practice, this relationship defines the indicators used as impact, result or output indicators.

The discussion on objectively verifiable indicators in the Logframe is limited as it does not focus on indicators in terms of a methodological framework. For this reason, we will now consider indicators in terms of intervention logic and the logical chain.

Intervention Logic

An intervention is the general term for actions taken in a programme, measure or project. As a project is the lowest level of operation, further references to interventions in this Chapter are to projects. The starting point for the selection of indicators for projects is to gain an understanding of the logic of the intervention.

The intervention logic is an important tool for designing structured interventions to achieve a specific result. Intervention logic is used in several adapted forms, in Structural Funds interventions in EU Member States. It is derived from the Logical Framework approach and the Project Cycle Management handbook.

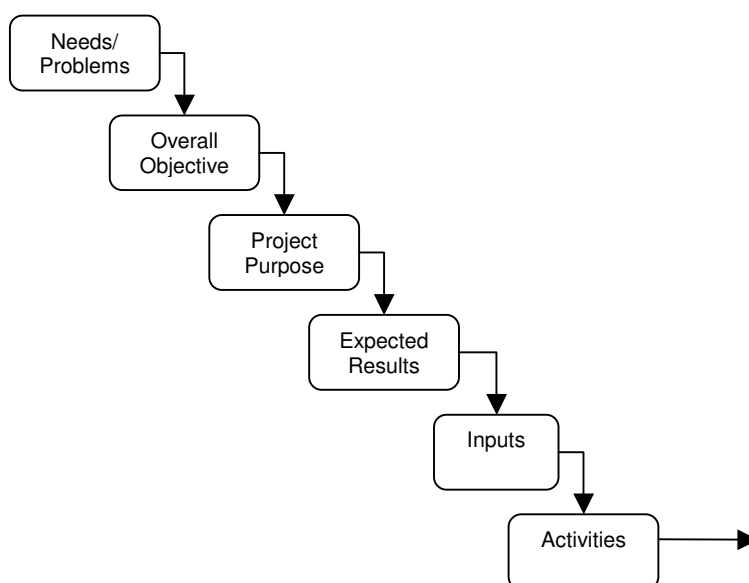
Intervention logic is divided between the **programming** or design stage of the intervention and the **implementation** stage. By dividing each stage into its constituent parts it is possible to define the type of indicator that is suitable to monitor or evaluate the progress of the intervention.

SAQ3: What is intervention logic?

Programming Stage

In the programming stage, the intervention logic is decomposed into six components, representing the needs, objectives, purpose, results, inputs and activities of the intervention. The components are linked as shown in Figure 2.2.

Figure 2.2: Intervention Logic during the Programming Stage (PHARE)



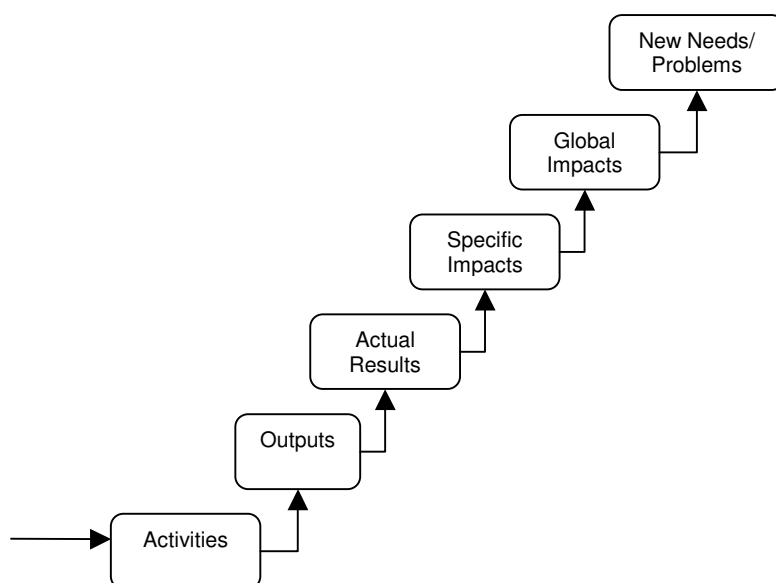
When designing a programme or project, **needs** and problems should first be identified and assessed. On this basis, an **overall objective** for the programme is formulated. This ‘overall objective’ should be seen as a higher order aim, to which a project will need to contribute. However, the project itself will usually never be able to meet the overall objective on its own. The **‘project purpose’** is more specific in nature. It is to be chosen in such a way that it can be met by the project on its own. The project purpose can then be broken down into one or more **expected results**. These are sometimes referred to as the “key result areas”. At this level, it will now be needed to estimate the required resource **inputs**, after which the **activities** can be carried out.

SAQ4: What are the six components of intervention logic in the programming stage of a project?

Implementation Stage

The intervention logic in the implementation stage is assembled on a bottom-up basis to mirror each level of the programming stage. (See Figure 2.3) The intervention logic in the implementation stage starts with **activities**, and then moves upwards. At the operational level, **'outputs'** are identified, relating directly to activities and linked back to the resources applied in their production. **'Results'** are the direct effects brought about by a project, providing information about the behaviour or capacity or performance of the direct beneficiaries. **'Specific impacts'** are those effects occurring after a certain lapse of time but which are, nonetheless, directly linked to the action taken. **'Global impacts'** are longer-term effects affecting a wider population. These global impacts ought to fulfill the original needs and relieve the problems. Policy makers would be continually assessing priorities and new needs to be addressed would emerge from this activity.

Figure 2.3: Intervention Logic during the Implementation Stage



When the intervention logic for both programming and implementation stages are combined, a coherent and complete 'logical chain' for the project can be seen. The logical chain starts with the needs and problems at a certain moment t and ends with a new set of needs and problems at time $t+1$.

The needs and problems that are addressed by the project can only be comprehensively considered once all the steps in the logical chain are correct and appropriate in both the programming as well as in the implementation stages. If the

intervention logic is not correct, then the activities flow is unlikely to bring about the desired results and impacts, and the needs/problems will not be effectively addressed at a later point in time (t+1).

SAQ5: What are the six components of intervention logic in the implementation stage of the logical chain?

Indicators in the Logical Chain

Within the intervention logic, various types of “indicators of achievement” can be distinguished corresponding to the components of the logical chain as shown in Figure 2.4. These are **output**, **result** and **impact** indicators.

Figure 2.4: Indicators in the Logical Chain

Programming Stage	Implementation Stage	Type of Indicator
Needs/ Problems (Time t)	Needs/ Problems (Time t+1)	
Overall Objective	Global Impact	Impact Indicator
Project Purpose (Specific Objective)	Specific Impact	Impact Indicator
Expected Results	Results	Result Indicator
Input	Output	Output Indicator
Activity		

A short explanation of the types of indicators is set out below.

Output Indicators

Output indicators measure the physical or monetary outputs in relation to the resources (inputs) used during the activities and are thus also key efficiency indicators. These efficiency indicators are often expressed in the form of key ratios, e.g. the amount of Euro’s needed to construct a kilometer.of road). As can be seen in Figure 2.4, the positioning of input, activity and output in the logical chain facilitates the consideration of efficiency.

The key ratios can be generalised in a way that facilitates the benchmarking of the efficiency of a project or programme although output indicators should be interpreted in terms of their context variables, which can be very different from one project to another. This can limit the extent to which it is legitimate to rely on them for

benchmarking purposes. A prerequisite for building such key ratios is the availability of information about quantities of input/activity.

Result Indicators

Result indicators provide information about the extent to which a project purpose is being met, at the level of the direct beneficiaries. Result indicators can only be established once the project purpose is known and this is usually found by considering the specific project purposes. Result indicators are therefore effectiveness indicators.

For result indicators to be useful the project purpose must be stated in terms of verifiable objectives. The result indicators will be used to measure actual achievement against plan in the immediate term.

Impact Indicators

Impact indicators provide information about the extent to which a project purpose is being met, at a level beyond that of direct beneficiaries. They are divided between specific impacts and global impacts. Specific impacts are more likely to be capable of assessment in terms of verifiable objectives than global impacts. Impact indicators can only be established once the project purpose is known. This is why the specification of the overall objective and specific objective in the programming phase is so important for subsequent monitoring and evaluation. By their nature, impact indicators are effectiveness indicators as well.

All three types of indicators of achievement (output, result and impact indicators) provide information about the achievement of a project to be collected.

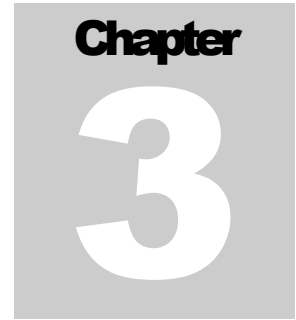
SAQ6: (a) What are the indicators of achievement? (b) What is the difference between a result indicator and an impact indicator?

Glossary

Need	Problem or difficulty affecting concerned groups, which the public intervention aims to solve or overcome.
Strategy	Selection of priority actions according to urgency of needs to be met, the gravity of problems to be solved, and the chances of actions envisaged being successful
Context	The socio-economic environment in which an intervention is implemented
Objective	Clear, explicit and initial statement on the effects to be achieved by a public intervention

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	a public intervention.
Verifiable objective	An objective stated in such a way that it will subsequently be possible to check whether or not it has been achieved.
Input	Financial, human, material, organisational and regulatory means mobilised for the implementation of an intervention
Output	That which is financed and accomplished with the money allocated to an intervention.
Result	Advantage (or disadvantage) which direct addressees obtain at the end of their participation in a public intervention or as soon as a public facility has been completed.
Impact	<p>A consequence affecting direct addressees following the end of their participation in an intervention or after the completion of public facilities, or else an indirect consequence affecting other addressees who may be winners or losers.</p> <p>Certain impacts (specific impacts) can be observed among direct addressees after a few months or in the longer term (say 2 or 3 years. In the field of development support, these impacts are usually referred to as “sustainable results”.</p>
Methodology	Strictly speaking, this is the science of the construction of evaluation methods.
Logical Framework	<p>Tool used to structure the logic of a public intervention.</p> <p>It is based on a matrix presentation of the intervention which highlights its outputs, results and specific and global impacts. Each level of objective is associated with one or more verifiable indicators of success and with the risks influencing success or failure.</p>



Introduction to Performance Indicators

Purpose of this Chapter

The purpose of this Chapter is to introduce the reader to the broad subject of performance indicators.

Learning Outcomes

By the end of this Chapter, you will:

- Understand the definition of an indicator for monitoring and interim evaluation purposes;
- Be able to distinguish between basic, monitoring and evaluation indicators;
- Understand the distinction between a context and a programme indicator;

What is an Indicator?

The MEANS Collection defines an indicator in the following terms:

“The measurement of an objective to achieve, a resource mobilised, an output accomplished, an effect obtained, a gauge of quality, or a context variable (economic, social or environmental).”

The information provided by an indicator is of a quantitative nature and is used to measure facts or opinions. An indicator must, among other things, produce simple information which is easy to communicate and easily understood by both the provider and user of the information. It must help the managers of public interventions to communicate, negotiate and decide. For that purpose, it should preferably be linked to a criterion on the success of the intervention. It must reflect precisely whatever it is meant to measure. The indicator and its measurement unit must be sensitive, i.e. the quantity measured must vary significantly when a change occurs in the variable to be measured. Indicators may be specially constructed by the evaluation team and quantified by means of surveys or statistical data. They are often borrowed from the monitoring system or statistical series. An indicator may be elementary or derived from several other indicators in the form of ratios or indexes.”

MEANS Collection Volume 6, page 67

The key aspects of the above definition of an indicator are:

- Indicators are measures, ranging from the simple to the complex.
- Indicators are used for different purposes – the underlying construction of variable must be understood to facilitate their proper use.

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- Indicators always need to be placed in context. They must also be sensitive to what they are measuring, the degree of sensitivity will depend on the accuracy required by the user of the indicator which in turn usually depends on whether they are used to inform, communicate, negotiate, support resource allocation decisions, monitor progress or assess results.
- Indicators may refer to outputs, results and impacts.

In summary, an indicator is a quantitative measurement of a variable, which reflects the “changes” connected to the intervention.

SAQ1: Define an indicator

Types of Indicators

The discussion of the different types of indicators is based on the definitions presented in the MEANS Collection. The types of indicators are considered in terms of

- Basic indicators
- Monitoring Indicators
- Evaluation Indicators

Basic Indicators

The basic types of indicators refer to indicators that are descriptive in presenting the status of an intervention or the progress of an intervention over time. Such indicators are typically straightforward performance measures reflecting the underlying activities and outputs of the intervention.

For our purposes, we distinguish between three groups of indicators

Indicator Group		Type of Indicator
1	Scope of information	Context and programme indicators
2	Processing of information	Elementary, derived and compound indicators
3	Comparability to information	Specific or generic indicators , key indicator

Scope of information

In considering the potential usefulness of an indicator, it is important to distinguish between a context indicator and an programme indicator. **Context indicators** apply to an entire territory, sector, population or category of population that an intervention may be concerned with. In contrast, **programme indicators** concern only the part or category of the public or territory that has effectively been reached.

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Programme indicators try to monitor, as far as possible, the direct or indirect effects of the programme.

Examples

The following examples illustrate the distinction between context and programme indicators:

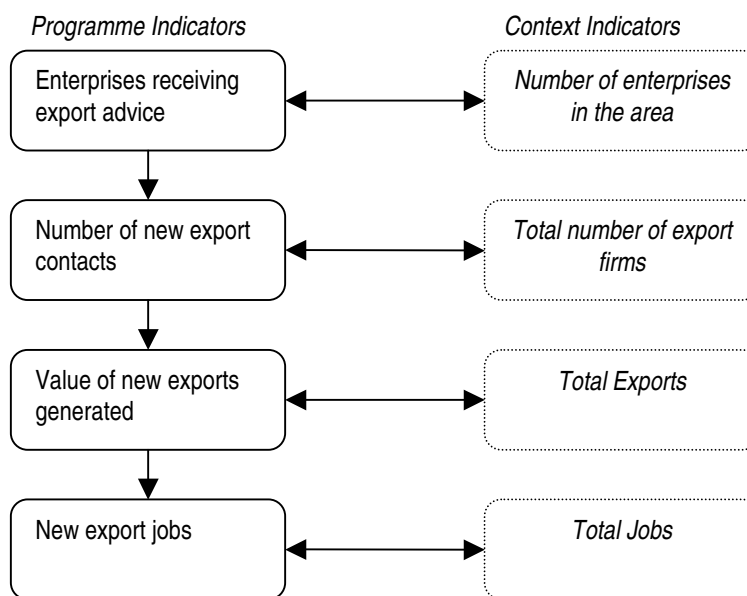
Intervention	Context Indicator	Programme Indicator
Transport Infrastructure	Number of households within 1km of an urban rail station	Target number of households within 1km of proposed new rail stations
Telecommunications	Level of connection to digital phone lines in a Region	Actual availability of digital phone lines to a target population
Health	Number of deaths from a specific illness in a country	Actual number of children immunised against a specific disease

In all three examples above, the context indicators provide useful baseline information about the need or problem that an intervention may seek to address. Context indicators are often derived from national household surveys and other national and communitywide statistical surveys carried out on a regular basis and in a professional manner. The context indicators are therefore usually quite reliable although they may be some years out-of-date.

Programme indicators related specifically to the beneficiaries from an intervention. The beneficiaries are typically subsets of the population base used for the context indicators and accordingly care should be taken in combining the use of programme indicators and context indicators in a report. The context indicators will often be used as part of the rationale for an intervention in an ex-ante evaluation. The programme indicators will be identified in the logical chain and may be used for monitoring or interim evaluation purposes.

Examples of Programme and Context Indicators for the seven domains covered in the MEANS Collection are presented in an Annex to this Chapter. A set of programme and context indicators can be constructed for each level of objective in the programme logical chain. For example:

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SAQ2: Distinguish between a context and a programme indicator.

Exercise: Suggest context and programme indicators for the following interventions:

Intervention	Context Indicator	Programme Indicator
<i>Support to Unemployed</i>		
<i>Sport & Leisure Tourism</i>		
<i>Micro-enterprise support</i>		

Processing of information

The classification of indicators according to the processing of information is the most elementary consideration of indicators – the essential building blocks. Within this classification we consider elementary, derived and compound indicators.

An **elementary indicator** provides basic information on which other indicators can be built.

A **derived indicator** is based on the calculation of a ratio between two elementary indicators.

A **compound indicator** is the weighted sum of several elementary or derived indicators.

Examples of Elementary and Derived Indicators

Elementary indicators are the basic measures of interventions and form the foundation for the construction of most monitoring and evaluation indicators. Derived indicators are ratios constructed from two elementary indicators.

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The following table provides examples of Elementary and Derived Indicators:

Intervention	Elementary Indicators	Derived Indicators
<i>Unemployment support</i>	<ul style="list-style-type: none"> • <i>Total working population</i> • <i>Number of unemployment</i> • <i>Budget for unemployment support</i> • <i>Number of training places for unemployed</i> 	<ul style="list-style-type: none"> • <i>Unemployment rate</i> • <i>Change in the unemployment rate</i> • <i>Cost per new job created</i> • <i>Change in the trained workforce</i>
<i>Transport Infrastructure</i>	<ul style="list-style-type: none"> • <i>Kilometres of new road built</i> • <i>Budget allocation for new roads</i> • <i>Number of accidents</i> • <i>Number of cars on the road</i> • <i>Population of car owners</i> 	<ul style="list-style-type: none"> • <i>Cost per kilometre of new roads</i> • <i>Change in accident rate</i> • <i>Change in average driving speed between two points</i>
<i>Health</i>	<ul style="list-style-type: none"> • <i>Number of Hospital beds</i> • <i>Number of surgeons</i> • <i>Hospital budget</i> • <i>Number of patients treated</i> 	<ul style="list-style-type: none"> • <i>Bed occupancy ratio</i> • <i>Surgeon/ patient ratio</i> • <i>Average cost of treatment</i> • <i>Waiting time for surgeon consultation</i>
<i>Education</i>	<ul style="list-style-type: none"> • <i>Number of school age children</i> • <i>Number of schools</i> • <i>Number of teachers</i> • <i>Education budget</i> 	<ul style="list-style-type: none"> • <i>School attendance rate</i> • <i>Teacher/ pupil ratio</i> • <i>Cost per school place</i>

A good example of a compound indicators is the “quality of life” indicators used by the United Nations to rank member countries. This indicator is a combination of three indicators – GDP, life expectancy at birth and a population literacy indicator. Compound indicators usually involve a weighting factor. As the number of constituent elements of the compound indicator increases, the usefulness of the indicator reduces.

Comparability of Information

Many of the uses of indicators involve internal or external comparisons of performance or result. For this purpose, it is important to be able to identify those indicators that are used for comparison purposes. In socio-economic programmes like the CSF, a single programme can involve several dozen interventions. Programmes rarely contain the same mix of interventions resulting in the use of different indicator sets across programmes. This diversity and multiplicity of indicator sets makes cross-programme comparisons difficult. The starting point for comparing programme information is to distinguish between specific, generic and key indicators:

A specific indicator is used in the case of an intervention and is **not** intended to be used for comparison.

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A **generic indicator** serves to make comparable measurements of several different kind of intervention within the same programme. It uses the same measurement unit to quantify the impacts resulting from several outputs of various kinds. The comparison is internal and allows the aggregation of data within the programme, in the form of a sum or average. This allows for indicators that can be applied to an entire programme.

Key indicators are those which lend themselves to internal comparison between different interventions and to external comparison with other programmes. They can be used to establish points of reference such as average European performance or cases of excellent performance to be emulated. A key indicator is likely to play an important part in comparisons between different interventions and in the synthesis of conclusions of several evaluations.

Examples of specific and generic indicators

Specific indicators will apply to context specific situations being addressed by the intervention, for example:

Support to the Catholic minority in Northern Ireland may not be directly comparable to minorities elsewhere such as, say, the Islamic community in France. but is of little use in another region or for another intervention.

Generic indicators may apply to an entire programme or to part of a programme:

Programme wide generic indicators	Budget absorption Project completion rate
Programme component generic indicators	Cost per job created (employment creation) New product creation (Enterprise support) Number of innovations (applied research)

Examples of Key Indicators

Many of the monitoring and evaluation indicators are also key indicators as they are used to support comparison of performance across programmes or to build up a European wide indicator. In the MEANS Collection, examples of key indicators were presented in terms of resource, output, result and impact indicators.

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Intervention	Road Building	Training	Tourism	Research & Technological Development
Resources	Rate of consumption of budget (% of allocated funds) % of budget devoted to environmental mitigation measures	Rate of real spending of available funds (% of budget allocated)	Rate of real consumption of available funds (% of budget allocated)	Rate of consumption of budget (% of allocated funds)
Output	Rate of completion of project (% of objective) Compliance with the project duration	Number of training courses financed directly (incl. number of women) Success rate in reaching the eligible public Hours of services and training received by the addressees or recipients (incl. number for women)	Number of economic units which have received direct support of a service supported by the programme (including the size of the unit: large, medium, small, individual) Number of new economic units (less than a year old) which have received direct support or a service supported by the programme (including size: large, medium, small, individual)	Selection rate (% of projects accepted in financial terms) Number of hours of expert advice received by addressees or recipients
Result	Average speed between principal economic centres	% of trainees who belong to a priority public (e. g. jobless young people)		Satisfaction rate (% of addressees or recipients satisfied / very satisfied by services provided) Leverage effect (private sector spending occurring as a consequence of the programme in relation to financial support received)
Impact	% of regional managers declaring that accessibility is a major constraint for their firm	Sustainable placement rate (% of addressees or recipients who are employed after 12 months, incl. % of women) Rate of transition (% of addressees of recipients whose social situation has improved after 12 months, incl. % of women)	Value added generated (€ / year / employee) Net jobs created or maintained (in full-time equivalent, including % occupied by women)	Value added / sales generated (after 12 / 36 months in terms of € / year / employee) Net employment created (FTEs of which held by women) after 12 / 36 months

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Intervention	Agriculture	Environment
Resources	Rate of consumption of budget (% of allocated funds) % of projects (in financial terms) concerning the most disadvantaged rural areas	Rate of consumption of budget (% of allocated funds) % of budget devoted to environmental mitigation measures
Output	Selection rate (% of projects in financial terms accepted) Number of individuals receiving direct assistance or services as a result of the programme (incl. % of men / women) Number of economic units (farms, etc.) receiving direct assistance or services as a result of the programme (large, medium, small, individual) Number of new economic units (tourist accommodation and attractions, new farms, etc.) receiving direct assistance or services as a result of the programme Coverage (% of addressees or recipients, for example young farmers, of the total number of potential addressees or recipients)	Selection rate (% of projects accepted in financial terms) Rate of completion of project (% of objective) Compliance with project duration Number of potential connections (domestic / economic units) to networks of basic services (e. g. water treatment facilities)
Result	% of addressees or recipients situated in the most disadvantage areas Leverage effect (spending by addressees or recipients accompanying the financial support received)	% of domestic / economic units receiving a level service satisfying European norms through the network (e. g. drinking water)
Impact	% of assisted new businesses (diversified farms, campsites, farms taken over by young farmers, etc.) that are still active after 24 / 36 months Gross value added generated (after 12 months in terms of € / year / employee) Net employment created or maintained (FTEs incl. % held by women) after 12 months Residential attractiveness (% of inhabitants wishing to remain in the area)	Number of users connected to the new infrastructures, broken down in domestic / economic units (e. g. water treatment facilities) after one year Net employment created or maintained (FTEs of which held by women)

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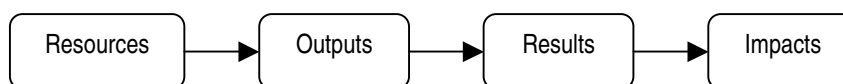
Intervention	Competitiveness of SMEs in general	Venture Capital
Resources	Rate of consumption of budget (% of allocated funds)	% of budget devoted to projects of locally owned and managed firms % of budget devoted to projects in rapidly growing markets % of budget devoted to projects in non-sheltered sectors
Output	Number of contacts between operators and addressees or recipients (of which SMEs) Number of project applications (of which by SMEs) Selection rate (% of projects in financial terms accepted and % of which are proposed by SMEs) Selection rate for projects in rapidly growing sectors (in proportion to the average selection rate and % of which are proposed by SMEs) Number of hours of expert advice received by addressees or recipients (e. g. to launch a business) Number of firms receiving direct assistance or services as a result of the programme (% of which SMEs)	Number of economic units receiving direct assistance or services as a result of the programme (of which involved in locally owned and / or managed firms, with rapidly growing markets, in non-sheltered sectors)
Result	% of recipients firms active in rapidly growing sectors (% of which SMEs) % of recipients firms involved in high-tech projects (% of which SMEs) Satisfaction Rate (% of addressees or recipients satisfied / very satisfied by services provided) Leverage effect (private sector spending generated by the programme in relation to financial support received)	Value added generated by the programme after 18 months in terms of € / year / employee (of which generated by locally owned and / or managed firms, by firms in rapidly growing markets, by firms in non-sheltered sectors)
Impact	% of assisted new businesses that are still active after 18, 24 and 36 months Value added generated (after 18 months in terms of € / year / employee) Net employment created or maintained (FTEs, % of which are in SMEs / of which held by women) Regional knock-on effects (regional firms, % of which SMEs, as a % of suppliers to assisted businesses after 18 months)	Investment / capita, GDP / capita, Value added / employee. Exports in % of regional GDP, % of regional GDP in locally owned and managed firms, rapidly growing markets, non-sheltered sectors

Basic Terminology for Monitoring and Interim Evaluation Indicators

Monitoring and Interim Evaluation indicators are based on the logical chain framework. In the framework, objectives are defined at different levels, and to each of these levels corresponds a specific type of indicator - impact, result or output. Each level must provide the relevant indicators to allow for judgement on these outcomes. You cannot compare the same indicators from different programmes if they refer to different levels.

For the purposes of this Manual we have used the basic vocabulary as applied to the structural funds. This is similar, with certain variations, to that found in most classical textbooks and conforms fairly closely to that of the Phare programme and to performance audit evaluation conducted by Supreme Audit Institutions.

The basic vocabulary follows the input-output logic model as shown below:



- **Inputs:** financial, material, human or institutional means or resource used by the intervention (programme/project);
- **Activity:** processing of inputs into outputs.
- **Outputs:** product, service or facility, which is provided by the intervention (for example, kilometres of road built) and demonstrates the progress made in implementing the measure. Outputs are fully under control of operators. Operators are responsible for outputs and must report periodically on the completion of outputs.
- **Results** are the immediate effects on the direct beneficiaries of the actions financed (e.g., reduced journey times, transport costs). They are not under full control of the operators, but the operators have some possibilities to report on them periodically. Results may be intended or not.
- **Impact** (outcome) any consequence of the intervention beyond immediate result. They are not under the control of the operators, they cannot report on them, except through evaluation. Impacts may be intended or not, positive or negative, direct or indirect.

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Corresponding to the distinction between outputs, results and outcomes, there are three types of objective:

- **operational objectives** – (Phare: project purpose at the project level) [Structural Funds: the objective of a measure is operational, and the objective of any projects funded by the measure will also be operational] are expressed in terms of **outputs** (e.g. to provide professional training courses to the long-term unemployed);
- **specific objectives** – (Phare: immediate objective at the component level) [Structural Funds: these are at the level of the priority, i.e. the level of strategic intervention within the programme to under which the measures are articulated] expressed in terms of **results** (e.g. to improve the employability of the long-term unemployed by raising their skill level);
- **general objectives** – (Phare: wider objective at the programme level) [Structural Funds: termed **global objective** which is the overall programme objective] are expressed in terms of **impacts** (e.g. to reduce unemployment among the previously long-term unemployed).

Monitoring Indicators

Monitoring indicators are assembled according to the levels of presentation of the intervention logic as shown in the table below.

Definition of monitoring indicators by level of objective			
Level of objective	Type of indicator	Definition	Key actors
	Resource (input)	Means made available by financing authorities and used by operators for their activities	Financing authorities and operators
Operational objective	Output	Product of the operator's activity	Operators
Immediate specific objective	Result (immediate outcome)	Immediate effect for direct addressees or recipients	Direct addressees or recipients
Sustainable specific objective	Specific impact (sustainable outcome)	Sustainable effect for direct addressees or recipients	Direct addressees or recipients
Strategic objective Aim	Global impact (outreach)	Global effect for the entire population concerned (direct and indirect addressees or recipients)	Direct or indirect addressees or recipients

Each type of monitoring indicator is discussed below.

Output indicators represent the product of the operators' activity. More precisely, an output is considered to be everything that is obtained in exchange for public

expenditure. Two examples in the field of SME consultancy services can be used to demonstrate the principle of an output, and help to distinguish an output from a result.

Firstly, an operator might receive a fixed sum of money to finance the setting up of a consultancy service for SMEs. In this instance, the expenditure has 'bought' the establishment of a consultancy service, which is considered as the output.

On the other hand, an operator might be allocated a budget of €400,000 for a SME consultancy project planning to supply 5,000 hours of consultancy services. However, if the project were to deliver only half of the planned hours of services, the operator would only be paid €200,000. In other words, if an output is not realised, the support is withheld.

Result indicators represent the immediate advantages of the programme (or, exceptionally, the immediate disadvantages) for the direct addressees or recipients. An advantage is immediate if it appears while the addressee or recipient is directly in contact with the programme. The full results may be observed when the operator has concluded the action and closed off the payments. Since result indicators are easily known to the operators, they are generally quantified exhaustively during monitoring.

Impact indicators represent the consequences of the programme beyond its direct and immediate interaction with the addressees or recipients. An initial category of impacts group together the consequences for direct addressees or recipients of the programme, which appear or which last into the medium term (specific impacts), e. g. traffic on a road one year after it is opened; the placement rate of trainees after twelve months; sustainable jobs created in an industrial plant built with programme support; and the survival rate of businesses created with programme support. Some impacts are unexpected (spin-offs) but indicators are rarely created for unexpected impacts.

Discussion of monitoring indicators

As noted above, monitoring indicators are sometimes categorised into **output** indicators, **result** indicators and **impact** indicators. The principal factor differentiating these categories is time.

- **Resource or input indicators** refer to the budget allocated to each level of the assistance. Financial indicators are used to monitor progress in terms of the (annual) commitment and disbursement of the funds available for any project or programme in relation to its eligible cost.

The utilisation of the required resources is monitored on the basis of the activity and Resource Schedules. Monitoring the use of resources mainly concerns analysing the resources used as to the results they achieved. This will allow

estimates of project efficiency. Properly managing the use of resources means identifying deviations from the scheduling, and taking corrective action if required.

- **Output indicators** relate to activity. They are measured in physical or monetary units (e.g. length of road constructed, number of firms financially supported, etc.)
- **Result indicators** relate to the direct and immediate effect brought about by a project/programme. They provide information on changes. Such indicators can be of a physical (reduction in journey times, number of successful trainees, number of roads accidents, etc.) or financial nature (decrease in transportation cost).
- **Impact indicators** refer to the consequences of the programme beyond the immediate effects on its direct beneficiaries and their quantification is more complicated. In some cases they are even distinguished as specific impacts - effects occurring after a certain lapse of time but which are, nonetheless, directly linked to the action taken; and global impacts are longer-term effects affecting a wider population. Clearly, measuring this type of impact is complex and clear causal relationships often difficult to establish. This is mostly subject to ex-post evaluation.

Practical Illustrations of the use of Monitoring Indicators

The initial deployment of human and physical resources in support of a policy gives rise to immediate physical outputs such as new start-up businesses, people attending training courses or length of road constructed.

These initial physical outputs should produce results. In the case of a new assisted start-up business these results might be numbers employed or level of turnover. Similarly, a training course should generate results in terms of qualifications obtained by participants. As for a road network, it might result in an increase in the Equivalent Straight Line Speed (ESS) - a measure of the ease of access between two centres.

In time, results will lead to wider social and economic impacts. A proportion of assisted businesses will continue to operate and grow, for example, and this will have impacts in terms of the numbers they employ or their turnover. As for training courses, many of those who succeed in obtaining a qualification will go on to find jobs. Finally, a new road might lead to reduced journey times or an increase in traffic flows.

Overall, these impacts relate back to the overall objectives of the relevant initiative and the social and economic needs that led to its being introduced. Assisted businesses, for instance, try to meet a need for employment opportunities or improved economic performance. Training courses should help address a lack of particular skills in the workforce and therefore address issues of employability. Road building might address issues of access, peripherality and factor mobility. Ultimately, however, monitoring data can only partly demonstrate an initiative's wider impact. A fuller analysis of impact is only possible through evaluation.

Impact indicators can present major data collection problems:

- In the example above, the impact indicators for assisted businesses are probably the least problematic. It should not be difficult to identify which assisted businesses have survived, how many people these employ, what their turnover is and how much they export.
- By contrast, training course attendees who proceed to find employment might not be easy to trace at a later stage, although if it is decided at the outset that this indicator will be collected, arrangements can be put in place to try to ensure that contact is made with course participants after the course has ended.
- As for the impacts of a road-building project, in order to establish if journey times have been reduced, data are needed on the journey times prior to the completion of the project. These pre-project data would form a baseline position against which the post-completion journey times might be compared. Alternatively, road users could be surveyed to see if they perceived any improvement in journey times. Here, however, the quality of the data would be much lower. It would depend upon the subjective opinion of respondents and would be based on discrete categories rather than continuous numerical quantities. Consequently, there would be a limit to the kind of analysis that could be performed.

These kinds of data collection and data quality issues are important and need to be considered when designing indicators. Whilst some types of indicator might be highly relevant to the policy, the relevant data might be difficult or costly to collect. Assessing journey times before and after the completion of a new road is likely to be both difficult and costly, regardless of whether actual or survey data are collected. A survey with a reasonable sample size might cost between €15-20,000 and, even then, the data might not be particularly meaningful.

Evaluation Indicators

The Evaluation Indicators are based on the five evaluation criteria in current general use for EU Interim Evaluation. These are Relevance, Efficiency, Effectiveness, Impact and Sustainability. The five criteria are discussed in the Practical Guide. For our purposes, we define a category of indicators for each criterion in the following paragraphs.

Relevance indicators relate the programme objectives to the needs that have to be met. For example, the number of places for trainees that the programme can provide, in relation to the number of long-term unemployed in the region; the number of planned consultancy missions, in relation to the number of regional firms that have never exported.

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Efficiency indicators relate what was obtained to the resources mobilised. An efficiency indicator is therefore the ratio of two indicators: the measurement of what was obtained / the measurement of resources mobilised to obtain it. The calculation of efficiency can be based on an output, result or impact indicator.

Effectiveness indicators relate what is obtained to what was expected. An effectiveness indicator can therefore be calculated by dividing two values of the same output, result or impact indicator, that is to say, the observed value at a given date and the objective initially set. When talking of effectiveness, it is preferable, for the sake of clarity, to specify whether the reference is to the effectiveness of outputs, results or impacts. Examples of effectiveness indicators are: outputs exceed the objective by 5%; the number of businesses created amounts to 85% of the objective; the placement rate of trainees after a year is 10% higher than expected.

Performance indicators, according to the definition proposed in the MEANS Collection, encompass the effectiveness and efficiency of outputs, results and impacts. In fact, the word 'performance' is used in many different ways. In this context, there is a large overlap between the notion of a programme indicator and that of a performance indicator.

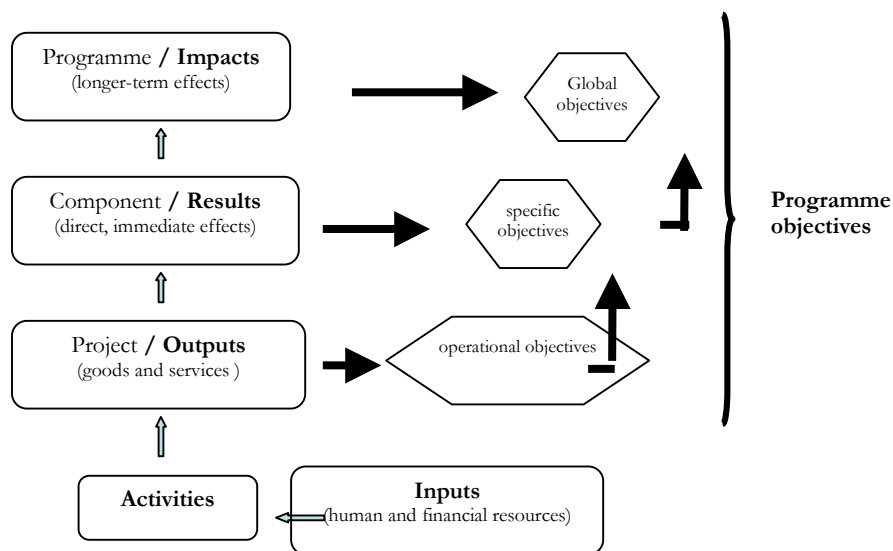
Impact indicators are essentially **evaluation indicators**. Evaluation obtains information on impacts by means of surveys or in-depth studies. Collection techniques use sampling, which makes it possible to limit the number of people questioned and to avoid the impression of bureaucracy. Moreover, evaluation is rarely carried out by the operators and so does not add substantially to their workload.

Short discussion on monitoring and evaluation indicators

Monitoring and evaluation indicators can be distinguished by their implications on the sharing of responsibilities. Monitoring indicators and, in particular, resource and output indicators, enable operators to report on the use of resources allocated to them and on the activities for which they are fully responsible, e. g. building facilities without overspending or exceeding deadlines.

Result indicators are used either for monitoring or evaluation, depending on the degree of decentralisation adopted in the programme management. If the programme is highly decentralised (management by results), the operators can and must constantly adjust their activity in relation to the results obtain.

The Intervention Logic of a Programme



	Description	Indicators
Output	Construction of road	Financial: cost, state of progress Physical: km constructed, level of progress
Result	Reduced journey time and transport costs	Accessibility, Time savings (in min) Cost savings (%)
Specific impact	Increased safety Increased flows of persons and goods	Traffic flows
Global Impact	Increase in socio-economic activity	Diversification of production Net job creation Increased regional GDP per capita and per occupied person

Issues affecting the choice of monitoring and evaluation indicators

Indicators are intended to assist those involved in the implementation of policy to monitor progress and achievement. It is therefore essential that sufficient indicators are identified and that individual indicators are specified in sufficient detail to ensure that progress and achievement can be adequately assessed. However, it is also important that the task of data collection - much of which will fall to individual project managers - is not overly burdensome or resource intensive.

In identifying appropriate indicators for a particular policy or programme, the following issues should be taken into account:

- **Objectives.** Any indicators set should be relevant to the objectives of the policy. They should be sufficient to enable an assessment of how the policy has performed in terms of making progress towards its own objectives.
- **Coverage.** A policy or initiative generally comprises a number of different but related activities. For example, a policy initiative aiming at enhancing and modernising the skills base of a territory might include training activities that focus on young unemployed people, business managers and people working in small businesses. The types of training delivered under these activities will be quite distinct and require specific indicators. In theory, indicators could be generated for all of the envisaged activities. However, if many activities are envisaged, it might not be realistic to attach indicators to all of them. It might be preferable to concentrate on developing indicators for the more prominent activities only.
- **Data accessibility.** Some indicator data are fairly straightforward to collect (e.g. numbers attending training courses, kilometres of road constructed). Others are more problematic and/or costly. Survey data, for example, can be expensive to collect, as can qualitative data derived from focus groups, interviews and case studies. The fact that certain indicators will be difficult or expensive to collect should not, in itself, rule out using such indicators. However, the cost effectiveness of a proposed indicator needs to be considered. It would not be cost-effective to conduct an expensive survey to collect indicator data relating to one relatively minor activity.
- **Data quality and clarity.** Accurate numerical data can offer an unambiguous illustration of performance and progress. However, the accuracy of numerical data cannot always be guaranteed. In particular, where data are aggregated from project level, individual project returns can vary in quality and accuracy. In addition, not all activities lend themselves to quantitative indicators. Capacity building or institution building initiatives, for example, cannot be adequately assessed using quantitative indicators and require a more holistic assessment based largely on qualitative analysis. Qualitative developments are clearly difficult to specify in advance and progress and performance are not easily measured.

The Features of Good Quality Indicators

A good indicator stands out in a report by being both **specific and relevant** to the discussion it is intended to support and **simple** so that both the supplier (report author) and user (report reader) can easily communicate and understand.

Example

The following example illustrates the potential problems in the use of indicators.

Intervention	Good Indicator Narrative	Bad Indicator Narrative
IT training for long term Unemployed in a Region	1,000 long term unemployed received IT training in Gelderland. As a direct result, 40% found jobs specifically requiring the IT skills they had learned on the programme within 3 months of completing the training.	1,000 unemployed received training. As a result, 40% were removed from the unemployed register.

In the above example, the intervention identifies a specific target group (the long term unemployed) and a geographic area (a Region). The good indicator narrative uses a result indicator that corresponds to the specific attributes of the intervention (the exact target group and an identified region) and an impact indicator that includes causality and a time dimension. The bad indicator narrative is quite useless and potentially misleading in its construction for the following reasons:

- The target group does not exactly correspond with the intervention
- The nature of the training received and the region is not specified.
- There is no direct causality in the impact indicator (i.e, the impact may not have resulted from the intervention at all).

SMART Indicators

Ideally, a good indicator (its quality) should be SMART: specific, measurable, acceptable, relevant and timely. The logical order of these features would be:

- Relevant - the indicator should provide information that is closely related to the project.
- Specific - the indicator should relate precisely to the outputs, results and impacts.
- Achievable - the indicator should be realistic and available at acceptable cost.
- Measurable - a common problem for indicators is that they are not easy to measure, or only at a high cost. It is therefore important to know the sources of verification.
- Timely - impact indicators are especially likely to become available after a certain time, far beyond the completion of the project. This problem is especially pressing

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when use is made of statistical data, which are made available only at certain intervals (e.g. annually) and which fall beyond the cut-off date of a project or programme evaluation.

The programme and achievements of a project can be measured and illustrated by using a set of indicators. If properly identified and presented, these indicators provide an early-warning system for areas in which the project is not meeting its anticipated outputs or results.

Appendix : Programme and Context Indicators for Seven Domains

Transport Infrastructure

New Section of motorway connecting A and B		
	Programme indicators (Related to the intervention and its effects)	Context indicators (Related to the assisted area)
Output indicators		
Progress	Compliance with project duration Rate of completion	
Quantity	Km of new motorway Km of new lanes	Km of motorways per million inhabitants in the area (endowment)
Result indicators		
Speed	E. S. S. (Equivalent Straight-line Speed) between A and B	Average E. S. S. to and from all relevant urban centres in the area
Impact indicators		
Traffic flow	Traffic flow of vehicles using the new infrastructure after one year	Traffic flow in the area (vehicle x km / year / inhabitant)
Time Saved	Total journey time saved by users (hours x vehicles x average number of passengers per vehicle) after one year	
Safety	Number of traffic accidents on the motorway after one year	Traffic accidents in the area (number / year / Mio inhabitant)
Transport system	% traffic between A and B using the new infrastructure	
Indirect economic effect		% of managers in the area who declare that road accessibility is a major constraint for their firm
Environment	Number of houses suffering from traffic noise Hectares of natural sites disturbed	Number of dwellings in the area Hectares of natural sites in the area

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Training

Skills improvement programme for young people with few qualifications		
	Programme indicators (in relation to the intervention and its effects)	Context indicators (in relation to the entire target public)
Output indicators		
Supply	Number of training places proposed by the programme	
Result indicators		
Adaptation of training	% of places offered corresponding with growing sectors	% of young people who are trained for growing sectors
Success rate	Number of trainees qualifying / number of trainees enrolled on the training course (incl. number of women)	
Impact indicators		
Number of trainees qualifying	Number of trainees trained	Number of young people with a low level of skills
Salaries of the trainees recruited	Average monthly salary of trainees employed after 12 months (average for women / men)	Average monthly salary of young people

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Tourism

Support for the creation of tourist facilities (museums, amusement parks, etc.)		
	Programme indicators (in relation to the intervention and its effects)	Context indicators (in relation to the assisted region)
Output indicators		
Activity of Operators	Number of contacts with potential addressees or recipients	
Number of addressees or recipients	Number of economic units assisted	Total number of tourist facilities
Capacity	Maximum number of visitors / day	
Result indicators		
Length of the visit	Normal length of visit to the facility (in hours)	
Cost of the visit	Average cost of a visit to the facility (in € / person)	
Impact indicators		
Number of visits	Number of visits per year to assisted facilities	
Attractiveness for foreign tourists	% of visits by foreign tourists	
Value added	Value added generated in € / year	Value added generated in the tourism sector in € / year
Jobs created	Net number of jobs created (incl. % occupied by women)	Number of jobs in the tourist sector

Research and technological development

Support for a science and technology park for SMEs		
	Programme indicators (Related to the intervention and its effects)	Context indicators (Related to the assisted area)
Output indicators		
Quantity	Surface area (ha.) of S&T (Science and Technology) park Floor space available (m ²) in the park	Total surface area (ha.) of S&T parks in the area Total floor space available (m ²) in S&T parks
Result indicators		
Cost	Cost of establishing a small high-tech firm in the park (€ / year / m ²)	
Scientific attractiveness	Number of researchers working in the vicinity of the park	
Impact indicators		
Occupation	Number of small high-tech firms establishing themselves in the park after one / three years Number of research institutes in the park (originating from outside the region)	Number of small high-tech firms in the area
Networking	Number of collaborative projects involving two or more occupants of the park after one/two/three years	
Direct employment	Number of R&D posts created by park occupants after one/three years (FTEs, including number held by women)	Number of RTD posts in the area per 1,000 workers

Research and technological development (continued)

Support for post-graduate research		
	Programme indicators (Related to the intervention and its effects)	Context indicators (Related to the assisted area)
Output indicators		
Research activity	Number of supported research students (of which women) Number of research projects employing supported researchers	Number of researchers employed in the area per 1,000 workers
Result indicators		
Qualifications	Number of supported researchers completing post-graduate research programmes and obtaining a PhD	Annual number of doctoral students in the area
Networking	Number of contacts and collaboration with regional firms involving supported researchers % of supported postgraduates hired by regional firms	
Impact indicators		
Potential innovations	Number of patents taken out for potential innovations being developed with private sector partners resulting from research by supported researchers – after one/three years	Number of patents taken out by firms in the area

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Agriculture and rural development

Financial Support to assist the setting up of young farmers		
	Programme indicators (Related to the intervention and its effects)	Context indicators (Related to the assisted area)
Output indicators		
Number of addressees or recipients	Number of assisted young farmers (incl. % of women)	Total number of young farmers
Result indicators		
Leverage effect	Total investments made by assisted young farmers (broken down into farm type)	Average stock of capital per farm
Restructuring	Number of assisted young farmers who replace retiring farmers	Number of farmers retiring per year Age distribution of farming population Ratio of farmers starting out to farmers terminating their activity
Impact indicators		
Survival rate	Survival rate of young farmers' businesses after two years	Survival rate of businesses in the agricultural sector in the region
Jobs created	Number of FTE jobs on the farm after two years	Number of FTE jobs in the agricultural sector in the region
Farm income	Income growth in % two years after investment	Average income per farmer

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Environment

Improvement of solid waste management facilities		
	Programme indicators (Related to the intervention and its effects)	Context indicators (Related to the assisted area)
Output indicators		
Progress	Compliance with project duration Rate of completion	
Capacity	Maximum annual throughput (tonnes)	
Result indicators		
Coverage	Number of households potentially covered by waste recovery collection services	
Impact indicators		
Solid waste collected for recycling	Amount of solid household waste collected for recycling in the areas of assisted projects (tonnes / year) after one year	Amount of solid waste produced in the area (tonnes / year)
Solid waste recycled for reuse as raw materials	% of solid waste recycled for reuse as raw materials in the areas of assisted projects after one year	% of solid waste recycled for reuse as raw materials in the area
Indirect economic effect		Number of economic units (firms, farms, etc.) who declare that the new water supply system has released a major constraint for their development
Environment	% of unauthorised landfill sites closed / rehabilitated in the areas of assisted projects	Number of unauthorised landfill sites in the area % of underground water sources suffering from pollution emanating from buried solid waste

Competitiveness of SMEs and enterprises in general

Informational support for SMEs to promote exports		
	Programme indicators (Related to the intervention and its effects)	Context indicators (Related to the assisted area)
Output indicators		
Number of addressees or recipients	Number of assisted SMEs	Number of SMEs in the eligible area
Result indicators		
Satisfaction rate	% of addressees or recipients who are satisfied or very satisfied with the support services provided	
Geographical diversification	Number of SMEs becoming new exporters Number of SMEs exporting to new markets	
Impact indicators		
Exports	% of export sales in the turnover of assisted SMEs after 18 months	Exports of SMEs related to GPD of the area
Value added	Value added generated after 18 months	Average value added by employee in the area
Direct employment	Number of net jobs created / maintained (FTEs incl. % held by women) in firms in relation to export sales after 18 months	Total number of unemployed in the assisted area

Economic development

Venture capital scheme for small business development		
	Programme indicators (Related to the intervention and its effects)	Context indicators (Related to the assisted area)
Output indicators		
Number of addressees or recipients	Number of SMEs having had at least one loan backed by venture capital (incl. % of which in non-sheltered sector)	
Result indicators		
Leverage	Additional private investment that is generated by loans (incl. % of which in non-sheltered sectors)	
Impact indicators		
Value added	Annual value added that has been generated by venture capital backed loans (incl. % of which in non-sheltered sectors)	% of non-sheltered sectors in regional GDP
Exports	Exports that have been generated by assisted SMEs after one year (of which in non-sheltered sectors)	Exports as a % of regional GDP

Monitoring Indicators

Purpose of this Chapter

This Chapter introduces the reader to monitoring as a key component of a performance based management system. It describes the evolution of monitoring for EU funded programmes, provides guidance on the development of monitoring information systems and outlines best practice in the conduct of monitoring.

Learning Outcomes

By the end of this Chapter, you will:

- Appreciate the evolution of monitoring in the EU;
- Understand the function of monitoring, the purpose it serves, what can be achieved by effective monitoring;
- Appreciate the steps to be taken in the design of a monitoring information system;
- Understand the proper conduct (best practice) of monitoring.

Evolution of Monitoring and Interim Evaluation in the EU

Historically, the functions of monitoring, assessment and evaluation of assistance funded by the European Union have evolved in the context of the individual funds themselves, and therefore differ according to the rules attaching to each form of assistance.

The methods used within Phare since 1996 have concentrated on regular, externally produced, annual and final Assessment Reports dealing with clusters of Programmes. Mid-term and ex-post evaluations have been undertaken on an ad-hoc basis, and there have also been sectoral evaluations.

The first evolutionary step was taken in 2001, by breaking down “Monitoring”, (that was originally undertaken as an external fact finding exercise rather than a regular process) and “Assessment” into two distinct but linked functions. While Monitoring was decentralised, the Assessment process was enhanced and upgraded to Interim Evaluation and remained as a centralised Commission Services responsibility, carried out by external contractors. The operation of current decentralised monitoring systems in individual countries differs quite substantially between countries. The content, form and quality of monitoring reports produced also vary and, in our view, show scope for further improvement.

The system of Monitoring and Interim Evaluation is intended to evolve further, so that the Candidate Countries will be well prepared to assume their eventual responsibilities under the Structural and Cohesion Funds upon accession. Both Monitoring and

Evaluation should become an integral part of the performance based management process of EU assistance in these countries.

SAQ1: Contrast the evolution of monitoring and assessment since 2001.

Types and Levels of Monitoring

Monitoring occurs in many different situations and contexts in everyday life. Some examples are:

- monitoring the level of air pollution;
- monitoring a military conflict, a situation of political unrest, a cease-fire;
- monitoring the time spent on particular tasks to ensure that deadlines will be met or the service is appropriately priced and charged (as is done in most businesses);
- monitoring the rate and nature of unemployment.

More complex examples might be:

- the activity of a hospital or clinic which might be monitored to indicate the numbers of patients seeking treatment, their age and sex, the geographical areas from which they come, the distances they travel, the types of treatment they need and the types of symptoms they are reporting.
- information on climate and weather could be monitored to establish and confirm patterns and identify any possible changes or long-term trends.

Monitoring a Single Project

It is possible to monitor a single project – though this is usually too limited in scope and we are unlikely to see much that relates to broader policy or programme issues. Even though we may gather a lot of data, it may not tell us anything that is not already obvious. It is essential to monitor a project internally.

Monitoring a Programme

In terms of the monitoring of operational programmes, we are concerned with several inter-related, often integrated interventions. While it is possible to monitor each or any of these interventions in isolation, the focus and scope of monitoring usually varies, covering one or more projects, a cluster representing a sub-programme or an entire measure.

When a project involves donor funding, it is common that a demand for appropriate monitoring to be imposed by the needs of the external funder. This is in practice what happens. The World Bank, the EU, the IMF will all monitor projects and groups of projects, which they fund – even if they are not the actual project manager. This is because they need to satisfy themselves that intended progress is being made, that the necessary activities are carried out within budget and on time and that, as a consequence, the intervention will have a reasonable chance of success.

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It is usual that a donor organisation or funding body will insist that monitoring be carried out relative to several projects or groups of projects, in practice programmes or even policies which they intend to support (structure of the sentence to be reviewed?). This is for sound practical reasons. Firstly, the donor tends to invest strategically and therefore support several projects (or even programmes) that are collectively designed to obtain a wider outcome. His interest therefore is broader than any single project. Secondly, monitoring takes time and money to be done well and can only be justified if it is really needed and can be done efficiently.

SAQ2: Distinguish between the monitoring of a programme and the monitoring of a single project.

SAQ3: Why do donors often insist on the monitoring of projects funded by them?

Definitions of Monitoring

Monitoring has been defined in many different ways. For the purposes of this manual, we set out below two alternative definitions of monitoring taken from the UNDP and from MEANS⁴. (emphasis added):

1. (UNDP's "Handbook on Monitoring and Evaluation for Results", p.5)

*"Monitoring can be defined as a continuing function that aims primarily to provide the management and stakeholders of an ongoing intervention **with early indications of progress, or lack thereof, in the achievement of results**. An ongoing intervention might be a project, programme or other kind of support".*

2. (MEANS - Volume 6, p. 29).

*Monitoring is defined as "an **exhaustive and regular examination of the resources, outputs and results of public interventions**.*

"Monitoring is based on a system of coherent information including reports, reviews, balance sheets, indicators etc. Monitoring system information is obtained primarily from operators and is used essentially for steering public interventions. When monitoring includes judgement, this judgement refers to the achievement of operational objectives. Monitoring is also intended to produce feedback and direct learning. It is generally the responsibility of actors charged with implementation of an intervention".

Monitoring is usually a continual activity. Its focus is to produce information, usually from the lowest possible unit of analysis, on the performance of an intervention. A prerequisite for monitoring is a system for the collection and reporting of relevant information. This system should be established at the outset of the programme intervention.

⁴ Means Collection, "Evaluation of Socio-Economic Programmes", 1999.

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Monitoring tends to focus on how a situation is evolving or on relative performance up to a cut-off date. It is never strongly judgmental: if it involves judgments at all, these are usually confined to questions of resource use (input and output), and to a lesser extent results. The activity of monitoring can be carried on with regard to a policy, a programme or a project and feeds the conduct of evaluation.

In summary, monitoring is the regular and systematic collection, reporting and interpretation of evidence relevant to the way in which the policy or programme is performing. This might mean looking at whether or not one-off “milestone” achievements have been met (for example, an airport runway completed by a specific date; the computerisation of an administrative function within a given time period). Alternatively, it might look to performance indicators relevant to the stage of completion of the intervention: (for example, jobs created, areas of natural habitat conserved, improvements in the health profile of the population).

As a general rule, monitoring – unlike evaluation – is normally concerned with inputs, activities and short-term or immediate outputs, results or directly attributable and measurable impact. Unlike evaluation, it does not address long-term outputs, results or less measurable impacts. For this reason, while it involves some reasoning, its judgements are mainly limited to procedural issues.

SAQ4: Contrast monitoring and evaluation.

Monitoring Reporting Chain

Monitoring, as an activity should be embedded into the implementation of a programme. This is achieved by assigning responsibility for the maintenance of management information systems holding monitoring data and for the production of routine monitoring reports. The essence of good monitoring is that front-line operational managers are continually passing information relative to implementation, both financial and physical to higher levels. Ultimately, all of this information, once analysed and aggregated is fed to those with ultimate responsibility for monitoring the entire programme.

It is particularly important to follow the above approach with large programmes. It is totally impractical to seek to obtain key performance information on a reactive basis by sending out higher level officials to lower programme operators on an ad hoc or even regular basis. It is more efficient and cost-effective to organise the various management levels of a programme (or sector) into a clear reporting chain. In the routine course of their work, they should input data into a computer system that has been agreed with the programme implementing or managing bodies at the outset. In this manner, it should be possible to gain an overview of progress in the programme

relatively simply. A situation should rarely arise where information needs to be created specifically for monitoring purposes. The information should naturally be available as part of the implementation of the projects, especially where the projects are large or complex.

Data Collection and Reporting From Project Level

In monitoring a policy or programme intervention, it is important to be sure that we are capturing what is directly attributable to the policy or programme. The most certain manner to do this is to collect data from the lowest possible level of activity and develop appropriate indicators about the programme's performance at that level. This data and indicators will be project-focused: e.g. the number of business start up projects supported (output), the number of projects surviving (results) and the actual achievement of the projects themselves in terms of employment created or sustained (directly attributable impact). The project focus ensures that the indicators relate to the performance of work that is directly attributable to the actual operation of the policy or programme. They are solid indicators of performance and of the contribution of the policy or programme to that performance.

Reporting data directly from project level (programme indicators) may be preferable to an alternative such as calculating the total number of new businesses in a territory, then attributing some proportion of this overall total to the policy (deriving an indicator from context indicators). However, it is entirely dependent upon the quality and quantity of the data collected at project level. Once the project is established as the basic unit of analysis, any shortcomings at the project level in terms of the indicators agreed or the quality or quantity of data collected will have adverse impacts on monitoring the programme as a whole. The quality of monitoring will, in turn, determine the quality of any subsequent evaluation of the programme.

SAQ5: Why is it advisable for monitoring indicators to be project focused?

If the project is the basic unit of analysis for monitoring purposes, then considerable data collection responsibilities will fall to the individual project managers. Project managers will have to report performance through specific indicators and may also need generic or key indicators.

Example of Reporting: Business Start-Up Grants Policy (N. Ireland)

In a Business Start-Up Grants Policy, individual project managers (within businesses) are required to report the levels of employment in their businesses. This is fairly straightforward since businesses maintain details of their employees for payroll and taxation purposes. Moreover, in the case of small start up businesses, there are relatively few employees on which to report. But project managers can be required to collect and report a much wider range of information such as details on turnover, customer numbers and exports.

Example of Reporting: Training Programmes

In the case of a training policy, individual training managers (effectively the project managers) might have to collect details on course attendees, the qualifications they obtain and their subsequent employment status. They might also have to record whether the attendee was male or female, their age, where they live, whether or not they had previous qualifications and whether or not they were employed before the training began. This level of data collection can place a significant administrative burden on project managers, especially where the project is relatively small. There is a risk that project managers will simply not collect the information.

Care needs to be taken to balance the data collection requirements at project level with the probable administrative capacity of the projects themselves. Any administrative burden on the projects should be minimised. In addition, the rationale for data collection should be explained in full. Compliance with data collection requirements might be made a precondition for assistance.

Data Analysis

Monitoring data can be valuable in themselves but always needs to be analysed and interpreted carefully. It is therefore important that monitoring data are presented in the form of a detailed **monitoring report** including **analyses, interpretation and commentary**.

Example: Data Analysis Business Start-Up Grants Policy (N. Ireland)

The Business Start Up Grants Policy had a target of 350 assisted business start-ups employing 1,000 people. Actual performance would need to be compared with this target. In addition, however, some analysis would need to be carried out to consider the role of the social and economic context in performance (a wider economic downturn would explain at least some of any underperformance noted, a period of economic growth, at least some apparent over-performance) and also to consider what kinds of business were being supported or the quality of the employment they were providing. If the policy had resulted in just 300 supported businesses employing 700 people, this might look poor compared with a target of 375 businesses employing 1000. But it might be that a high proportion of the assisted businesses were in growth sectors and that the employment provided was of a high quality (good pay and conditions).

Monitoring Information Systems

“A precondition for an effective monitoring reporting is the establishment of a monitoring information system ...”

- Background Paper for the Mandate of the Evaluation Advisory Group.

The development of an effective information system to meet programme/policy monitoring requirements is essential. The electronic collection of data in particular can facilitate a more detailed, structured recording system, which can provide timely information to assist the accurate reporting of progress. However, an electronic (computer based) system is only effective if correctly developed and implemented. Technology cannot by itself meet the challenge of monitoring and reporting. Therefore before considering the technological support for data collection, aggregation and retrieval it is essential to:

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- design the programme;
- determine the system of indicators and the kind of information they will require;
- define and identify the actors in the reporting chain;
- map their roles and responsibilities.

When considering the type of computer based system to meet monitoring requirements the following issues should be considered:

- Who will maintain the database?
- Who will make updates?
- Who should have (requires) access?
- How much is in the budget for the computer based system?
- What information should be collected?
- Will the system be networked?

The above issues will need to be addressed before the system is put in place. There are a number of additional “dos” and “don’ts” to consider:

Do

- Find out what other people have done in this area - evaluate past and existing systems;
- Set up a group to discuss the system requirements – ensure it is user friendly;
- Ensure the new system will allow you to produce all monitoring reports needed;
- Depending on resources try to disseminate data inputting responsibilities to those closest to activities;
- Appoint an auditor of the computer-based database from the outset;
- Develop clear guidance material on each aspect of the system (i.e. data required, how to input, when to collect, etc).

Don’t

- Introduce the system for monitoring after the programme/policy has begun;
- Launch the system in stages (i.e.. separate applications and approvals, financial monitoring and monitoring and evaluation stages);
- Focus excessively on developments in the overall regional economy and society (i.e. macro level change) rather than on change directly attributable to the action of the Programmes and the projects they assist;
- Neglect the input from those closer to actual activities.

Once the various issues on required information are resolved, an expert in the area of developing a computer-based database should be employed to develop the system. The key at this stage is to ensure that the system is in place and that all those responsible for reporting performance are fully briefed on why this is important and how to do so.

SAQ6: What five key pieces of advice would you give for the development of a good monitoring system?

Best Practice in Monitoring

Monitoring is an on-going process and has an important role to play in the management of project/programme, in confirming that it is making good progress, determining whether or not the project continues to pursue the original target, and in identifying potential problems so that corrective actions can be taken. It creates the information base for an evaluation. To make sure that the best practice is applied when setting up a monitoring system, the process should include the following eight steps.

Define Structure and Resources

The body responsible for monitoring must define the structure and resources of the monitoring system on the basis of existing priorities and capacity. This should consider the level of detail at which monitoring is to be undertaken in order to meet the needs of different user groups (including the Commission). It is important to relate information needs to the different levels of the management structure; usually more summarised information is used for the higher level of management.

Define Systems and Tools

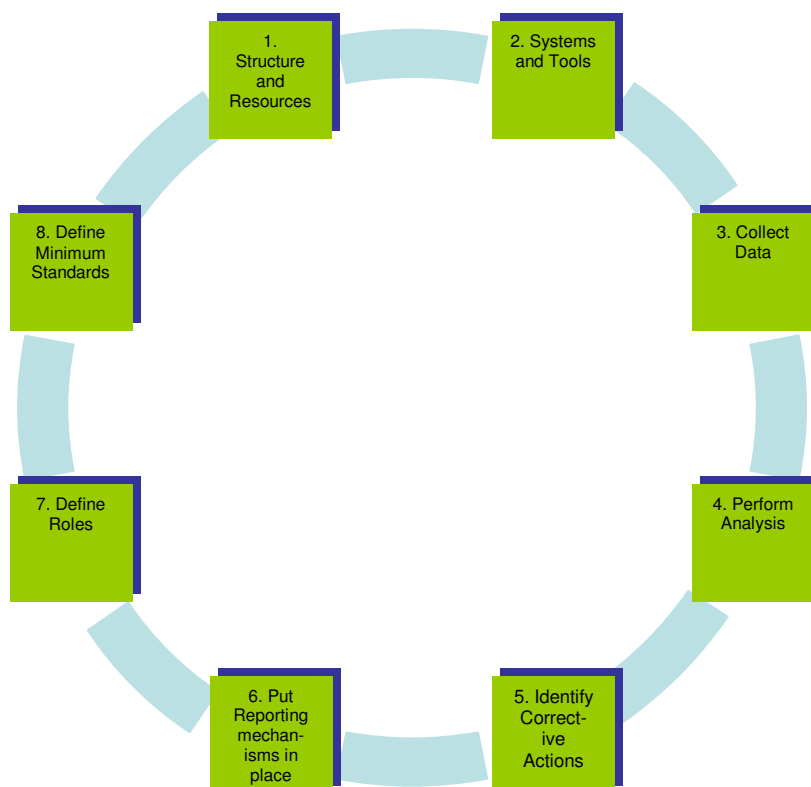
Decisions must be taken as to what information is required to control the project/programme implementation process, the data to be collected to provide the necessary information on outputs and results and corresponding indicators and the form, frequency and timing of their transmission (reporting mechanism). The methods used to quantify the data or estimates generated by surveys must be specified as well as the authorities or bodies responsible for their provision, collection and processing.

Collecting Data

This involves collecting facts, observations and measurements and documenting them. The following basic issues need to be regularly monitored;

- at what rate are financial and other resources being used and cost incurred in relation to progress in implementation? (This should be tracked monthly);
- which activities are underway and what progress towards outputs has been made? (This should be tracked weekly). Which intended outputs have actually been achieved or are being achieved?;
- indicators at all levels of the Logical Framework;
- project environment;
- co-operation with target groups and partners.

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Perform Analysis

Data about intended performance is compared with data on actual performance to identify significant deviations from plan, as a basis for identification of problems and opportunities. It should provide answers to following questions:

- are the desired results being achieved (e.g. quarterly)? - analysing whether or not outputs are in the process of being produced as planned and whether or not the outputs are contributing to the results and impacts;
- to what extent are these results supporting achievement of specific objectives (half-yearly analysis)?, how the objectives are met?;
- what changes occur in the project environment and their consequences for project?;
- are there any changes in the mechanisms and procedures of project organisation and co-operation with target groups?.

Define Corrective Actions

In cases where progress is lacking, corrective actions to be taken are identified. If necessary, adjustments to resources, timing of activities, objectives, indicators, procedures or mechanisms for co-operation should be proposed.

Put Reporting Mechanisms in place

In this context: monthly or progress review meetings are useful to review progress against the plan (simply a rapid oral assessment of current issues and problems); and monitoring or project progress reports provide periodic summaries of project progress incorporating key information from the physical and financial indicators included in the

log frame, activity schedule, etc. The purpose of the reports is to provide updates on achievements against indicators and milestones. Internal monitoring documents and reports record and present the results of the monitoring process. The reports are to be written in a standard format allowing for comparison between reports over time.

Reporting mechanisms for communication have to be established to ensure that the necessary information is generated and utilised in a timely and effective manner.

Define Roles of Partners in Monitoring

A Government coordinating authority and/ or other central ministries usually have overall responsibility for monitoring and evaluating activities. They are in a good position to coordinate and provide support for monitoring and evaluation activities and to take actions based on the findings of evaluation reports.

Implementing agencies and units provide technical support for monitoring and evaluations, and may also provide information about the status of results/impacts. The institutions designated to manage a project are in charge of project management and the delivery of outputs. Such institutions provide critical technical information on the effectiveness of the implementation strategy, and how outputs are being delivered. Target beneficiaries (end-users) provide information about the relevance and the quality of outputs or services through stakeholder meetings and consultations.

National statistical offices are key providers of data as well as expertise in data collection and analysis.

Defining Minimum Standards

The credibility of findings and assessments depends to a large extent on the manner in which monitoring is conducted. Good principles (also called “minimum standards”) for monitoring are as follows:

Good monitoring focuses on results and follow-up. It looks for “what is going well” and “what is not progressing” in terms of progress towards intended results. It then records this in reports, makes recommendations and follows-up with decisions and action.

Good monitoring depends on good design. If a project is poorly designed or based on faulty assumptions, even the best monitoring is unlikely to ensure its success. Particularly important is the design of realistic activities, outputs and results. Offices should avoid using monitoring for correcting recurring problems that need permanent solutions.

Good monitoring requires regular visits by staff who should focus on results and follow-up to verify and validate progress. In addition, the programme manager must organise visits and/or bilateral meetings dedicated to assessing progress and analysing problem areas. The programme manager ensures continuous

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documentation of the achievements and challenges as they occur and does not wait until the last moment to try to remember what happened.

Regular analysis of reports such as the monitoring reports is another minimum standard for good monitoring. Such reports, prepared by project management serve as a basis for analysis by the Phare programme managers.

Monitoring benefits from the use of participatory monitoring mechanisms to ensure commitment, ownership, follow-up and feedback on performance. Progress cannot be assessed without some knowledge of what partners are doing. This includes stakeholder meetings, steering committees and target group interviews.

Good monitoring finds ways to objectively assess progress and performance, based on clear criteria and indicators. To better assess progress towards results, country offices must make an effort to improve indicators.

Assessing the relevance, performance and success of development interventions enhances monitoring. The country evaluation office periodically asks critical questions about the continued relevance of the support to the activity, and strives to judge performance and success - or lack thereof - based on empirical evidence. The findings are used for decision-making on programming and support.

SAQ7: List the best practice steps for the development of a monitoring system.

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Appendix: Dos and Don'ts for the Establishment and Operation of a Monitoring System

Do:

Establish appropriate structures for monitoring

Provide sufficient staffing and resources

Motivate and stimulate those responsible for monitoring

Specify monitoring mechanisms

Identify clearly their tasks and responsibilities /authorities and bodies responsible for data collection and processing/

Explain clearly purpose of monitoring, determine why, what, when, who, and how for monitoring process

Identify clearly data to be provided by programme/project managers in order to collect necessary information on outputs, results, impacts and corresponding indicators

Set out a template and impose page limit

Ensure clear, verifiable indicators are in place including benchmarks and timescales against which to measure progress

Record updated indicators

Make sure the report includes the name of the author or person responsible

Include co-financing data and activities

Describe completed and on-going activities

Distinguish between important and less important information

State outputs and results

Describe non-performing parts of projects/programmes and reasons

Provide early warning of problem areas

Propose corrective actions

Insert precise but realistic deadlines for the implementation of corrective actions

Consider provision of data in cumulative form (from the beginning to the cut off date) when reporting more frequently or on many projects

Understand monitoring as continual process and as part of good project management

Ensure proper understanding of linkage between M&E

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Ensure compatibility between monitoring (data provided) and future evaluation (methodology, purpose)

Make sure you report on (expected) progress towards achievements of the objectives

Assess rather than describe

Ensure co-operation between monitors and project/programme implementing bodies

Remember that monitoring is a participatory process

Identify and speak to all relevant persons involved in the implementation

Build understanding among those involved in the programme

Provide key stakeholders with relevant information

Help stakeholders to understand critical issues and take corrective actions

Ensure communicative feedback on results and corrective actions

Don't:

Involve staff without sufficient knowledge and expertise

Apply too ambitious monitoring systems – too many info and complex methods

See monitoring as an obligation imposed from outside

Provide too detailed information but always consider how cost- and time-consuming they are

Fill in automatically data provided by donors and beneficiaries always verify

Describe planned activities where there has been no progress

Make a long list of tender dossier movements

Confuse activities with outputs or results with impacts/effects

State meetings as activities

Mix up M&E or see it as two isolated systems

ANNEXES

Annex I – Key Performance Indicators

This Annex has been drawn from the Volume 2 of The Means Collection, Key Performance Indicators

Main typologies of indicators

- In relation to the **processing** of information:
Elementary, derived and compound indicators
- In relation to the **comparability** of information:
Specific or generic indicators, key indicator
- In relation to the **scope** of information:
Context and programme indicators
- In relation to the **phases of completion** of the programme:
Resource, output, result and impact indicators
- In relation to **evaluation** criteria:
Relevance, efficiency, effectiveness and performance indicators
- In relation to the **mode of quantification and use of the information**:
Monitoring and evaluation indicators

An elementary indicator provides basic information on which other indicators can be built. For example, the number of jobless is an elementary indicator which can be used to calculate the unemployment rate (number of unemployed / working population), changes in the unemployment rate, etc. The number of kilometres of roads built, the number of businesses assisted, and the number of beaches complying with standards are all examples of elementary indicators.

A specific indicator is used in the case of an intervention and is not intended to be used for comparison. For example, the proportion of trainees belonging to the Catholic minority is a good indicator for a training programme in Northern Ireland, but is of little use in another region or for another intervention.

A generic indicator serves to make comparable measurements of several different kind of intervention within the same programme. The comparison is internal and allows the aggregation of data within the programme, in the form of a sum or average. Examples of generic indicators applied to an entire programme are the rate of budget absorption and the completion rate.

Key indicators are those which lend themselves to internal comparison between different interventions and to external comparison with other programmes. They can be used to establish points of reference such as average European performance or cases of excellent performance to be emulated.

Context indicators apply to an entire territory, population or category of population. An example of a context indicator is the level of connection to digital phone lines in an eligible territory. Within the framework of ex ante evaluation, programme intervention may be justified by the backwardness of the region in terms of level of connection.

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In contrast, **programme indicators** concern only the part or category of the public or the part of the territory that has effectively been reached. Programme indicators try to monitor, as far as possible, the direct or indirect effects of the programme. For example, they measure the extent to which a target population has been reached or the extent to which a lasting advantage has been obtained by direct addressees or recipients.

Definition of indicators by level of objective			
Level of objective	Type of indicator	Definition	Key actors
	Resource (input)	Means made available by financing authorities and used by operators for their activities	Financing authorities and operators
Operational objective	Output	Product of the operator's activity	Operators
Immediate specific objective	Result (immediate outcome)	Immediate effect for direct addressees or recipients	Direct addressees or recipients
Sustainable specific objective	Specific impact (sustainable outcome)	Sustainable effect for direct addressees or recipients	Direct addressees or recipients
Strategic objective Aim	Global impact (outreach)	Global effect for the entire population concerned (direct and indirect addressees or recipients)	Direct or indirect addressees or recipients

Output indicators represent the product of the operators' activity. More precisely, an output is considered to be everything that is obtained in exchange for public expenditure. Two examples in the field of SME consultancy services can be used to demonstrate the principle of an output, and help to distinguish an output from a result. Firstly, an operator might receive a fixed sum of money to finance the setting up of a consultancy service for SMEs. In this instance, the expenditure has 'bought' the establishment of a consultancy service, which is considered as the output. On the other hand, an operator might be allocated a budget of 400,000 € for a SME consultancy project planning to supply 5,000 hours of consultancy services. However, if the project were to deliver only half of the planned hours of services, the operator would only be paid 200,000 €. In other words, if an output is not realised, the support is withheld.

Result indicators represent the immediate advantages of the programme (or, exceptionally, the immediate disadvantages) for the direct addressees or recipients. An advantage is immediate if it appears while the addressee or recipient is directly in contact with the programme. The full results may be observed when the operator has concluded the action and closed off the payments. Since result indicators are easily known to the operators, they are generally quantified exhaustively during monitoring.

Impact indicators represent the consequences of the programme beyond its direct and immediate interaction with the addressees or recipients. An initial category of impacts group together the consequences for direct addressees or recipients of the programme, which appear or which last into the medium term (specific impacts), e. g. traffic on a road one year after it is opened; the placement rate of trainees after twelve months; sustainable jobs created in an industrial plant built with programme support;

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and the survival rate of businesses created with programme support. Some impacts are unexpected (spin-offs) but indicators are rarely created for unexpected impacts.

Relevance indicators relate the programme objectives to the needs that have to be met. For example, the number of places for trainees that the programme can provide, in relation to the number of long-term unemployed in the region; the number of planned consultancy missions, in relation to the number of regional firms that have never exported.

Effectiveness indicators relate what is obtained to what was expected. An effectiveness indicator can therefore be calculated by dividing two values of the same output, result or impact indicator, that is to say, the observed value at a given date and the objective initially set. When talking of effectiveness, it is preferable, for the sake of clarity, to specify whether the reference is to the effectiveness of outputs, results or impacts. Examples of effectiveness indicators are: outputs exceed the objective by 5%; the number of businesses created amounts to 85% of the objective; the placement rate of trainees after a year is 10% higher than expected.

Efficiency indicators relate what was obtained to the resources mobilised. An efficiency indicator is therefore the ration of two indicators: the measurement of what was obtained / the measurement of resources mobilised to obtain it. The calculation of efficiency can be based on an output, result or impact indicator.

Performance indicators, encompass the effectiveness and efficiency of outputs, results and impacts. In fact, the word 'performance' is used in many different ways. In this context, there is a large overlap between the notion of a programme indicator and that of a performance indicator.

Impact indicators are essentially **evaluation indicators**. Evaluation obtains information on impacts by means of surveys or in-depth studies. Collection techniques use sampling, which makes it possible to limit the number of people questioned and to avoid the impression of bureaucracy. Moreover, evaluation is rarely carried out by the operators and so does not add substantially to their workload.

Monitoring and evaluation indicators can also be distinguished by their implications on the sharing of responsibilities. Monitoring indicators and, in particular, resource and output indicators, enable operators to report on the use of resources allocated to them and on the activities for which they are fully responsible, e. g. building facilities without overspending or exceeding deadlines.

Result indicators are used either for monitoring or evaluation, depending on the degree of decentralisation adopted in the programme management. If the programme is highly decentralised (management by results), the operators can and must constantly adjust their activity in relation to the results obtain.

Indicators for seven domains

- Transport infrastructure
- Training
- Tourism
- Research and technological development
- Agriculture and rural development
- Environment
- Economic development

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Transport Infrastructure

New Section of motorway connecting A and B		
	Programme indicators (Related to the intervention and its effects)	Context indicators (Related to the assisted area)
Output indicators		
Progress	Compliance with project duration Rate of completion	
Quantity	Km of new motorway Km of new lanes	Km of motorways per million inhabitants in the area (endowment)
Result indicators		
Speed	E. S. S. (Equivalent Straight-line Speed) between A and B	Average E. S. S. to and from all relevant urban centres in the area
Impact indicators		
Traffic flow	Traffic flow of vehicles using the new infrastructure after one year	Traffic flow in the area (vehicle x km / year / inhabitant)
Time Saved	Total journey time saved by users (hours x vehicles x average number of passengers per vehicle) after one year	
Safety	Number of traffic accidents on the motorway after one year	Traffic accidents in the area (number / year / Mio inhabitant)
Transport system	% traffic between A and B using the new infrastructure	
Indirect economic effect		% of managers in the area who declare that road accessibility is a major constraint for their firm
Environment	Number of houses suffering from traffic noise Hectares of natural sites disturbed	Number of dwellings in the area Hectares of natural sites in the area

Key indicators	
Level	Key indicators
Resources	Rate of consumption of budget (% of allocated funds) % of budget devoted to environmental mitigation measures
Output	Rate of completion of project (% of objective) Compliance with the project duration
Result	Average speed between principal economic centres
Impact	% of regional managers declaring that accessibility is a major constraint for their firm

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Training

Skills improvement programme for young people with few qualifications		
	Programme indicators (in relation to the intervention and its effects)	Context indicators (in relation to the entire target public)
Output indicators		
Supply	Number of training places proposed by the programme	
Result indicators		
Adaptation of training	% of places offered corresponding with growing sectors	% of young people who are trained for growing sectors
Success rate	Number of trainees qualifying / number of trainees enrolled on the training course (incl. number of women)	
Impact indicators		
Number of trainees qualifying	Number of trainees trained	Number of young people with a low level of skills
Salaries of the trainees recruited	Average monthly salary of trainees employed after 12 months (average for women / men)	Average monthly salary of young people

Key indicators	
Level	Key indicators
Resources	Rate of real spending of available funds (% of budget allocated)
Output	Number of training courses financed directly (incl. number of women) Success rate in reaching the eligible public Hours of services and training received by the addressees or recipients (incl. number for women)
Result	% of trainees who belong to a priority public (e. g. jobless young people)
Impact	Sustainable placement rate (% of addressees or recipients who are employed after 12 months, incl. % of women) Rate of transition (% of addressees of recipients whose social situation has improved after 12 months, incl. % of women)

Tourism

Support for the creation of tourist facilities (museums, amusement parks, etc.)		
	Programme indicators (in relation to the intervention and its effects)	Context indicators (in relation to the assisted region)
Output indicators		
Activity of Operators	Number of contacts with potential addressees or recipients	
Number of addressees or recipients	Number of economic units assisted	Total number of tourist facilities
Capacity	Maximum number of visitors / day	

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Result indicators		
Length of the visit	Normal length of visit to the facility (in hours)	
Cost of the visit	Average cost of a visit to the facility (in € / person)	
Impact indicators		
Number of visits	Number of visits per year to assisted facilities	
Attractiveness for foreign tourists	% of visits by foreign tourists	
Value added	Value added generated in € / year	Value added generated in the tourism sector in € / year
Jobs created	Net number of jobs created (incl. % occupied by women)	Number of jobs in the tourist sector

Key indicators	
Level	Key indicators
Resources	Rate of real consumption of available funds (% of budget allocated)
Output	Number of economic units which have received direct support of a service supported by the programme (including the size of the unit: large, medium, small, individual) Number of new economic units (less than a year old) which have received direct support or a service supported by the programme (including size: large, medium, small, individual)
Impact	Value added generated (€ / year / employee) Net jobs created or maintained (in full-time equivalent, including % occupied by women)

Research and technological development

Support for a science and technology park for SMEs		
	Programme indicators (Related to the intervention and its effects)	Context indicators (Related to the assisted area)
Output indicators		
Quantity	Surface area (ha.) of S&T (Science and Technology) park Floor space available (m ²) in the park	Total surface area (ha.) of S&T parks in the area Total floor space available (m ²) in S&T parks
Result indicators		
Cost	Cost of establishing a small high-tech firm in the park (€ / year / m ²)	
Scientific attractiveness	Number of researchers working in the vicinity of the park	
Impact indicators		
Occupation	Number of small high-tech firms establishing themselves in the park after one / three years Number of research institutes in the park (originating from outside the region)	Number of small high-tech firms in the area

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Networking	Number of collaborative projects involving two or more occupants of the park after one/two/three years	
Direct employment	Number of R&D posts created by park occupants after one/three years (FTEs, including number held by women)	Number of RTD posts in the area per 1,000 workers

Support for post-graduate research		
	Programme indicators (Related to the intervention and its effects)	Context indicators (Related to the assisted area)
Output indicators		
Research activity	Number of supported research students (of which women) Number of research projects employing supported researchers	Number of researchers employed in the area per 1,000 workers
Result indicators		
Qualifications	Number of supported researchers completing post-graduate research programmes and obtaining a PhD	Annual number of doctoral students in the area
Networking	Number of contacts and collaboration with regional firms involving supported researchers % of supported postgraduates hired by regional firms	
Impact indicators		
Potential innovations	Number of patents taken out for potential innovations being developed with private sector partners resulting from research by supported researchers – after one/three years	Number of patents taken out by firms in the area

Key indicators	
Level	Key indicators
Resources	Rate of consumption of budget (% of allocated funds)
Output	Selection rate (% of projects accepted in financial terms) Number of hours of expert advice received by addressees or recipients
Result	Satisfaction rate (% of addressees or recipients satisfied / very satisfied by services provided) Leverage effect (private sector spending occurring as a consequence of the programme in relation to financial support received)
Impact	Value added / sales generated (after 12 / 36 months in terms of € / year / employee) Net employment created (FTEs of which held by women) after 12 / 36 months

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Agriculture and rural development

Financial Support to assist the setting up of young farmers		
	Programme indicators (Related to the intervention and its effects)	Context indicators (Related to the assisted area)
Output indicators		
Number of addressees or recipients	Number of assisted young farmers (incl. % of women)	Total number of young farmers
Result indicators		
Leverage effect	Total investments made by assisted young farmers (broken down into farm type)	Average stock of capital per farm
Restructuring	Number of assisted young farmers who replace retiring farmers	Number of farmers retiring per year Age distribution of farming population Ratio of farmers starting out to farmers terminating their activity
Impact indicators		
Survival rate	Survival rate of young farmers' businesses after two years	Survival rate of businesses in the agricultural sector in the region
Jobs created	Number of FTE jobs on the farm after two years	Number of FTE jobs in the agricultural sector in the region
Farm income	Income growth in % two years after investment	Average income per farmer

Key indicators	
Level	Key indicators
Resources	Rate of consumption of budget (% of allocated funds) % of projects (in financial terms) concerning the most disadvantaged rural areas
Output	Selection rate (% of projects in financial terms accepted) Number of individuals receiving direct assistance or services as a result of the programme (incl. % of men / women) Number of economic units (farms, etc.) receiving direct assistance or services as a result of the programme (large, medium, small, individual) Number of new economic units (tourist accommodation and attractions, new farms, etc.) receiving direct assistance or services as a result of the programme Coverage (% of addressees or recipients, for example young farmers, of the total number of potential addressees or recipients)
Result	% of addressees or recipients situated in the most disadvantaged areas Leverage effect (spending by addressees or recipients accompanying the financial support received)

DEVELOPING EFFECTIVE MONITORING AND INTERIM EVALUATION INDICATORS

Impact	<p>% of assisted new businesses (diversified farms, campsites, farms taken over by young farmers, etc.) that are still active after 24 / 36 months</p> <p>Gross value added generated (after 12 months in terms of € / year / employee)</p> <p>Net employment created or maintained (FTEs incl. % held by women) after 12 months</p> <p>Residential attractiveness (% of inhabitants wishing to remain in the area)</p>
--------	---

Environment

Improvement of solid waste management facilities		
	Programme indicators (Related to the intervention and its effects)	Context indicators (Related to the assisted area)
Output indicators		
Progress	Compliance with project duration Rate of completion	
Capacity	Maximum annual throughput (tonnes)	
Result indicators		
Coverage	Number of households potentially covered by waste recovery collection services	
Impact indicators		
Solid waste collected for recycling	Amount of solid household waste collected for recycling in the areas of assisted projects (tonnes / year) after one year	Amount of solid waste produced in the area (tonnes / year)
Solid waste recycled for reuse as raw materials	% of solid waste recycled for reuse as raw materials in the areas of assisted projects after one year	% of solid waste recycled for reuse as raw materials in the area
Indirect economic effect		Number of economic units (firms, farms, etc.) who declare that the new water supply system has released a major constraint for their development
Environment	% of unauthorised landfill sites closed / rehabilitated in the areas of assisted projects	Number of unauthorised landfill sites in the area % of underground water sources suffering from pollution emanating from buried solid waste

**DEVELOPING EFFECTIVE MONITORING AND INTERIM
EVALUATION INDICATORS**

Key indicators	
Level	Key indicators
Resources	Rate of consumption of budget (% of allocated funds) % of budget devoted to environmental mitigation measures
Output	Selection rate (% of projects accepted in financial terms) Rate of completion of project (% of objective) Compliance with project duration Number of potential connections (domestic / economic units) to networks of basic services (e. g. water treatment facilities)
Result	% of domestic / economic units receiving a level service satisfying European norms through the network (e. g. drinking water)
Impact	Number of users connected to the new infrastructures, broken down in domestic / economic units (e. g. water treatment facilities) after one year Net employment created or maintained (FTEs of which held by women)

Competitiveness of SMEs and enterprises in general

Informational support for SMEs to promote exports		
	Programme indicators (Related to the intervention and its effects)	Context indicators (Related to the assisted area)
Output indicators		
Number of addressees or recipients	Number of assisted SMEs	Number of SMEs in the eligible area
Result indicators		
Satisfaction rate	% of addressees or recipients who are satisfied or very satisfied with the support services provided	
Geographical diversification	Number of SMEs becoming new exporters Number of SMEs exporting to new markets	
Impact indicators		
Exports	% of export sales in the turnover of assisted SMEs after 18 months	Exports of SMEs related to GPD of the area
Value added	Value added generated after 18 months	Average value added by employee in the area
Direct employment	Number of net jobs created / maintained (FTEs incl. % held by women) in firms in relation to export sales after 18 months	Total number of unemployed in the assisted area

**DEVELOPING EFFECTIVE MONITORING AND INTERIM
EVALUATION INDICATORS**

Key indicators	
Level	Key indicators
Resources	Rate of consumption of budget (% of allocated funds)
Output	Number of contacts between operators and addressees or recipients (of which SMEs) Number of project applications (of which by SMEs) Selection rate (% of projects in financial terms accepted and % of which are proposed by SMEs) Selection rate for projects in rapidly growing sectors (in proportion to the average selection rate and % of which are proposed by SMEs) Number of hours of expert advice received by addressees or recipients (e. g. to launch a business) Number of firms receiving direct assistance or services as a result of the programme (% of which SMEs)
Result	% of recipients firms active in rapidly growing sectors (% of which SMEs) % of recipients firms involved in high-tech projects (% of which SMEs) Satisfaction Rate (% of addressees or recipients satisfied / very satisfied by services provided) Leverage effect (private sector spending generated by the programme in relation to financial support received)
Impact	% of assisted new businesses that are still active after 18, 24 and 36 months Value added generated (after 18 months in terms of € / year / employee) Net employment created or maintained (FTEs, % of which are in SMEs / of which held by women) Regional knock-on effects (regional firms, % of which SMEs, as a % of suppliers to assisted businesses after 18 months)

Competitiveness of SMEs and enterprises in general

Informational support for SMEs to promote exports		
	Programme indicators (Related to the intervention and its effects)	Context indicators (Related to the assisted area)
Output indicators		
Number of addressees or recipients	Number of assisted SMEs	Number of SMEs in the eligible area
Result indicators		
Satisfaction rate	% of addressees or recipients who are satisfied or very satisfied with the support services provided	
Geographical diversification	Number of SMEs becoming new exporters Number of SMEs exporting to new markets	

**DEVELOPING EFFECTIVE MONITORING AND INTERIM
EVALUATION INDICATORS**

Impact indicators		
Exports	% of export sales in the turnover of assisted SMEs after 18 months	Exports of SMEs related to GPD of the area
Value added	Value added generated after 18 months	Average value added by employee in the area
Direct employment	Number of net jobs created / maintained (FTEs incl. % held by women) in firms in relation to export sales after 18 months	Total number of unemployed in the assisted area

Key indicators	
Level	Key indicators
Resources	Rate of consumption of budget (% of allocated funds)
Output	<p>Number of contacts between operators and addressees or recipients (of which SMEs)</p> <p>Number of project applications (of which by SMEs)</p> <p>Selection rate (% of projects in financial terms accepted and % of which are proposed by SMEs)</p> <p>Selection rate for projects in rapidly growing sectors (in proportion to the average selection rate and % of which are proposed by SMEs)</p> <p>Number of hours of expert advice received by addressees or recipients (e. g. to launch a business)</p> <p>Number of firms receiving direct assistance or services as a result of the programme (% of which SMEs)</p>
Result	<p>% of recipients firms active in rapidly growing sectors (% of which SMEs)</p> <p>% of recipients firms involved in high-tech projects (% of which SMEs)</p> <p>Satisfaction Rate (% of addressees or recipients satisfied / very satisfied by services provided)</p> <p>Leverage effect (private sector spending generated by the programme in relation to financial support received)</p>
Impact	<p>% of assisted new businesses that are still active after 18, 24 and 36 months</p> <p>Value added generated (after 18 months in terms of € / year / employee)</p> <p>Net employment created or maintained (FTEs, % of which are in SMEs / of which held by women)</p> <p>Regional knock-on effects (regional firms, % of which SMEs, as a % of suppliers to assisted businesses after 18 months)</p>

DEVELOPING EFFECTIVE MONITORING AND INTERIM EVALUATION INDICATORS

Economic development

Venture capital scheme for small business development		
	Programme indicators (Related to the intervention and its effects)	Context indicators (Related to the assisted area)
Output indicators		
Number of addressees or recipients	Number of SMEs having had at least one loan backed by venture capital (incl. % of which in non-sheltered sector)	
Result indicators		
Leverage	Additional private investment that is generated by loans (incl. % of which in non-sheltered sectors)	
Impact indicators		
Value added	Annual value added that has been generated by venture capital backed loans (incl. % of which in non-sheltered sectors)	% of non-sheltered sectors in regional GDP
Exports	Exports that have been generated by assisted SMEs after one year (of which in non-sheltered sectors)	Exports as a % of regional GDP

Key indicators	
Level	Key indicators
Resources	% of budget devoted to projects of locally owned and managed firms % of budget devoted to projects in rapidly growing markets % of budget devoted to projects in non-sheltered sectors
Output	Number of economic units receiving direct assistance or services as a result of the programme (of which involved in locally owned and / or managed firms, with rapidly growing markets, in non-sheltered sectors)
Impact (programme)	Value added generated by the programme after 18 months in terms of € / year / employee (of which generated by locally owned and / or managed firms, by firms in rapidly growing markets, by firms in non-sheltered sectors)
Impact (context)	Investment / capita, GDP / capita, Value added / employee. Exports in % of regional GDP, % of regional GDP in locally owned and managed firms, rapidly growing markets, non-sheltered sectors

Annex 2 – Kick off

This Annex presents generic powerpoint slides used by EMS that can be adapted to organise the kick-off meeting.



EMS Thematic Report

??? Review

Kick-off meeting

Insert date



Agenda of the meeting

- 1 Presentation of **CONSORTIUM**
- 1 Objectives of the **INSERT PROGRAMME** Review
- 1 Target audience
- 1 Key questions
- 1 Methodology
- 1 Information Sources
- 1 Conclusions and recommendations
- 1 Timelines

2



Presentation of **CONSORTIUM**

- 1 Setup date
- 1 Contracted by ???
- 1 Mission statement
- 1 Duration the contract
- 1 Local representations, head office location and responsibilities
- 1 Exemple:
 - 1 Consortium of companies, since July 2001
 - 1 Contract with E3 (DG Enlargement), to carry out
 - Interim evaluations of on-going Phare national and multi-country programmes
 - Ad-hoc, thematic reports (e.g. Grant Scheme)
 - Other support, training, practical guides
 - 1 Until July 2003, 10 offices in CCs and one CO in Brussels
 - 1 From August 2003: 1 CO, Offices in Bg, Ro and Sk

1



Objectives of the **PROGRAMME** Review

- 1 Using bullet points, list the various objectives.
 - Main programme and stakeholders
 - Expected achievements at the end of the programme
 - Long term requirements

4



Target audience

List the various stakeholders involved in the programme.

- Commission services
- Coordinating bodies,
- Implementing agencies
- funds

5



Key questions

- 1 Available sources of funding?
- 1 Most appropriate management and organization?
- 1 Critical success factors?
- 1 Main objectives of the programme and its Specificities
- 1 Lessons learned from previous similar programmes?

6



Methodology 1/3

- 1 Specify the majors steps in the chosen approach.
Define stages and outcomes for each of them.

- 1 Three stages:
 - Information gathering (from who, what kind of information is required, level of detail, cover period). One should also think of the timing, the budget, the expected costs, potential risks
 - Information analysis (identify specific issues to be analyzed, how to proceed, how to use them)
 - Report writing (remember using the 5 DAC criteria) and presentation of the recommendations to the client

7



Summarizing table of tasks

stage 1	methodology and structyre	identify and collect documents list of contacts key questions kick off meeting	key questions and general structure of the report Agreement on methodology Information basis established.
stage 2	data collection finalise analysis	set key questions set structure and objectives of the report desk study interviews ans questionnaire validation of previous steps preparation of the report	first draft version comments
stage 3	Commenting phase Report Debriefing	informal presentation redrafting of the report, including comments preparation of the meeting	second draft version final report presentation of the results

8



Information sources

List the different information sources that were used as a basis for the report

9



Conclusions and recommendations

List the various bodies and organisations you are likely to report to, what areas you will cover and what your recommendations are aimed at.

10



Outline work plan

- 1 Preparation and Introduction
- 1 Start of Interim Evaluation
- 1 Inception Note
- 1 Field Interviews
- 1 Issue draft report
- 1 Commenting period for the first draft
- 1 Issue final report
- 1 Debriefing

11



Timetable

Propose a draft timetable, specifying key dates
and expected results at that time.

12



Contacts

- 1 List key stakeholders involved in the project with their contact details

13



Question time

- 1 Thank you for your attention

14

**Annex 3 - Standard List of Documents needed to start an Interim Evaluation
of a Phare Programme**

1. **Policy documents** (Accession Partnership, Regular Reports, Country strategy for the sector)
2. **Line DG strategic documents expressing priorities**
3. **Programme documents**
 - 3.1. Programmes Financing Memorandum and/or financing proposal
 - 3.2. Project Fiches
 - 3.3. Monitoring reports for the corresponding period
 - 3.4. Minutes of SMSC relevant to the period
 - 3.5. Follow up table from previous Interim Evaluation
 - 3.6. Interim Evaluations of the programme and of related programmes
 - 3.7. Other evaluations (ex ante, Court of Auditors, ex post, etc.)
 - 3.8. Thematic evaluations relevant to the sector
 - 3.9. Comprehensive list of projects and contacts
4. **Projects documentation:**
 - 4.1. Terms of reference, contracts, inception reports, progress reports and final reports
 - 4.2. Project outputs or project outputs specifications documents

Annex 4 – Questionnaire - Overview

NOTE: PREPARE ONE QUESTIONNAIRE FOR EACH TYPE OF AUDIENCE

QUESTIONS FOR THE LOCAL STAKEHOLDERS

1. Introductory questions setting the scene (Background Information)

- ◆ Presentation of the interlocutor
- ◆ Activities

- ◆ Overall objectives
- ◆ Relationship with other bodies involved in project implementation

2. Relevance

- ◆ Overall opinion about the relevance of wider and immediate objectives (what are the needs, what are the priorities, how well this particular programme addresses them)
- ◆ Opinion about the complementarity of objectives of other donors programme

In the case of programmes with a project selection procedure, include questions referring to the selection criteria, how they refer to expected outputs, and how they are applied.

3. Management

- ◆ Role and responsibilities of the stakeholders
- ◆ How well do they fulfill their role (give illustrative examples)
- ◆ Any other important remarks, e.g. effectiveness versus efficiency priorities
- ◆ *How does management measure efficiency? i.e. what criteria are used.*

4. Performance

- ◆ Comments on the programme performance, component by component
- ◆ What indicators are used to measure performance achievements and later on, impact?
- ◆ What was achieved to date?
- ◆ What would have been done without the intervention? What plans exist to extend or sustain the intervention when the support facility expires?
- ◆ Any other important remarks that would be worth mentioning?

5. Sustainability

What are the conditions for the sustainability of results achieved in this project?

6. Open discussion of issues for improvement

What are the main opportunities for improvement (interviewer should make suggestions based on issues mentioned during the previous parts of the interview)

QUESTIONS FOR THE CONSULTANTS/ CONTRACTORS

Background

- ◆ General comments of the sector and its development needs.
- ◆ What are your qualifications for providing technical assistance?
- ◆ Go through the scope and objectives of the contract, any revisions arising from the inception report.
- ◆ Discuss the project risk assessment and the strategies in place to deal with risk.

Programme Design and Structure

- ◆ What are the main expected improvements of the programme?
- ◆ What would the contractors change, in the definition of the objectives, design of the programme and its organization and the technical assistance you are providing?
- ◆ What are the main elements of technical assistance provided - what are the objectives of your intervention
- ◆ What was achieved so far?
- ◆ What remains to be done?
- ◆ Ongoing relationship with the stakeholders, availability of counterparts.
- ◆ How do you rate the success? (indicators)
- ◆ Do you have contact with the consultants involved in other countries?
- ◆ How successful is knowledge transfer, have specific arrangements been made for this?
- ◆ Any other important comments?

Annex 5 - Evaluation sheet of the project

**'ASSISTANCE TO THE SETTING-UP OF XX AGENCY AND OF RELATED
SYSTEMS AND PROCEDURES' IN XXX**

Monitoring

Title:

Code:

Budget:

Country:

Initiated by: European Commission (DG ELARG, LINE DG and EC Delegation)

Start Date: **End date**

Type of project:

Project Objectives (immediate)	Indicators	

CC counterparts:

Objectives (wider):

Activities:

Outputs:

Evaluation

Relevance

Efficiency

Effectiveness

Project Objective	Indicators measure	

Legend: 0: No identifiable achievement, 1. Some change initiated, 2: Objective completed

Description

Impact

Sustainability

Recommendations and lessons learned

Annex 6 - Table of Comments

**Treatment of the comments on the First Draft
For the final version**

Comment	Reference	Action Taken	Position of the Action(s) taken	Reason
NOTE THE COMMENTS YOU'D LIKE TO MAKE ON SPECIFIC TOPICS OR ISSUES THAT WERE DEALT WITH IN THE REPORT. SAY WHAT YOU CONSIDER AS BEING WRONG, OR NEEDS TO BE CHANGED	POSITION IN DRAFT REPORT WHERE THE COMMENT APPLIES	DRAFT REPORT MODIFIED OR COMMENT IGNORED OR COMMENT APPENDED	POSITION (S) IN DRAFT FINAL REPORT WHERE THE TEXT HAS BEEN CHANGED (IF APPROPRIATE)	

Annex 7 - Debriefing Presentation



**Debriefing meeting of the
XXX evaluation of the
XXX Programme**

Various stakeholders
EMS

06 November 2003



Timetable for the Interim Evaluation

- 1 Monitoring
- 1 Inception Note, definition of the sample
- 1 Start of Interim Evaluation
- 1 Field Interviews
- 1 Draft Executive Summary
- 1 Discussion of key findings with XXX
- 1 Discussion of key results , conclusions and recommendations with all stakeholders
- 1 Issue draft report
- 1 Issue final report
- 1 Debriefing

2



Objectives of the meeting

- 1 Presentation of the key facts
- 1 Presentation of the key findings
- 1 Presentation of the main conclusions and the recommendations
- 1 Discussion on recommendations in order to implement them

3



Key facts: organisation

This can take several aspects

- a graph
- A table
- A flowchart
- Bullet points on keys aspects

Notes: *Percentage of the total costs, **includes salaries and mission costs

4



Key facts: the projects

Template of possible table

	objective 1	objective 2	objective 3	assessment	total nb of projects	direct cost	% of direct cost
list of participating countries							
total nb of projects per objective							
direct cost							
% of direct cost							

5



Key findings

- what kind of programme is it and what does it focus on?
- Why was it implemented?
- Who are the stakeholders, their responsibilities?
- What were the main problems that occurred?

6



Evaluation criteria: Relevance

List the elements that were satisfactory
and the ones that need improving.

7



Evaluation criteria: Efficiency

List the elements that were satisfactory
and the ones that need improving.

Think of timeliness, cost efficiency versus quantity, scope of the
project, management system, objectives in relation to the strategy

8



Evaluation criteria: Effectiveness

List the elements that were satisfactory
and the ones that need improving.

Think of objectives and achievements, used
methodology, quality improvements

9



Evaluation criteria: impact and sustainability

List the elements that were satisfactory
and the ones that need improving.

Think of the target audience, area or group likely to see the benefits, how
significant the modification is, how much it will affect them, potential
side-effects, threats on sustainability (involvement, ownership of the
project, communication), long-run strategy

10



Evaluation criteria: impact and sustainability

List the elements that were satisfactory
and the ones that need improving.

Think of the target audience, area or group likely to see the benefits, how significant the modification is, how much it will affect them, potential side-effects, threats on sustainability (involvement, ownership of the project, communication), long-run strategy

10



Specific issues

Mention issues that are not specific to one particular area, i.e. general remarks on implementation, lessons learned, priorities, preferred contact persons, ways to promote the usage and the benefits from this programme/measure/organisation etc...

11



Conclusions

State general conclusion on the outcome of the programme: where the objectives achieved, which of them did or didn't with brief explanation, was it appropriate according to the expected result, does it have a short or long term impact, are there positive or negative external effects

12



Recommendations

Make a list of recommendations for future (similar) projects.
They can be added in an annex when they deal
with on specific aspect, on just liste here.

13



Thank you

please send any questions or comments to:

Add email addresses of relev@nt people
dealing with the project

14



Back-up slides

15



Recommendation 1

	Conclusion	Recommendation
1	<p>Make a brief summary of any issue that might be useful, that could improve the overall quality of the project.</p> <p>Make one sheet per issue, with the necessary recommendations to</p>	<ul style="list-style-type: none">· use bullet points to list the changes you would like to implement and the potential benefits you get from them.

Annex 8 – General Proposal for Thematic Evaluation Review

Phare Evaluation Review



*The independent interim evaluation and
monitoring services of PHARE*

Final Draft Proposal

Thematic Report

**Author: THE
CONTRATOR office**

Date:

FINAL DRAFT PROPOSAL PHARE SECTOR REVIEW

1. Background

This final draft proposal for a Phare Sector Review is based on presentations and discussions of the first draft proposal held at the kick-off meeting which took place on X September 2003. The comments and suggested adjustments received at the kick-off meeting have been considered and are incorporated in this final proposal. The proposal deals with the objectives, target audience, review period, content scope, presentation and timing for such a Report.

Although under a single heading, the Phare programmes and projects related to the sector touch upon a broad variety of individual issues, there has also been some multi-country co-operation. During the years 2001 to 2003 EMS has carried out numerous sector related interim evaluations, and has thus gained the necessary experience to undertake this review of the achievements and weaknesses related to this sectoral support.

2. Objectives of the Phare Sector Review (PSR)

The overall objective of this Review is to summarise the achievements of the Phare programme in the field of XXX, both in terms of supporting the adoption of the *acquis* and in terms of regulatory investments.

More specifically, the immediate objectives are:

- to evaluate Phare assistance in terms of relevance (including quality of design), efficiency, effectiveness, impact and sustainability;
- to identify significant positive (or negative) changes and key findings;
- to review relevant cross-cutting thematic issues relevant to the pre- and post accession environment;
- to review the effectiveness of Phare as an instrument in supporting the preparation of the CC sectors for EU membership, particularly for participation in the corresponding European policy; and,
- to identify and summarise lessons learned, highlight good practice and provide recommendations.

3. Target Audience

The PSR identifies the following stakeholders as the main target audience of the sectoral review:

- Commission Services (DG Enlargement, line DG, Commission Services at Delegations);
- Line administrations of the Candidate Countries (first, second and any future accession countries);
- National Aid Co-ordination of the Candidate Countries.

4. Information Sources

At present, THE CONTRATOR has access to around xx Evaluation Reports, locally prepared in ten Candidate Countries. This will represent the main 'fact base' upon which the evaluation will be based. Further relevant information will include:

- ◆ EMS Country Summaries;
- ◆ EMS Country Phare Evaluation Reviews;
- ◆ List of contact persons, including DG Enlargement and relevant line DG officials;
- ◆ Any other evaluation/progress report(s) available for the relevant line DG, internal or external to the Commission Services, in particular monitoring/ peer review reports and other documents as being made available by line DG.

This basic information is expected to be easily obtained, and we have planned only a limited time for information gathering as shown below in the proposed timetable. Should this assumption be inaccurate, we would need to revise the timetable accordingly.

The main **review period** that the PSR will cover will be from XX to YY, as EMS has performed individual interim evaluations on sectors in all ten candidate countries during this period. Where possible the [REVIEW] will also reflect latest developments.

At the start of this Review, the [CONTRATOR local IE work] is expected to be completed. In order to update the relevant information for the REVIEW and to allow for an accurate comparison of the main achievements and deficiencies occurring in the individual future MS, we propose to organise a mail questionnaire, addressed to CC SECTOR administrations and EC counterparts. The questionnaire will be supported with a limited number of personal interviews to be conducted with selected CC SECTOR administrators and Commission Services representatives.

5. Methodology and Format

It is proposed to follow the standard methodology for Interim Evaluation and to base the evaluation on the five evaluation criteria. The main text of the PSR should not be longer than 25 to 30 pages. The **proposed structure** of the PSR is given in Annex 1.

The analysis in the main text should include key findings, the five evaluation criteria and, where applicable cross-cutting issues. More specifically, the following **key sub-sectors** should be reviewed, across the five criteria, using also examples from various CC for illustrative purposes:

Furthermore the key sub-sectors may be reviewed in the light of the individual types of assistance used (technical assistance, twinning, services, supplies, works, grant schemes). Issues related to administrative capacity made available for the implementation and use of Phare SECTOR support could also be reviewed under this section.

[NOTE: The Review should attempt to quantify the success, impact and value of the Phare assistance, in terms of how Phare has contributed to the implementation of the accession process between 2001 and 2003. The Review should not provide too many (country-specific) details but should take an overall view of what Phare has achieved between 2001 and 2003. It should identify where the assistance was not effective, and what needs to be done in the short to medium term in design and implementation of such assistance to improve the success rate. This Review should also identify areas requiring

DEVELOPING EFFECTIVE MONITORING AND INTERIM EVALUATION INDICATORS

regular or extra support in the future and should evaluate **how Phare has impacted** on the individual sub-sectors across all ten CC, and **what Lessons have been learned.**]

The output of the Review can be used by the Commission Services for future programming in the accession (second and third wave of candidate countries) and in the post-accession context (new member states), including in the context of the CAP, or for any successor of the Phare programme.

5. Conclusions and Recommendations

Conclusions and Recommendations in the PSR can be of three forms:

- Conclusions and recommendations addressed to the Commission Services on how to improve SECTOR programming and implementation of Phare and/ or any successor programme of Phare (for the second and third wave of CCs); also in consideration with any post-accession context, including final preparation for CAP.
- Conclusions and recommendations relevant to the future new Member States, addressed to the respective administrations, on how to improve programming and implementation of Phare SECTOR assistance programmes, currently on-going or under final preparation, necessary in order to complete any outstanding preparation steps for membership; also considering any relevant post-accession context.
- Conclusions and recommendations, addressed to the second and third wave of CCs, on how to ensure more professional programming and implementation of any future Phare (and/or Phare successor) SECTOR assistance.

6. The contractor envisages the following steps:

	Step	Activity	Output	Input (MD CO) (Days)	Input (MD STTS) (Days)
1	Preparation and Introduction	Kick-off meeting with TM	Mutual Introduction THE CONTRATOR takes note of key issues and concerns Timetable agreed THE CONTRATOR obtains any other basic information	2	0
2	Information gathering and processing/ desk study work	In-depth study of materials, collect outstanding written information	Basis for conclusions and recommendations	15	20
3	Information gathering and processing/ questionnaire and interviews	Prepare and conduct mailing, carry out personal interviews	Basis for conclusions and recommendations	18	15
4	Drafting	Drafting of the first version	First version drafted	15	10
5	Commenting period for draft	Issue draft Review for comments	First version issued for comments		
6	Prepare Final Version	Incorporate comments, finalise Review	Final Version	5	
7	Debriefing/ workshop	Prepare presentation/ workshop materials organise and hold meeting	Agree follow up	15	5
Total				70	50

**DEVELOPING EFFECTIVE MONITORING AND INTERIM
EVALUATION INDICATORS**

Notes

Step 1: Preparation and Introduction

This phase will essentially consist of one meeting which will be followed up and minuted by THE CONTRATOR as required. The Kick off meeting with the Commission Services Task Manager will enable THE CONTRATOR to formally start the exercise and be informed of specific concerns of the task manager which may require focus in the evaluation.

Step 2: Information gathering and processing/ desk study work

This phase should enable THE CONTRATOR to gather most of the underlying documents and information required for the production of the evaluation report. The available information material will be processed mainly by means of desk study work.

Step 3: Information gathering and processing/ mailing and interviews

During this phase the preparation, mailing and collection of a questionnaire will take place. This phase will also contain the selection and contacting of counterparts which will be subject of face to face interviews.

Step 4: Drafting

Based on the information discovery steps as described above and on the results of desk study work, questionnaires and personal interviews, THE CONTRATOR will evaluate according to the five evaluation criteria and prepare a draft version of the thematic review. Conclusions and recommendations can be presented to the CS and discussed prior to the issue of the draft report.

Step 5: Issue draft report for comments.

Step 6: Incorporate comments received, prepare final version.

This step includes the preparation of materials for and organisation of a debriefing workshop.

Step 7: debriefing meeting with CS and other major stakeholders by means of workshop.

7. Resources

It is estimated that 70 days from Central Office and 50 man-days of short-term expertise will be necessary to complete the work in an appropriate way.

8. Planning/ Time Schedule

Step	Activity	Sept-03	Octo-03	Nov-03	Dec-03	Feb-04
1	Preparation including Kick off meeting	█	█	█		
2	Desk study work		█	█		
3	Questionnaire and Interviews		█	█		
4	Interim Evaluation/ Drafting			█	█	
5	Commenting Period for Draft Review				█	
6	Preparation of Final Version Review				█	
7	Debriefing, including workshop					█

Provided the work can start by the beginning of September and resources from Central Office are made available as indicated, the Draft Report could be ready for comments by mid December 2003, and the overall report can be debriefed by mid February 2004. This timing takes account of the other commitments of the staff of Central Office and of the estimated duration of each phase of the review.

Annex 9 - Proposed Structure of the Phare Sector Review

ABSTRACT

SUMMARY TABLE

TABLE OF CONTENTS

GLOSSARY OF ACRONYMS

PREFACE

INTRODUCTION

Context and setting. EU-CC relationship in period 2001-2003, including latest revisions to AP, NPAA, Regular Reports, and any other documents, relevant in the context of SECTOR. Introduction of other relevant programmes. Description of IE process and the form of the IE Report (the main fact base).

EVALUATION FINDINGS OF PHARE SECTOR PROGRAMMES 2001-2003

- *Preparation for Acquis*

Relevance (including design), Efficiency (including management, co-ordination, sectoral monitoring, rate of contracting etc.), Effectiveness, Impact, Sustainability.

- *IACS*

Relevance, Efficiency, Effectiveness, Impact, Sustainability.

- *Subsector*

Relevance, Efficiency, Effectiveness, Impact, Sustainability.

KEY FINDINGS BY CROSS CUTTING ISSUES

- *Type of assistance*

Preparation for acquis implementation (twinning, technical assistance, investment, grant schemes etc.).

- *IACS*

(twinning, technical assistance, investment, grant schemes etc.).

- *Subsector*

(twinning, technical assistance, investment, grant schemes etc.).

Administrative capacity.

CONCLUSIONS AND LESSONS LEARNED

What types of problem tend to be solved and what types of problem tend to remain unsolved.

Overview of the effectiveness of Phare as an instrument in supporting the accession process in the sector.

RECOMMENDATIONS

(These should be provided in tabular form against the conclusion on which they are based, as in the current IE report, and grouped by theme.)

ANNEXES

Total Phare SECTOR Funding per Candidate Country 1999-2002

Ratings of achievement of programme objectives by year and country.

Breakdown of sectoral evaluations and programmes.

List of other documents.

List of interviews.

Annex 10 - Terms of Reference for Interim Evaluation

Background

- Information on the project (stage of implementation, budgets, short description);

Objectives

- Review project implementation to improve it through recommendations;
- Facilitate decision making on reallocation of budgets;
- Identify good and bad practice (including management arrangements);
- Create an overall picture of the contribution of Phare to the accession process.

Key activities for the contractor

- Set up an office staffed with the necessary number of competent evaluators (profile of evaluator could be given in an Annex);
- Carry out evaluation (refer back to scope, level and frequency) and prepare x number of evaluation reports on y sectors / z projects;
- The evaluations should be carried out following the IE guide, but the contractor is invited to take a critical view on the guide and can propose other approaches if they consist in an improvement;
- For each evaluation, the contractor will undertake the following activities:
 - Prepare an inception report (review documents, define key evaluation questions, prepare a work schedule, identify criteria for sampling projects to review within a programme);
 - Participate to a kick off meeting (who will organize it?);
 - Draft the evaluation report;
 - Organise with key actors an informal workshop to discuss recommendations;
 - Issue draft report for comments;
 - Issue final report taking the comments on board;
 - Participate in debriefing session (who organizes it?);

The contractor will also provide contributions to the improvement of implementation by ways of: Training? Promoting constructive critical review? With programme projects implementers?

Outputs

Key outputs:

- number of Inception Reports
- number of IE reports
- number of debriefing sessions

Other outputs:

- Promoting the development of an evaluation “culture”
- Capacity/Institution building... training, coaching, support to implementation of certain recommendations?

Responsibilities of contractor

- Quality assurance;
- Ensure ownership and participation of key stakeholders;

Responsibilities of contracting authority

- Ensure and facilitate work (i.e. availability of documents, promote co-operation though effective communication/co-ordination with other Ministries, etc.)

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- Provide timely feedback to contractor;
- Appoint a key counterpart to deal with contractor.

Reporting

- To whom:
- How: regular progress reports?
- How will the communication be organized with contractor?

Annexes

- Guide to IE
- Template
- Commissions Communication
- Profile of contractor's team members (evaluation experience, communication skills, experience in change management, technical / sectoral experience, language...), etc.

Additional inputs for the definition of the profile of the contractors team members

Evaluators should have as many of the following characteristics as possible:

- *Experience in evaluation methodologies*
- *Experience with development projects*
- *Knowledge of local administrative structures*
- *Experience of project and programme management;*
- *High ability to communicate, in writing as well as verbal*

High frustration tolerance
High analytical skills

Annex 11 – Evaluation Planning – Work Programme

Evaluation Planning:
Work Programme (*Number - Period covered*)

Date

**DEVELOPING EFFECTIVE MONITORING AND INTERIM
EVALUATION INDICATORS**

1. Introduction

2. Proposed evaluation activities over (period)

2.1 Evaluation activities ...

Background

Objectives

Description of activities: ToR, methodology, internal/external evaluation, scope, etc.

Expected Outputs

Human and Financial resources

Timing

2.2 Evaluation activities...

Background

Objectives

Description of activities

Expected Outputs

Human and Financial resources

Timing

2.3 Evaluation activities...

Background

Objectives

Description of activities

Expected Outputs

Human and Financial resources

Timing

ETC.

**3. Overall conclusions on objectives, activities, resources, expected results,
timing**

4. Coordination of the different evaluation activities

5. Overall evaluation process and main actors

6. Overall implementation schedule

7. Partnership

8. Quality Assurance

9. Financial forecast

10. Work programme regular review

Annex 12 - Interim Evaluation Quality Assurance Guideline

I General

- ◆ Check overall conformity of structure of the report, annexes, abstract and Executive Summary;
- ◆ Check Dates;
- ◆ Check whether authors of the report are inserted in the preface's footnote;
- ◆ Check additions, computations and totals for all tables of financial figures;
- ◆ Write down the acronyms as they appear in the text and check whether they are all in the table of acronyms. Avoid proliferation of acronyms;
- ◆ Read Abstract and Executive Summary twice: once before having read the report, in order to check whether they are stand alone documents, and a second time after having read the report, in order to ensure whether they cover the key points of the report;
- ◆ Check if the "in depth" character of the report is clearly stated, and is expressed by at least one cross-country commentary or conclusions.

II Main report

1. Sectoral background and scope of the evaluation:

- ◆ Is the description coherent and comprehensive?
- ◆ If there are tables presenting the objectives/activities/results and effects: check particularly the column with effects. The wording "No effects at cut-off date" is very common. The evaluator should have reflected upon "what should be the expected effect" (even if no column to that effect exists) and see whether this effect is there, in part or totally. Reporting no effect at all is not acceptable and requires double-checking.

2. Evaluation results:

- ◆ Have all the components of the evaluation cluster been evaluated according to the same criteria?
- ◆ In the case of complex clusters, does the report present summary tables to facilitate reading?

Relevance

The paragraph on relevance should at least contain an evaluation of the following aspects:

Was the need clearly identified at the start?
Was there adequacy between the support proposed and the need (quality of the design)?
Was there an analysis of the capacity of absorption of the beneficiaries?
Has a tool been developed to monitor the evolution of the initial need?
Has a risk analysis been undertaken during the design phase?

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Efficiency

The paragraph on efficiency should at least contain an evaluation of the following aspects:

Quality of the preparation of the activities: are the objectives, expected outputs, methodology and the timeline well defined and were they followed?
Quality of the project management in terms of resources (Human, financial) and time managed and monitored?
Quality of co-ordination (inside the programme, and with external stakeholders)?
Quality of the programme/project monitoring: feedback and validation procedures in place and used for action?
Commitment of stakeholders?
Where appropriate: cost effectiveness?
Was there any control of management costs?
Could additional activities be conducted within the same budget?

Effectiveness and impact

Reference should be made as to whether the indicators of achievement of immediate / wider objectives mentioned in the programme documents have been used and how. If these indicators couldn't be used, how has the level of achievement of immediate / wider objectives been evaluated? If a multiplication effect or some unexpected effect has been observed it should be described.

Sustainability

The issue of sustainability is crucial and should be evaluated carefully. It should be a major source of recommendation. It is not enough to state that "sustainability is depending on the availability of resources from the beneficiary country," or such equivalent statement. The keys to sustainability need to be carefully listed and examined. Indicators of sustainability are, inter alia:

Has internal and autonomous capacity been developed?
Is there a specific budget (Phare or/and non Phare) for the continuation of the project/programme?

3. Conclusions and Recommendations:

All the key points mentioned under each criterion needs to be mirrored by a conclusion. Each conclusion should be mirrored by a recommendation. Recommendations must be specific and addressed to an identified stakeholder.

Annex 13 - Quality Assurance Grid

**RATING for Interim Evaluation Reports
(Country and Report reference number)**

Criteria:	Rate	Remarks
General: Does the report design appropriately fit the evaluation?		
Sound Sectoral overview: to what extent are the sector composition and priorities appropriately described?		
Sound analysis: to what extent are the facts and data adequately analysed?		
Sound analysis: to what extent have the indicators of achievement been adequately considered and have they been used properly where possible?		
Robust Findings in the implementation evaluation: do the Conclusions follow logically from, and are they justified by, the data described in the Sectoral Overview?		
Impartial conclusions: does the report provide value judgements based upon the five evaluation criteria of relevance, efficiency, effectiveness, sustainability and impact?		
Useful recommendations: to what extent do the Recommendations follow logically from the Conclusions? Are they operational? Do they clearly address the monitoring sector and are they targeted to the different stakeholders?		
The executive summary: to what extent is the executive summary a synthesis and does it meet the requirements set out in the template guidelines?		
Annexes: to what extent do the Annexes support the analysis in the main text?		
Overall style, structure and text design: within the template's framework, to what extent is the text easily readable and accessible to the various categories of readers so that the main messages are easily detectable?		
TOTAL		

Taking into account the contextual constraints on the evaluation, the overall quality rating of the report is considered to be:

(Verbal rating)

Unacceptable	Poor	Sufficient/ adequate	Good	Excellent
-2	-1	0	1	2

Date	assessor	Signature
------	----------	-----------

Annex 14 - Recommendations Table

Conclusion/Reference	Recommendation	Addressee	Deadline

Conclusions/Reference: Include the conclusion to which the recommendation is referring;

Recommendation: List the recommendation in full;

Addressee: The addressee of the recommendation;

Deadline: Deadline by which the recommendation should be implemented.

Annex 15 - Implementation of recommendations: Follow up table

Recommendation	Applied <i>(Yes or No)</i>	Institution responsible for Follow-up	Deadline	Observations on actual follow-up and implementation
•				
•				
•				
•				

Recommendation: Each evaluation recommendation should be reported in this column;

Institution responsible for follow up: This column should include the name of the Institution responsible for implementing each recommendation;

Deadlines: This column can refer either to the deadline for action, as initially recommended by evaluators; or to the deadline of the actions actually undertaken to address initial recommendations;

Observations on actual follow-up and implementation: Whenever appropriate, this column includes observations from evaluators or from the Evaluation authority on actual implementation of recommendations.

Annex 16 - Background, Profile & ToR for Short Term Technical Specialist (STTS)⁵

A. Background

This section provides brief explanations as to the history of the project, its justification and put it into its wider context.

B. Profile

1. *The team will be composed of XXX experts, Short Term Evaluators):*

*One expert whose role will be ...
One expert whose role will be ...
One expert, whose role will be ...*

2. *The STTS will preferably have some or all of the following characteristics:*

- *etc*
- *He will not have been involved in the implementation of the programmes he evaluates, to guarantee his independence.*

C. Terms of Reference

1. Objectives of the activities

The objectives of the activities are (i)...; (ii)...;(iii)...; etc.

2. Scope of the work

- 2.2. Organisation of the team
2.3. Project Period:
2.4. Phases of the project

Phase	Activity	Output	Total number of man days	Allocation		
				Expert 1	Expert 2	Expert 3
1	<i>Example: Clear report structure</i>					
2	<i>Ex: Desk study</i>					
3	<i>Ex: Interviews</i>					
4	<i>Ex: First draft</i>					
5	<i>Ex: Final Draft</i>					
Total						

⁵ Italics are an explanation or examples of the kind of information that can be included in the various sections of the ToRs.

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2.4. The timetable shall be as follows:

Phase	Activity	Man days	Timetable			
			Month N	N+1	N+2	N+3 etc.
1	<i>Report structure</i>					
2	<i>Desk study</i>					
3	<i>Interviews</i>					
4	<i>First draft</i>					
5	<i>Final Draft</i>					

3. Expected outputs

Descriptions of the results that are expected at the end of the project, in terms of report, or people trained, or tutorial material, etc..., the way they should be presented and the ultimate deadline of delivery.

Annex 17 - Programme Summary

1. Programme	
Country	
Programme number and title	
Programme financial allocation	
Programme duration (dates)	
Programme period assessed	
Implementing Agency	
2. Assessment Report	
Report Number	
Reference Date for Financial data	
Names of Authors of Report	
Names of Short Term Technical Specialists (STTS)	
Period of Assessment mission	
3. Other related Phare Programmes	
Programme title	
Programme number	
Sector/ Sub-sector	
4. Other Donor Programmes	
Programme title	
Donor Agency	

Annex 18 - TABLE: Financial Data

Major Component/ Activity	Total plan (M€)	Commitment			Disbursement		
		Realised since start of Programme	Deviation from established plan	Reasons for deviation	Realised since start of Programme	Deviation from established plan	Reasons for deviation
01.							
02.							
03.							
04. <i>Etc</i>							
Total							

(Source of information and date)

Annex 19 - TABLE: Achievement of programme objectives

Component/Activity	Immediate Objectives	Actual Results	Rating
	♦ (This column should quote each initial immediate objective)	(Results should be qualified and quantified as much as possible. Ex: more than 1000 persons were trained on...; Two IT systems were developed...;	
	♦		

Achievement of Objectives Summary Rating

Last Assessment Rating if available

The Methodology for Rating Achievement of Objectives

1. The Performance and implementation of the Programme is rated Highly Satisfactory, Satisfactory, Unsatisfactory or Highly Unsatisfactory.
2. The Ratings result from comparing the actual result with original objectives and any parameters identified during Programme preparation.
3. The Ratings scales for Achievement of Objectives are as follows;

Highly Satisfactory **[HS]** The Programme is expected to achieve or exceed all its major original or revised objectives and provide substantial and sustainable benefits.

Satisfactory **[S]** The Programme is expected to achieve most of its objectives and to provide satisfactory benefits without major shortcomings.

Unsatisfactory **[U]** The Programme is expected NOT to achieve most of its original /revised objectives nor to yield sustainable results.

Highly Unsatisfactory **[HU]** The Programme is expected not to achieve ANY of its major original/revised objectives not to achieve worthwhile results.

Annex 20 - TABLE: Sustainability

I. What is the probability of the beneficiary maintaining and building upon the achievements generated ?

II. Indicate whether the following factors will have a positive (P) or negative (N) influence on sustainability:

Government policy	<input type="text"/>
Government commitment to the programme	<input type="text"/>
Counterpart management effectiveness	<input type="text"/>
Economic viability	<input type="text"/>
Technical viability	<input type="text"/>
Financial viability	<input type="text"/>
Social impact	<input type="text"/>
Target group participation/commitment	<input type="text"/>
Other (local authorities engagement)	<input type="text"/>

III. Is there an effective follow-up Programme which continues or expands activities covered by the present Programme [name it] or is this Programme expected to deliver the desired objective? [Y/N]

**Annex 21 - Structural Funds: Member States' best practices in the fields of
Monitoring and Evaluation (OMAS report S/ZZ/EUR/00021)**

The high level of decentralisation of monitoring and evaluation responsibilities to EU Member States has given rise to widely diversified monitoring and evaluation practices across the EU. The following best practices have been identified as having potential value to the development of future Monitoring and Evaluation capacities in the Candidate Countries:

**Monitoring of Structural Funds Programmes, and Strengthening the
Competencies of Monitoring Committees**

1. Some Member States improved the representation within their Monitoring Committees through a re-enforced partnership principle (e.g. Portugal, Italy).
2. Other Member States strengthened the expertise of their Monitoring Committees by providing assistance through working groups (e.g. Portugal, Sweden).
3. Other Member States increased the level of commitment of their Monitoring Committees by consulting these committees on the Terms of Reference of forthcoming evaluations, and by creating a steering group for mid-term evaluations (e.g. France, Sweden).

Organisation of Evaluations

1. In some Regions of the Member States (e.g. Yorkshire & Humberside, UK), the evaluation methodologies are particularly well developed, and address both the quantitative as well as the qualitative aspects of the programme performance, or cover sub-regional and thematic issues.
2. Some Member States found valuable ways of completing the set of mandatory evaluations at the regional level by commissioning frequent thematic evaluations (e.g. France, Germany, UK).
3. The skills of evaluation managers and evaluators have been developed by the creation of a central contact point on evaluation information and documentation (e.g. Austria), and through joint seminars (e.g. France).
4. Some Member States have extended the Structural Funds evaluation practices (e.g. procedures) to all their public investments (e.g. Ireland, Italy).

Improving the Effectiveness of Monitoring and Information Systems

1. Member States have commissioned the development of integrated systems capable of providing regional as well as national data, financial, procedural and physical information (e.g. Finland, France, Greece, Italy, Portugal).
2. Other Member States even go a step further by extending the scope of their Monitoring and Information System to all their public investments (e.g. Greece) or state-region joint investments (e.g. France).

Annex 22 - Acceding countries: Quick overview of the SF requirements in the fields of Monitoring and Evaluation ⁶.

1- Monitoring requirements

Monitoring Committees: Acceding Countries should appoint Monitoring Committees for their respective Community Support Framework, Single Programming Document and Operational Programmes no later than three months after the decision on the contribution of the funds. These Monitoring Committees should control the effectiveness and quality of implementation of the assistance. This implies that they shall confirm the physical and financial indicators to be used to monitor the assistance; periodically review progress towards achieving the specific objectives of the assistance; approve the annual and final implementation reports (see below); examine the mid-term evaluation (see below);

Monitoring Indicators : In each Acceding Country, the Managing Authority together with each Monitoring Committee should carry out monitoring by reference to physical and financial indicators. The indicators shall relate to the specific character of the assistance, its objectives, and the socio-economic, structural and environmental situation of the Member State concerned. These indicators should reflect the stage reached in implementation; results; the programme impact (as early as possible); the progress of the financing plan.

Annual Implementation Reports: Acceding Countries must produce Annual Implementation Reports within 6 months of the end of each full calendar year of implementation (i.e. by 31/12/2004, 31/12/2005, 31/12/2006, 31/12/2007), as well as a Final Implementation Report (by 31/12/2008). These reports should notably include information on: socio-economic changes and changes in national, regional or sectoral policies of relevance to the implementation of the assistance; implementation progress in relation to initial targets; quantification of the monitoring indicators whenever possible; the financial implementation of the assistance.

Monitoring and Information Systems: In each Acceding Country, the Managing Authority will be responsible for setting up a system (possibly a computerised system) to gather reliable financial and statistical information on implementation, and forwarding this data to the European Commission.

2- Evaluation requirements

The Structural Funds interventions are the subject of:

Ex-ante evaluation: - in principle to be carried out during the programming phase (incorporated in the development plans). Ex-ante evaluations for Structural Funds for the period (2004-2006) should have been forwarded by the Acceding Countries to the European Commission by now; programming negotiations are expected to be completed by the end of 2003.

Mid-term evaluation: in principle to be carried out during the implementation phase. However the mid-term evaluation for the SF (2004-2006) is not compulsory, and a number of Acceding countries have already advised that they will not organise such evaluation;

⁶ For further details, please refer to Title IV of the Council Regulation (EC) n° 1260/1999.

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Ex-post evaluation: in principle to be carried out after the end of the programming period, and no later than three years after that period. Ex-post evaluations in Acceding Countries shall be performed by the end of 2009.

Acceding countries can organise supplementary evaluations on their own initiative.

Annex 23 - The Development Of Evaluation Capacities

Definitions

The following definitions are used for the purposes of the present chapter:

Evaluation: Independent reviews designed to examine the performance of a specific programme/project.

Evaluation function: Overall framework within which structures, mechanisms and outputs contribute to the development of evaluation capacities within a public administration.

Evaluation authority: Within a public administration, the authority which performs internal evaluations or commissions external evaluations;

Stakeholders: Individuals and organisations who are directly and indirectly affected by the implementation and results of a given programme, and who are likely to have an interest in its evaluation. (e.g. policy and decision-makers; people responsible for the evaluation of the programme; the target population of a programme; programme managers and administrators; programme beneficiaries; other individuals and groups with a legitimate interest in the programme).

Monitoring is the process of tracking programme / project activities, outputs, results, financial flows against milestones / targets for a given period of time.

SECTION 1 PREPARATORY WORK AND STRATEGIC THINKING

Strategic thinking

As for any institutional reform, it is important to initiate the development of evaluation capacities with initial strategic thinking on: why and for which purposes an evaluation function is to be developed, what exactly should be put in place, with what resources, and to deliver what results. This Section addresses these basic questions and attempts to identify some of the key milestones for the development of evaluation capacities.

The above list of basic questions can be further developed with more specific questions like:

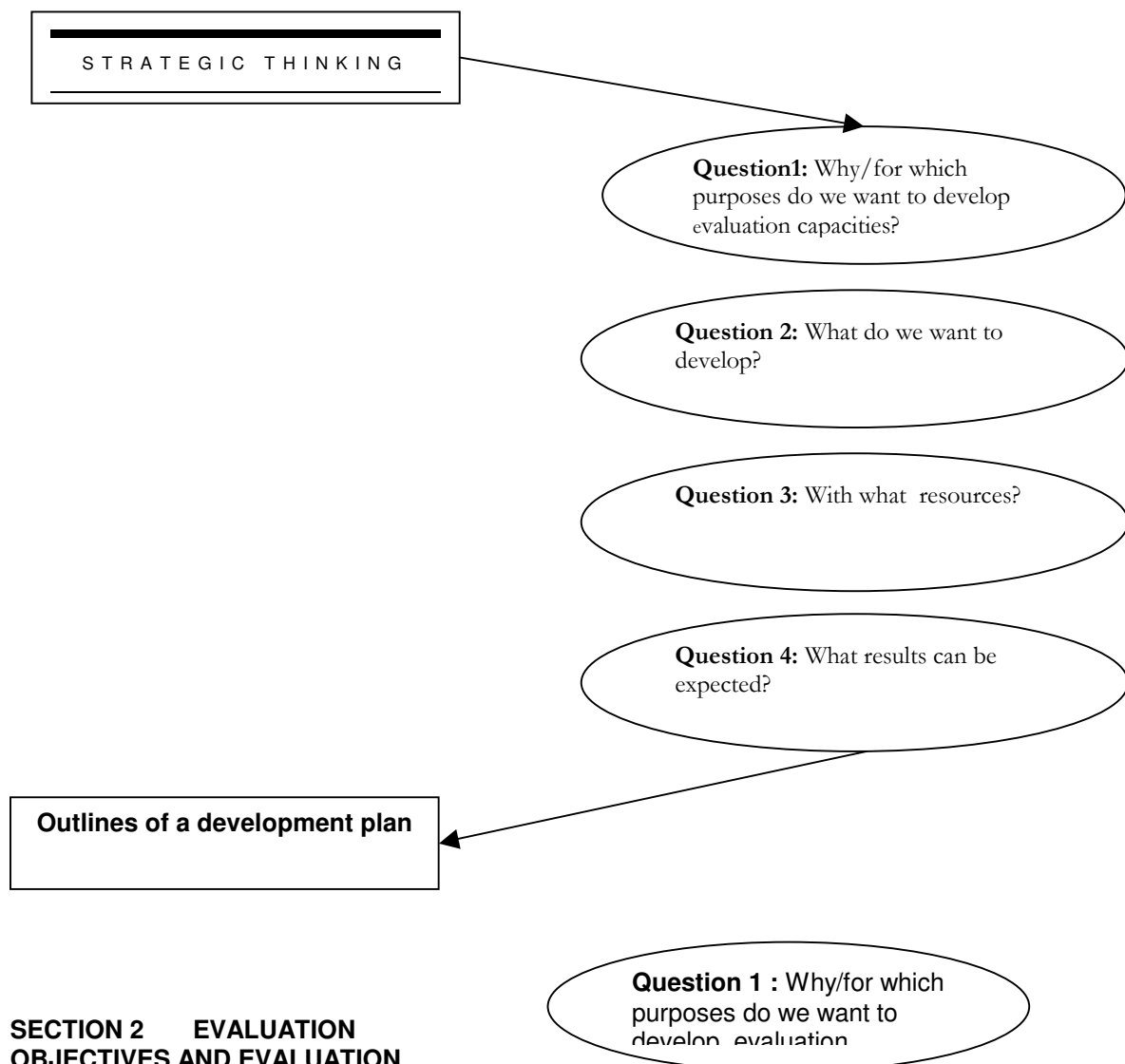
- ◆ Shall evaluation comply with any specific legal or regulative requirements (e.g. Structural Fund regulation)?
- ◆ Where will evaluation be located within the wider institutional framework?
- ◆ What will be the scope of this function?
- ◆ What will be the assignment of the people in charge of evaluation?
- ◆ How should we equip the evaluation function with human and financial resources?
- ◆ What should be the impact of evaluations on decision-making?

All these issues are considered in the present chapter in the context of good practices and examples of what has been established in the EU Member States.

The ultimate goal of preparatory strategic thinking is to facilitate the elaboration of outline ideas on priorities, resources and a relevant timeframe for the development of evaluation capacities. On this basis the relevant authority in charge of setting up the Evaluation Function identifies the most appropriate structures and mechanisms.

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Basic questions to be addressed for the development of evaluation capacities:



SECTION 2 EVALUATION OBJECTIVES AND EVALUATION PLANNING

Experience shows that the development of evaluation capacities can be motivated by diverse factors leading to development to address different types of evaluation. This is examined hereafter.

Evaluation Objectives

Evaluation is not an objective per se, it needs a context. In the framework of EU interventions (e.g. Phare, Structural Funds, other type of aid interventions), evaluations are instruments aimed at assessing and improving the performance of projects, programmes, and policies. Evaluations are independent analysis that can cover a range of different aspects of these interventions such as their relevance, existence, impact, quality, etc. The ultimate goal of evaluations is in general to improve design, management, coordination or implementation of programmes and projects.

A separate objective of evaluations can be to justify future interventions (ex-ante evaluations), or report on the way public money is spent (mid-term and ex-post evaluations)

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to other authorities. In these circumstances, evaluations are carried out for accountability purposes.

In the context of EU structural interventions, a number of evaluations should be carried out over the life of a programme: Ex-ante evaluations provide the people in charge of Programming with an appraisal of the strengths, weaknesses and potential of the Member States, Region or Sector concerned; of the consistency of the Community Support Framework and Operational Programme strategy and objectives with the specific features of the regions or areas, as well as with Community policies; and of the relevance of the proposed implementing and monitoring arrangements. Mid-term evaluations aim at assessing the results of Programme or Community Support Framework implementation, and the achievements of initial objectives. Ex-post evaluations mainly aim at measuring the socio-economic impacts of the Structural Funds, and at drawing conclusions regarding policy on economic and social cohesion.

Practically, evaluations are useful for three reasons: (1) they give a deeper understanding of key issues in relation to design and management; (2) they bring together stakeholders that otherwise would not exchange information or discuss practical and strategic aspects of interventions; and (3) they may be used to support argumentation in the framework of policy development discussions.

In many public administrations of the Member States, the evaluation culture has considerably developed, and evaluations have contributed to awareness raising on the necessity to improve certain aspects of the performance of institutions.

In the Member States of the EU and in the framework of SF interventions, the MEANS (Vol.1) collection reports that:

...there are mainly three levels of utility attributed to evaluation depending on the evaluation culture developed by the Member State concerned:

- 1st level: Evaluation is seen as an answer to regulatory obligations;*
- 2nd level: Evaluation becomes a system to aid the design and management of EU interventions;*
- 3rd level: Evaluation becomes a political act, the results of which are publicly debate.*

In certain Member States, the implementation of structural policies have prompted remarkable changes in attitudes and have led to systematic evaluation.

Example: The strengthening of evaluation capacities in the Italian administration (Meeting of the Evaluation Experts of Member states Administrations- 27/03/03):

The Evaluation unit of the Italian Ministry for the Economy and Finance noted that evaluation in the Italian Administration initially grew out of the requirements to evaluate the EU structural funds. Since 1998 the unit has sought to increase evaluation capacity in the regions with the focus on development evaluation through Structural Funds. In public debate, the attention is shifting from concern that procedures of public interventions are duly observed to the results being produced...Evaluation units are now both central and regional and cover a variety of tasks including ex-ante, feasibility studies and brokering evaluation findings.

Evaluation planning

Evaluation planning should start by reviewing all compulsory evaluation requirements (e.g. ex-ante, mid term and ex-post evaluations of programmes as imposed by the Structural Funds regulation), together with their timing.

The people in charge of evaluation planning should give consideration to the appropriateness of scheduling additional evaluation exercises that may complement the minimum requirements. For example, a public administration may find it useful to extend evaluations to thematic or sectoral issues, or to organise evaluations on a more frequent and systematic basis.

Evaluation plans should set timeframes for evaluations that are appropriate to future policy and operational needs. The plans should be realistic in respect of the resources available to conduct evaluation assignments and the time required for administrative procedures. They should include multi-annual aspects with regard to the way consecutive evaluations (e.g. ex-ante, mid-term and ex-post evaluations) should be coordinated throughout the lifetime of a multi-annual programme/project, and information on the specific time schedule of each evaluation for a given year.

Evaluation plans should be reviewed on a regular basis so that there is sufficient flexibility for subsequent adaptations or for ad hoc evaluation needs that may arise.

In the case of the Structural Funds, the sequence of three evaluation phases in successive programme cycles results in complex evaluation coordination. The basic principle is that of combining evaluation work during a programme with the conclusions of evaluations performed on the preceding programme. Thus, an ex-ante evaluation that prepares for the adoption of a future programme should take advantage of the results of the mid-term and ex-post⁷ evaluations of the previous programme.

When completed, the evaluation plan generally becomes an integral part of the work plan of the evaluation authority (see Section 3).

SECTION 3 THE EVALUATION FUNCTION

Question 2 : What do we want to develop?

By definition, evaluations are independent reviews designed to examine the performance of a specific programme/project. Therefore the evaluation function should provide a relevant framework to facilitate these independent reviews.

The development of evaluation capacities is a gradual process that takes account of the specific character of an administration, the type of intervention to be assessed, and the administrative and evaluation culture of each country or public administration.

There is a wide variety of practices across the EU, and different arrangements can be envisaged as long as they result in setting up an operational and effective Evaluation function, suitable to the needs of the public administrations for which it is established.

The present Section introduces information on evaluations actors, structures and the division of tasks. It also includes guidance on setting up effective monitoring, essential for the development of good evaluation capacity.

⁷... if already completed at the time of programme design.

Evaluation actors/structures and division of tasks:

Evaluation should not be expected to go beyond what it can actually contribute. It should not overlap with Audit or Monitoring that are closely linked but distinct functions. The audit function verifies the legality and regularity of the use of the funds. The monitoring function tracks programme / project activities, outputs, results, financial flows against milestones / targets for a given period of time. The evaluation function reviews the overall performance of a programme/project often in terms of relevance, efficiency, effectiveness, impact and sustainability. The three functions, although sometimes closely connected, have their own 'raison d'être', structures and resources.

The present section provides information based on evaluation literature, trends, and practices across the EU. These sources usually refer to the participation of the following actors and structures:

- The Evaluation authority;
- Evaluation stakeholders;
- External evaluators (in case of external evaluations);

The Evaluation Authority

The public administrations that wish to evaluate interventions can opt for various kinds of arrangements: they can decide to perform all or some evaluations in-house, or to commission all or some evaluations to external evaluators.

Accordingly, and for the purposes of this Chapter 2, 'Evaluation authority' is defined as the authority that is entrusted with the responsibility of performing or commissioning evaluations.

The Evaluation workload, the policy on partial or full outsourcing of evaluation works to external evaluators and the human and financial resources available for evaluation, will affect the organisational set up of the evaluation authority and its location within the wider institutional context. These elements will notably impact on the decision to create a permanent unit / department specifically devoted to evaluation, or to appoint a number of people within a given institution with the mission of organising evaluations whenever necessary.

Whatever arrangement is selected, the evaluation authority should be clearly identified in the wider institutional organisation, with clear structures and staff dedicated to it. Structures and staff should be given a clear mandate and their responsibilities should be clearly defined. The Evaluation function should have sufficient independence to have the right for initiatives, evaluation design, monitoring, validation, dissemination of evaluation results.

The evaluation authority should clarify the division of tasks between them and the other operational departments or institutions that will be involved in evaluations. A wide measure of cooperation should be sought, whereas the final decision should belong to the people supervising the evaluation process. For each evaluation, one evaluation project manager should be appointed to conduct the evaluation process and be the key counterpart to the evaluators.

Under the Structural Funds regulation, evaluation responsibilities are shared by different authorities: Ex-ante evaluations are the responsibility of the Member States, generally of the authority in charge of Programming. Mid-term evaluations are the responsibility of each Member State in co-ordination with the European Commission. These evaluations are organised by the Managing Authority in close cooperation with relevant Monitoring Committee. Ex-post evaluations are under the responsibility of the European Commission (i.e. DG Regional Policy, Unit for the Co-ordination of

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Evaluations) in co-operation with the Member State concerned and their Managing Authority.

MEANS Vol.1

Example: Permanent evaluation teams in the Irish administration:

In 1992 the Irish government and the Commission Services established specific Evaluation Units for Industry and Agriculture, as well as a specific unit for the ESF. These Units, thanks to their independence and professionalism, contributed towards the smooth functioning and quality of the work produced. They sometimes carried out thematic evaluations and in-depth analysis themselves.

Example: Development of evaluation skills in the Italian administration (Meeting of the Evaluation Experts of Member states Administrations- 27/03/03):

The Evaluation unit of the Italian Ministry for the Economy and Finance explained that... the central evaluation unit is training up evaluation units in the regions who in turn are coaching their programme managers. In addition programme administrators are being encouraged to do self-assessments of their programmes. Whilst self assessment is not equivalent to a full evaluation it does include some of the first steps in the evaluation process, such as reconstructing their objectives and assessing the relevance of the actions being taken.

The operations of the Evaluation authority

The Evaluation authority has a central role to play for the setting up of an effective and operational Evaluation function. Their contribution includes evaluation planning (See Section 2), a range of operational tasks, quality control, as well as activities for the optimisation of evaluation results (see Section 5).

Operational tasks include Evaluation preparation/design, implementation (internal evaluations) or conducting (external evaluations), dissemination of evaluation results. They can be described as follows:

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Evaluation phases	Preparation/commissioning of the evaluation	Implementation/Conducting of the evaluation - Quality control	Dissemination of evaluation results
Tasks of the authority in charge of implementing or commissioning external evaluations⁸	- identify the goals and scope (clusters) of the evaluation;	- organise and chair a start up/briefing meeting with relevant representatives of the key institutions concerned by the evaluation (and with the evaluators in case of external evaluation);	- organise and chair a de-briefing meeting to introduce evaluation conclusions and recommendations to key stakeholders;
	- draft terms of reference for each evaluation including an evaluation timetable;	- perform the evaluation ⁹ or, in case of external evaluation, monitor the evaluation and make sure that the report will be ready in good time;	- check the progress made in implementing recommendations;
	- consult relevant services or other bodies with a direct or close interest before finalising the terms of reference (e.g. through consultation of a steering committee);	- Prepare (internal evaluation) or receive (external evaluation) the 1 st draft of the evaluation report;	- disseminate relevant info (e.g. a summary) to a wider public;
	- define which contracting procedure will be followed (e.g. public tender, direct agreement), and organise all necessary procedural steps;	- subject the report to quality control or peer review (internal evaluation), or control directly the quality of the evaluation (external evaluation);	
	- select and recruit the evaluators who will do the evaluation;	- Organise the commenting process and coordinate with relevant stakeholders;	
	- if appropriate, set up a steering group of representatives of the institutions/bodies concerned by the evaluation, to be consulted prior and throughout the evaluation process, whenever appropriate.	- prepare (internal evaluation) or receive (external evaluation) the final version of the evaluation report and do a last quality check;	

Evaluation modalities should be described in an Operating Guide. The Operating Guide will clarify the evaluation process as developed and implemented by the Evaluation authority, and provide an overview of this process to key participants to evaluations.

⁸ The list contains tasks that, in practice, are not systematically performed. For example, some public administrations do not 'check progress in implementing recommendations', or do not 'disseminate evaluation results to a wider public'.

⁹ For further details on the way to perform evaluations, please refer to chapter 1.

Good practice:

MEANS Vol.1: *It is useful to include the following information in an evaluation terms of reference: a reference to the legal basis on which the evaluation is required (e.g. SF regulation), the key aspects of the methodology that should be respected; report's outlines if any; the length and deadline of reporting, and guidance as to existing data.*

When designing evaluation projects, the purpose of the evaluation must be clearly and accurately defined. In other words, the following points must be addressed: the background, reasons and objectives of the evaluation, for whom it is intended and who will use it; the scope of the evaluation (clusters of activities/projects, a given sector, a programme etc.), the key questions (what do we want to evaluate e.g. relevance, efficiency etc.), the reports, the deadlines.

The contract with external evaluators should include administrative clauses clearly stating the requirements concerning the independence of evaluators and settling all necessary confidentiality issues.

The initial terms of reference should be annexed to the final evaluation report.

Quality control

In addition to the above operational tasks, part of the work of the Evaluation authority should be devoted to the definition of quality standards ensuring that evaluations adopt a structure that meet the needs of the main evaluation stakeholders; follow the agreed methodology; and address all the planned issues in accordance with agreed evaluation criteria. Quality control is important in making sure that evaluations have a real added value. Moreover, it contributes to the development of the professionalism and credibility of the Evaluation function.

There is no system of professional certification anywhere in the world, which institutionalises quality criteria for evaluation work. However, it is widely recognized by professional evaluators that:

- evaluation reports should be based on a reliable and comprehensive factual basis and an understanding of the sector/programme or project;
- evaluators should be able to draw well justified, impartial, fair, and coherent conclusions; these conclusions should provide value judgements based upon the evaluation criteria agreed prior to the evaluation start;
- recommendations should follow logically from conclusions, be useful, operational and target to the different stakeholders. They should be specific enough to be useful, whereas leaving enough space for initiative from relevant stakeholders.

Overall, a good evaluation report should be clear and understandable even by non-technicians, and include a good executive summary or abstract as a separate and stand alone document.

Quality control can also be entrusted to other assessors, such a through peer reviews or the setting up of boards of evaluators dedicated to quality assurance. Moreover, involvement of steering/technical/working/monitoring committees in quality control is generally considered to be good practice.

Good practice:

The Evaluation authority and the people in charge of quality assurance should elaborate a 'quality control grid' listing the aspects of evaluation reports that should systematically be checked. This grid, as combined with a rating system, facilitates decision-making on whether to accept the Evaluation report or not.

→ Evaluation stakeholders:

As reported by the MEANS collection, the Evaluation function should actively involve the participation of the key stakeholders of the programme/project(s) under evaluation. These stakeholders are individuals and organisations directly and indirectly affected by the design, implementation and results of a given programme, and who are likely to have an interest in its evaluation, i.e. policy-makers and decision-makers; people responsible for the evaluation of the programme; the target population of a programme; programme managers; implementing agencies; programme beneficiaries; other individuals and groups with a legitimate interest in the programme (e.g. associations, NGOs, etc.).

The active involvement of stakeholders can be organised through the application of the partnership principle, in other words through the association of relevant individuals and bodies to the evaluation process. Under these circumstances, stakeholders will be more inclined to accept the evaluation's conclusions and recommendations.

Practically, partnership can concretise through the establishment of steering, technical, or working committees¹⁰. Creating a steering committee helps to make sure that the evaluation is viewed as an inclusive process. The responsibilities of these committees usually include: facilitation of the evaluators' work (e.g. provision of relevant information; views from technical experts with specific knowledge of the sector); support for the development of the evaluation methodology; quality control of the evaluation. The members of these committees should not have any conflict of interest with the evaluated activities.

The efficiency of these committees is conditioned by the fact that they are not too large and do not degenerate into negotiation fora. On this latter issue, it is essential that the responsibility for the launching, implementation and dissemination of the evaluation remains with the evaluation authority.

EU Member States' experience (MEANS collection, Vol.1)

The Structural Funds practice shows profound differences in the way partnership is applied in the different Member States and even between the different levels of the programme cycle within one country. In some cases, this Structural Funds obligation is reduced to a formal and relatively superficial exercise. In other cases it has led to more effective use of the Structural Funds and to a general evolution in administrative models. Still, it has been observed that evaluations are more likely to be of high quality when relations between partners are balanced, in other words when one funding organisation is not too dominant. In Portugal, each Monitoring Committee creates a technical group composed of representatives of the Commission, Portuguese national and regional administrations, technical experts, responsible for relations with the evaluation team. This group meets several times a year to validate terms of reference, select offers and discuss reports before submitting them to the monitoring Committee. Good relations between partners within the technical groups and constructive interactions between the commissioners and evaluation teams are two strong points which, according to national officials, have had a highly positive impact on the quality of evaluations.

¹⁰ For the evaluation of Structural Funds, EU Member States often rely on these structures, which, despite their different names, may be entrusted with approximately the same responsibilities.

Good practice: The steering /technical committees should be composed of persons whose experience can make a useful contribution to evaluation. It is advisable to involve the steering group on the definition of the main questions to be addressed by the evaluation. Good experiences include groups that involve a representative of the departments/institutions most concerned by the evaluation, technical experts with specific knowledge of the sector under evaluation and a representative of the evaluation function.

The Structural Funds regulation specifically requires that in each Member State, Monitoring Committees be established to ensure the effectiveness and quality of programme implementation. These committees should approve the project selection criteria, and periodically review the progress made towards achieving the programme objectives. Their tasks include the approval of annual implementation reports, as well as the examination of any mid-term or additional evaluation on their programme. They may also propose to the Managing Authority any adjustment likely to make the achievement of Structural Funds and programme objectives possible, or to improve the management of the assistance.

The composition of these committees should reflect a proper partnership between all the relevant programme actors. As a result, the representation at these committees has significantly be widened to include the programme co-funders, the Managing Authority and its implementing bodies (if different), some end-beneficiaries, those local authorities responsible for environment protection, for equal opportunities, representatives of NGO, economic and social partners (e.g. representatives of employers' and employees' associations), and the Commission Services. In practice, there are major differences in the composition of Monitoring Committees across the EU, which may have between 20 and 60 members. Some Member States have organised that the work of Monitoring Committees concerning evaluations is supported by more operational technical/working committees.

→ External evaluators:

- ◆ Should evaluations be sub-contracted, consultancy firms and academic institutions are the main providers of expertise for external evaluations. Research institutes, statistical bodies may also be mobilised for these purposes.
- ◆ Consultancy firms include a wide variety of companies, from large, multinational firms which may have considerable experience in carrying out a range of different evaluations, and smaller firms with narrower, more specific expertise. They are likely to propose more pragmatic management oriented evaluations, whereas academic institutions are likely to offer a high degree of methodological expertise in evaluations. Consortia or cooperation between these two types of external evaluators may occur or be encouraged.
- ◆ Whichever structure will do the job, it should fulfil the following professional criteria: expertise in evaluation; independence; ability to work to required deadlines; and integrity.
- ◆ External legitimacy and specialist knowledge of the particular field are additional advantages. Individual evaluators can have different backgrounds (engineering, law, economy, etc), economic profiles being more commonly mobilised. Evaluators' independence in her/his work must be respected and the evaluation results must not be interfered with.

The Monitoring function and its relationship with the Evaluation function

Evaluation should rely on proper monitoring. Monitoring is the on-going process of tracking programme / project activities, outputs, results, financial flows against initially planned milestones / targets for a given period of time. Therefore Monitoring is essential for the provision of relevant and reliable information to Evaluators so that they can develop Evaluation judgements.

It is an important function to confirm whether the programme/project concerned makes good progress, pursue its original target and to identify potential problems that may occur in course of implementation so that corrective actions can be taken.

The Monitoring function should be based on an agreed monitoring process with clear distribution of role and responsibilities between the different stakeholders (notably the implementing agencies). Monitoring has to be co-ordinated by the most suitable institution, equipped with relevant human and financial resources. Monitoring staff must be made available in implementing agencies.

Reporting mechanisms should be established between contractors and implementing agencies to ensure that the necessary information is generated and used in a timely and effective manner. Monitoring also relies on the development and use of clear verifiable indicators against which to measure progress.

The setting up of computerised Monitoring and Information Systems facilitates data collection, contributes to the development of a more detailed and structured recording system, and ensures the timely provision of information. However this is a complex matter and such a system will only be effective if developed and implemented correctly. This operation requires time, and technology should not be regarded as the solution for all monitoring and reporting purposes. Before considering the technological support for data collection, aggregation and retrieval, it is essential to draw a master plan taking into account the key monitoring functions to be supported, monitoring requirements and end-users.

In the framework of the Structural Funds activities, monitoring requirements are as follows: Each Community Support Framework, Single Programming Document and Operational Programme shall be supervised by a Monitoring Committee. The Monitoring Committee should control the effectiveness and quality of implementation of the assistance, and examines mid-term evaluations. The Managing Authority and the Monitoring Committee shall carry out monitoring by reference to physical and financial indicators. The indicators shall relate to the specific character of the assistance, its objectives, and the socio-economic, structural and environmental situation of the Member State concerned. Member States have to produce Annual Implementation Reports every year and a Final Implementation Report. These reports should notably include information on: socio-economic changes and changes in national, regional or sectoral policies of relevance to the implementation of the assistance; the progress in implementation in relation to initial targets with a quantification whenever possible of the monitoring indicators; the financial implementation of the assistance. The Managing Authority is responsible for the setting up of a Monitoring and Information System (possibly a computerised system) to gather reliable financial and statistical information on implementation, and for forwarding this data to the Commission

Monitoring and Information Systems: The Member States' experience in the framework of Structural Funds (OMAS report S/ZZ/EUR/00021)

The EU Member States are encouraged by the Commission Services to set up integrated Monitoring and Information Systems, and they can obtain some EU financial assistance to that end. It took between 3 and 6 years to EU Member States to develop such systems for the purposes of Structural Funds, and most Member States are still in the process refining or upgrading their Monitoring and Information Systems.

The experience shows that Monitoring and Information Systems generally have two main purposes: the management and monitoring of Programmes, as well as the financial management and control of financial flows. Depending on the Member State, these two functions may either be separated, through two different systems, or integrated in a single one. The general trend in the Member States is towards increased integration, although, the level of integration varies from one country to the other.

Good practice include:

- The development of Monitoring report templates: templates for monitoring reports are useful to set the minimum requirements that are needed for monitoring purposes; to be able to compare progress from one period to the next one.
- Good monitoring should focus on what 'is going well' and 'what is not progressing' in terms of progress towards intended results, and does not confuse activities with outputs.

SECTION 4 THE HUMAN AND FINANCIAL RESOURCES

**Question 3 : With what
resources?**

The Evaluation function should have sufficient and appropriate resources in terms of staff, skills and funds.

Human resources

The Evaluation plan (see Section 2) will provide an indication of the human resources needed to run the Evaluation function. The options range from carrying out internal evaluations to outsourcing evaluation assignments. As Evaluation becomes more demanding, it is possible to mobilise the services of consultancy firms with expertise in the field of Evaluation capacity building. Some of these firms can provide training on Evaluation, support the preparation and implementation of Evaluations, and assist the Evaluation authority in developing methodologies and operational guides.

'Internalisation' will require that more evaluation expertise and skills (i.e. knowledge of evaluation methodologies and techniques, good analytical thinking; capacities to report in an comprehensive and effective manner; technical expertise for specific sectors, integrity, etc.) are available within the administration concerned. Whereas, 'outsourcing of evaluations' will lead the Evaluation authority to develop particular skills in relation to evaluation preparation, conduct, management, quality assurance and dissemination.

Whatever arrangement is made, the staff of the Evaluation authority should have an understanding of the most common Evaluation methodologies; and be able to elaborate quality standards. These people should also have mediation skills since they will have to arbitrate the sometimes diverging views of the various bodies/institutions involved. Their ability to build and maintain positive relationships between stakeholders will be important. They should also be able to provide a clear understanding of the purposes of the evaluation to the different parties involved.

Under Structural Funds activities, evaluation staff should be both well acquainted with national and regional priorities as well as with EU policies and priorities.

Financial resources

It is not possible to provide an indication of the most appropriate budget for Evaluations. These budgets should be calculated on a case by case basis, taking account of various criteria such as the scope and type of evaluation to be performed, the extent of information collection, the need to do site visits, the appropriateness of mobilising technical expertise (e.g. expertise on nuclear safety), etc. The costs of an Evaluation also depend on the local market prices, and on the type of organization that will do the work.

The experience gained through Structural Funds 1994-1999 reveals that less than 0.1 % of the programme budget was used for evaluation purposes against an expected spend of 0.5%. In the framework of the Phare monitoring and assessment system operational between 1996 and 2001, it was estimated that the average cost of an Evaluation assignment was of €55.000.

The Communication of the European Commission of the 08/05/1996 recommended that Evaluation budgets should approximately be 0.5 % of overall programme spending.

SECTION 5 EXPECTED OUTPUTS: SOME PRINCIPLES CONTRIBUTING TO EFFECTIVE EVALUATIONS

Question 4 : What results
can be expected?

Impact of Evaluation results

The entire evaluation process must be geared towards obtaining the most effective utilisation of Evaluation results. In theory, evaluation recommendations should be used to improve programme management or programme design. The Evaluation function should be consulted by programme designers to take account of the lessons learnt that can be drawn from ex-ante, interim and ex-post evaluations. Recommendations/conclusions may be used to support argument in the framework of policy development discussions.

However, the practice is somehow different. In too many cases evaluation results are ignored or not acted upon.

Certain steps could be taken to overcome the weak impact of evaluations. These include:

Key stakeholders should be involved from the beginning of the evaluation process and throughout evaluation work (see Section 3). For instance, they can be consulted on the draft terms of reference of the Evaluation, on preliminary conclusions, as well as before the finalisation of recommendations. Such a participative process should lead to a better commitment from stakeholders to evaluation results;

Time should be allocated to the definition of quality standards for evaluation reports (see Section 3). The objective here is twofold: Evaluations should be clear and useful to key stakeholders, and the Evaluation authority should develop credibility;

Suitable evaluation templates and methodologies should be developed; gradually these templates and methodologies will provide the Evaluation function with higher visibility and recognised professionalism;

Relevant documents from the evaluation work should be disseminated to appropriate end-users (see below);

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The implementation of evaluation recommendations should be followed up: It is possible to develop follow-up mechanisms aimed at tracking whether and how evaluation recommendations are implemented. Such follow up instruments should not aim at putting evaluation end-users under pressure to implement evaluation results (they may not accept some of them, or want to opt for other solutions). The main objective here is to avoid inertia from end-users who may be tempted to ignore evaluation works, and to add credibility to the Evaluation function.

Good practice

It is recommended that a de-briefing meeting should be organised that allows the exchange of views between the Evaluation authority, key stakeholders and evaluators on preliminary Evaluation conclusions and recommendations, before the final report is issued. Experience shows that these meetings are useful to evaluators in confirming/informing their understanding of the situation and in developing relevant recommendations. Moreover, stakeholders are generally more committed to end results.

Another good practice is the distribution of 'follow-up tables' to the main evaluation stakeholders. These tables will report on their acceptance of the recommendations and intended follow up. They can be updated on a regular basis (e.g. once a year). If aggregated, they will provide an indication of the effectiveness of the Evaluation function.

Dissemination of Evaluation results

There should be feedback mechanisms appropriate for communicating effectively to management and relevant stakeholders all types of Evaluation results. These mechanisms should contribute to policy formulation and planning, and to the dissemination of lessons learned and good practices to other actors. If an Evaluation is to add real value in the institutional and decision-making process, its conclusions must be disseminated correctly to potential users.

The dissemination strategy should find a balance between the objective of maximising the visibility of the evaluation and that of establishing a climate of trust in which the various stakeholders can contribute to evaluation. Under these circumstances, various issues should be given consideration:

- Whether the final report should be published, or not?
- Who should be involved in the dissemination list?
- Why publish?
- What sort of information should be published (e.g. conclusions, a summary etc.?)
- Which media should be used for dissemination purposes? (e.g. Internet, distribution of hard copies of the report, access to the information on an intranet?)
- When shall evaluation results be published (deadline)?

These issues should be given consideration prior the start of the Evaluation process. Dissemination can be actively planned and managed by the Evaluation function, in the reporting requirements of Evaluations' terms of reference, through agreed diffusion plans for each evaluation, or through a notified communication policy.