

**PAPER 3:
POSSIBLE INSTITUTIONAL MECHANISMS FOR EVALUATING
EFFECTIVENESS**

1. Introduction

Requiring Member States to assess the effectiveness of policies has only recently become a feature of legal reporting requirements in a limited number of measures (as shown in Paper 2). The practical usefulness of such requirements has also so far been limited. There is therefore no reason why evaluations of effectiveness should necessarily be undertaken in the framework of a legal reporting system developed for other purposes – and there may be good arguments for positively *not* choosing this mechanism. Other models are available, and further options may emerge from current reforms to the Commission. For example, the White Paper on Commission reform due in January 2000 is expected to propose a set of programming, planning and management tools which will ‘shift the focus from the control of inputs to the management of outputs and the achievement of policy objectives’.

This paper briefly looks at the parameters to be considered in seeking to develop a system of evaluation; and the criteria that should be used in choosing between options. Table 1 summarises the main strengths and weaknesses of alternative mechanisms.

2. Parameters

2.1 Self-reporting by Member States, or external evaluations?

- Legal reporting requirements in relation to effectiveness oblige Member States themselves to undertake and report on evaluations. In other EU policy areas, however – particularly in relation to expenditure programmes such as the Structural Funds and agri-environment schemes – evaluations must be undertaken by external, professional evaluators. This is the normal practice for most policy evaluations, since it can serve to enhance the technical quality of the evaluation, and its objectivity.
- Performance reviews by teams of peer reviewers are another form of external evaluation. OECD Environmental Performance Reviews (EPR) are the classic example – although it should be borne in mind that such reviews focus on the entire range of a country’s environmental policy, rather than on individual measures, and that (EPR) judgements are based mainly on the opinions of stakeholders and experts rather than rigorous evaluation.
- A further variation of external evaluation might be developed through enhancing the role of Eurostat and the statistical authorities of Member States. Regulation 322/97 on Community Statistics establishes the legal framework for the collection of EU statistics. The Commission’s report to the December 1999 Helsinki European Council on Environmental and Integration Indicators proposes the

development of new sets of indicators on sectoral integration and sustainable development, with the possibility of EU financial assistance to Member States to support the necessary infrastructure (see Box 1). Eurostat's increased attention to 'response' indicators could be further developed in relation to evaluations of effectiveness.

2.2 Legal, or moral/voluntary reporting requirements?

Reporting requirements in individual items of legislation are legal obligations which can give rise (and recently have) to infringements proceedings against Member States which fail to comply. However, legal status has not succeeded in producing useful information on effectiveness. The collection and supply to Eurostat by Member States' statistical authorities of defined categories of data is also a legal obligation (see Box 1). Voluntary reporting by definition has no legal underpinning, but in some circumstances voluntary approaches may foster greater willingness on the part of Member States to co-operate.

2.3 Evaluations of all measures, or selective case studies?

With the growth in the Community's environmental *acquis*, and the likely eventual enlargement of the EU to 27 Member States, the burden of attempting to assess the effectiveness of all items of legislation in all Member States will become insupportable. A more selective approach might be adopted, in which either individual Member States volunteer to assess and report on individual examples of legislation; or the Commission (or EEA) identifies particular priorities for 'horizontal' evaluation across several Member States. Three key questions that need to be addressed are

- can case studies be used to evaluate effectiveness only for certain types of environmental measure?
- how far can the specific experiences of one Member State support generalisations at Community level?
- are case studies more useful for evaluating *effectiveness*, rather than establishing overall environmental *impacts* at EU level?

3. Criteria for choosing between options

Three key criteria that should guide the choice of evaluation mechanism are:

- Will Member States, in practice, co-operate in the collection and publication of data and information, and/or in providing access to external evaluators?
- Will the chosen mechanism produce data, information and analysis that is useful –ie appropriate, reliable and comparable?
- Is the proposed mechanism
 - excessively costly for a. Member States b. Community institutions?
 - how far can these costs be covered?
 - from what source?

Table 1: POSSIBLE EVALUATION MECHANISMS

MECHANISM	EXISTING MODEL	STRENGTHS	WEAKNESSES
A. Self-evaluations by MSs			
1. Legal: Reporting obligations in individual items of legislation	Extension of current practice	Legal obligation to evaluate and report	1. Need to revise most reporting reqm'ts: inappropriate data; no standard evaluation methodologies. 2. Failure to report in practice 3. Worsening reporting fatigue 4. Evaluations not independent.
2. Modified legal: MS obligations limited to collecting and reporting appropriate data. Evaluations undertaken externally	EU Structural Funds; agri-environment evaluations	1. Reduced reporting fatigue 2. Evaluations independent 3. Opportunity to use standardised evaluation methodologies, enabling aggregation/comparison	1. Need to identify external evaluators 2. Cost
3. Voluntary: Selective evaluations of case studies by MSs	-	1 Greater commitment to evaluation and reporting through voluntary approach; 2. Reduced reporting fatigue.	1. Only partial coverage of <i>acquis</i> 2. MS select only examples of 'good practice' 3. Tranferability of case studies? 4. Better for evaluations of effectiveness than of pan-EU impacts? 5. Evaluations not independent
B. External review			
1. 'Peer review' teams undertake external evaluations	OECD Env. Performance Reviews (modified)	- Mutual policy learning; - Opportunity to use standard evaluation methodologies; - Cross-MS comparisons through 'thematic' evaluations; - Greater objectivity; - Peer pressure on MSs to co-operate; - Synergies with new OECD review cycle?	- Need to establish new machinery and clarify who leads – MSs, Commission, EEA, OECD? - Needs improved data collection by MSs - Costly: 100+ legislative items to be evaluated in up to 27 MSs. Who pays? - Objectivity compromised by need to agree reports with reviewed MS?.
C. Enhanced role for Eurostat			
1. Renew Decision 94/808 establishing 4-year development programme on environmental statistics, with more emphasis on data for evaluation needs	Builds on existing legislation	Legal obligation on MSs to collect data, report indicators.	Necessary, but not sufficient, condition for good evaluations.

Box 1: EU INITIATIVES IN RELATION TO ENVIRONMENTAL STATISTICS

Regulation 322/97 on Community Statistics (OJ L52 22.2.97)

Sets out the legal framework for an EU statistical programme, including defining responsibilities of Eurostat; legal instruments available; role of the Statistical Programme Committee of Member states representatives etc.

Decision 94/808 establishing a four-year programme to develop the environmental component of Community statistics (OJ L328 20.12.94)

Priorities focus on statistics measuring the pressures on the environment resulting from human activities; and the economic and social responses to them. Most efforts seems to have been devoted to pressures. 'Response' statistics limited to conceptual work in relation to:

- Expenditure on environmental protection
- Turnover and employment of eco-industries
- Eco-taxes
- R+D on the environment

Report to the Council and Parliament on the programme (COM(97) 430 3.9.97) refers to reporting obligations in EU environmental directives: 'The reporting requirements attached to existing environmental legislation cannot, in the majority of cases, be used to generate regular flows of harmonised statistical data' – although considers situation has improved with IPPC, landfill and water framework directives.

Decision 1999/126 on the Community statistical programme 1998-2002 (OJ L42 16.2.1999).

Sets out sectoral priorities. On environment, largely reiterates the priorities of 94/808, to the extension of which 'consideration will be given' (several months after its termination). Limitations of resource availability are blamed for the substantial gaps that remain. Emphasises importance of partnership with the EEA. (Memorandum of Understanding signed in May 1995). Conflict over respective roles of Eurostat and EEA may explain delays in extending the four year programme of 94/808.

Commission Working Document SEC (1999)1942 24.11.99 *Report on Environmental and Integration Indicators to Helsinki Summit.*

Emphasises that progress on developing indicators for integration into sectoral policies; and sustainable development indicators, will require

- commitment from Member states
- specific legislative or other proposals from the Commission (Eurostat)
- the availability of finance (for Member States) for data collection and analysis
- a division of responsibilities between Eurostat, EEA and Member states.