

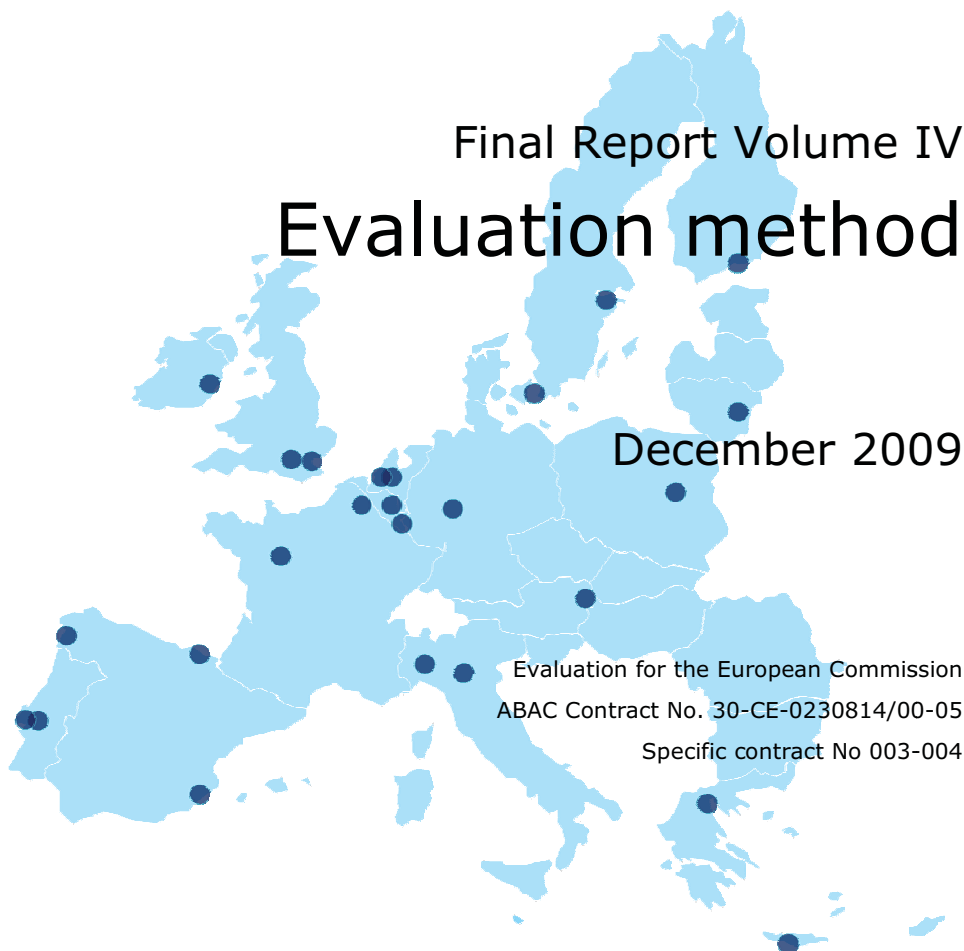


Evaluation of the EU decentralised agencies in 2009

Final Report Volume IV

Evaluation method

December 2009



Evaluation for the European Commission
ABAC Contract No. 30-CE-0230814/00-05
Specific contract No 003-004

This evaluation was commissioned by the European Commission in the context of the framework contract signed between the Commission and Ramboll Management-Euréal-Matrix, Lot 3.

The evaluation was carried out by a team led by Manager Janne Sylvest, Ramboll Management, janne.sylvest@r-m.com.

The progress of the evaluation was monitored by:

- a steering group composed of representatives from DG BUDG, DG ADMIN, and the Commission's Secretariat-General. The IAS participated as an observer;
- a reference group composed of representatives from the Commission, Council, and Parliament, as well as three agencies and two external experts (Profs Eduardo ONGARO and Christopher POLLIT).

The opinions expressed in this document represent the authors' point of view which is not necessarily shared by the European Institutions.

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1. Introduction

The evaluation report includes four volumes as follows:

- I – Synthesis and prospects
- II – Answered evaluation questions
- III – Agency level findings
- IV – Evaluation method (this volume)
- Compendium displaying the main working documents on a CDROM

This volume covers two points:

- Evaluation process and method
- Difficulties encountered and solutions found

The appendices list:

- Reviewed documents
- Interviewees

2. The evaluation process and method

2.1 Preparation phase¹

In March 2008 the Commission addressed to the European Parliament and the Council a Communication entitled "European agencies - the way forward" with the aim of launching an inter-institutional debate, which would lead to a common approach between the institutions. In this Communication the Commission made several commitments regarding its relations with agencies and among others announced its intention to "launch a thorough evaluation of the regulatory agencies. This evaluation was to contribute to the ongoing debate on the future of the Community agency system by taking a horizontal look at all agencies. It was meant to allow all the European institutions to examine the real implications of the creation and operation of agencies in the Union.

In July 2008, within the budgetary procedure, the Council and the European Parliament each came forward with a unilateral declaration formulating their expectations of the evaluation. Both institutions welcomed the initiative as a way to assess the extent to which agencies are an adequate tool, in the context of good governance and financial management, for implementing European policies at present and in the future.

After a thorough consultation process involving the three institutions, the Commission established a list of seven evaluation questions dealing with aspects such as relevance, coherence, effectiveness, impacts and efficiency of the agencies' work and the system for monitoring and evaluating the agencies. Certain elements of the evaluation questions were to be answered both at the level of individual agencies and at the level of the agency system, while the most difficult issues were to be answered only at the level of the agency system, through appropriate typologies.

A Steering Group consisting of a limited number of officials from different Commission services has been set up. Its role was mainly to assist in (1) monitoring the evaluation exercise on a continuous basis, and (2) judging the

¹ This section mainly consists of edited extract of the ToR

quality of the final evaluation report on the basis of the quality criteria for evaluations used by the Commission.

A Reference Group has also been created and convened for three meetings. It included several services of the Commission, the European Parliament, the Council, several agencies, and two scientific experts. This group was set up and chaired by the Commission. Its role was mainly to comment on relevant deliverables including the Draft Final Report. The group played a key role in assessing the feasibility of the recommendations.

The evaluation works were entrusted to an independent external evaluation team through a competition process. The team members belonged to a consortium of three European companies (Rambøll Management - DK, Euréval - FR, and Matrix - UK). During the busiest part of the data collection phase, the team comprised up to 20 consultants.

2.2 Inception phase

The works of the evaluation team began with a kick-off meeting in January 2009. Activities during the inception phase included:

- Transferring basic data and parts of the analysis framework from the recent meta-study of agencies;
- Exploratory interviews within Secretariat General, DG BUDG, DG ADMIN, and IAS;
- Presentation and discussion of the evaluation approach to a meeting of the Heads of Agencies;
- Presentation and discussion of the evaluation approach to a meeting of the Reference Group (February);
- Presentation and discussion of the draft Inception Report to a meeting of the Steering Group (February).

The inception report included:

- A detailed approach for answering the evaluation questions
- An assessment of the main methodological challenges and a proposal as to address them
- A detailed work plan, including full description of the tools to be used

2.3 Data collection and analyses

2.3.1 Overall approach

The findings and conclusions of this report derive from the following information sources:

- Relevant documents pertaining to individual agencies (regulations, work programmes, activity reports, external audit and discharge documents, impact assessments and evaluation reports);
- Studies and reports pertaining to the agency system;
- Face to face and telephone interviews with about 300 persons, including about 70 interviews with stakeholders having no responsibilities in the management or supervision of the agencies;
- Email questionnaire filled in by 457 members of the agencies boards (out of 1024);
- Five focus group meetings, each one attended by about 10 participants (agency officers, Commission officers, and external stakeholders);
- A series of light benchmarking exercises, each one involving interviews within an international or national institution / agency.

The date of the reviewed documents range from 2005 (with a few exceptions) to summer 2009. Interviews were carried out in spring and summer 2009.

Reviewed documents and interviews are listed in appendices A and B.

The investigations and analyses have been conducted at five levels as follows:

- Agency system (all issues covered in the Volumes I and II of this report)
- Agencies implementing comparable activities (focus groups, light benchmarking exercises, and analysis of performance indicators)
- Individual agencies (26 two-day visits, telephone interviews with agency stakeholders inside and outside European Institutions, email questionnaire to agency board members)
- Case studies (in-depth investigation into selected results and impacts in 15 selected agencies)
- Sub-cases (structured study of one or two noteworthy success or failure stories within each case study)

The following working documents are provided on a CD-Rom:

- Case study monographs;
- Review of existing performance indicators
- Detailed proposal for new indicators.

2.3.2 Tasks undertaken

Agency visits

All agencies were visited in March and April. Generally speaking, the agencies have demonstrated a very high level of willingness to cooperate. A total of 167 interviews were carried out during these visits – in most agencies 7-9 interviews², typically including:

- Executive Director
- Head of Evaluation Unit
- Head of market development unit
- Communication Director
- Risk Assessment Director
- Scientific Co-operation Director
- Head of Administration Unit
- Internal Auditor

On the basis of the interviews conducted and the documents collected before and during the agency visits, a first draft of the agency chapter for each agency was prepared. At this stage, these documents were not submitted to agencies for comments.

A first version of the agency "fiche" was also prepared with structured, comparable information. They have been submitted to agencies for validation.

The agency's activities were analysed and a description of the three main ones was prepared covering:

- Typical example of output, target, result
- Logic model
- Available quantitative performance information
- Potentially interesting benchmarks

² The average number across all agencies is 6.4. A few agencies, such as EIGE which was not yet established, and EAR which was closed down, had fewer interviews, whereas most other agencies had 7 or more interviews.

As regards the two last bullets above, the information collected was very limited, or even null in the majority of agencies.

Questionnaire survey

The questionnaire survey was targeted at the 1024 board members of the agencies under study, and it achieved a very good 45% return rate. The number of returned questionnaires (20 per agency in average) does not however enable statistical calculations at the level of individual agencies.

Three agencies (EUROPOL, FRA, and ECDC), did not want to provide contact information relating to their board members. In these cases, it was decided to allow the administrative contact at each agency to distribute a Word form version of the survey to the Board members for self-completion, which they could then return directly or via the agency contact. This led to concern that the answers returned via the contact might be biased. Comparative analyses were therefore conducted on these responses, but no evidence that the responses were (positively) biased was found.

Interviews with stakeholders

For each agency, as a general rule, two stakeholders from EU institutions and two other "clients and partners" (stakeholders) have been interviewed.

In total, 121 stakeholders were interviewed, including 39 from the European Commission, 4 from the European Parliament, 1 from the Council of Ministers, and 77 "other stakeholders" (national authorities, industry, NGOs, international organisations, other agencies, individual experts etc.).

Potential interviewees were initially identified by asking the agencies to propose names of relevant stakeholders. In most instances, the agencies proposed several names for each category, and the evaluation team subsequently picked interviewees among these suggestions.

Parent DGs were always included, most often at the level of Head of Unit, often together with other staff members. The second European Institution stakeholder was found in another DG or in the European Parliament (once in the Council).

Interviews have also covered clients and partners, sometimes at the level of management board members, always after advice of the parent DG.

Interviews in the parent DGs and most other EU Institutions in Brussels were generally carried out as face-to-face interviews, whereas other stakeholders were interviewed via telephone.

Case studies

Fifteen agencies were selected for case studies in May after an interaction with the Steering Group. The selected agencies covered the whole range of activities except that of "providing support and services to targeted bodies and institutions". All types of governance and financing arrangements were also covered. All agencies selected for case studies were in their cruise speed phase, except three recent and still growing ones.

The case studies investigated in full depth a series of key issues which are common to several agencies, and which pertain to external effectiveness and external efficiency. The purpose was to test a series of typical chains of assumptions connecting resources to impacts. The studies have focused, inter alia, on "external efficiency drivers", i.e. functions that are under full responsibility of the agency, that are resource consuming, and that have a major influence on results and impacts.

Focus groups

Five focus groups were held in Brussels in June. Each one gathered from 8 to 12 participants each, including key people from three agencies, parent DGs and stakeholders.

Participants have discussed the following issues in a comparative perspective: (1) preliminary findings on external effectiveness, (2) key drivers of external efficiency and (3) performance information.

The outcomes of the meetings have been generally satisfactory, except for the latest point which was successfully addressed in only one meeting out of five (see Vol I, Table 5)

Light benchmarking exercise

Five benchmark agencies were identified in the context of an attempt to make inter-agency comparisons. Benchmark agencies should be reputedly good at performing the task subjected to comparisons. They should not work in the same field as any of the European agencies under investigation.

Only three benchmark agencies volunteered for contributing to the study³. They were subjected to a light investigation resulting in short benchmark profiles.

The benchmarking exercises were mainly meant to bring fresh air, new ideas, and height of view into the issue of inter-agency comparisons. Quantitative comparisons were out of the scope of this exercise.

2.4 Conclusions and recommendations

As early as possible after the end of the data collection phase, the evaluation team formulated a series of emerging conclusions which were presented and discussed at a Reference Group meeting in July. The first version of the draft final report was presented and discussed at two Steering Group meetings in August and September. In parallel, the Volume III, with individual agency chapters was sent for comments to the agencies and parent DGs.

A second version of the report was then produced, presented, and discussed in a Reference Group meeting in October.

Most of the comments received during this finalisation phase could be integrated into the report since they were mainly dealing with correcting factual errors and inconsistencies. Only a very limited number of lasting disagreements subsisted at the end of the process. They are generally mentioned in footnotes in the report.

3. Difficulties encountered and solutions found

3.1 Only activities can be clustered, not agencies

A challenging problem was that of clustering agencies in homogeneous groups. There has been substantial resistance to this approach, which appeared as being actually a difficult one. In fact, many agencies implement a range of distinct activities, each one deserving to be compared within distinct groups of agencies. This difficulty called for changing the approach in the course of the study, i.e. comparing homogeneous clusters of activities (see Vol I Table 6) rather than homogeneous clusters of agencies. Considering that

³ A fourth agency initially agreed but subsequently withdrew.

the ToR included an explicit request for clustering agencies, an (incomplete) proposal has been included in Vol I (Table 12).

3.2 Performance comparisons are not yet possible

Another major challenge was that of comparable performance information. A number of comparable indicators could be identified, and some new ones have been constructed (e.g. travel cost - Vol II, Table 27), but they tend to focus on resources, organisation, and tasks rather than results and impacts.

A systematic review of two information sources has been undertaken for confirming this finding: (1) latest annual activity reports, and (2) evaluation team's agency visit reports. All agencies have been covered except EIGE and GSA. The reviewed documents have been searched for quantitative performance indicators. 64 such indicators have been identified.

The evaluation team has sorted out the indicators in 16 distinct categories as to suggest comparisons across agencies. The overall finding is that there is limited potential for such comparisons, except in agencies collecting and disseminating harmonised information, where some items are actually measured in a way which could be harmonised within the next years, i.e. dissemination (outputs), public interest (results), and use (impacts).

Finally, this evaluation makes just a few proposals towards comparing performance of agencies collecting and disseminating harmonised information (Vol I Table 5). There are however several years (at the very best) before such comparisons could be done in a satisfactory and routine way.

3.3 Benchmarks are difficult to identify

The evaluation team has strived to identify appropriate benchmark agencies in three ways:

- Systematic questioning of the EU agencies during the visits;
- Call for proposals launched in a European research network devoted to agencies, and in a Dutch inter-agency benchmarking network;
- Evaluation team's own expertise.

These three approaches have been lengthy and only partially successful. Most of the visited agencies proposed to select benchmarks in their own policy areas, something which was not matching the selection criteria. Only one benchmark was found through this process (International institution collecting and disseminating harmonised information).

The second approach happened to be also poorly effective for various reasons, but it however enabled us to identify one benchmark (UK agency dealing with individual applications). Three other benchmarks were suggested by the evaluation team, but only one of these eventually volunteered for the exercise.

Overall the exercise has been considerably delayed and difficult to use as an input into the study.

The difficulty encountered with this part of the work is closely related to the previous ones in the sense that (1) many agencies are reluctant to admit that they implement activities that can be clustered with that of other agencies, and therefore that can be compared to a benchmark, and (2) performance comparisons are non-existent, and the very notion of 'best in class' does not yet make sense.

3.4 Proposal for remedies

Considering the difficulties encountered, it has been proposed (Vol I / 5.4.1) to invest in inter-agency performance comparisons and benchmarking on a longer term basis.

The idea is to establish a high profile inter-agency committee responsible (inter alia) for developing comparative performance indicators, collecting performance information, and promoting joint benchmarking exercises.

It would structure its work in sub-committees gathering agencies whose first or second main activities share the same logic, and are therefore comparable.

Appendix A –List of reviewed documents

B1 – Agency level documents

The table below contains the list of the documents which have been searched and reviewed as far as possible at the level of each individual agency. These documents have been accessed through the agency web site or through the agency visits.

Table 1 - Standard documents reviewed for all agencies

<i>Document</i>	<i>Version</i>
Constituent act and amendments	
Annual report/General report	Two latest
Multi-annual programme / Strategy	
Annual work programme	Two latest
Annual Management Plan	Latest
Staff policy plan	Latest
Annual budget	Three latest
Annual accounts	Latest
Service level agreements - CE's service to the agency	
Memoranda of Understanding	
Recent evaluation reports	Since 2005
Impact assessment	If available
External audit report	Latest
Parliament's discharge	Latest

B2 – General documents

Barbieri, Ongaro – EU Agencies: What is common, what is distinctive compared with national level public agencies. *International Review of Administrative Science*, 2008.

Cohen D. and Thatcher M. - The New Governance of Markets and Non-Majoritarian Regulators, *Governance: An International Journal of Policy, Administration, and Institutions*, Vol. 18, No. 3, 2005.

European Commission - DG BUDG, Meta-evaluation of the community agency system, 2003

European Commission – White Paper on European Governance, COM(2001) 428.

European Commission - White Paper on European Governance, Report by the Working Group "establishing a framework for decision-making regulatory agencies" June 2001.

European Commission – DG BUDG Evaluation EU activities: A practical guide for the Commission services.

European Commission, DG BUDG - Practical guide on community bodies, June 2008.

European Commission, DG BUDG -Meta-evaluation of the Community Agency System, Sept 2003.

European Commission, Draft Interinstitutional Agreement on the operating framework for the European regulatory Agencies(COM(2005)59) 2005.

European Commission, European agencies – The way forward, {SEC(2008) 323, 2008

European Commission, The operating framework for the European Regulatory Agencies (COM 2002 718), 2002

European Court of Auditors – Special Report N°5 : The European Union Agencies : Getting results, 2008

European Parliament - Budgetary affairs, Best practice in governance of agencies – A comparative study in view of identifying best practice for governing agencies carrying out activities on behalf of the European Union, 2008

European Parliament - Budgetary affairs, Budget and staffing of the Agencies: Reply by the Agencies to a European Parliament questionnaire, 2007

European Parliament - Budgetary implementation of EU Agencies –The use of EC appropriations by agencies and the assigned revenue instrument. Budgetary affairs, July 2008.

European Parliament - Budgetary Support Unit, Agencies' Buildings – Study, Dec 9th 2008

European Parliament – Opportunity and feasibility of establishing common support services for EU Agencies, 2009

European Parliament - Report on a strategy for the future settlement of the institutional aspects of Regulatory Agencies (2008/2103(INI))

European Parliament - Report on the communication from the Commission: 'The operating framework for the European regulatory agencies' (COM(2002) 718 – 2003/2089(INI))

European Parliament - Report on the draft general budget of the European Union for the financial year 2009, 8.12.2008

European Parliament Budgetary Affairs Agencies: origin of tasks, local conditions and staffing- 17 October 2007

GILARDI Fabrizio – The Formal Independence of Regulators: A Comparison of 17 Countries and 7 Sectors, Swiss Political Science Review 11(4): 139-167; 2005.

Giandomenico Majone - The Agency Model: The Growth of Regulation and Regulatory Institutions in the European Union, EIPA.

European Parliament, Council and Commission - Interinstitutional Agreement on budgetary discipline and sound financial management (2006/C139/01)

Maggetti Martino - De facto independence after delegation: A fuzzy-set analysis, 2007, Regulation & Governance (2007) 1, pp 271–294.

Andoura Sami & Timmerman Peter - Governance of the EU: The Reform Debate on European Agencies reignited, EPIN, Working Paper No. 19 / October 2008

European Council - Regulation 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European communities

European Commission - Regulation 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities

European Commission - Regulation 2343/2002 of 23 December 2002 on the framework Financial Regulation for the bodies referred to in Article 185 of the Council Regulation 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities

Appendix B –Interviewed organisations (agencies and stakeholders)

The table below lists the number of stakeholder interviews carried out within each of the mentioned (types of) organisations. Please note that for some of the organisations listed under "other stakeholders", more than one representative was interviewed (often in connection with different agencies)

The total number of interviews was 288.

Organisation	Number of interviews
Agencies	167
<i>European Institutions</i>	
European Commission	39
European Parliament	4
Council of Ministers	1
<i>Other stakeholders (national authorities, industry, NGOs, international organisations, other agencies, individual experts etc:</i>	
AIM (Association des industries de marques)	77
AIRBUS	
Airworthiness and Environment (SBAC)	
Baltic Sea PAC	
Beckley Foundation	
BIOPHARMA, Les Laboratoires Servier	
Boeing	
Business Europe	
Cabinet Beau de Loménie	
CEDEFOP	
CEFIC	
CIOPORA (association of breeders)	
CIAA	
Community of European Railway and Infrastructure Companies (CER)	
CONCAWE	
CPVO	
CAA UK	
Danish Directorate of Fisheries	
Deloitte	
Department for Environment, Food and Rural Affairs (DEFRA), UK	
Department of Fisheries and Aquaculture, Malta	

ECDC, Preparedness and Response Unit
ECHA
European Association of Craft, Small and Medium-sized Enterprises
European Consumers' Organisation (BEUC)
European Safety Federation, Belgium
Europol
Federal Ministry of Education, Art and Culture, Austria
Finnish Border Guards
Food Safety Authority of Ireland (FSAI)
Food Standards Agency (UK)
Frontex
German Aerospace Industries Association (BDLI)
GEVES (independent examination office)
Groupe des Industries Françaises de l'Aéronautique (GIFAS – French Aircraft Industries Federation)
ILGA-Europa
International Alliance of Patients' Organizations
Italian coastguard
Malta Police General Headquarters
Ministry of Education and Training, Flemish Community of Belgium
Ministry of Health, Cyprus
Ministry of Justice and Law Enforcement, Hungary
Ministry of Justice, Prosecutors office
National Centre for VET Development, Romania
National Commission for Higher education, Malta
National Institute for Public Health and the Environment, The Netherlands
North Sea RAC
OECD
OHIM
Permanent Representation of Luxembourg to the EU
Permanent Representation of Sweden to the EU
Police Academy, Austria
RED BULL
RGC Jenkins
Scientific Advice Unit
Standing Committee of European Doctors
TNO Kwaliteit van Leven, the Netherlands
UNIFE (association of European Railway manufacturers)

Universitatea de Medicină și Farmacie "Carol Davila" – București, Romania	
University of Amsterdam, Law Faculty	
Warwick Business School University of Warwick, UK	
World Health Organisation	