

# ETF EXTERNAL EVALUATION MAIN ACTION LINES



As described in Art. 24 of Regulation (EC) No 1339/2008 establishing the ETF, the European Commission, in consultation with the ETF Governing Board and through external experts, has to “conduct every four years an evaluation of the implementation of this Regulation and of the results obtained by the ETF, and of its working methods in light of the objectives, mandate and functions defined therein.”

In the June 2016 GB meeting, the external experts discussed the interim findings of the evaluation with the Board. Since then, the report has been finalised including conclusions, recommendations and a proposal for a revised intervention logic and presented to the Commission 16 September 2016. The report was drafted in English with summaries available also in French and German. The final report has been reviewed by the Steering Group and accepted by the European Commission.

The ETF mandate foresees that each external evaluation is followed by report on the results prepared by the European Commission to the European Parliament, Council and Economic and Social Committee. However, in this case, the results will also be fed into a more comprehensive evaluation by DG EMPL on the four agencies which the DG coordinates: Cedefop, ETF, Eurofound and OSHA. This action has been taken by DG EMPL following a request by the European Parliament affecting all agencies. The Commission will share the results of this comprehensive evaluation to the European Parliament and other relevant institutions in the form of a Staff Working Document by end 2017/beginning of 2018. At which point, the ETF will prepare a formal action plan in response to the Commission report.

Nonetheless, in order to comply with the provisions of the ETF founding regulation, the European Commission will also present the results of the current external evaluation to the relevant institutions.

In the meantime, the ETF has proposed some preliminary action lines based on the main and more urgent conclusions and recommendations put forward by the external experts.

## ETF EXTERNAL EVALUATION

### MAIN ACTION LINES IN RESPONSE TO THE KEY ISSUES AND RECOMMENDATIONS

External Evaluation Report	Recommendations	ETF proposed action
7.1 Renewed intervention logic	Figure 7.1 - Renewed intervention logic	<p>ETF accepts the proposed intervention logic approach with minor changes, namely:</p> <ul style="list-style-type: none"> <li>- The specific objectives have been aligned with ETF Strategic Project titles</li> <li>- Operational objective 1 reformulated to focus on policy analysis and advice</li> <li>- Outcomes 2017 capture developments in specific policy/system areas but have been tailored to context of Strategic Projects. Each outcome is assessed through a dedicated indicator.</li> </ul> <p>ETF has adapted the revised intervention logic and included it in the draft SPD version submitted to the Governing Board</p>
7.2 System for measuring ETF effects	Table 7.1 - Proposed indicators for measuring ETF effects	<p>ETF accepts the indicators for measuring ETF intermediate impact in terms of overall VET system changes measured through access, attractiveness and relevance. ETF has proposed to add an intermediate impact indicator to measure overall capacity for policy making and good governance in partner countries.</p> <p>ETF has accepted the contribution of the VET system to employment and employability as the expected long term impact of the agency.</p> <p>ETF has included the indicators in the SPD version 23/9/2016</p>

8.2.1 The ETF shapes the course of VET developments and could take steps to further improve effectiveness in certain areas	8.2.1.1 The ETF should consider whether its more heterogeneous contribution to developments in partner countries in the areas of labour market systems/skills for employability and entrepreneurial learning/enterprise skills are due to circumstances beyond its control or require action on its part.	ETF has revised its Strategic Projects in Employment, skills and employability and in Entrepreneurial Learning and Enterprise Skills to make its interventions homogeneous across partner countries. (See Section 3.6 and 3.7)
	8.2.1.2 There should be closer collaboration with Eurofound when developing Annual Work Programmes or Mid-Term Perspectives in order to capitalize more systematically on potential opportunities for joint work. This could be in the areas of NEETs, employability issues and labour market systems. The ETF should continue to collaborate with international organisations in terms of concrete outputs and the provision of inputs and expertise through knowledge-sharing events.	ETF has made explicit cooperation with Cedefop and Eurofound (see sections III and Annex XIV)  ETF will continue to work with international organisations to enhance complementarity of interventions and approaches; knowledge sharing and to identify opportunities for scaling up ETF actions (see 3.8)
8.2.2 The capacity of partner countries to absorb ETF interventions varies and	8.2.2. The ETF should do more to understand systematically where its interventions are likely to have most effect and how the nature of required activities may vary depending on factors such as country size and	The ETF has been working systematically through the Torino Process and related policy analysis tools to identify its interventions and to tailor them according to stages of development (see Section 1.1; 2.1; 3.2)

<p>requires attention and tailoring</p>	<p>general stage of development, as well as the stage of policy development in individual policy fields. It should then build this into projects. Apart from being a valuable exercise in itself, this would also provide evidence, should it be necessary, to implement decisions not to undertake certain activities (the “negative priorities” now built into its programming).</p>	<p>The ETF does not consider that country size represents an very important criterion for ETF intervention, compared with, for example, the criteria of EU prioritisation and related assistance; country ownership and commitment for reform; country stability (see Section 2.1).</p>
<p>8.2.3 The Torino process has been a key and successful development for the ETF and many partner countries</p>	<p>8.2.3 Unlike donor/aid agencies, the ETF lacks “hard conditionalities” which can be used to improve the effectiveness of interventions. However, it is recommended that it develops “soft conditionalities” with the same aim in mind using Torino. Using the Torino framework, it could be feasible to identify the conditions needed for the success of interventions and thereby establish, on the basis of good practice, which interventions need to take place in which sequence to guarantee a greater chance of success. Decisions could be made not to support interventions unless the proper conditions were in place. This could be tied to the “stages of development” approach proposed above. In the same vein, the interrelationships between interventions could also use soft conditionalities so as to better exploit the potential synergies and improve the cumulative impact of interventions. Finally, steps should be taken to ensure that Torino is better linked to policy development and involves more stakeholders in those countries where these drawbacks pertain.</p>	<p>ETF continues to draws on the Torino Process findings and recommendations and its other more specific thematic policy analyses to identify multiannual support priorities and actions. These are included in the Country Strategic Perspectives 2017-2020 for circulation to the GB, in which soft conditionalities and assumptions have been highlighted. (See Country Strategic Perspectives)</p>

<p>8.2.4 A gap exists between the high quality of ETF activities and the implementation and sustainability of subsequent policy reforms</p>	<p>8.2.4.1 The ETF and the EC should work together to ensure that links to EC projects and programming and technical assistance are built more systematically than at present where current arrangements depend too much on informal relationships. In addition, the ETF should increase its analysis of what could have been done differently in order to generate lessons to improve the chances of more and greater impacts in the longer term, feeding these into its ex-ante impact assessment processes.</p>	<p>ETF welcomes the invitation to develop a more structured engagement of the ETF in EU external assistance in the interest of maximising the overall value and impact of EU support to human capital reforms in partner countries. This may take place through more systematic deployment of ETF VET and skills expertise in policy dialogue, the programming cycle and projects at regional, national and subnational levels. A first discussion has taken place with the Commission services in the context during the Structured Dialogue 11 October.</p>
<p>8.2.5 The complexities and uncertainties of the ETF's operating environment hamper efficiency and effectiveness but have not adversely affected the delivery of FRAME and GEMM</p>	<p>8.2.4.2 It should also ensure that sustainability planning is built into projects with clear steps as to the next stage in development, and that assistance is provide to follow-up and embed benefits. This could be by, for example, creating more online platforms and networks linked to projects, with good practices, sharing of practices, exchanges of programmes and curricula, using the lessons from existing successful examples of such activities.</p> <p>8.2.5.1 Further steps should be taken to improve communication and coordination between the ETF and EC so that the ETF is clearer as to how the priorities of different DGs are to be balanced. This should be through a stronger focus on strategic issues in the process of preparing Work Programmes, and through better articulation by the ETF of its objectives between the strategic and detailed partner country levels. This would also improve the efficiency and effectiveness of the ETF if Delegations were obliged to consult with the organisation on key issues such as EC programming (which helps to improve impact and sustainability) and to provide a link to the ETF on their websites.</p>	<p>ETF considers that sustainability of its actions is dependent on the ownership and commitment of the partner countries (see recommendation 8.2.2) as well as on close coordination with EU support and identifying opportunities for scaling up through complementarity with other international and bilateral actors.</p> <p>See ETF response to 8.2.4.</p>

	8.2.5.2 When considering future projects of this type that are additional to core ETF work, additional consideration should be given to the sufficiency of timeframes.	See 8.2.4
8.2.6 The ETF's new organisational arrangements have the potential to deliver benefits while disbenefits should be countered	8.2.6. It is not economically feasible for the ETF to have a permanent presence in partner countries, i.e. field offices. Concerns about loss of 'on the ground' presence should therefore be addressed in two ways: either through greater use of digital communication tools than at present and/or through using any resources freed up by efficiency gains (see next conclusion below) to purchase more expertise located in partner countries.	The ETF continues to assure a country presence on the ground within the limitations of its resources. The SPD indicates ETF commitment to using digital technology to enhance its outreach (see section 3.8). However, the ETF will continue to ensure that its core functions are developed and delivered through ETF internal expertise.
8.2.7 There are no prima face reasons for concluding there are major issues with the ETF's cost-effectiveness but some steps could be taken to improve efficiency	8.2.7.1 Where the ETF's new approaches and efficiency actions deliver cost savings, it might prove useful to use such savings to increase the number of staff in operational roles (particularly at senior level) and/or to fill any gaps in internal expertise by using external experts with requisite country knowledge and contacts.	In the context of the 10% reduction of staff, the ETF cannot increase the number of operational staff at senior level. The redeployment between departments may eventually lead to an increase in junior staff in operations. (see section 2.3)
	8.2.7.2 It would be beneficial for the ETF's Annual Activity Reports to routinely state the costs of the Governing Board, as way of demonstrating that the costs have fallen and thus that the concerns of the Parliament and other stakeholders have been addressed. The EUAN's common framework of performance and workload indicators should be adopted by the ETF as soon as possible and used to structure key information that is made publicly available.	The ETF has included Key Performance Indicators within the SPD, and notably the indicators and targets for the budget discharge process (see Annex XI).  The ETF will take continue to publish information on its performance through the Consolidated Annual Activity Reports. This will include the cost of the Governing Board in the 2016 Report. The EU Agencies Network did not adopt any specific performance indicators in the Heads of Agencies network meeting October 2016.