



ReSPA

Regional School
of Public Administration

Monitoring and Evaluation of Public Policies

13 -14 October 2015, Danilovgrad (Montenegro)

Draft Conference Concept Note and Programme



Background and Rationale

The consequences of the global financial and economic crisis have opened up space for deeper discussions on the relationship between public administration, public policies and market, or, in simple terms, the relationship of the state, its administration and the economy. The chief mantra is to do more and better with less resources. The key question in all countries is the same: What is the impact of character, ways of development, adoption and implementation of public policies on economic growth? How does the public administration, which implements policies, contribute to the economic growth and overall social development? What consequences and effects do the government policies create for the society as a whole, or for its specific segments? How can the quality and impact of public policies be measured and assessed? Policy monitoring and evaluation (policy M&E) enable learning throughout the policy cycle, i.e. improvement of future policies by learning from previous and/or current ones.

The new EU Enlargement Strategy (2014-2015) places added emphasis on public administration reform (PAR) as one of the fundamental reform areas in the accession process, along with economic governance and rule of law. Within the PAR roadmap for candidate countries, which was enshrined in the Principles of Public Administration produced and published by SIGMA/OECD under the aegis of European Commission's DG NEAR, improvement of policymaking structures and procedures is recognized as one of the key reform areas.¹ The Principles effectively require the accession countries to collect and analyze performance information in the policymaking process to monitor government activities and report on their outcomes on a regular basis.² They also offer an excellent model on a monitoring and evaluation framework for the PAR policy specifically, by incorporating a whole series of qualitative and quantitative indicators, that can both help accession countries follow progress towards achievement of EU accession requirements in the PAR policy and serve as an inspiration to the countries in designing own policy M&E frameworks.

Given the momentum on the part of the EU and the needs in this respect of the countries of the region, ReSPA has decided to dedicate its next regional conference to the topic of policy M&E. This topic is also a response to the findings and recommendations of ReSPA Comparative Study on PAR strategies, stating that “[g]ood regional practices should be sought and shared among Western Balkan countries” in the area of PAR monitoring and reporting.³ Although the recommendations from this study are mainly limited to the institutions leading PAR and the PAR strategies, the noted gaps are of a horizontal nature, and transcend the PAR sector. In other words, as development of systemic policy M&E systems and procedures has been neglected in most countries of the Western Balkans,⁴ this recommendation can easily be extrapolated to other policy areas.

¹ The Principles of Public Administration, SIGMA, November 2014, available at:

<http://www.sigmaweb.org/publications/Principles-Public-Administration-Nov2014.pdf>

² See principle 5 under the Policy Development and Coordination chapter.

³ Regional Comparative study on Methodologies used for Preparation of Public Administration Reform Strategies in Western Balkans, Regional School of Public Administration, 2013, p.79, available at: <http://www.respaweb.eu/11/library#respa-publications-and-research-18>.

⁴ See, for example: OECD (2013), “Montenegro Assessment Report 2013”, *SIGMA Country Assessment Reports*, 2013/06, OECD Publishing, <http://bit.ly/1EEae0E>; Klaas, K. (2014), “Policy Making Review Montenegro”, *SIGMA Papers*, No. 51, OECD Publishing, <http://bit.ly/1fXTyFm>; OECD (2013), “Albania Assessment Report 2012”, *SIGMA Country Assessment Reports*, March 2012, OECD Publishing, <http://bit.ly/1QblbuP>; European Commission, 2014 Progress Report on

Aim and Purpose of the Conference

The topic of the Conference was developed in accordance with the overall goal of ReSPA to assist its Members and Kosovo*⁵ in order to fulfill the EU membership criteria in the area of public administration. Therefore, the Conference will at first cover M&E of public policies, which are essential tools that lead the process of improving public administration performance. It will provide the necessary basis to build upon when developing and applying an M&E framework to specific policies such as PAR for instance. One of the central questions that the Conference, thus, aims to respond is: What are the systems, tools and practices in measuring the successes and failures of government policies, both at EU level and in the Western Balkan region? What differences could be seen among ReSPA Members and Kosovo* regarding the capacities for M&E of strategic documents and public policies?

The Conference will, therefore, gather relevant regional policy makers, representatives of civil society and relevant members of the expert community and the academia, with the view to strengthen their understanding and awareness of existing policy M&E tools and techniques that are being used across the EU and the region and facilitate exchange of experiences on a range of related issues. Given that policy M&E tools are being promoted through the aforementioned SIGMA PAR Principles, the Conference will elaborate upon them and provide for a discussion on their monitoring framework, with the focus on ReSPA's role. In addition to discussing the overall policy M&E systems and practices, the Conference will, therefore, use the PAR policy – one of the highest relevance for ReSPA – as a kind of a case study, by showcasing the examples and practices in monitoring PAR.

Since M&E serves to raise the economy, efficiency and effectiveness of individual policies, which have a positive impact on the contribution of the public sector to growth and development, the South East Europe 2020 Strategy will be given due notice as well. Moreover, it can serve as a case study as it is the umbrella strategy for stimulating jobs and competitiveness in the region since September 2013, and is developed with guiding principles of measurability and implementability in mind. Due to the added focus on M&E of PAR policy, particular focus will be placed on examining the implementation of the Regional Action Plan for the Dimension “Effective Public Services” within the Governance for Growth Pillar of the SEE2020 Strategy.⁶

the former Yugoslav Republic of Macedonia, October 2014, Annex to COM(2014)700 final of 8.10.2014, <http://bit.ly/1fmehv0>; European Commission, 2014 Progress Report on Serbia, October 2014, Annex to COM(2014)700 final of 8.10.2014, <http://bit.ly/1fmehv0>.

⁵ *This designation is without prejudice to positions on status, and it is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence

⁶South East Europe 2020 Strategy, Regional Cooperation Council, September 2013, available at: <http://www.rcc.int/pages/62/south-east-europe-2020-strategy>

Taking a Step Back – Concepts and Definitions in Policy M&E

In order to ensure a wider understanding of the main concepts and definitions which will be assumed throughout the Conference, some initial thoughts on these may be useful to the target audience. Therefore, in this section we provide a brief overview and discussion of such concepts and definitions, thus setting the tone and context of the Conference.

Public policy, in the broadest sense, implies (stable, purposive) course of action or inaction of a state (or its specific actors) regarding an issue of societal concern.⁷ It encompasses a series of governmental activities through which it aims to remedy the situation and hand, and thus affects lives of its constituency. Monitoring can be defined as “systematic data collection towards gaining insight of the specific policy at a given time in relation to targets and results.”⁸ It should be distinguished from evaluation that is the step following monitoring, that bases itself in the previously acquired data and analyses the impact of a particular policy upon its implementation.

Significance of Policy M&E in the Policy Cycle

Policy monitoring and evaluation are indispensable elements of the policy cycle, and are the prerequisites of well-elaborated and implementable public policies. Policy M&E enables and facilitates improvement of public policies throughout their natural cycle, so as to reflect the situation on the ground and respond to noted challenges. M&E are crucial in elaborating sound public policies that lead to the desired outcomes and reach set objectives, drawing on experiences gained from the successes and failures of what already is being or has been implemented in the same policy area. M&E is applied to public policies for reasons of effectiveness (‘ensure we do more good than harm’), efficiency (‘use scarce public resources to maximum effect’), service orientation (‘meeting citizens’ needs/expectations’), accountability (‘transparency of what is done and why’), democracy (‘enhance the democratic process’), and trust (help ensure/restore trust in government and public services’).⁹

M&E of the results of public policies are a necessary precondition in assuring adequate government responsibility and accountability in the allocation and spending of public funds. Therefore, building a horizontal policy M&E framework will strengthen governance principles, improve responsiveness of policies and generate public trust.

⁷ See, for example: James E. Anderson, *Public Policymaking: An Introduction*, 7th edition, Wadsworth, Boston, 2011, pp. 6-7.

⁸ Sena Marić et al. “How to Get Results in Public Policies: Monitoring and Evaluation with the Evidence Supplied by the Civil Society”, Foundation for the Advancement of Economics, European Policy Centre, Belgrade, 2014.

⁹ Philip Davies, American Institute for Research, SRA Workshop, British Library Conference Centre, London, 10 March 2008, available at: <http://the-sra.org.uk/files-presentations/davies.pdf>

As stated above, public administration is a determinant of development and economic growth, by extent so are the public policies that it produces. Measuring the performance of public administration is interlinked with the impact assessment of public policies. Therefore, the issue of indicators for assessing the quality of public services, performance of the public administration and activities and outcomes of public policies, upon which policy M&E is based, becomes ever more important. In order to conduct M&E in an adequate manner, desired results and indicators for measuring the attainment of targets need to be defined from the very onset of the policy cycle. Moreover, well-defined policy formulation is the key of proper implementation.

Importance of Good Indicators - International Practices/Examples

The effectiveness of the M&E in measuring the achievements of public policies is dependent on well-formulated indicators that are specific, measurable, attainable, relevant and time-bound. Still, public authorities face limitations in the process of data collection which should be taken into consideration when developing indicators. Also, capacities across public institutions need to be assessed so that these functions are conducted properly.

At the international and EU level, At EU level strategies and policies are almost impossible to imagine without a set of key indicators which are monitored and reported on – e.g. the EU 2020 Strategy is heavily oriented towards the achievement of key indicators.

Furthermore, as previously noted, the new SIGMA/OECD approach to monitoring progress across candidate countries so as to reach the set out Principles of Public Administration is based on a combination of both quantitative and qualitative indicators. According to this approach, qualitative indicators serve to measure the maturity of respective public administration components on a scale, whereas quantitative indicators are to be used in the process of measuring outputs and outcomes.¹⁰ For instance, Principle 5 envisions an overarching institution that will take the lead in regularly monitoring the performance of the Government, which can be measured through the “extent to which reporting provides information on the outcomes achieved.”¹¹

Another relevant actor in developing governance indicators/indices is the World Bank. This particular index encompasses six aggregate indicators that are the result of specific comparative studies of various organizations, and relate to: a) Voice and Accountability, b) Political Stability and Absence of Violence, c) Government Effectiveness, d) Regulatory Quality, e) Rule of Law, as well as f) Control of Corruption. Moreover, these indicators are aggregated due to the fact that "no single indicator or combination of indicators can provide a completely reliable measure of

¹⁰ The Principles of Public Administration.,*op. cit.* p. 7.

¹¹ *Ibid.*, p.27.

any of these dimensions of governance."¹² These were built upon in the process of developing the M&E system for the SEE 2020 Strategy and its "Governance for Growth" Pillar.

Specific Regional Challenges Pertaining to Policy M&E

Lack of Focus on Performance

While there have been initiatives aimed at strengthening the institutional set-up and methodology for strategic planning across SEE countries,¹³ there is still a need to improve monitoring and evaluation mechanisms. There are no robust monitoring and evaluation arrangements, which in practice means information gathering that rather than serving as a lesson learning stage assessing the effects of a policy. It can thus, be argued that whereas monitoring is often regarded as solely reporting activities, evaluation is a particularly novel concept.¹⁴

Regulatory impact analysis (RIA) is an essential component in strengthening the evidence basis of policies even though it does not fall under M&E tools strictly speaking. As an ex ante assessment that itself encompasses a range of methods, it requires a strong focus on measurement of effects of government actions. RIA can serve as remedy if conducted early into the process as it gives a structural framework for analysis. At the same time, regional practices show that RIA is mainly implemented as a formality, towards the end of the policy formulation stage, which has a negative reverberation on the quality of the policy and its relevance and effectiveness. Even though the practice shows that RIA is usually not performed at the onset of the policy cycle, it incorporates questions on the definition of the policy problem and justification of the government logic of intervention.¹⁵ In this manner it facilitates the assessment of costs, desired and undesired consequences of various policy alternatives, which as result gives the policy makers an opportunity to choose the optimal policy instrument given the negative and positive impacts of proposed regulations.¹⁶ It can be concluded, thus, that ex-ante impact assessment – enshrined in RIA – is one of important preconditions for meaningful M&E later in the policy cycle. Given that in all WB countries substantial resources have been invested in introducing and strengthening RIA, it is important to discuss the state of play and issues pertaining to the implementation of this close relative to policy M&E.

¹² Daniel Kaufmann & Aart Kraay, 2008. "Governance Indicators: Where Are We, Where Should We Be Going?," *World Bank Research Observer*, World Bank Group, vol. 23(1), pages 1-30, page 4.

¹³ Egle Rimkute et al., "Regional Comparative Study on Methodologies Used for Preparation of Public Administration Reform Strategies in Western Balkans", Regional School of Public Administration, 2013.

¹⁴ Milena Lazarević, Simonida Kacarska, Jovana Marović, Miloš Djindjić, Marko Sošić, Kristina Cuculoska, 'Performance Audit and Policy Evaluation in the Western Balkans: On the Same or Parallel Tracks?', Think for Europe Network, (*forthcoming September 2015*).

¹⁵ "Building an Institutional Framework for Regulatory Impact Analysis (RIA): Guidance for Policy Makers", OECD Publishing, Version 1.1, 2008. p. 24.

¹⁶ "Regulatory Impact Analysis: Best Practices in OECD Countries", OECD Publishing, 1997, available at: <http://www.oecd.org/gov/regulatory-policy/35258828.pdf>

Capacities of the Administration as a Hindrance?

There is a number of features which are pinpointed as common to the public administrations in ReSPA Members and Kosovo*. The overarching commonality is that these public administrations are small in size in comparison with the administrations in EU Member states. Consequently, as small administrations, they face similar problems and limitations in performing systemic and key functions, for which proportionally greater administrative resources need to be deployed in order to tackle public problems. The following features can, thus, be identified, for instance as side effects of administrations in the Western Balkans:

Low levels of specialization, are present both at the level of individual staff and institutions in their entirety. For one, civil servants perform multiple functions such as for instance both policy analysis and normative tasks of legislative drafting. Given that the changes in the government and ruling political elite lead to changes in the number and portfolios of ministries, which in return cause re-shuffling of public servants, their activities and policies that they cover, further limit the possibilities to build institutional memory and expertise.

Reliance on informal structures, or policy, networks which creates a parallel realm of conducting activities, resulted from the need to minimize transaction costs and advantage interests and preferences of particular actors. As byproduct stems personalization, that is, the functioning of the system depends upon the willingness and understanding of particular individuals. These informal networks can be purely functional, but also clientelist on the basis of political affiliation and nepotism, thus calling into question the professionalism of the bureaucracy. 17

Overlapping political and bureaucratic activities, which result from a lack of a strategic approach to human resource management in the public service. Moreover, the SIGMA PAR Principles require that there should be a clear distinction between management and politics, which remains blurred in the region. Consequently, it challenges the level of progress towards European standards and principles of administration.18

The characteristics listed above are not exhaustive, but still point toward the importance of capacity building so as to develop a professionalized civil service based on principles of meritocracy and depoliticisation, particularly in the senior echelons. Furthermore, bearing in mind that the EU accession process creates additional pressure and obligations to undertake reforms, building up and retaining administrative capacities is of paramount importance.19

¹⁷ Külli Sarapu, "Comparative Analysis of State Administrations: The Size of State as an Independent Variable", *Halduskultuur – Administrative Culture* 11 (1), pp. 30-43, Tallinn, 2010,

¹⁸ Jan-Hinrik Meyer-Sahling, "Civil Service Professionalisation in the Western Balkans", SIGMA Papers No. 48, OECD Publishing, 2012.

¹⁹ Nebojša Lazarević, Malinka Ristevska Jordanova, Jovana Marović and Simonida Kacarska, "Human Resources for EU Membership: What Policies in the Western Balkans?", Background

Conference Contents

As mentioned above, the Conference will gather national public officials from ReSPA Members and Kosovo* responsible for PAR, policymaking and/or policy M&E reforms, as well as regionally and internationally recognised experts and civil society organizations (CSOs) representatives who are involved in policy M&E from Western Balkan countries. They will have a unique opportunity to learn from practical experiences of policy M&E from EU and WB countries, as well as the monitoring system under the SEE2020 Strategy and the methods of monitoring of the implementation of the SIGMA PAR Principles.

Besides the in-depth analysis of these examples, the Conference will place special focus on the roles and experiences of CSOs in the Western Balkans in conducting external, independent M&E of public policies and the capacities of public institutions for monitoring and evaluating the implementation of public policies.

The Conference reflects the most recent developments in the field of M&E, given the examples taken as case studies, the SIGMA Principles and the SEE2020 Strategy. It will also hold the added value of drawing conclusions on common issues and challenges as well as good practice sharing in regards to M&E conducted by the public administration itself, and CSOs. Having in mind the European Commission's activities in respect to the Better Regulation agenda and an added emphasis on conducting impact assessments, the Conference will also address RIA in the Western Balkans, as an important potential precondition for effective M&E (if conducted properly). Finally, the Conference will provide conclusions and recommendations for the follow up activities by ReSPA in this area.

Following welcoming remarks by ReSPA, the Conference is envisaged to start with a keynote speech. The session will present definition of M&E, different approaches and methodologies available, state and other actors involved in the process, and the challenges of M&E. New trends in M&E across Europe and the world will be presented in this session, as well as how they are used in different areas of Public Administration.

The second session will look more closely at the ongoing process of establishment of monitoring mechanisms for SIGMA PAR Principles and SEE2020 Strategy, especially its Dimension "Effective Public Services", ending with a special focus on successful examples of M&E done in the Western Balkan region. The next session will include the presentation of the results of comparative baseline analysis on implementation of the Regulatory Impact Assessment (RIA) in ReSPA Members and Kosovo*. There will also be a session on modalities of civil society M&E of public policies.

The final session will focus on what ReSPA could and should do to help its Members and Kosovo* in the forthcoming period in this area: how to develop its activities in

M&E, how to design an M&E strategy for the Western Balkans and ReSPA, and how to build capacity to do M&E effectively.

- 15:30-16:00 Coffee break
- 16:00 – 17:00 **Better Regulation and Regulatory Impact Assessment (RIA)
– Baseline Analysis**
Presentation by: Slavica Penev

Day II, 14 October 2015 (Wednesday)

- 09:00 – 09:30 **Registration and coffee**
- 09:30 – 10:00 **Summary presentation of the first day and expected results from the second day**
- 10:00 – 11:30 **The role of CSOs in the M&E of public policies and implementation of SIGMA PAR Principles**
Facilitated by expert: Milena Lazarevic, TEN
Examples of best practices in domain the role of CSOs in M&E of public policies in the Western Balkans
Presentations by:
 - *Institute for Policy and Legal Studies, Tirana, Albania*
 - *Centre for Social Research Analitika, Sarajevo, Bosnia and Herzegovina*
 - *GAP Institute, Pristina, Kosovo*
 - *European Policy Institute (EPI), Skopje, Macedonia*
 - *Institute Alternative, Podgorica, Montenegro*
 - *European Policy Centre, Belgrade, Serbia*
- 11:30 – 12:00 Coffee break
- 12:00 – 13:00 **Discussion**
- 13.00 – 14.30 Lunch
- 14:30 – 15:30 **ReSPA plans for further activities in relation to regional M&E**
- 15:30 – 16:00 **Conclusions and recommendations with questions and comments/reactions from audience**
- 16:00 – 16:30 **Closing of the conference**
Farewell coffee / Departure of participants / Dinner