

Rapid Report III



REGIONET WORKSHOP III

“Regional Sustainable Development – Evaluation Methods and Tools”

Manchester, UK, 11-13 June 2003

1. About REGIONET

REGIONET (Strategies for Regional Sustainable Development: An Integrated Approach beyond Best Practice) is an EU thematic network project, funded by DG Research under the 5th Framework Programme. REGIONET brings together best practice in regional sustainable development, linking science with policy, across the EU and the New Accession States. The REGIONET agenda includes 3 key themes:

- EU Structural Funds and regional sustainable development ('RSD');
- Multi-level governance for RSD;
- Evaluation methods and tools for RSD.

REGIONET is organizing an international workshop for each of these themes, and a final conference will bring these together for practical applications across the EU. The project as a whole will deliver outputs and publications including this Rapid Report on the third workshop. For further information, please visit: www.iccr-international.org/regionet.

2. The Evaluation Workshop

The third workshop of REGIONET brought together a total of 75 experts from 21 European countries - *Austria, Bulgaria, Czech Republic, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Netherlands, Norway, Poland, Romania, Russia, Slovakia, Spain, Sweden, and the UK*. There were also delegates from *Canada and Australia*.

This workshop provided a review and synthesis of **existing** and **new** methods and tools, in the evaluation of RSD. It aims to cover a wide agenda, from technical **evaluation tools**, to social **evaluation processes**, in the belief that combining these is essential in moving towards RSD. The workshop objectives included:

- To make links between evaluation methods and tools, and their processes and applications.
- To bridge the gaps between the evaluation of an *ideal model* for RSD, and the evaluation of the *realities* of current policies and programmes.
- To explore how **economic, environmental and social** evaluation methods can be combined and integrated.

In particular the workshop aimed to provide guidance of a practical nature on:

- Extending and interpreting EU guidance, particularly the DG Regio “Thematic evaluation on the contribution of the structural funds to sustainable development”
- Increasing the effectiveness of various ‘integrated appraisal’ toolkits.
- Linking evaluation of regional programmes, to evaluations for other sectors and other levels.
- Overall, to point towards an **integrated best practice framework** for evaluation of RSD.

The workshop sessions were structured around 4 themes which are reported below: review of evaluation practice: technical tools: processes and applications: integrated frameworks for evaluation. The workshop brought together decision-makers and other stakeholders from public, private and civic sectors, from regional, national and European levels, as well as researchers and analysts from a variety of disciplines.

The programme was designed for intensive interaction of the participants, including 49 paper presenters and 18 project partners, plus selected experts and EU representatives. Unlike a standard workshop format, the subgroup structure allowed more time for the majority of participants to present papers, and to get into more in-depth discussions.

Selected papers from the workshop, along with the most important conclusions and recommendations, will be presented in a forthcoming special issue (2004) of the Journal of Environmental Assessment Planning & Management, edited by Joe Ravetz and Darryn McEvoy. The full papers and presentation slides are all available on the website (<http://www.art.man.ac.uk/PLANNING/cure/regionet.html>), as are the Workshop Proceedings.

Major thematic conclusions

Working definition of evaluation

This definition is not so simple, and there were questions on the difference between evaluation, assessment and appraisal. There were also questions on ‘what is a region’ – whether formal NUTS unit or other bio-region etc. Evaluation for RSD was proposed as:

- Applied science carrying out a systematic analysis of causal effects and relationships of an intervention including criteria driven judgment and / or recommendations in a transparent process.
- Evaluation of regional sustainability is a dynamic decision making tool for different levels of European governance system supporting implementation of EU anticipated policies and standards aiming at “Sustainable Europe” (whatever it means now and in future); assessment based on quantitative criteria being part of evaluation framework.
- Evaluation is an examination as systematic and objective as possible, of a completed or on-going project or programme (and strategy) to determine its efficiency, effectiveness, impact, sustainability and relevance (*OECD 1989*)

Theme 1: 'Evaluation in practice'

The evaluation or appraisal of 'sustainability' is now a reality in many regions at many levels. From a decade of experience, we should now be able to identify best practice: but in practice we find that the concept of 'sustainability' is often twisted around to almost any answer. This review of practice focused on how existing evaluation methods in environmental, social and economic fields, are dealing with the new agenda.

- **Economic-based evaluation** of regional policy: how do mainstream methods focused on growth and employment fit with the sustainability agenda?
- **Environmental assessment** at the strategic level: how does current practice fit with a wider evaluation of sustainability in regional policy?
- **Social impact assessment:** how to evaluate intangible factors, and bridge the gap between quantitative and qualitative methods?
- **Evaluation processes:** the balance of ex-ante, mid-term and ex-post evaluation procedures: practical considerations of time, resources, data and politics.
- **EU practice:** how do existing / new Structural Fund programme / project evaluation methods manage the new agenda?
- **Governance:** how does the reality of evaluation methods link to complex processes of multi-layered governance?

The contributions reviewed each of these questions, in both the plenary session and the sub-groups, and in the first session of the case studies. The general findings saw a disconnection between the economic, social and environmental methods of assessment. The economic methods were centred on modelling which did not attract universal confidence. Environmental methods were well developed but sometimes confused by boundary effects and cumulative trends. Social methods were less well specified or developed.

The evaluation process was frequently complicated by multi-level governance between nations, regions and municipalities, and the project pipeline or process evaluation was often confused with the outputs or outcomes. In the more peripheral regions there was often a shortage of suitable projects, or a shortage of evaluators, or a shortage of democratic forums who could inform or respond to the evaluation. There was continuing debate on the criteria for evaluating sustainable development: a common feature in the regions was to regard any kind of development or investment as 'sustainable' simply because it was there.

Theme 2: 'Technical tools for evaluation'

With rapid development of hardware, software and databases, there is increasing scope for technical tools to inform and underpin evaluation methods. Methods such as the ecological footprint use accountancy principles to open up new forms of social awareness – but often there is a gap and a mismatch between the content and the application. There are also questions in how to balance technical complexity, with available data and resources:

- **Scoping methods:** what kind of simplified toolkits are appropriate for the various stages such as scoping or screening?
- **Ecological footprint,** environmental space and other accounting methods: how can these broad-scale measures be connected to policy and public agendas?
- **Sustainability indicators,** audits and reports, trend – target analysis, performance benchmarks: how do these relate to (a) sectoral studies and (b) policy processes?
- **Integrated modelling** and spatial analysis: the state of the art and future directions for regional models in economy, development, environment:

- **Multi-criteria** and other decision support systems: applications to social valuation, scoping and weighting: focus on technology or social process:

A great variety of technical tools were reviewed in this session, some of them sophisticated in data processing, some of them more focused on policy significance. There were good examples of environmental information systems which provided the foundation for evaluation, without being an evaluation method in themselves. The questions above reflect the common themes which occur in many such conferences.

Ecological footprinting is an accounting and presentation method which appears difficult to define in rigorous terms: however it has great communications potential. **Systems modelling** has great promise but often is more complex and less communicative than hoped for. Where modeling can be combined with database systems and a communications interface, and where spatial data can be combined with economic / environmental data, then there is great potential for the technical approach, as long as the limits are clear to the user.

Theme 3: 'Processes and applications' for evaluation

Recent evaluation thinking often focuses on the process as much as the product. It sees evaluation not only as a top-down expert procedure, but as a means for capacity building, participation, and learning at every level. This might widen the scope and variety of evaluation, to a point where quality control and consistency becomes difficult. The ecological footprint example above, shows the challenge of finding applications to the policy process and the public agenda. The many possible roles of evaluation illustrate the challenge:

- **Evaluation of the 'policy process'**: how to link evaluations with the cycle of implementation, from goals & objectives, to plans, programmes and projects?
- **Evaluation as a 'social process'** in itself: who carries out evaluation, who participates or consults, and where are the results applied?
- **Evaluation as a management system**: links to environmental / quality management systems: is evaluation a catalyst for organizational innovation?
- **Evaluation as capacity building**: training and capacity building for participation: evaluation in community-based enterprise: use of communications & ICT.
- **Evaluation as strategic intelligence**: how to link evaluation processes with future scenarios, visioning, foresight, horizon scanning and similar methods?

The workshop found many examples of process-based evaluation, and evaluation as a catalyst in an organization or in regional development context. There were good examples from Canada and Australia, one of a modelling project within a process-based regional programme: one of a participative programme set up to deal with environmental crisis (water shortage). Both these showed how it could be quite difficult to 'evaluate the evaluation', in other words to say which method were more or less successful, as the evaluators would become part of the mutual learning process. In this way evaluation can then merge into a multi-level governance system, and become an essential part of a democratic process, and so the evaluation would be as good as its context. Such a democratic process should ideally be not only on a 'fordist' hierarchical model: but also include for 'deliberative, inclusive, participative' processes.

Theme 4: 'Integrated frameworks' for evaluation

Clearly there is a case for an 'integrated framework' which links together many evaluation methods and tools, with other dimensions of the policy process. Ideally this would combine both technical tools, policy applications and social participation. This raised the question of how such a framework can be wide enough to cover the sustainable development agenda,

while still being focused on practical actions. It also raised further questions – what is the evaluation scope and boundary, for which criteria, set by which groups, for what purposes?

- **'Integrated appraisal'**: are there methods and tools which successfully combine economic, social and environmental evaluation / assessment?
- **Vertical coordination**: how to combine methods and tools between local, regional, national and EU scale?
- **Horizontal coordination**: can integrated programme evaluation be fitted with appraisal / assessment in other areas, such as transport, construction, products or services?
- **Information frameworks**: how can indicators, targets, objectives and goals, all fit together in a coordinated structure of governance?
- **Communications frameworks**: can the internet or other ICT be used for a more interactive 2-way evaluation process, in a new governance model?

The workshop was valuable in identifying the challenge of integration (although it was not its task to 'achieve' it). There were examples of methods and tools which provided an integrating framework, the largest being the DG Regio '4 capitals' model. There were also reviews of existing methods and tools which provided such integration through analysis. It is clear that the pressure for integration (technical, organizational, sectoral) can only increase with the growing transparency and accountability of public policy. However there may be structural problems, particularly in the business sector. Here the integration and transparency required for sustainable materials management, for example, may conflict with the need for commercial confidence and competitiveness.

There was also evidence of different philosophies at work. One assumes that there are objective criteria for RSD, and targets the evaluation towards them. Another assumes that there are only subjective measures for different social groups, and explores the balance or trade-off between one and another. A third might see the concept of RSD as a technocratic power-play itself, and evaluation to be an exercise in self-justification. It is very helpful where it is possible to distinguish between these different approaches.

Case studies

Each of the above themes was discussed in greater depth through a case study approach, which aimed to explore in greater depth and detail the issues through 3 parallel Working Groups. Each case study was based on a package of material and analysis of an existing evaluation programme: this was led by the case study presenter, and chaired by a facilitator:

- Urban focus in a 'developed' region – **Greater Manchester**, the location of the workshop. The agenda included urban regeneration, transport, urban environment, social cohesion, competitiveness / training etc. The underlying themes included the multi-level governance in a large and complex conurbation, and the many contradictions between environmental, social and economic goals.
- Rural and peri-urban focus in a 'peripheral' region – **Thessalia** region in Greece. The agenda included integrated rural development, agriculture, nature conservation, tourism, ICT etc. The underlying themes included the management of the project pipeline, and the rebuilding of social capital in a rapidly restructuring economy.
- Regional and infrastructure focus in a 'restructuring' region – **Midi-Pyrenees** in southern France. The agenda included regional / local programmes on industrial structure, communications, transport, water, agriculture etc, as well as rebuilding of social capacity in a changing rural area. The underlying themes raised the question of how far it was possible to specify a single framework for evaluation and participation. Also this case study could report and build on the results of 4 studies on evaluation methods which have focused on the same region.

Underlying themes

The design process for this workshop brought up a crucial debate on wording, and the differences which this might hide or expose:

- **'Regional sustainable development'**: a goal-led model of ecologically sustainable development and social transformation, which is implemented at regional level as well as local and global.
- **'Sustainable regional development'**: a viable and self-financing process of regional economic development, with some adjustment for environmental or social policy.

One of these represents the ideals of Agenda 21, and the other represents the reality of regional development as most people know it. The workshop aimed to point towards a framework of methods and tools which help to bridge the gap between ideals and reality.

One way to apply this thinking is to take the established body of theory and practice of 'regional science' and public policy, and to work through the implications of the RSD concept. For each of the 4 themes of the workshop there is a transition, from the former sectoral and positivist approaches, to a more complex and process-based model.

- Current practice: rapid spread of evaluations at every level and at every stage: increasing coordination between sectors, for example environmental assessments within structural fund evaluations: rapid
- Technical tools: greatly increased power and speed of IT: realization that models are very rarely forecasting machines, more like tools for mutual understanding. Policy demand for indicators and benchmarks, with some realization of the complexity involved.
- Social processes: much experimentation with evaluation as social participation and capacity building: increased awareness of the logic of governance, and how evaluation might add value: increased awareness of corporate management and the role of performance indicators / benchmarks.
- Integrated frameworks: strong policy pressure for workable systems of 'sustainability appraisal' or 'integrated assessment': also for integrated frameworks of indicators, targets and objectives: difficult fit between the technical information systems approach and the growing complexity of policy networks.

Policy recommendations

These recommendations are drawn from the results of the expert presentations and discussions, and do not represent any one viewpoint. They are presented as a direction to aim for, and recognize that this will be challenging in practice.

Evaluation practice: the managers, providers and users of RSD evaluations should aim towards the following features:

- Identify clearly in the evaluation framework, which are project inputs, outputs, contingent factors, contextual factors, and policy outcomes.
- Analyse the critical pressures and 'pinch-points' for policy which are between economic, social and environmental domains, and therefore more difficult to focus with current methods.
- Identify a 'tree' of evaluations at different levels of a multi-level governance system: then identify a 'woodland' of evaluation trees which operate at different points in the policy and participation cycle: then identify a 'forest' which includes different cultural perspectives.

- Analyse the social conflicts, distribution problems and cultural differences underlying the regional development agenda: use these as the basis for the evaluation criteria.

Technical methods and tools: the providers, analysts and consultants should explore the possibility of further developments:

- Develop tools which link one domain to another: for example, economic activity to environmental pressures.
- Extend the modelling systems to information systems, and information systems to communications / data access systems.
- Identify clear sets of policy options: use scenarios and backcasting as a means to explore the options and the linkages: use trend analysis to identify cumulative effects: use 'story and simulation' approach to link scenarios and modelling.
- Identify social criteria and priorities and build them into a technical framework, using multi-criteria or similar method:

Social processes & applications: this is very much the new paradigm of evaluation, and therefore there is much experimentation going on.

- Evaluation process is a kind of mutual learning and organizational intelligence, and therefore has to be managed like other educational programmes: focused on learning needs: skilled with communications and human resources: student centred.
- Evaluation process should be organized around the communications process and deliberative democratic process, where possible at ex-ante, mid-term and ex-post stages.
- The evaluation process should extend beyond the formal appraisal of programmes to a more continuous reflexive and strategic deliberation: and evaluation criteria should be generated through a public / organizational discourse / vision process

Integrated frameworks: the ideal of an integrated framework is likely to remain out of reach, in the sense that no one method or tool can deal with all possibilities at all levels in a large organization. However it is possible to envisage an integrated framework which is like a connected set of tools, rather than one tool which can do any job.

- Integrating between sectors: from public policy to business strategy: identify how the needs for transparency and social accountability can transfer evaluation models between public and private.
- Focus on the inter-connections between different domains: **Economic factors** including institutions, capacities, networks, innovations: **Social factors** including multiple worldviews, cohesion, citizenship, capacity: **Environmental factors** including resource flow, life-cycle, footprint analysis, socio-environmental values.
- Develop integrated frameworks which combine technical integration and process integration: identifying where this is not directly possible, in conflicts, trade-offs, social and cultural divergence and dissonance.
- Identifying where improved evaluation practice are directly part of improved strategic planning, management or monitoring practices: i.e. so that the evaluation is embedded in the organization.