

The OECD LEED Programme

**Implementation
guidelines on evaluation
for the local and micro
regional level in Hungary**



Budapest, June 18, 2009

THE RATIONALE FOR A STRATEGIC EVALUATION FRAMEWORK

- National governments support development of strategies at local level because of the natural role of local actors to identify solutions for local problems and opportunities for growth.
- The capacity at local level to transform knowledge about local level problems and challenges into strategies and projects remains often limited.
- This capacity can be built through increased and better use of evaluation.
- The benefits of regional and local development monitoring and evaluation are strongest when occur within a clear and coherent national framework that is shared by all the main actors.



THE BENEFITS OF A STRATEGIC EVALUATION FRAMEWORK 1/2

a coherent national monitoring and evaluation framework

- Provides evidence on the extent to which regional and local programmes contribute to achieving national objectives for growth and reduction of disparities.
- Provides evidence on how far bottom-up approaches complement other national policies.
- Supports the capacity of national governments and their regional and local partners to design and implement more effective and efficient policies and to maximise national and regional impacts.

THE BENEFITS OF A STRATEGIC EVALUATION FRAMEWORK 2/2

Thus a common framework for Hungary will:

- Provide a platform for establishing links between strategies and programmes with different territorial and sectoral scope, and aligning them with national strategic development objectives.
- Support the assessment of the regional and local impacts of national policies and their effect on growth and spatial disparities.
- Serve as a communication tool to different levels of governments on the impacts of regional and local development strategies.
- Provide a tool through which national government can assist and guide regional and local development actors in improving their strategy building and delivery.
- Build capacities at national, regional and local levels for effective strategy development and implementation.



PROJECT DESCRIPTION

The project was implemented from May 2008 to June 2009 by a joint OECD and MNDE Team

- Preliminary and specific reports by VATI experts under the supervision of the MNDE and OECD outlining main issues on local development and evaluation in Hungary.
- A peer review visit to Hungary on 8-11 September 2008.
- Examination of policy and evaluation documents provided by the MNDE and from governments and agencies in other OECD countries.
- Discussion meetings and workshops between the OECD, the MNDE and relevant Hungarian agencies and institutions.
- Finalisation of the Analytical Report and implementation Guidelines.
- Presentations of the documents and disseminations of the results.



PROJECT OUTPUT 1

1) A report

- discussion of issues in good evaluation,
- assessment of the strengths and weaknesses of current practices in the evaluation of local development strategies in Hungary
- Descriptions of challenges and requirements for organisational and management arrangements in Hungary
- recommendations on how the Ministry for National Development and the Economy and local policy makers can improve evaluation practices related at this level.



PROJECT OUTPUT 2

2) A guide

- providing discussion of evaluation requirements and giving orientation on how to develop good evaluation (including a description of international best practices in local development evaluation that may be applied in Hungary)



Challenges and requirements for establishing an Evaluation Framework in Hungary



SUMMARY ASSESSMENT OF CURRENT PRACTICES IN HUNGARY

- The Hungarian strategic planning system has developed considerably since Hungary joined the European Union.
- Strategic planning capacity has strengthened at the regional level.
- Micro-regions and municipalities do not have sufficient development resources of their own, sufficient planning and evaluation capacity and monitoring data needed for strategic planning and evaluation.
- Evaluation in Hungary still need a systematic framework.



POSITIVE ASPECTS

- Improved national and regional strategic programming
- Active methodological support relating to the implementation of EU financed development programmes
- Information and statistical data available on regional level
- Attention paid to most disadvantaged micro-regions
- Attitude for learning at the regional and local levels
- Decisions on improving the methodological bases of planning and evaluation also in case of non-EU financed development activities



AREAS OF IMPROVEMENT

- Centralized and hierarchical planning system
- Many layers (and vast number) of administrations in regional and local governments
- Weak strategic capacity and insufficient planning resources at micro-region level
- Lack of statistical information at the micro-region level
- Lack of intermediate result information at the central government
- Weak performance oriented culture / immature evaluation
- Need for bottom-up evaluation approach
- Stakeholders and ultimate beneficiaries should have stronger role in monitoring and evaluation
- Rare use of “self-assessment” at the regional and local levels



RECOMMENDATIONS

- Foster performance-oriented planning and implementation models
- Develop coherent evaluation framework (including regulations, evaluation plans, schedules, etc.)
- Speed up the process of defining a new methodological base for regional planning, monitoring and evaluation
- Apply future-oriented planning techniques together with econometric forecasting models
- Foster evaluation culture
- Introduce self-assessment and systematic use of evaluation



CONCLUDING SUGGESTIONS

- It is important to bring forward dedicated legislation
- Any legislative act aiming at promoting the use of evaluation at the regional and local level should be the result of a partnership agreement
- A system of incentives could help promote a wider use of evaluation
- It is important to allocate financial resources for pilot projects aimed at reinforcing evaluation culture and capacity at the regional and local level
- The Ministry for National Development and Economy should guide the process and provide leadership and incentives for other territorial level representatives