

INTOSAI



***Guidelines on the
Evaluation of Public
Policies***

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1. OVERVIEW, BACKGROUND, RELATIONSHIP WITH PERFORMANCE AUDIT

1.1 Overview

These guidelines¹ aim at helping Supreme Audit Institutions and entities in charge of evaluation² to reach the objective of an evaluation, which is to analyse neutrally and independently the different criteria enabling an assessment of the utility of a public policy (without focusing on a specific administrative unit). Typical features of evaluation include mixing together scientific research methods, examining the role of the different public authorities involved as well as civil society actors, and including them in the assessment process systematically.

1.2. Background

The INTOSAI working group on programme evaluation was created in 1992. The purpose of the group was to help SAIs which practice evaluation or wish to do so by providing them with doctrinal texts, methodological tools and practical recommendations to implement this specific approach, which is usually considered to be different from other forms of control and audit. For this reason, the working group has been placed under the authority of the Knowledge Sharing Committee (KSC).

This group is currently made up of 22 SAIs³. It has been chaired by the French Court of Accounts since its inception.

The group succeeded in achieving in 2010 a first document on programme evaluation (“Primer”), approved at the 20th INCOSAI Congress in Johannesburg. This document consisted in a large survey among the different SAIs about programme evaluation⁴ and aimed in a “bottom-up method” at presenting a general definition of evaluation and at giving general recommendations for planning of evaluation.

The transition from programme evaluation to policy evaluation occurred during discussions among the EWG. Public policy evaluation refers to broader concepts than performance audit. It includes non-programmatic components, such as regulatory initiatives, soft law, etc., the EWG thought it would add more value to focus on policies.

These guidelines aim at defining the main characteristics of the evaluation of public policies. It states the way to proceed with all stakeholders which have a vested interest in a given public policy and the global approach with which the entities in charge of a public policy evaluation may conduct their work. Finally it addresses the issues of publication of evaluation as well as the boundaries between evaluation of public policies and political interference, which should not be crossed by an evaluator under any circumstances.

However, the goal of these guidelines is not to establish a new standard, as beyond the common principles of evaluation, there are many different practices with respect to evaluation, and as it would be useless to fix a border between what can and what cannot be considered as evaluation. The guidelines should instead encourage the community of auditors and other entities to enter the

¹ “INCOSAI Guidance for Good Governance comprises documents endorsed by INCOSAI and contains guidance on internal control, accounting standards and other matters within the administrative sphere of responsibility. This includes documents, guiding the SAIs in their professional assessment of measures taken by administrative authorities or guiding administrative authorities and encouraging good governance”.. For more details:<http://www.issai.org/classification-principles/>

² These guidelines only deal with external evaluations, even if public administration or other entities can also conduct self evaluations..

³ Belgium, Chile, Costa Rica, El Salvador, Finland, France, Gabon, Georgia, Germany, Hungary, Republic of Korea, Libya, Lithuania, Mexico, Morocco, Pakistan, Philippines, Papua New Guinea, Poland, Switzerland, United States.

⁴ “ Public policy evaluation” was previously called “programme evaluation” in the former INTOSAI documents.

field of evaluation of public policies in order to help them to conduct evaluation properly, scientifically and independently for the benefit of both citizens and decision-makers.

1.3. Relationship between EWG (Working Group on Programme Evaluation) and PAS (Performance Audit Subcommittee)

It was decided to establish links between the EWG and the PAS (Performance Audit Subcommittee), since for some SAs, the distinction between those two approaches is not easy to draw, and since evaluation is sometimes considered as a mere component of performance audit.

ISSAI 300, paragraph 9, states that “performance auditing is an independent, objective and reliable examination of whether government undertakings, systems, operations, programmes, activities or organizations are operating in accordance with the principles of economy, efficiency and effectiveness and whether there is room for improvement”.

Whereas the core of performance audit is the assessment of the economy, the efficiency or the effectiveness, the core of public policy evaluation is the assessment of the global, short and long term impact of a policy (which often requires to consider other policies having effects in the same field), and the assessment on the utility of this policy.⁵

In short one could consider that evaluation is a very large heading encompassing different categories of audit, among them performance audit. Evaluation may use tools, methods or results from performance audit, but for another purpose: the one that was stated in the preceding paragraph. However, the evaluation has some distinctive features and some specific objectives that need to be explained.

This is the purpose of these guidelines, as we believe that evaluation of public policies is increasingly becoming a major concern for administrative authorities and that we need some common guidelines in order to underpin the efforts of those entities carrying out evaluation.

2. DEFINITION, OBJECTIVES AND LIMITATIONS OF THE EVALUATION OF PUBLIC POLICY

2.1. Definition

A public policy evaluation is an examination aiming at assessing the utility of this policy. It analyses its objectives, implementation, outputs, outcomes and impacts as systematically as possible, measures its performance in order to assess its utility. Evaluation is therefore becoming increasingly important for the public debate insofar as political leaders need to make decisions based on evidence.

However, it is crucial for the evaluator not to go so far as to prescribe the policy orientation. This pitfall is preventable as:

- the entities performing evaluations are encouraged to disclose their adherence to the obligation of independence;
- the recommendations drawn from the conclusions in the final report are possible orientations for the policy, based on facts and observations, not bounding the executive or legislative branches.

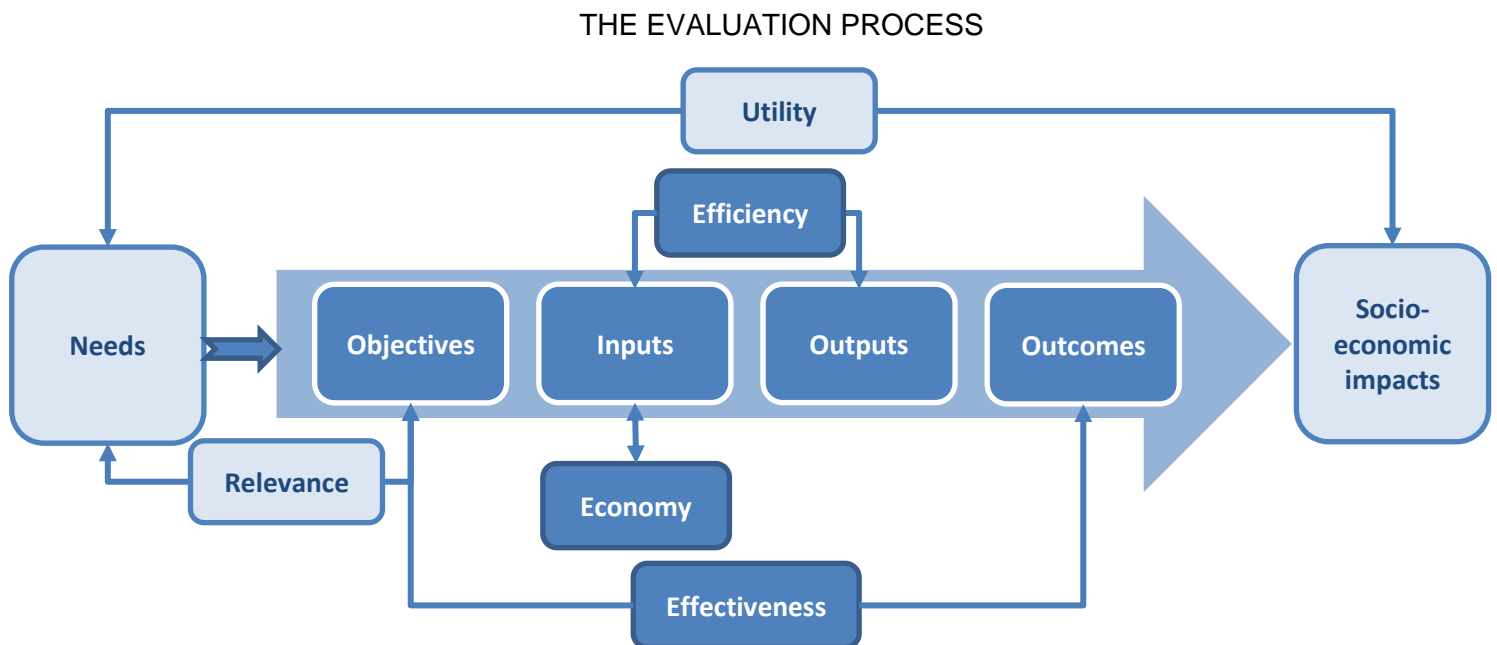
⁵ Nevertheless, an ex-ante evaluation may also be useful to assess the relevance and condition of implantation before the first expenditures.

2.2. Objectives

Evaluations serve a broader purpose, which is to make a particular contribution to an area of public policy. The most commonly recognized purposes of evaluation are:

- Planning/efficiency - ensuring that there is a justification for a policy and that resources are efficiently deployed
- Accountability - demonstrating how far a policy has achieved its objectives, how well it has used its resources and what has been its impact.
- Implementation - improving the performance of a policy and the effectiveness of how it is delivered and managed.
- Knowledge production - understanding what works (for whom) and why (and in what contexts).
- Institutional strengthening - improving and developing capacity among policy participants and their networks and institutions⁶.

The following diagram gives some information about what are the main issues for performance audit and evaluation of public policies, in order to differentiate one from the other:



Scheme legend:

- Specific to evaluation of public policies
- Used in performance audit as well as in evaluation of public policies

In both evaluation of public policies and performance audit, there is an examination of the causal relationship between public action and its effects. But there is a difference between these two approaches:

- As recalled in ISSAI 300, performance auditing deals with the audit of economy, efficiency and effectiveness. The principles of economy, efficiency and effectiveness are defined as follows (ISSAI 300, paragraph 11):

⁶ Stern, E. (2004): Philosophies and types of evaluation research. "The foundations of evaluation and impact research"

- The principle of *economy* means minimizing the costs of resources. The resources used should be available in due time, in and of appropriate quantity and quality and at the best price.
- The principle of *efficiency* means getting the most from available resources. It deals with the relationship between resources employed and outputs delivered in terms of quantity, quality and timing.
- The principle of *effectiveness* concerns meeting the objectives set and achieving the intended results.

Performance audit mainly assesses economy, efficiency and effectiveness up to the immediate outcome level while assessment of same up to higher outcome and global and socio-economic impact levels is defined as evaluation.

- Furthermore, evaluation of public policies focuses on relevance and utility of a policy:
 - the relevance of a policy, which is the adequacy of its objectives regarding the social, economic, or environmental needs that the policy wanted to meet;
 - the utility of a policy deals with the question of knowing whether the policy was worthwhile, taking into account all its direct effects (outcomes) and indirect effects (impacts), even unintended or unexpected, on the one hand, and the needs that this policy wanted to meet, on the other hand.

In a nutshell, evaluation of public policies should not limit itself to pre-established goals and reserves the right to call into question the objectives set out in legislation. The main issue of its examination should be to assess the utility of a policy as much as the effectiveness of its instruments.

Both approaches are however complementary and constitute two decisive components in order to ascertain the utility of a policy. Measuring the effects of the policy allows making an assessment of the efficiency and the effectiveness of the policy evaluated, elements that are constitutive components of the performance auditing. The latter will then be used to contribute among other elements (considerations of other policies operating in the same field or concerned with the same preoccupations, examination of alternative policies...) to the deeper appreciation of utility.

This approach is a very distinctive feature of a public policy evaluation. It may happen that a performance audit addresses the issue of the utility of a public policy at the end of its investigation. But such concerns are not common practice and do not belong to the main tasks of a performance audit, as stated in the ISSAI 300 standard.

In conclusion, the primary characteristic of the evaluation of public policies is the presence of an assessment on the relevance of the objectives and issuing recommendations to improve (or reconsider) this policy.

2.3. Limitation of a public policy evaluation

One may question whether or not this assessment on the utility of a policy goes beyond the mandate of entities in charge of public policies evaluations and bring them to enter the political discussions, which is in principle neither possible nor desirable.

So far, in all the countries where the SAIs and other entities have developed an independent evaluation, the answer is quite the same. The entity in charge of a public policy evaluation provides an independent study on the objectives and on the impacts of this policy. By doing this they allow the citizens to form their own opinion on public actions, on the one hand, and the policy makers to make decisions on continuing, correcting or abandoning a policy on the basis of solid and specific evidence (and not of simple intuitions or of opinion polls), on the other hand. But this contribution to

the democratic debate is neutral and based on facts: it presents a reflection on the policy through objective analysis and recommendations.

3. ACTORS IN THE EVALUATION AND INSTITUTIONAL ENVIRONMENT

3.1. Actors

- The SAIs are not the only actors that can conduct public policies evaluations: evaluations can also be conducted:
 - o by independent university organizations either , on their own initiative or at the request of a public decision-maker, such as the Parliament ;
 - o by private consulting firms, only at the request of a public decision maker.
- administrative organization, such as audit and inspection entities, can conduct evaluations on public policies at the request of government authorities to which they report;
- finally, actors responsible for the implementation of a public policy can also decide to have it evaluated by a third party.

In addition, a SAI that conducts an evaluation on a public policy in an area where evaluations have already been carried out must take the work of past evaluators into account and may contact them.

Nonetheless, the SAIs are natural actors in public policies evaluation, due to the fact that they have the necessary independence, can develop or access evaluation methodological knowledge, and above all have knowledge of public policies acquired from their other missions. Unlike administrative institutions or private organizations, they do not have to prove their objectivity and to ensure their independence from the government or from private interests.

3.2. Institutional Environment

An entity may decide to conduct a public policy evaluation of its own initiative (a voluntary evaluation) or at the request of a public authority, Parliament, or the Executive (called the sponsor).

When an entity conducts a public policy evaluation at the request of a public authority, it engages in a dialogue with the sponsor to determine the precise contours of the policy to be evaluated and the evaluation questions. However, in the case of SAIs, while a SAI usually considers the concerns of the stakeholders when planning its evaluations, it is still the SAI that decides the scope and the process of its evaluations and which has the final word in conducting the evaluation itself, as well as in the drafting of its conclusions. The SAI should hence refuse to answer the request of a public authority or to start a public policy evaluation if it fears that its independence could be threatened.

When appropriate, SAIs should also take into account existing evaluations in the field in question. In this case, the SAI assesses or reviews the evaluations conducted by other entities. This kind of assessment is referred to as “meta evaluation” and is used to determine the utility, propriety, systematic nature and accuracy of one -or multiple- evaluations. It is also possible to synthesize the results of the evaluations considered of adequate quality.

Moreover, in some countries, the public administration assesses its own policies and programmes itself: the role of the SAI may then consist in examining the evaluations made by the Ministries and Agencies in terms of completeness, validity and approach. Such an examination can either take the form of an outcome evaluation audit or of an advisory mission for the aforementioned administrative units.

4. CHOICE OF OBJECT AND PROJECT BUILDING WITH THE STAKEHOLDERS

4.1. Choice of Object of the Evaluation of Public Policies: Three Criteria

The object of an evaluation may consist in a public policy (which can consist of several programmes), encompassing legal and financial provisions, actions of different organizations, or human or financial resources directed to reach some specific goals.

In order to decide on the possibility to evaluate a policy, an evaluability assessment should be undertaken by the entity in charge of the public policy evaluation. Its main task is to define the scope of the evaluation and to determine the conditions under which the evaluation can be implemented.

4.1.1 Importance of the Policy under Examination

The “importance” of the policy can be characterised by:

- the size of its budget, i.e. the amount of public funding allocated to this public policy ;
- the number or importance of stakeholders, or the complexity of the connections between them ;
- the scope of its potential anticipated effect on addressee and on society ;
- the complexity of a policy related to the multiplicity of stakeholders and to the difficulty to assess its effects ;
- the symbolic importance of the policy in public opinion.

Moreover, the choice of the object of evaluation should avoid two pitfalls:

- The first one is to choose a too general policy (like environmental policy, employment policy, education policy).

The policy to be evaluated must not be too large in scope:

- despite certain requests and temptations, it might be difficult to evaluate education policy, housing policy, or any other global policy as a whole when the evaluation is expected to meet the requirements outlined above;
- it is even more difficult to evaluate the state of a whole sector: it is not possible to evaluate the state of schools, social protection, defence, or justice;
- in general, the broader a public action to be studied is, the more difficult it is to establish causality or plausible contribution between the action and the multitude of observable effects.

For instance, policies such as the policy in favour of renewable energies (but not the energy policy as a whole) or the policy attempting to tackle alcoholism (but not the health policy) have been chosen as objects of evaluation.

- The second one is to choose a very specific project or public action (infrastructure, tax mechanism, etc.). In fact, it is not desirable for the policy under examination to be too small :
 - Effects may be too small to be statistically discernible;

- the impact of the policy on society may be too limited, and an entity that only conducts a small number of public policy evaluations each year should not spread its team too thin ;
- policies that are too small have limited objectives and effects, the importance of which may be overestimated if not incorporated into a broader and more significant whole. It would be better to use resources to compare the effects of neighbouring provisions according to their objectives and which have the same purpose as each one in isolation;
- due to the absence of a minimum level of comparability, it is difficult to draw relevant parallels to overseas situations;
- above all, such an examination would more look like a performance audit than an evaluation of public policies “stricto sensu”.

4.1.2 Measurability of the Different “Effects” of the Policy

The concept of measurable effects/impacts is central to the evaluation of public policies approach. On the one hand, the assessment of utility requires a measurement of effects, viewed in relationship to other aspects, such as costs and the organization of the policy: effects can be evaluated in both quantitative and qualitative terms ()this implies that the examination of their value, based on the validity of data, can be performed. On the other hand, this measurement is often difficult from a technical perspective, and requires the most effort.

Several measures may be considered.

- A first distinction is to be found between the “outcomes” and the “impacts”.
 - “Effects” that are immediate or short-term and direct, affecting targeted addressees in particular, are described as “outcomes”;
 - “Effects” that are delayed or felt in the medium- or long-term, most of the time affecting other individuals more than targeted addressees, are described as “impacts”.

This distinction between outcomes and impacts is essential, the measure of mid and long-term impacts being typical of evaluation of public policies and going further than that described in the performance audit.

- Another distinction should be made between different types of effects to be evaluated: the intended effects and the unexpected effects.
 - Effects observed in relation to objectives stated in the policy (“anticipated effects”). The evaluation is primarily based on the measurement of anticipated effects and assumes that the objectives of the policy that produce these effects are formulated and can be analysed.
 - Other effects that were not sought in the stated objectives: the “unexpected effects” are “positive”, or “negative” (sometimes called “perverse effects”).The evaluation shall take into account unexpected effects of a policy in order to be comprehensive and not limited by its stated objectives.
- Short term effects/long term effects and perceived effects/objective effects

The evaluation of public policies should pay attention not only to objective effects, but also to the effects of the policy “felt” by actors participating in the policy and those who benefit from it. This measurement of both “objective effects” and “perceived effects” also implies that the position and opinions of “stakeholders” in the public policy, i.e. the administrations and public entities

concerned, potential beneficiaries, and third parties involved (organizations and persons) must be described and assessed.

Crucially, the evaluation of public policies aims at attributing the effects observed to the instruments of the policy implemented, without which it cannot assess the utility of the policy. Thus, it ought to be based on causal reasoning that can demonstrate the connection between a policy action and a measured effect. In principle, the evaluation should “model the policy”, i.e. realise a systematic mapping of the chain of causality between objectives, input, activities, outputs, outcomes, and impact (intended or unintended).

The following chart presents a systematic approach of all effects which are subject to evaluation. It is difficult to complete in a satisfactory manner, but it should remain as one of the ambitions of the evaluation of public policies.

	short term effect (“outcome”)		long term effect (“impact”)	
	Perceived	Objective	Perceived	Objective
Intended effect				
Unintended effect				

4.1.3 Period of Time since the Launch of the Policy

From a theoretical point of view a public policy evaluation can be launched at three different periods of time:

- an ex-ante evaluation before launching a particular public policy or creating an entity (this very rarely occurs with SAIs).
- a concomitant evaluation, carried out at the same time as the implementation and execution of the policy being evaluated. A decision to conduct such an evaluation can be made at the time of the launch of the legislation establishing the public policy.
- an ex post evaluation: a retrospective analysis, a review. Sometimes this ex post evaluation is explicitly stated at the launching of the policy.

Even though there are three different kinds of evaluation, SAIs and other entities which are mandated to conduct an evaluation perform it “ex post” or concomitantly, which is to say some years after the launching of the policy. It is indeed preferable to wait at least for two or three years after the launching of a public policy in order to have sufficient data and to avoid provisional results. Besides, this delay is also essential to be able to assess long term and indirect effects which are critical components for evaluation.

It is thus preferable to evaluate a long-standing policy rather than a recent policy, recently voted or implemented, or whose main characteristics have been recently amended, since it is likely not to have been given sufficient time to arrive at a stage where anything but immediate effects may have appeared.

Leaving a certain period of time to public policy makes it obviously easier to define a “state of the world without this policy” (also known as “counterfactual experiment”) and to compare it with the actual state in order to deduce the effects of the policy which was implemented (refer to 5.3.d).

4.2. Project Building with the Stakeholders

The evaluation of public policies is a specific process notably in that it relies on cooperation, sometimes a co-construction of the approach with stakeholders who are actors in the policy, or who are direct or indirect beneficiaries of the actions evaluated, or who simply are affected by this policy.

The association of stakeholders is also specific in the sense that what is sought does not only consist in correcting administrative dysfunctions but rather in improving a policy.

- Actors in the policy evaluated are the administrative entities who have decided on and implemented said policy.

Administrative authorities responsible for the policy are always included as stakeholders, either on a local or national level. These authorities usually fall within the supervisory competence of SAIs or inspection and internal audit offices. It is important that the evaluation team develop a new relationship with them, a relationship that differs from that which exists in the auditing field: the relationship should be based on reciprocal trust and co-construction (i.e. working together to achieve a common objective: to provide responses to specific evaluation questions).

It should be stressed that the assessment provided on the utility of the policy is aimed more at the political authorities that have requested it than at the administrative authorities that implement it, and which must therefore not feel that they have been put in a difficult position by the questions of the evaluation.

To earn and retain this trust, it is preferable to ensure that while the evaluation also highlights administrative dysfunctions and secondary irregularities, the SAI does not focus on revealing these with the same intent as it would in the course of an audit. However, earning this trust must not affect the independence of the SAI.

- Elected local representatives: they may also be considered as stakeholders when the policy evaluated brings a contribution from regional or local autonomous entities into play.
- The legislator may sometimes be considered as a stakeholder if for instance Parliament has voted for provisions that provide the foundations or framework for the public policy being evaluated, and a fortiori when these provisions have instituted a compulsory mechanism for the evaluation of actions undertaken.

But this question is quite controversial because Parliament is a political authority and the recipient of the public policy evaluation: this combination of statuses might jeopardize the independence of the evaluation process. Besides, that might lead to an almost systematic inclusion of the Parliament in the stakeholders, which may be difficult to understand (a stakeholder is involved in the implemented policy but not in all public policies in general) and to put into effect (how will be the representatives of the Parliament chosen?). That is the reason why some SAIs or other entities in charge of public policies evaluations never include the Parliament within the stakeholders⁷.

- The other stakeholders are private entities (NGOs, businesses, professional entities, trade unions, etc.) interested in the implementation of the policy and representatives of the beneficiaries of the evaluated policy.

⁷ Nonetheless, if an entity acts on an external request from Parliament, this will enable the latter to be considered a stakeholder as a result of its membership of the advisory entity, while in case of voluntary evaluation decided by the entity, it may be more difficult for the entity to include parliamentary representatives among its stakeholders

Creating the list of stakeholders is a sensitive part of the evaluation process. Only rarely do these stakeholders come under the supervisory competence of the entity in charge of the public policy evaluation; and, in general, they are not accustomed to working with the entity in charge of the evaluation and are under no obligation to participate in its activities. Therefore, it is important to ensure that these stakeholders understand that it is in their interest to have a constructive involvement in the evaluation and to establish an atmosphere of trust in their dealings with them.

Two pitfalls should be avoided: the list of stakeholders should not contain any major omissions (parties inappropriately excluded may undermine the scope of conclusions of the evaluation and the chances of putting them into effect and, above all, may lead to a partial view of the policy), but should not be too long (otherwise there is a risk for the process to become too unwieldy and impossible to manage).

Unlike most performance audits, the association of stakeholders is a key point of the evaluation of public policies because representatives of the stakeholders will accompany the entity in charge of the public policy evaluation throughout the process evaluation. They must adopt a constructive attitude towards the evaluation process, as the main purpose of the evaluation is not mainly to reveal and to correct dysfunctions, but to help decision makers to respond better to social or political needs.

The stakeholders could therefore:

- be involved in the choice of the specific object of the evaluation of public policies, the timetable, and the methodology;
- be active participants in the evaluation;
- benefit from interim or final reports;
- have a role in the post-evaluation decision-making process.

However it should be clear that, even if an interactive dialogue between the sponsor and the entity conducting the evaluation is fundamental for the process of evaluation, this communication should not compromise the independence and objectivity of the entity in charge of the public policy evaluation. In the case of SAIs, it is mandatory that they maintain their independence from political influence and not be responsive to wishes of particular political interests. This should be clarified from the very beginning of the evaluation planning.

All countries with a long tradition of evaluation insist on the importance for SAIs and other entities in charge of public policies evaluation to have the final word throughout the process of evaluation.

5. EVALUATION PLANNING

Once the object of the evaluation of public policies has been pre-identified, the evaluation planning consists of several steps to be followed:

- evaluability assessment;
- organization;
- tools and methods to be applied; use of experts.

Those stages are not specific as such to public policy evaluation, as all performance audits apply these milestones. But there are some particular issues in each one of those stages related to the process of evaluation which shall be emphasized.

5.1. *Evaluability assessment*

Before deciding to conduct a voluntary evaluation or to accept a request for an evaluation from an external authority (sponsor), the entity in charge of public policy evaluation ought to consider the feasibility of its own process, or the approach it is requested to adopt. The evaluability assessment addresses all the issues for which a solution is required in order to guarantee the success of the evaluation:

- the definition of the object and of the scope of evaluation ;
- the definition of stakeholders ;
- the definition of the evaluation questions ;
- the likelihood that the data required to assess the policy is available ;
- the organization of the evaluation process and intended timetable for the evaluation ;
- the choice of methodology ;
- the identification of human and financial resources.

The different responses provided are examined in a feasibility study, the results of which are recorded in a note submitted to decision-makers. Based on this study, the entity in charge of the public policy evaluation decides whether to go further with the process of evaluation and to launch the evaluation itself.

Defining the evaluation objectives, the scope of the study and the methodology in a pre-study is not specific to public policies evaluation. But what characterizes moreover the evaluability assessment is the aim to assess whether or not it is possible to organize an independent evaluation with the stakeholders.

The feasibility study phase is relatively straightforward when an entity is conducting a voluntary public policy evaluation: in this case, the entity may not need interactive dialogue with stakeholders (although it cannot systematically be ruled out) and may by itself use quantitative and qualitative data as well as external data on the purpose of the evaluation, which enable it to decide on the evaluability criteria mentioned supra.

When the evaluation project is in response to an external request, the evaluability assessment could be more complex due to the fact that it should incorporate not only the information listed above, but also the intentions of the sponsor in terms of the issues to be addressed, the questions to be formulated, the timetable to be observed, and the expected output. However, in this case, the team responsible for analyzing feasibility within the entity in charge of the public policy evaluation should not only take into account the intentions of the sponsors but also make the “sponsors” aware of the methodological, organizational and temporal requirements of evaluation. This interactive dialogue between the sponsor and the entity conducting the public policy evaluation is fundamental to the formulation of the evaluation questioning and the correct planning of the approach to be adopted and may also lead to the conclusion that an evaluation on the object proposed by the sponsor is not possible (in itself or on the conditions that the sponsor wants to set out).

In any case the entity in charge of the public policy evaluation is solely responsible for the decision to undertake the evaluation and shall refuse it when the criteria on the object and the requirements on the process are not met.

One last thing specific to SAIs relates to the volume of public policies evaluations conducted in response to external requests, which must not threaten the balance of the SAI’s various legal missions. A public policy evaluation is demanding in terms of human and financial resources; therefore, care should be taken to ensure that external requests for evaluations accepted by a SAI

do not compromise the mobilization of resources that must remain available for other mandatory or optional missions.

An evaluability assessment may conclude that it would not be desirable to conduct a public policy evaluation: effects that are too difficult to measure or of limited importance, stakeholders impossible to involve, other evaluation processes already in progress, insufficient quantitative or qualitative resources available, etc. In this case, it may be desirable to scale back the initial ambition and conduct a more classical performance audit that will measure the results of the policy against the stated objectives and resources allocated with a view to ascertain effectiveness and efficiency.

If this is not the case, the evaluability assessment should produce an evaluation planning memorandum that sets out the framework of the evaluation approach and validates the different items (Description of the policy, Identification of stakeholders, Evaluation questioning, Organization of the evaluation approach, Selection of methodology and Scientific instruments).

In particular, the statement of work specifies the evaluation questions and consequently stipulates the questions to be answered by the evaluation. This list of questions must be directly oriented towards the expected results of the evaluation.

5.2. Organization

The entity conducting an evaluation of public policies should consider setting-up an organization that includes:

- A team of evaluators

This evaluation team should consist of permanent members of the entity conducting the public policy evaluation or experts recruited by it. Since the technical capabilities of the entity in charge of the evaluation cannot cover all areas, most of the time experts from outside, experts in evaluation techniques and experts in the area covered by the evaluation to be carried out are to be called on.

- A supervisory body:

Depending fully on the entity conducting a public policy evaluation, this dedicated body is responsible for:

- validating the evaluability assessment and the decision to evaluate (in the case of a voluntary evaluation) or to accept a request from the sponsor;
- establishing the evaluation questioning;
- programming the evaluation within the work plan and allocating the necessary human and financial resources;
- discussing and validating the provisional results and the final evaluation report;
- delivering the report to the sponsor, when appropriate;
- disseminating and promoting the results.
-

- An advisory body

This body, including members of the institution in charge of the public policy evaluation and representatives of the stakeholders, may also be created in order to associate representatives of stakeholders and to formally allow them to follow the works of the evaluation team throughout the process of evaluation. It sets up work reviews with stakeholders to share opinions, work progress and to discuss interim and final evaluation reports. They also ensure that data requested are collected. Such a body is systematically constituted in some SAIs whereas other SAIs associate stakeholders without it. In any case, this advisory body is a consultative one and shall not under any circumstances make a decision on the methodology and the conclusions of the evaluation because these issues are the exclusive responsibility of the independent evaluator.

5.3. Available Tools and Methods

To carry out their missions, entities in charge of public policies evaluations use professional methods and instruments that guarantee the objectivity and reliability of the collection. The treatment and analysis of data and information collected need to be reliable as well. The importance of these factors is crucial in an evaluative approach.

As stated in part 1.3, the purpose of these guidelines is to set a common framework for performing an evaluation of public policies. Its ambition is not to present and discuss methodologies. There are already numerous sources where one can find tools to conduct evaluation. In particular, international organizations, such as OECD, UN and World Bank have developed comprehensive methodologies on the evaluation of public policies.⁸ An entity involved in the evaluation of public policies should lay out a wide panel of instruments to conduct evaluation which relies not only on quantitative indicators but also on comparative cohort studies, randomized controlled trials, statistics or social data, surveys, and interviews. In particular, the evaluation approach involves, according to the evaluation questioning:

- a) A review of scientific literature from around the world ;
- b) An international comparison or at least one benchmark created either by travelling abroad or by interviews, or by subcontractors (experts, university members, etc.);
- c) Quantitative or qualitative indicators of the effects of the evaluated public policy. All the usual quantitative public policies evaluation methods can be used and applied to existing databases – which reliability should be assessed if necessary -: statistics, probabilities and econometric analysis; however, it should be noted that effectiveness of a policy cannot be deduced on the basis of single indicators, this requires a counterfactual (see point d);
- d) Comparative cohort studies in order to evaluate the outcomes and impacts of a policy. The aim of these studies is to recreate, whether explicitly (control group) or implicitly (a “ceteris paribus”⁹ analysis, differences in differences), a fictional situation in which the public policy does not exist, a counterfactual situation to which the actual situation is compared. With this comparison, it is possible, with a certain degree of uncertainty, to assess the result of the policy evaluated;
- e) Surveys in order to obtain factual information and/or to measure opinion of addressees of the policy, as well as the views of actors who implement it. These surveys provide us with more information on the perceived effects than on the objective effects but are nonetheless useful for evaluation, insofar as perceived effects influence the behavior of the stakeholders of a policy;

These opinions can be gathered:

- via quantitative surveys in order to obtain factual information that ask questions to a sample population that is both random and representative (not a sample “chosen” by

⁸ For the tools, see for example: Monitoring & evaluation: some tools, methods, and approaches (World Bank): [http://lnweb90.worldbank.org/oed/oeddoelib.nsf/24cc3bb1f94ae11c85256808006a0046/a5efbb5d776b67d285256b1e0079c9a3/\\$FILE/MandE_tools_methods_approaches.pdf](http://lnweb90.worldbank.org/oed/oeddoelib.nsf/24cc3bb1f94ae11c85256808006a0046/a5efbb5d776b67d285256b1e0079c9a3/$FILE/MandE_tools_methods_approaches.pdf)

Inspection and evaluation manual (UN): https://oios.un.org/resources/2015/01/OIOS-IED_Manual.pdf

OECD Framework for regulatory policy evaluation: <https://www.oecd.org/dac/evaluation/dcdndep/47832438.pdf>

For the indicators, see:

⁹ INTOSAI White Paper on Key National Indicators; Guidelines on the Use of Key National Indicators.....

⁹ All things being equal

the SAI or actors of the policy evaluated). Non representative sample leads to bias in the information gleaned from the survey.

- via qualitative surveys: one-on-one or group interviews (homogeneous or mixed groups, or first homogeneous and then mixed groups), forums, etc. This approach complements the quantitative measurement of opinions via random and representative samples: questions asked and the answers provided to these questions are much richer and help the participant reflect and formulate their opinion, and dialogues in mixed groups and forums are informative.

In addition, and more specifically in the case of Supreme Audit Institutions, a SAI can also contribute to the evaluation of public policies approach with all information at its disposal on the policy evaluated as part of its other control and audit missions in the area in question, in particular after prior performance audits conducted on public entities affected by the policy evaluated. This enrichment, which is the result of the sometimes innermost knowledge of the area and entities concerned by the SAI, constitutes an essential source of added value of the SAI.

5.4. Use of Experts

The scientific, cross-disciplinary nature of the evaluation of public policies means experts from a range of fields are to be called upon: economists, statisticians, sociologists, experts in the area of focus for the evaluation, etc (cf ISSAI 1620 “Using the Work of an Auditor’s Expert” in point 5.4).

The entity in charge of public policies evaluations may constitute a permanent team of method experts dedicated to its public policies evaluations.

However, due to a lack of resources, it may also need to recruit one or more renowned external experts either in the methodological field or in the area of the policy evaluated, most often on a temporary or part-time basis. These needs must be identified in the evaluability assessment.

Procedures for the selection of experts are subject to the same requirements in terms of professionalism, rigor, and independence as those applicable to auditors and evaluators and other staff who are part of the entity in charge of public policies evaluations. For instance, when permissible under the law and the by-laws of a SAI, it will also be beneficial to confer upon experts themselves the same powers of investigation and require them to observe the same professional obligations (in particular in terms of confidentiality), as auditors who are part of the SAI.

These experts must be volunteers and adequately paid in order to guarantee their independence, involvement and expected quality of their interventions.

6. FINALISATION OF RESULTS

6.1. Examination of Results

The final public policy evaluation report may be preceded by interim reports.

Interim reports may lead to exchanges with stakeholders within the framework of the advisory group of the evaluation.

The draft final report is prepared by the evaluation team. It should contain all items included in the evaluability assessment as well as the conclusions of the public policy evaluation itself:

- the recap of the objectives of the evaluation;
- the initial evaluation questioning;

- the identification of stakeholders;
- the scientific methods and instruments used;
- the sources of information collected;
- the general context in which the policy evaluated was implemented, with its historical development and, if possible, relevant international comparisons;
- the presentation of data produced by other work of the SAI in the field in question (in particular performance audits), in particular concerning the organization put in place to implement the policy and its effective costs;
- the presentation of data collected from responses to questions in the evaluation (results, measurement of effects / impacts);
- the analysis and interpretation of these data, carefully distinguished from the presentation of these data, to avoid confusion between findings and interpretations; this part contains the assessment of these results and effects measured, and examines causal links between actions taken and effects observed;
- the opinions of stakeholders collected during the course of works;
- lessons, conclusions drawn from the assessment, along with recommendations of corrective measures to be provided. This part contains an appreciation of the utility of the policy evaluated.

This draft report is submitted to the supervisory entity appointed for this purpose at the start of the process in accordance with the procedures unique to each entity conducting public policies evaluations. The supervisory entity appropriates or amends the draft evaluation report.

This phase is hence not specific to evaluation of public policies by the form of the draft final report but by the content of the draft.

6.2. Clearing Stage

Once the results and the analyses have been examined on a provisional basis, it is essential that the draft evaluation report adopted by the decision-making authority be discussed with stakeholders of the policy evaluated in a contradictory procedure.

The aim of dispatching these draft reports is to ensure that the provisional analyses and conclusions, as well as the transcription of the opinions of stakeholders collected during the evaluation of public policies, are exact and shared.

Stakeholder reactions may be written or given orally (at hearings). The contradictory process can be aligned with the standard audit procedure if applicable.

The systematic inclusion of all the stakeholders (including representatives of beneficiaries of the policy evaluated), is one of the characteristics of the evaluation of public policies approach.

6.3. Finalization of Results

Once the stakeholders have expressed their views in writing or orally, the entity in charge of the public policy evaluation modifies the final evaluation report if needed and adopts it in accordance with its procedures and under its sole responsibility.

Even in the event of an initial request by an external entity, including Parliament, the entity conducting the evaluation should give an independent opinion on its own on the findings, analyses, conclusions, and recommendations of the public policy evaluation.

The final validation phase of the report should pay particular attention to the expression of recommendations formulated on actions to be taken in the area of the policy evaluated after the evaluation. In the case of SAIs, due to their institutional position, these recommendations are mostly addressed to Parliament and the government.

These recommendations can relate to, for example:

- recognition of the utility of the policy and actions taken;
- recognition of the utility of the policy, but the unsuitability and ineffectiveness of actions taken, with respect to established direct or indirect effects;
- questioning of the utility of the policy and of the consistency of its objectives, with alternative recommendations for the reorientation, suspension, or withdrawal of the policy;
- in the case of public policy evaluations, especially made by other entities, where there may be a single large or few administrative units responsible for policy implementation, it would be good practice, as SAIs usually do, to publish along with the report a management response from the/se unit/s or the Government.

7. DISSEMINATION AND USE OF RESULTS OF THE EVALUATION

7.1. Dissemination of the Evaluation Report

One of the fundamental principles of the evaluation of public policies is the public dissemination of its conclusions. In the case of SAIs, they should publish the evaluation report. The final report is aimed at stakeholders in the evaluated public policy in the event of an external request for evaluation from the SAI, at the authors of this request, and at the public opinion in general.

In case of public policies evaluations conducted in response to an external request, this decision to publish may be taken in consultation with the authority that submitted a request for evaluation. However, both the principle of the independence of the SAI and the principle of publicity given to the public policies evaluations imply that the final word is left to the SAI, even if it is not sought by the referring authority (this point must first have been addressed in discussions between the SAI and the referring authority at the time the request for evaluation was formulated).

The SAI or any other entity in charge of the public policy evaluation should do everything it can to ensure that recipients and readers of the report understand the specificities of the public policies evaluation approach, in particular the methodological choices made.

The sensitive nature of the assessment provided on the utility of a policy calls for particular precautions to be taken when drafting the evaluation report, so that it is correctly understood and in order to avoid extensive or biased interpretations, in particular by the media.

Finally, it would be positive if SAIs were to provide a public account of their public policy evaluation activities, for instance in their annual report, as soon as they are engaged in this direction and have conducted a few such evaluations. The pedagogy developed around this mission will gradually allow a better understanding of it and will also contribute to a climate of trust with the public actors and other stakeholders.

7.2. Using the Conclusions and recommendations of the Evaluation

Even more so than other works such as performance audits or financial audits, a public policy evaluation is meant to be used in public decision-making process, and to be the object of a follow-up.

However in all cases it is essential that the entity in charge of the public policy evaluation bear no direct responsibility for decisions made on follow-up to the evaluation, so that it can retain its independence and avoid accusations of interference in the decision-making powers of public authorities.

Even if it is not requested in the process to use the conclusions of the evaluation, the entity in charge of the public policy evaluation can follow this process as an outside observer and confirm its results. In particular, it can bring forward interviews on implementation (or on its absence thereof) of its recommendations within an appropriate time frame.