

ENVIEVAL

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Institute of Farm Economics

COST-EFFECTIVENESS ASSESSMENT OF EVALUATION METHODS (WP7): COST OF DATA GENERATION AND MONITORING PROGRAMMES, AND HOW TO ASSESS EFFECTIVENESS

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Intended outcomes of WP7

- **Understanding of cost and effects of M&E**
- **Mechanisms & principles to increase cost-effectiveness**
- **Decision tree on how to use limited resources for M&E**
- **Recommendations for monitoring and data use**

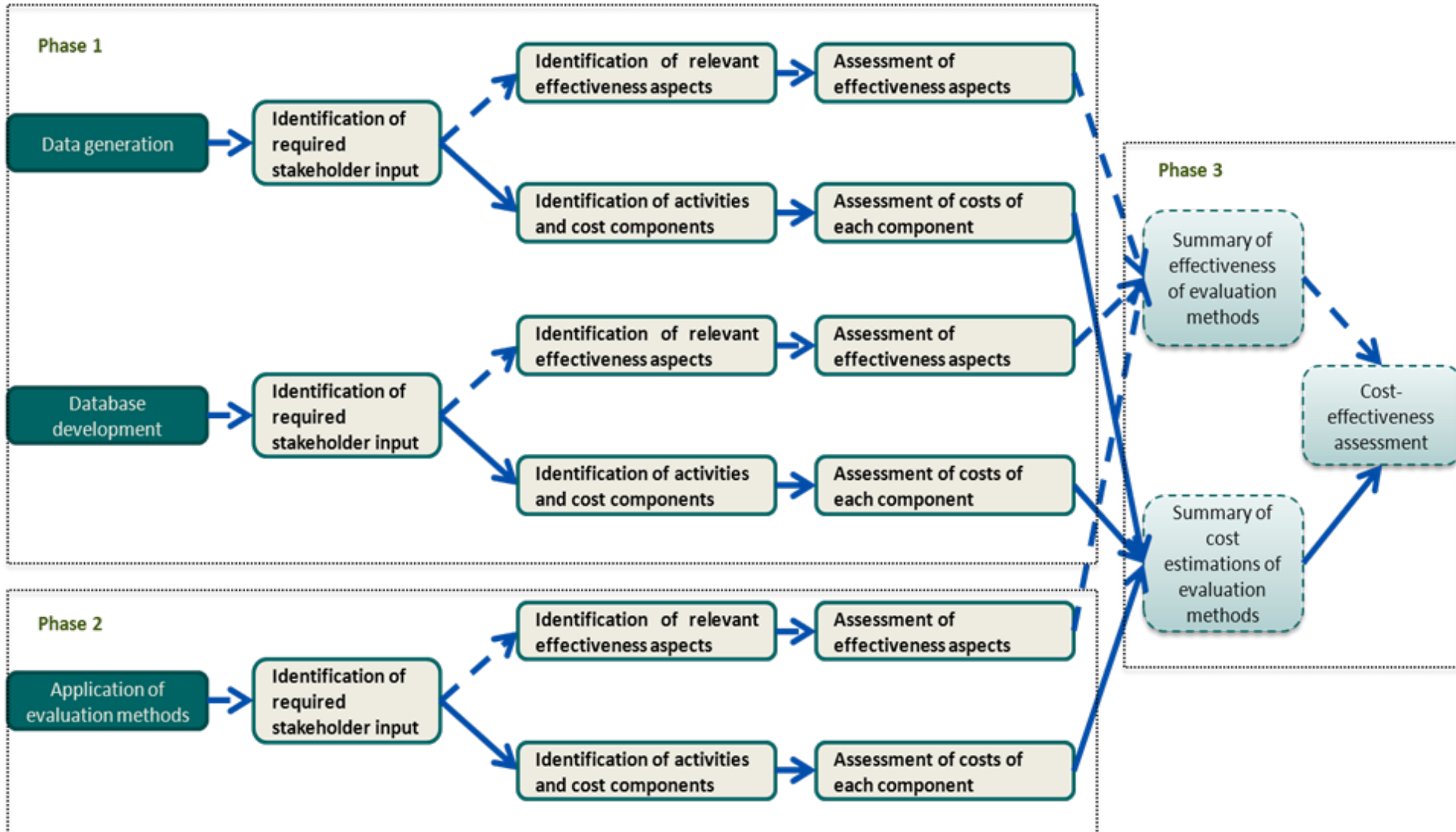
Objectives

- To review existing methodological approaches in cost-effectiveness analysis, apply them to indicators and evaluation methods
- **To estimate the cost of the required resources for evaluation and to analyse determinants of costs**
- **To assess the effectiveness of developed indicators and evaluation methods based on WP6 case studies**
- **To carry out a cost-impact synopsis feeding into the methodological recommendations of the project**

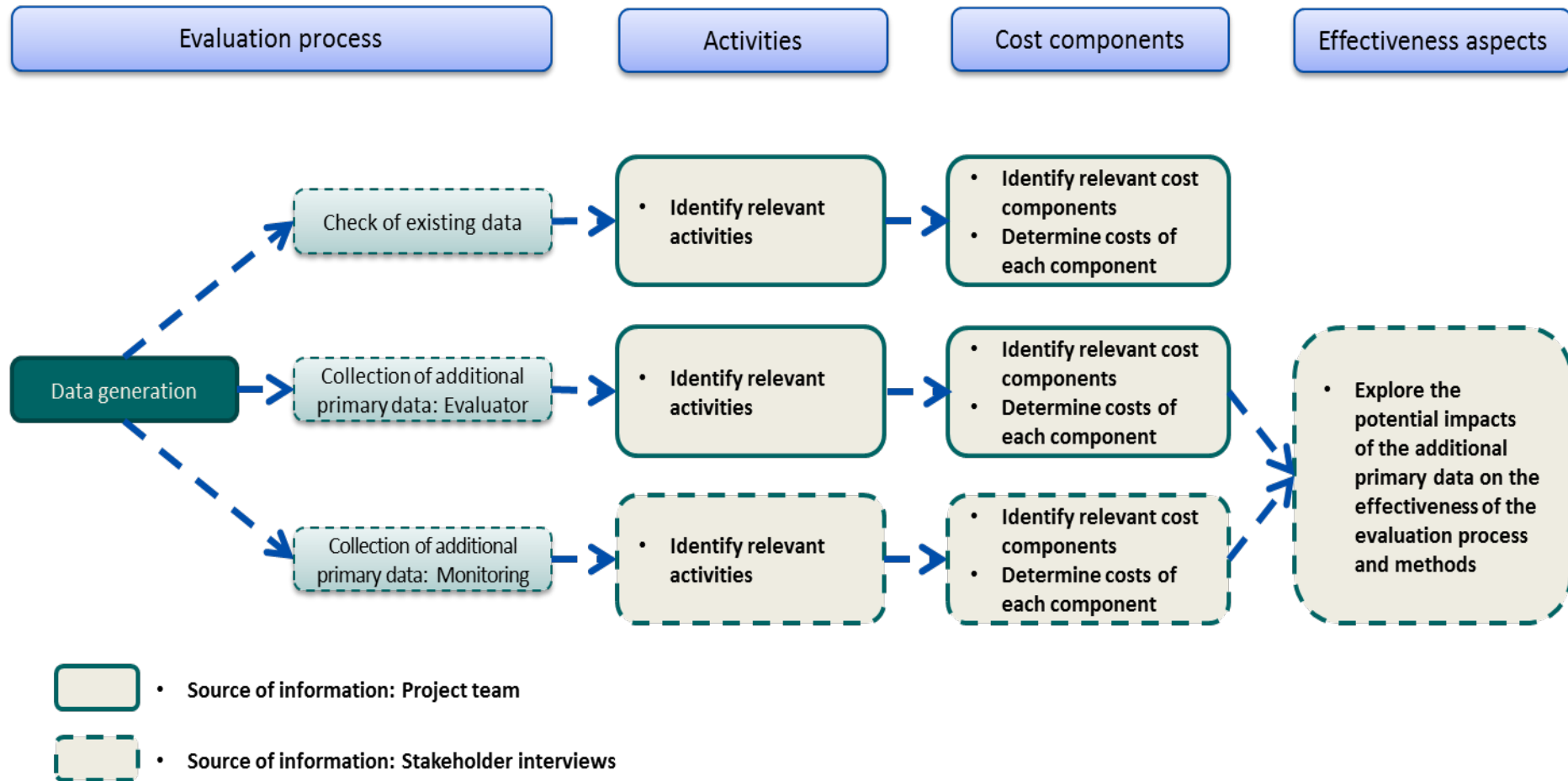
Outline of the cost assessment approach

- Identify and quantify the costs of the required resources for M&E methods
- Analyse the determinants of the costs
- Assess the effectiveness
 - Guidance on the cost-effective application of indicators and evaluation methods
 - Insights into impact of monitoring and data requirements and efforts on the cost-effectiveness

Overview of the cost-effectiveness assessment

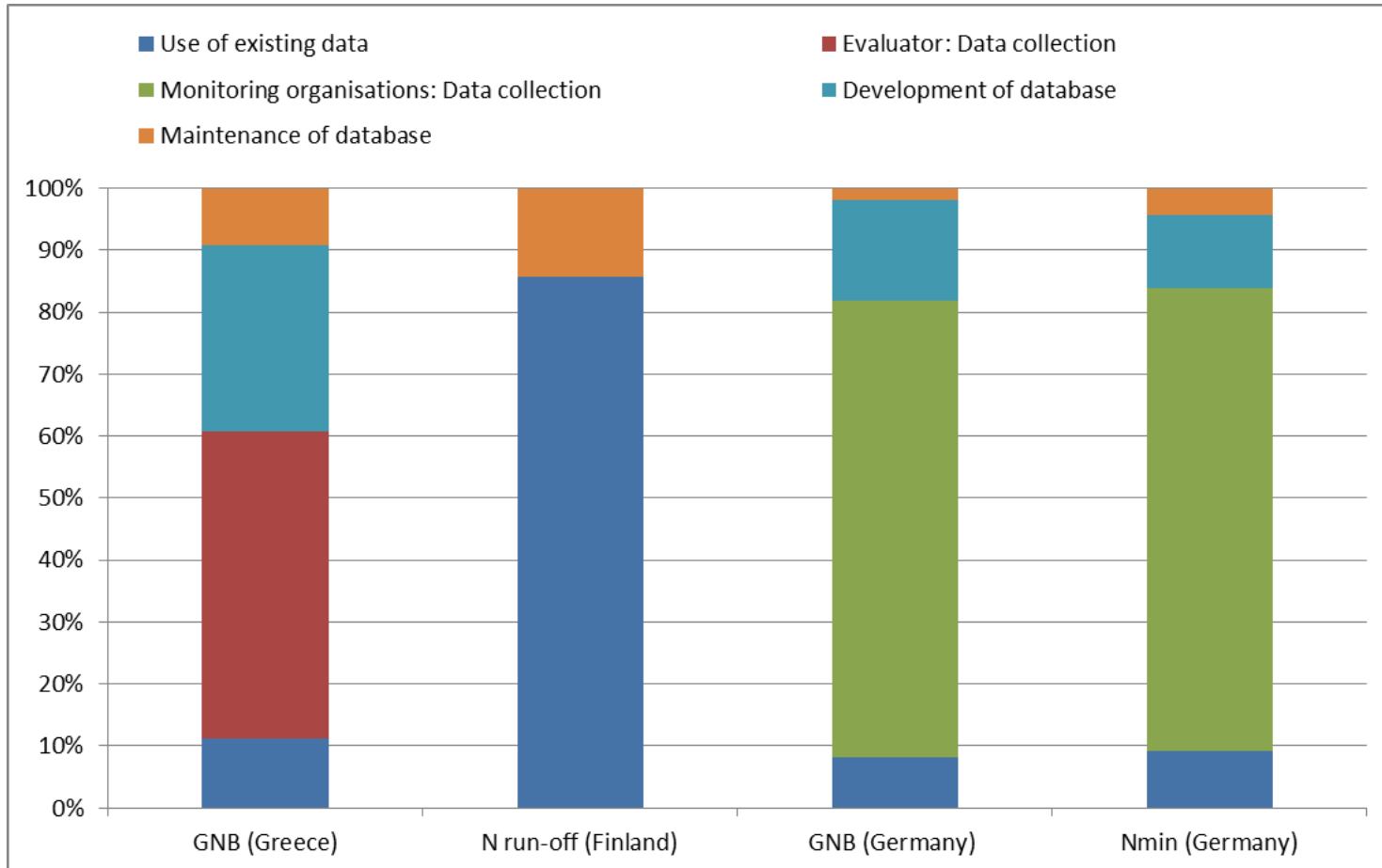


Step 1: Data generation and monitoring



Examples of cost assessment (Water quality)

Data generation & database development (activities)

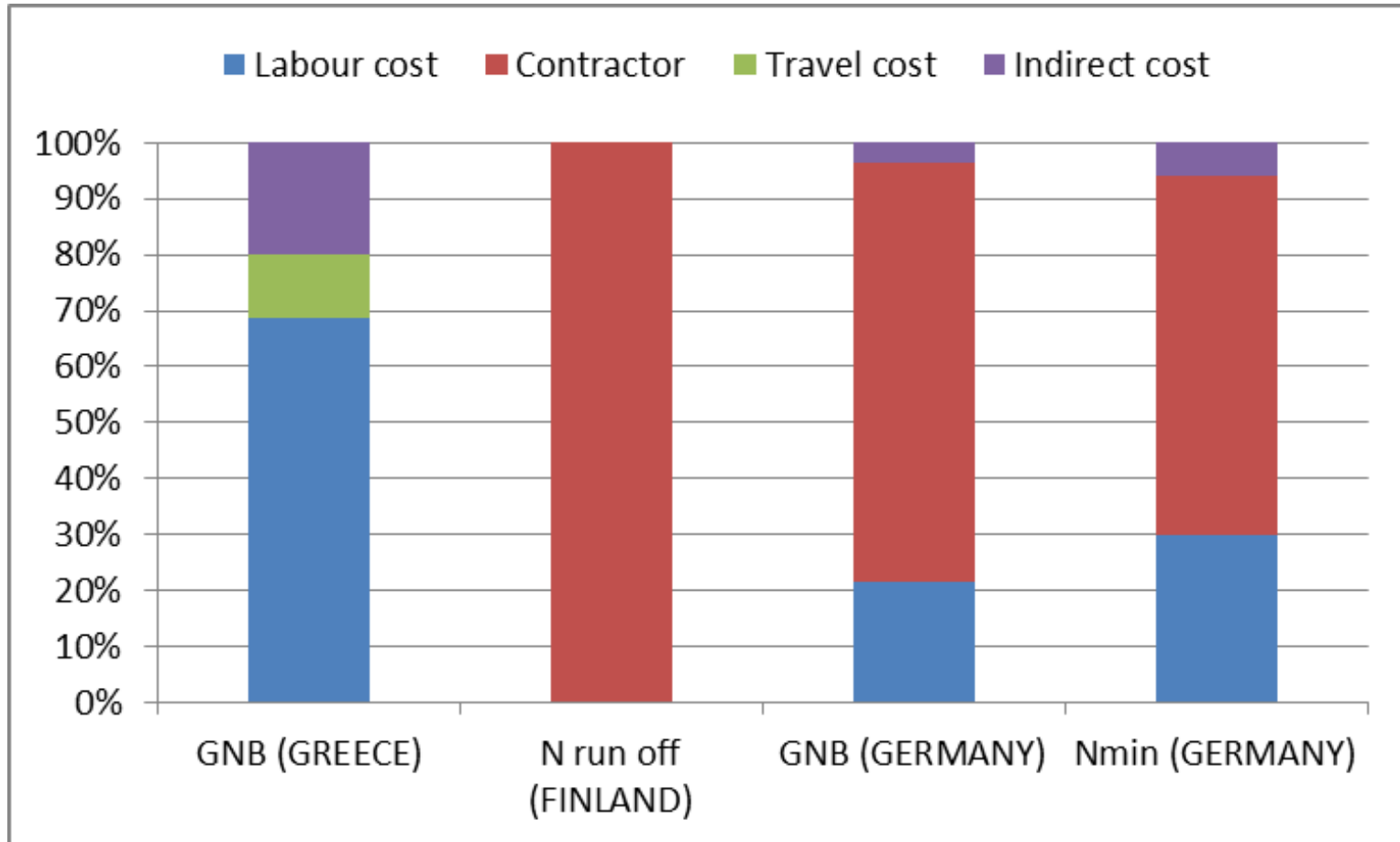


GNB: Gross nutrient balance

Nmin: mineral N content in the soil in autumn

Examples of cost assessment (Water quality)

Data generation & database development (cost components)



GNB: Gross nutrient balance

Nmin: mineral N content in the soil in autumn

Impressions of cost assessment and stakeholder consultation

- **Comparability: cost variation, level of detail etc.**
- **Only comparison of relative costs**
- **Integration of cost**
 - **Model with different data sources**
 - **Cost of structural data (FSS, IACS)**
 - **Monitoring cost (different purposes)**
- **Data protection issues**
- **Labour cost usually the biggest share (exception: contracts)**
- **Sampling design influences costs**

Effectiveness Concept

- **CMEF and guidelines for the ex-post evaluations refer to a concept developed by Network of Networks on Impact Evaluation (NONIE) (2009):**
 - **Quality criteria: Credibility, rigour, reliability, robustness, transparency, validity and practicability.**
- **A slightly less complex approach developed by the EC (2001) to assess indicators for the integration of environmental concerns into the CAP:**
 - **Quality criteria: Policy relevance, responsiveness, analytical soundness, measurability, ease of interpretation and cost-effectiveness.**

Effectiveness Concept

- **Policy relevance is given and cost-effectiveness is the outcome of the assessment → this leaves four criteria:**
 - **Responsiveness, analytical soundness, measurability, and ease of interpretation.**
 - **This approach was also used successfully in the agri-environmental footprint project.**
- **ENVIEVAL focuses on addressing a set of key challenges for environmental impact evaluation**
- **How can this be incorporated into the concept of the effectiveness assessment?**

Effectiveness Concept

Quality criteria (EC, 2001)

Impact levels (Ordinal scales) (ENVIEVAL)

Responsiveness

Judgement criteria:
Compatibility with local
environmental
characteristics

Impact levels: Common sense, generalised
typology, specifically incorporated

Judgement criteria:
Timing of environmental
impacts captured

Impact levels: interpretative (common
sense), external assumptions, dynamic
incorporation

Judgement criteria:
Establishment of
consistent micro-macro
linkages

Impact levels: As above or:
Common sense, qualitative, or quantitative

Analytical soundness

Judgement criteria:
Establishment of robust
causal relationship

Impact levels: As above or:
Common sense, qualitative, or quantitative

Judgement criteria:
Assessment of net
impacts

Impact levels: As above or:
Qualitative, quantitative (direct effects),
quantitative (direct and indirect effects)

Ease of interpretation

Judgement criteria:
Unambiguous and
understandable results

Impact levels: results difficult to validated,
results can be clearly validated, easy to
communicate

Measurability

Judgement criteria:
Data requirements

Impact levels: Low, medium, high

Feedback of national stakeholders on the cost-effectiveness assessment

Effectiveness criteria

- To focus only on the criteria “ability” could be the main challenge of environmental evaluations.
- Integration of weighing the effectiveness criteria feasible & useful?
- Consideration of deadweight effects (net impacts)?

Ranking of effectiveness

- Clear definitions and distinctions of criteria and scores are necessary for ranking cost-effectiveness.
- It could be useful to not rank each evaluation method as a single method but in comparison with one another (trade off matrix) at micro and macro level.

Feedback of national stakeholders on the cost-effectiveness assessment

Cost assessment

- **Difficult to evaluate the costs of monitoring programmes which serve several purposes. Careful revision of cost templates!**
- **Important to have clear boundaries and definitions for the integration of cost components in the cost assessment.**

General comments

- **It may be useful to ask the evaluators for contributions & comments on the results (rather than at the beginning of the process)**
- **There are some doubts on relevance of this assessment. Will the findings be useful?**

Feedback and comments

Feasibility & relevance of the cost-effectiveness analysis

- Is the collected data on cost significant?
- Are the effectiveness criteria relevant and feasible?
- Can you think of other criteria that should be included?
- Scoring approach: would this approach help you to select cost-effective evaluation methods?