



EUROPEAN COMMISSION

Brussels, 22.12.2023  
SEC(2024) 184 final

**OPINION ON THE EX POST EVALUATION OF THE EUROPEAN UNION  
PROGRAMME FOR EMPLOYMENT AND SOCIAL INNOVATION (EASI)  
INCLUDING THE FINAL EVALUATION OF THE EUROPEAN PROGRESS  
MICROFINANCE FACILITY (EPMF)**



Brussels,  
Ares(2023)

## **Opinion**

**Title: Evaluation of the Programme for Employment and Social Innovation (EaSI) including the final evaluation of the European Progress Microfinance Facility (EPMF)**

**Overall 2<sup>nd</sup> opinion: POSITIVE**

### **(A) Policy context**

The Employment and Social Innovation Programme 2014-2020 (EaSI) was designed to: (i) contribute to the modernisation of employment and social policies (PROGRESS axis); (ii) to facilitate access to labour markets and job mobility (EURES axis); and (iii) to increase access to microfinance and social entrepreneurship (Microfinance/Social Entrepreneurship axis). EaSI is implemented by the Commission and applies to Member States and other participating countries (EFTA/EEA, EU candidate countries and potential candidates).

The European Progress Microfinance Facility 2010 - 2016 (EPMF) was designed with the aim of extending the outreach of microfinance to specific groups at-risk and to microenterprises. The EPMF is implemented by the European Investment Fund (EIF) and applies to EU Member States. The EPMF was followed up by a new generation of financial instruments under the Microfinance/Social Entrepreneurship axis of the EaSI programme.

The evaluation was carried out in compliance with Articles 13(4) and 38(1) of the EaSI Regulation and is subject to a report to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

### **(B) Summary of findings**

**The Board notes the improvements to the report.**

**The Board gives a positive opinion. The Board also considers that the report should further improve with respect to the following aspects:**

- (1) The report does not critically assess the adequacy and suitability of the existing monitoring system.**
- (2) The report does not sufficiently recognise the constraints and data limitations when drawing conclusions. On a number of concrete areas lessons learned and suggestions for improvements are missing. Some conclusions on effectiveness and efficiency and qualitative assessment of costs and benefits do not fully reflect the underpinning analysis.**

This opinion concerns a draft evaluation which may differ from the final version.

### **C) What to improve**

- (1) The report acknowledges the weaknesses in the performance measurement of PROGRESS axis and the necessity for quantitative indicators. However, the analysis should go further in explaining what quantification and further indicators are needed to assess the impact of the measures on the ground. It should analyse to what extent the specific objectives of the PROGRESS axis are SMART enough to serve as a base for an improved monitoring system to analyse the effectiveness, the efficiency and the coherence. It should explain how the proposed simplification in the ESF+ addresses the need for more suitable indicators for informing future evaluation.
- (2) In assessing efficiency, the report should better explain how indicators based on a small number of stakeholders' opinions, are sufficiently reliable to draw conclusions. It should clarify the design and parameters of the 'cost-effectiveness' ratio for the PROGRESS axis and explain to what extent such ratio is informative in concluding on performance over time. It should clarify the maximum and minimum levels of such a ratio.
- (3) In general, answers to the evaluation questions should be balanced and linked to preceding analysis, taking into account all available evidence, in particular:
  - the conclusion on EPMF and EaSI's effect on economic growth and employment, does not seem substantiated by the preceding analysis;
  - the conclusion that EPMF was "highly" effective in increasing the availability of microfinance (including for women and the unemployed) does not seem to account for the uncertainty in the evidence of whether the 50% target was reached, due to data limitations and potential overlaps; it should also address the evidence pointing to potential decrease in access over time for these two categories;
  - the conclusion on the effectiveness of the general objective on 'high quality and inclusive EU labour markets' needs to address the evidence, which could equally lend itself to alternative readings of the data, such as large decreases of the share of placements resulting from all contacts.
- (4) The report should ensure that all identified weaknesses are followed up by corresponding lessons learned, and equally that all lessons learned follow logically from the preceding analysis. In particular, although the report:
  - indicates that the flexibility clause, permitting to adjust funding among axes was in practice inefficient given the important (potential) administrative burden generated to operate these changes, there is no discussion in the lessons learned on this finding;
  - highlights the utility of an easy-to-use tool allowing stakeholders to have an overview of all programmes and opportunities available at EU level, this is not reflected in the lessons learned;
  - concludes that the evidence presented indicates that the budgets planned for the remaining programme's activities were appropriate, it still suggests as an area for improvement the provision of additional funding for social experimentation to achieve their expected impacts.
- (5) The parameters for some qualitative judgements accompanying or substituting quantification in Annex IV (Overview of costs and benefits) are not explained, and sometimes do not appear in line with the analysis and the answers to the evaluation questions in the report. They should be reassessed to ensure that they reflect the

underpinning evidence and previous analysis (for example cases where effectiveness was found to be “moderate”). In particular:

- the analysis is unclear whether qualifying the magnitude of benefits for certain areas of the intervention is based only on outputs such as number of analytical documents, mutual learning events etc., and whether this is the parameter to justify the qualitative assessment of the benefit as “high”;
- the qualitative assessment of EPMF’s burden reduction achievement needs to address findings in the report on impacts on the efficiency due to administrative burden in the projects’ application, award, and implementation stages in cases of using the EFSI guarantee, in particular for small organisations and some EU-level NGO networks.

**(D) Conclusion**

**The DG must take these recommendations into account before launching the interservice consultation.**

Full title	Evaluation of the Programme for Employment and Social Innovation (EaSI) including the final evaluation of the European Progress Microfinance Facility (EPMF)
Reference number	PLAN/2019/5817
Submitted to RSB on	27 November 2023
Date of RSB meeting	Written procedure



Brussels,  
Ares(2023)

## **Opinion**

### **Title: Evaluation of the Programme for Employment and Social Innovation (EaSI) including the final evaluation of the European Progress Microfinance Facility (EPMF)**

**Overall opinion: NEGATIVE**

#### **(A) Policy context**

The Employment and Social Innovation Programme 2014-2020 (EaSI) was designed to: (i) contribute to the modernisation of employment and social policies (PROGRESS axis); (ii) to facilitate access to labour markets and job mobility (EURES axis); and (iii) to increase access to microfinance and social entrepreneurship (Microfinance/Social Entrepreneurship axis). EaSI is implemented by the Commission and applies to Member States and other participating countries (EFTA/EEA, EU candidate countries and potential candidates).

The European Progress Microfinance Facility 2010 - 2016 (EPMF) was designed with the aim of extending the outreach of microfinance to specific groups at-risk and to micro-enterprises. The EPMF is implemented by the European Investment Fund (EIF) and applies to EU Member States. The EPMF was followed up by a new generation of financial instruments under the Microfinance/Social Entrepreneurship axis of the EaSI programme.

The evaluation was carried out in compliance with Articles 13(4) and 38(1) of the EaSI Regulation and is subject to a report to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

#### **(B) Summary of findings**

**The Board notes the additional information provided and commitments to make changes to the report.**

**However, the Board gives a negative opinion because the report contains the following significant shortcomings:**

- (1) The evidence base underpinning the analysis is insufficient. The report relies mostly on value judgements from stakeholders but it is not clear how these can be considered representative.**
- (2) The analysis does not sufficiently explain nor consistently use the target indicators. It does not assess the adequacy and suitability of the monitoring system in place for informing the evaluation.**
- (3) The report does not identify appropriate “lessons learned” to inform future policy.**

**The Board considers that in its present form this report does not sufficiently respond to the mandate of the evaluation.**

**(C) What to improve**

(1) The report should provide an appropriate evidence base underpinning analysis by avoiding exclusively or mostly relying on the value judgements of stakeholders. The evidence base should be supported by measurable and tangible results, and claims and views, to the extent they are used as evidence base, should be reflected in such results on the ground. In this regard, the report should consider what data and figures currently contained in the annexes and/or in the supporting study should substantiate further the analytical part of the report and provide support to the conclusions, in particular, on the performance of the measures. Overall, in discussing implementation of the programmes, the report should go further than listing activities and inputs and assess outcomes and impacts. It should explain why it may be difficult or not possible in some cases to identify and measure the specific contribution of the programmes to the general objectives.

(2) The report should explain why EaSI proved to be unevenly applied across Member States. It should analyse in detail the reasons behind the uneven participation across and within countries, what the consequences were in terms of making the intervention effective, relevant and efficient across Member States, and whether there was an evolution following the implementation of corrective measures, like the National Contact Points (NCP) network and improved promotion. It should thoroughly explore whether EaSI was equally beneficial for all recipients and if all its features are equally useful. Rather than relying primarily on stakeholder feedback, the report should present clearly EaSI's identified outcomes and impacts and how these can be used as a measure of success across the EU.

(3) The report should explain how it has concluded on the effectiveness of EPMF based on the number of micro loans, while only 30% of beneficiaries are female and cannot provide data to evaluate the objective of 50% beneficiaries to be unemployed. If the information is not fully available the report should explain why.

(4) While the report considers only the input, the output and the stakeholders' satisfaction with the services provided when assessing the achievement of Specific Objective 5 (transparent labour market information), it should also evaluate the impact based on the number of additional recruitments. While the report shows a decreasing trend of the number of monthly visitors to the EURES Portal it should explain why it could be "a positive sign of improved employment rates and labour conditions".

(5) The report should explain how specific targets were set and present all of them if some are missing. It should provide clarity on which targets are used where and how in analysing effectiveness and efficiency. There should be a thorough explanation of whether and how indicators based on a small number of stakeholders' opinions, can be considered representative.

(6) The report should assess more thoroughly the suitability of the existing monitoring system and identify the areas for improvement.

(7) Conclusions should present adequate and relevant 'lessons learned' to inform the next programming period, also referring to improvements and changes already implemented for the current programming period. It should be based on the main issues identified in the report and all lessons learned should be discussed and substantiated in the analysis section. The

report should recognise the constraints and limitations it faced in gathering evidence, and the fact that such constraints may bring caveats and nuances in the analysis.

(8) The report should better discuss the coherence of EaSI with other EU programmes (such as Horizon2020, European Social Fund for social innovation, etc). It should explain whether synergies were sought or emerged and how the risk of overlap was addressed.

(9) Annex IV (Overview of costs and benefits) should be revised. Costs and benefits should be reported separately, specific benefits should be encoded; narrative statements on degrees of performance should be kept to a minimum and the general lack of quantification should be clearly explained and justified.

*Some more technical comments have been sent directly to the author DG.*

#### **(D) Conclusion**

**The Board advises the DG not to launch the interservice consultation before substantially revising the report.**

**The lead DG may resubmit to the Board a revised version of this report.**

Full title	Evaluation of the Programme for Employment and Social Innovation (EaSI) including the final evaluation of the European Progress Microfinance Facility (EPMF)
Reference number	PLAN/2019/5817
Submitted to RSB on	3 April 2023
Date of RSB meeting	25 May 2023