

The Role of Research Evidence in Policy Making Processes in the EU: Lessons for Serbia

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Evidence-based policy making – the concept and some general ideas

Apart from its ultimate objective of searching for the truth, the important role of science refers to producing credible information and supporting decision-making processes. In post-normal scientific environment where both uncertainties and decision stakes are high in contrast to those of established science, scientists have particularly important role being political actors and debating with other stakeholders (Funtowicz & Ravetz, 1993). However, science-policy cooperation is anything but simple. There is an always present evidence-policy gap and the link between scientific evidence and policy decisions is not direct. Cairney (2016) suggested that minimizing evidence-policy gap requires possibility to produce scientific consensus based on objective and comprehensive account of the relevant evidence, centralized policy process with small number of policy makers, scientific evidence as primary sources of knowledge are understandable, and existence of motive and opportunity to turn the evidence into solution. Problems in achieving evidence-based policy (EBP) making occur when the existing evidence does not tell policy makers what to do, if demand for evidence does not match supply and due to complexity of the policy making system. Oliver et al. (2014) provided systematic review covering 145 studies which helped in identifying the key barriers for using evidence in policy processes - (1) problems with demand and supply including availability and access to research, quality of research findings and costs; (2) timing and opportunity; (3) policy makers' research skills.

This vision of applied social and behavioral sciences informing public policymaking was driven by the belief that knowledge could be used rationally to inform choices and determine what works to make the world a better place (Patton, 2023). EBP is understood as a discourse or set of methods which informs the policy process advocating for rational, rigorous and systematic approach (Sutcliffe et al. 2005). The problem with social sciences and humanities refers to the nature of the produced results which, unlike in STEM, produce results that are often debatable leaving space for different interpretations. Therefore, the same research evidence may be used to address problems in a very diverse manner. Nevertheless, even when the findings and collected data could not be directly translated into adequate policy solutions, they provide important background and knowledge base, that could help policy makers to understand specific policy issues and provide explanation for choosing concrete policy tools and measures. Policy evaluation holds the central place in the EBP since the findings resulting from evaluating previous policies and programs represent important input for development of new policies. Over the recent years, impact evaluations have become a very popular tool to address accountability of the policy makers, and help learning by doing. Counterfactual impact evaluations¹ such as randomized

¹ A method of comparison which involves comparing the outcomes of interest of those having benefitted from a policy or programme (the “treated group”) with those of a group similar in all respects to the treatment group (the “comparison/control group”), the only difference being that the comparison/control group has not been exposed to

control trials and different quasi-experimental approaches are considered “golden standard” in the world of EBP, while being widely promoted by the international development organisations. They represent an overlapping area in the work of policy makers, evaluation specialists, social activists and researchers. Applying counterfactual evaluation methods is also to the solid extent incorporated in the policy framework of the EU, although still underexploited. The main problems limiting greater use of counterfactual evaluations refer to significant resources required for their implementation, data availability, knowledge and capacities of the policy makers and evaluation specialists as well as the fear of the policy makers being afraid of losing their position in case the assessed effects of applied interventions are below expectations. Without suffering from illusions that evaluations are key for all of the policy issues nowadays and being aware that there is no ideal system, this research provides discussion on the importance of further promotion of the EBP and greater use of counterfactual evaluations, as well as some arguments in favour of greater implementation of the aforementioned concepts in Serbia.

How do research findings find their way to public policies in the EU

Analysing programmes, public policies, strategy papers, etc. through evaluations and impact assessments at the EU level and, in the majority of EU countries at the national level, has become a regular process (INES, 2021). Majcen indicates that the EBP in the EU has been shaped around the three levels of cooperation - at the level of EU institutions, at the level of EU-funded projects, and at the level of the scientific community (Majcen, 2016). The Commission published a report in 2017 recommending that government improve its capacity to generate useful evidence and increase use of evidence in decision-making: “The Commission on Evidence-Based Policymaking envisions a future in which rigorous evidence is created efficiently, as a routine part of government operations, and used to construct effective public policy” (Patton, 2023). However, despite the fact that the system in general recognizes and advocates for the use of scientific knowledge in policy development, there are still many challenges on the way. In that context, Simons and Schniedermann (2021) suggest that EBP should not be mistaken as a scientific theory of the actual role of research in policymaking, since EBP is itself, a political agenda pushed by a collective agency, calling it “neglected politics behind EBP”. However, the positive examples of the use of rigorous evaluation methods for public policy purposes are abundant and clearly surpass the potential negative effects.

The number of evaluated policy interventions across the EU represents a solid foundation for extracting conclusions on the appropriateness of using impact evaluation methods for the future policy improvements. One of the most generous support mechanisms provided under the EU framework refers to agriculture funds and the EU rural development programmes. Reviewing the counterfactual analyses aimed at assessing the effects of the rural development programs over the period 2007-2013 clearly confirmed benefits of using advanced counterfactual approaches to provide statistical evidence of programme impacts as well as the adaptation of evaluation standards to facilitate the assessment of the rural development policy at EU level (Castano et al. 2019). The authors indicate several limitations that should be taken into account when planning similar interventions in the future, out of which the most important include data availability,

the policy or programme. More details available at: https://joint-research-centre.ec.europa.eu/scientific-activities-z/counterfactual-impact-evaluation_en

constraints with regards to resources (financial, human, etc.) and the use of debatable methodological assumptions.

Another area where the use of counterfactual methods is particularly important and well documented is the active labour market policies. Analyses of the effects of active labour market measures have been conducted at the country level across the EU over the last decades, providing important inputs for policy adjustments. The research conducted by D’Hombres and Santangelo (2019) signalizes the importance of using administrative data for the quality of the performed assessments. The authors found that assessments based on administrative data or on a combination of sources are more likely to estimate the effect of an ALMP on several outcome variables or to study the short- and long-term impacts of the interventions. Arguing that noticed differences in the number and quality of conducted evaluation studies are probably, among others, resulting from the data availability, obtained findings imply that developing efficient open data systems is one of the most important prerequisites for effective policy analyses (D’Hombres and Santangelo, 2019).

Analyses of the state aid effectiveness as well as the effects of the specific interventions aimed at strengthening competitiveness, innovations and economic performances of the certain regions and actors, are considered traditional fields of the policy evaluations. Such analyses have been widely conducted across developing countries where the international donors were interested in identifying the effectiveness of the provided support. Using counterfactual methods Pseiridis and Kostopoulos (2023) argued that the state support programs in Greece should be designed in more professional manner since the results of the companies that received state support were below expected. Applying similar methodology, Dvoulety et al. (2021) concluded that the subsidies provided to companies under innovation support programe in Czech Republic differ depending on the size of the company being much higher for the micro companies than for the rest of the sample, and almost negligible for the large companies.

Provided elaborations clearly confirm benefits of policy evaluation in the context of the EBP. Apart from the important findings, the EU legacy of the policy evaluations over the last decades also refers to development of the large number of guidelines, policy recommendations and good practice examples which could be used as an important input for the less experienced countries such as Serbia. The EU Commission portal on using knowledge for policy purposes, “Knowledge for Policy”², represents an important resource for the existing and future collaboration. Under the EU Commission umbrella, there have been developed several mechanisms that support policy-science collaboration across different fields. For example, Competence Centre on Composite Indicators and Scoreboards³ provides capacity-building for policymakers in using statistical methodologies and developing sound composite indicators, while Competence Centre on Microeconomic Evaluation (CC-ME)⁴ provides advisory for the EU policy making through ex-post causal evaluation and data-driven microeconomic analysis. The EU also developed specific mechanisms to include specific cross-cutting issues (eg. gender, human rights, etc.) when evaluating interventions provided under the EU Regional Development Fund, the Cohesion Fund,

² <https://www.interregeurope.eu/policy-learning-platform/news/european-commissions-tools-for-evidence-based-policymaking>

³ https://knowledge4policy.ec.europa.eu/composite-indicators_en

⁴ https://knowledge4policy.ec.europa.eu/microeconomic-evaluation_en

the Justice Transition Fund in 2021-2027 and similar funding mechanisms (Orfanidou et al. 2022). Moreover, experiences from science-policy collaboration resulted and are still resulting in preparation of the important documents which now represent important tools for strengthening the evidence-based policy practice (eg. Energy State aid: A Toolbox on Counterfactual Impact Evaluation⁵), (Farrel, 2022).

Public policy development in Serbia – current status and perspectives

Although the evaluation culture in Serbia, as in other CEE countries, is still relatively underdeveloped, some progress, setting the basis for incorporation of the EU experience in the field, has been achieved over the last years. First, Serbia has started developing institutional and regulatory framework through adoption of the Law on Planning System⁶ and establishment of the Republic Secretariate of Public Policies⁷. There have been produced documents providing guidelines on how the policy analysis should be performed including ex-ante and ex-post assessments, bylaws regulating public policy management, etc. There have already conducted evaluations of the public policy documents and state interventions, with labour and youth as the policy fields under which the progress has been particularly visible. In addition, the research community is quite interested in engaging in policy making initiatives, while their capacities represent important resources for the overall mindset change in the following years. INES research (2021) reveals that there are several examples of good practice between the state institutions and research/civil sector. However, the same research raises many concerns with regards to implementation of the existing regulative and the state of the overall mindset including the following:

- Policy makers in Serbia are still not commissioning evaluation on regular basis. Results indicate that 14 out of 20 analysed institutions commissioned external evaluations.
- Evaluation is not recognized within organizational structures of the state institutions. Separate evaluation organizational units in charge of internal evaluation are present in 6 out of 20 institutions. Evaluation reports are often publicly available as confirmed by 13 out of 20 respondents.
- Funds for conducting evaluation are by rule provided by external donors.
- There is still significant space for capacity building and delivery of the public policy evaluation courses.

Concluding remarks

Use of scientific results is very intuitive, and one could hardly oppose using scientific evidence when dealing with public health issues such as pandemics, or when conducting complex construction works. Weather forecasts are a clear example of how science could help decision

⁵ <https://publications.jrc.ec.europa.eu/repository/handle/JRC129621>

⁶ <https://rsjp.gov.rs/wp-content/uploads/Law-on-Planning-System.pdf>

⁷ <https://rsjp.gov.rs/en/>

making. On the other hand, when it comes to developing appropriate governance mechanisms, effective system of taxation, or measures aimed at strengthening entrepreneurship in a specific socio-economic or geographical context, the situation is less clear. Although not able to provide straight forward solutions, the EBP mindset is crucial when dealing with complex social issues and this should be the main lesson for countries like Serbia.

This paper reflects on the recent public policy trends and rising efforts of different stakeholders towards greater use of scientific evidence in the policy making processes. The role of scientific evidence in developing policies has been important but still underused or misinterpreted. Following theoretical foundations stemming from the theory of public policy and theories of policy evaluations, and the achieved progress in developing institutional framework for public policy development primarily focusing on the EU experience, this paper argues necessity for greater use of counterfactual policy evaluations and promotion of the EBP mindset in Serbia.

Following the provided analyses of the EU policy environment as well as taking into account some of the promising practices in the Serbian context, a critical social activist could easily detect some of the important knowledge gaps and questions that should be addressed through more frequent and intensive knowledge brokering endeavors. For example, fiscal support provided to minimise the effects of COVID-19 in Serbia has been quite generous, even from the comparative perspective of other European countries, but we have never found out what would have been the outcomes of “doing nothing” or “doing alternative approach”. Some of the most relevant and provoking issues that could be addressed include:

- Providing assessments and societal impact studies covering some of the most important public policy issues and large (infrastructure) projects. It would be particularly interesting to provide transparent and rigorous evaluation of the interventions which have been (co)funded by the state including some very specific and politically sensitive issues.
- Providing assessment of the state support programmes in the field of agriculture (the effects of subsidies), innovation, export promotion, etc.
- Providing assessment related to the environment related projects aimed at facilitating transition to renewable energy sources and mitigating negative effects of the decarbonization on the vulnerable population.
- Providing evidence-based analysis of the critical local issues such as transport, mobility, depopulation, quality of education, etc.

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