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### Abstract

An important growing trend is reliance on temporary organisations and mechanisms such as projects. Projects have been increasingly used in all kinds of organisations, including public sector organisations, and are widely considered as effective and precise management tools. The extent to which current evaluations are able to measure their perceived impact is, however, unclear. Are project evaluations conducted in such a way that the long-term effect of – in this case the EU fisheries policy – can be assessed, and to what extent are the contributions or added value of projects as a form of organizing assessed in the evaluations? The article draws on programme theory to analyse the evaluation criteria used for European Fisheries Fund projects in Finland. The article concludes that a potential mismatch between operational logic between the evaluation system and the project logic exists. It also shows that there is a connection between decisions made to fund projects and the actions that they produce, but that a clear causal relationship measurement of project impact is difficult to establish using current evaluation criteria.

### Introduction

One of the most profound changes in contemporary policy implementation is the adoption of temporary mechanisms or projects in contemporary policy implementation. Projects have become increasingly used in all kinds of organisations, including those in the public sector, and are widely considered as effective and precise management tools.

The increased use of projects is to a great extent fostered by the funding principles of the European Union, which define almost all reform activities as projects (Sjöblom & Godenhjem, 2009: 174). The assumption is that projects will increase innovativeness, increase public participation by including various actors, increase economic growth by fiscal multipliers, and deliver a sustained contribution to strategic goals (Sbarcea & Martins, 2003; Brulin & Svensson, 2011: 9). Some even refer to projects as temporary knowledge organisations, indicating that significant added value can be gained (Grabher, 2004; Lindner & Wald, 2011). To what extent projects deliver a sustained contribution and achieve sustainable results, as well as how the perceived impact is evaluated, however, remains unclear.

In today's world, heavy demands are set on evaluation policies. It is not enough to conduct experimental evaluations, to engage different groups and

foster dialogue and communication, or to increase market orientation in evaluations. Evaluations need to take into consideration the consequences of interventions at outcome level, the ability to casually produce safe knowledge, and to present empirical evidence of intervention effects (Vedung, 2011: 273). This not only imposes pressure on how evaluations are conducted but also raises questions of the extent to which the expected effects of projects are possible to assess by means of the evaluation criteria and models utilized in an EU context.

If we accept the idea of projects as temporary learning organisations that produce added value which can be useful for future policy processes and lead to sustainable results, then the evaluation models should enable the development of learning organisations. This includes a system in which knowledge generated corrects itself via feedback after project actions and leads to learning and enlightenment (Dahler-Larsen, 2011: 39). Without such evaluation models, there is no way to know whether projects lead to added value or how far projects are superior to other, more permanent, forms of organising.

### Purpose, methodological approach and structure of the article

The purpose of the article is to analyse how evaluations are conducted and how EU funded project effects are measured. The article represents an exploratory study of the European Fisheries Fund (EFF) policy implementation process in Finland from a programme theoretical perspective. The article describes the regulatory framework within which projects operate, elaborates on what the perceived impact of EU funded projects is, and how far current evaluations are able to measure the perceived impact.

The methodological approach used in the article is metaevaluation which focuses on the evaluation of the function and practice of evaluation itself as a metaprocess in the general governance process (Vedung, 2000: 21; Vedung, 2009: 154; Fitzpatrick *et al.*, 2004: 454). In addition to metaevaluation, an associational analysis will also be conducted. The article presents results obtained by statistical data from 907 projects. The material is based on data gathered within the mid-term evaluation of the EFF in Finland from 2007-2013. This includes data from the Snadi EFF project database (Ministry of Forestry and Agriculture, 2011b), survey data collected from 91 project managers and regulatory agencies 2011, 34 semi-structured interviews with representatives of the program monitoring committee, as well as evaluation reports.

The overarching research questions are:

- 1) *Are project evaluations conducted in such a way that the long term effect of EU fisheries policy – in this case – can be assessed?*
- 2) *To what extent are the contributions or added value of projects as a form of organizing assessed in the evaluations?*

The article is structured into four parts. The first part introduces the main elements of the governance debate linked to projects. The second part reviews the background to the regulatory framework of the EFF and the principles of its implementation in Finland. The third part presents the analysis of the effects of

the EFF policy in Finland and the evaluation criteria used to assess project impact. The fourth part highlights the results, summarizes the conclusions, and discusses directions for future research.

### **Assessing the effects of projects as new governance mechanisms**

In order to assess the effects of projects as new governance mechanisms, one needs to know what the ideal expectations of projects are. This section begins by considering the project as a temporary organisation. It then describes the primary drivers behind the increased use of projects in contemporary public policy in an EU context.

The use of temporary or non-permanent mechanisms, such as programmes and projects, has become frequently adopted at all levels of policy-making and implementation, especially within the EU. The expected benefits of project management have increased its use outside of its traditional field of engineering and are seen as a tool for dismantling bureaucracy (Hodgson, 2004: 83). A commonly-used definition of a project is that it is a temporary endeavour undertaken to create a unique product, service, or result (Project Management Institute, 2004: 5). The European Union offers a similar definition, according to which a project is a single non-divisible intervention with a fixed time schedule and a dedicated budget (European Commission, 1997: 14). Other aspects of projects are that they are flexible temporary organisations that are subject to one or several performance goals, and that they consist of a number of complex and/or interdependent activities (Packendorff, 1995: 320).

The adoption of project management in the public sector does not always follow the same principles as project management in the private sector. While private sector actors, objectives and management principles often are limited to a particular subject or district, management within the public sector naturally falls within a political context. This means that a wider range of issues need to be taken into consideration, such as accountability and participation (Smith, 2009; Wirick, 2009). Some argue that the increasing use of projects decreases transparency and causes friction between coordination and continuity while others argue that projects have the potential to increase participation among interested groups, thereby empowering civil society (Sjöblom, 2009: 166; Godenhjelm *et al.*, 2012). While pooling public and private resources could yield benefits, the question of whether the partnerships created meets the normative standards of legitimate governance is often left open (Wolf, 2006: 201).

Sjöblom (2009: 165) sees the increased use of projects in the public sector as a result of a need for the state to find hyper-rational responses to social problems. The existence of a project can also be seen as a consequence of a need for change that has to be achieved before the project is terminated (Lundin & Söderholm, 1995: 442). Project management research as a whole tends to be practitioner-driven and is often strongly influenced by normative project management

theory or rationalistic ideals (Engwall, 2003: 791-792; Sjöblom & Godenhjelm, 2009: 182).

These trends can to some extent seem paradoxical as temporary instruments have increased dramatically in an age when long-term policy objectives are emphasised more than ever (Sjöblom, 2009: 166). Adequate channels by which knowledge can be evaluated and gathered for future policy processes are vital (Dahler-Larsen, 2011: 44). In order to gain the advantages that projects are believed to encompass, projects should include integrative capabilities, and involve agencies and relevant stakeholders from various policy fields and administrative levels so that all information generated can be utilized. Some question whether the integration of knowledge and results gained by projects is possible in fields following various temporary logics of control as against Permanent ones, and argue that the developments produced by projects increase bureaucratization rather than decrease it (Hodgson, 2004).

Without understanding the background and the issues associated with the levels involved, projects may risk becoming obstacles in the policy implementation process (Jensen *et al.*, 2011). Project management developments within the public sector seem to have been neglected and there is little evidence suggesting that a connection between policy implementation and policy reform exists (Heinelt *et al.*, 2005: 137). Short-term gains might be possible, but long-term goals are often lost through a lack of goal clarity (Brunetto & Farr-Wharton, 2003). Lundin and Söderholm (1995: 438) even state that no logical connection between the decisions made to fund projects and the actions that they produce may necessarily exist.

## Temporary organisations and the EU – chasing a rationalistic dream?

Current policy developments, especially within the EU, have created new governance mechanisms that look both below and beyond the state, and in doing so have delegated authority up to supranational-levels, down to regional and local levels, and out to semi-public or private enterprises and organisations (Maurer *et al.*, 2005: 74; Zerbinati, 2012). All in all, it presents a unique case of multi-level governance.

A primary driver of the increased use of projects in the public sector is the European Union's cohesion policy, whose funding principles and conception of partnership have defined most reform activities as projects. Although no database on the number of EU funded projects exists, the number of projects implemented in the European Union is significant. During the previous programming period from 2000-2006, 41,400 projects were implemented in Finland (Ministry of the Interior, 2011), and there are no indications that the number would decrease during the on-going programme period.

The proliferation of projects and the developments undertaken by the EU relate to the pursuit of a rationalistic dream of achieving efficiency, clarity and unambiguity (Sjöblom & Godenhjelm, 2009: 174). Cohesion policy goals are

expected to deliver a sustained contribution to the objectives of the Union and are broken down into targeted multi-annual programmes that are implemented through a multitude of projects (European Commission, 2011a; European Communities, 2007). The European Union now delivers programmes on the ground in 271 regions, and includes almost 500 different operational programmes ranging from national-, multiregional-, and regional programmes, to cross-border, transnational and interregional co-operation programmes (European Commission, 2011b).

The local impact of the strategic EU-level decisions is not direct. It is up to the Member States to choose how these macro-level priorities will be funded. The goals established and the project funding directed towards achieving the goals are often mediated through national and sub-national authorities or regulatory agencies (Schmitter, 2006: 158). These agencies are often located regionally and serve as important gatekeepers that control which projects get funded by matching project proposals to the goals of the operational programmes. Regulatory agencies are also vital for the integration and implementation of the results achieved by the myriad projects in the permanent organisations (Brulin & Svensson, 2011: 23).

EU programme funding is supplemented by national funding as co-financing of projects is believed to create ownership and to contribute to a stronger commitment as well as better quality projects. The funding provided by the EU can also be regarded as increasing its legitimacy while addressing relevant issues. To what extent the developments undertaken and the public-private interactions that are initiated follow these ideals is unclear. In terms of policy coordination, the expectation is that interaction within and between projects exists.

Ideally, the results or outputs produced should be assembled properly so that they can be integrated appropriately for future policy-making (Hill & Hupe, 2002; Jensen *et al.*, 2006). Research, however, shows that there is little evidence of such an integrated approach. Heinelt, Kopp-Malek, Lang and Reissert (2005: 137-138) state that there is a lack of policy networks that create “organised feedback loops”, and that governability within the field of EU structural funds only results in loose couplings between autonomous actors. The result is an increased focus on outputs and outcomes rather than input control (Sjöblom & Godenhjelm, 2009: 178).

Although several questions about the usefulness of projects remain unclear, the prevailing idea is still that projects will lead to significant benefits for both the public- and private sector actors and foster regional development. These benefits can be summarized as flexibility, increased participation and integration, overall problem-solving capability, innovative solutions and knowledge transfer. Projects are seen as instruments by which greater knowledge and legitimacy of the EU can be achieved. This means that they are believed to include functions that go beyond their temporary and limited features (Sjöblom & Godenhjelm, 2009: 173). The extent to which the prevailing evaluation framework enables the utilization of the perceived added value that projects foster is, however, unclear.

## Assessing the quality of evaluation criteria of the EFF in Finland

This section outlines the evaluation logic of EFF-funded projects in Finland. It begins by discussing the evaluation logic in general, and then describes the case of the EFF from a programme theoretical perspective, as well as how an analysis can be operationalized.

Although the underlying rationale of most EU programmes is the same, the vast number of programmes makes an all-encompassing analysis next to impossible to achieve. This article focuses on the operational programme in Finland that addresses the fishing sector, namely, the European Fisheries Fund (EFF). Assessing the effects of the EFF and the projects funded within its framework is no simple matter. The boundaries of the programme might for instance be difficult to define and cause-effect linkages hard to establish (Bjurulf & Vedung, 2010: 9).

The EFF can be regarded as what Vedung (2009: 209) calls an economic means of control that forces actors, or in this case projects, to follow a particular approach. The fact that every project should be unique makes the evaluation of their individual effects on policy outcomes challenging. EU evaluations are often dominated by positivist approaches as opposed to evaluations based on reflexive thinking that could be more favourable and could have valuable implications at policy level (Hoerner & Stephenson, 2012: 16). Brulin and Svensson (2011: 35) argue that current EU evaluation models predominantly follow a one-way, linear and mechanical approach that communicates predetermined results and short-term gains instead of focusing on projects that contribute to narrowing “the knowing-doing gap”.

According to Dahler-Larsen (2011: 39) different organisational models follow various views on evaluation. He differentiates between the rational organisational model, which he defines as a system that loyally implements plans decided on after a description of objectives and calculation of alternatives, and the learning organisation, which he defines as a system of knowledge that corrects itself via feedback following actions. The main differences between these organisational modes are that the former sees its evaluation function as instrumental while the latter also associates evaluation with learning and discovery.

Ideally, all projects involved in the policy process would follow the learning organisation model and detailed information on why the interventions succeeded or failed would be provided (Vedung, 2000: 209-2011). The analysis of this article falls within what Vedung (2011: 273-276) refers to as the fourth wave of evaluation or evidence based evaluation which stresses the need to learn about the consequences of interventions at outcome level, the ability to causally produce safe knowledge, and the presentation of empirical evidence of intervention effects.

Generally speaking, evaluation practices vary depending on organisational and political environments as well as social contexts (Dahler-Larsen, 2012: 9). Several practical considerations also limit the design options and methodologies that can be employed in evaluations (Rossi *et al.* 2004: 234). One way to analyse

programmes is by turning to programme theory, which includes the analysis of three interrelated components namely; the programme impact theory, the service utilization plan, and the programme's organisational plan.

- *The programme impact theory* constitutes the means by which the programme expects to bring about its intended effects. It thereby presumes that causalities between programme activities, in this case projects, and programme effects exist (Ibid: 2004: 141). The theory requires that the programme's objectives are sufficiently well articulated and that the effects produced by programme actions are plausible. The estimation of impacts also requires that the actions have been in place long enough to eradicate implementation problems (Ibid: 2004: 236).
- *The service utilization plan* constitutes assumptions and expectations about how to reach the target population, in this case development of the fishing sector, as well as how actors within the sector will be engaged with it through the completion of the intended services (Ibid: 168). It does so by focusing on the recipients of the service, product or result and whether these recipients have the necessary means to initiate change processes represented in the programme impact theory (Ibid: 142).
- *The programme's organisational plan* should ideally provide adequate resources, be organized and administered in an appropriate manner, and engage in appropriate functions and activities that will result in the operation of the intended service delivery system. The organisational plan should also include functions that provide essential preconditions and support for the organisations or projects to provide the services (Ibid: 142). The organisational plan and the service utilization plan together form a type of process theory, constituting an overall description of the expectations about the programme's ideal operation that shows how the interventions produce the intended effects (Ibid: 236).

These straightforward concepts can be problematic in practice and some discrepancy between programme theory and reality can be expected. The regulatory framework, the policy formulation and implementation processes, as well as policy evaluation processes are therefore important. In this case, the EFF programme and projects are expected to bring about change.

The actions produced will be illustrated by describing what kinds of project were funded; in other words, who and what is evaluated. The possible effects that the actions produce and the extent to which the actions can initiate change processes will be analysed by focusing on the features linking individual projects to the governance structure. These linkages are, in particular, the development plans and indicators used to assess the results of the projects.

The key question is therefore how these evaluation criteria are used and how well suited they are for measuring project impact and the added value that projects are believed to produce. Whether the actions produced include appropriate functions and activities that will result in the operation of the intended service delivery system will be analysed by focusing on the consistency of key actor or

regulatory agency perceptions regarding the role that they see themselves as playing in the policy process and the ideal operation of the programme.

## The regulatory framework and evaluation of the EFF Policy

This section first describes the formal regulatory framework and the policy implementation processes of the EFF at EU-level. It then describes the policy formulation and implementation process in Finland. The section ends by addressing how the EFF projects are evaluated, focusing particularly on project indicators utilized to gather information about project effects.

Policy on Europe's seas and oceans is headed by the Directorate-General for Maritime Affairs and Fisheries (DG MARE). The main task of the DG MARE is to implement both the Integrated Maritime Policy (IMP) and the Common Fisheries Policy (CFP). This article will only focus on the latter. The CFP is a wide-ranging policy focusing on measures that extend from private recreational fishing to multi-million-euro fish plant companies (European Communities, 2009). The main financial instrument for the implementation of the CFP is today guided by article 4 of the Council Regulation (EC) No. 1198/2006 of July 2006 on the European Fisheries Fund, according to which the main objective and mission of the EFF is:

to support the common fisheries policy so as to ensure exploitation of living aquatic resources and support aquaculture in order to provide sustainability in economic, environmental and social terms.

The relatively all-encompassing goal can by no means be regarded as simple considering the variety of actors operating within the field and its various sustainability goals. The objective of the EFF is intended to be implemented through a partnership between the Commission, the Member State, regional, local and other public authorities as well as relevant economic and social partners and bodies. This partnership should cover the preparation, implementation, monitoring and evaluation of the operation.

A central policy document in which this partnership should be adopted is the *National strategic plan*, which should contain a summary of all aspects of the CFP and set out the priorities, objectives and the estimated public financial resources required for the implementation of the strategy at national level. Another central policy document is the national *operational programme* which should draw up the policies and priorities that should be co-financed by the EFF. The operational programme should contain a synthesis of the measurable baseline situation on the policy areas eligible for support, a description of the priority axes (PA) chosen and their expected impact or targets in a limited number of quantifiable indicators. (Commission regulation 498/2006.)



Priorities for the 2007-2013 programming period consisted of five main PAs:

1. *Measures for the adaption of the Community fishing fleet*
2. *Aquaculture, inland fishing, processing and marketing of fishery and aquaculture products*
3. *Measures of common interest*
4. *Sustainable development of fisheries areas*
5. *Technical assistance*

Source: COUNCIL REGULATION (EC) No. 1198/2006

The Member States are responsible for the management and control of the operational programmes in cooperation with the EU Commission by ensuring that the selection of operations for funding is in accordance with criteria applicable to the operational programme. The Member States are also responsible for setting up a monitoring committee whose remit is to ensure the effectiveness and quality of the implementation of the operational programmes.

#### The EFF policy formulation and implementation process in Finland

The management and control of the national policy formulation and policy implementation of the EFF in Finland is the Ministry's responsibility. This includes the formulation of the national strategic plan as well as the development of an operational programme for the EFF in Finland, setting up the monitoring committee, and accepting the regional fisher groups (Valtioneuvoston asetus Euroopan kalatalousrahaston kansallisesta hallinnoinnista ja elinkeinokalataloudelle myönnettävistä tuista 639/2007).

The purpose of the *National Strategic Plan* is to align the strategic goals of Finland with the CFP. The plan is based on a SWOT analysis of the situation within the fishing sector and includes a vision and horizontal core issues. The *vision* encompasses an ideal view of how the fisheries sector should look by the end of 2013 in the following way:

The fish stock is in good condition and is used sustainably, efficiently and diversely. The goods produced by fish are healthy and safe, and are produced using consumer- and market principles. The entrepreneurship is modern, diverse, profitable and socially recognised. (Ministry of Forestry and Agriculture, 2007a)

The six *horizontal core issues* include critical success factors that should be remedied so that the vision can be achieved. These issues are summarized by the Ministry of Forestry and Agriculture into:

- A. *The strengthening of both the internal and the external cooperation within the sector*
- B. *The development of production and entrepreneurship*
- C. *Market and consumer orientation*
- D. *The fostering of innovations*
- E. *The sustainable and diverse use of natural resources*
- F. *The fostering of societal responsibility*

These horizontal core issues are broken down into five national PAs and subsequent indicators measuring their performance. The *first* PA emphasises the sustainable use of the fish stock and the adaptation of the fishing fleet to the resources. The *second* PA emphasises fish farming, inland fishing, fish processing and fish commerce. The *third* PA emphasises the development of the sector structure in its operational environment. The *fourth* PA emphasises sustainable development of the fishing industry areas. The *fifth* and final PA emphasises good governance of the CFP. (Ibid, 2007a.)

The purpose of the *Operational programme* is to direct the implementation of the national strategic plan by breaking down the strategic goals and describing the principles for the actions taken at regional and local levels (Ministry of Forestry and Agriculture, 2007b). The content of the operational programmes is subject to intense political debate between regional representatives and stakeholders as well as national-level representatives. Once agreed upon, the operational programme operationalizes the PAs into five different policy actions, including 16 sub-categories within which projects can be funded.

The responsibility for implementation of the CFP in Finland is held by the Ministry of Agriculture and Forestry (Laki Euroopan yhteisön yhteisen kalastuspolitiikan täytäntöönpanosta 8.12.1994/1139). The actual implementation is done at a regional level at which actors can apply for project funding from the regional Centres for Economic Development, Transport and the Environment (ELY centres) (Laki Euroopan kalatalousrahaston kansallisesta hallinnoinnista ja elinkeinokalataloudelle myönnettävistä tuista 29.12.2006/1447). The assumption is that these regulatory agencies will reach the target population by making calls for project proposals and that the agencies will be engaged with the projects throughout the process. The ELY centres are not only in a key position in terms of project selection and coordination, but also in terms of gathering information on goal achievement and any potential added value that the funded projects might have produced.

#### The EFF policy evaluation process in Finland

The policy actions set by both the EU and the Member States are believed to produce plausible programme actions and should include a description of the expected impact of the proposed measures and specific targets (Article 20 of Council Regulation 1198/2006). This plausibility is stressed by the mandatory *ex ante*, interim (or mid-term), and *ex post* evaluations. The operational programme shall also contain specific quantifiable targets in the form of a limited number of indicators that measure both the progress and effectiveness of individual projects (Articles 47-50 of Council Regulation 1198/2006). Three measurements are important in this case: project development plans, general indicators, and priority specific indicators.

The *project development plans* are made by projects receiving investment aid and therefore only apply to a limited number of projects. The plan should contain information regarding the applicant, a description of the central business idea, and the applicant's financial status. The plan should also include an esti-

mate of the market, the market's development, and an estimate of the applicant's future needs for know-how. Finally, a description of what actions the applicant will take to satisfy the plan should be included (Valtioneuvoston asetus Euroopan kalatalousrahaston kansallisesta hallinnoinnista ja elinkeinokalataloudelle myönnettävistä tuista 639/2007, § 8).

The *general indicators*, which apply to all funded projects range between 10 and 12 project indicators depending on the PA. The general indicators should establish causal links between project activities and programme objectives. These indicators include measurements such as new jobs and/or new businesses created, the project's positive impact on the environment or new or innovative methods created by projects, the development of marketing, export or business knowledge within the project, cooperation and networking, equality between men and women, as well as the project's link with tourism. The proposed policy actions and sub-sections as well as the general indicators that measure the project's impact in Finland during the programming period are summarized in Table 1.

The *priority specific indicators* also apply to all funded projects and range from 4-30 indicators per project depending on the PA. Priority specific indicators within sub-category I.3, for instance, focus on gathering information on how projects can increase safety aboard vessels. Sub-category II.1, which focuses on fish farming, gathers information of the project's ability to increase the production capacity of edible fish. Sub-category III.5, which focuses on pilot projects, gathers information on the project's ability to enhance selectivity among traps or how the amount of waste catch or unwanted fish can be decreased. Altogether 255 different indicators exist that measure results gained by the various policy actions. (Ministry of Forestry and Agriculture, 2011a.)

Together these three actions constitute the main service delivery system that is believed to gather the necessary evaluation data of the functions that in turn provides the essential preconditions and support for the organisations to provide the services. Both the general and the priority specific indicators are particularly interesting as they are included in the mandatory self-evaluation form that all projects need to fill in before the final payment is made.

Many of the indicators also touch upon the ideals of added value that organizing by projects could produce. The indicators measuring the environmental friendliness, innovation, and business knowledge development in the project are almost identical with project ideals such as overall problem-solving capability, innovative solutions and knowledge transfer. The general indicators therefore appear to be well-suited to measuring the added value that organizing by projects entails as long as the overall system corrects itself via feedback following actions. It is therefore not enough to know what is evaluated. Equally important is how these indicators are used and what type of information is gathered and utilized for future policy-making.

Table 1. EFF policy actions, sub-categories and general indicators in Finland

Policy Actions	Subcategories within policy actions	General indicators												
		New jobs created	Preserved jobs	Temporary jobs created	New company created	Environmentally friendly project	Innovative project	Marketing, export or business knowledge development project	Cooperation and networking project	Equality fostering project	Relation to fishing tourism	Project implemented by under 40-year old	Size of the implementing company	Projects relation to type of fishing
I. Sea fishing	I.3 Investments to vessels, exclusiveness and protectiveness	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			
	I.4 Small-scale coastal fishing	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			
	I.5 Socioeconomic actions	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
II. Fish farming, inland fishing, fish processing and wholesale	II.1 Fish farming	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
	II.2 Inland fishing	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			
	II.3 Fish processing and wholesale	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		
III. Actions of public good	III.1 Actions relating to the profession	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓
	III.3 Fishing harbours, unloading spots and boat-heds	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			
	III.4 Development of new markets and sales	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓
	III.5 Pilot projects	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓
IV. Regional cooperation	IV.1 Development of fishing groups	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

## The effects of the EFF policy in Finland

This section begins with a descriptive analysis of who and what is evaluated within the EFF policy in Finland and offers an overall picture of the number of EFF projects funded in Finland from 2007 to December 2010. It then presents the data on how general indicators have been applied and an analysis of the how various evaluation criteria are used to assess the effects of individual projects.

The section ends with an analysis of the consistency of actor perceptions of the role that the EFF programmes should have.

#### **Who and what is evaluated?**

The analysis of the project data (Ministry of Forestry and Agriculture, 2011b) showed that from its initiation in January 2007 to December 2010 the EFF operational programme funded 1640 projects in Finland with a total budget of 55.6 million euros. The analysis revealed that 45% of these projects could be defined as support projects for damage caused by seals. These projects will not be included in the following analysis as they resemble subsidies rather than traditional projects. The remaining 907 EFF projects were implemented in 12 different regions in Finland, the majority in the Southwest Finland region along the west coast. Many projects were also implemented in the inland, such as the Kainuu region situated along the eastern border of Finland.

The majority of the project funding was granted within PA 2 or Fish farming, Inland fishing, Fish-processing and wholesale (75%). PA 2 projects also received a substantial amount of private funding that far exceeded the amount granted by both EU and national funding. The project funding was mostly provided by private- (49%), national- (28%) and EU sources (21%). The remaining funding was provided by other public or municipal sources (2%). The projects were mostly implemented by private actors or individuals (45%) or business/companies from the private sector (38%). Voluntary or third sector organisations implemented 8% of the projects and municipalities 5%. The project budgets ranged from under 1000€ to multi-million euro projects.

An association analysis also showed that there was a significant relationship between the ELY-Centre and the type of organisation that received funding (Cramer's  $V = .234$   $p \leq .0001$ ), indicating either that some ELY centres have a greater focus on business projects than others or that some regions have more fishing-related businesses. For instance, 75% of all funded projects in the Ostrobothnia region were implemented by private actors, while in the Tavastia region 77% was implemented by companies.

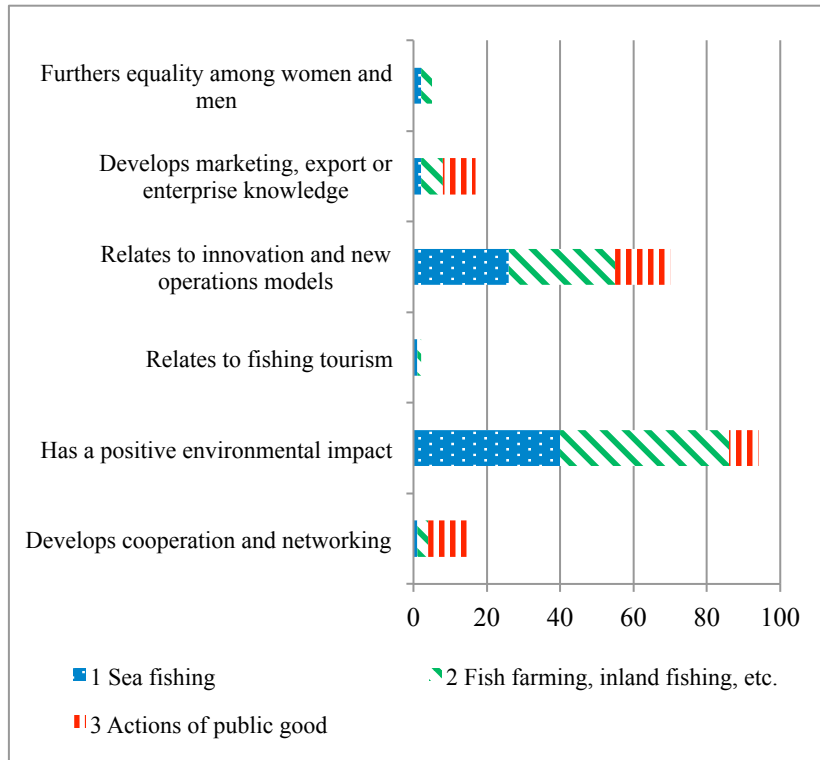
#### **How are the evaluation criteria used?**

Two central features linking individual projects to the governance structure are the development plans and the indicators. According to the database, only 16% of all finished projects that received investment aid had submitted a development plan, and the mandatory indicators only corresponded to 50% of the finished projects. There was also some regional variation in the number of developmental plans submitted. The Ostrobothnia region, for instance, had considerably more submitted developmental plans (65% of all finished projects) than other regions. Interviews with ELY centres, however, showed that the lack of indicators was not a question of neglect but a technical lag in updating the databases.

The analysis showed that approximately half of all finished projects corresponded to at least one general indicator. The most frequently used general indi-

cators were projects stating that their project had positive environmental effects (94), or that their projects were innovative and related to new operational models (70). Both indicators were mainly associated with projects on sea fishing as well as fish farming, inland fishing, and so on.

Figure 1. General indicators in finished PA 1-3 projects (N=374)



The results in figure 1 above indicate that a significant number of projects produced innovative results, had a positive environmental impact and would therefore be well in line with an evaluation model that associates evaluation with learning and enlightenment. Further analysis, however, revealed that information regarding these potentially valuable indicators, along with most of the other general indicators, was gathered on a dichotomous scale (yes/no). In fact, over half (58%) of the general indicators were yes/no questions. The other general indicators included unit questions such as the number of jobs created, or multiple choice questions relating mainly to project type.

The analysis also revealed the same pattern of questions regarding the priority-specific indicators among which almost half (47%) were dichotomous (yes/no) questions. Other indicators frequently asked about related, for instance, to the amount of fish that was caught measured in metric tons per year, or the

number of salmon grown in the sea. Both the general and priority specific indicator questions are summarized in table 2.

Table 2. EFF policy PA sub-categories, general and specific indicators

Priority axes indicator	Indicators													
	General			Specific										
	Units	Yes/No	Multiple choice	Units	Yes/No	Multiple choice	Engine effect in (kW)	Δ Metric ton/year	Δ Number/year	Vessel capacity (GT)	Pier length (m)	Area (m <sup>2</sup> )	Size (m <sup>3</sup> )	Total
I.3 Investments in vessels, exclusiveness and protectiveness	4	6	2	9	2									23
I.4 Small-scale coastal fishing	4	6	8	9	2									29
I.5 Socioeconomic actions	4	7	7											18
II.1 Fish farming	4	6	1	1	1		14	14						41
II.2 Inland fishing	4	6	6	7	1				1					25
II.3 Fish processing and wholesale	4	6	1	8			4				1			24
III.1 Actions relating to the profession	4	6	1	6										17
III.3 Fishing harbours, unloading spots and boatsheds	4	6	4							1	2	2		19
III.4 Development of new markets and sales	4	6	1	9										20
III.5 Pilot projects	4	6	1	4										15
IV.1 Development of fishing group	4	6	2	12										24
<i>Total</i>	<i>44</i>	<i>67</i>	<i>7</i>	<i>27</i>	<i>65</i>	<i>1</i>	<i>5</i>	<i>28</i>	<i>14</i>	<i>1</i>	<i>1</i>	<i>3</i>	<i>2</i>	<i>255</i>

Interviews with ELY representatives also revealed that almost no additional information besides these dichotomous (yes/no) indicator questions was gathered. Positive environmental impact, for instance, included a very broad definition encompassing the development of the company’s environmental friendliness, energy savings, improved waterways, recycling and the development of environmentally friendly products. However, no definition of the indicator about

how the project related to innovation or new operational models existed. This is somewhat surprising considering that the term innovation is highly debatable and can mean widely different things. Knowledge of the possible added value that these projects produced as well as information about what type of innovation was produced is therefore impossible to compile for others than the local ELY centre.

### Consistency of actor perceptions

The survey data, which was gathered during January and February 2011, and was sent to 350 key stakeholders representing 10 different organisations in 17 regions, had a response rate of approximately 30%. The results showed that the majority (52%) of respondents viewed the EFF operational programme's primary role as a mechanism for creating and developing new ways by which entrepreneurial activity can be fostered within the sector. Another frequent view (19%) was that the programme should act as a "wallet" by providing additional economic resources for actors within the sector where necessary. Other alternative roles for the operational programme included being a "generator" for new ideas (8%) or acting as an "umbrella" that gathers various actors under a common framework (9%). Relatively few saw the operational programme's role as a "lobbyist" (4%) by, for instance, addressing key issues either at national or EU level.

Although a clear distinction was made regarding the opinion of the respondents about what role the EFF operational programme should play, the results shown in table 3 indicate variation among the type of respondent. In fact, variation was found in all three large groups of respondents: the fishers, the organisations and federations, and the ELY centres. An example of the respondents' differing views on the role of the operational programme is expressed in the following way.

The operational programme should be a "generator", fostering innovations and structural development. In practice, however, the programme resembles a "wallet" that funds investments that otherwise would not get funded more. (Public sector respondent)

While variation among fishers and organisations and federations can be understood, the variation in the view of their role within the operational programme among ELY centres comes as a surprise. Inconsistency among strategic ELY centres, which serve as gatekeepers controlling funding and matching project proposals to operational programme goals, raises serious questions about the opportunities for integration and implementation of project results.



Table 3. Role of the EFF operational programme according to organisation (N=79)<sup>1</sup>

Primary role of the EFF operational programme	Organisational affiliation							
	Entrepreneur	Generator	Umbrella	One among others	Wallet	Lobbyist	Other	Total
Ministry							1	1
Regional council			1					1
City or municipal administration			1			1		2
ELY Centre	7	2	1	1	3			14
Fishery group	3	1			1		1	6
Fisher	11	3		1	5	1		21
Fish farming	5					1		6
Fish process or wholesale	5				1			6
Organisation or federation	8		2	2	3			15
RKTL	1		1					2
Other	1		1	1	2			5
Total	41	6	7	5	15	3	2	79

Inconsistency regarding the strategic role of the operational programme was also identified by the respondents' opinion about the extent to which the operational programme had increased the strategic development and orderliness within the fisheries sector, in which 49% of the respondents felt that the programme had increased and 51% of the respondents felt it had not. Those who felt that the programme had a positive effect were mostly governmental agencies, while those who felt the programme had not had an effect were fishers, fish processors and wholesalers. Respondents who felt the programme had not had a positive effect mostly saw the EFF funding as a necessary evil resulting from continuously increasing demands imposed by the European Union. Respondents who felt that the programme had a positive effect seemed to have more of a top-down perspective on implementation, seeing the regulatory agencies more as gate-

keepers than actual partners. An example of the respondents' views on the strategic role of the operational programme is:

If EFF funding was not made available it would be impossible for fishermen and fish farmers to exist. They would die out in a second due to the continuously increasing hygiene demands that are difficult to keep up with. (Fisherman respondent)

When asked whether those who had received project funding also thought that their project had generated knowledge that could be of use to actors outside of the project team, 63% of the respondents answered yes. However, when asked in what way, and to whom additional knowledge created was relayed, a variety of alternatives appeared. Some posted information on web-pages while other relayed the information to regional developmental agencies or ELY centres using formal channels. Although several different alternatives were presented, no consistent pattern could be identified, indicating that no structured gathering of the added value or extra knowledge that projects produce existed.

## Evaluating the results of the EFF operational programme in Finland

The results show that a significant number of projects were funded within the EFF programme in Finland. The results also show that various actors are involved in projects and that funding from different sources are channeled to the EFF projects. Although the results indicate that a connection between decisions made to fund projects and actions that they produce does exist, a clear causal relationship between project actions and impact is difficult to make based on the evaluation criteria.

Drawing on elements of programme theory, the results suggest that the objectives of the programme are relatively clearly defined. The means by which the programme operates, however, raises the question of how effective projects are for producing expected programme effects. For instance, the results show that relatively few EFF projects follow a normative project definition and that many resemble subsidies rather than projects. This raises the question of whether projects are just a way for the State to redistribute resources, and if so how fitting the distribution is as opposed to traditional hierarchical state centred channels?

In terms of reaching the target population – in this case the fishery sector – by funding projects and engaging in interaction between project actors and regulatory agencies the results paint a somewhat fragmented picture. Many of the ELY centres viewed their role within the programme differently. Considering that the ELY centres are the authorities that both grant the project funding as well as monitoring the execution and implementation of projects, these results reveal a problem. This raises the question of the extent to which the programme objectives deliver a consistent design across different regions and trickle down the EU regulatory framework and strategic initiatives as intended at the regional level? Is the governance structure capable of handling the management of the myriad of funded projects?

Several questions about goal achievement remain unanswered. There is no doubt that the funded projects produce results and that these results are measured by a multitude of indicators. The majority of indicators, however, tend to focus on outputs rather than outcomes. Indicators that measure some desirable effect of the programme, possibly representing the primary contribution that organizing by projects has to offer as temporary knowledge organisations, falls short. The fact that most of the project actors felt that their projects generated new knowledge that could be useful for other actors also suggests that many of the funded projects include hidden potential that could be utilized if relevant data could be gathered and disseminated in an appropriate way.

Few, if any, evaluation criteria seem to include measurements of the added value that projects are believed to foster. The way in which the potential added value produced by both the programme and individual projects is harnessed therefore poses a problem. The lack of measures aimed at gathering information and the dissemination of knowledge produced by projects does not, however, exclude the possibility that individual ELY centres might gather and distribute additional information using informal channels. Still, the question of whether organizing by projects in the public sector can create added value in terms of knowledge for future policy processes are inconclusive as the integrative capabilities of the evaluation system, as well as the delivery of a sustained contribution that leads to sustainable results, remain unclear.

### **Concluding discussion**

This article has presented an exploratory study of one of many EU programmes and the way by which projects are used to contribute to EU goals. The article has analysed the process behind the implementation of the EFF and the effects that EU funded projects from a programme theoretical perspective.

The results indicate that project contributions do produce added value in terms of new knowledge, but that current evaluations do not capture this. Channels by which knowledge is gathered do exist, but the extent to which the information gathered can be used for future policy processes is questionable. The results suggest that evaluations are not conducted in a way that encompasses all relevant information, especially regarding the added value of projects as a form of organizing. The long-term effect of EFF projects is therefore unclear. These results are in line with the argument of Brulin and Svensson (2011:35) according to which the evaluations of EU projects tend to follow a linear approach that focuses on short-term gains rather than long-term goals. The rationality behind the EFF policy evaluation process thereby follows the rational logic of organisations discussed by Dahler-Larsen (2011: 39) rather than the logic of a learning organisation.

The key question therefore is whether EU projects are evaluated using the right tools, and whether the tools are used correctly. The results indicate that the highly quantitative evaluation criteria used do not measure all contributions that projects have and the added value that organizing by projects could entail. The

consequences of this mismatch between a system that evaluates the results using a rational bureaucratic logic but operates by using project logic could be drastic and questions the prevailing evaluation logic of the EU.

How the added value could be utilised without overcomplicating or bureaucratizing the process is, however, no simple matter. A consequence of increased evaluation requirements and sharper indicator definitions might be that only large-scale projects will get funding because they are the only ones capable of handling the increased bureaucracy. Smaller actors would thereby be excluded. A methodological limitation of this article is the limited scope which might compromise the generalizability of the results. Even though the case of EFF implementation in Finland provides us with general useful information about EU-funded projects, and even though the basic principles for funding are the same for all Member States, national and regional differences do still occur.

Many points addressed in this article require further research, such as the political debate and process preceding the decisions on priorities as well as the actors that participate in this debate. There is thus a significant need for more international comparative research before the rationalistic dream of achieving efficiency, clarity and unambiguity in EU funded projects can be realised.

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#### Acts and regulations

- COUNCIL REGULATION (EC) No 1198/2006 of 27 July 2006 on the European Fisheries Fund.
- COMMISSION REGULATION (EC) No 498/2007 of 26 March 2007 laying down detailed rules for the implementation of Council Regulation (EC) No 1198/2006 on the European Fisheries Fund.
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#### Note

<sup>1</sup> "Entrepreneur" was defined as a developer of businesses within the fishing sector, "Wallet" was defined as an economic resource within the sector, "Generator" was defined as a fosterer of new ideas within the sector, "Umbrella" was defined as gathering actors within the field into a common forum within the sector, "One among others" was defined as an equal actor among many other relevant actors within the sector, "Lobbyist" was defined as a supervisor of interests within the sector