



Brussels, 21.11.2019
SWD(2019) 417 final

COMMISSION STAFF WORKING DOCUMENT

**Thematic Evaluation on Support to Economic Governance in Enlargement and
Neighbourhood Countries**

{SWD(2019) 418 final}

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Main findings

This SWD presents findings on the EU's support to Economic governance in the enlargement and neighbourhood region from 2007 to 2015. The findings are drawn from the external Thematic Evaluation on Support to Economic governance in Enlargement and Neighbourhood Countries from 2007 to 2015¹, one other external evaluation² as well as internal assessments of the European Commission³. Commission services concur with the evaluations' findings. Follow-up to the evaluations' recommendations is currently under discussion.

Method

The external evaluations were based on mixed quantitative and qualitative methods, including the review of strategic and intervention-level documentation, the consultation of a variety of stakeholders (see Annex 3) including during field visits⁴, a survey of EU Delegations⁵ and an Open Public Consultation⁶. Overall, the quality of the evidence collected was assessed as adequate by Commission services. The evidence base collected enabled triangulation but gaps existed and this is reflected in some of the answers to the evaluation questions. Indeed, since economic governance became a *sectoral* priority for assistance proper as of 2013 (ie. towards the end of the evaluation period following the introduction of the 'Fundamentals first' approach⁷), comprehensive programmes, addressing governance as a whole, were not easy to identify. As a result, interventions targeting *elements* of economic governance were selected for analysis within the evaluation. Interventions from the first part of the evaluation period were underpinned by a less than adequate, and often not explicit, theory of change, and existing assessments were limited (e.g. few project or programme-level evaluations were conducted; weak monitoring data; indicators in general of insufficient quality). Finally and despite dissemination efforts, only

¹ Thematic evaluation on support to Economic Governance in enlargement and neighbourhood countries https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/170818_thematic_ev_of_economic_governance_-_final_report.pdf

² The Thematic Evaluation on support to SME Competitiveness in Enlargement and Neighbourhood Countries. https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/final_report_competitiveness.zip.

³ Assessments carried out in the framework of the monitoring of the implementation of the Economic Reform Programmes (ERPs)-related reforms, as well as of the implementation of financial cooperation and policy dialogue with beneficiaries. https://ec.europa.eu/neighbourhood-enlargement/policy/policy-highlights/economic-governance_en

⁴ Visits took place in Morocco, Tunisia, Egypt, Jordan in the Neighbourhood South; Ukraine and Georgia in the Neighbourhood East, and all Enlargement beneficiaries. Within the Competitiveness evaluation, Algeria and Egypt were visit in the Neighbourhood South; Armenia and Moldova in the Neighbourhood East; Bosnia and Herzegovina and Serbia in the Enlargement region.

⁵ A survey targeting final beneficiaries was conducted within the SME Competitiveness evaluation.

⁶ The consultation, conducted within the Economic governance evaluation, was carried out through an online survey open to anyone for 12 weeks. It gathered seven pieces of feedback only. https://ec.europa.eu/europeaid/public-consultation-external-financing-instruments-european-union_en

⁷ The fundamentals first approach to EU enlargement encourages aspiring members to tackle those sectors that underpin overall reform processes, namely rule of law, economic governance and public administration reform (PAR). Economic fundamentals were also defined and encompass macroeconomic stability, a welcoming business environment, functioning labour and financial markets, good levels and quality of education, infrastructure, innovation and economic integration with the EU and the world.

seven pieces of feedback were received through the Open Public Consultation conducted within the Economic governance evaluation and most of them were not usable (see Annex 4).

Scope

Economic governance can be defined as "the system by which government institutions, including independent actors like the central bank, regulate and steer the economy"⁸. The importance of improving economic governance, as a foundation for other interventions, grew over the evaluation period (2007-2015). Over the most part of the period, the European Commission supported a variety of individual elements at the core of EU and national approaches to economic governance, as defined in relevant EU decisions and regulations⁹. It supported, for example, financial regulators, Ministries of Finance, State aid management, tax reforms or capacity building in exports interventions.

Within enlargement policy, as of 2013 a particular emphasis was put on economic governance, as the Commission put forward proposals to support countries' efforts to strengthen their economic governance and improve the competitiveness of their economies. The Instrument for Pre-accession Assistance (IPA) II Regulation, established in 2014 for the period 2014-2020¹⁰ included compliance with the principle of economic governance as one of the thematic priorities for its assistance in the enlargement area, aiming at "enhancing the capacity to strengthen macroeconomic stability and supporting progress towards becoming both a functioning market economy and a more competitive economy; supporting participation in the multilateral fiscal surveillance mechanism of the Union and systematic cooperation with international financial institutions on fundamentals of economic policy, as well as strengthening public financial management". The 2014 Enlargement Strategy¹¹ confirmed that the reform process in the Western Balkans and Turkey would focus on 'Fundamentals first', ie. those sectors that underpin overall reform processes, namely rule of law, economic governance and public administration reform (PAR).

Despite the absence of a requirement for partner countries to become functioning market economies (one of the accession criteria for countries within the enlargement process), the approach underpinning assistance to economic governance in the Neighbourhood region has been similar to the one followed in the enlargement region. The 2015 European Neighbourhood Policy review¹² notably highlighted that enhancing economic governance

⁸ https://ec.europa.eu/neighbourhood-enlargement/policy/policy-highlights/economic-governance_en

⁹ https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/eu-economic-monitoring-prevention-correction_en ;

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:306:0041:0047:EN:PDF;>

http://europa.eu/rapid/press-release_DOC-05-1_en.htm

¹⁰ Regulation (EU) no 231/2014 of the European parliament and of the Council of 11 March 2014

¹¹ See in particular Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions; Enlargement Strategy and Main Challenges 2014-2015 (SWD/2014/301 final)

¹² http://eeas.europa.eu/archives/docs/enp/documents/2015/151118_joint-communication_review-of-the-enp_en.pdf

was key to developing countries' economic resilience and that economic development for stabilisation was one of the proposed joint priorities for cooperation.

Since the end of the evaluation period, the approach to supporting economic governance in both regions has evolved. The current understanding of economic governance is broader than "governance of economic policy" and now encompasses the "acceleration of growth perspectives" as well as sector policy. In the enlargement region, as of 2015, all seven beneficiaries have prepared annual Economic Reform Programmes (ERPs) with the view to designing priority structural reforms to boost competitiveness and addressing pressing obstacles to growth. Those ERPs are then assessed by Commission services and the results are discussed by the EU Member States at Council working groups¹³, culminating in joint conclusions discussed at a high level dialogue with the seven partner countries in the context of the ECOFIN. This process corresponds in fact to the European Semester and aims to prepare enlargement beneficiaries to cope with the coordination of economic policy at EU level. Fulfilling the economic criteria for accession to the EU is therefore strongly linked to the ERPs. The first cycle of ERPs (2015-2017) was prepared and assessed at the time of the implementation of the external evaluation. The ERP exercise has since then been considerably strengthened through various capacity building initiatives¹⁴. According to Commission services' assessments, the quality of the ERPs and of the preparation process has improved significantly since 2015. The implementation of the structural reforms and the policy guidance mutually adopted by the EU and the Western Balkans and Turkey, has also improved. In the Neighbourhood region, the EU's current efforts in the area of economic governance have focused on private sector development through increased investment. The main instrument is the new External Investment Plan (EIP), which includes a European Fund for Sustainable Development (blending facility and a guarantee), extensive technical assistance and an enhanced policy dialogue to improve the business environment and investment climate.

Findings

Relevance

Broadly, the EU's assistance in the area of economic governance (and SME competitiveness) was aimed at reducing macro-fiscal imbalances, improving governance, service delivery and growth outcomes for the citizens.

The evaluation found that the EU's support to economic governance in enlargement countries (through IPA) focused on the most acute capacity-building needs of beneficiaries. Assistance mainly targeted the reinforcement of the institutional and operational capacity of key national economic governance actors, e.g. by introducing the requirement tools and methodologies in line with prevailing EU practices and procedures (line ministries, public and para-public agencies). Over time, a greater focus was placed on macro-financial policies and public financial management.

¹³ E.g. the Economic and Financial Committee (EFC), the Economic Policy Committee (EPC) and the Employment Committee (EMCO).

¹⁴ E.g. an annual adjustment of the Guidance note, to better clarify the purpose, through several capacity-building regional seminars and expert missions organised through the TAIEX instrument, through several support and assessment missions by Commission staff and through a regional IPA programme implemented by the OECD.

In the Neighbourhood region, the need to increase economic growth rates, reduce fiscal imbalances, inflation and unemployment rates were important problem areas which required structural reforms. The latter received EU assistance through a number of interventions¹⁵. The supported reform measures also covered democratic governance practices, economic and social inclusion and capacity and resilience building of key EG institutions. The level of alignment and ownership was more varied in the Neighbourhood region, reflecting the differentiation approach and also the larger interest in engagement with the EU from partners implementing, or negotiating, Deep and Comprehensive Free Trade Agreements (Ukraine, Georgia, Republic of Moldova, and Tunisia and Morocco) than others¹⁶.

Issues addressed as well as the range of support instruments used in both the Enlargement and Neighbourhood regions were considered overall relevant. In the Enlargement region, the sector approach was considered as more relevant than the previous project approach, allowing issues to be interlinked and incentivising line ministries and the National IPA coordinators (NIPAC) to work together. The implementation of the sector approach worked more or less well across Enlargement beneficiaries.

Whilst regional programmes in support of SME Competitiveness were considered remote from the field, with weaker ownership and visibility than national interventions, the relevance of regional programmes in the Balkans in support to Economic governance (mainly supporting regional peer-to-peer exchanges and cooperation) was considered as higher.

Effectiveness and impact

The evaluations found that EU assistance has provided decisive technical support (capacity building, new tools, methodologies) in a large diversity of domains, e.g. standards, setting up of oversight institutions, audit and anti-trust authorities, improvement of public financial management practices, setting up of programme budgeting (Tunisia)¹⁷, improvement of access to finance and business development services, etc.

Overall, across the Enlargement region, EU assistance in the area of economic governance contributed to adopting certain specific elements of the EU *acquis*, strengthening institutions¹⁸ and progress within the overall Enlargement process¹⁹.

In the neighbourhood region, EU assistance supported compliance with EU standards and market access and ultimately to higher economic revenues. The majority of interventions evaluated contributed to containing macro-fiscal imbalances. EU support to oversight and decision-making bodies in the process of public spending (Courts of Accounts/SAI, Parliaments, and CSOs) and to programme budgeting (E.g. in Morocco and Tunisia) also

¹⁵ E.g. improvement of quality of macro fiscal and medium-term budget frameworks (GE, JO, MOR, EG); Budget execution, revenue enhancement (JO), public procurement (UKR), PPP (EG); National / subnational public service delivery, performance (TU, JO, GE); International accounting standards and indicators (JO, EG, UKR); Accountability and oversight involving Parliament, Supreme Audit Institution and CSO (GE, JO, TUN).

¹⁶ Economic Governance evaluation report, pages 48-50. With regard to Egypt, on the contrary, "Until now it doesn't seem that Egypt is very much aligned with EU neighbourhood policy (like Tunisia and Morocco) as the national market interests are moving towards East and at the same time the main fiscal balance support is coming from regional funds such as Saudi Arabia and Qatar", page 226.

¹⁷ The special report of the European Court of Auditors on Tunisia (n. 3, 2017 confirms that "the money was generally well spent as it contributed significantly to the democratic transition and the economic stability of Tunisia after the revolution".

¹⁸ See for example Montenegro, Economic Governance evaluation report, page 172.

¹⁹ Economic Governance evaluation report, page 35.

strongly contributed to a progressive transition towards higher budget transparency and accountability. Political economy factors, as well as issues related to political instability and insecurity have limited the capacity of external assistance to bring about a substantial impact.

Overall, EU's assistance major achievement in the area of economic governance has been increased economic ties between beneficiaries and the EU, and these countries' advancement towards EU accession, or partnership agreements (Morocco, Jordan, Georgia and Ukraine). The combination of traditional financial support with macro financial assistance and the often coordinated support offered by IMF and World Bank also notably contributed to improving the economic resilience of countries in crisis situations²⁰.

Sustainability

Whilst EU assistance has enabled beneficiary and partner countries to progress towards more advanced forms of partnerships and better access to the EU Single Market, the sustainability of more specific effects in the area of economic governance is mixed. In that respect, government ownership of changes supported by EU assistance, the role of institutions in upholding such changes, proper implementation of the sector approach in the Enlargement region, and maintaining momentum for reform in countries in transition have been key.

Other underlying factors need to be addressed continually to ensure sustainable effects, e.g. maintaining support to job creation and revenue enhancement in order to reduce the need for macroeconomic support, integrating the informal economy into the normal circuit to enhance sustainable fiscal revenues.

In general, the level of sustainability of the effects of assistance in the area of economic governance has been better in the Enlargement region, despite political turbulences.

Efficiency

The economic governance evaluation found that the choice of instruments and modalities was informed by the level of maturity of institutions and needs amongst partner countries and beneficiaries, and was therefore based on proper considerations on the allocation of resources.

The use of Budget support, especially in the Neighbourhood countries, and of the twinning instrument rather than private technical assistance, tended to lead to reasonable transaction costs, especially when interventions were designed well²¹. This was especially true for joint Budget support operations (e.g. in Tunisia and Morocco).

Slow and complex administrative and legislative processes were generally not easily compatible with programmes' and projects' limited time-frames and resources. The evaluation did, however, identify numerous, successful cases of the pooling of funds at project level²², although few synergies among different projects were found.

²⁰ Ukraine, affected by the illegal annexation of Crimea by Russia and elements of civil war; Jordan, seriously affected by the refugee crisis; Tunisia, negatively affected by declining FDIs, tourist flows and exports, beside the terrorism.

²¹ With regard to Budget support (BS), the argument for reduced transaction costs does not systematically apply. This is the case when BS operations are of a limited amount, when implementation issues arise, when there are changes in reforms supported (sometimes in response to overambitious targets) or when payments are put on hold.

²² Page 38, Economic governance Evaluation report.

EU Added Value

The EU was, over the evaluation period, the most important international donor supporting economic governance in all IPA beneficiaries. In the Neighbourhood region, the EU was, if not the most, among the largest external assistance providers including IFIs (WB, IMF and AfDB).

Elements of added value of EU support to economic governance and SME competitiveness include (1) the depth and diversity of the expertise and approaches provided within EU assistance; (2) the flexibility of EU assistance in crisis contexts or when other donors tended to phase out and when it shifted into a more emergency-related operational mode; (3) its attention to the most vulnerable and marginal categories of the population.

Coherence, consistency, complementarity and synergies

The EU delivered a large part of its assistance to important economic governance reforms through coordinated support with other donors. A good level of coherence was found with other partners and especially IFIs, considering joint involvement in blending operations (NIF in the Neighbourhood and WBIF in the Western Balkans). The same applies to macroeconomic support through budget support/Macro Financial Assistance and the assistance provided by IMF/World Bank. In some cases, IFIs (e.g. IMF, WB, AfDB) and Macro Financial Assistance also focused on market economic measures, while traditional EU assistance, also in the form of budget support, focused more on governance and PFM (e.g. in Tunisia).

The economic governance evaluation found that, in both regions, national and multi-country programmes and projects were however implemented in parallel with insufficient synergies and cross-fertilization. At a more general level and importantly, considering the pivotal position of economic governance within the global IPA II architecture, tighter connections could have existed between EU policy dialogue and its financial assistance.

Regarding coordination with national beneficiaries, results are mixed, depending on national ownership of economic governance reform and assistance processes (e.g. existence of a proper national strategy, of a body to monitor progress) and also on the level of local capacities and of the stability of the context. The most successful interventions were those where national commitment and coordination was strong, for instance Georgia in the East, a Morocco and Tunisia in the South.

1. Introduction

Purpose of the SWD

This SWD is mainly based on a dedicated external evaluation - the Thematic Evaluation on Support to Economic governance in Enlargement and Neighbourhood Countries - as well as other relevant evaluations²³ and internal assessments of Commission services.

This SWD seeks to **capture the extent to which reforms supporting the principle of economic governance were enhanced and supported by the EU in the Enlargement and Neighbourhood regions as of 2013, when the importance of the principle increased in the enlargement process and in neighbourhood policy.**

Recognising that monopolies, imperfect markets, with limited or unfair competition and state-owned or protected companies, not only hinder efforts to create competitive and flexible business environments but also undermine confidence in a country's socioeconomic development and its ability to create a better future for its citizens, economic governance can be defined as "the system by which government institutions, including independent actors like the central bank, regulate and steer the economy"²⁴. As of 2013, particular emphasis was put on monitoring economic governance as one of the economic criteria for EU accession. Economic governance was reconfirmed as one of three pillars of the Enlargement policy in the Commission's 2014 Enlargement Strategy²⁵. Similarly, the 2015 European Neighbourhood Policy review highlighted that enhancing economic governance was key (amongst other aspects) to developing a country's economic resilience and economic development for stabilisation was one of the proposed joint priorities for cooperation.

Prior to 2013, the European Commission provided support to a variety of individual elements at the core of EU and national approaches to economic governance, as defined in relevant EU decisions and regulations²⁶. For example financial regulators, the Ministry of Finance, State aid management, tax reforms or capacity building in exports were supported, separately or jointly, but without economic governance as an underpinning principle or reference point. **This is important to note since the Thematic Evaluation on Support to Economic governance in Enlargement and Neighbourhood Countries which largely informs the present SWD covers the period covered is 2007 to 2014.** Most of the assistance considered under the evaluation was therefore not designed in support of economic governance (EG) as an underpinning concept but largely contributed to economic governance nonetheless.

²³ E.g. Thematic Evaluation on support to SME Competitiveness in Enlargement and Neighbourhood Countries.

²⁴ https://ec.europa.eu/neighbourhood-enlargement/policy/policy-highlights/economic-governance_en

²⁵ See in particular « Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions « Enlargement Strategy and Main Challenges 2014-2015 » (SWD/2014/301 final)

²⁶ <https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/eu-economic-governance-monitoring-prevention-correction.en> ;

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:306:0041:0047:EN:PDF;>

http://europa.eu/rapid/press-release_DOC-05-1_en.htm

Scope of the external Thematic Evaluation on Support to Economic governance in Enlargement and Neighbourhood Countries

The Thematic Evaluation on Support to Economic governance aimed to assess the level of effectiveness, efficiency, impact, sustainability, relevance, coherence and EU added value of assistance in the area of economic governance in both Enlargement and Neighbourhood regions over the period 2007 to 2015. Both policy dialogue and advice and financial assistance (programming and implementation) were considered.

The interventions analysed were launched in the course of the previous Multi-annual Financial Framework (2007-2013). The evaluation also looked at how assistance in the area of economic governance was reflected in programming under the current MFF (2014-2020).

2. Background on support to economic governance in Enlargement and Neighbourhood Countries

The concept of economic governance appears for the first time with reference to Enlargement countries (i.e. candidate countries and potential candidates) in the Enlargement Strategy of 2010 and it has been consistently addressed and further developed in the following years.

The 2014 IPA II Regulation includes compliance with the principle of economic governance as one of the thematic priorities for its assistance in the Enlargement area, aiming at "enhancing the capacity to strengthen macroeconomic stability and supporting progress towards becoming both a functioning market economy and a more competitive economy; supporting participation in the multilateral fiscal surveillance mechanism of the Union and systematic cooperation with international financial institutions on fundamentals of economic policy, as well as strengthening public financial management". Economic governance was confirmed as one of three pillars of the Enlargement policy in 2014.

It is only in 2015 that the concept is developed with reference to the Neighbourhood countries in the European Neighbourhood Policy Review²⁷, published in November of that year, not having been mentioned under the ENI regulation of 2014²⁸.

Economic governance in Enlargement countries

The European Commission has gradually, from 2013, adapted the economic surveillance of enlargement beneficiaries to the enhanced economic governance in the EU. Enlargement beneficiaries were asked to strengthen their medium-term economic programmes, by putting more emphasis on the sustainability of their external position and on the main structural obstacles to growth and competitiveness²⁹. Putting economic governance at the forefront of the enlargement process was endorsed by the General Affairs Council Meeting on

²⁷ SWD(2015) 500 final, Joint Communication to the European Parliament, the Council, the European economic and Social Committee and the Committee of the Regions, Review of the European Neighbourhood Policy.

²⁸ Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 Establishing a European Neighbourhood Instrument, 15.3.2014.

²⁹ The South East Europe 2020 Strategy.

Enlargement and Stabilization and Association Process on 17th December 2013, where a proposal was adopted to strengthen dialogue on economic reform, competitiveness and job creation. The economic and finance ministers of the Enlargement countries have welcomed this new approach as it provides a more targeted guidance with a view to strengthening public finances, supporting private sector development and stimulating economic growth and competitiveness. It implies a structured economic dialogue and improved reporting on reforms and their implementation needed to support long-term growth and competitiveness.

The process mirrors what is foreseen under article 121 of the TFEU³⁰ and the European Semester of the Member States, an initiative taken by the Commission in response to the economic and financial crisis which affected some EU Member States (Greece, most severely, and Croatia which incurred an excessive deficit procedure shortly after joining the EU in 2013). This situation led the EU to take a closer look at the health of the European economies (economic governance) by means of the European semester initiative. Since the crisis, economic governance in the EU has evolved, and since includes a larger focus on jobs and growth and on structural reforms which are sectoral in nature.

Economic governance was confirmed as one of three pillars of the EU's Enlargement policy, together with Rule of Law and Public Administration Reform, in the framework of the Enlargement package of October 2014³¹. Enlargement beneficiaries were invited to enhance economic policy and its governance through the preparation of annual Economic Reform Programmes (ERPs).

Starting in 2015, all seven enlargement beneficiaries were asked to prepare annual ERPs. The ERPs are the basis for joint Ministerial policy guidance to enlargement partners that are adopted each spring.

Since then, the ERPs are submitted every year to the Commission and respective Conclusions (Policy guidance) are jointly adopted by the EU and enlargement Finance Ministers every May during the Economic and Financial Affairs Council (known as ECOFIN). The ERPs are submitted yearly but they are designed on a revolving three year cycle (n to n+2) to allow follow up on implementation.

The ERPs correspond in fact to the European Semester and prepare enlargement beneficiaries to cope with coordination of economic policy at EU level. Commission services assess the ERPs. These assessments are then submitted to the Council to be discussed by the EU MS in various working groups [Economic and Financial Committee (EFC), Economic Policy Committee (EPC) and Employment Committee (EMCO)]. The discussions culminate in joint conclusions discussed in a high level dialogue with the partner countries in the context of the ECOFIN. The final aim is to support beneficiaries in the

³⁰ The Commission has a role in managing Economic and Monetary Union (EMU). It notably submits to the Council Recommendations for the draft broad guidelines for the Member States' economic policies, and warnings if those policies are likely to be incompatible with the guidelines (Article 121(4) TFEU).

³¹ See in particular »Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions « Enlargement Strategy and Main Challenges 2014-2015 » (SWD/2014/301 final)

design and prioritisation of the most relevant structural reforms which respond to their most pressing obstacles to growth and boost competitiveness.

As a result, fulfilling the economic criteria and accession to the EU is strongly linked to the ERPs.

Economic governance in Neighbourhood countries

The European Neighbourhood Policy review in 2015, under the initiative of President Juncker, indicated that initiatives aimed at improving the management of public policies - macroeconomic ones in particular - were critical to achieving economic growth and resilience in countries seriously affected by the international economic crisis, the refugee crisis, civil wars, and terrorism.

Despite the absence of a formal requirement for Neighbourhood countries to become functioning market economies (which is one of the accession criteria for the enlargement countries), the concept behind assistance to economic governance in the Neighbourhood region can be considered as very much in line with the one developed for Enlargement countries.

3. Method

As previously indicated, this Staff Working Document is mainly supported by an external Thematic Evaluation on Support to Economic governance in Enlargement and Neighbourhood Countries. It covers assistance linked to economic governance provided from 2007 to 2015, including before the emergence of economic governance as a thematic priority of assistance in the Enlargement and Neighbourhood regions.

Findings of other evaluations, namely one on competitiveness, implemented in the same period with a focus on the way the EU supported private sector development, and therefore competitiveness in the beneficiaries, are also taken into account.

These inputs are complemented by the Commission's own analysis carried out in the framework of the monitoring of the implementation of the ERPs-related reforms³², as well as of the implementation of the financial cooperation and the policy dialogue with the beneficiaries.

This SWD largely concurs with the findings and conclusions of the external evaluations.

A follow-up table will be prepared by the services based on the recommendations put forward by the external evaluators.

Organisation of the external evaluation

An evaluation manager was appointed from the Monitoring and Evaluation service of DG NEAR to manage the Economic governance evaluation (he also managed the SME

³² https://ec.europa.eu/neighbourhood-enlargement/policy/policy-highlights/economic-governance_en

competitiveness one). He was supported by a dedicated Inter Service Steering Group made up of colleagues of different line DGs and the External European Action Service (EEAS).

The evaluation on Economic governance was carried out from January 2016 to August 2017: Following the appraisal of bids, a contract for the Economic governance evaluation was awarded in December 2015 to the company B&S Europe. Following the setting up of the Inter-Service Steering Group, a kick-off meeting took place in January 2016. The final report, after scrutiny by the relevant ISG and approval by the Commission, was presented in Brussels in a meeting gathering all economic governance focal points of EU Delegations/Offices of Enlargement and Neighbourhood beneficiaries plus representatives of central units in Brussels on 24 October 2017.

Evaluation Design

Both external evaluations were structured around the following steps: an inception phase, a field one and a synthesis one. They were both based on mixed quantitative and qualitative methods, with a focus on the latter: combining a rigorous assessment of documentation and consultation of stakeholders (semi-structured interviews in Brussels by phone or face-to-face, group consultations), field visits³³ to obtain first-hand level views and, in the case of the SME competitiveness evaluation, a survey to EU Delegations³⁴.

An Open Public Consultation³⁵ which comprised a 12 week online survey was launched within the Economic governance evaluation, and gathered seven pieces of feedback only.

The evidence base collected enabled a certain level of triangulation but gaps existed and this is reflected in some of the overall answers to the evaluation questions.

Methodology and data of the external evaluation

The Economic governance evaluation considered the following evaluation criteria: relevance, effectiveness, efficiency, impact, sustainability, coherence, EU added value. The evaluation also considered cross-cutting issues, gender and the environment.

Overall, the quality of the evidence collected (data, documentation, interviews and survey results) and the data analysis and triangulation efforts have been assessed by Commission services as adequate, with the limitations presented below.

Considering the large number of evaluation questions (28 in total, see Annex 1), some of the answers are more, or less, extensive than others. Annex 4 of the Evaluation report, which presents findings at country level, provides some of the detailed evidence base.

³³ Visits took place in Morocco, Tunisia, Egypt, Jordan in the Neighbourhood South; Ukraine and Georgia in the Neighbourhood East, and all Enlargement beneficiaries. With regard to the Competitiveness evaluation, the visits addressed Algeria and Egypt in the Neighbourhood South; Armenia and Moldova in the Neighbourhood East; Bosnia and Herzegovina and Serbia for the Enlargement region.

³⁴ A specific survey addressing final beneficiaries was used for the Competitiveness evaluation.

³⁵ https://ec.europa.eu/europeaid/public-consultation-external-financing-instruments-european-union_en

Challenges and limitations of the external evaluation

The external evaluators were faced with the following challenges:

- since economic governance became a thematic priority for assistance proper as of 2013 (ie. towards the end of the evaluation period), comprehensive programmes, addressing the concept as a whole, were not easy to identify. As a result, interventions targeting *elements* of economic governance were selected.
- several old interventions were underpinned by a less than adequate, and often not explicit, theory of change;
- Existing assessments were limited: indicators were in general of insufficient quality, and so monitoring data was either not available or weak: monitoring is very often discontinued at the end of project activities³⁶; few project or programme-level evaluations had been carried out in these areas;

Finally, only seven pieces of feedback were received through the Open Public Consultation, despite dissemination efforts. Moreover most of them were not usable (see Annex 4).

4. Implementation state of play

When economic governance was first conceived as a 'Fundamentals First' pillar in the 2014 Enlargement Strategy, the concept was centred on the Economic Reform Programmes. As of 2015, the concept widened to include DG NEAR's broader economic work in the Western Balkans and Turkey and in the Neighbourhood region, e.g. macroeconomic performance and competitiveness, governance of economic policymaking, as well as sector and issue specific work, e.g. trade, private sector development, innovation, investment, employment, education, youth and social policy, as well as statistics. Support to economic governance has broadened beyond governance of economic policy to supporting the acceleration of growth perspectives, including through sector policy as well.

Support to economic governance in the more narrow sense continues to be mainly through the Economic Reform Programmes (ERP) exercise for the enlargement region. For the Neighbourhood there is no similar process or exercise but the EU's efforts are mainly to target private sector development through increased investment. The main instrument is the new External Investment Plan (EIP), which includes a European Fund for Sustainable Development (blending facility and a guarantee), extensive technical assistance and an enhanced policy dialogue to improve the business environment and investment climate. Additional support to economic development is being provided in the Enlargement region through the Western Balkans Investment Framework.

With regard to the ERPs, the first cycle of ERPs (2015-2017) had been prepared and assessed at the moment the external evaluation took place. Since then, there have been three more annual cycles of the exercise. The exercise has been considerably strengthened through

³⁶ See Competitiveness evaluation report, page vi.

an annual adjustment of the Guidance note, to better clarify the purpose, through several capacity-building regional seminars and expert missions organised through the TAIEX instrument, through several support and assessment missions by Commission staff and through a regional IPA programme implemented by the OECD. The Commission assesses each of the seven Economic Reform Programmes annually, following their submission. Based on Commission's' assessment the EU Member States conduct an annual dialogue with the enlargement countries at Ministerial level. According to Commission services' assessments, the quality of the programmes and of the preparation process has improved significantly since 2015. The implementation of the structural reforms and the policy guidance mutually adopted by the EU and the Western Balkans countries and Turkey, has also improved.

For the EIP, the Commission provides feedback to our partner countries under pillar 3 (improving the investment climate) through policy and political dialogues. For IPA and ENI regional programmes, there is an evaluation and monitoring system in place to follow ongoing programmes and their impact.

5. Answers to the evaluation questions

Evaluation Questions on Relevance

EQ1: To what extent is the EU intervention still relevant? To what extent have the (original) objectives proven to have been appropriate for the intervention in question?

EQ 2: How relevant is the EU assistance in view of the priority needs of the countries in the region?

EQ 3: To what extent can the assistance in targeting economic governance complement/coordinate with, national, regional, EU (sector approach) and other assistance?

Although attention to what is now the concept of economic governance increased in the last few years, both in terms of policy prescriptions, of monitoring of performance and of financial cooperation, support in this area had *de facto* already taken place for many years in both Enlargement and Neighbourhood regions³⁷.

What is new is the concept, more than what is concretely done, even if a greater focus is now put on macro-financial policies and public financial management, compared to the past. Whilst the relevance of the economic governance principle has been very high to the EU's assistance in the Enlargement beneficiaries, consistent with the "fundamentals first" approach, relevance has also been very high for Neighbourhood countries, where "the need to increase economic growth rates, reduce fiscal imbalances, inflation and unemployment rates are some of the most important factors that necessitated also structural reforms supported from the interventions evaluated"³⁸.

³⁷ Economic Governance evaluation report, page 26.

³⁸ Economic Governance evaluation report, page 48.

The Economic governance evaluation found "that the currently developed and applied IPA II Framework provides all the necessary conditions in order to improve and reinforce programming of EU's support to economic governance"³⁹.

More specifically, the evaluation found that the EU's support to economic governance in Enlargement countries had focused on the most acute capacity-building needs of IPA beneficiaries. Assistance mainly targeted the reinforcement of the institutional and operational capacity of key national economic governance actors, e.g. by introducing the requirement tools and methodologies in line with prevailing EU practices and procedures (basically line ministries, public and para-public agencies). In the Neighbourhood region, the need to increase economic growth rates, reduce fiscal imbalances, inflation and unemployment rates were important problem areas which required structural reforms. The latter received EU assistance through a number of interventions⁴⁰. The supported reform measures also covered democratic governance practices, economic and social inclusion and capacity and resilience building of key EG institutions.

The level of alignment of EU assistance with national strategies and ownership was higher in the Western Balkans. With regard to the Neighbourhood countries the level of alignment and ownership is less evident. This reflects partly the differentiation approach promoted by the ENP Review, partly the fact that whilst some countries are clearly looking towards Europe (e.g. those engaged in the implementation or negotiation of the Deep and Comprehensive Free Trade Agreement such as Ukraine, Georgia, Moldova, who have already signed them, and Tunisia and Morocco, having a negotiating perspective); in others the situation is less clear. In the evaluation the positive cases mentioned in terms of relevance concern essentially the first group of countries⁴¹.

Topics addressed as well as the wide range of instruments used within EU support were generally considered relevant for both regions (Enlargement and Neighbourhood) by both evaluations. In the Enlargement region, the sector approach was considered as more relevant than the previous project approach, allowing issues to be interlinked and incentivising line ministries and the NIPAC to work together, although this worked more or less well across Enlargement beneficiaries.

With regard to support to private sector/competitiveness, no substantial evolution in approaches was noted in the evaluations (the increase in use of blending operations took place outside the evaluation periods).

³⁹ Economic Governance evaluation report, page 31.

⁴⁰ E.g. improvement of quality of macro fiscal and medium-term budget frameworks (Georgia, Jordan, Morocco, Egypt); Budget execution, revenue enhancement (Jordan), public procurement (Ukraine), PPP (Egypt); National / subnational public service delivery, performance (Tunisia, Jordan, Georgia); International accounting standards and indicators (Jordan, Egypt, Ukraine); Accountability and oversight involving Parliament, Supreme Audit Institution and CSO (Georgia, Jordan, Tunisia).

⁴¹ Economic Governance evaluation report, pages 48-50. With regard to Egypt, on the contrary, "Until now it doesn't seem that Egypt is very much aligned with EU neighbourhood policy (like Tunisia and Morocco) as the national market interests are moving towards East and at the same time the main fiscal balance support is coming from regional funds such as Saudi Arabia and Qatar", page 226.

The Thematic Evaluation on support to SME Competitiveness in Enlargement and Neighbourhood Countries⁴² identified a certain number of issues related to the relevance of regional programmes looked at, e.g.:

- They tended to reflect more an EU assessment of the needs of the beneficiaries than a proper need assessment at local level;
- Lack ownership by beneficiaries: this is partly the consequence of the above, partly of the fact that the relevant Financing Agreements were not signed by the beneficiaries, contrary to bilateral programmes;
- Were typically managed centrally, either in Brussels (mostly), or in other countries. The distance from the field made them less owned and visible for Governments, other local stakeholders, but also for EU Delegations/Offices;
- Represented a small proportion of the total allocations (about 10%) of the instruments and, operating in all countries, received limited attention from both beneficiaries and EU Delegations⁴³.

The relevance of regional programmes in Enlargement countries was noted as higher in the Economic governance evaluation. Indeed, such regional programmes tended to support regional initiatives (e.g. the Regional Cooperation Council, the Central European Free Trade Agreement, the Centre for Excellence in Finance – CEF) and to provide specific technical support to beneficiary/partner governments creating needed space for peer-to-peer exchanges and cooperation⁴⁴ in a context where regional strategies exist (e.g. the South East Europe 2020 Strategy – SEE2020). In addition, regional interventions in the enlargement region provided through the IMF, the World Bank and the OECD played a critical role in enhancing current practices in PFM, monitoring of country competitiveness and enhancing standards in central banking.

Evaluation Question on Effectiveness

EQ9: How effective was the assistance in targeting economic governance? How did it contribute to tangible improvements on the economic trends? Alternatively, how did it help narrow the gap between the beneficiary and the acquis?

EQ 10: How did the assistance provide a response to the real needs, in terms of quality, timing and duration?

EQ 11: How effectively had the priorities and needs of the beneficiary been translated into provisions of actual assistance?

According to the external evaluations, EU assistance has provided decisive technical support (capacity building, new tools, methodologies) in a large diversity of domains (standards, setting up of oversight institutions, audit and anti-trust authorities, improvement of public financial management practices, setting up of programme budgeting (Tunisia)⁴⁵, improvement of access to finance and business development services. A survey conducted

⁴² See Competitiveness evaluation report, page 3.

⁴³ This is especially the case of Turkey, considering the very limited relevance of the budget dedicated to regional programmes compared to the national budget, and also the fact that in the Enlargement context regional organisations and strategies only exist for Western Balkans and regional/multi-country programmes tend to be mostly designed for this region.

⁴⁴ Economic Governance evaluation report, page 8.

⁴⁵ The special report of the European Court of Auditors on Tunisia (n. 3, 2017 confirms that "the money was generally well spent as it contributed significantly to the democratic transition and the economic stability of Tunisia after the revolution".

amongst companies having received financial or non-financial support from the EU notably found a linear relationship between companies' sizes and the effectiveness of funding to support growth in turnover⁴⁶. This result is consistent with IFIs practice to target their assistance to companies who already perform well, which are typically not micro enterprises.

In the enlargement region, the evaluation found that "the evaluated EU assistance (based on the projects retained in the evaluation sample) has had an overall positive effect on the facilitation of the Enlargement process in all the IPA Beneficiaries. Assistance notably supported the reinforcement of a wide array of economic governance tools, instruments and procedures in line with EU practices and contributed to adopting certain specific elements of the EU *acquis*. In Albania, for example, EU assistance contributed to aligning tax legislation with the *acquis*, to strengthening the transparency and accountability of public financial management, as well as the capacity of public administration staff, notwithstanding further efforts required in the implementation of legislation and in building overall capacity. Overall, across the Enlargement region, EU assistance in the area of economic governance has contributed to progress within the overall Enlargement process⁴⁷.

In the neighbourhood region, EU assistance supported partner countries in developing (1) systems in support of economic governance and (2) where relevant, products in line with EU market requirements, in particular contributing to market access and therefore to higher economic revenues. The majority of interventions evaluated contributed to containing macro-fiscal imbalances. EU support to oversight and decision-making bodies in the process of public spending (Courts of Accounts/SAI, Parliaments, and CSOs) also strongly contributed to a progressive transition towards higher budget transparency and accountability.

Evaluation Question on impact

EQ12: To what extent was the assistance effective in achieving the desired results, and what possibly hampered its achievement?

EQ 13: To what extent are the impacts sustainable and what further improvements are needed? What are the factors that hampered the impact and sustainability of the assistance?

EQ 14: To which extent will the EU assistance have an overall positive effect on the facilitation of the Enlargement process?

EQ 15: Which are the appropriate SMART indicators that should be embedded in the upcoming projects?

Impact is inevitably difficult to assess, given the indirect influence that can be played by EU support. In the case of assistance in the Neighbourhood region, political economy factors, as well as issues related to political instability and insecurity have limited the capacity of external assistance to bring about a substantial impact.

⁴⁶ This is a web survey conducted in the framework of the Competitiveness evaluation. One third of the companies surveyed reported an increased turnover, growth in jobs, more international trade and higher profitability as direct result of this support. This may be due to a combination of converging factors, for instance: larger companies' capacity to put more effective growth strategies in practice, and the likelihood that funding specifically aiming at growth preferably targets larger companies. See Competitiveness evaluation, vol. 2, Annex 6.

⁴⁷ Economic Governance evaluation report, page 35.

In both regions, assistance delivered under the ENI and IPA did not have any significant effects on economic trends. One has to point out that the combination of traditional financial support of the EU with macro financial assistance and the often coordinated support offered by IMF and World Bank has, however, contributed to improving the economic resilience⁴⁸ of countries in crisis situations (e.g. Ukraine, affected by the illegal annexation of Crimea by Russia and elements of civil war; Jordan, seriously affected by the refugee crisis; Tunisia, negatively affected by declining FDI, tourist flows and exports, beside the terrorism⁴⁹). The evaluation found that in some countries (Georgia, Morocco) "their macro fiscal balances have been stable, governance indicators improving in time together with/and growth outcomes (employment and leaving standards) paving the way for further improvement of EG in general. Nevertheless, in countries in transition or affected from external shocks (Tunisia, Ukraine, Egypt and somehow Jordan), the interventions have been partially effective with the best positive outcomes in governance matters and mixed (positive and negative) outcomes in employment and unemployment levels". The positive trend in terms of business environment is shown by the Doing Business indicators, looking at the dynamics of the Distance to Frontier indicator of the World Bank in both Neighbourhood East and Enlargement beneficiaries⁵⁰.

Looking at the evolution of beneficiary countries' overall economic situation, one can notice a more substantial impact on countries gradually progressing on certain reforms (e.g. Morocco and Georgia in the Neighbourhood, all Enlargement beneficiaries). Progress still needs to materialise in countries undergoing economic and social transitions, such as Tunisia, Ukraine⁵¹, Egypt.

⁴⁸ Jordan has continued growing at rates above 2% and is substantially decreasing the fiscal deficit, despite the difficult regional environment; IMF expects Tunisia to grow at 2.5% in 2017 and Ukraine at 2% in 2017.

⁴⁹ The capacity of EU assistance to support Tunisia keep the momentum for democratic transition in a difficult economic context was also pointed out by the Special report of the Court of Auditors.

⁵⁰ See table below.

⁵¹ Even if a substantial improvement in Ukraine's business environment was noted (see the Distance to frontier indicator in the table).

Evolution (2010-2016) of the overall economic situation in partner countries' (Neighbourhood region) on the basis of key indicators

Indicators	Region/Country	2010	2013	2016
Distance to frontier (WB) (range 1-100)				
	N East	59.73	67.19	72.10
	Georgia	76.61	82.09	80.20
	Moldova	59.21	32.26	72.75
	Ukraine	44.21	58.14	63.90
	N South	58.64	56.97	54.69
	Morocco	60.04	64.38	67.50
	Jordan	57.17	57.88	57.30
	West Balkans	59.6	63.5	71.3
World Competitiveness Index (WEF) (range 1-7)				
	N East	4	4.1	4.2
	Georgia	3.8	4.1	4.32
	N South	4.1	4.2	4.1
	Morocco	4.1	4.1	4.2
Corruption perception index (Transparency International) (range 1-100)				
	N East	2.8*	33.7	36.8
	Georgia	3.8*	49	57
	N South	3.5*	34.7	34.8
	N South	44.50	36.04	32.59

In the Enlargement region, the main and key types of effects of EU assistance in the area of economic governance have been strengthened institutions and aligned legislation⁵². Gradual and successful implementation of programme budgeting, both in Morocco and Tunisia, are examples of solid results, which, in the case of Tunisia, has been of critical importance within the democratic transition process⁵³.

Overall, EU's assistance major achievements in the area of economic governance has been increased economic ties between beneficiaries and the EU, and these countries' advancement towards EU accession or partnership agreements. In the neighbourhood region, this was the case for Morocco, Jordan, Georgia and Ukraine.

Evaluation Question on sustainability

EQ16: To which extent are the outcomes of the EU assistance likely to continue producing effects after the end of EU funding?

EQ 17: How can the programming of such assistance be enhanced to improve the impact and sustainability of financial assistance?

EQ 18: To what extent are the beneficiaries with strategic/policy and management responsibility have and still are, demonstrating ownership of the results?

EQ 19: How much has the economic governance structures evolved thanks to IPA funding?

⁵² See for example Montenegro, Economic Governance evaluation report, page 172.

⁵³ See Economic Governance evaluation report, page 247 and 255.

Whilst EU assistance has enabled beneficiary and partner countries to progress towards more advanced forms of partnerships and of better access to the EU Single Market, the sustainability of more specific effects in the area of economic governance is mixed. Government follow-up is a key contributing factor. Institutions supported, both on economic governance and competitiveness issues, tend to continue to exist and play a role⁵⁴. This is the case on Governance and PFM issues, where also the PEFA confirmed the overall positive evolution (in Ukraine, following the political crisis in 2014, the situation in 2015 deteriorated in certain areas, and later improved overall).

The Economic Governance evaluation mentions other factors contributing to the sustainability of assistance in the sector, namely the critical role of properly implementing the sector approach in order to ensure continuity of results. Support to the integration of the informal economy into the normal circuit can also play a key role in enhancing sustainable fiscal revenues for the public sector⁵⁵.

Whilst the level of sustainability of the effects of assistance in the area of economic governance looks, in general, better in the Enlargement region, continuity in support is indispensable to keep the momentum of the reform process in countries in transition. This is generally the case of the Neighbourhood countries analysed in detail in the Economic Governance evaluation, with the exception of Morocco which seems more ahead than others with some reforms⁵⁶. The necessity to maintain support to job creation and revenue enhancement activities in order to reduce the need for macroeconomic support is also evident.

Finally, a key issue for sustainability relates to the level of ownership of the changes to which EU assistance has contributed, more so in unstable contexts. The Competitiveness evaluation found that ownership was weaker in regional programmes, considered as remote⁵⁷.

With respect to sustainability it is also worth mentioning that sustainability is more difficult to assess at project level, as monitoring is very often discontinued at the end of project activities⁵⁸ and few evaluations take place.

Evaluation Questions on Efficiency

EQ4: IPA: To what extent has the EU assistance helped IPA beneficiaries achieve the strategic objectives of EU accession? ENI: To what extent has the EU support contributed to the beneficiary meeting its obligations under the Stabilisation and association agreement with the EU?

EQ 5: What is the comparative efficiency and value added of the different instruments and/or Aid modality that have been provided? (Twinning, TAIEX, Budget Support, et cetera) Advantages and/or disadvantages?

EQ 6: How well did projects aimed at enhancing Economic governance work together to reach the

⁵⁴ See Economic Governance evaluation report, with specific reference to Albania and Montenegro, page 36.

⁵⁵ This was the case of Kosovo, Economic Governance evaluation report, page 74.

⁵⁶ Economic Governance evaluation report, page 57.

⁵⁷ Though this issue emerged in particular in the Competitiveness evaluation, it deserves consideration also within EU support to economic governance.

⁵⁸ See Competitiveness evaluation report, page vi.

EU policy objectives?

EQ 7: How can programming of economic governance projects be enhanced to achieve strategic objectives more effectively and efficiently?

EQ 8: What was the most efficient methodology in the various projects? And why was it better? How was the programming different vis-à-vis the other projects?

In terms of efficiency, the economic governance evaluation found the choice of implementation instrument was informed by the level of maturity of institutions (e.g. reflecting differences between Turkey and Kosovo for example) and needs, e.g. TAIEX for small and targeted interventions since the procedure is short and fast, and the absorption capacity is high, and twinning when more focused peer-to-peer assistance was requested and when the beneficiary institution was sufficiently mature and experienced.

The use of budget support, especially in the Neighbourhood countries, and of the twinning instrument, rather than private technical assistance, tended to make transactions costs reasonable, especially when interventions were designed well⁵⁹. This is especially true for joint budget support operations, in Morocco and Tunisia notably, where joint funding of operations by the EC with the World Bank and the African Development Bank efficiently way sustained support to macroeconomic reforms⁶⁰, also ensuring reduced transactions costs through the use of common matrices and supervision missions.

Finally the evaluation report found many successful reported cases of funds' pooling at a project level⁶¹. Other types of funds' pooling, such as public-private partnerships or schemes using diaspora remittances, have not been used so far for various reasons (e.g. the significant sovereign risk or lack of an appropriate legal framework).

The Competitiveness evaluations points out that “administrative and legislative processes are often too complex and slow to efficiently conciliate with programmes' and projects' limited time-frames and resources, and also multiple political, economic and social interests stand in the way of timely resolving sustainability-related issues”. Albeit neither new nor specific to the area of economic governance, “it is perhaps the main factor impeding long-term effectiveness”⁶².

Delays in implementation have not been considered particularly problematic in general.

On the negative side one has to notice the limited synergies among different projects, as pointed out in the Competitiveness evaluation.

Evaluation Question 4: Added value

EQ23: What is the added value resulting from the EU interventions, compared to what could be achieved by the beneficiary countries at a more national and/or regional level without such interventions?

⁵⁹ With regard to budget support, the argument for reduced transaction costs doesn't systematically apply. When BS operations are of limited amount, problems intervene during implementation and changes intervene in the reforms supported, also in response to overambitious targets, and payments are put on hold, like in Azerbaijan, this doesn't hold true anymore (See Azerbaijan country evaluation).

⁶⁰ Economic Governance evaluation report, page, page 51.

⁶¹ Page 38, Evaluation report.

⁶² Competitiveness evaluation report, page 19.

EQ 24: Which areas do not require the involvement of EU assistance because they are well covered by other donors or require a partial assistance to be coordinated with other donors present in the field?

EQ 25: To what extent has the EU assistance contributed to enhancing the visibility of EU funding in the Enlargement region?

EQ 26: To what extent can Budget Support and/or a mix of instruments led to further improvements in policy and reforms?

The added value of EU support stems from different aspects, as pointed out in the two evaluations.

- The diversity and level of expertise and organisational cultures available within EU assistance, stemming mainly from expertise available across EU Member States (and accessible via twinning) and available through international private consultants;
- the flexibility of EU assistance in crisis contexts or when other donors tended to phase out and when it shifted into a more emergency-related operational mode;
- its attention to the most vulnerable and marginal categories of the population;
- Capacity to address certain topics in a moment in which the national budget could not enable much room for manoeuvre. In this respect, for example, EU support has ensured in Tunisia the possibility of sustaining the democratic transition process despite a difficult macroeconomic situation and an already high fiscal deficit.

The EU has been the most important international donor supporting economic governance in all IPA beneficiaries and the only one in the case of Turkey (beyond support by and cooperation with key IFIs). In the neighbourhood, the EU is, if not the most, among the largest external assistance providers including IFIs (WB, IMF and AfDB). According to the Economic governance evaluation, "without the EU's support, all IPA beneficiaries would not have achieved such improvements in their economic governance structures', efficiency, technical capacity and utilization of up-to-date tools and instruments, transferred to them via the EU support"⁶³. In the case of Tunisia, the flexible approach used with budget support offered the possibility of reallocating "some of the budget support funds, after the revolution, to the financial support of local authorities, (which) has been critical for maintaining the level of public services at local government level and, hence, has reduced the risk of civil unrest and smoothed the transition reforms period in Tunisia"⁶⁴ Although the Commission needs to continue cooperating closely with IFIs, assessing the candidate countries' laws, practices and policy in relation to EU acquis and policies remains ultimately the responsibility of the Commission. Similarly, the advice of IFIs to ENP countries has to be consistent with the obligations taken by the countries in their Association Agreements and Deep and Comprehensive Free Trade Agreements.

Evaluation Question 5: Coherence, consistency, complementarity and synergies

EQ20: To what extent is the EU assistance coherent with other interventions which have similar objectives? To what extent is EU assistance coherent with other actions on the field? Is EU assistance coherent?

EQ 21: To what extent does the EU assistance in targeting economic governance promote effective

⁶³ Economic Governance evaluation report, page 40.

⁶⁴ Economic Governance evaluation report, page 51.

cooperation and coordination between stakeholders?

EQ 22: To what extent has the EU assistance enhanced the coherence and visibility of EU aid, and promoted innovative approaches?

The EU notably delivered a large part of its assistance through coordinated support (with other donors) to important economic governance reforms aimed at reducing macro-fiscal imbalances, improving governance, service delivery and growth outcomes for the citizens.

A good level of coherence was found with other partners and especially IFIs, considering the joint involvement in blending operations (NIF in the Neighbourhood and WBIF in the Western Balkans). The same applies to macroeconomic support through budget support/Macro Financial Assistance and the assistance provided by IMF/World Bank. In those cases one can also notice a certain degree of specialisation. In some cases IFIs (e.g. IMF, WB, AfDB, but also MFA) focused on hard “market” economic measures, while traditional EU assistance, also in the form of budget support, focused more on governance and PFM (like in Tunisia).

The issue of visibility was addressed by the evaluations under the Coherence criteria. Visibility was found to have been higher in the case of twinnings ⁶⁵.

The economic governance evaluation report found that, in both regions, national and multi-country programmes and projects were however implemented in parallel with insufficient synergies and cross-fertilization.

With regard to private sector development, it is worth noting that national ENI and IPA allocations were used to contribute to partner countries' participation to certain EU programmes such as H2020 and COSME.

Regarding the coordination with national beneficiaries the results are mixed. While the EU has paid attention to national authorities' coordination efforts within single projects/programmes, they were uneven overall. This was dependent on national ownership of the economic governance reform and assistance process (e.g. development of a proper national strategy, assigning a body to monitor progress) and also on the level of local capacities and of context stability. The most successful interventions were those where national commitment and coordination was strong, for instance Georgia in the East, a Morocco and Tunisia in the South.

Furthermore, a broader approach to economic governance should support an increased attention to employment and social policies as well as consistency with public administration reforms.

At a more general level and importantly, considering the pivotal position of economic governance within the global IPA II architecture, tighter connections could have existed between EU policy dialogue and its financial cooperation.

⁶⁵ Economic Governance evaluation report, page 39.

6. Conclusions

The external evaluation found that the EU's support to *elements* of economic governance since 2013 focused on structural needs and sought to reinforce the institutional and operational capacity of key national economic governance actors in partner countries and beneficiaries, and as such was highly relevant. The diversity of aid delivery modalities used over time (budget support, twinning etc.) also catered for the wide variety of beneficiaries' and partners' needs and level of institutional maturity.

In the Enlargement region, support was provided well before economic governance was confirmed as one of three pillars of the EU's Enlargement policy in 2014. This recognised that economic governance was a key challenge and objective within the accession process. The sector-based approach introduced in IPA II supported a more holistic form of assistance, aiming to address structural weaknesses in an integrated manner. The particular emphasis on economic governance in Enlargement assistance led to the launch of Economic Reform Programmes (ERPs) to support the process.

Whilst, in Enlargement countries, this was very much justified by the need to pursue the process of reforms aimed at preparing accession, in Neighbourhood countries this was also needed considering the challenges of high unemployment, increasing inequalities and persistent macroeconomic imbalances. The economic governance approach supported in the Neighbourhood emphasised the importance of establishing institutions, processes and procedures to allow economic activity aimed at citizens' economic and social development and building resilience against macro fiscal threats or imbalances in contexts of political transition, external shocks and conflicts. The EU's assistance to economic governance was one of the largest sources of support.

EU assistance was found to have significantly contributed to the reinforcement of partners' economic governance institutional capacity (e.g. introduction and ownership and utilisation of instruments, procedures and tools in line with current EU practices, streamlining economic governance reforms, developing opportunities for inter-regional cooperation, etc.). In the enlargement region, EU assistance to economic governance contributed to bringing IPA beneficiaries closer to the *acquis*. The evaluation found however that the contribution of the multi-beneficiary programmes implemented at the time by the three inter-governmental organisations active in the IPA Region (RCC, ReSPA and CEF) could have been larger, had there been stronger complementarity with national support in the area. In Neighbourhood countries, Joint Support (with other donors), aimed at leveraging EU financial and technical support, was overall more effective and efficient in countries with strong strategic planning and coordination systems.

However political instability in a significant number of IPA beneficiaries put achievements at risk and questioned their long-term sustainability. Improving ownership by Governments and other national stakeholders is needed to improve the alignment of interventions, especially regional ones, to needs, and also to make our assistance more sustainable.

Overall, political economy factors in partner countries and amongst beneficiaries had an important influence on the level of effectiveness, impact and sustainability of EU assistance. Future programming should pay attention to countries which have favourable political environments conducive to reforms and those in transition or where reforms have lagged or been insufficient. A reform sequencing approach in these countries, and a careful selection of aid delivery modalities would help in this regard.

Annex 1. Evaluation Questions

Relevance

EQ1: To what extent is the EU intervention still relevant? To what extent have the (original) objectives proven to have been appropriate for the intervention in question?

EQ 2: How relevant is the EU assistance in view of the priority needs of the countries in the region?

EQ 3: To what extent can the assistance in targeting Economic governance complement/coordinate with, national, regional, EU (sector approach) and other assistance?

Efficiency

EQ4: IPA: To what extent has the EU assistance helped IPA beneficiaries achieve the strategic objectives of EU accession?

ENI: To what extent has the EU support contributed to the beneficiary meeting its obligations under the Stabilisation and association agreement with the EU?

EQ 5: What is the comparative efficiency and value added of the different instruments and/or Aid modality that have been provided? (Twinning, TAIEX, Budget Support, et cetera) Advantages and/or disadvantages?

EQ 6: How well did projects aim at enhancing Economic governance work together to reach the EU policy objectives?

EQ 7: How can programming of Economic governance projects be enhanced to achieve strategic objectives more effectively and efficiently?

EQ 8: What was the most efficient methodology in the various projects? And why was it better? How was the programming different vis-à-vis the other projects?

Effectiveness,

EQ9: How effective was the assistance in targeting Economic governance? How did it contribute to tangible improvements on the economic trends? Alternatively, how did it help narrow the gap between the beneficiary and the acquis?

EQ 10: How did the assistance provide respond to the real needs, in terms of quality, timing and duration?

EQ 11: How effectively had the priorities and needs of the beneficiary been translated into provisions of actual assistance?

Impact

EQ12: To what extent was the assistance effective in achieving the desired results, and what possibly hampered its achievement?

EQ 13: To what extent are the impacts sustainable and what further improvements are needed? What are the factors that hampered the impact and sustainability of the assistance?

EQ 14: To which extent will the EU assistance have an overall positive effect on the facilitation of the Enlargement process?

EQ 15: Which are the appropriate SMART indicators that should be embedded in the upcoming projects?

Sustainability

EQ16: To which extent are the outcomes of the EU assistance likely to continue producing effects after the end of EU funding?

EQ 17: How can the programming of such assistance be enhanced to improve the impact and sustainability of financial assistance?

EQ 18: To what extent are the beneficiaries with strategic/policy and management responsibility have and still are, demonstrating ownership of the results?

EQ 19: How much has the Economic governance structures evolved thanks to IPA funding?

Coherence, consistency, complementarity and synergies

EQ20: To what extent is the EU assistance coherent with other interventions which have similar objectives? To what extent is EU assistance coherent with other actions on the field? Is EU assistance coherent?

EQ 21: To what extent does the EU assistance in targeting Economic governance promote effective cooperation and coordination between stakeholders?

EQ 22: To what extent has the EU assistance enhanced the coherence and visibility of EU aid, and promoted innovative approaches?

Added value

EQ23: What is the added value resulting from the EU interventions, compared to what could be achieved by the beneficiary countries at a more national and/or regional level without such interventions?

EQ 24: Which areas do not require the involvement of EU assistance because they are well covered by other donors or require a partial assistance to be coordinated with other donors present in the field?

EQ 25: To what extent has the EU assistance contributed to enhancing the visibility of EU funding in the Enlargement region?

EQ 26: To what extent can Budget Support and/or a mix of instruments led to further improvements in policy and reforms?

Gender and Environment

EQ27: Are both genders equally affected by these projects? If not, why? If so, was this due to a specific element in programming or implementation?

EQ28: To what extent was the assistance to Economic governance effective in achieving planned results related to environment protection and adaptation to climate change challenges? What possibly hampered such achievements?

Annex 2. Procedural information

This Staff Working Document is mainly supported by an external Thematic Evaluation on Support to Economic governance in Enlargement and Neighbourhood Countries. It covers assistance linked to economic governance provided from 2007 to 2015, including before the emergence of economic governance as a thematic priority of assistance in the Enlargement and Neighbourhood regions.

Findings of other evaluations, namely one on competitiveness, implemented in the same period with a focus on the way the EU supported private sector development, and therefore competitiveness in the beneficiaries, are also taken into account.

These inputs are complemented by the Commission's own analysis carried out in the framework of the monitoring of the implementation of the ERPs-related reforms⁶⁶, as well as of the implementation of the financial cooperation and the policy dialogue with the beneficiaries.

Organisation of the external evaluation

An evaluation manager was appointed from the Monitoring and Evaluation service of DG NEAR to manage the Economic governance evaluation (he also managed the SME competitiveness one). He was supported by a dedicated Inter Service Steering Group made up of colleagues of different line DGs and the External European Action Service (EEAS).

The evaluation on Economic governance was carried out from January 2016 to August 2017: Following the appraisal of bids, a contract for the Economic governance evaluation was awarded in December 2015 to the company B&S Europe. Following the setting up of the Inter-Service Steering Group, a kick-off meeting took place in January 2016. The final report, after scrutiny by the relevant ISG and approval by the Commission, was presented in Brussels in a meeting gathering all economic governance focal points of EU Delegations/Offices of Enlargement and Neighbourhood beneficiaries plus representatives of central units in Brussels on 24 October 2017.

Evaluation Design

Both external evaluations were structured around the following steps: an inception phase, a field one and a synthesis one. They were both based on mixed quantitative and qualitative methods, with a focus on the latter: combining a rigorous assessment of documentation and consultation of stakeholders (semi-structured interviews in Brussels by phone or face-to-

⁶⁶ https://ec.europa.eu/neighbourhood-enlargement/policy/policy-highlights/economic-governance_en

face, group consultations), field visits⁶⁷ to obtain first-hand level views and, in the case of the SME competitiveness evaluation, a survey to EU Delegations⁶⁸.

An Open Public Consultation⁶⁹ which comprised a 12 week online survey was launched within the Economic governance evaluation, and gathered seven pieces of feedback only.

The evidence base collected enabled a certain level of triangulation but gaps existed and this is reflected in some of the overall answers to the evaluation questions.

Methodology and data of the external evaluation

The Economic governance evaluation considered the following evaluation criteria: relevance, effectiveness, efficiency, impact, sustainability, coherence, EU added value. The evaluation also considered cross-cutting issues, gender and the environment.

Overall, the quality of the evidence collected (data, documentation, interviews and survey results) and the data analysis and triangulation efforts have been assessed by Commission services as adequate, with the limitations presented below.

Considering the large number of evaluation questions (28 in total, see Annex 1), some of the answers are more, or less, extensive than others. Annex 4 of the Evaluation report, which presents findings at country level, provides some of the detailed evidence base.

Challenges and limitations of the external evaluation

The external evaluators were faced with the following challenges:

- Since economic governance became a thematic priority for assistance proper as of 2013 (ie. towards the end of the evaluation period), comprehensive programmes, addressing the concept as a whole, were not easy to identify. As a result, interventions targeting *elements* of economic governance were selected.
- Several old interventions were underpinned by a less than adequate, and often not explicit, theory of change;
- Existing assessments were limited: indicators were in general of insufficient quality, and so monitoring data was either not available or weak: monitoring is very often discontinued at the end of project activities⁷⁰; few project or programme-level evaluations had been carried out in these areas;

Finally, only seven pieces of feedback were received through the Open Public Consultation, despite dissemination efforts. Moreover most of them were not usable (see Annex 4).

⁶⁷ Visits took place in Morocco, Tunisia, Egypt, Jordan in the Neighbourhood South; Ukraine and Georgia in the Neighbourhood East, and all Enlargement beneficiaries. With regard to the Competitiveness evaluation, the visits addressed Algeria and Egypt in the Neighbourhood South; Armenia and Moldova in the Neighbourhood East; Bosnia and Herzegovina and Serbia for the Enlargement region.

⁶⁸ A specific survey addressing final beneficiaries was used for the Competitiveness evaluation.

⁶⁹ https://ec.europa.eu/europeaid/public-consultation-external-financing-instruments-european-union_en

⁷⁰ See Competitiveness evaluation report, page vi.

Annex 3. Synopsis report of the stakeholders' consultation strategy

Consultation strategy

1.1 Introduction

This thematic evaluation on Support to Economic Governance in Enlargement and Neighbourhood Countries has been carried out from January 2016 through mid-2017.

The global objective of the evaluation was to provide findings and recommendations to assist DG NEAR in streamlining its approach to economic governance and improving its programming of EU assistance, targeting support to economic governance in enlargement countries, based on the lessons learned from and good practices of previous and related projects, as well as the relevant strategic orientation.

This Consultation strategy provides an overview of the approach that has been taken for consulting this evaluation with its main stakeholders. It contains two elements. The first is a stakeholder mapping which outlines the main institutions or groups that are considered as 'stakeholders'. The second is a stakeholder consultation strategy that the evaluation team has deployed to engage with these stakeholders during the evaluation process, along with the timeline for its delivery. An important component of this consultation process has been the Open Public Consultation (OPC) done at the end of the synthesis phase of the evaluation. The OPC allowed acquiring feedback from all relevant parties on the main evaluation findings.

1.2 Stakeholder mapping

Considering the overall objective of the evaluation, one of the first steps taken in the inception phase of the project's implementation was to define the portfolio of projects subject to the evaluation both in IPA and ENPI regions. This task has been carried out through consultation of relevant DG NEAR's geographical desks and EUDs:

Identification or mapping of relevant/interested stakeholders involved two steps and has been done in relation to the portfolio of projects selected for the evaluation process:

- Identification of stakeholder categories relevant for or interested in the concerned policy area(s);
- Sorting stakeholder categories according to the level of interest in or influence on the concrete initiative that is to be consulted upon.

Industry, business or workers' organisations	Multi-national/global National Small and Medium-sized Enterprises Business organisation Trade Union Chamber of commerce
---	--

EU platform, network, or association	Representing for-profit interests Representing not-for-profit interests Representing professions/crafts
Public authority	EU institution National government National Parliament Regional/ local/municipal authority National competent authorities or Agencies.
Organisation or association and other donors	National organisation representing for-profit interests
	National organisation representing not-for-profit interests, National organisation representing professions/crafts International/ Inter-governmental organisation

Sorting stakeholder categories according to the level of interest in or influence on the concrete initiative:

- Distinguish between stakeholder categories, which the concrete initiative may affect (both directly and indirectly) in a significantly different way;
- Differentiation within a specific stakeholder category which can be affected by the concrete initiative differently, e.g. depending on their size, location, type of activity, whether they are public or private, incumbent operators or new entrants.

Considering the thematic evaluation refers to the support for the economic governance, the prioritization of the stakeholders focused mainly around the first 3 categories of stakeholders and allowed for lower involvement in the direct interviews with the civil society.

Accessibility of Consultations

The choice of consultation methods and tools took account of accessibility issues, so that different stakeholders groups have the opportunity to contribute to Commission's policy development. To this end, the stakeholders that could not be met during the field visit have been consulted via skype and/ or phone.

1.3 Stakeholder Consultation Strategy

The stakeholder mapping outlined the main institutions or groups that are considered as 'stakeholders'. The developed stakeholder consultation strategy aimed at ensuring that the

evaluation team could fully engage with all stakeholders during the evaluation process. An important component of this consultation process was the open public consultation (OPC) done at the end of the synthesis phase of the evaluation to acquire feedback from all relevant parties on the main evaluation findings. Details on the implemented and completed approach are given below.

The approach taken by this evaluation to engaging with the scope of all these aforementioned stakeholders has been defined by their role and their relative importance and influence over it. The consultation approach for the principal stakeholders identified in the above table has been as follows:

Commission Services and EEAS

The evaluation team closely consulted all the relevant DG NEAR geographical and thematic units throughout the desk and field phases and informed them of results in the evaluation.

EUDs have also been consulted and informed throughout all phases of the evaluation.

International Organisations

Those international organisations implementing IPA and ENPI assistance have been consulted in-country in the field phase as well as desk phase if judged necessary.

National Governments

The NIPAC, NAO, Ministries of Finance, and many other beneficiary institutions have all been consulted in the field phase, either considering their role in the delivery of the IPA in the Enlargement Countries (i.e. NIPAC, NAO, CFCU etc.) as well as other governmental institutions from the ENPI countries (Ministries of Finances, SAIs - State Audit Institutions - and Budget Directorates/Departments) or from the perspective of the beneficiary institutions.

Other donors and Civil Society Organisations

The donors active in the country have been consulted to assess the baseline for common support provided to the beneficiary country. In several occasions, the civil society organizations have also been consulted, to ensure the representation of the society in the consultation process.

1.4 Stakeholder Consultation Framework

Consultation with stakeholders took place via the following means:

- Interviews (face-to-face and via phone) and group discussions with various stakeholders at HQ level as well as via field missions to all IPA and ENPI beneficiaries;
- Survey to EU Delegations;
- Open Public Consultation (OPC) via web;

Desk Phase

The evaluators prepared the inception report and submitted it to the client for its approval; also a desk evaluation report has been prepared following the screening and selection of the projects to be retained for the evaluation portfolio.

Within this phase, the team of experts completed the collection of relevant documentation; updated the level of information by means of interviews, e-mail questionnaires or any other relevant tools with the relevant actors (EC officials, Government officials, other stakeholders). Furthermore, the team analysed the documentation in compliance with the evaluation questions and elaborated preliminary findings, conclusions, according to the scope and the requirements of the ToRs (Desk Phase Report).

Field phase

Following the preparation of the desk phase report and inception report, the field interviews have been organized. An interim report has been produced before the finalization of the field

phase as well as a document for Open Public Consultation. The Team of experts has implemented all needed consultations (in DG NEAR with those who have specific in house thematic expertise on economic governance, in IFIs HQs and in the selected IPA and ENI countries).

An Interim Report has been drafted providing an overview of the status of the evaluation, highlighting any problems encountered and solutions found, also providing a proposal for the final structure of the Open Public consultation, Final Report and the Executive summary.

In the scope of organising the open public consultations, the evaluators elaborated a document summarising the present preliminary findings, conclusions and recommendations.

Synthesis Phase

Towards the end of the synthesis phase, the evaluation team has prepared a set of key preliminary findings and conclusions based on its analysis from the validation phase. This formed a central part of the OPC process required by the ToR. The desk report and key findings were discussed with the ISG.

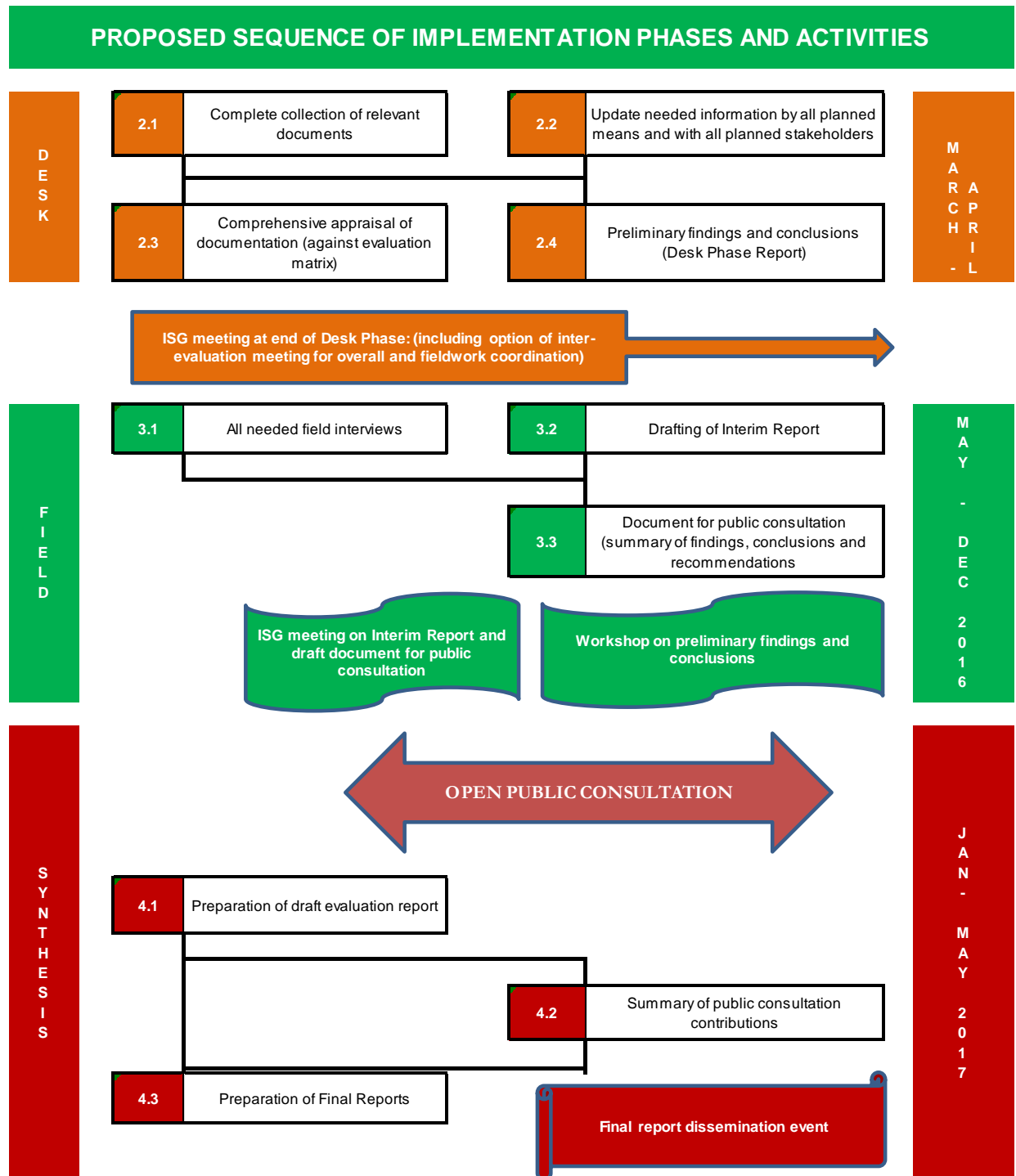
The team has prepared the evaluation report based on the work done during the desk and field phases and taking into consideration the outcomes of the briefing meetings and the results of the open public consultation.

Report dissemination

Once the final evaluation report has been submitted, the ISG will decide on dissemination of the final report.

1.5 Timeframe

The timeframe for the delivery of the consultation strategy is as in the scheme below:



1.6 Stakeholder Statistics

This section provides an overview of how many stakeholders have been consulted during the different phases of the evaluation, where they were consulted (HQ level or in the field), as well as which stakeholder groups they belonged to.

A total of 304 stakeholders have been interviewed to inform the results of this evaluation. 16 interviews took place at HQ level, namely in Belgium or via phone. The remaining 288 interviews were conducted during the field missions to the selected IPA and ENPI beneficiaries.

Inception and Desk Phase

Institution	Number of stakeholders
DG NEAR	11
SGUA Financial cooperation Ukraine	1
ECFIN/ MFA Jordan, Georgia and Ukraine	1
DG COMP/ A5 International Relations	1
TL(s) other evaluations	2

Implementation phase

a) Albania

Institution	Number of stakeholders
EU Delegation	3
General Directorate for Taxation	4
Ministry of European Integration	2
CFCU/ Ministry of Finance	4
Prime Ministry office/ Unit of Strategic Planning	1
World Bank	1
Supreme State Audit	2
TOTAL	17

b) Bosnia and Herzegovina

Institution	Number of stakeholders
EUD to BiH	5
BiH Directorate for European Integration/ NIPAC;	4
BiH Ministry of Finance and Treasury;	3
BiH Ministry of Finance and Treasury/Central Harmonisation Unit (CHU);	1
Public Administration Reform Coordination Office (PARCO);	2
Federation of BiH, Department for European Integration;	2
BiH Ministry of Finance and Treasury, Department for Public	2
BiH Ministry of Foreign Trade and Economic Relations;	1
Central Bank of Bosnia and Herzegovina	1
BiH Directorate for Economic Planning	2
BiH State Aid Council, Lukavica	1
RS Ministry of Finance, Dep for Programming and Coordination of EU Financial Assistance	2
RS Ministry of Finance, Dep for Budget and Public Finances, Trg Republike Srpske 1	1
RS Ministry of Finance, Department for Debt Management; Trg Republike Srpske 1	1

RS Ministry of Finance, Central Harmonisation Unit, Banjaluka	1
RS Ministry of Economic Relations and Regional Cooperation; Trg Republike Srpske 1	1
RS Ministry of Finance, Department for Investments; Trg Republike Srpske	1
District Brcko government; Directorate for Finances	3
BiH Office Coordinator for Brcko District;	1
BiH Ministry of Foreign Trade and Economic Relations	1
Federal Ministry of Finance;	2
BiH Competition Council;	2
GIZ	1
World Bank	1
TOTAL	42

c) The former Yugoslav Republic of Macedonia

Organisation	Number of stakeholders
Delegation of the European Union to the Republic of Macedonia	3
Ministry of Finance, Sector for Financial Systems	13
Public Revenue e Office	1
Ministry of Information Society and Administration	1
NIPAC	1
Balkan Economic Forum	1
OSCE Mission in Skopje	1
Center for Economic analysis – CEA	1
TOTAL	22

d) Kosovo*⁷¹

Organisation	Number of stakeholders
Ministry of European Integration NIPAC	1
Ministry of European Integration NIPAC	1
European Union Office in Kosovo/Program Manger	1
European Union Office in Kosovo/Program Manger	1
European Union Office in Kosovo	1
European Union Office in Kosovo/Program Manger	1
Prime Minister Office, Strategic Planning Office Director	1
Economist/ World Bank	1
Economist/IMF	1
Ministry of Finance	1
TOTAL	10

e) Montenegro

Organisation	Number of stakeholders
Delegation of the European Union to Montenegro	6

⁷¹ *This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence

Ministry of Foreign Affairs and European Integration	8
Administration for Inspection Affairs	1
Human Resources Management Authority	1
Judicial Training Centre	1
Intellectual Property Rights Office	1
Insurance Supervision Agency	1
Central Bank of Montenegro	2
Advisor to the Prime Minister of Montenegro	1
Administration for Inspection Affairs	1
Securities and Exchange Commission	2
Insurance Supervision Agency	1
European Bank for Reconstruction and Development	1
World Bank	1
UNDP	1
Tax Administration	1
RESPA	2
Ministry of Finance	5
Ministry of Economy	2
TOTAL	39

f) Serbia

Organisation	Number of stakeholders
Delegation of the European Union to the Republic of Serbia	5
Ministry of Finance, IPA unit, Dept. for international cooperation and European integration	5
European Policy Centre – CEP	2
National Employment Service	6
Ministry of Labour, Employment, Veteran and Social Policy	1
Ministry of Public Administration and Local Self-Government	1
Ministry of trade tourism and telecommunication	1
Center for Applied European studies	1
Open Society Foundation Soros	1
TOTAL	23

g) Turkey

Organisation	Number of stakeholders
CFCU	1
Ministry of Finance	6
EU Delegation	1
Turkish Court of Accounts	3
TOTAL	11

h) Multi Country programmes

Organization	Number of stakeholders
RESPA, Montenegro	2
RCC, BiH	2
CEF, Slovenia	2

IMF/FAD, at CEF	2
TOTAL	8

i) Egypt

Organisation	Number of stakeholders
EUD Egypt	3
Ministry of Finance	4
Public Administration & Local Development PFM Component	3
Foreign Trade and Export Enhancement (TDMEP-Trade)	2
Ministry of Trade & Industry Minister's Office	2
EU-Egypt Twinning Project Enhancing Accountancy & Auditing Profession in Egypt	1
African Development Bank	2
TOTAL	17

j) Georgia

Organisation	Number of stakeholders
EUD	2
Ministry of Finance	6
State Audit Office	2
Finance Committee, Parliament of Georgia	2
World Bank	1
USAID	1
GIZ Programme "Public Financial Management in the South Caucasus"	1
Parliamentary Budget Office	1
EU project with the Administration of the Government/EURO-Atlantic Ministry	1
TOTAL	18

k) Jordan

Organisation	Number of stakeholders
EU Delegation	5
USAID	1
Donors' Meeting for presenting IMF Mission Conclusions	5
EU Delegation	
World Bank	1
Income and Sales Tax Department	1
Ministry of Public Sector Development	1
General Budget Department	1
Ministry of Finance Premises	1
Audit Bureau	1
TOTAL	17

l) Ukraine

Organisation	Number of stakeholders
EU Delegation	3
Department for the Stock Market Development Strategy	1

Department for Financial Reporting Systematization and Analysis	1
Unit of international cooperation and communication	1
Ministry of Economic Development and Trade of Ukraine	1
Coordination of International Technical Support Programmes	2
International Cooperation on Public procurement	1
National Bank of Ukraine	4
State Fiscal Service of Ukraine	4
Ministry of Finance	3
National Commission for State Regulation of Financial Services Markets	4
TOTAL	24

m) Morocco

Organisation	Number of stakeholders
EUD Maroc	3
Ministère de la Fonction Publique et de la Modernisation de l'Administration	4
Ministère de l'Economie et des Finances	1
Direction de la coopération et de la communication Ministère du Commerce et de l'Industrie	1
Maroc PME	1
Groupement Professionnel des Banques du Maroc (GPBM)	1
Confédération Marocaine de TPE-PME	1
TOTAL	12

n) Tunisia

Organisation	Number of stakeholders
Mission de coopération française	1
Central Bank	1
Ministry of Development, Investment and International Cooperation	1
Ex-GdT	3
Euro-Mediterranean Human Rights Network	1
Ministry of Finance	2
International Crisis Group	1
African Bank of Development	1
Tunisian Institute of Competitiveness and Quantitative Studies (Institut Tunisien de la Compétitivité et des Etudes Quantitatives (ITCEQ), Ancien IEQ)	1
EUD	1
Tunisian Union of Industry, Trade and Handicrafts (UTICA)	1
The Tunisian General Labour Union (UGTT)	1
Institute Arabe des Chefs d'Entreprises	1
TOTAL	16

Annex 4 Summary of contributions to Open Public Consultation (OPC)

The Inception Report (April 2016) outlined the framework for the open public consultation (OPC), on the basis of the information available in the Better Regulation toolbox, conceived as a starting point for a more detailed elaboration of the scope of the open public consultation and a tentative framework for its questionnaire. The OPC was subject to review by the ISG and was approved on 12 January 2017

The online OPC took place from end January to end April 2017 (12 weeks) and this report presents the summary of the received contributions; it comprises the following sections:

- Overview of OPC's structure and implementation;
- Summary of OPC contributions
- Statistical Overview of OPC online contributions

1. Overview of OPC Questionnaire Structure and Implementation

The following main guidance elements received from the European Commission have been taken into consideration in calibrating and structuring the questionnaire:

- Combination of closed questions, with pre-defined answers the responder had to choose from, and open-ended questions, if/when particularly interested in the views of the stakeholders;
- The need for the questions and their answer options to be relevant, short and simple, with, for closed questions, a balanced answer scale; as applied in other observed OPC, a six-point scale was applied, with two positive answers, one neutral option, two negative answers and a "do not know/not applicable" option;
- Since it was assumed that the citizens will be also targeted, the proposed questionnaire was conceived to be not overly complex, and was expected that the time to fill in the questionnaire would not exceed 20 minutes;
- The number of open questions was limited to two, and responses were limited to 500 characters;⁷²

The questionnaire comprised 15 closed questions⁷³, 11 for Economic Governance and 4 for Competitiveness, which are numbered 1 to 15 and two open questions, one for economic governance and one for competitiveness. Although it has not been requested for the evaluation on Competitiveness to carry out such an OPC, it has been decided to incorporate in the Economic Governance OPC several questions (closed questions 12-15 and 1 open question) related more specifically to Competitiveness, and this was done in cooperation with this evaluation's team of consultants. It is introduced by 9 closed questions related to the identification of the contribution's authors.

The structure and contents of the OPC are shown in Annex. The focus (contents) and sequence of these questions mirror the structure and the key questions in the evaluation matrix.

In order to enhance the visibility of the OPC and encourage contributions, on a topic which may be considered as relatively "austere", information about the OPC was posted on the websites of several IPA organisations and regional projects which are active in the wider field of economic governance, in the region.

⁷² This volume corresponds to 5 lines of text (5 x 10 words x 10 characters on average)

⁷³ Not counting 8 questions in the introductory section of identification of stakeholders

2. Summary of OPC Contributions

2.1 Identification Questions

The following can be highlighted (on the basis of 7 contributions received online), bearing in mind that certain contributions have responded “no answer” to these identification questions:

- 58% responded on personal basis, and 42% on behalf of their respective organizations;
- Their activity domains were international financial organizations, followed by national public administration and other domains;
- As concerns the contributors’ awareness of and familiarity with the EU’s support to economic governance in IPA, 57% declared to be familiar as concerns prudent macro financial and fiscal management; 100% familiar as concerns public financial management; 71% familiar as concerns strategic public administration and policy management; 71% familiar as concerns regulatory policy management to ensure effective competitiveness;
- As concerns the contributors’ awareness of economic reform programmes prepared by both IPA and ENI countries, 53% are aware for IPA countries, 29% for ENI East countries, and 14% only for ENI South countries;
- As concerns the contributors’ involvement in economic governance in their respective countries, this is the case for respectively 71% of them in IPA countries, 29% in ENI East and 14% in ENI South⁷⁴;
- As for the contributions’ focus, 57% concern one or more IPA or/and ENI countries, 29% ENI East region as a whole and 14% ENI South region as a whole.

2.2 Closed Questions

As mentioned above, the Annex 1 provides the comprehensive overview of all closed questions and all related contributions received online.

2.3 Open Questions

The following contributions have been received concerning **Economic Governance** (four responses out of seven contributions):

<p>Question</p>	<p>A) <i>What do you think should have been done and/or should be done in the future in order to better contribute to a positive evolution of economic governance?</i></p> <p>B) <i>If you agree on any of the above statements (Questions 1 to 7), what do you think have been more particularly the positive effects of the European Union’s support in this domain and in the country(ies) and/or the Region (Enlargement or/and Neighbourhood) you are responding on?</i></p>
<p>Online Responses</p>	<p>A better communication, especially with Eastern European countries</p> <hr/> <p>Results oriented actions, dialogue with all levels of authority and response to real needs rather than an imposing pre-created strategy</p> <hr/> <p>Enlargement countries are not keen to let EU interfering in economic governance (Turkey-FYROM...)</p> <p>ENPI South countries have their own agenda (Algeria) and do not share the EU values on fair repartition of growth.</p>

⁷⁴ This question is completed by sub-questions focused on different domains of economic governance; see Annex 1.


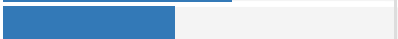
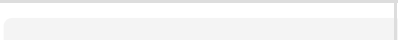
	We should work on raising the awareness of the citizens in getting more involved in the process, as their right given by law, but also as the best way to be a responsible citizen toward the others and toward the future generations.
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As concerns **EU's support to competitiveness**, the received online responses to open questions are listed below:

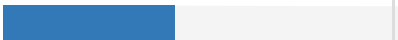


Question	<p><i>C) What do you think should have been done and/or should be done in the future in order to better contribute to a positive evolution of competitiveness?</i></p> <p><i>D) If you agree on any of the above statements (Questions 12 to 15), what do you think have been more particularly the positive effects of the European Union's support in this domain and in the country (ies) and/or the Region (Enlargement or/and Neighbourhood) you are responding on?</i></p>
Responses	<p>Better communication with EU authorities and with the business sector.</p> <hr/> <p>Strict implementation of the state aid regulations</p> <hr/> <p>What is competitiveness; promoting foreign investments, cutting taxes through incentives, selling cheap labour force?</p>


Statistical Overview of Contributions

1. Please specify whether you are answering this questionnaire

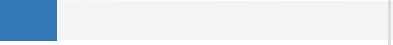
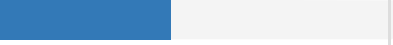
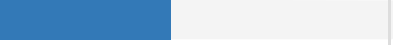
		Answers	Ratio
On a personal basis		4	57.14 %
On behalf of your organisation		3	42.86 %
No Answer		0	0 %

2. Identification

		Answers	Ratio
Individual		3	42.86 %
Organization		4	57.14 %
Others		0	0 %

No Answer		0	0 %
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Organisation

		Answers	Ratio
Profit Organization		1	14.29 %
Non-Profit Organisation		3	42.86 %
No Answer		3	42.86 %

Type of Profit Organisation

		Answers	Ratio
National		0	0 %
Regional		1	14.29 %
Local		0	0 %
No Answer		6	85.71 %



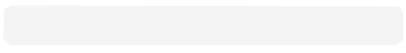

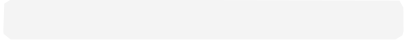
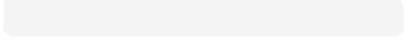
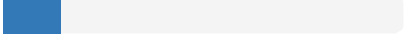
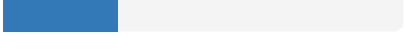
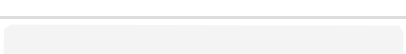
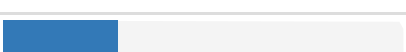
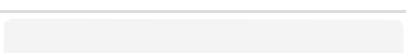
Non-Profit Organisation

		Answers	Ratio
Public (governmental) Organisation		0	0 %
Non-Governmental Organisation		3	42.86 %
No Answer		4	57.14 %

Type of Non-Profit Organisation

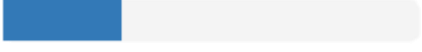

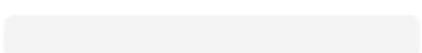
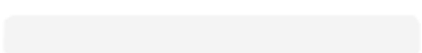
		Answers	Ratio
National		2	28.57 %
Regional		1	14.29 %
Local		0	0 %
No Answer		4	57.14 %

3. Domain of Activity

		Answers	Ratio
International financial institutions		2	28.57 %
Financial intermediaries (banks, guarantee schemes, etc.) and their associations		0	0 %
Venture capital funds and their associations		0	0 %
Innovation and development support providers		0	0 %
Business support providers		0	0 %
Foreign enterprises		0	0 %
Domestic enterprises		1	14.29 %
National, regional and local public administrations		2	28.57 %
Universities and research organisations		0	0 %
Others (not related to the above domains)		2	28.57 %
No Answer		0	0 %

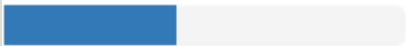
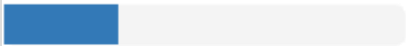
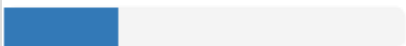
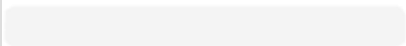
4. ARE YOU FAMILIAR WITH THE EUROPEAN UNION'S EFFORTS TO ENHANCE ECONOMIC GOVERNANCE IN IPA (Albania, Bosnia & Herzegovina, former Yugoslav Republic of Macedonia, Kosovo*, Montenegro, Serbia and Turkey) AND ENI PARTNER COUNTRIES (ENI South Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestine*, Syria**, Tunisia; ENI East – Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine) IN THE FOLLOWING MAIN DOMAINS?** *This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence. ** EU Cooperation with Syria is currently suspended due to the political situation *** This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.

Prudent macro-monetary and fiscal management

		Answers	Ratio
Very familiar		2	28.57 %
Familiar		2	28.57 %
Not Familiar		3	42.86 %
No Answer		0	0 %

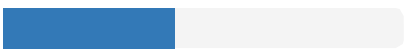
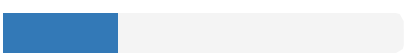
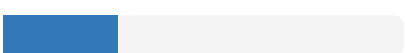
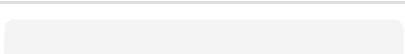
5. ARE YOU FAMILIAR WITH THE EUROPEAN UNION'S EFFORTS TO ENHANCE ECONOMIC GOVERNANCE IN IPA (Albania, Bosnia & Herzegovina, former Yugoslav Republic of Macedonia, Kosovo*, Montenegro, Serbia and Turkey) AND ENI PARTNER COUNTRIES (ENI South Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestine*, Syria**, Tunisia; ENI East – Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine) IN THE FOLLOWING MAIN DOMAINS?**

Public Financial Management (PFM) elements

		Answers	Ratio
Very familiar		3	42.86 %
Familiar		2	28.57 %
Not Familiar		2	28.57 %
No Answer		0	0%

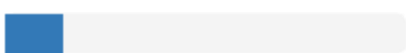

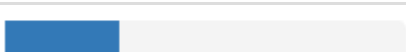
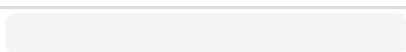
5) ARE YOU FAMILIAR WITH THE EUROPEAN UNION'S EFFORTS TO ENHANCE ECONOMIC GOVERNANCE IN IPA (Albania, Bosnia & Herzegovina, former Yugoslav Republic of Macedonia, Kosovo*, Montenegro, Serbia and Turkey) AND ENI PARTNER COUNTRIES (ENI South Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestine*, Syria**, Tunisia; ENI East – Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine) IN THE FOLLOWING MAIN DOMAINS?**

Strategic public administration reform and policy management



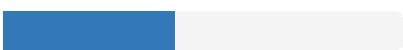
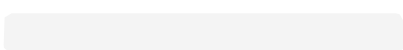
		Answers	Ratio
Very familiar		3	42.86 %
Familiar		2	28.57 %
Not Familiar		2	28.57 %
No Answer		0	0%

5) ARE YOU FAMILIAR WITH THE EUROPEAN UNION'S EFFORTS TO ENHANCE ECONOMIC GOVERNANCE IN IPA (Albania, Bosnia & Herzegovina, former Yugoslav Republic of Macedonia, Kosovo*, Montenegro, Serbia and Turkey) AND ENI PARTNER COUNTRIES (ENI South Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestine*, Syria**, Tunisia; ENI East – Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine) IN THE FOLLOWING MAIN DOMAINS?**

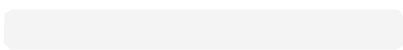
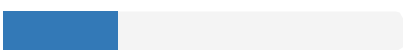

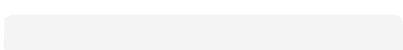
Effective regulatory policy management to ensure effective competitiveness

		Answers	Ratio
Very familiar		1	14.29 %
Familiar		4	57.14 %
Not Familiar		2	28.57 %
No Answer		0	0 %


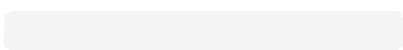

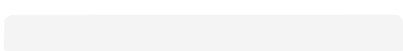
6. ARE YOU AWARE OF ECONOMIC REFORM PROGRAMMES PREPARED BY ENLARGEMENT AND NEIGHBOURHOOD COUNTRIES AS PART OF THEIR ECONOMIC GOVERNANCE REFORM EFFORTS? In Enlargement countries

		Answers	Ratio
Fully aware		3	42.86 %
Aware		1	14.29 %
Not aware at all		3	42.86 %
No Answer		0	0%


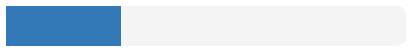
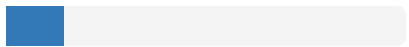
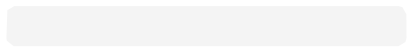
6) ARE YOU AWARE OF ECONOMIC REFORM PROGRAMMES PREPARED BY ENLARGEMENT AND NEIGHBOURHOOD COUNTRIES AS PART OF THEIR ECONOMIC GOVERNANCE REFORM EFFORTS? : In ENP East countries

		Answers	Ratio
Fully aware		0	0 %
Aware		2	28.57 %
Not aware at all		5	71.43 %
No Answer		0	0%

6) ARE YOU AWARE OF ECONOMIC REFORM PROGRAMMES PREPARED BY ENLARGEMENT AND NEIGHBOURHOOD COUNTRIES AS PART OF THEIR ECONOMIC GOVERNANCE REFORM EFFORTS?: In ENP South countries

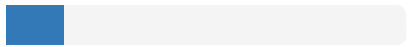


		Answers	Ratio
Fully aware		1	14.29 %
Aware		0	0 %
Not aware at all		6	85.71 %
No Answer		0	0%

7) HAVE YOU BEEN INVOLVED IN ECONOMIC GOVERNANCE IN ANY OF THE ABOVE LISTED PARTNER COUNTRIES?

		Answers	Ratio
In Enlargement countries		5	71.43 %
In ENP East countries		2	28.57 %
In ENP South countries		1	14.29 %
No Answer		0	0 %




In Enlargement countries:

Prudent macro-monetary and fiscal management


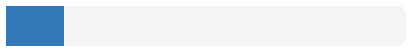
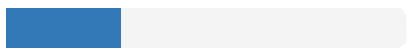
		Answers	Ratio
Involved		1	14.29 %
Not Involved		4	57.14 %
No Answer		2	28.57 %

In Enlargement countries:

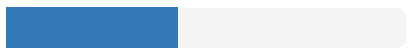
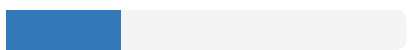
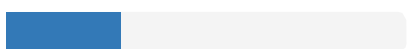
Public Finance Management (PFM) elements

		Answers	Ratio
Involved		3	42.86 %
Not Involved		2	28.57 %
No Answer		2	28.57 %

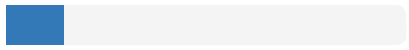
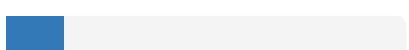

In Enlargement countries: Strategic public administration reform and policy management

		Answers	Ratio
Involved		4	57.14 %
Not Involved		1	14.29 %
No Answer		2	28.57 %

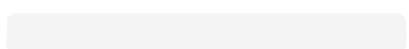
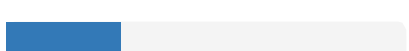

In Enlargement countries: Effective regulatory policy management to ensure effective competitiveness

		Answers	Ratio
Involved		3	42.86 %
Not Involved		2	28.57 %
No Answer		2	28.57 %

In ENP East countries: Prudent macro-monetary and fiscal management

		Answers	Ratio
Involved		1	14.29 %
Not Involved		1	14.29 %
No Answer		5	71.43 %

In ENP East countries: Public Finance Management (PFM) elements

		Answers	Ratio
Involved		0	0 %
Not Involved		2	28.57 %
No Answer		5	71.43 %

In ENP East countries: Strategic public administration reform and policy management

		Answers	Ratio
Involved		1	14.29 %
Not Involved		1	14.29 %
No Answer		5	71.43 %

In ENP East countries: Effective regulatory policy management to ensure effective competitiveness

		Answers	Ratio
Involved		1	14.29 %
Not Involved		1	14.29 %
No Answer		5	71.43 %


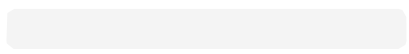

In ENP South countries: Prudent macro-monetary and fiscal management

		Answers	Ratio
Involved		0	0 %
Not Involved		1	14.29 %
No Answer		6	85.71 %


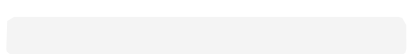

In ENP South countries: Public Finance Management (PFM) elements

		Answers	Ratio
Involved		0	0 %
Not Involved		1	14.29 %
No Answer		6	85.71 %


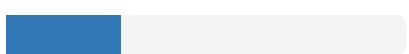

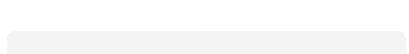
In ENP South countries: Strategic public administration reform and policy management

		Answers	Ratio
Involved		1	14.29 %
Not Involved		0	0 %
No Answer		6	85.71 %



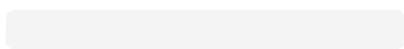
In ENP South countries: Effective regulatory policy management to ensure effective competitiveness

		Answers	Ratio
Involved		1	14.29 %
Not Involved		0	0 %
No Answer		6	85.71 %

8) WHICH COUNTRY/GROUP OF COUNTRIES DO YOUR RESPONSES TO THIS SURVEY RELATE TO:

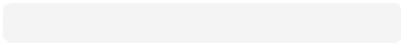
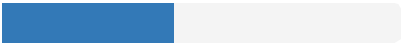
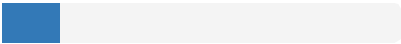
		Answers	Ratio
One or more of enlargement countries or neighbourhood countries listed above		4	57.14 %
The enlargement region as a whole		2	28.57 %
The neighbourhood region as a whole		1	14.29 %
No Answer		0	0 %

9) In line with European Commission guidelines, contributions to open public consultations should be published. How would you prefer your contribution to be published?

		Answers	Ratio
In full		3	42.86 %
Anonymously		4	57.14 %
Not at all		0	0 %
No Answer		0	0 %

CLOSED QUESTIONS

1. The European Union's support to enlargement and neighbourhood countries to enhance their economic governance has been very effective, in the following domains: Prudent macro-monetary and fiscal management

		An sw	Ratio
I strongly agree		0	0 %
I agree		3	42.86 %
Neutral		1	14.29 %
I disagree		1	14.29 %
I strongly disagree		0	0 %
I do not know / not applicable		2	28.57 %
No Answer		0	0 %

1. The European Union's support to enlargement and neighbourhood countries to enhance their economic governance has been very effective, in the following domains: Public Finance Management (PFM) elements

		An sw	Ratio
I strongly agree		0	0 %
I agree		3	42.86 %
Neutral		1	14.29 %
I disagree		1	14.29 %
I strongly disagree		1	14.29 %
I do not know / not applicable		1	14.29 %
No Answer		0	0 %

1. The European Union's support to enlargement and neighbourhood countries to enhance their economic governance has been very effective, in the following domains: Strategic public administration reform and policy management

		An sw	Ratio
I strongly agree		0	0 %
I agree		1	14.29 %
Neutral		4	57.14 %
I disagree		0	0 %
I strongly disagree		0	0 %
I do not know / not applicable		2	28.57 %
No Answer		0	0 %

1. The European Union's support to enlargement and neighbourhood countries to enhance their economic governance has been very effective, in the following domains: Effective regulatory policy management to ensure effective competitiveness

		Answers	Ratio
I strongly agree		0	0 %
I agree		0	0 %
Neutral		4	57.14 %
I disagree		1	14.29 %
I strongly disagree		1	14.29 %
I do not know / not applicable		1	14.29 %
No Answer		0	0 %

2. The European Union's support to enhance economic governance has helped the concerned countries to achieve their strategic objectives, namely towards the European Union accession for enlargement countries, and towards priority partnership for neighbourhood countries

		Answers	Ratio
I strongly agree		1	14.29 %
I agree		1	14.29 %
Neutral		2	28.57 %
I disagree		2	28.57 %
I strongly disagree		0	0 %
I do not know / not applicable		1	14.29 %
No Answer		0	0 %

3. EU's support to economic governance has contributed to enhancing significantly the economic trends in the concerned countries and in the following main domains: Prudent macro-monetary and fiscal management

		Answers	Ratio
I strongly agree		0	0 %
I agree		1	14.29 %
Neutral		2	28.57 %
I disagree		2	28.57 %
I strongly disagree		0	0 %
I do not know / not applicable		2	28.57 %
No Answer		0	0 %

3. EU's support to economic governance has contributed to enhancing significantly the economic trends in the concerned countries and in the following main domains: Public Finance Management (PFM) elements

		Answers	Ratio
I strongly agree		0	0 %
I agree		2	28.57 %
Neutral		0	0 %
I disagree		2	28.57 %
I strongly disagree		1	14.29 %
I do not know / not applicable		2	28.57 %
No Answer		0	0 %

3. EU's support to economic governance has contributed to enhancing significantly the economic trends in the concerned countries and in the following main domains:

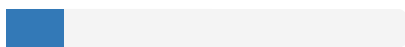
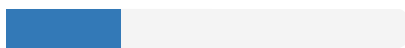
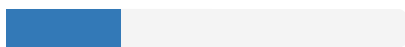
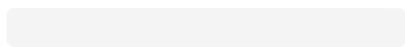
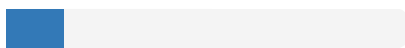
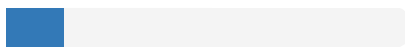
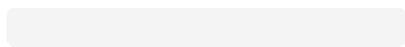
Strategic public administration reform and policy management

		Answers	Ratio
I strongly agree		0	0 %
I agree		1	14.29 %
Neutral		2	28.57 %
I disagree		1	14.29 %
I strongly disagree		2	28.57 %
I do not know / not applicable		1	14.29 %
No Answer		0	0 %

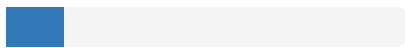
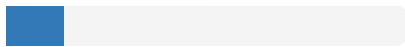
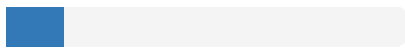
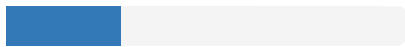
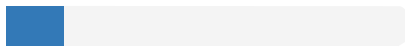
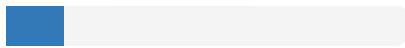
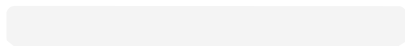
3. EU's support to economic governance has contributed to enhancing significantly the economic trends in the concerned countries and in the following main domains: Effective regulatory policy management to ensure effective competitiveness

		Answers	Ratio
I strongly agree		0	0 %
I agree		1	14.29 %
Neutral		2	28.57 %
I disagree		1	14.29 %
I strongly disagree		1	14.29 %
I do not know / not applicable		2	28.57 %
No Answer		0	0 %

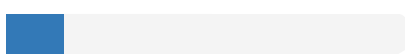
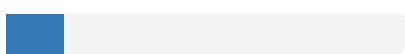
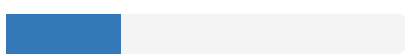
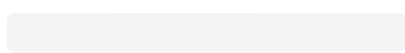
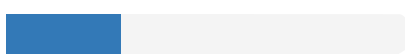
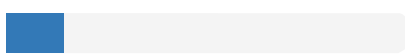
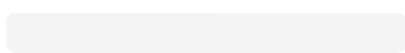
4. This support has responded to real needs of these countries and their priorities

		Answers	Ratio
I strongly agree		1	14.29 %
I agree		2	28.57 %
Neutral		2	28.57 %
I disagree		0	0 %
I strongly disagree		1	14.29 %
I do not know / not applicable		1	14.29 %
No Answer		0	0 %

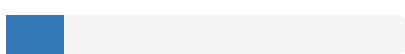
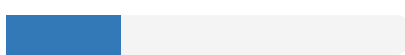
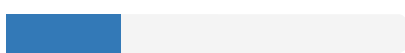
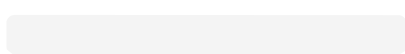
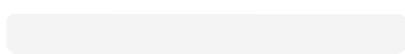
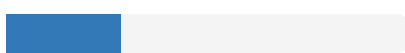
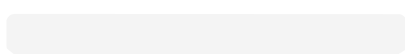
5. The EU support, both through policy dialogue and financial assistance, has had an overall positive effect, by helping orient beneficiary countries towards new important economic reforms expected to enhance their competitiveness: through policy dialogue

		Answers	Ratio
I strongly agree		1	14.29 %
I agree		1	14.29 %
Neutral		1	14.29 %
I disagree		2	28.57 %
I strongly disagree		1	14.29 %
I do not know / not applicable		1	14.29 %
No Answer		0	0 %

5. The EU support, both through policy dialogue and financial assistance, has had an overall positive effect, by helping orient beneficiary countries towards new important economic reforms expected to enhance their competitiveness: through financial assistance

		Answers	Ratio
I strongly agree		1	14.29 %
I agree		1	14.29 %
Neutral		2	28.57 %
I disagree		0	0 %
I strongly disagree		2	28.57 %
I do not know / not applicable		1	14.29 %
No Answer		0	0 %

6. If you agree, do you consider that these positive effects are likely to be maintained in the future

		Answers	Ratio
I strongly agree		1	14.29 %
I agree		2	28.57 %
Neutral		2	28.57 %
I disagree		0	0 %
I strongly disagree		0	0 %
I do not know / not applicable		2	28.57 %
No Answer		0	0 %

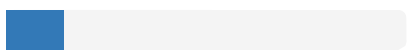

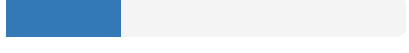
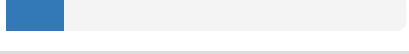
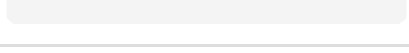
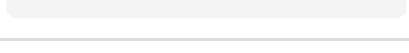

7. The EU’s support has also helped improve and reinforce the concerned economic governance structure and the national stakeholders directly involved

		Answers	Ratio
I strongly agree		0	0 %
I agree		1	14.29 %
Neutral		3	42.86 %
I disagree		2	28.57 %
I strongly disagree		0	0 %
I do not know / not applicable		1	14.29 %
No Answer		0	0 %

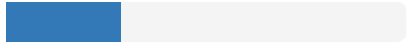
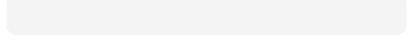
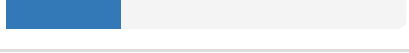
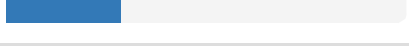



8. The EU support has been coherent with other similar interventions supported by other international donors: The EU support has contributed to reinforce the coordination and synergies between interventions of international donors

		Answers	Ratio
I strongly agree		1	14.29 %
I agree		2	28.57 %
Neutral		2	28.57 %
I disagree		2	28.57 %
I strongly disagree		0	0 %
I do not know / not applicable		0	0 %
No Answer		0	0 %

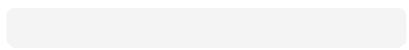

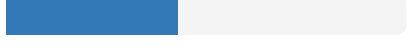
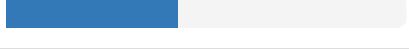
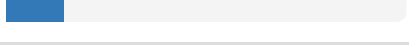

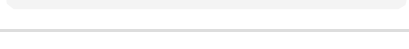
9. The EU support has helped to enhance the visibility of the EU assistance in support of economic governance in the concerned country or/and region: The EU support has contributed to introduce innovative approaches in enhancing economic governance in the concerned country or/and region

		Answers	Ratio
I strongly agree		1	14.29 %
I agree		3	42.86 %
Neutral		2	28.57 %
I disagree		1	14.29 %
I strongly disagree		0	0 %
I do not know / not applicable		0	0 %
No Answer		0	0 %

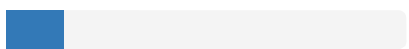

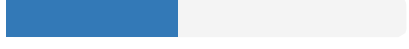
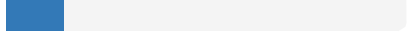
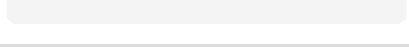
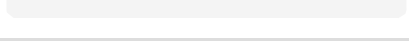

10. The EU's support to economic governance has adequately incorporated cross-cutting issues, such as gender equality and has paid due attention to climate change

		Answers	Ratio
I strongly agree		2	28.57 %
I agree		0	0 %
Neutral		2	28.57 %
I disagree		2	28.57 %
I strongly disagree		0	0 %
I do not know / not applicable		1	14.29 %
No Answer		0	0 %

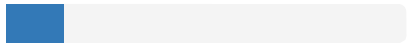
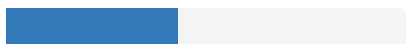
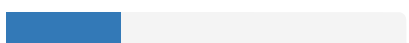
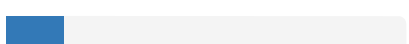
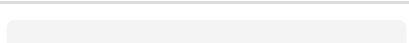
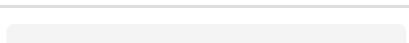
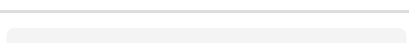
11. In your opinion, what have been the main strengths of the EU's assistance: 11.1 - Donor coordination in different sectors

		Answers	Ratio
I strongly agree		0	0 %
I agree		0	0 %
Neutral		3	42.86 %
I disagree		3	42.86 %
I strongly disagree		1	14.29 %
I do not know / not applicable		0	0 %
No Answer		0	0 %

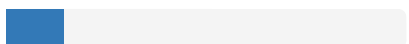
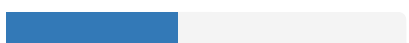
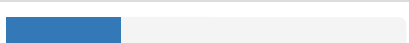
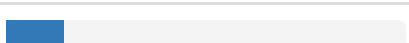
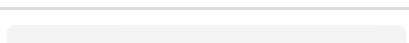
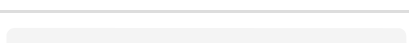
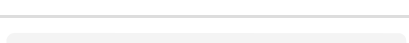
11.2 - Degree of visibility - positive results achieved by: clear and simple messages focusing on results

		Answers	Ratio
I strongly agree		1	14.29 %
I agree		2	28.57 %
Neutral		3	42.86 %
I disagree		1	14.29 %
I strongly disagree		0	0 %
I do not know / not applicable		0	0 %
No Answer		0	0 %

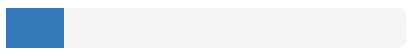
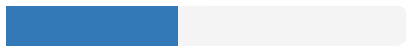


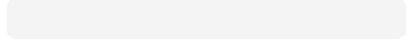
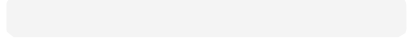
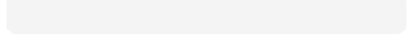
11.2 - Degree of visibility - positive results achieved by: using a variety of communication tools

		Answers	Ratio
I strongly agree		1	14.29 %
I agree		3	42.86 %
Neutral		2	28.57 %
I disagree		1	14.29 %
I strongly disagree		0	0 %
I do not know / not applicable		0	0 %
No Answer		0	0 %

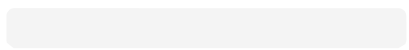
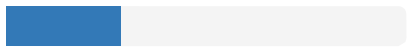
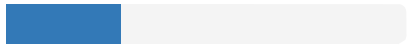

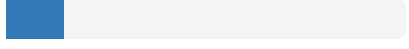
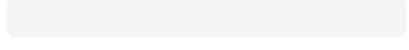
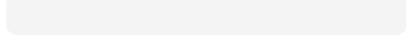
11.2 - Degree of visibility - positive results achieved by: engaging in active dialogue rather than dissemination information

		Answers	Ratio
I strongly agree		1	14.29 %
I agree		3	42.86 %
Neutral		2	28.57 %
I disagree		1	14.29 %
I strongly disagree		0	0 %
I do not know / not applicable		0	0 %
No Answer		0	0 %

11.2 - Degree of visibility - positive results achieved by: raising information awareness through increasing interest in the policy in the partner countries

		Answers	Ratio
I strongly agree		1	14.29 %
I agree		3	42.86 %
Neutral		2	28.57 %
I disagree		1	14.29 %
I strongly disagree		0	0 %
I do not know / not applicable		0	0 %
No Answer		0	0 %

11.2 - Degree of visibility - positive results achieved by: media activities

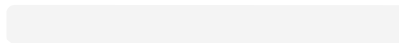
		Answers	Ratio
I strongly agree		0	0 %
I agree		2	28.57 %
Neutral		2	28.57 %
I disagree		2	28.57 %
I strongly disagree		1	14.29 %
I do not know / not applicable		0	0 %
No Answer		0	0 %

11.2 - Degree of visibility - positive results achieved by: focusing on local action/impact

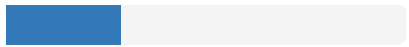

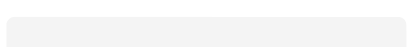
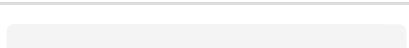
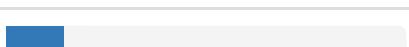

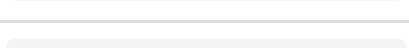
		Answers	Ratio
I strongly agree		0	0 %
I agree		2	28.57 %
Neutral		1	14.29 %
I disagree		3	42.86 %
I strongly disagree		1	14.29 %
I do not know / not applicable		0	0 %
No Answer		0	0 %

11.2 - Degree of visibility - positive results achieved by: more focus is needed on: comprehensive and strategic communication;

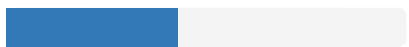
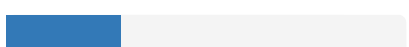
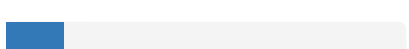
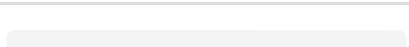
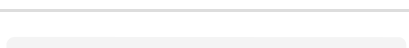
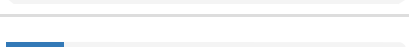
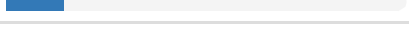
		Answers	Ratio
I strongly agree		3	42.86 %
I agree		2	28.57 %
Neutral		1	14.29 %
I disagree		1	14.29 %
I strongly disagree		0	0 %
I do not know / not applicable		0	0 %
No Answer		0	0 %



11.2 - Degree of visibility - positive results achieved by: systematic objective setting and performance assessment;

		Answers	Ratio
I strongly agree		2	28.57 %
I agree		4	57.14 %
Neutral		0	0 %
I disagree		0	0 %
I strongly disagree		1	14.29 %
I do not know / not applicable		0	0 %
No Answer		0	0 %

11.2 - Degree of visibility - positive results achieved by: specifically defined target groups;

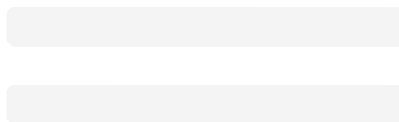
		Answers	Ratio
I strongly agree		3	42.86 %
I agree		2	28.57 %
Neutral		1	14.29 %
I disagree		0	0 %
I strongly disagree		0	0 %
I do not know / not applicable		1	14.29 %
No Answer		0	0 %

11.2 - Degree of visibility - positive results achieved by: working closely with partners, including international financial institutions;

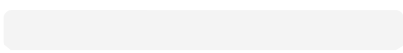

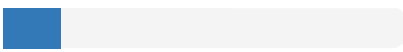
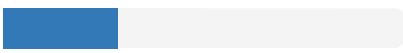



		Answers	Ratio
I strongly agree		4	57.14 %
I agree		1	14.29 %
Neutral		0	0 %
I disagree		1	14.29 %
I strongly disagree		1	14.29 %
I do not know / not applicable		0	0 %
No Answer		0	0 %

11.2 - Degree of visibility - positive results achieved by: engagement of the business community;








		Answers	Ratio
I strongly agree		4	57.14 %
I agree		1	14.29 %
Neutral		1	14.29 %
I disagree		1	14.29 %
I strongly disagree		0	0 %
I do not know / not applicable		0	0 %
No Answer		0	0 %




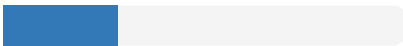
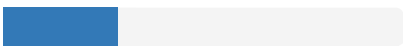

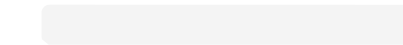
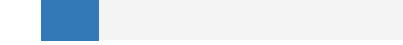
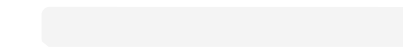
12. Preparation and implementation of EU's interventions in support to private sector development / competitiveness are managed adequately.

		Answers	Ratio
I strongly agree		0	0 %
I agree		4	57.14 %
Neutral		1	14.29 %
I disagree		2	28.57 %
I strongly disagree		0	0 %
I do not know / not applicable		0	0 %
No Answer		0	0 %

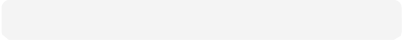
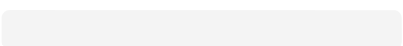
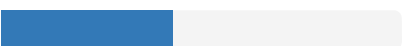
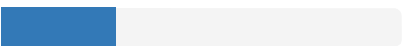
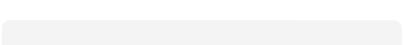
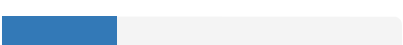
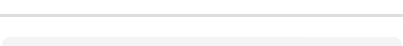
13. EU's interventions in support to private sector development/competitiveness have been effective in reaching their objectives

		Answers	Ratio
I strongly agree		0	0 %
I agree		3	42.86 %
Neutral		0	0 %
I disagree		2	28.57 %
I strongly disagree		1	14.29 %
I do not know / not applicable		1	14.29 %
No Answer		0	0 %

14. In most cases, results achieved, positive effects generated and impacts provoked by EU's interventions in support to private sector development/competitiveness are likely to be maintained in the future.

		Answers	Ratio
I strongly agree		0	0 %
I agree		2	28.57 %
Neutral		2	28.57 %
I disagree		2	28.57 %
I strongly disagree		0	0 %
I do not know / not applicable		1	14.29 %
No Answer		0	0 %

15. As concerns the coherence of EU's support in this domain, there is in general neither contradiction nor overlapping, and there exists in most cases an appropriate coherence and/or mutual leveraging, among EU's and other International Donors' and/or International Financial Institutions' interventions in support to private sector development/competitiveness.

		Answers	Ratio
I strongly agree		0	0 %
I agree		0	0 %
Neutral		3	42.86 %
I disagree		2	28.57 %
I strongly disagree		0	0 %
I do not know / not applicable		2	28.57 %
No Answer		0	0 %

Annex 5. Acronyms

CEF	Centre for Excellence in Finance
COSME	Programme for Competitiveness and Small and Medium Enterprises
CSO	Civil Society Organisation
DG	Directorate-General
DG DEVCO	Directorate-General for International Cooperation and Development
DG ECFIN	Directorate-General for Economic and Financial Affairs
DG ELARG	Directorate-General for Enlargement
DG NEAR	Directorate-General for Neighbourhood and Enlargement Negotiations
EC	European Commission
ECOFIN	Economic and Financial Affairs Council
EEAS	External European Action Service
EFC	Economic and Financial Committee
EIP	External Investment Plan
ENI	European Neighbourhood Instrument
ENP	European Neighbourhood Policy
ENPI	European Neighbourhood and Partnership Instrument
EQ	Evaluation Question
ERP	Economic Reform Programme
EU	European Union
FDI	Foreign Direct Investments

FYROM	Former Yugoslav Republic of Macedonia
GIZ	German Agency for International Cooperation
HQ	Headquarters
ICJ	International Court of Justice
IFI	International Financial Institutions
IMF	International Monetary Fund
IPA	Instrument for Pre-Accession Assistance
ISG	Interservice Steering Group
MFA	Macro-financial assistance
MTF	Multiannual Financial Framework
MS	Member State
NAO	National Authorising Officer
NIF	Neighbourhood Investment Facility
OECD	Organisation for Economic Co-operation and Development
OPC	Open Public Consultation
OSCE	Organisation for Security and Co-operation in Europe
PEFA	Public Expenditure and Financial Accountability Assessment
PFM	Public Finance Management
RCC	Regional Cooperation Council
RESPA	Regional School of Public Administration
SAI	State Audit Institutions

SEE	South East Europe
SGUA	Support Group for Ukraine
SMART	Specific, Measureable, Achievable, Relevant and Time-bound
SME	Small and Medium Enterprises
SWD	Staff Working Document
TAIEX	Technical Assistance and Information Exchange
TDMEP	Trade and Domestic Market Enhancement Programme
UNDP	United Nations Development Programme
UNSCR	United Nations Security Council Resolution
USAID	United States Agency for International Development
UTICA	Tunisian Union of Industry, Trade and Handicrafts
WB	World Bank
WBIF	Western Balkans Investment Framework
WEF	World Economic Forum