



External Evaluation of the European Neighbourhood Instrument (ENI)

(2014 – mid 2017)

Final Report

Volume 3: Annexes

June 2017



ECORYS



Consortium composed by

Particip, Ecorys, ECDPM, Fiscus, Itad and OPM

Leader of the Consortium: Particip GmbH

Contact Person: Michael Lieckefett (michael.lieckefett@particip.de)

Team comprised: Max Hennion (TL), Marc Lautier, Sarantis Pantelias, Alessandro Ramella Pezza

FWC COM 2015

EuropeAid/137211/DH/SER/Multi

Specific Contract No°2016/374699

External Evaluation of the European Neighbourhood Instrument (ENI)

**This evaluation was commissioned by the Evaluation Unit of
the Directorate-General for Neighbourhood and Enlargement
Negotiations (European Commission)**

This document has been prepared for the European Commission. However it reflects the views of the authors only. The Commission cannot be held responsible for any use which may be made of the information contained therein.

External Evaluation of the European Neighbourhood Instrument (ENI)

Final Report

The report consists of three volumes and the executive summary.

EXECUTIVE SUMMARY

Executive summary

VOLUME I: MAIN REPORT

1. Introduction
2. Approach and methodology
3. Responses to the evaluation questions
4. Conclusions and recommendations
5. Annex: Intervention logics

VOLUME II: EVIDENCE BASE ON INDICATOR LEVEL

1. EQ 1 on relevance
2. EQ 2 on effectiveness, impact and sustainability
3. EQ 3 on efficiency
4. EQ 4 on added value
5. EQ 5 on coherence, consistency, complementarity and synergies
6. EQ 6 on leverage

VOLUME III: Annexes

1. Annex 1: Case study reports
2. Annex 2: Answers to CIR specific questions
3. Annex 3: Summary of OPC contributions
4. Annex 4: Consultation strategy
5. Annex 5: List of persons interviewed
6. Annex 6: Bibliography

Table of Contents

1	Annex 1: Case study reports.....	1
2	Annex 2: Answers to CIR specific questions.....	123
3	Annex 3: Summary of OPC contributions.....	150
4	Annex 4: Consultation strategy.....	163
5	Annex 5: List of people interviewed.....	168
6	Annex 6: Bibliography.....	177

List of tables

Table 1	ENI commitments/disbursements in 2014-2015 by tying status (in mio EUR).....	135
Table 2	ENI commitments/disbursements in 2014-2015 by type of aid (in mio EUR).....	138
Table 3	ENI amounts/procurement contracts contracted to local and regional contractors in 2013 and 2016.....	140
Table 4	EU and MS contributions and pledges to the Madad Fund.....	145
Table 5	Consultation process: Who, what, when and how?.....	164

List of figures

Figure 1	ENI commitments in 2014-2015 by tying status.....	136
Figure 2	Aid to Environment Marker for ENI commitments (2014-2015).....	141
Figure 3	Biological Diversity Marker for ENI commitments (2014-2015).....	141
Figure 4	Climate Change Adaptation Marker for ENI commitments (2014-2015).....	142
Figure 5	Climate Change Mitigation Marker for ENI commitments (2014-2015).....	142
Figure 6	Combat Desertification Marker for ENI commitments (2014-2015).....	142
Figure 7	Participatory Democracy/Governance Marker for ENI commitments (2014-2015).....	143
Figure 8	Gender Equality Marker for ENI commitments (2014-2015).....	144
Figure 9	Type of contributors from the web OPC.....	150
Figure 10	Level of confidentiality chosen by each contributor.....	151
Figure 11	Question 1: Contributions from web OPC.....	151
Figure 12	Question 2: Contributions from web OPC.....	154
Figure 13	Question 3: Contributions from web OPC.....	156
Figure 14	Question 4: Contributions from web OPC.....	158
Figure 15	Stakeholder Mapping.....	163
Figure 16	Overview of persons interviewed by category.....	166
Figure 17	Overview of persons interviewed by country.....	167

List of boxes

Box 1	Answers to the EFI survey question on ownership by EUDs in ENI countries.....	139
Box 2	CIR amendment proposal by DG NEAR R2 (key aspects).....	147

List of acronyms and abbreviations

AA	Association Agreement
AFD	Agence Française de Développement
AOSD	Authorising Officer by Sub-Delegation
AP	Action Plan
ATA	Anti-Tax Avoidance Directive
BS	Budget Support
CBC	Cross-Border Cooperation
CC	Climate Change
CH	Switzerland
ECB	European Central Bank
CIR	Common Implementing Regulation
COEST	Working Party on Eastern Europe and Central Asia
COSCE	Council of Europe
CoTE	Centres of Thematic Expertise
CRIS	Common Relex Information System
CSO	Civil Society Organisation
DAC	Development Assistance Committee
DCFTA	Deep and Comprehensive Free Trade Areas
DCI	Development Co-operation Instrument
DG AGRI	Directorate-General for Agriculture and Rural Development
DG BUDG	Directorate-General for Budget
DG DEVCO	Directorate General for International Co-operation and Development
DG ECHO	Directorate-General for European Civil Protection and Humanitarian Aid Operations
DG ECFIN	Directorate-General for Economic and Financial Affairs
DG ECFIN	Directorate-General for Economic and Financial Affairs
DG ELARG	Former Directorate-General for Neighbourhood and Enlargement
DG HOME	Directorate-General for Migration and Home Affairs
DG NEAR	Directorate-General for Neighbourhood and Enlargement Negotiations
DG TAXUD	Directorate-General for Taxation and Customs Union
DG TRADE	Directorate-General for Trade
EAMR	External Assistance Management Report
EAMRs	External Assistance Management Reports
EBRD	European Bank for Reconstruction and Development
EC	European Commission
EDF	European Development Fund
EEA	European Economic Area
EEAS	European External Action Service
EEC	European Economic Community

EFI	External Financing Instrument
EFTA	European Free Trade Association
EIA	Environmental impact assessment
EIB	European Investment Bank
EIDHR	European Instrument for Democracy and Human Rights
EIF	European Investment Fund
ENI	European Neighbourhood Instrument
ENP	European Neighbourhood Policy
ENPI	European Neighbourhood and Partnership Instrument
EP	European Parliament
EQ	Evaluation Question
ERDF	European Regional Development Fund
EU	European Union
EUD	Delegation of the European Union
EUISS	European Union Institute for Security Studies
EUR	Euro
EU MS	EU Member States
EURATOM	European Atomic Energy Community
EUTF	EU Trust Fund
FAQ	Frequently Asked Questions
FEMIP	Facility for Euro-Mediterranean Investment and Partnership
FPI	Foreign Policy Instrument
FR	Financial Regulation
HoD	Head of Delegation
HQ	Headquarters
HR	Human rights
IcSP	Instrument contributing to Stability and Peace
IFI	International Financial Institution
INGO	International Non-Governmental Organization
IO	International Organisation
IPA	Instrument for Pre-accession Assistance
JC	Judgement Criterion
KFW	Kreditanstalt für Wiederaufbau (German development bank)
KPI	Key Performance Indicator
LAs	Local Authorities
LRRD	Linking Relief, Rehabilitation and Development
LS	Local Stakeholders
MFA	Macro-Financial Assistance
MFF	Multiannual Financial Framework
MICs	Middle-Income Countries

MIP	Multiannual Indicative Programme
MIS	Management information System
MS	Member State
MTR	Mid-Term Review
NGOs	Non-Governmental Organisations
NIF	Neighbourhood Investment Facility
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
PAR	Public Administration Reform
PFM	Public Finance Management
PPP	Public-Private Partnership
PRAG	Practical Guide
RACER	Relevance, acceptability, clarity, easiness, robustness indicators
RF	Result Framework
ROM	Results-Oriented Monitoring
SDGs	Sustainable Development Goals
SGUA	Support Group for Ukraine
SMEs	Small- and Medium-Sized Enterprises
SSF	Single Support Framework
TEU	Treaty on the European Union
TF	Trust Fund
TOR	Terms of Reference
UFM	Union for the Mediterranean
UN	United Nations
UK	United Kingdom
UNFCCC	Climate Change Framework Convention on Climate Change
USAID	United States Agency for International Development
VAT	Value-Added Tax
VET	Vocational Education and Training
WB	World Bank

1 Annex 1: Case study reports

Case study – Egypt	2
Case study – Georgia	25
Case study – Lebanon	52
Case study – Tunisia	68
Case study – Ukraine	94

External Evaluation of the European Neighbourhood Instrument (ENI)

Case Study – Egypt

1 Country dossier – a general overview

1.1 Political and economic situation in the country

Political situation

Source: Single Support Framework for EU support to Egypt (2014-2015)

Since the uprising of January 2011, which led to the fall of former President Mubarak, Egypt has been going through a complex and turbulent transition. It is significant that orderly parliamentary and presidential elections were held in 2011 and 2012. The end of the state of emergency after thirty years was also an important step. Nevertheless, this process has not been without challenges and set-backs.

During 2012, specific matters of concern included the dissolution of the People's Assembly, the crafting and passage of a new Constitution opposed by non-Islamists, and the issuing of a decree sheltering presidential decisions from judicial scrutiny. In 2013, a massive popular uprising led to the ousting of Mohammed Morsi from the Presidency and his imprisonment, as well as clashes with his supporters. This resulted in a brief relapse into the state of emergency and the establishment of an interim government, the suspension of the 2012 Constitution and dissolution of the Shoura Council, a crackdown on Morsi and Muslim Brotherhood (MB) supporters and more generally on dissenting voices (some 2,000 killed and 16,000-25,000 arrested, including 1,200-1,300 students and a number of journalists), an armed insurgency in Sinai (causing some 300-400 deaths since last summer) and a terrorist wave West of the Canal mainly targeting the police.

In July 2013, a constitutional road map was adopted by the new authorities, of which two major steps have been achieved. The Constitution was adopted in January 2014, following a referendum to which the EU sent an Election Expert Mission. The Presidential elections took place 26-28 May 2014, with a landslide victory (97.5% of votes), of Mr Al-Sisi (though voter turn-out was only 47.5%). Upon invitation, the EU sent an Election Observation Mission (EOM). The EOM concluded that the elections were generally in line with international standards, but found a lack of respect of fundamental freedoms and human rights due to political polarization and the clamp down of the authorities on the Muslim Brotherhood (MB) and political opposition. Parliamentary elections are expected to follow in the autumn of 2014.

Mass arrests and 'excess' sentences, including mass death sentences, often following dubious charges and proceedings, continue to raise serious concerns. A court in Minya issued two mass death sentences (end March and end of April) for 529 and 683 MB supporters which has created international outcry and condemnation. Despite the information that the Prosecutor General has now ordered full retrial of the cases, the events are alarming. Furthermore, on 19 June, leading figures of Islamist movements were given death sentences and on 23 June, Egyptian and foreign Al-Jazeera journalists were handed 7-10 year long prison sentences.

It is also worrying that following a de facto-moratorium of the execution of the capital punishment, allegedly since 2011, the Egyptian authorities have confirmed the death sentences, in June 2014, of death sentences following murder convictions.

December 2015 parliamentary elections

Source: Wikipedia

Egyptian parliamentary elections to the House of Representatives were held in two phases, from 17 October to 2 December 2015.

In preparation for the election, security was tightened across the country with at least 185,000 troops supporting police, president Sisi made a televised appeal for Egyptians to vote, and in mid-October, public sector employees were given half a day's holiday to encourage them to take part. The strikingly low turnout of around 10%, with "many angry at the government and its policies", was widely regarded as a set-back for the regime and a success for calls to boycotts from oppositional movements.

Macroeconomic stability

Sources: Single Support Framework for EU support to Egypt (2014-2015); 2015 EAMR, p.33-34

The economic situation remains difficult, because of structural challenges to the economy exacerbated by the events since January 2011. Growth has been very limited since 2011, averaging about 2% per year, which is insufficient given Egypt's demographic growth. Egypt is a lower middle income country, with an estimated GDP per capita in 2012 of USD 3 200, which has been decreasing over the last few years. Egypt's economy is relatively diversified, with the service sector (48% of GDP) and industry (37% of GDP) being the largest contributors, although around one third of the active labour population derive their living from primary agriculture. High employment sectors like tourism and construction have been particularly impacted in recent years, leading to a gradual increase in unemployment (13.4% in December 2013). Poverty levels remain high too, and have been increasing in recent years from 16.7% in 2000 to 26.3% in 2013, according to the Government's poverty definition. Poverty is particularly high in Upper Egypt.

Fiscal year 2014-15 saw a significant pick-up in economic growth, driven in part by increased public investment. Reform measures adopted in 2014 (reduction of fuel and energy subsidies, tax increases, reforms to payroll) contributed to a sizeable structural fiscal adjustment even, if the impact on the overall budget deficit (still at 11% of GDP) was limited as Egypt received less external budget support than in the previous year. Although the government has continued to adopt some reform measures, the reform momentum seems to have eased somewhat. Egypt continues to face significant financing gaps. This is mainly driven by an increasing trade deficit, a slower than foreseen pick-up in FDI and most recently the adverse effects of the security situation (and in particular the Metrojet Sinai crash) on tourism revenue.

Throughout most of 2015, international Reserves were kept at acceptable levels thanks to further sizeable deposits from Gulf countries, but reserves have slumped back to merely three months of imports by the end of the year. The maintenance of a relatively tight peg of the pound to the dollar (despite allowing depreciation of about 10% in 2015) had led to an overvaluation of the Egyptian pound, and a foreign exchange shortage. The overvaluation of the pound, combined with the negative effects of administrative measures to restrain foreign exchange demand and supply, and with continued structural constraints (such as energy deficit, despite some steps taken towards re-establishing sufficient energy supply) and the impact of insecurity have led to a significant slowdown in economic growth in the second half of 2015. The growing trade deficit is increasingly making the government and central bank resort to administrative measures aimed at reducing imports, in ways that may not always be compatible with the trade agreements that Egypt has signed up to. IMF article IV assessments were resumed late 2014 and are foreseen to continue according to a regular schedule. WB and AfD have concluded important development policy financing loans with Egypt end 2015.

1.2 EU strategic priorities in the country (programming docs)

Sources: Single Support Framework for EU support to Egypt (2014-2015) and Summary SSF 2014-2015

Sectors of Intervention for the Single Support Framework for Egypt for the period 2014-2015:

- **I - Poverty Alleviation, Local socio-economic development and Social Protection:** The overall objective of this priority area is to support Egypt's inclusive economic growth and job creation, as well as to foster social protection.
 - Enhance the delivery of basic services, notably to combat illiteracy and improve access to education, in particular at community level;
 - Support socio-economic development at the local level targeting those most in need through generating and strengthening sustainable economic activities.
 - Increase employment and improve entrepreneurship and self-employment, with a focus on youth and women;
 - Improve social protection systems and instruments.
- **II - Governance, Transparency and Business Environment:** The overall objective of this priority area is to support Egypt's process towards good governance and social justice including through establishing an enabling environment for conducting business to ensure economic recovery.
 - Facilitate access of citizens to public services, particularly of women, youth and disabled citizens.
 - Cooperate in combating and preventing corruption.
 - Improve the legal and regulatory framework for conducting business and investment.
 - Support the implementation of the Association Agreement.
- **III - Quality of life and environment:** The overall objective is to improve the quality of life and the environment by facilitating the access to sanitation and by providing clean energy.
 - Improving waste-water management and citizens' access to sanitation, including participatory measures at local level and income generating activities;
 - Improving access to clean energy.

Financial overview

The **indicative allocation** for Egypt under the Single Support Framework for the period **2014-2020** is: EUR 756 million – EUR 924 million

The **indicative allocation** for Egypt under the Single Support Framework for the period **2014-2015** is: EUR 210 million – EUR 257 million

Table 1 Indicative budget breakdown of the Single Support Framework

<i>Sector</i>	<i>Indicative allocation</i>
SECTOR OF INTERVENTION I – Poverty Alleviation, Local Socio-Economic Development and Social Protection	40%
SECTOR OF INTERVENTION II – Governance, Transparency and Business Environment	20%
SECTOR OF INTERVENTION III – Quality of Life and Environment	40%

1.3 Important issues regarding EU – Egypt cooperation

Source: 2015 EAMR, p.5-6

As in previous years, with reference to Delegation's strategic objective to ensure the efficient delivery of financial assistance programmes and projects, the **freeze of payments related to Budget Support (BS) operations since mid-2013** caused by Egypt's non-compliance with general BS conditions represented an important obstacle, because it did not allow the

Delegation to significantly decrease the RAL, including old RAL. The current suspension of BS operations' in strategic development areas like health, energy, transport and water, and in particular the impossibility to further extend the BS operation in education, also limited the Delegation's options to achieve its specific objective of supporting Egypt in fostering sustainable and inclusive development. The extension of the duration of several ongoing BS operations gave a sign of the willingness of the EU to resume BS operations when/if conditions allow in the future. While certain progress was made, in particular with regard to the December 2015 parliamentary elections, uncertainties remain and a decision with regard to both, the future of ongoing BS operations and the option to consider new BS operations for the 2017-2020 programming cycle, shall be assessed in 2016.

The **law on associations ("NGO law")** was a recurring matter of concern during the reporting period. The current law provides authorities with substantial discretionary power, allowing government to tightly control civil society activities. This law is not, indeed in line with international standards. A revised draft law is expected to be presented to the new Parliament that was elected at the end of 2015. However, the draft law under discussion falls short of eliminating the deficiencies of the current law and would de jure involve the security apparatus in the approval processes (current law does not contemplate such involvement, even if in practice it is the case). Meanwhile, governmental authorization is required for NGOs both to remain operational and to receive funding for specific projects. As a consequence, an important number of NGOs receiving EU grants incurred delays during the reporting period that presented a challenge to the Delegation's objective of ensuring the efficient delivery of aid to Egypt.

Another challenge remains the **Egyptian Government's lack of sound development and sectorial strategies**, to which EU assistance could effectively align to, as well as their systematic implementation by competent government bodies. Nevertheless, certain progress in this area was made during 2015 in the framework of the launch of Egypt's sustainable development strategy "Vision 2030" presented in spring 2015. The GoE's goal to develop specific sector strategies in line with "Vision 2030" was being supported through the AAP 2015 that included specific technical assistance to Egyptian partners working on strategies related to certain priority sectors (energy; water). On the other hand side, the longstanding problem of the GoE's generally limited capacity to manage aid programmes in a timely and efficient way was successfully mitigated by avoiding new programmes to be implemented under indirect management with the Government and also limiting the use of Programme Estimates. Instead, the direct management or indirect management with EU member states, notably through blending with EFIs, but also with EU member State agencies was fostered during the reporting period.

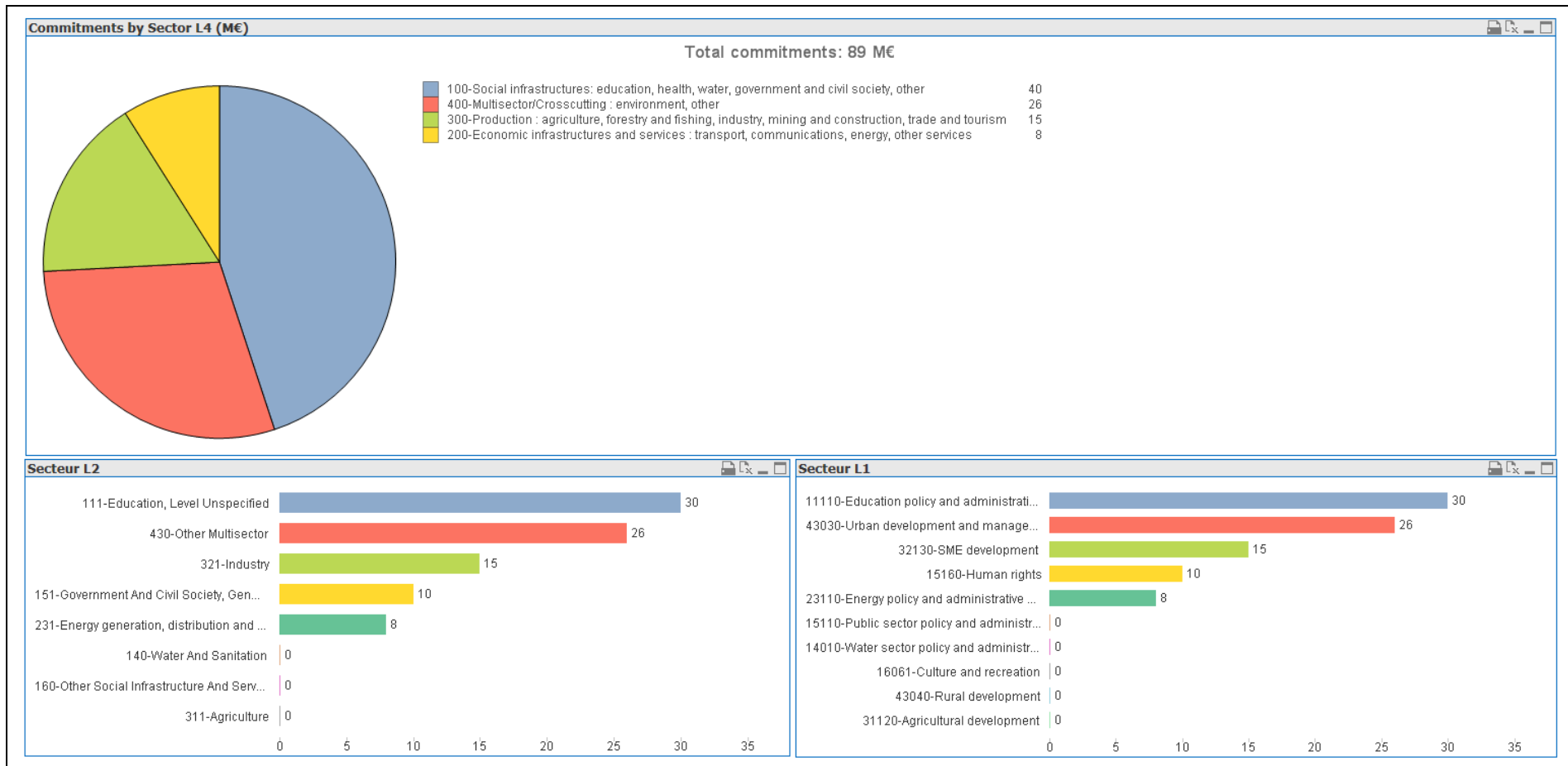
As in the recent past, security concerns and governmental efforts to stabilise the situation in the country affected the respect and protection of human and political rights and have led to the arrests and convictions, in some cases the disappearance of HR and civil society activists as well as opposition members. The Constitution of January 2014 does contain some provisions for better protection of vulnerable groups (e.g. women), however, it does not enhance democratic scrutiny of both the military and the judicial system. This worrying situation represented an important challenge to the Delegation's general objective to contribute to building a democratic society in Egypt, and in particular to its specific AMP objective of providing support to Egypt in promoting democracy and the **respect of human rights and fundamental freedoms**.

1.4 Overview of EU support

Table 2 Key ENI interventions (decisions) since 2014

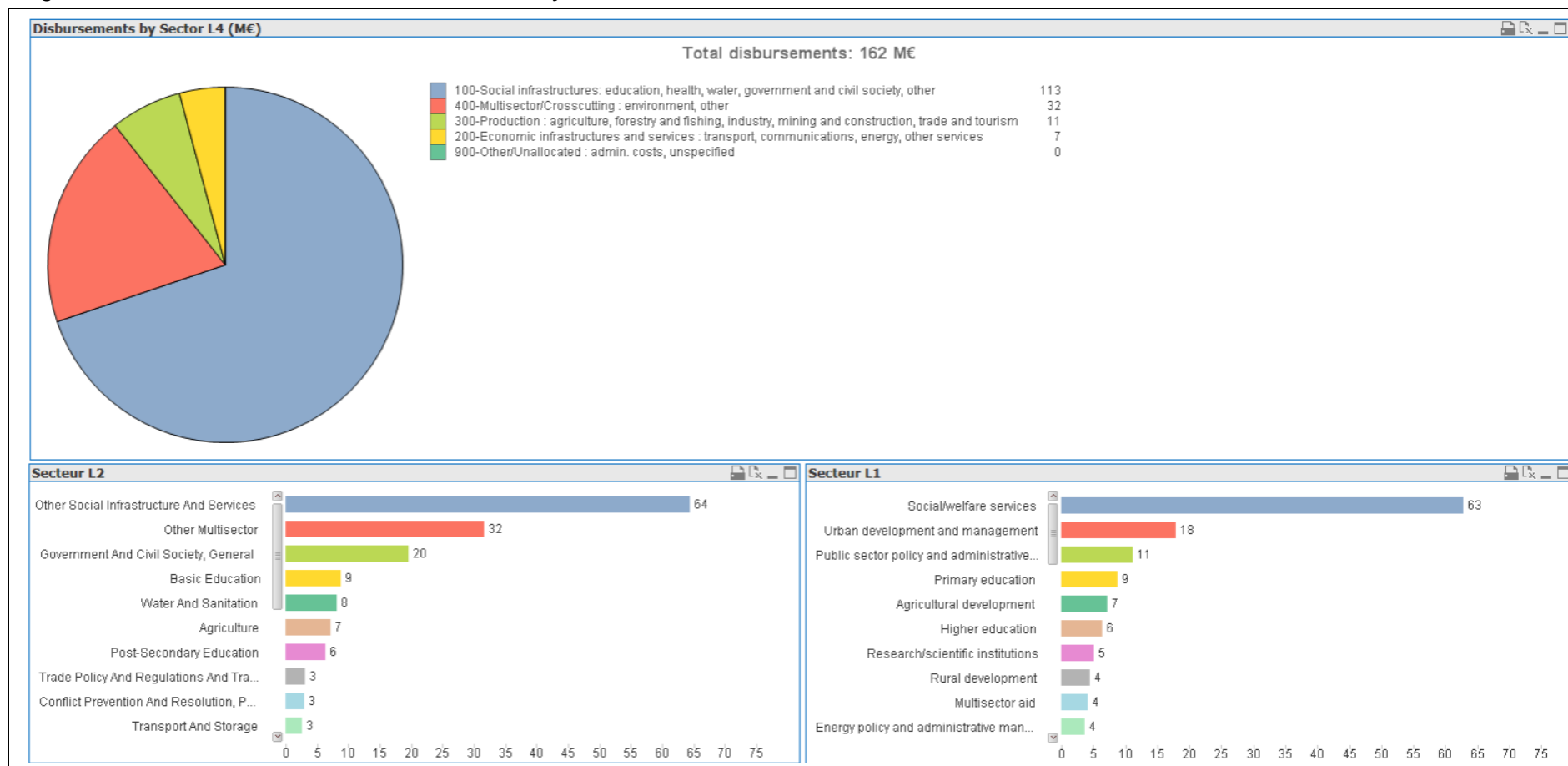
<i>Domain</i>	<i>Decision year</i>	<i>Decision N°</i>	<i>Decision title</i>	<i>Committed</i>	<i>Paid</i>	<i>DAC Code</i>	<i>Sector code</i>
ENI	2014	37351	Expanding Access to Education and Protection for at Risk Children in Egypt	30000000	3098559,06	11110	Education policy and administrative management
ENI	2015	38279	Citizen Rights Project	10000000	0	15160	Human rights
ENI	2015	38275	Fostering Reforms in the Egyptian renewable Energy and Water Sectors through Capacity Building	8000000	0	23110	Energy policy and administrative management
ENI	2015	38272	Upgrading Informal Areas Infrastructures	26000000	0	43030	Urban development and management
ENI	2015	38273	Promoting Inclusive Economic Growth in Egypt Programme	15000000	0	32130	Small and medium-sized enterprises (SME) development
ENI	2016	39543	EU Facility for Inclusive Growth and Job Creation	10000000	0	32130	Small and medium-sized enterprises (SME) development
ENI	2016	39544	National Drainage Program III in the framework of the Joint Integrated Sector Approach in the irrigation sector (NDP III - JISA)	40000000	0	14015	Water resources conservation (including data collection)
ENI	2016	39542	Advancing Women's Rights in Egypt	10000000	0	15170	Women's equality organisations and institutions

Figure 1 Overview of ENI commitments by sector



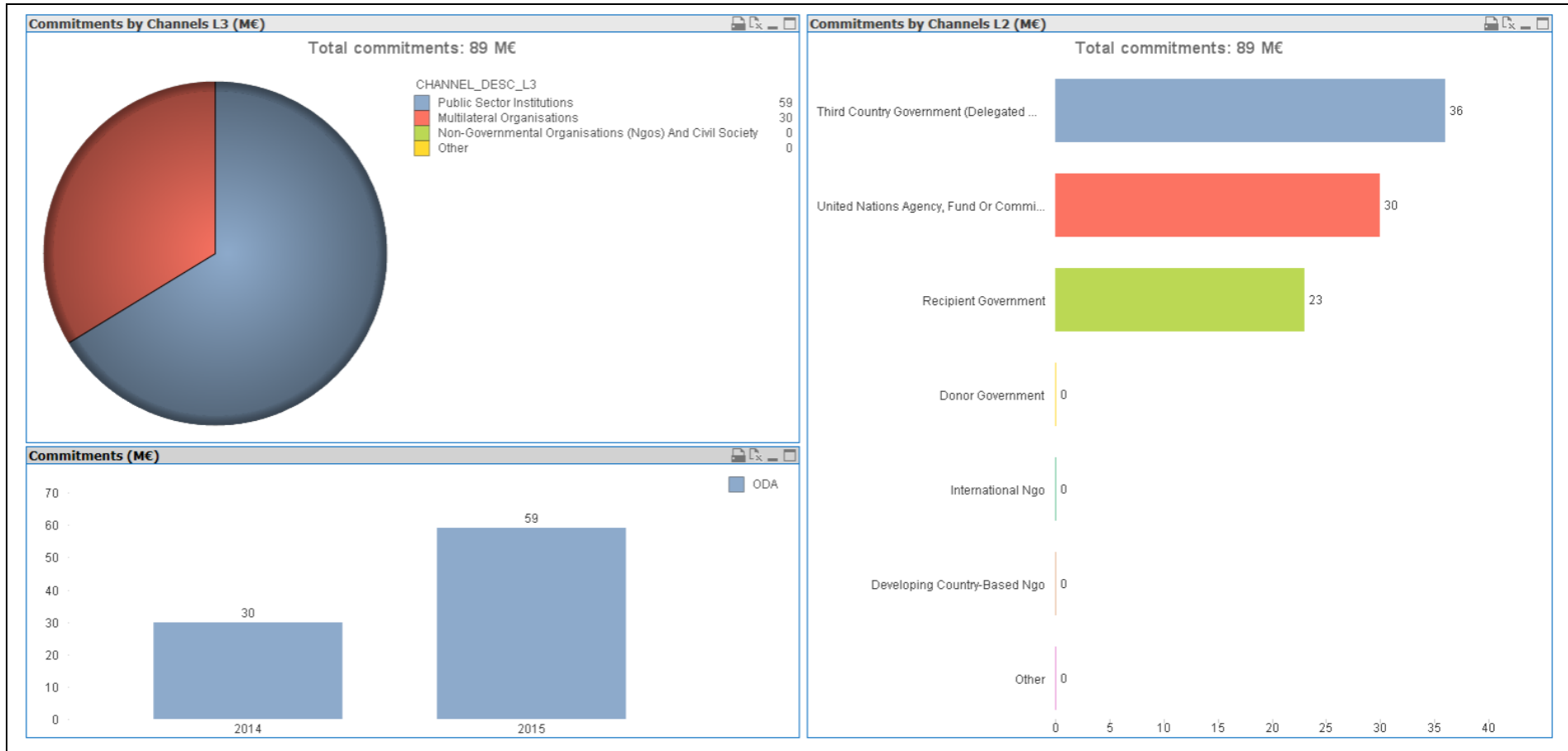
Source: EC Statistical Dashboard

Figure 2 Overview of ENI disbursements by sector



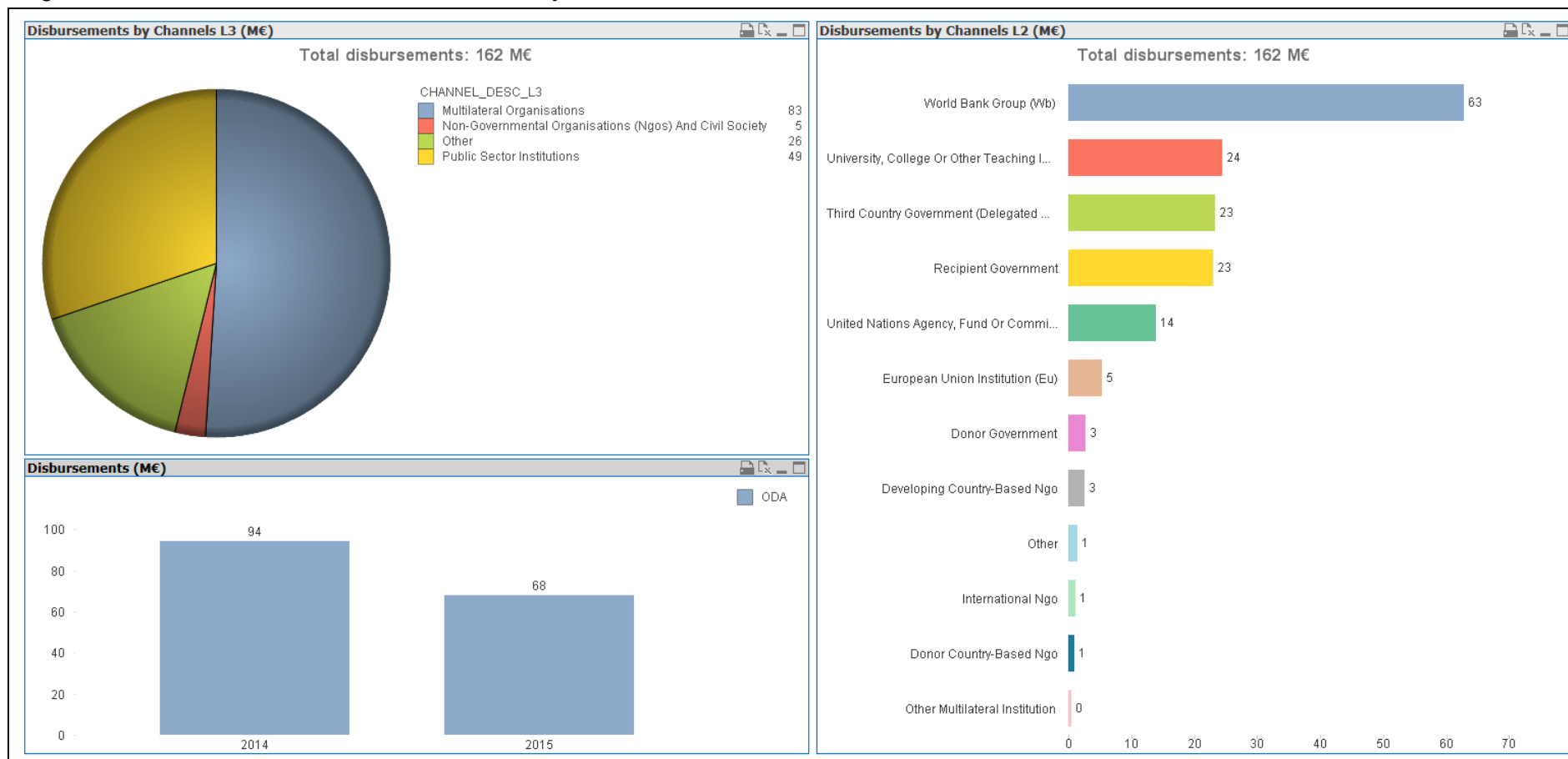
Source: EC Statistical Dashboard

Figure 3 Overview of ENI commitments by channel



Source: EC Statistical Dashboard

Figure 4 Overview of ENI disbursements by channel



Source: EC Statistical Dashboard

1.5 Overview of other Development Partners' support

Source: 2015 EAMR, p.26

In 2015, the overall value of ongoing contracts entrusted to delegated entities was around EUR 590 million. This amount included five blending operations with AFD for a total EU contribution of EUR 145 million and four with KfW for EUR 107.2 million, as well as five operations with EIB for EUR 81.24 million, and one with EBRD for EUR 23.8 million. EU aid contracts were also executed by the GIZ (two contracts; total of EUR 39.2 million) and the Italian Cooperation Agency (EUR 21.89 million). Moreover, there were six ongoing contracts with UN agencies (Unicef; UNDP; UN Women; UNDOC) for a total of value of EUR 43.9 million, and one contract with the WFP for EUR 59.5 million. Finally, a EUR 69.8 million EU contract on emergency employment measures was implemented by the WB.

2 Evaluation findings on Egypt

2.1 EQ 1 on relevance

To what extent do the overall and the specific objectives (ENI Regulation, Article 1 and 2) and the design of the ENI respond to:

(i) EU priorities and beneficiary needs identified at the time the instrument was adopted (2014)?

(ii) Current EU priorities, in particular emerging from the 2015 ENP Review such as stabilisation, and beneficiary needs, given the evolving challenges and priorities in the international context (2017)?

DR focuses on:

Correspondence of the ENI objectives (Art.1 & 2) with partner country's own priorities:

The GoE after the Military Coup of 2013 does not respect HRs and fundamental freedoms in its fight against HR defenders (associated to the destabilization of the government in 2011) on one hand, and Salafist organizations on the other hand (Muslim brotherhood). ENI related key objective 22a is contradicting the GoE's security strategy. 22b is mainly focused on sectoral reforms (energy and water & sanitation), with limited progress in implementing trade aspects of the AA. The GoE is facing currency shortage and is engaging protection measures rather than market integration and alignment on EU rules and standards.

EUD has internalized the new priorities highlighted in the 2015 ENP Review and has been able to implement them:

NA

New orientations have been positively appreciated by partner countries, both at government and civil society levels:

NA

Ownership by partner country:

NA

2.1.1 JC11: The ENI objectives and design were initially (2011/2014) congruent with i) EU priorities and ii) partner country priorities

Inputs to the information matrix

2(2)a - Promoting human rights and fundamental freedoms, (...)¹:

The GoE after the Military Coup of 2013 does not respect HRs and fundamental freedoms in its fight against HR defenders (associated to the destabilization of the government in 2011)

¹ Promoting human rights and fundamental freedoms, the rule of law, principles of equality and the fight against discrimination in all its forms, establishing deep and sustainable democracy, promoting good governance, fighting corruption, strengthening institutional capacity at all levels and developing a thriving civil society including social partners.

on one hand, and Salafist organizations on the other hand (Muslim brotherhood). The ENI related key objective 22a is contradicting the GoE security strategy.

*2(2)b - Achieving progressive integration into the Union's internal market and enhanced sectoral and cross-sectoral cooperation(...)*²: ENI programmes are mainly focused on sectoral reforms (energy and watsan), with limited progress in implementing trade aspects of the AA. The GoE is facing a currency shortage and is engaging in protection measures rather than market integration and alignment on EU rules and standards.

*2(2)c - Creating conditions for the better organisation of legal migration (...)*³:

Legal migration and mobility are shared concerns between EU and the GoE; but they are not high in the shared agenda. Illegal migration was not an issue in 2014 (but is on the rise since early 2016).

*2(2)d - Supporting smart, sustainable and inclusive development in all aspects(...)*⁴:

The ENI programmes are not yet at an implementation stage; several ENPI programmes are addressing poverty reduction (basic infrastructure/community services/basic services with systematically a participatory approach; TVET) and are to be continued under ENI.

2(2)e - Promoting confidence-building, good neighbourly relations and other measures contributing to security in all its forms and the prevention and settlement of conflicts, including protracted conflicts:

No correspondence with GoE-priorities, no ENPI/ENI related initiative

2(2)f - Enhancing sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation:

Regional programmes and TAIEX/twinning are appreciated among technical beneficiaries. The GoE shows reluctance towards the CBC, even though it is involved. The Ministry of International Cooperation and the Ministry of Foreign Affairs share a strong focus on bilateral programmes.

Validation of DR hypotheses:

Clear understanding by EUMS and PC, especially in the East, that ENP is not a "Pre"- pre-accession policy:

NA. The GoE never considered accession as an option (keeping a close look on Turkey) – and does not wish so. The country is strongly anchored in the Arab regional integration agenda – if any.

Existence of multiple strategic scenarios at the EUD level (planning stage):

The EUD is negotiating a document about Partnership Priorities with GoE. It stays a multi-sector roadmap to a large extent, rather than a strategy. It acknowledges the strategic context and the need to have a strategy to answer to previous and emerging needs as well as to address short/medium/long term horizons. The regulatory framework (including ENI regulation as a 2nd rank compared to FRs) authorises a safe use of only a limited set of implementation tools that are focused on the long term horizon of the root causes of poverty, instability, and conflicts. Though there is a strong consciousness of the imminent risks of a

² Achieving progressive integration into the Union internal market and enhanced sectoral and cross-sectoral cooperation, including through legislative approximation and regulatory convergence towards Union and other relevant international standards, and improved market access including through deep and comprehensive free trade areas, related institution-building and investment, particularly in interconnections

³ Creating conditions for the better organisation of legal migration and the fostering of well-managed mobility of people, for the implementation of existing or future agreements concluded in line with the Global Approach to Migration and Mobility, and for the promotion of people-to- people contacts, in particular in relation to cultural, educational, professional and sporting activities

⁴ Supporting smart, sustainable and inclusive development in all aspects; reducing poverty, including through private sector development, and reducing social exclusion; promoting capacity-building in science, education and in particular higher education, technology, research and innovation; promoting internal economic, social and territorial cohesion; fostering rural development; promoting public health; and supporting environmental protection, climate action and disaster resilience.

GoE-destabilisation , the EUD continues to programme its future interventions on a 2 to 3 years horizon.

ENI programming has been aligned on partner countries' strategies and needs:

The Partnership agreement is 99.9% drafted, fully aligned with the GoE sector policies targeted by the EU. An Alignment was easy because the sectors of concentration are kept over time, thus already corresponding to the EU reforms agenda for a large part. However, the control implemented by GoE of CSOs funded by foreign countries has been blocking the programming of ENI for months (at registration stage, at project level and likely soon for each financial transfer). According to the Ministry of FAs, the objective of this policy is to control and reduce Salafist organizations (estimated to roughly a hundred), in order to limit the dissemination of radicalism among the youth. Several EUMSs (from Northern Europe) are opposed to this control on the ground of HRs and fundamental freedoms, and impose on EUD to voice their concern and use ENI resources as a negotiating power. Other EUMSs (from Southern Europe, particularly Greece and Cyprus) promote a more conciliating position.

2.1.2 JC12: The ENI objectives and design are still congruent with i) EU priorities emerging from the 2015 ENP Review such as stabilisation and ii) partner country priorities resulting from the evolving global and regional challenges (2016-2017)

Inputs to the information matrix

2(2)a - Promoting human rights and fundamental freedoms, (...):

ENI programming blocked on HRs issues.

2(2)b - Achieving progressive integration into the Union internal market and enhanced sectoral and cross-sectoral cooperation(...):

No significant change since 2014 unless an increasingly protectionist policy.

2(2)c - Creating conditions for the better organisation of legal migration (...):

No change.

2(2)d - Supporting smart, sustainable and inclusive development in all aspects (...):

The GoE is making progress in reducing the multiple subsidy schemes that pre-existed the Coup. The Egyptian pound is floating since the 4th of November. These significant progresses are not fully acknowledged by the EUD that keep a strong focus on corruption, bureaucracy, human rights, and several other repelling factors.

2(2)e - Promoting confidence-building, good neighbourly relations and other measures contributing to security in all its forms and the prevention and settlement of conflicts, including protracted conflicts:

Nothing new since 2015.

2(2)f - Enhancing sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation:

Nothing new since 2015 unless the increasing difficulties for CSOs to move outside the country due to the control exercised by Security Forces at all level of the administration.

Validation of DR hypotheses:

New priorities (e.g. Review 2015) have been fully internalized in EUD:

The EUD is making a significant effort on formulating migration projects (additional staff; 2/7 are now specialized) but mainly for Africa EUTF. Projects are focused on treating root causes and institutional aspects. EUR 20 million projects signed, EUR 11 million approved. The security dimension is not addressed as such.

A divergence emerged since 2015 between renewed ENP priorities and partner's ones:

Increasing divergence was not perceptible, unless on the control of the CSOs. It is noteworthy that the GoE has control over Salafist CSOs that are of mutual interest of EU and

Egypt, and the stabilization of the Near-East altogether, while it is still blocking ENI cooperation and compromising the trust of the GoE on EU policy (with a conspiracy theory background at country level). It is a case for growing internal contradictions between the so-called “EU priorities”, EU policy framework for the area, and EU interest at very short term (the return to a Salafist regime, as well as an economic crisis, would drive thousands of migrants to Mediterranean seashore).

2.2 EQ 2 on effectiveness, impact and sustainability

To what extent does the ENI deliver results against the instrument's objectives, and specific EU priorities?

DR Focuses:

The scope for contributing to ENI objectives (see EQ1) increased over time:

The military Coup in 2013 and its internal security policies against Salafist groups and HR defenders alike limit the scope of ENI programmes to support sector reforms (renewable energies, watsan) and basic service delivery at community level (urban mainly, but also rural areas).

EUD adjusted the action documents (eg programmes) to ENI objectives:

The programming of ENI resources is blocked by the disagreement on CSOs administrative and security control. Overall, ENI objectives are perceived as a continuation of ENPI at the sector level, thus implying a continuation of the pre-existing programmes. ENP renewed priorities are for the moment acted upon mainly outside the ENI programmes (Africa EUTF for migration).

The “EU priorities” (vs ENI/ENP priorities) are marginalized in the process of programming and furthermore during implementation, particularly in the South:

Since 2013, EU “priorities” in Egypt are almost solely focused on the CSO- issue; 25% of EUD contracts are signed with CSOs and even service delivery CSOs (as most partners of the EU) are affected by control of the government and security forces (less in small cities and rural areas).

2.2.1 JC 21: ENI programmes contribute towards the objectives listed in the ENI Regulation, Article 1 and 2

Inputs to the information matrix

2(2)a - Promoting human rights and fundamental freedoms, (...):

No ENI programmes to promote HR; support provided through EIDHR; All other aspects not addressed due to the GoE reluctance, unless for a PAR programme under preparation.

2(2)b - Achieving progressive integration into the Union’s internal market and enhanced sectoral and cross-sectoral cooperation(...):

Notable results in the renewable energy sector over several programmes, with sizeable contribution to wind farms (EUR 60 million) and an accompanying (EUR 3 million) TA that draft a national strategy recently adopted. Similar results in support to the water sector.

2(2)c - Creating conditions for the better organisation of legal migration (...):

NA

2(2)d - Supporting smart, sustainable and inclusive development in all aspects(...):

Several projects to improve living conditions in urban areas (servicing/structuring) and rural areas (diversification, income generating).

2(2)e - Promoting confidence-building, good neighbourly relations and other measures contributing to security in all its forms and the prevention and settlement of conflicts, including protracted conflicts:

NA

2(2)f - *Enhancing sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation:*

NA - though participation to meetings organized by regional programmes appreciated by line ministries.

Validation of DR hypotheses:

The appropriate targeting of democracy and rule of the law is linked to the inclusive programming processes, in-house expertise (notably CoTE), and ENPI experience:

This goal is impeded by the conflict on CSOs control by Security forces.

The monitoring and evaluation systems are increasingly able to determine the link of economic results with ENI programmes:

Nothing noticeable. The monitoring system is seen as externally given by EUD.

2.2.2 JC22: ENI programmes support policy dialogue and implementation of reform objectives agreed with each partner country

Inputs to the information matrix

Policy dialogue:

The policy dialogue at programme level almost only takes place in the course of the programming and implementation phases (sometimes backed by related regional programmes). Through programmes, policy dialogue looks somehow centred on key implementing partners unless prolonged by support to national policy (renewable energy) and to master plan (water). Donors established a dialogue platform (DPG) mainly among themselves, throughout which key implementing partners are invited.

Implementation of reform objectives:

As already analysed above, at sector level, ENPI programmes are achieving their reform objectives, at least regarding adoption of revised policy documents. The overall perception is that EU programmes have not succeeded to change much the administrative culture and the Egyptian bureaucracy. The preparation of a PAR covering several sector might be an opportunity to promote deeper changes. BS are praised on both side as suitable vehicles for policy dialogue; they are frozen since 2013 as a collateral effect of a decision of the Foreign Affairs Committee of the Council.

Validation of DR hypotheses:

The scope for policy dialogue is increasingly negatively influenced by the deepening of the social and political tensions in the Neighbourhood:

Such a link was not noticed; issues in policy dialogue are more related to the Egyptian administrative/political culture and the meagre backing of EU programmes by the Ministry of International Cooperation. Up until now the EU programmes are kept to technical areas (water, wind farms, basic services), failing to scale-up towards more key reforms areas (PFM, administration, accountability). The situation might be changing with PAR.

The capacity of policy dialogue of the EU is weakened by issues in capitalising experience and technical expertise, relative "isolation" of EUD-staff, and quality of services provided by framework contractors:

These shortcomings were not confirmed by the EUD and its partners, unless for framework contracts (short-term; qualification of long term assistances is positively appreciated). As most of the policy dialogue is ensured by EUD during programming phase and then through TAs during the implementation phase, there is some scope for partisan auto-evaluation above. The GoE indicated that the EUD expertise was appreciated, particularly during strategic and programming exercises. Some concerns were issued regarding implementation, notably for programme managers (linked for the most to one particular case of improper behaviour).

2.2.3 JC23: ENI programmes enhance sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation

Inputs to the information matrix

Sub-regional collaboration:

NA

Regional programmes:

Regional programmes were praised several times by line ministries for their technical inputs regarding sector reforms. They were not presented as enhancing regional cooperation. The EUD indicated that limits placed on visa delivery by security forces impeded participation to networking.

European-wide collaboration:

Similarly to expertise sharing supported by regional programmes, TAIEX and twinning were appreciated (water sector).

Cross-border cooperation:

The GoE has a limited involvement in CBC.

Validation of DR hypotheses:

The geostrategic tensions are a major impediment for developing regional and sub-regional integration:

Expert networking conveyed by regional programmes does not seem to be impacted by regional tensions; they are constrained by security measures (visas) and the limited interest of the GoE to develop ties across the Maghreb and the Mediterranean countries: their strategic focus is rather geared towards the Arab community.

Financial resources and “political weight” of ENI programmes are not sufficient to oppose to mistrust between neighbouring regions:

The GoE expressed its limited interest for the financial side of ENI cooperation, even for bilateral programmes; as a middle-income country with a decent fiscal base, amounts provided by ENI do not weight much, all the more so for regional and CBC programmes.

2.2.4 JC24: ENI mainstreams EU policy priorities

Inputs to the information matrix

The project formulation complies with the requirement, even if oftentimes rather by constraint than by conviction. The importance of imposed priorities is down-scaled during implementation, often on the sake of the lack of interest and ownership by beneficiaries. Only thematic instruments by selecting committed/activist CSOs through oriented calls of proposals succeed to carry on projects focused on HR, gender equality, climate change...

Validation of DR hypotheses:

The ‘programming instructions 2014-2020’ document was replaced by ad hoc instructions to adjust to the revised policy framework of the 2015 ENP review⁵:

No information.

The ‘new’ ENP priorities are felt to have a far higher relevance in the present context of the neighbourhood than the ‘priorities’ induced by EU international commitments, with limited demand by partner country:

This is a shared view by all managers in EUD; cross-cutting issues are increasingly perceived as an outdated approach to development cooperation, distant from a pragmatic approach and of EU interests.

2.3 EQ 3 on efficiency

To what extent is the ENI delivering efficiently?

DR focuses:

Existing flexibility measures available with ENI are proportional to challenges faced by partner.

⁵ Shared with us already by EEAS.

A large part of the lengthy processes is linked to the partner itself, i.e. its weak administrative capacity, its own bureaucratic culture, political and security issues. The reactivity aspect of flexibility is therefore limited, but still in the usual range of 1-2 years from identification to adoption of project. The thematic flexibility authorized by Article 2 (and annex 2) of ENI regulation is not fully exploited: ENI programmes are limited to area of limited political sensitivity, like renewable energy and participatory basic services. Democracy and human rights are excluded by the GoE, giving some space to EIDHR and CSO/LA budget lines in their pre-Eni strategic areas.

Flexibilities introduced by ENI (special measures, EUTFs) are positively appreciated by partner countries and have not developed counterproductive features:

Special measures were not proposed to the GoE during the period of declaration of crisis, nor direct contracting. Egypt is the only country benefitting of the two EUTFs; those tools are appreciated by the GoE even if no project is yet implemented by it

Progress in addressing the propositions of the working group on accelerating aid delivery:

The EUD emphasized the efforts made at HQ to take any initiative consistent with the recommendations of the working group, in particular the extensive use of a priori approval. The commitment of the management was noticed, as well as its close support. The frequency of top-management field visits is appreciated and provides a support to EUD management/middle management. Expectations are also placed on EUTFs.

2.3.1 JC31: ENI management is administratively cost effective

Inputs to the information matrix

NA to country report.

Validation of DR hypotheses:

The new/revised ENI/CIR/FR have improved cost and time efficiency on the ground (e.g. in EUDs):

No information.

The time consumption in EUDs of controls and administrative reporting still allows sound project management and policy dialogue:

No information:

Internal/external (CoA) audit system contributes to minimize initiatives intending to speed-up aid delivery:

The EUD asked for and obtained a declaration of crisis but for two years but did not use it for direct contracting. The difficult experience of the Tunisia EUD with the CoA when this procedure was used prevented further experiment by other EUDs. The regulatory framework related to crisis declaration seems open to interpretation, depending if the reference is the overall FR or more specific regulations. The CoA systematically refers to FR that does not integrate crisis-related procedures. Similarly, the Egypt EUD faced an issue with CoA on CSOs receipts (that was finally dismissed) that led to more cautious approach to support to the civil society – highly needed given the difficult context faced by CSOs with GoE.

2.3.2 JC32: Budget allocation and execution are efficient, in particular in managing the incentive-based approach and response to crises

Inputs to the information matrix

Egypt was not considered for an umbrella programme, and the GoE is not counting upon the more for more approach. The Ministry of International cooperation has a negative vision of the incentive mechanism.

Validation of DR hypotheses:

KPIs do not reflect contextual constraints on the ground:

No further information.

Incentive of the umbrella programmes is not related to its procedural time-efficiency:

NA (Egypt excluded)

Special measures provided the required level of flexibility and time-efficiency:

Not utilized purposively.

2.3.3 JC33: Appropriate monitoring processes and indicators for measurement of the performance of the ENI are in place and functioning.

Inputs to the information matrix

No further information

Validation of DR hypotheses

The link between progress reports and the allocation of the umbrella programmes is unclear to partner countries:

NA

The progress reports are subject of reputational competition between partner countries:

The GoE is not engaged in any sort of reputational competition within the Neighbourhood.

2.4 EQ 4 on added value

To what extent do the ENI programmes add value compared to interventions by Member States or other key donors?

DR focuses:

The perception and understanding of driving factors for EU added value by stakeholders of ENI programmes (authorities, civil society and EU MS):

The GoE is particularly emphasizing on EU expertise and long-term engagement in its focal sector; financial volumes are not considered key added value (the GoE can count on several donors competing for influence). CSOs interviewed emphasized mainly the fund raising dimension of EU support. EUMSs were quite positive about EU added-value for financial volumes, quality of the expertise, and focus on policy reforms and institutional capacity building.

The communication strategy of EU services in charge of ENI at HQ and country-level with regards to EU added value:

No further information collected.

The extent to which indirect management with international organisations (and trust funds managed by IFIs) contributes to EU added value:

No further information collected.

2.4.1 JC41: ENI offers added value in terms of size of engagement, particular expertise, and/or particular weight in advocacy, where ENI is operating in the same field as other donors

Inputs to the information matrix

The main added-value of ENI is its grant rather than size of financial resources. The blending approach is changing the relation with key institutional donors also active in policy reforms and institutional/regulatory development (i.e. the WB and UN agencies). Congruence has improved. Prior divergences on the development agenda have decreased if not disappeared with the use of indirect management for international organizations faced by resource constraints.

The expertise of the staff in delegation is generally recognised, as well as its capacity to sustain a structured and informed policy dialogue. In Egypt, its advocacy capacity is hardly different than the one of any other donors, the EU “model” being seen as less and less convincing throughout recent years (Min. of FAs).

Validation of DR hypotheses

The partner countries recognise the importance of ENI programmes beyond their financial value:

Line ministries value the technical expertise availed over the years through TA missions; the Ministry of International Cooperation acknowledges the expertise demonstrated in the programming sequences but does not find the same capacity for project implementation. As indicated above, the financial volumes are not seen as a distinctive feature (compared to the panel of other donors, institutional or not, available in the cooperation market).

The expertise provided by DG NEAR at HQ responds to the needs of EUDs staff (adequacy to demand, quality and reactivity):

Most of EUD staff reference about HQ is the desk manager and the top management. CoTE are hardly indicated as an input for programme formulation. For technical matters, EUD staff are on their own, with limited background documents (policy framework, examples) and guidance from HQ. They most often refer to colleagues known in other delegations that worked on similar themes or projects.

The strategic intent of the mix of instruments and aid modalities is understood by EU MSs and partner countries:

EUMSs have an excellent understanding of the EU machinery, its tools and instruments. Informal/interpersonal contacts are frequent, and more formal coordination events are regularly organized at several levels. The GoE has a far more limited understanding of the policy framework, the instruments and EU strategy. This might be partly linked to the newly appointed staff in the Ministry of International Cooperation but also need to be linked to the weak communication/vulgarisation capacity of EUD staff (and the limited time they can devote to background information vis-à-vis urgent procedures).

The programmes adopted by the Madad Funds respond to the needs of the partner countries and are owned by participating EUMSs:

No further information collected.

2.4.2 JC42: ENI programming encourages EU Division of Labour (focus on the EUMS but also with other donors)

Inputs to the information matrix

The EUD confirmed that DoL is part of the joint programming package but in a sequenced approach that has not yet started in Egypt. If the concept of DoL is well understood by EUMSs interviewed, none demonstrated a clear enthusiasm about its implementation. It is unclear to them what would be the added-value of a rationalized EU Family cooperation in a context where many other donors are competing, with far attractive offers to the GoE.

Validation of DR hypotheses

EUMSs are still reluctant about EU-led multiannual framework of division of labour to stay able to seize (economic) opportunities and respond to high level political commitments:

Confirmed (see above)

IFIs follow along the same lines than EU for policy dialogue (joint efforts); however they have far less financial leverage. In addition, their light design and reporting processes (in comparison to those of the EU) prevent them to encourage division of labour in the sense of the aid effectiveness agenda:

None of the donors met put the aid effectiveness agenda as a priority; they increasingly need ENI resources on grant to improve the competitiveness of their own offers to GoG – and thus to legitimate their overheads vis-à-vis their HQ by signing projects.

2.5 EQ 5 on coherence, consistency, complementarity and synergies

To what extent does the ENI facilitate coherence, consistency, complementarity and synergies both internally between its own set of objectives and programmes, vis-à-vis other EFIs, and other donors?

DR focuses

The demonstrated added value of the joint programming process engaged to-date:

Joint programming is valued by EUMSs.

The consistency of the EUTFs programming documents and actions with the ENP policy framework and with EU priorities (beyond relevance of addressing urgent needs) as well as the complementarity and synergies among them:

No information collected.

The capacity demonstrated by EUMS in channelling their projects through EUTFs:

No information collected.

2.5.1 JC51: ENI programmes are coherent and complementary with one another**Inputs to the information matrix**

The major ENI programmes in Egypt are strongly anchored in their respective sector, with no bridge ensuring coherence/congruence other than the EU procedures of formulation and implementation. They are not complementary between themselves and other sector (as trade) or other instruments (EIDHR, CSO/LAs). This fragmentation is linked to a large extent to the GoE reluctance towards any form of comprehensive policy dialogue.

Validation of DR hypotheses

The too long visas and QSG process is compensating the insufficient specification of the programming instructions:

The HQ visas are not in a position to the overall strategy negotiated with the GoE, and thus to overcome sector fragmentation. Their key entry point in ENI programmes is the action document that does not provide an opportunity to link projects in different sectors together.

The NEAR institutional set-up constitutes an impediment to operative complementarity between bilateral and regional programmes:

Complementarity with regional programmes was positively assessed by the two visited programmes.

2.5.2 JC52: ENI programmes are aligned with the evolving ENP policy and, where relevant, the EU development policy**Inputs to the information matrix**

ENI programmes in Egypt refer to the EU development policy rather than to the reviewed ENP policy. They address only long-term development prospects. Migration projects are prepared intensively since a year for the Africa TF (rather than ENI programmed resources). Ways to address stabilisation on short and medium term horizons are not figured out against the anticipation for those horizons of major risks for further tensions and conflicts, mainly linked to the economic degradation of the country. It appeared that i) ENI does not provide for tools (or procedures) able to fit in these timeframe, and ii) EUD management is reluctant to engage in accelerated procedures (allowed by specific regulations) is not fully backed by the financial regulations (of EC BUDGET).

Validation of DR hypotheses

The update of the programming instructions after the ENP review is adjusted to need of coherence and complementarity:

The update was not evoked at all. Guidance is rather sought with HQ top-management staff.

The ENI priorities and approaches are insufficiently specified by sector to encourage consistency with the policy framework (and swift processing):

The ENI programme follows a full-fledge formulation process with no backing by good practices or evaluations or sector frameworks (unless for PAR).

2.5.3 JC53: ENI programmes are consistent with other (than ENP and development policy) EU external action policies (EFIs and EU sectorial policies)

Inputs to the information matrix

EFIs (nominative, not globally):

Consistency is nowhere looked at, only complementarity when ENI funds are stuck; in Egypt, EIDHR is particularly valuable to overcome the control of HR defenders by the security forces. CSO/LA is also used to provide support to some CSOs, also under a harsh control by several layers of security forces. ISCP is also used.

Line DGs (nominative, not globally):

No specific information collected.

Validation of DR hypotheses

The share of ENI in the assistance to neighbourhood countries is so high and thematically so encompassing that opportunities for complementary arise only with EFIs dedicated to crisis and stabilization:

Actually, complementarity is due to the security policy of the GoE that excludes the use of negotiated bilateral programmes to support the civil society, unless for the most rudimentary level of service delivery in substitution of failing bureaucracy.

The EUTFs (and other financing Facilities) limit further the scope for complementarity with EFIs since by design they are implementing actions covering the policy areas of some critical EFIs for the partner country:

No information collected.

The extent and diversity of the needs in the Neighbourhood in the recent years tend to hide overlaps between ENI and other EFIs:

The overlap is clear; only the blockage of bilateral programmes induced a re-emergence of ENI complementarity with civil society related EFIs.

2.5.4 JC54: ENI programmes complement and stimulate synergies with the other external action financing instruments

Inputs to the information matrix

No complementarity, nor synergy at the programme-level. EFIs are part and parcels of the overall EU partnership strategy.

Validation of DR hypotheses

Complement JC53 with this perspective.

2.5.5 JC55: ENI programmes complement and stimulate synergies with interventions of EUMSs and other donors

Inputs to the information matrix

EUMS:

Coordination with EUD and joint programming improve complementarity with EUMSs programmes

IFIS:

Blending with EU grants improve the capacity of the WB to respond to socioeconomic needs with concessional rates; on the other hand, the possibility of the non-EU IFIs to intervene independently to the situation of HRs and democracy offers flexibility and swifter implementation to ENI resources, thus some ability to tackle crisis prevention needs.

Other donors:

The extent of coordination with other donors is limited and therefore complementarity and synergies too.

Validation of DR hypotheses

EUMSs are increasingly involved in joint programming and find ways to accommodate their own constraints vis-à-vis their respective HQ:

EUMSs are involved in joint assessment/programming but the process as gone up to division of labour; there is not such an expectation from the EUMSs interviewed.

Other donors still find it difficult to adjust their programming procedures to the aid effectiveness agenda:

The systematic utilization of blending in ENI programmes is superseding the aid effectiveness agenda. Blending implies congruence and reduction of transaction costs. Indirect management should go in the same direction.

2.6 EQ 6 on leverage

To what extent has the ENI leveraged further funds and/or political or policy engagement?

DR Focuses

Partner country's assessment of the incentive approach:

The GoE is not interested by this range of additional funding and finds the approach judgemental.

EU's leverage capacity on the ground (by EUDs):

EU has a leverage capacity at sector/sub-sector level (renewable energy), based on long term involvement and successive TA missions. At higher level, the relations are more tense, as the ENI approach is perceived as judgmental by the GoE; relations with EU are managed jointly by the Ministry of Foreign Affairs and the Ministry of International Cooperation, and as such are rather political than technical.

2.6.1 JC 61: Under ENI interventions, the EU makes a strategic use of policy and political dialogue to leverage political and policy engagement/reforms in the partner countries and implementation by the partners of jointly agreed objectives

Inputs to the information matrix

In the case of Egypt, the political dialogue is first and foremost, solely focused on the issue raised by some EUMS on the lack of respect of HRs by the military regime. The Council Decision of August 2013 following the Coup is also constraining the implementation of ENI programmes. The two parties came up with an agreement of partnership priorities to deal with these limitations, exempting the control of CSOs by security forces. Political dialogue, in this particular case, goes against the implementation of jointly agreed objectives.

Validation of DR hypotheses

Policy and political dialogue have been a driving factor behind recent reforms in countries relatively unscathed by the region's major crises:

Political dialogue is disconnected from policy dialogue.

The social and political costs of reforms might not be properly measured by the EU in its political/policy dialogue with partner countries, given the instability of the regional context.

ENI programmes are not inducing major social and political costs in Egypt. They are limited to infrastructure and basic services and therefore contribute to improve living conditions.

2.6.2 JC 62 - The incentive-based approach within the ENI (umbrella funding, indicative financial allocations expressed in 20% ranges) leverages political and policy engagement/reforms in the partner countries and implementation by the partners of jointly agreed objectives

Inputs to the information matrix

Umbrella programmes:

NA

Ranges:

Validation of DR hypotheses:

The rewarding scheme is not financially attractive (volume):

Confirmed.

The lack of competitors for the umbrella programmes in medium term further reduces the incentive, i.e. the tool was devised at a time where several countries were making progress:

Egypt does not expect to be considered for an umbrella programme.

The incentive tools available to ENI are in fact limited to the umbrella programmes e.g. ranges are not used as incentives:

Confirmed.

2.6.3 JC 63 - ENI co-operation leverages additional resources – from other Union’s instruments, partner countries, other donors, diaspora remittances, private sector.

Inputs to the information matrix

The best example was found in the blending operations with the WB, notably a project through the Social Fund for development where EUR 60 million provided by ENI leveraged EUR 200 million from the WB.

Validation of DR hypotheses

The leverage of additional resources is limited compared to ENI resources and considering the cost of inputs needed to be engaged by NEAR/EUDs for creating it:

Opportunities for blending operations and constraints implied on cooperation areas are the key limiting factors for financial leverage in Egypt. The share of ENI resources utilized for leveraging funds at country level is marginal.

EUTFs are too recent to have convinced more than some key EUMS but prospects are improving; comparative advantages of EUTFs start to be known among EUMS:

No information collected.

Annex: List of persons interviewed during the field mission

Name	Position	Organisation / Unit
VASQUES, Guisepe	Programme manager – Culture and culture heritage	EUD Egypt
KANSKA, Klara	Head of Trade, Science and Enterprise	EUD Egypt
MOSCA, Riccardo	Political Counsellor	EUD Egypt
BUNDE, Kristina	HoS Human Rights, Civil Society and Governance	EUD Egypt
AHMED, Mostafa AWAD, Mostafa	Undersecretariate for Planning and intl cooperation	Ministry of Electricity and renewable energy (Egypt)
GUTIERREZ HIDALGO, Angel	HoS Economic cooperation	EUD Egypt
LEISEDER, Kurt	Programme manager Institution building	EUD Egypt
SAAD, Raouf	Ambassador, Chairman	National bureau Egypt-EU association agreement
HINZ, Burkhard	Director	KFW Egypt
WEHENPOHL, Gunter	PDP programme coordinator	GIZ Egypt
MARTELLI, Alberto	HoS Finance, Contracts and	EUD Egypt

<i>Name</i>	<i>Position</i>	<i>Organisation / Unit</i>
	Audits	
SALEM, Dalia	Head of European Cooperation Sector	Ministry of International Cooperation (Egypt)
DAVID, Stéphane	Programme Manager Agriculture et rural devt	EUD Egypt
EL FARAMAWI, Ismael	Senior Agricultural Expert	Italian Agency for development and cooperation (Egypt)
WEBER, Tatiana	Operations Officer	The World Bank (Egypt)
KHALIFA, Essam	Chairman	Public Authority for Drainage Projects (Egypt)
BRENDER, Reinhold	Deputy Head of Delegation	EUD Egypt

External Evaluation of the European Neighbourhood Instrument (ENI)

Case Study – Georgia

1 Country dossier – a general overview

1.1 Political and economic situation in the country

Political situation

Source: *Single Support Framework for EU support to Georgia (2014-2017)*; *EAMR 2015*, pag. 12;

The recent European Neighbourhood Progress Reports¹ commented favourably on the progress that Georgia had made towards the establishment of deep and sustainable democracy and a well- functioning market economy:

“Georgia made some progress on deep and sustainable democracy and human rights and fundamental freedoms: local elections in June and July 2014 are considered to have generally complied with international standards. Constitutional reform was initiated with the creation of a State Constitutional Commission. The role of parliament was strengthened and the power of the president reduced. The status of the prosecution service is one of the most urgent issues to be decided. Institutional reform of the Prosecutor’s Office was also launched in December 2014. Media freedom improved but freedom of association and freedom of assembly were not fully ensured during the electoral campaign. Amendments made to the Law on Common Courts create the basis for judges to be more independent; however, in general, judicial independence remained fragile. Georgia made some progress in the fight against corruption”.

Georgia's governance was until very recently characterised by a dominant executive branch, weak parliamentary oversight and insufficient independence of the judiciary. In addition, decision-making remained centralised, with little genuine self-governance at local/municipal level. While successive Governments, under Mr. Saakashvili's presidency, have undertaken a series of social, economic and governance reforms since 2003, which resulted in a reduction in crime, the eradication of petty corruption and measurable economic growth, the disclosure of the prison abuse scandal in September 2012 served as a reminder that much remained to be done in order to establish justice, to ensure the accountability of the law enforcement agencies and to protect the judiciary from political interference and intimidation. However, comprehensive constitutional amendments to address some of these issues were passed by Parliament and came into force in 2013. A new Constitution was adopted and entered into force in November 2013 changing Georgia from a presidential to a parliamentary system. Important steps towards increased independence of the judiciary were taken with the May 2013 adoption of the law on common courts and the selection of the members of the High Council of Justice under new rules that increase transparency and lessen the scope for political interference. Parliament passed in December in the first reading the local self-governance law, an ambitious plan to reform local governance.

The polarization between the ruling Georgian Dream coalition and the strongest opposition party UNM was visible on a number of occasions and will likely intensify during the parliamentary election year 2016. This development may result in an increased politicized projection of cooperation and also brings about the likelihood of some uncertainty for future developments. To avoid any perception of being biased towards the ruling party, public announcements on assistance or related topics will be firmly associated with the Government of Georgia and to avoid a risk of instrumentalization for political purposes.

Elections held 2012-2015

¹ http://eeas.europa.eu/enp/pdf/2015/georgia-enp-report-2015_en.pdf

Source: Single Support Framework for EU support to Georgia (2014-2017); EAMR 2015, pag.5

The country held parliamentary elections in October 2012, which resulted in a peaceful transfer of power to the opposition. A second step of the democratic transition was marked in October 2013 with genuine democratic Presidential elections. Local elections were held in June 2014. The Inter-Agency Commission for Free and Fair Elections continued to issue recommendations but these were not always successful in preventing cases of alleged intimidation. The pre-electoral campaign was marked by a number of violent incidents against and pressure on the opposition.

October 2016 parliamentary elections

Source: Wikipedia

Parliamentary elections took place in Georgia on 8 October 2016. The ruling Georgian Dream coalition, led by Prime Minister Giorgi Kvirikashvili, sought re-election for a second term in office. Opposition parties that confirmed their intention to challenge the incumbents include the former ruling party, the United National Movement (ENM), the Free Democrats—formerly a member of the Georgian Dream coalition—led by Irakli Alasania, and the Alliance of Patriots of Georgia. The UNM campaign head Nika Melia accused the government of vote rigging. Other parties such as Democratic Georgia, the Labour Party and the Alliance of Patriots also accused the government of massive vote rigging.

EU-Georgia relationship

Source: Single Support Framework for EU support to Georgia (2014-2017);

The EU and Georgia completed the negotiation of an Association Agreement, including the Deep and Comprehensive Free Trade Area (DCFTA), in July 2013, an achievement which marks a historic moment in EU-Georgia relations. The Association Agreement, including the DCFTA, was initiated on 29 November 2013 at the Eastern Partnership (EaP) Summit in Vilnius. The draft of the Association Agenda, the instrument that will supersede the current ENP Action Plan, was presented to Georgia in November 2013, and negotiated with a view to finalising it in 2014.

Georgia also made significant progress in implementing Visa Facilitation and Readmission Agreements, and continued to implement reforms in areas related to mobility in a secure environment. The Visa Liberalisation Action Plan (VLAP) was formally handed over to Georgia by the Commission in February 2013. The first progress report on the implementation of the VLAP published on 15 November 2013 by the European Commission concluded that Georgia has made very good progress.

Finally, Georgia is currently negotiating its accession to the Energy Community Treaty, with a view to become a full-fledged member in 2014.

EU Support to Georgia

Source: Single Support Framework for EU support to Georgia (2014-2017); EAMR 2015

In terms of financial cooperation, the EU has provided over EUR300 million of grant assistance within the framework of the European Neighbourhood and Partnership Instrument over the period 2007-2013. Apart from classical technical assistance (including Twinning, TAIEX and SIGMA), funds were used to accompany sector reforms through EU budget support in the areas of Criminal Justice, Public Finance Management, Regional Development, Vocational Education and Training, Agriculture, and Support to Internally Displaced Persons. Georgia has also been allocated about EUR 31 million under the Comprehensive Institutional Building Programme in order to facilitate implementation of the different agreements and the obligations arising therefrom. Georgia is now permitted to participate in EU Community Programmes and Agencies and has already subscribed to the EU Seventh Framework Programme on Research and Technological Development.

This bilateral support was complemented by investments under the Neighbourhood Facility (NIF), as well as thematic and regional cooperation, the latter mainly extending to areas of a cross-boundary nature, such as environment, energy, transport, and border management. These priorities correspond to the actions planned within the **Policy Framework for Regional Cooperation in the Eastern Neighbourhood**.

As regards Macro-Financial Assistance (MFA), the first operation in the amount of EUR46 million was successfully implemented in 2009-2010, while the remaining EUR46 million was approved in August 2013 and is conditional upon disbursing the IMF programme (which expired in April 2014). The Georgian authorities have recently requested a new IMF programme. Should the authorities agree with the IMF on a successor programme, and provided that the new programme will be disbursed, this would allow the EU to reactivate the MFA.

Moreover, Georgia has benefitted in 2012 and 2013 from additional funds under the Eastern Partnership Integration and Cooperation Programme (EaPIC), following the principle of "*More for More*", in recognition of its progress in deep democracy and respect for human rights.

The Instrument for Stability (IfS) has provided support to Georgia since 2008. This support has proven to be effective and appreciated by the conflict affected populations. Since 2008 the focus of the IfS interventions has progressively moved from post-conflict relief (focus on provision of shelter to Internally Displaced Persons and returnees) to more long-term, sustainable measures like strengthening of media, confidence building through civil society initiatives, capacity building to the State Ministry for Reconciliation and Civil Equality and empowerment of women as vectors of change.

More than half of the EU funding to Georgia is targeted via Sectorial Budgetary Support which makes the direct use of the country systems. Budget Support programs are running and country systems are used in the fields of Justice, VET, PFM, support to the IDP's, Regional Development, Agriculture and Rural Development, DCFTA and soon also in the Public Administration reform. In addition, funds stemming from the CIB programme (overall volume 30 MEUR) are largely channelled through direct grants to Georgian public institutions notably in the trade cluster to the National Food Agency but also beyond in cases of direct award to Georgian Public Institutions such as the Police Academy or the Tbilisi State University. This implies the use of EU procurement rules and allows to sample to which degree country systems are able to apply EU rules.

Macroeconomic stability and economic situation

Sources: Single Support Framework for EU support to Georgia (2014-2015);

Georgia is a lower-middle income country with a population of 4.5 million people, about 50% of whom are urban dwellers and 16% minorities. The country has a gross national income per capita of USD 3,136.1 and ranks 72nd out of 194 countries/territories in the 2012 UN Human Development Index.

Despite being severely affected by the August 2008 conflict with Russia and the global economic downturn, the country has been recovering economically and has gone a significant way towards re-establishing macro-economic stability by late 2012. However, around 20% of Georgian territory (Abkhazia and South Ossetia²) remain beyond the control of the central government.

Fiscal consolidation and reforms to improve the economic and business environment have continued. Despite a sharp decrease in foreign investments at the end of 2012, real GDP growth amounted to 6.2% in 2012. However, due to post election uncertainties, weak external environment and lower government spending growth was reduced to 3.2% in 2013. In the last quarter of 2013 the economy started to recover the positive trends continued into 2014 when growth amounted to 8% and 5.4% year-on-year in January and February, respectively. Monetary policy is targeted at keeping inflation at or below 6% for the period

2012-2014 (0.5% on average in 2013). Although the general government budgetary deficit has been increased from 0.8% of GDP in 2012 to 1.3% in 2013, public finance management remains high on the Government's agenda. There are still concerns regarding the current account and trade deficits and the debt servicing requirements, which may challenge macro-economic stability in the medium term.

Poverty, particularly amongst the rural population, remains a major concern with 25% of the population living below the poverty line. The unemployment rate was calculated at 16.5% in 2011, the highest in the region, although this underestimates the real rate, since approximately 53% of the working age population are classified as self-employed agricultural workers. Subsistence farming constitutes a social safety net in the absence of a comprehensive system of social insurance. The year 2013 saw an increase in social spending, raising pensions, a universal health care programme and support to education and agricultural development. A new Labour Code in line with International Labour Organization (ILO) standards was adopted in 2013. This was a longstanding EU request but implementation is lagging behind.

1.2 EU strategic priorities in the country (programming docs)

Sources: Single Support Framework for EU support to Georgia (2014-2017) and Summary SSF 2014-2017

Sectors of Intervention for the Single Support Framework for Georgia for the period 2014-2017:

- I. **Public Administration Reform (indicative 25%):** The **overall objective** is to improve efficiency, accountability and transparency of the public administration at central, regional and local levels. This will be done in harmonisation with European principles and best practice.

The **specific objectives** are:

- To assist the Government to enhance the Civil Service's capacities and independence, to introduce a modern results oriented management approach and improve transparency, accessibility and the quality of services;
- To enhance accountability of the executive branch and to combat elite corruption;
- To strengthen the capacity of the legislative, judiciary, statutory bodies (Parliament, Ombudsman, Constitutional Court, State Audit Office) and mass media to maintain oversight of the executive branch of Government
- To strengthen the structures and processes of local governance through the decentralisation of powers;
- To strengthen public finance policy processes in public institutions through the introduction of improved budget forecasting and modelling, cost management techniques and other public finance policy-related reforms including public procurement.

- II. **Agriculture and Rural Development (indicative 30%):** The **overall objective** is to ensure sustainable agricultural and rural development in Georgia with a view to poverty alleviation in rural areas.

The **specific objectives** are:

- To improve the effectiveness and competitiveness of the agricultural sector in an environmentally sustainable manner;
- To improve employment and living conditions in rural areas through the diversification of the rural economy; creating green and decent jobs;
- To support environment sustainability in rural areas ensuring agro-biodiversity conservation with the sustainable use of natural resources through the identification and implementation of climate change adaptation

and mitigation measures including disaster risk reduction and water basin management.

III. Justice Sector Reform (indicative 25%): The **overall objective** is a fair and efficient justice system in line with principles of Rule of Law and the protection of Human Rights with increased access to justice for Georgian citizens.

The **specific objectives** are:

- To improve the criminal justice sector with due attention to human rights protection;
- To implement a zero- tolerance policy against ill-treatment and to promote Human Rights in the justice sector;
- To assist the Georgian Government to reform its civil and administrative justice system and to bring it into line with international standards and conventions;
- To strengthen the institutional and human resource capacities of the judiciary and to ensure training;
- To ensure the independence, efficiency and professionalism of the judiciary and of Prosecution ;
- To increase access to justice and legal aid for vulnerable people.

IV. Complementary support in favour of civil society

Funding from this component will be geared towards supporting the role of civil society in building credible and inclusive policy processes, stronger democratic processes and accountability systems, in other sectors than the priority sectors. This can include measures aiming to promote a conducive environment at all levels for civil society participation in public life, measures to boost domestic transparency and accountability, including of the budgetary process. The development of civil society internal professionalism and capacities, including their capacity to form national associations and networks, and improving the delivery of services will also be targeted.

V. Complementary support for capacity development and institution building

This agreement-driven provision will be especially focused on approximation to EU legislation and technical standards and complement assistance under the Eastern Partnership “Comprehensive Institution Building” (CIB) initiative. Capacity development and institution building activities – either from sector-related assistance or from this complementary provision – may also address participation in EU programmes and in the work of EU agencies.

Financial overview

The **indicative allocation** for Georgia under the Single Support Framework for the period **2014-2020** is: €610,000,000 – €746,000,000

The **indicative allocation** for Georgia under the Single Support Framework for the period **2014-2020** is: €335,000,000 – €410,000,000

Table 1 Indicative budget breakdown of the Single Support Framework

Sector	Indicative allocation
SECTOR OF INTERVENTION I – Public Administration Reform	25%
SECTOR OF INTERVENTION II – Agriculture and Rural Development	30%
SECTOR OF INTERVENTION III – Justice Sector Reform	25%
Complementary Measures – Civil Society	15%
Complementary Measures – Capacity Development and Institution Building	5%

1.3 Important issues regarding EU – Georgia cooperation

Source: 2015 EAMR, p.5-6

The policy dialogue is at satisfactory level with the specificities for the various sectors as follows:

Concerning **DCFTA/SME Budget Support** it has to be stated that this is the main programme in support of the EU-Georgia agreement-driven agenda. It is realized through the bilateral EUR 45 million sector budget support programme "Support to EU-Georgia Deep and Comprehensive Free Trade Area (DCFTA) and Small and Medium sized Enterprises (SMEs)". Launched in 2015 under AAP 2014 it will constitute a roadmap for the modernization of the Georgian economy, while ensuring the continuation of trade and private sector development reforms. The EU programme is reinforcing the capacities of core trade and entrepreneurship related institutions, strengthening Business Support Organisations and (most importantly) supporting Georgian SMEs along their process of adaptation to a new regulatory environment.

Regarding **support to Internally Displaced Persons**, notably through the IDP IV programme, it can be stated that the change of management within the MRA in mid-2014 did not affect GoG's commitment to implementing the IDP State Strategy and its related Action Plans and did not alter our policy dialogue. In the aftermath of disastrous floods which occurred in Tbilisi in July 2015, Delegation was reacting rapidly delivering the promise from Commissioner Hahn to help the families which suffered from this natural catastrophe. Delegation put in place the additional Budget Support tranche of 3 million with conditionality's to ensure the housing to the flood victims which included also IDP's. The new Budget Support tranche is ready to be assessed and disbursed in the beginning of 2016, as the housing has been provided for the victims of floods, including IDP's, in the second half of 2015.

In the justice sector, the policy dialogue takes place against the background that since 2009 the EU implemented successively two budget support programmes with total disbursements of EUR 30 million. Through its sustained policy dialogue, the EU assisted successfully improving the work on and conditions of (i) Strategic planning in the criminal justice sector; (ii) Juvenile Justice; (iii) Penitentiary; (iv) Probation; (v) Legal Services; and (vi) Human rights. Based on this positive track record and respective national sectorial policy, the EU launched in May 2015, the 3rd budget support programme with a double allocation (EUR 30 million) for budget support disbursements and expanding its coverage into some areas of administrative and civil law. The programme focuses on enhancing implementation of the sector wide strategies and improving in particular: (i) access to justice; (ii) child-friendly justice, (iii) criminal justice, investigation and prosecution, (iv) penitentiary and probation, and (v) land registration.

The policy dialogue in the field of **Public finance policy and management** was vital during the reporting period and thus able to account for the following main achievements: (i) amending the law on State Audit (Article 35), thus limiting the excessive oversight function of the temporary commission of the Parliament over the SAO, (ii) fiscal consolidation by integrating accounts of municipalities and Legal Entities of Public Law under the State Treasury System (iii) improved accountability by creating WG for follow up of SAO and Parliament recommendations and (iv) preparing Citizen's guide to the budget for 2015 and 2016 years. As main challenges to be tackled under the respective PFPR programme the two following issues remain: (i) linking strategies/action plans closer and more explicitly to the budget also over time and (ii) results/ impact monitoring and evaluation.

In the sector of **regional development**, the policy dialogue yielded as main achievements for 2015 the following: (i) adoption of the law on mountainous regions that grants significant social and financial benefits for physical and legal persons living and operating in rural mountainous areas (1/3 of settlements of Georgia), (ii) approval of the guidelines for applying for financing from the Regional Development Fund for municipalities towards ensuring the alignment of municipal budget priorities with strategies of regions as well as (iii) MRDI Regional Development Plan for 2014-2017 years. With these results the remaining

challenge to be tackled under the Regional Development programme as well as under the PAR programme is the promotion of fiscal decentralization that grants more "own" source revenues to municipalities.

The sector policy dialogue for the **Public Administration Reform (PAR)** focal sector was initiated from 2014 and since then has very much intensified throughout 2015. Given the strong ownership by the Government and the intensity of the dialogue as well as the support provided by OECD/SIGMA it has resulted in the finalization and adoption by the Government of the PAR Road Map and the policy strategy.

1.4 Overview of EU support

Table 2 Key ENI interventions (decisions) since 2014

Domain	Decision year	Decision N°	Decision title	Committed	Paid	DAC Code	Sector code
ENI	2014	37375	Framework Programme in Support of EU-Georgia's Agreements (top-up)	8.000.000	1.034.397	15110	Public sector policy and administrative management
ENI	2014	37505	Top-up to Decision 2011/022-671: Support to conflict affected/displaced population and host communities in Georgia (AAP 2011)	6.466.060	1.060.797	73010	Reconstruction relief and rehabilitation
ENI	2014	37364	European Neighbourhood Programme for Agriculture and Rural Development (ENPARD) Georgia (top-up)	12.000.000	2.274.672	31120	Agricultural development
ENI	2015	37832	Support to the Public Administration Reform in Georgia (PAR)	30.000.000	0	15110	Public sector policy and administrative management
ENI	2014	37382	Human Rights for all in Georgia	10.000.000	1.971.858	15160	Human rights
ENI	2015	37862	Technical Cooperation Facility	14.000.000	1.407.213	15110	Public sector policy and administrative management
ENI	2015	37836	ENPARD II (European Neighbourhood Programme for Agriculture and Rural Development in Georgia, phase II)	50.000.000	2.015.374	43040	Rural development
ENI	2014	37376	Support to the Justice Sector Reform in Georgia	50.000.000	5.249.006	15130	Legal and judicial development
ENI	2016	39337	Technical Cooperation Facility II	0	0	15110	Public sector policy and administrative management
ENI	2016	39318	ENPARD III (European Neighbourhood Programme for Agriculture and Rural Development in Georgia, phase III)	77.500.000	0	43040	Rural development

Domain	Decision year	Decision N°	Decision title	Committed	Paid	DAC Code	Sector code
ENI	2014	37381	Support to EU-Georgia Deep and Comprehensive Free Trade Area (DCFTA) and Small and Medium size Enterprises (SMEs).	44.533.940	7.993.915	33110	Trade policy and administrative management
ENI	2015	37875	Civil Society Facility (Georgia)	6.000.000	0	15150	Democratic participation and civil society

Source: DG NEAR R2

ENI Commitments and Disbursements by sector

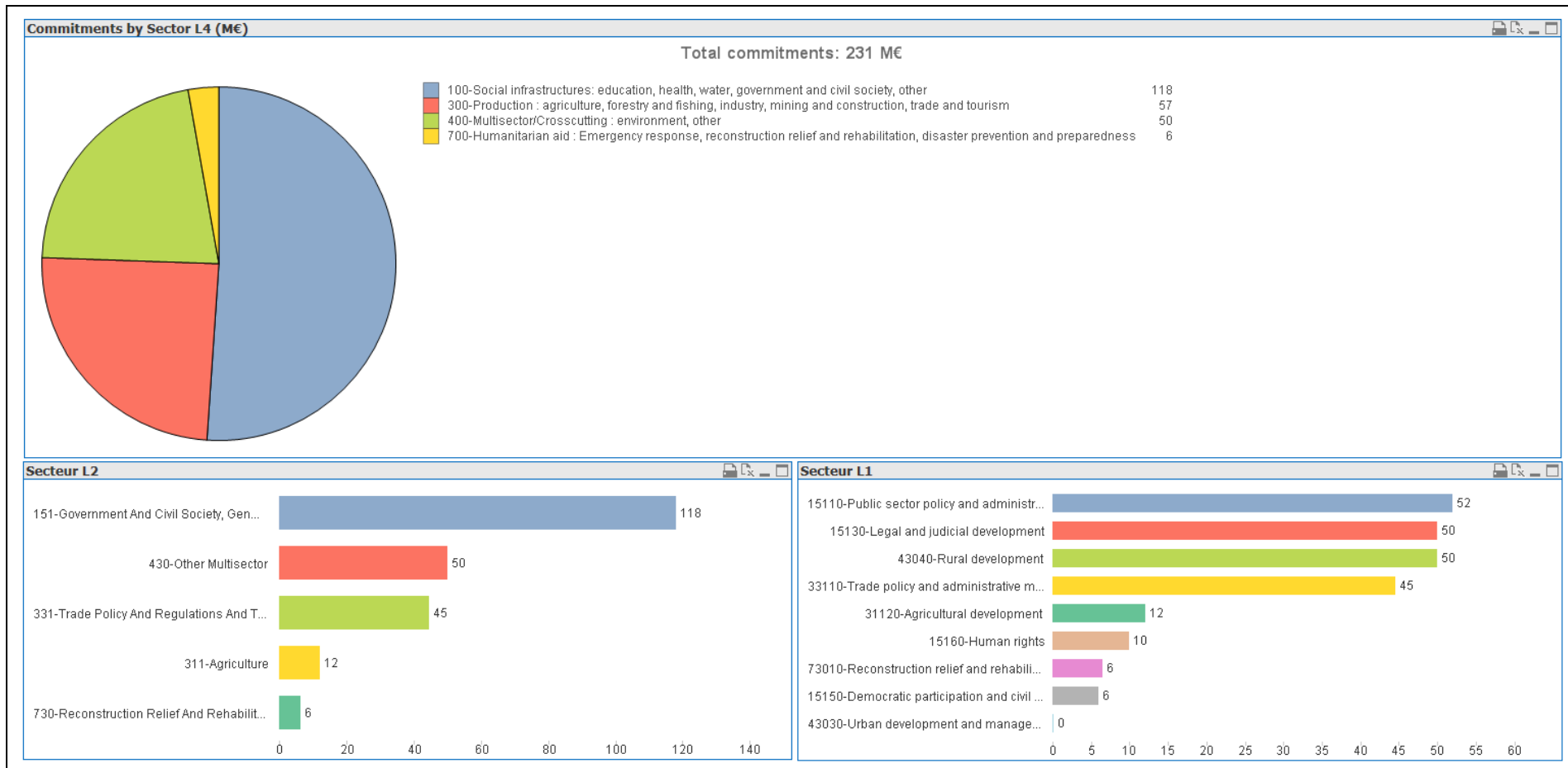
The total level of commitments for the period 2014-2015 is of EUR 231 million, compared to a disbursement of EUR 115 million. Figure 1 below shows the breakdown of commitments by sector (sectoral classification is divided in four layers, L4 being the most aggregate and L1 the more disaggregate). At L4 level, the 51% of the resources is committed to social infrastructures, about the 25% to productive sectors and about 22% to cross cutting and multisector areas. The remaining resources are committed to Humanitarian aid. Refining the breakdown at L2 level, the 51% of the resources (still EUR 118 million) is committed to the Government and Civil Society Sector. About 22% of the resources is committed to an unspecified “other multisector” area. Resources for productive sectors can be broken down in Agriculture (5%) and Trade Policy (about 20%). Humanitarian aid resources are all (EUR 6 million) committed to rehabilitation. At L1 level, the resources committed to Government and Civil society are broken down between Public Policy and Legal Development (EUR 52 and 50 million respectively), with another EUR 10 million committed to Human Rights related activities and EUR 6 million for Democratic Participation and Civil Society. The breakdown of the other commitments does not provide any further insight.

Figure 2 shows that the level of disbursement is mostly proportional to the level of commitments per sector. At L4 level the social infrastructure sector received the bulk of the disbursements (54%), followed by the production sector (32%). Disbursement for the humanitarian sector seems faster than for multisector and cross-cutting areas. At L2 and L1 the proportions are similar. Interestingly, Agricultural development related disbursements are already at 50% of the level of commitments, whereas the sectors more heavily invested upon and regrouped under the heading Government and Civil Society only score a 37% ratio.

ENI Commitments and Disbursements by channel

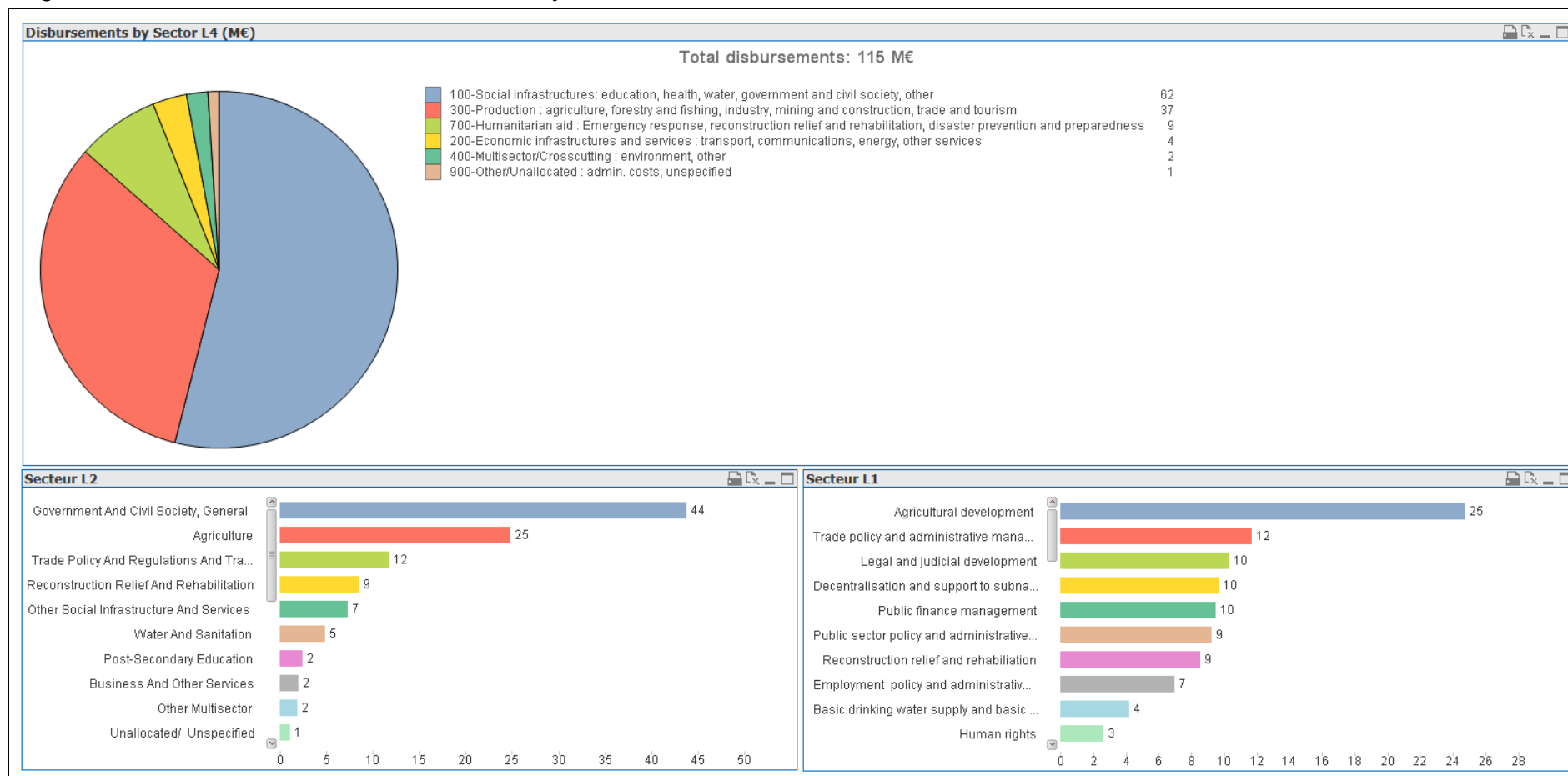
Figure 3 shows that the favourite channel for commitments is the public sector institutions (about 94%), with a very minor percentage of funding committed through CSOs or other media. At L2 level, the recipient government are by far the most common option, followed by the donor government. In the case of disbursements, Figure 4 shows how public sector institutions are indeed the most common channel, followed by minor percentages channelled via multilateral organisations and CSOs. Again, the recipient government is the most important channel (73%), the other channels scoring percentages between 4% and 1%.

Figure 1 Overview of ENI commitments by sector



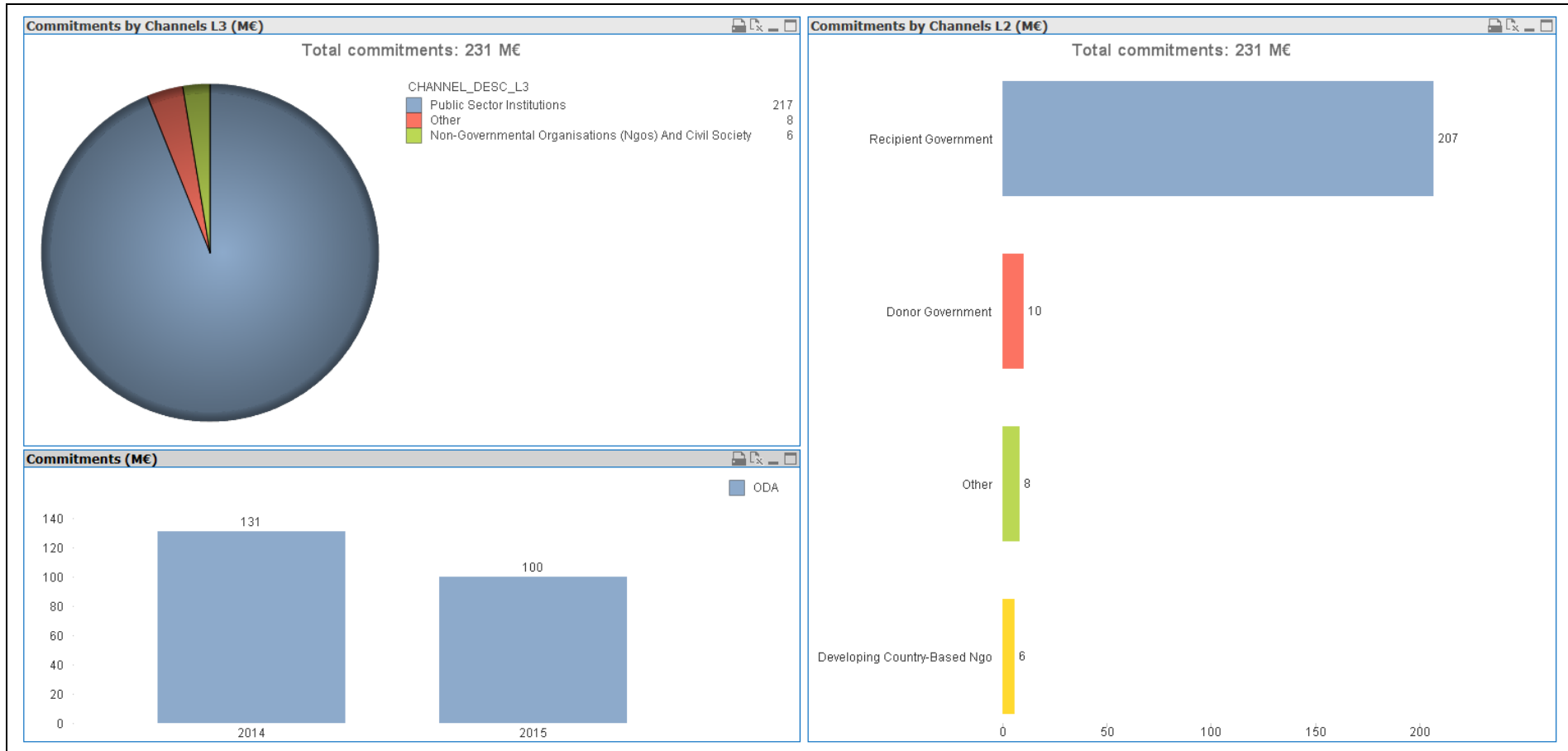
Source: EC Statistical Dashboard

Figure 2 Overview of ENI disbursements by sector



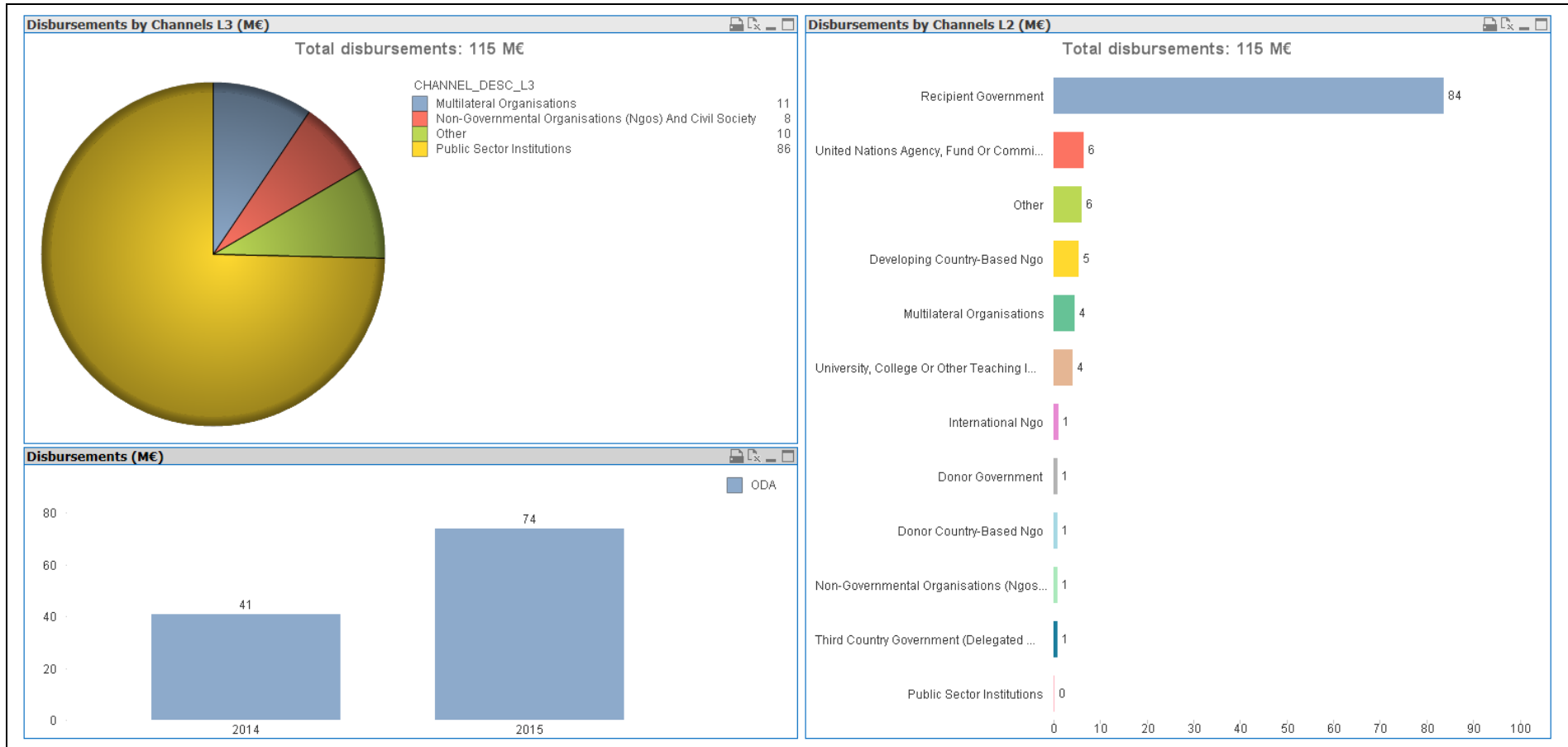
Source: EC Statistical Dashboard

Figure 3 Overview of ENI commitments by channel



Source: EC Statistical Dashboard

Figure 4 Overview of ENI disbursements by channel



Source: EC Statistical Dashboard

1.5 Overview of other Development Partners' support

Sources: Sources: Single Support Framework for EU support to Georgia (2014-2017); 2015 EAMR, p.26

The prominent positioning of Georgia within the EaP countries, particularly in terms of progress on EU association and efforts on the promotion of its investment potential, creates increased attention and inflow of assistance, notably by IOs, IFIs, the US and increasingly China. This development creates for sectors already well covered by assistance, such as private sector development, justice and agriculture, the risk of overburdening absorption capacities in light of the relatively weak institutions. While the Government of Georgia seeks to strengthen donor coordination at central level under the Prime Minister, the EUD is working actively on the introduction of joint programming from 2018 onwards so that the EU, EU Member States and CH would be grouped around a joint strategic programming framework allowing streamlining and simplifying coordination and implementation of programmes.

The concept of division of labour as such is not yet in place, but the community of donors – together with the donor coordination unit under the Administration of the Government of Georgia - is quite well coordinated in terms of information sharing process and communication between each other. The EU Delegation plays a leading role in the process, notably when it comes to taking the initiative for new coordination efforts, such as on border management or as regards chairing sectorial donor coordination meetings. There has been significant work done on the way towards Joint Programming by way of commissioning a study towards drafting a joint analysis towards fully fledged joint programming starting from the year 2017. The most significant EU MS (together with CH) are committed towards this process and cooperation on this approach. Together with the drafting of the GoG national socio-economic strategy this allows to state that progress towards division of labour is likely to materialize in the course of the continuous work on joint programming.

Table 3 Donor Support EU-MS (2014-2020)

Area of Intervention	EC	AT	BG	CZ	DE	DK	EE	EL	ES	FI	FR	HU	IE	IT	LT	LU	LV	NL	PL	SE	SI	UK	
Political dialogue and reform																							
Governance and democracy																							
Rule of law (judicial reform)																							
Human Rights																							
Cooperation with civil society																							
Peace and Security																							
Conflict Prevention																							
Crises management																							
Justice and Home Affairs																							
Border Management																							
Migration and readmission																							
Refugees and IDPs																							
Organised Crime																							
Police and Judicial Cooperation																							
Economic and social reform																							
Macro-economic reform																							
Employment, poverty reduction & social policy																							
Agriculture, forestry and fisheries																							
Water and sanitation																							

Trade Issues, market and regulatory reform										
Enterprise policy/private sector										
Public finance management and procurement										
Technical standards and regulations										
Sector Support										
Transport										
Energy										
Environment and climate change										
Information society										
Research and innovation										
People to people contacts										
Education										
Culture and Recreation										
Health										
Tourism and antiquities										
Other										

2 Evaluation findings on Georgia

2.1 EQ 1 on relevance

To what extent do the overall and the specific objectives (ENI Regulation, Article 1 and 2) and the design of the ENI respond to:

(i) EU priorities and beneficiary needs identified at the time the instrument was adopted (2014)?

(ii) Current EU priorities, particularly emerging from the 2015 ENP Review, such as stabilisation, and beneficiary needs, given the evolving challenges and priorities in the international context (2017)?

DR focuses:

Correspondence of the ENI objectives (Art. 1 & 2) with partner country's own priorities:

Georgia's overarching priority is the EU integration, thus a EU harmonisation and approximation. This priority was well adjusted to ENPI priorities but less so to the ENI ones, geared more on development policy. The principle of differentiation however authorizes the EU to carry on an approximation process, even if prospects for Georgia to even become a candidate country for accession is remotely little, which is acknowledged by both parties. The underlying contradiction is rationalized by the GoG by considering the EU model as the most relevant to show the path for development; another reason evoked is that the EU integration is a vision and a project that contributes to mobilise the population and helps transformation to happen – against their social costs.

EUD has internalized the new priorities highlighted in the 2015 ENP Review and has been able to implement them:

The EUD is keeping the ENPI momentum going and is not introducing the new hierarchy of objectives encompassed in the ENP review (security/migration/crisis management).

New orientations have been positively appreciated by partner countries, both at government and civil society levels:

NA

Ownership by partner country:

The continuation of the EU approximation is strongly demand-driven, thus the government owns AA, DCFTA (2014) and SSF priorities and is fully committed to them.

2.1.1 JC11: The ENI objectives and design were initially (2011/2014) congruent with i) EU priorities and ii) partner country priorities

Inputs to the information matrix

2(2)a - *Promoting human rights and fundamental freedoms, (...)*²:

The GoG is engaged in these areas and has adopted related legislative framework. Justice is supported by a BS.

2(2)b - *Achieving progressive integration into the Union's internal market and enhanced sectoral and cross-sectoral cooperation(...)*³:

Georgia is one of the few neighbourhood countries to have negotiated and signed a DCFTA.

2(2)c - *Creating conditions for the better organisation of legal migration (...)*⁴:

Visa liberalization was negotiated (but not finalised).

2(2)d - *Supporting smart, sustainable and inclusive development in all aspects(...)*⁵:

ENI programmes have a strong focus on agriculture (BS).

2(2)e - *Promoting confidence-building, good neighbourly relations and other measures contributing to security in all its forms and the prevention and settlement of conflicts, including protracted conflicts:*

NA within ENI; however the EU is engaged in a Monitoring Mission towards the two secessionist provinces supported by Russia.

2(2)f - *Enhancing sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation:*

The GoG is providing a momentum to the EaP and is involved in CBC.

Validation of DR hypotheses:

Clear understanding by EU MS and PC, especially in the East, that ENP is not a "Pre"- pre-accession policy:

The understanding exists but still the GoG and the EU have overwhelming geostrategic reasons (vis-à-vis Russia destabilization tactics) to carry on an approximation policy framework.

Existence of multiple strategic scenarios at the EUD level (planning stage):

The strength of the GoG's demand for an approximation agenda prevents the EUD to consider any alternative scenarios; also EU interest in exemplifying (vis-à-vis neighbouring countries still in the Russian sphere of influence) the benefits of a privileged partnership contributes to keeping the approximation track.

² Promoting human rights and fundamental freedoms, the rule of law, principles of equality and the fight against discrimination in all its forms, establishing deep and sustainable democracy, promoting good governance, fighting corruption, strengthening institutional capacity at all levels and developing a thriving civil society including social partners.

³ Achieving progressive integration into the Union internal market and enhanced sectoral and cross-sectoral cooperation, including through legislative approximation and regulatory convergence towards Union and other relevant international standards, and improved market access including through deep and comprehensive free trade areas, related institution-building and investment, particularly in interconnections

⁴ Creating conditions for the better organisation of legal migration and the fostering of well-managed mobility of people, for the implementation of existing or future agreements concluded in line with the Global Approach to Migration and Mobility, and for the promotion of people-to- people contacts, in particular in relation to cultural, educational, professional and sporting activities

⁵ Supporting smart, sustainable and inclusive development in all aspects; reducing poverty, including through private sector development, and reducing social exclusion; promoting capacity-building in science, education and in particular higher education, technology, research and innovation; promoting internal economic, social and territorial cohesion; fostering rural development; promoting public health; and supporting environmental protection, climate action and disaster resilience.

ENI programming has been aligned on partner countries' strategies and needs:
Confirmed.

2.1.2 JC12: The ENI objectives and design are still congruent with i) EU priorities emerging from the 2015 ENP Review such as stabilisation and ii) partner country priorities resulting from the evolving global and regional challenges (2016-2017)

Inputs to the information matrix

Overall, the EU is in Georgia still implementing ENPI priorities, with no update on the strategy with regards to renewed priorities of the ENP Review. The team did not collect evidence that a risk assessment exercise was undertaken to prevent unanticipated social unrest linked to reforms' social costs or operated from outside. Georgia is somehow seen as an island of stability in a troubled region, which is likely to be wrong, given i) instrumented secessionist provinces, ii) Russia destabilization tactics, and iii) extent of poverty in rural areas. In brief, the renewed hierarchy of priorities is not integrated or even tested.

Validation of DR hypotheses:

New priorities (e.g. Review 2015) have been fully internalized in EUD:

No.

A divergence emerged since 2015 between renewed ENP priorities and partner's ones:

Yes, and even with ENI compared to the ENPI agenda. EU partnership with Georgia, and the East more generally, it is being developed on a specific path using the differentiation principle and the large array of priorities embedded into ENI regulation. It might be said that the GoG is to some extent resisting renewed ENP priorities, seen as more relevant to the South.

2.2 EQ 2 on effectiveness, impact and sustainability

To what extent does the ENI deliver results against the instrument's objectives, and specific EU priorities?

DR Focuses:

The scope for contributing to ENI objectives (see EQ1) increased over time:

ENI programmes that are about to be implemented, strongly focus on BS. They are the continuation of previous BS programmes in the same sectors (agriculture, justice) that were positively evaluated.

EUD adjusted the action documents (eg programmes) to ENI objectives:

ENI objectives were superseded by the priorities of the Association Agreement, then more recently to the signature of the DCFTA. The ENI framework of priorities is an increasingly remote reference, as AAs and DCFTA are superior legal framework. SSF and action documents are adjusting to AA/DCFTA rather than ENI regulation.

The "EU priorities" (vs ENI/ENP priorities) are marginalized in the process of programming and furthermore during implementation, particularly in the South:

"EU priorities" are sub-chapters of the approximation agenda; as such, they are fully taken into consideration in the national legislative framework and in ENI action documents.

2.2.1 JC 21: ENI programmes contribute towards the objectives listed in the ENI Regulation, Article 1 and 2

Inputs to the information matrix

2(2)a - Promoting human rights and fundamental freedoms, (...):

ENI financed a BS on (Criminal) Justice, with matrix that contributed to these objectives, in continuation with a former financed by ENPI.

2(2)b - Achieving progressive integration into the Union's internal market and enhanced sectoral and cross-sectoral cooperation(...):

A DCFTA was signed in 2014, and ENI programmes are increasingly mainstreaming support to adjustments induced by DCFTA; another funding source is the DCFTA Facility for SMEs (shared by the three countries having signed this new generation agreement: Georgia, Ukraine and Moldova).

2(2)c - Creating conditions for the better organisation of legal migration (...):

Following a Visa liberalization dialogue, action plan and 4 Progress reports between 2011 and 2015, the EC issued a proposal for that purpose. The proposal has not been implemented up until now.

2(2)d - Supporting smart, sustainable and inclusive development in all aspects(...):

The ENI programme concentrates on agriculture and rural development. BS programmes having started under ENPI are continued under ENI, supporting, among other, consolidation of a fragmented land ownership through cooperatives; ENI BS in the Justice sector includes a Land Registration reform that should authorise more structural changes to happen in agriculture production.

2(2)e - Promoting confidence-building, good neighbourly relations and other measures contributing to security in all its forms and the prevention and settlement of conflicts, including protracted conflicts:

The GoG is a prominent contributor to the Eastern Partnership; regional protracted conflicts and separatist movements within Georgian territory did not evolve in recent years. The pro Euro-Atlantic position of the GoG is strongly linked to its geostrategic context, and sustains the strong political will for a EU integration.

2(2)f - Enhancing sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation:

The GoG has developed a special interest for CBC.

Validation of DR hypotheses:

The appropriate targeting of democracy and rule of the law is linked to the inclusive programming processes, in-house expertise (notably CoTE), and ENPI experience:

Confirmed.

The monitoring and evaluation systems are increasingly able to determine the link of economic results with ENI programmes:

M&E of ENI programmes are focused on their intervention logic; links with economic results are generally identified at outcome/impact level, and do not engage further than an analysis of the statistical indicators published by international organisations.

2.2.2 JC22: ENI programmes support policy dialogue and implementation of reform objectives agreed with each partner country

Inputs to the information matrix

Policy dialogue:

Policy dialogue with the GoG is regular and intense, based on shared values and shared geostrategic interests. Both parties recognise a good level of expertise in the partnership, with some further capacity building for the GoG's decision-makers. The level of education, qualification and mastering of the EU cooperation processes and procedures is high among responsible persons met during the field visit. A major subject discussed with national authorities is the BS matrix – rather than values or reform paths; thus more the rhythm than the content. Some CSOs met during the field visit question the expertise of the GoG when negotiating the ENI programmes.

Implementation of reform objectives:

The BS monitoring reports are positive regarding implementation of the reforms for past programmes. The GoG has a clear political will to implement its reform agenda, aligned on EU approximation.

Validation of DR hypotheses:

The scope for policy dialogue is increasingly negatively influenced by the deepening of the social and political tensions in the Neighbourhood:

In Georgia, social and political tensions are weak; elections are democratic; social tensions are limited to discontent linked to the social cost of reforms, stretched over times. The GoG is however expecting from ENI to provide direct subsidies to people directly affected by the regulatory approximation (for instance subsidy for renewing private cars due to CO² controls).

The capacity of policy dialogue of the EU is weakened by issues in capitalising experience and technical expertise, relative “isolation” of EUDs staff, and quality of services provided by framework contractors:

To a large extent, policy dialogue is managed in-house; EUD does not feel isolated (from HQ) nor lacks capitalisation from previous periods.

2.2.3 JC23: ENI programmes enhance sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation

Inputs to the information matrix

Sub-regional collaboration:

No information collected.

Regional programmes:

Regional programmes were brought up several times by the GoG in a positive manner; exchanges of expertise are valued. The Civil Society Forum linked to EaP is poorly assessed by activist CSOs while valued by international NGOs, and local staff. Activists see participants as part-time professionals taking advantages of the financial and reputational benefits of EU support.

European-wide collaboration:

TAIEX and twinning projects are positively assessed by the majority. Some CSOs have mixed feelings towards hiring teams that are dominantly originating from EU MS which have joined the EU just recently; harmonisation tracks are not necessarily shared and references to EU MS with fully developed *acquis* were felt more useful.

Cross-border cooperation:

No further information collected.

Validation of DR hypotheses:

The geostrategic tensions are a major impediment for developing regional and sub-regional integration:

It is rather the contrary for Georgia; regional integration with Ukraine and Moldova is utilised to counter Russian influence on other countries of the East neighbourhood.

Financial resources and “political weight” of ENI programmes are not sufficient to oppose the mistrust between neighbouring regions:

ENI programmes are mainly country-centred; tensions with Azerbaijan prevented to develop EU-funded initiatives; the fact that Azerbaijan is not sharing Georgia’s Euro-Atlantic strategy further limits the possibility of the EUNI to develop joint programmes. ENI regional and CBC programmes are strengthening bridges among countries sharing interests against Russian regional strategy.

2.2.4 JC24: ENI mainstreams EU policy priorities

Inputs to the information matrix

EU policy priorities are included in the process of harmonisation/approximation. They are therefore mainstreamed in ENI programmes and supported by the GoG – though with some concerns towards the induced financial cost for citizens, in particular to the vulnerable. In some critical cases, GoG considers that targeted subsidies to compensate losses linked to EU policy priorities should be considered by the EU.

Validation of DR hypotheses:

The 'programming instructions 2014-2020' document was replaced by ad hoc instructions to adjust to the revised policy framework of the 2015 ENP review⁶:

No further information collected.

The 'new' ENP priorities are felt to have a far higher relevance in the present context of the neighbourhood than the 'priorities' induced by EU international commitments, with limited demand by partner country:

On the contrary, EUD is still implementing ENI programmes according to the pre-ENP review policy framework.

2.3 EQ 3 on efficiency**To what extent is the ENI delivering efficiently?****DR focuses:**

Existing flexibility available with ENI are proportionated to challenges faced by partner.

The approximation agenda with a partner fully committed to the process does not require specific flexibility.

Flexibilities introduced by ENI (special measures, EUTFs) are positively appreciated by partner countries and have not developed counterproductive features:

NA

Progress in addressing the propositions of the working group on accelerating aid delivery.

In most cases, BS in Georgia are adopted in roughly 6 months or so. This is particularly swift for programmed measures (usually 1.5-2 yrs). It is made possible by the experience gained in the focal sectors (Agriculture, justice) by a previous BS, the expertise available on both side, and the political will of the GoG.

2.3.1 JC31: ENI management is administratively cost effective**Inputs to the information matrix**

NA

Validation of DR hypotheses:

The new/revised ENI/CIR/FR have improved cost and time efficiency on the ground (e.g. in EUDs):

Not confirmed explicitly.

The time consumption in EUDs of controls and administrative reporting still allows sound project management and policy dialogue:

The EUD staff was not able to meet individually with the team during the 4 days of mission, due to work overload. For policy dialogue, most partners indicated that timeframes are way too short to allow a structured contribution; it might be linked to time constraints of EUD staff.

Internal/external (CoA) audit system contributes to minimize initiatives intending to speed-up aid delivery:

No further information collected.

2.3.2 JC32: Budget allocation and execution are efficient, in particular in managing the incentive-based approach and response to crises**Inputs to the information matrix**

The GoG is the most regular beneficiary of umbrella programmes. This however is not due to a high influence of the reforms, as the GoG is already convinced of the reform path. Umbrella programmes were used as top-ups of existing BSs.

Validation of DR hypotheses:

⁶ Shared with us already by EEAS.

KPIs do not reflect contextual constraints on the ground:

No further information collected.

Incentive of the umbrella programmes is not related to its procedural time-efficiency:

Not mentioned by interviewees in the GoG.

Special measures provided the required level of flexibility and time-efficiency:

NA

2.3.3 JC33: Appropriate monitoring processes and indicators for measurement of the performance of the ENI are in place and functioning.

Inputs to the information matrix

No information.

Validation of DR hypotheses

The link between progress reports and the allocation of the umbrella programmes is unclear to partner countries:

No information collected.

The progress reports are subject of reputational competition between partner countries:

Not relevant for Georgia.

2.4 EQ 4 on added value

To what extent do the ENI programmes add value compared to interventions by Member States or other key donors?

DR focuses:

The perception and understanding of driving factors for the EU added value by stakeholders of ENI programmes (authorities, civil society and EU MS):

The focus of the GoG on EU integration, even without related commitment by the EU, gives a distinctive added-value to ENI aid, compared to EU MS programmes, designed outside the approximation framework.

The communication strategy of EU services in charge of ENI at HQ and country-level with regards to EU added value:

The Euro-Atlantic orientation of the GoG prevents the EC to engage in a communication strategy; the government recently opened an office promoting EU and NATO in a prime location of the main square of Tbilisi.

The extent to which indirect management with international organisations (and trust funds managed by IFIs) contributes to EU added value:

Almost all ENI programmes are BS. No indirect management noticed.

2.4.1 JC41: ENI offers added value in terms of size of engagement, particular expertise, and/or particular weight in advocacy, where ENI is operating in the same field as other donors

Inputs to the information matrix

Georgia does not attract many donors but the institutional IFIs (ADB, WB), few EU MS (Germany, Sweden), Switzerland. The EUD is overwhelming in terms of volume of aid and expertise; its weight in advocacy is tremendous, having some sort of monopole on EU approximation. Even IFIs align on this political orientation in the country strategy and project formulation.

Validation of DR hypotheses

The partner countries recognise the importance of ENI programmes beyond their financial value:

This is indeed the case in Georgia; first of all the ENI programmes are considered to be a certification that the GoG is on the right track for an EU approximation; performing in the implementation of an ENI programme is sending the same positive message, backing the GoG's political stand.

The expertise provided by DG NEAR at HQ responds to the needs of EUDs staff (adequacy to demand, quality and reactivity):

EUD staff did not indicate to rely on HQ expertise, unless potentially for general orientations provided by HQ staff when in formulation missions.

The strategic intent of the mix of instruments and aid modalities is understood by EU MS and partner countries:

The strategic intent is very clear and stems rather from the GoG than from the EU.

The programmes adopted by the Madad Funds respond to the needs of the partner countries and are owned by participating EU MS:

NA

2.4.2 JC42: ENI programming encourages EU Division of Labour (focus on the EUMS but also with other donors)

Inputs to the information matrix

NA considering the number of donors active in Georgia. No duplication noticed. Complementarity claimed by EU MS and Switzerland.

A first phase of joint analysis/programming was blocked due to the attitude of the UD top-management back then; EU MS requested a replacement; when obtained, the process was relaunched and then processed swiftly, integrating EU MS contributions. Some EU MS however indicated that the timeframe for consultation was too short to mobilise in-house expertise and provide added-value; this view was not confirmed by all EU MS.

Validation of DR hypotheses

EU MS are still reluctant about EU-led multiannual framework of division of labour to stay able to seize (economic) opportunities and respond to high level political commitments:

Confirmed. EU MS agree to participate on joint programming, are aware that DoL should be the next step, but are still reluctant about it.

IFIs follow along the same lines than EU for policy dialogue (joint efforts); however they have far less financial leverage. In addition, their light design and reporting processes (in comparison to those of the EU) prevent them to encourage division of labour in the sense of the aid effectiveness agenda:

Non-EU donors were not deeply involved in joint programming, and it is not foreseen to include them in EU-led DoL.

2.5 EQ 5 on coherence, consistency, complementarity and synergies

To what extent does the ENI facilitate coherence, consistency, complementarity and synergies both internally between its own set of objectives and programmes, vis-à-vis other EFIs, and other donors?

DR focuses

The demonstrated added value of the joint programming process engaged to-date:

It is too early to assess.

The consistency of the EUTFs programming documents and actions with the ENP policy framework and with EU priorities (beyond relevance of addressing urgent needs) as well as the complementarity and synergies among them:

NA

The capacity demonstrated by EU MS in channelling their projects through EUTFs:

NA

2.5.1 JC51: ENI programmes are coherent and complementary with one another

Inputs to the information matrix

The two ENI BS are not particularly coherent with one another (agriculture / Justice), though indeed they are coherent with the overall approximation agenda and do reflect the GoG priorities.

A strong complementarity was introduced with ENI (compared to previous ENPI programming) by encompassing a land registration component in the Justice BS.

Validation of DR hypotheses

The too long visas and QSG process is compensating the insufficient specification of the programming instructions:

Programming instructions were not brought up specifically by interviewees in EUD and within the GoG. Formulation is presented as a Georgia-specific process, based on the share values/policy framework and experience in similar previous BS in the same sectors. ENI BS in Georgia were adopted within 6 months, implying that the visas and QSG processes can be reduced to that extent.

The NEAR institutional set-up constitutes an impediment to operative complementarity between bilateral and regional programmes:

Not confirmed/identified with interviewees.

2.5.2 JC52: ENI programmes are aligned with the evolving ENP policy and, where relevant, the EU development policy

Inputs to the information matrix

ENI programmes are clearly anchored in pre-ENP review policy framework. They are programmed on the same lines and content than before the review. No specific actions aligned on the revised framework were brought to the attention of the team.

Validation of DR hypotheses

The update of the programming instructions after the ENP review is adjusted to need of coherence and complementarity:

NA

The ENI priorities and approaches are insufficiently specified by sector to encourage consistency with the policy framework (and swift processing):

NA

2.5.3 JC53: ENI programmes are consistent with other (than ENP and development policy) EU external action policies (EFIs and EU sectorial policies)

Inputs to the information matrix

EFIs (nominative, not globally):

Only few projects were brought up from other EFIs, and in no case in complementarity to the mainstream BS. Conversely, EIDHR programme manager indicated that the instrument was specialising in niches (HRBA, domestic violence, health rights...) because the ENI was all encompassing, particularly a 'generalist' approach of governance, human rights, etc.

Line DGs (nominative, not globally):

DG AGRI is the main DG engaged in Georgia with ENPARD (starting from ENPI); the ENPARD is fully complementary with the agriculture component of the SBS and contributed to a large extent to its design.

Validation of DR hypotheses

The share of ENI in the assistance to neighbourhood countries is so high and so thematically encompassing that opportunities for complementary arise only with EFIs dedicated to crisis and stabilization:

The thematically encompassing aspect is confirmed with IEDHR. The weight of ENI programmes and the drive of the GoG for an Euro-Atlantic integration is marginalising the importance of other EFIs in order to achieve ENP objectives or respond to needs.

The EUTFs (and other financing Facilities) further limit the scope for complementarity with EFIs since by their design they are implementing actions covering the policy areas of some critical EFIs for the partner country.

NA

The extent and diversity of the needs in the Neighbourhood in the recent years tend to hide overlaps between ENI and other EFIs:

The overlap is relatively clear in Georgia for HR and CSO/LA.

2.5.4 JC54: ENI programmes complement and stimulate synergies with the other external action financing instruments

Inputs to the information matrix

See above.

Validation of DR hypotheses

Complement JC53 with this perspective.

2.5.5 JC55: ENI programmes complement and stimulate synergies with interventions of EU MS and other donors

Inputs to the information matrix

EU MS:

Examples of complementarity and synergies were not indicated by EU MS interviewed, though they contributed to the joint programming. Aid modalities are quite different, with most ENI resources engaged in BS while EU MS are supporting projects or twinning with national authorities. A EU MS supporting TVET complements previous BS in agriculture (for some value chains like wine); the new ENI programme in TVET is designed in coordination.

IFIS:

EBRD and WB are developing several schemes based on the blending of their operations with EU grants; the focus is mainly on the private sector development in relation with the DCFTA.

Other donors:

NA

Validation of DR hypotheses

EU MS are increasingly involved in joint programming and finding ways to accommodate their own constraints vis-à-vis their respective HQ:

EU MS that engaged in joint programming and reacted when they found the process too top-down and unbalanced. The process, once relaunched, is still on-going. It is therefore too early to assess EU MS ability to adjust their country strategy and programming to the outcome of EU joint programming.

Other donors still find it difficult to adjust their programming procedures to the aid effectiveness agenda:

Blending has introduced a new incentive for alignment of IFIs on ENI strategic and programmatic frameworks, irrespective to the aid efficiency agenda. They are competing on a narrow market based on their costs i.e. the interest rate of their loans (and grace periods).

2.6 EQ 6 on leverage

To what extent has the ENI leveraged further funds and/or political or policy engagement?

DR Focuses

Partner country's assessment of the incentive approach:

While being the main beneficiary of the umbrella programmes since 2014, the GoG is not particular keen about them; they are more of a sub-product of its commitment to EU approximation than an incentive per se. Umbrella programmes were used as top-up of pre-existing BS programmes.

EU's leverage capacity on the ground (by EUDs):

EUD in Georgia does not have leverage on the GoG that is actually leading the drive towards EU approximation.

2.6.1 JC 61: Under ENI interventions, the EU makes a strategic use of policy and political dialogue to leverage political and policy engagement/reforms in the partner countries and implementation by the partners of jointly agreed objectives

Inputs to the information matrix

NA

Validation of DR hypotheses

Policy and political dialogue has been a driving factor behind recent reforms in countries relatively unscathed by the region's major crises:

Policy dialogue is the key for fine-tuning the EU approximation path, mainly through negotiating BS matrix.

The social and political costs of reforms might not be properly measured by the EU in its political/policy dialogue with partner countries, given the instability of the regional context:

The instability did not appear as a concern in ENI programming. The GoG indicated that social cost of some reforms was high and should be compensated by the EU directly with the public (subsidy schemes).

2.6.2 JC 62 - The incentive-based approach within the ENI (umbrella funding, indicative financial allocations expressed in 20% ranges) leverages political and policy engagement/reforms in the partner countries and implementation by the partners of jointly agreed objectives

Inputs to the information matrix

Umbrella programmes:

See above; limited to no incentive acknowledged by the GoG.

Ranges:

No further information collected.

Validation of DR hypotheses:

The rewarding scheme is not financially attractive (volume):

Confirmed.

The lack of competitors for the umbrella programmes in medium term further reduces the incentive, i.e. the tool was devised at a time where several countries were making progress:

NA

The incentive tools available to ENI are in fact limited to the umbrella programmes e.g. ranges are not used as incentives:

Confirmed.

2.6.3 JC 63 - ENI co-operation leverages additional resources – from other Union's instruments, partner countries, other donors, diaspora remittances, private sector.

Inputs to the information matrix

Several blending operations with EBRD and WB leveraged additional funds. Also the GoG indicated budget as an additional resource.

Validation of DR hypotheses

The leverage of additional resources is limited compared to ENI resources and considering the cost of inputs needed to be engaged by NEAR/EUDs for creating it:

The demand originates from IFIs to increase their competitiveness and therefore their operations in Georgia. No indication was gathered that the process induces a high level of input from EUD side.

EUTFs are too recent to have convinced more than some key EU MS but prospects are improving; comparative advantages of EUTFs start to be known among EU MS:

NA

External Evaluation of the European Neighbourhood Instrument (ENI)

Case Study – Lebanon

1 Country dossier – a general overview

1.1 Political and economic situation in the country

Political situation

Source: SSF for EU support to Lebanon 2014-2016

Lebanon is a fragile state characterised by weak institutions that are prey to entrenched confessional divisions. This makes the adoption and implementation of key government policies, including the national defence strategy and the budget difficult. Furthermore, the political system is designed to cement multi-confessional co-existence through checks and balances which provides for short-term stability.

Lebanon is most affected by the Syrian conflict due to its geographical, historical, economic and social proximity and also due to its weak institutions. The Syrian crisis has led to further polarisation and weakening in governance, through the resignation of PM Miqati government in March 2013, the postponement of elections originally scheduled for June 2013 and the extension of the present Parliament until November 2014. A new government was formed by PM Tammam Salam and approved by the Parliament on 20 March 2014. In its policy statement, the new government attaches high priority to confirming Lebanon's partnership with the EU.

Lebanon adopted a disassociation policy from the conflict in Syria in the Baabda Declaration of June 2012 endorsed by all main political groups. Since May 2012, the security situation has deteriorated due to the widespread presence of weapons and the growing involvement of opposing Lebanese factions in the fighting in Syria. Incidents include clashes between the traditionally hostile neighbourhoods in Tripoli, cross-border incursions from regular Syrian forces, the shelling of Lebanese cities by Syrian opposition fighters, and eruption of violence in Sidon, Baalbek and Beirut. The borders with Syria are porous and border management remains weak, particularly as the Lebanese Armed Forces (LAF) are overstretched, protecting the borders and providing support for internal security.

The Miqati Government launched in December 2012 its plan "Response of the Government of Lebanon to the Crisis of Syrian Displaced Families" as the first official recognition of the urgency of the refugee crisis. Coordination between the Lebanese authorities and the international response led by the UN agencies has increased, although better coordination and contingency planning are still required given the scale of the humanitarian crisis.

Major political and economic reforms remain stalled by the lack of political consensus. However, Lebanon has upheld its international obligations with respect to UNSCR 1701 and cooperation with UNIFIL (United Nations Interim Force in Lebanon), to cooperation with the Special Tribunal for Lebanon (STL) as well as upholding international humanitarian principles on protection and assistance to people fleeing violence.

The impact of the Syrian crisis will be long-lasting in terms of security and stability of the country as well as economic and social development given also the large presence of Syrian refugees. A key concern is to avoid security incidents exacerbated by the spill-over of the Syrian crisis. On-going work on the security sector reform as well as integrated border management will help to address some of the consequences of the Syrian conflict and establish a more stable security environment in the country. It will also facilitate legal trade and border movements and the management of the refugee crisis in line with international humanitarian principles. Supporting key state institutions including the executive, legislative, judiciary and security agencies, as well as national dialogue instances and peace and

reconciliation efforts, alongside economic recovery, employment and social programmes will continue to be a priority for the EU.

Macroeconomic stability

Source: SSF for EU support to Lebanon 2014-2016, EAMR 2015, p. 26

As promotion of foreign direct investment (FDI) and enhanced trade relations are underpinned by the rule of law, the deteriorating security situation is having adverse effects on the economy. Lebanon's economic situation has also deteriorated significantly as a result of the political impasse, exacerbated by the Syrian refugee crisis. The fiscal deficit has been increasing, leading to a reversal in the government's debt downward trend, and the current account deficit has further widened. Economic growth relies only on a few sectors (e.g. banking, real estate, construction, tourism) as well as domestic demand based on diaspora remittances. Some sectors have been particularly impacted by the Syrian crisis as Gulf Cooperation Council (GCC) countries discouraged their nationals from visiting and residing in Lebanon. Although the country exhibits significant financial resilience, the vulnerability of its economy (high public and external indebtedness, low diversification, dependence as a net importer of hydrocarbons, uncertainty about the persistence of foreign inflows) continues to be aggravated by the current circumstances, making the adoption of the budget and the implementation of structural (fiscal) reforms imperative. Wealth disparities and geographical imbalances in development continue to grow. In this context, EU support for a more inclusive and sustainable economic and social development is paramount for the stability and prosperity of the country.

There are no budget support activities provided by the EU and as a consequence, no assessment of Lebanon's macroeconomic stability has been made alongside the eligibility criteria and performance indicators for budget support programmes.

1.2 EU strategic priorities in the country (programming docs)

Sources: SSF for EU support to Lebanon 2014-2016

Sectors of Intervention for the Single Support Framework for Lebanon for the period 2014-2016:

1. **Justice and Security System Reform:** The **overall objective** is to promote and reinforce the rule of law and security of a democratic and accountable State. The **specific objectives** are to:
 - Reinforce the independence and the efficiency of the Judiciary;
 - Reform the penitentiary administration in line with international standards;
 - Improve law enforcement and the competence of security agencies with full respect for citizens' rights and liberties;
 - Put in place an effective border management system.
2. **Reinforcing social cohesion, promoting sustainable economic development and protecting vulnerable groups:** The **overall objective** is to contribute to a more balance economic and social development in Lebanon while mitigating the consequences of the Syrian conflict, building resilience focusing on the most vulnerable at national level, increase people's ability to participate in and benefit from wealth and job creation. The **specific objectives** are to:
 - Promote and enabling environment for business and SMEs development, investment and innovation and spur entrepreneurship;
 - Adapt the skills provided by the public education system to the needs of labour market;
 - Increase the participation of Lebanon's population in the formal labour market, improve working conditions and respect for labour rights, with special attention to women and youth;
 - Enhance social protection;
 - Address the needs of the most vulnerable areas and populations in Lebanon;

- o Improve legal rights and living conditions of refugees in Lebanon, including Palestine refugees.

3. Promotion of sustainable and transparent management of energy and natural resources: The **overall objective** of this sector of intervention is to secure the sustainability of the use of energy and natural resources. The **specific objectives** are to:

- o Secure sustainable energy supply and manage energy demand and diversify energy sources while promoting green energy in particular;
- o Preserve the environment and mainstream environmental management and protection of natural resources;
- o Develop a competitive agriculture sector and promote a sustainable rural economy.

Financial overview

The indicative allocation for 2014-2020 is EUR 315,000,000 – EUR 385,000,000. The indicative bilateral allocation for the period 2014-2016 is of EUR 130,000,000 – EUR 159,000,000.

The indicative breakdown by sector is the following:

Table 1 Indicative budget breakdown of the Single Support Framework

Sector	Indicative allocation
Justice and Security System Reform	15%
Reinforcing social cohesion, promoting sustainable economic development and protecting vulnerable groups	40%
Promotion of sustainable and transparent management of energy and natural resources	20%
Complementary Support for Capacity Development and Civil Society	25%

1.3 Important issues regarding EU – Lebanon cooperation

Source: EAMR 2015, p. 3

EU cooperation in Lebanon continues in a tense security context, due to the presence of armed groups on the Lebanese territory, ongoing tensions at the eastern borders, and the threat of global terrorist groups. Lebanon continues to suffer from a profound political stalemate with 19 months long presidential vacancy, and the Cabinet of Ministers effectively paralysed since July 2015. It is a challenge to identify counterparts in the Government that have the authority to act on behalf of the administration.

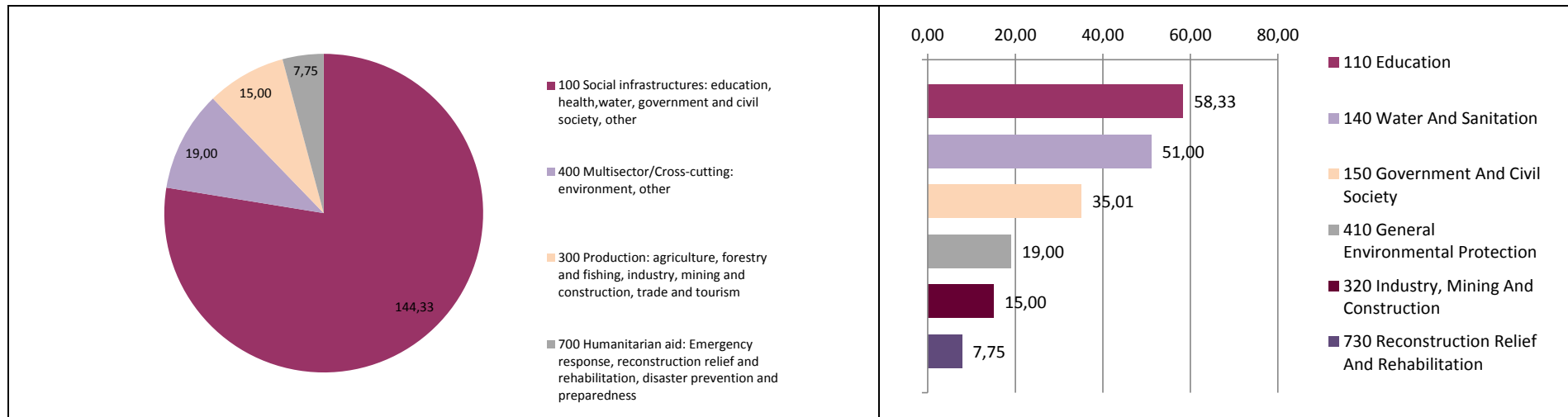
1.4 Overview of EU support

Table 2 Key ENI interventions (decisions) since 2014

Domain	Decision year	Decision N°	Decision title	Committed	Paid	DAC Code	Sector code
ENI	2014	25057	Building National Stability (BNS)	12.000.000	1.926.614	15210	Security system management and reform
ENI	2014	25014	Upgrading Solid Waste Management capacities in Lebanon - 2 (SWAM 2)	21.000.000	0	14050	Waste management / disposal
ENI	2014	25044	Protection and sustainable development of maritime resources in Lebanon	19.000.000	790.200	41030	Bio-diversity
ENI	2015	38210	Improvement of housing of the most vulnerable Palestine refugees in Lebanon	5.000.000	0	73010	Reconstruction relief and rehabilitation
ENI	2015	38212	"Technical Assistance for the Government of Lebanon"	5.000.000	0	15110	Public sector policy and administrative management
ENI	2014	37808	Top-up to Decision "Building National Stability" (2014/025-057)	3.000.000	0	15210	Security system management and reform
ENI	2016	39626	Advancing Juvenile and Criminal Justice in Lebanon	9.000.000	0	15130	Legal and judicial development
ENI	2015	37725	Supporting Lebanon Inclusive and Sustainable Socio-Economic Development through Mine Action	10.000.000	3.715.591	15250	Removal of land mines and explosive remnants of war
ENI	2015	38357	Civil Society Partnership to Promote Reform in Lebanon	5.000.000	0	15150	Democratic participation and civil society
ENI	2016	39627	Local Development Programme for Deprived Urban Areas in North Lebanon	0	0	15220	Civilian peace-building, conflict prevention and resolution
ENI	2016	39636	SIPPP -Support to the implementation of the EU-Lebanon Partnership Priorities	6.000.000	0	15110	Public sector policy and administrative management

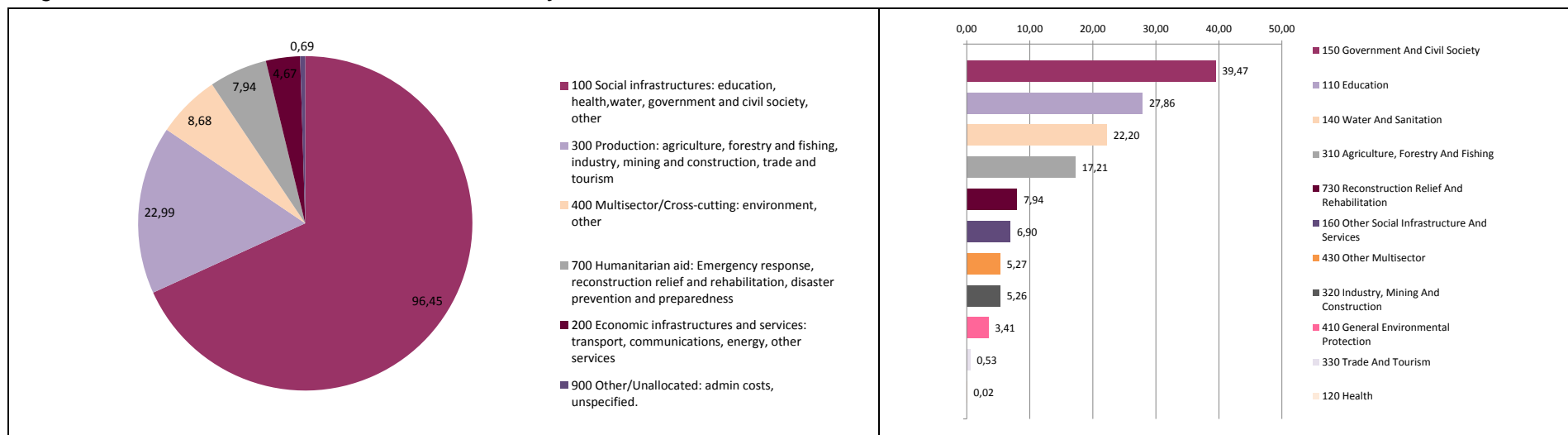
<i>Domain</i>	<i>Decision year</i>	<i>Decision N°</i>	<i>Decision title</i>	<i>Committed</i>	<i>Paid</i>	<i>DAC Code</i>	<i>Sector code</i>
			Programme				
ENI	2016	39689	Programme in Support to the Education of Palestine refugees in Lebanon	0	0	11110	Education policy and administrative management
ENI	2014	25043	Access to basic services for the vulnerable population in Lebanon – Education & Health (ABS-EH)	56.825.452	48.216.888	11220	Primary education
ENI	2014	37715	Access to basic services for the vulnerable population in Lebanon – Economic recovery and basic infrastructures (ABS-ECOINF)	14.853.940	8.731.606	14030	Basic drinking water supply and basic sanitation
ENI	2015	38180	Supporting the private sector development in Lebanon	15.000.000	1.541.046	32130	Small and medium-sized enterprises (SME) development
ENI	2014	37543	Provision of waste water services for vulnerable populations in Lebanon	15.000.000	0	14020	Water supply and sanitation - large systems

Figure 1 Overview of ENI commitments by sector



Source: EC Statistical Dashboard

Figure 2 Overview of ENI disbursements by sector



Source: EC Statistical Dashboard

1.5 Overview of other Development Partners' support

Source: EAMR 2015, p. 19

Indirect management, in particular through International Organisations, is the EU's modality of choice in particular for the implementation of Syrian Response and aid to Palestinians. Important partners are the WHO, UNHCR and UNICEF, who all signed major delegation agreements in 2015. The alignment with GoL's positions, substitution of local actors and the weakening of national ownership, as well as difficulties with EU visibility obligations are the drawbacks of these arrangements.

EU is the largest donor in terms of volume, but the United States, Germany, France and UNRWA are also important development partners in the country.

2 Evaluation findings on Lebanon¹

2.1 EQ 1 on relevance

To what extent do the overall and the specific objectives (ENI Regulation, Article 1 and 2) and the design of the ENI respond to:

(i) EU priorities and beneficiary needs identified at the time the instrument was adopted (2014)?

(ii) Current EU priorities, in particular emerging from the 2015 ENP Review such as stabilisation, and beneficiary needs, given the evolving challenges and priorities in the international context (2017)?

DR focuses:

Correspondence of the ENI objectives (Art. 1 & 2) with partner country's own priorities:

EUD has internalized the new priorities highlighted in the 2015 ENP Review and has been able to implement them:

New orientations have been positively appreciated by partner countries, both at government and civil society levels:

Ownership by partner country:

2.1.1 JC11: The ENI objectives and design were initially (2011/2014) congruent with i) EU priorities and ii) partner country priorities

Inputs to the information matrix

2(2)a - *Promoting human rights and fundamental freedoms, (...)*²: good governance, transparency of public administration and the promotion and protection of human rights are priorities identified in the EU-Lebanon Action Plan for 2013-2015.

2(2)b - *Achieving progressive integration into the Union's internal market and enhanced sectoral and cross-sectoral cooperation(...)*³: Increasing trade competitiveness and further trade integration in EU and international markets is one of the priorities included in the EU-Lebanon Action Plan for 2013-2015.

¹ There has been no field mission to Lebanon – this section is therefore entirely based on findings from the desk phase.

² Promoting human rights and fundamental freedoms, the rule of law, principles of equality and the fight against discrimination in all its forms, establishing deep and sustainable democracy, promoting good governance, fighting corruption, strengthening institutional capacity at all levels and developing a thriving civil society including social partners.

³ Achieving progressive integration into the Union internal market and enhanced sectoral and cross-sectoral cooperation, including through legislative approximation and regulatory convergence towards Union and other relevant international standards, and improved market access including through deep and comprehensive free trade areas, related institution-building and investment, particularly in interconnections

2(2)c - *Creating conditions for the better organisation of legal migration (...)*⁴: Migration issues are included as further objectives in the EU-Lebanon Action Plan for 2013-2015.

2(2)d - *Supporting smart, sustainable and inclusive development in all aspects(...)*⁵:

2(2)e - *Promoting confidence-building, good neighbourly relations and other measures contributing to security in all its forms and the prevention and settlement of conflicts, including protracted conflicts*: Improved security sector management and law enforcement, including cooperation, accountability and oversight mechanisms, and advancing integrated border management

2(2)f - *Enhancing sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation*:

Validation of DR hypotheses:

Clear understanding by EU MS and PC, especially in the East, that ENP is not a “Pre”- pre-accession policy:

Existence of multiple strategic scenarios at the EUD level (planning stage):

ENI programming has been aligned on partner countries’ strategies and needs:

2.1.2 JC12: The ENI objectives and design are still congruent with i) EU priorities emerging from the 2015 ENP Review such as stabilisation and ii) partner country priorities resulting from the evolving global and regional challenges (2016-2017)

Inputs to the information matrix

2(2)a - *Promoting human rights and fundamental freedoms, (...)*: good governance, transparency of public administration and the promotion and protection of human rights are priorities identified in the EU-Lebanon Action Plan for 2013-2015. Human rights and protection of vulnerable populations, including Palestine refugees is one of the objectives linked to one of the three focal sectors of intervention selected under the SSF 2014-2016.

2(2)b - *Achieving progressive integration into the Union’s internal market and enhanced sectoral and cross-sectoral cooperation(...)*: In addition to the three focal sectors of intervention, the SSF envisages the provision of technical assistance and twinning in areas which need specific contributions for the approximation towards the ‘acquis communautaire’. Overall, the Action Plan is seen as a way to advance the approximation of Lebanon’s legislations and standards to those of the EU and to promote economic integration in order to enhance trade and investment with the EU.

2(2)c - *Creating conditions for the better organisation of legal migration (...)*: Justice and security sector reform is one of the focal sectors identified in the SSF 2014-2016. Furthermore migration issues and border management are key areas included in the Action Plan.

2(2)d - *Supporting smart, sustainable and inclusive development in all aspects (...)*: Reinforcing social cohesion, promoting sustainable economic development and protecting vulnerable groups is one of the focal sectors included in the SSF 2014-2016. The overall objective is to contribute to a more balanced economic and social development in Lebanon while mitigating the consequences of the Syrian conflict, building resilience focusing on the most vulnerable at national level, increase people’s ability to participate in and benefit from wealth and job creation.

⁴ Creating conditions for the better organisation of legal migration and the fostering of well-managed mobility of people, for the implementation of existing or future agreements concluded in line with the Global Approach to Migration and Mobility, and for the promotion of people-to- people contacts, in particular in relation to cultural, educational, professional and sporting activities

⁵ Supporting smart, sustainable and inclusive development in all aspects; reducing poverty, including through private sector development, and reducing social exclusion; promoting capacity-building in science, education and in particular higher education, technology, research and innovation; promoting internal economic, social and territorial cohesion; fostering rural development; promoting public health; and supporting environmental protection, climate action and disaster resilience.

2(2)e - *Promoting confidence-building, good neighbourly relations and other measures contributing to security in all its forms and the prevention and settlement of conflicts, including protracted conflicts:* Security Sector Reform is one of the main sectors of intervention covered by the SSF 2014-2016.

2(2)f - *Enhancing sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation:*

Validation of DR hypotheses:

New priorities (e.g. Review 2015) have been fully internalized in EUD:

A divergence emerged since 2015 between renewed ENP priorities and partner's ones:

2.2 EQ 2 on effectiveness, impact and sustainability

To what extent does the ENI deliver results against the instrument's objectives, and specific EU priorities?

DR Focuses:

The scope for contributing to ENI objectives (see EQ1) increased over time:

EUD adjusted the action documents (eg programmes) to ENI objectives:

The "EU priorities" (vs ENI/ENP priorities) are marginalized in the process of programming and furthermore during implementation, particularly in the South:

2.2.1 JC 21: ENI programmes contribute towards the objectives listed in the ENI Regulation, Article 1 and 2

Inputs to the information matrix

2(2)a - *Promoting human rights and fundamental freedoms, (...):* No new developments were noted in improving the general legal framework for their protection. Lebanon did not ratify any of the outstanding international instruments (e.g. the Geneva Convention Relating to the Status of Refugees). There are EU-funded programmes being implemented by the EUD but overall progress is not noticeable due to the difficult context.

2(2)b - *Achieving progressive integration into the Union internal market and enhanced sectoral and cross-sectoral cooperation(...):* the EU has key projects related to the integration to the EU market, yet more technical assistance is needed in order to reach EU standards.

2(2)c - *Creating conditions for the better organisation of legal migration (...):* According to the Progress Report the situation of migrants and asylum-seekers remains unchanged as Lebanon is not party to the Geneva Convention on the Status of Refugees. Yet In December 2014 the EU and Lebanon initiated a Dialogue on Migration, Mobility and Security to address the interlinked issues of facilitating legal migration and mobility, preventing irregular migration and trafficking in human beings, promoting international protection, asylum and maximising the development impact of migration. Furthermore, new EU priorities set on migration and security as well as improved management of irregular migration are considered key ENI contributions in this country.

2(2)d - *Supporting smart, sustainable and inclusive development in all aspects (...):* The economic situation continuous to deteriorate with the Syrian crisis having a negative impact with the arrival of refugees in the country (according to the UNHCR, almost 1.2 million refugees from Syria were registered in Lebanon by 10 December 2014). The EU is implementing programmes but in general progress is not discernable mainly because of the difficult context. Nevertheless, Security, Economics & Trade, Agriculture, Water & Energy, Health and Social Affairs Sectors stand out as particularly fruitful with key projects supporting the respective authorities. There are examples of projects related to the Private Sector Development that have indirectly contributed to the economy.

2(2)e - *Promoting confidence-building, good neighbourly relations and other measures contributing to security in all its forms and the prevention and settlement of conflicts,*

including protracted conflicts: Lebanon has important projects in security but according to the EUD it is too early to assess results. Nevertheless, extra funds helped to fund medication for refugees that led to the prevention of further emergencies. By the end of 2014, the EU had allocated EUR 249.5 million through the European Neighbourhood Instrument (ENI) to support refugees from Syria and vulnerable communities in Lebanon.

2(2)f - Enhancing sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation: There are programmes but progress is not noticeable.

Validation of DR hypotheses:

The appropriate targeting of democracy and rule of the law is linked to the inclusive programming processes, in-house expertise (notably CoTE), and ENPI experience:

The monitoring and evaluation systems are increasingly able to determine the link of economic results with ENI programmes:

2.2.2 JC22: ENI programmes support policy dialogue and implementation of reform objectives agreed with each partner country

Inputs to the information matrix

Policy dialogue: Achieving progress in the EU-Lebanon political dialogue was challenging because of the multiple crisis: long Presidential vacuum and the Cabinet of Ministers paralysed since July 2015, postponed elections, attacks by militants, the huge influx of Syrian refugees and the waste crisis. Besides, It is difficult to identify counterparts in the government that have the authority to act on behalf of the administration.

In 2015 there was an increase in the number of projects that promote structured dialogue between CSOs/LAs and governments and EU institutions, 140 projects compared to 2014 with 3 interventions. There was also a substantial rise to 300 projects in which objectives include the inclusion of CSOs/LAs in national policymaking. This compares to 9 in 2013 and 12 in 2014.

Implementation of reform objectives: Overall, impact of reforms is limited due to dysfunctional government, its weak capacity and the tense security context. However, regarding the implementation of agreed objectives overall the rating is good.

Validation of DR hypotheses:

The scope for policy dialogue is increasingly negatively influenced by the deepening of the social and political tensions in the Neighbourhood: There is a tense security context, due to the presence of armed groups on the Lebanese territory, tensions at the eastern borders, and the threat of global terrorist groups.

The capacity of policy dialogue of the EU is weakened by issues in capitalising experience and technical expertise, relative "isolation" of EUDs staff, and quality of services provided by framework contractors:

2.2.3 JC23: ENI programmes enhance sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation

Inputs to the information matrix

Sub-regional collaboration: Lebanon has tried to enhance sub-regional collaboration but progress was imperceptible.

Regional programmes: Lebanon has tried to enhance regional cooperation but progress was imperceptible.

European-wide collaboration:

Cross-border cooperation: Lebanon was very active in this area and overall it was good although impact and progress is not noticeable.

Validation of DR hypotheses:

The geostrategic tensions are a major impediment for developing regional and sub-regional integration:

Financial resources and “political weight” of ENI programmes are not sufficient to oppose to mistrust between neighbouring regions:

2.2.4 JC24: ENI mainstreams EU policy priorities

Inputs to the information matrix

Rather than mainstreaming climate change, gender, disabled persons, etc. the most recent project formulations (Lebanon compact) presents ‘EU policy priorities’ as the ones adopted through the ENP Review, recent communications on security, migration, and EU Global Strategy’s call for an integrated approach in addressing crises. Only the new Compact for Lebanon is presented as a way forward by DG NEAR, but it is still awaiting adoption at mid-term of the instrument. (JC21).

According to the SSF 2014-2016 good governance, transparency of public administration and the promotion and protection of human rights will be mainstreamed throughout the implementation of the actions. EU actions will also take into account the impact of the Syrian crisis on the country at all levels. Regarding gender, economic and political women empowerment was the main objective selected from the Gender Action Plan.

Validation of DR hypotheses:

The ‘programming instructions 2014-2020’ document was replaced by ad hoc instructions to adjust to the revised policy framework of the 2015 ENP review⁶.

The ‘new’ ENP priorities are felt to have a far higher relevance in the present context of the neighbourhood than the ‘priorities’ induced by EU international commitments, with limited demand by partner country.

2.3 EQ 3 on efficiency

To what extent is the ENI delivering efficiently?

DR focuses:

Existing flexibility available with ENI are proportionated to challenges faced by partner. According to the EUD in 2014 rules become more flexible.

Flexibilities introduced by ENI (special measures, EUTFs) are positively appreciated by partner countries and have not developed counterproductive features:

Progress in addressing the propositions of the working group on accelerating aid delivery.

2.3.1 JC31: ENI management is administratively cost effective

Inputs to the information matrix

According to the EAMR 2015 the performance of the Delegation in Lebanon in term of sound financial management and efficient use of EC resources has been satisfactory. Nevertheless, it has to be noted that in 2014 KPI compliance was much better compared to 2015.

Validation of DR hypotheses:

The new/revised ENI/CIR/FR have improved cost and time efficiency on the ground (e.g. in EUDs):

The time consumption in EUDs of controls and administrative reporting still allows sound project management and policy dialogue: “The Cooperation Section remains stretched as it manages a large volume of projects. The Delegation was offered one Local Agent and one Contract Agent post in the course of WLAD, but resources are still insufficient. The Sections Cooperation and Contracts & Finance are already managing more contracts per staff than the Delegation’s nominal capacity (14 contracts per OPS vs. worldwide baseline of 8.3; 26 contracts per FCA vs. worldwide baseline of 22).” (EAMR Lebanon 2014, 5)

Internal/external (CoA) audit system contributes to minimize initiatives intending to speed-up aid delivery.

⁶ Shared with us already by EEAS.

2.3.2 JC32: Budget allocation and execution are efficient, in particular in managing the incentive-based approach and response to crises

Inputs to the information matrix

Absorption capacity of the Government is limited and BS is not being applied in the country thus a large programme volume is being channelled through the UN and CSOs. Lebanon is receiving so much crisis-related funding that their capacity to manage additional “incentive” funds is exceeded.

Lebanon benefited from Spring funds and umbrella programmes. Funds were mostly invested in response to crisis and now they are finished but Lebanon got the Madad Fund. This is not an incentive-based approach but it is a huge fund for crisis in the region and Lebanon benefits from it. There is the perception that the incentive-based approach doesn't reinforce Lebanon willingness to improve and get more funding.

Validation of DR hypotheses:

KPIs do not reflect contextual constraints on the ground:

Incentive of the umbrella programmes is not related to its procedural time-efficiency:

Special measures provided the required level of flexibility and time-efficiency:

2.3.3 JC33: Appropriate monitoring processes and indicators for measurement of the performance of the ENI are in place and functioning.

Inputs to the information matrix

Security concerns hindered the monitoring and evaluation of EU-funded projects.

Validation of DR hypotheses

The link between progress reports and the allocation of the umbrella programmes is unclear to partner countries: The incentive-based approach doesn't seem to be an effective way to reinforce Lebanon willingness to improve and get more funding.

The progress reports are subject of reputational competition between partner countries:

2.4 EQ 4 on added value

To what extent do the ENI programmes add value compared to interventions by Member States or other key donors?

DR focuses:

The perception and understanding of driving factors for EU added value by stakeholders of ENI programmes (authorities, civil society and EU MS):

The communication strategy of EU services in charge of ENI at HQ and country-level with regards to EU added value:

The extent to which indirect management with international organisations (and trust funds managed by IFIs) contributes to EU added value:

2.4.1 JC41: ENI offers added value in terms of size of engagement, particular expertise, and/or particular weight in advocacy, where ENI is operating in the same field as other donors

Inputs to the information matrix

Amount of resources available to programmes, flexibility in resource allocation to face unexpected situations (e.g. special measures and Madad Fund for Syrian crisis), openness to PC priorities and measures (whenever possible because overall the government has no priorities), openness to civil society needs (there is a structured dialogue), commitment to advocacy in policy dialogue, amount and quality of expertise available, and leadership in coordinating joint programming with EUMSs are considered main ENI added-value.

Validation of DR hypotheses

The partner countries recognise the importance of ENI programmes beyond their financial value:

The expertise provided by DG NEAR at HQ responds to the needs of EUDs staff (adequacy to demand, quality and reactivity):

The strategic intent of the mix of instruments and aid modalities is understood by EU MSs and partner countries:

The programmes adopted by the Madad Funds respond to the needs of the partner countries and are owned by participating EUMSs: Lebanon benefited from the Madad Fund to respond to the crisis in the region. The Madad Fund is considered a more flexible tool.

2.4.2 JC42: ENI programming encourages EU Division of Labour (focus on the EUMS but also with other donors)

Inputs to the information matrix

Joint Programming with Member States was launched with the first phase. The purpose was to analyse the operating environment in Lebanon, in order to jointly identify a more effective cooperation strategy. The next phase during 2016 was expected to lead to a joint programming document, followed by agreements on division of labour.

Validation of DR hypotheses

EUMSs are still reluctant about EU-led multiannual framework of division of labour to stay able to seize (economic) opportunities and respond to high level political commitments:

IFIs follow along the same lines than EU for policy dialogue (joint efforts); however they have far less financial leverage. In addition, their light design and reporting processes (in comparison to those of the EU) prevent them to encourage division of labour in the sense of the aid effectiveness agenda:

2.5 EQ 5 on coherence, consistency, complementarity and synergies

To what extent does the ENI facilitate coherence, consistency, complementarity and synergies both internally between its own set of objectives and programmes, vis-à-vis other EFIs, and other donors?

DR focuses

The demonstrated added value of the joint programming process engaged to-date: Lebanon Joint Programming with Member States was launched with the first phase in order to jointly identify a more effective cooperation strategy. The next phase during 2016 was expected to lead to a joint programming document, followed by agreements on division of labour.

The consistency of the EUTFs programming documents and actions with the ENP policy framework and with EU priorities (beyond relevance of addressing urgent needs) as well as the complementarity and synergies among them:

The capacity demonstrated by EUMS in channelling their projects through EUTFs:

2.5.1 JC51: ENI programmes are coherent and complementary with one another

Inputs to the information matrix

National and thematic instruments are complementary to the current SSF and to the response to the Syrian crisis in Lebanon. Coherence has been improved among ENI bilateral programmes, and between ENI programmes and interventions funded by other EFIs.

Validation of DR hypotheses

The too long visas and QSG process is compensating the insufficient specification of the programming instructions:

The NEAR institutional set-up constitutes an impediment to operative complementarity between bilateral and regional programmes:

2.5.2 JC52: ENI programmes are aligned with the evolving ENP policy and, where relevant, the EU development policy

Inputs to the information matrix

ENI programmes in Lebanon are in line with the EU development policy, cross-cutting priorities and policy coherence for development. Regarding CFSP ENI strategy has helped the EUD to express EU objectives but it didn't translate it into any effective measures.

Validation of DR hypotheses

The update of the programming instructions after the ENP review is adjusted to need of coherence and complementarity:

The ENI priorities and approaches are insufficiently specified by sector to encourage consistency with the policy framework (and swift processing):

2.5.3 JC53: ENI programmes are consistent with other (than ENP and development policy) EU external action policies (EFIs and EU sectorial policies)

Inputs to the information matrix

EFIs (nominative, not globally): Overall, coherence and alignment with other EFIs has improved in recent years. IcSP has been particularly valuable to foster the stability of the country and many IcSP interventions have targeted politically sensitive areas in a context marked by the deterioration of the security situation in relation to the Syria crisis and to an unprecedented influx of refugees in Lebanon. IcSP interventions have also been valuable to counter violent extremism, in the framework in particular of the dialogue on Counter-terrorism initiated between the EU and the Republic of Lebanon. EIDHR is also used to overcome longstanding challenges ranging from the limitation of military jurisdiction over civilians and the right to a fair trial, to the prevention of torture and arbitrary detention, the need to align prison conditions with international standards, address the issue of the disappeared, and raise awareness about the LGTB issue.

Line DGs (nominative, not globally): There are not many DGs in the country.

Validation of DR hypotheses

The share of ENI in the assistance to neighbourhood countries is so high and thematically so encompassing that opportunities for complementary arise only with EFIs dedicated to crisis and stabilization:

The EUTFs (and other financing Facilities) limit further the scope for complementarity with EFIs since by design they are implementing actions covering the policy areas of some critical EFIs for the partner country:

The extent and diversity of the needs in the Neighbourhood in the recent years tend to hide overlaps between ENI and other EFIs:

2.5.4 JC54: ENI programmes complement and stimulate synergies with the other external action financing instruments

Inputs to the information matrix

Overall, coherence and alignment with other EFIs has improved in recent years. IcSP has been particularly valuable to foster the stability of the country and many IcSP interventions have targeted politically sensitive areas in a context marked by the deterioration of the security situation in relation to the Syria crisis and to an unprecedented influx of refugees in Lebanon. IcSP interventions have also been valuable to counter violent extremism, in the framework in particular of the dialogue on Counter-terrorism initiated between the EU and the Republic of Lebanon. EIDHR is also used to overcome longstanding challenges ranging from the limitation of military jurisdiction over civilians and the right to a fair trial, to the prevention of torture and arbitrary detention, the need to align prison conditions with international standards, address the issue of the disappeared, and raise awareness about the LGTB issue.

Validation of DR hypotheses

2.5.5 JC55: ENI programmes complement and stimulate synergies with interventions of EUMSs and other donors

Inputs to the information matrix

EUMS: Coordination and joint programming with EUMSs have been strengthened. Programmes complementarity and synergies have also been improved.

IFIS:

Other donors: Coordination and complementarity for policy dialogue with other donors need to be improved. Attempts have been made to achieve greater coordination but have yet to achieve desired results: “Attendance at informal Donor Coordination Group as well as the UN’s Lebanon Development Forum which facilitates common positions among international partners as a basis for dialogue with the Government of Lebanon [...] The Government still was not able to set up a government-led donor coordination scheme.” (EAMR Lebanon 2015, 10).

Validation of DR hypotheses

EUMSs are increasingly involved in joint programming and find ways to accommodate their own constraints vis-à-vis their respective HQ: Joint programming with EUMSs has been strengthened and a joint programming document was expected in 2016.

Other donors still find it difficult to adjust their programming procedures to the aid effectiveness agenda:

2.6 EQ 6 on leverage

To what extent has the ENI leveraged further funds and/or political or policy engagement?

DR Focuses

Partner country’s assessment of the incentive approach: The incentive-based approach doesn’t seem to be an effective measure to trigger better performance from government.

EU’s leverage capacity on the ground (by EUDs): The EUD is implementing many ENI programmes in Lebanon and carrying out at least 2 policy dialogues but overall the effect is limited because of the dysfunctional government. Nevertheless, outstanding achievements can be found in the education and agriculture sectors. In education, the government is working in a plan "Reaching all Children with Education" and the EU is very much part of building this strategy though there are also other donors. In agriculture the EU has supported the Ministry in the creation of a strategy.

2.6.1 JC 61: Under ENI interventions, the EU makes a strategic use of policy and political dialogue to leverage political and policy engagement/reforms in the partner countries and implementation by the partners of jointly agreed objectives

Inputs to the information matrix

The leverage effect of political/policy dialogue is limited because of the dysfunctional government. Besides, It is difficult to identify counterparts in the government that have the authority to act on behalf of the administration.

Validation of DR hypotheses

Policy and political dialogue has been a driving factor behind recent reforms in countries relatively unscathed by the region’s major crises:

The social and political costs of reforms might not be properly measured by the EU in its political/policy dialogue with partner countries, given the instability of the regional context:

2.6.2 JC 62 - The incentive-based approach within the ENI (umbrella funding, indicative financial allocations expressed in 20% ranges) leverages political and policy engagement/reforms in the partner countries and implementation by the partners of jointly agreed objectives

Inputs to the information matrix

Umbrella programmes: Lebanon benefited from Spring funds and umbrella programmes. GoL invested the funds mostly in response to crisis. Now both programmes are finished but Lebanon got the Madad Fund, which is not an incentive-based approach but it is a huge fund for crisis in the region and Lebanon benefits from it. However, the incentive-based approach doesn't seem to reinforce Lebanon willingness to improve its performance.

Ranges:

Validation of DR hypotheses:

The rewarding scheme is not financially attractive (volume):

The lack of competitors for the umbrella programmes in medium term further reduces the incentive, i.e. the tool was devised at a time where several countries were making progress:

The incentive tools available to ENI are in fact limited to the umbrella programmes eg ranges are not used as incentives:

2.6.3 JC 63 - ENI co-operation leverages additional resources – from other Union's instruments, partner countries, other donors, diaspora remittances, private sector.

Inputs to the information matrix

For the time being, ENI actions have not leveraged additional financial resources.

Validation of DR hypotheses

The leverage of additional resources is limited compared to ENI resources and considering the cost of inputs needed to be engaged by NEAR/EUDs for creating it:

EUTFs are too recent to have convinced more than some key EU MS but prospects are improving; comparative advantages of EUTFs start to be known among EU MS:

External Evaluation of the European Neighbourhood Instrument (ENI)

Case Study – Tunisia

1 Country dossier – a general overview

1.1 Political and economic situation in the country

Source: Tunisia – Country Overview (The World Bank); Wikipedia;

Political Situation

The Tunisian Revolution was an intensive campaign of civil resistance that was precipitated by high unemployment, food inflation, corruption, a lack of freedom of speech and other political freedoms and poor living conditions. Labour unions were said to be an integral part of the protests. The protests inspired the Arab Spring, a wave of similar actions throughout the Arab world. The catalyst for mass demonstrations was the death of Mohamed Bouazizi, a 26-year-old Tunisian street vendor, who set himself afire on 17 December 2010 in protest at the confiscation of his wares and the humiliation inflicted on him by a municipal official. Anger and violence intensified following Bouazizi's death on 4 January 2011, ultimately leading longtime President Zine El Abidine Ben Ali to resign and flee the country on 14 January 2011, after 23 years in power.

Protests continued for banning of the ruling party and the eviction of all its members from the transitional government formed by Mohammed Ghannouchi. Eventually the new government gave in to the demands. A Tunis court banned the ex-ruling party RCD and confiscated all its resources. A decree by the minister of the interior banned the "political police", special forces which were used to intimidate and persecute political activists. On 3 March 2011, the president announced that elections to a Constituent Assembly would be held on 23 October 2011.[citation needed] International and internal observers declared the vote free and fair. The Ennahda Movement, formerly banned under the Ben Ali regime, won a plurality of 90 seats out of a total of 217. On 12 December 2011, former dissident and veteran human rights activist Moncef Marzouki was elected president.

In March 2012, Ennahda declared it will not support making sharia the main source of legislation in the new constitution, maintaining the secular nature of the state. Ennahda's stance on the issue was criticized by hardline Islamists, who wanted strict sharia, but was welcomed by secular parties. On 6 February 2013, Chokri Belaid, the leader of the leftist opposition and prominent critic of Ennahda, was assassinated.

Tunisia's political transition made steady progress in 2014, overcoming political deadlock to adopt a new constitution, and holding both parliamentary and presidential elections. The national dialogue platform, brokered by key civil society organizations, played a crucial role in building consensus among all major political parties. This resulted in the adoption of a consensual roadmap that paved the way for the elections which took place peacefully at the end of 2014. The political transition concluded in 2015 with a new government beginning a five-year term and taking the lead in meeting Tunisia's security and economic challenges. Tunisia was hit by two terror attacks on foreign tourists in 2015, first killing 22 people at the Bardo National Museum, and later killing 38 people at the Sousse beachfront.

EU-Tunisia Relationship

Source: Website of the EUD to Tunisia; ENP Progress Report 2015;

Political and economic relations between the EU and Tunisia are governed by the Association Agreement (AA). Tunisia was the first country in the Southern Mediterranean to sign an Association Agreement with Europe, in 1995. The Agreement entered into force on 1 March 1998, forms the legal basis and the legal framework of bilateral cooperation . It is also in the Barcelona Euro-Mediterranean regional partnership process, which Tunisia is a full participant since 2005, and the new Union for the Mediterranean (UfM).

Within the framework of the European Neighbourhood Policy (ENP), launched following the EU enlargement in 2004, EU-Tunisia Action Plan was developed in 2005 containing strategic objectives for cooperation on political, economic and in the different sectors covered by the Association Agreement. Relations between the EU and Tunisia continued to grow apace in 2014. During the Association Council of 14 April 2014, a political agreement on the plan the 2013-2017 action establishing a privileged partnership between Tunisia and the EU was concluded. Although the procedure for formal adoption by the EU is ongoing, parties agreed to implement it without delay.

The Association Agreement entered into force on 1 March 1998, establishes, in time, a free trade area (FTA) between the two parties. In addition to the free movement of goods, it contains provisions on payments, capital, competition and other economic provisions and establishes cooperation in the political, economic, social, scientific and cultural. It also defines the general framework of financial cooperation, to support the provisions of the agreement and the country's reform process. The political dialogue established by the agreement can cover both political questions (international, domestic, human rights and democracy), as migration and other issues of common interest. This agreement is part of the Euro-Mediterranean Barcelona Process launched in 1995. It is based on the development of cooperation in terms of political dialogue and economic partnership and the social and cultural fields, overall euro-Mediterranean space.

Macroeconomic Situation

Source: World Bank Economic Outlook for Tunisia 2016;

The social tensions that marked the first half of 2015, as well as the combined effects of three dramatic terrorist attacks have been the main drivers of Tunisia's economic performance in 2015. GDP growth reached a mere 0.8 % only thanks to a strong performance in agricultural production (+9.2 %) particularly olive production, while most other sectors of the economy contracted or stagnated. A combination of strikes and social unrest in mine-producing regions (phosphate) and the long-term decline in the production of oil and gas led to a sharp contraction in chemical industries (-5.3 %) and oil refining (-18.2 %) and an overall decline of non-manufacturing industries (-4.1 %). After a marked acceleration throughout the first half of 2015, CPI inflation steadily decelerated to 4.1 % (y-o-y) by end-2015 reaching an annual average of 4.9 %, the same rate as the previous year. The unemployment rate remains high at 15.4 %, particularly for women (22.6 %), university graduates (31.2 %) and the youth (31.8 %).

For the first time since 2011, the fiscal deficit was contained below 5 % of GDP in 2015, thanks to the sharp drop in international oil prices and de facto lower energy subsidies. Total revenue declined to 23 % of GDP, from 23.9 % in 2014 but at a slower pace than expenditures reflecting weak economic activities. Public expenditure remained dominated by recurrent spending, including a wage bill, which increased to 13.4 % of GDP (from 12.8 in 2014) to reach almost 50 % of total spending. Capital expenditure continued to be squeezed, reflecting slow investment execution. Public debt reached 52 % of GDP in 2015 (up from 40 % in 2010).

The current account deficit remained large at 8.7 % of GDP in 2015. The trade deficit was reduced to 11.3 % of GDP in 2015, against a record high of 13.7 % of GDP in 2014, in line with the deceleration of private domestic demand, and lower international energy prices. Notwithstanding exceptional olive oil exports, total exports declined as a result of low production in mining and energy sectors and a weak performance in manufacturing. Imports contracted with the sharp drop in international oil prices and low demand for equipment and machinery import. Reflecting the weak security environment, tourist arrivals and receipts dropped by 30.8 and 35.1 %, respectively. Remittances also decreased. FDI inflows increased by 9 % in 2015 and gross foreign exchange reserves declined by \$200 million to \$7.5 billion at the end of 2015 to represent 4 months of import coverage.

EU Support to Tunisia

Source: *European Neighbourhood Policy and Enlargement Negotiations website – Country: Tunisia;*

In the aftermath of the 2011 revolution, the EU rapidly responded to the evolving social, economic and political challenges in Tunisia and almost doubled the amount allocated to the country for the period 2011-2013 (from €240 million to €445 million). As a further response, EU-Tunisia cooperation was thoroughly reviewed and programmes were re-oriented to respond to newly emerging challenges, to the priorities defined by the authorities and to the demands of the wider population. It was and still is essential for the EU to accompany the Tunisian transition process and to contribute to the reduction of socio-economic inequalities. After 2011, the role of Tunisian civil society became more prominent and several actions were funded to strengthen the capacity building of these actors and promote an open dialogue.

For the financial period 2014-2020, a first programming document called the Single Support Framework (SSF) 2014-2016 has been adopted.

Priority sectors, key objectives, results and indicative financial allocations are outlined in the document and are based on extensive consultations and coordination with Tunisian and international stakeholders.

In continuity with 2011-2013, EU assistance to Tunisia in 2014-2016 focuses on three priority sectors:

- Socio-economic reforms for inclusive growth, competitiveness and integration
- Strengthening fundamental elements of democracy
- Sustainable regional and local development
- Complementary support for capacity development and civil society has also been provided outside these priority sectors.

A breakdown of ENI funding

For the period 2014-2020, the indicative allocation could range between €725 and €886 million (i.e. an average of €115 million yearly). For the years 2014 and 2015, the allocation amounted to €234 million.

Moreover, Tunisia is eligible for the "more for more" incentive mechanism, the so called Umbrella funds that reward progress made in terms of reforms. Under the 2014-2020 multiannual financial framework, SPRING funds were replaced by the so-called Umbrella programme fund. In 2014, Tunisia was the first recipient of Umbrella funds with an amount of €50 million and €71.8 million in 2015.

As part of EU bilateral cooperation (Annual Action Programme 2015) funds for 2015 amounted to €186.8 million (€115 million from the bilateral allocation and €71.8 million from the Umbrella fund). The first part of the 2015 bilateral assistance (five programmes for an amount of €116.8 million) was adopted through urgent procedure in July 2015 to swiftly respond to the Bardo and Sousse terrorist attacks and subsequent significant negative impact on the Tunisian economic situation.

The five adopted programmes are as follows: support to private sector, vocational training and employment (€32 million); support to the modernisation and reform of the security sector (€23 million); decentralisation and integrated regional development (€43 million); support to the Association Agreement and the integration process (€12.8 million); and support to the cultural sector (€6 million). The second part of the 2015 Annual Action Programme was adopted in December 2015 to support the country's socio-economic reforms and its tourism sector for a total amount of €70 million.

1.2 EU strategic priorities in the country (programming docs)

Sectors of Intervention for the Single Support Framework for Tunisia for the period 2014-2015:

1. **Socio-economic reforms for inclusive growth, competitiveness and integration (indicative 40%)** The **general objective** of EU support to this sector is to support the implementation of economic and social program of the Tunisian government to maintain stability macroeconomic, restore the overall economic equilibrium in a sustainable way, to revive growth and contribute to the overall stability of the country, which is essential to the success of the ongoing democratic transition. The **specific objectives** (SO) are:
 - o support employment creation policies, development of human capital taking care to promote gender equality and private sector development in the context of sustainable development.
 - o supporting the strengthening of the principles of good governance, respect for the rule of law and transparency in the economic sphere (both public and private) to make it the business environment conducive to both domestic investment internationally and strengthen social dialogue.
 - o improve public finance management.
2. **Strengthening fundamental elements of democracy (indicative 15%)** The **overall objective** of this sector is to contribute to strengthening the rule of law and consolidation of democracy, respect for fundamental freedoms and human rights and good governance in Tunisia. The **specific objectives** are:
 - o Press the process of democratization and consolidation of pluralistic democracy in particular support to the electoral process, the National Constituent Assembly and the future elected parliament, strengthening media independence and freedom of the press, strengthening the capacity of civil society, including women's organizations, in policy formulation, observation of national elections and education for voters including strengthening the role of women in the political process and enhancing cultural plurality.
 - o Assisting in the formulation and implementation of a judicial reform, including Transitional, which will ensure the independence and impartiality of the judiciary, including the fight against impunity and respect for the physical and moral integrity of the defendant (s)
 - o Assisting in the formulation and implementation of security sector reform to meet the security needs and expectations of people, formed the inclusion of women's rights, and ensure the exercise of effective democratic control on security forces.
 - o Strengthen the role of women in society, and contribute to the development and implementation of a gender policy to promote gender equality.
3. **Sustainable regional and local development (indicative 30%)** The **overall goal** of EU intervention in this sector: - The fight against poverty and reduce regional disparities in the context of sustainable development The **specific objectives** are:
 - o to support the preparation and implementation of policy and strategy regional development and balanced and sustainable local able to reduce disparities regional and fight against poverty (OS1).
 - o to contribute to economic development and local social by involving civil society and local actors, especially women (OS2).
 - o support to the implementation at regional and local level development strategy sustainable based on a sober green carbon economic growth (OS3).
4. **Complementary support for capacity development and civil society (indicative 15%)** The EU aims to continue its support of the Tunisian civil society to it can effectively contribute to the political dialogue, consolidation of the rule of law, democratization and socio-economic development of Tunisia. He is to accompany the transformation of an emerging civil society in a civil society better organized, active and rooted in the social, political, cultural and Tunisian economic. On the one hand, it will strengthen the operational capacity-building activities and Structural civil

society organizations, social partners, including terms of organization, as well as encouraging the establishment of frameworks for dialogue and dialogue between civil society and state actors and technical partners Financial. This will gradually move towards a culture of participation Democratic Local Governance and sometimes overcome existing mistrust between state and civil society. In parallel, it will be important to improve the institutional and legal environment organizations of civil society, including the procedures, mechanisms, laws, and regulations that It will govern their actions encourage the effective participation of civil society Tunisia, particularly women, through practice and supporting its initiatives through putting provision of technical support and funding to ensure the inclusion of the Citizens will in decisions, political, and national strategies development. The overall objective of this package is to support institutional strengthening related to various aspects of the implementation of the partnership between the EU and Tunisia, as define in the 2013-2017 Action Plan for the implementation of the Privileged Partnership. Institutional strengthening in the areas beyond the three focal sectors presented above, will target primarily the approximation of legislative and regulatory framework Tunisia to the *acquis communautaire* and the institutional capacity of Tunisia to implementation of sectoral and democratic reforms. This technical assistance will also support the participation of Tunisia to EU agencies and programs. The specific objective of institutional support will be to strengthen the capacity of administrations and public institutions, mainly through twinning institutional, for the success of the democratic transition and the implementation of priorities Special Partnership Action Plan.

Financial overview

The **indicative allocation** for Lebanon under the Single Support Framework for the period **2014-2020** is: EUR725,000,000 - EUR886,000,000

The **allocation** for Lebanon under the Single Support Framework for the period **2014-2015** is of: EUR 202,000,000 – EUR 246,000,000

Table 1 Indicative budget breakdown of the Single Support Framework

<i>Sector</i>	<i>Indicative allocation</i>
SECTOR OF INTERVENTION I – Justice and Security System Reform	40%
SECTOR OF INTERVENTION II – Strengthening fundamental elements of democracy	15%
SECTOR OF INTERVENTION III – Sustainable regional and local development	30%
Complementary Measures – capacity development and civil society	15%

1.3 Overview of EU support

Table 2 Key ENI interventions (decisions) since 2014

Domain	Decision year	Decision N°	Decision title	Committed	Paid	DAC Code	Sector code
ENI	2014	37342	Programme d'appui à la réforme de la Justice 2 (PARJ 2)	15,000,000	4,010,306	15130	Legal and judicial development
ENI	2014	37337	Programme d'Appui aux Médias en Tunisie	10,000,000	164,352	15153	Media and free flow of information
ENI	2014	37345	Programme d'Appui à l'Accord d'Association et à la Transition 3 (P3AT3)	6,000,000	0	15110	Public sector policy and administrative management
ENI	2014	37336	Programme de promotion de l'égalité entre les femmes et les hommes en Tunisie	7,000,000	750,804	15170	Women's equality organisations and institutions
ENI	2014	37346	Programme de Réhabilitation des Quartiers Populaires en Tunisie : Phase d'extension	28,000,000	9,000,000	43030	Urban development and management
ENI	2015	38720	Cinquième Programme d'Appui à la Relance (PAR V)	70,000,000	0	51010	General budget support
ENI	2015	38411	Initiative Régionale d'Appui au Développement économique durable (IRADA)	32,000,000	58,150	32130	Small and medium-sized enterprises (SME) development
ENI	2015	38422	Cap sur la Décentralisation et le Développement Intégré des territoires (CAP 2D)	43,000,000	0	15112	Decentralisation and support to subnational government
ENI	2014	37535	Programme d'appui au gouvernement Tunisien dans les domaines de la gestion intégrée des frontières et de la protection internationale	3,000,000	1,103,111	15110	Public sector policy and administrative management

<i>Domain</i>	<i>Decision year</i>	<i>Decision N°</i>	<i>Decision title</i>	<i>Committed</i>	<i>Paid</i>	<i>DAC Code</i>	<i>Sector code</i>
ENI	2016	39772	EMORI - Mesure spéciale Erasmus+ Tunisie pour le renforcement des capacités	4,000,000	0	11420	Higher education
ENI	2015	38415	Programme d'appui au secteur de la culture en Tunisie	6,000,000	972,735	16061	Culture and recreation
ENI	2016	39546	Programme de soutien à la modernisation de l'administration et des entreprises publiques en appui au plan quinquennal 2016-2020	73,500,000	0	15110	Public sector policy and administrative management
ENI	2016	39819	Programme d'appui au secteur de la santé en Tunisie	20,000,000	0	12110	Health policy and administrative management
ENI	2016	39506	EMORI - Programme d'appui à l'éducation, la mobilité, la recherche et l'innovation en Tunisie	50,000,000	0	11110	Education policy and administrative management
ENI	2016	39771	EMORI - Mesure spéciale Erasmus+ Tunisie pour la mobilité	6,000,000	0	11420	Higher education
ENI	2016	39545	Initiative pilote de développement local intégré	60,000,000	0	15112	Decentralisation and support to subnational government
ENI	2014	37533	Programme d'Appui à la Relance IV	100,000,00 0	75,000,00 0	51010	General budget support
ENI	2015	38409	Programme d'Appui à l'Accord d'Association et à l'Intégration (P3AI)	12,800,000	0	15110	Public sector policy and administrative management
ENI	2015	38406	Programme d'appui à la réforme et modernisation du secteur de la sécurité de la République tunisienne	23,000,000	4,260,330	15210	Security system management and reform

ENI Commitments and disbursements by sector

The total level of commitments for the period 2014-2015 is of EUR 356 million, compared to a disbursement of EUR 322 million. Figure 1 below shows the breakdown of commitments by sector (sectoral classification is divided in four layers, L4 being the most aggregate and L1 the more disaggregate). At L4 level, about 48% of the resources is committed to Budget Support, Food Aid and Food Security, about 35% to social infrastructures and the rest equally divided between the productive and crosscutting sectors. Refining the breakdown at L2 level, the 48% of the resources (EUR 170 million) is fully committed to General Budget Support. Of Social Infrastructures, about 27% of the resources is committed to the area of Government and Civil Society and the rest of the envelope is divided between Conflict Prevention and Other Issues (respectively 6% and 2%) . Resources for productive sectors, making up 9% of the total, are committed to Industry. Crosscutting issues cover the 8%. At L1 level, General Budget Support is not further broken down; the resources committed to Government and Civil society are broken down between Decentralisation, Public Policy, Legal and Judicial Development, Media and Women Equality (EUR 43, 22, 15, 10 and 7 million respectively), with another EUR 10 million committed to Democratic Participation and Civil Society. The whole of the Industry envelope is committed to SME Development and the whole of the Crosscutting resources are committed to Urban Development.

Figure 2 shows that the level of disbursement is mostly proportional to the level of commitments per sector. At L4 level, Budget Support the received the bulk of the disbursements (about 58%), followed by the social and infrastructure sector (about 30%) with the other sectors lagging far behind. At L2 and L1 the proportions are similar.

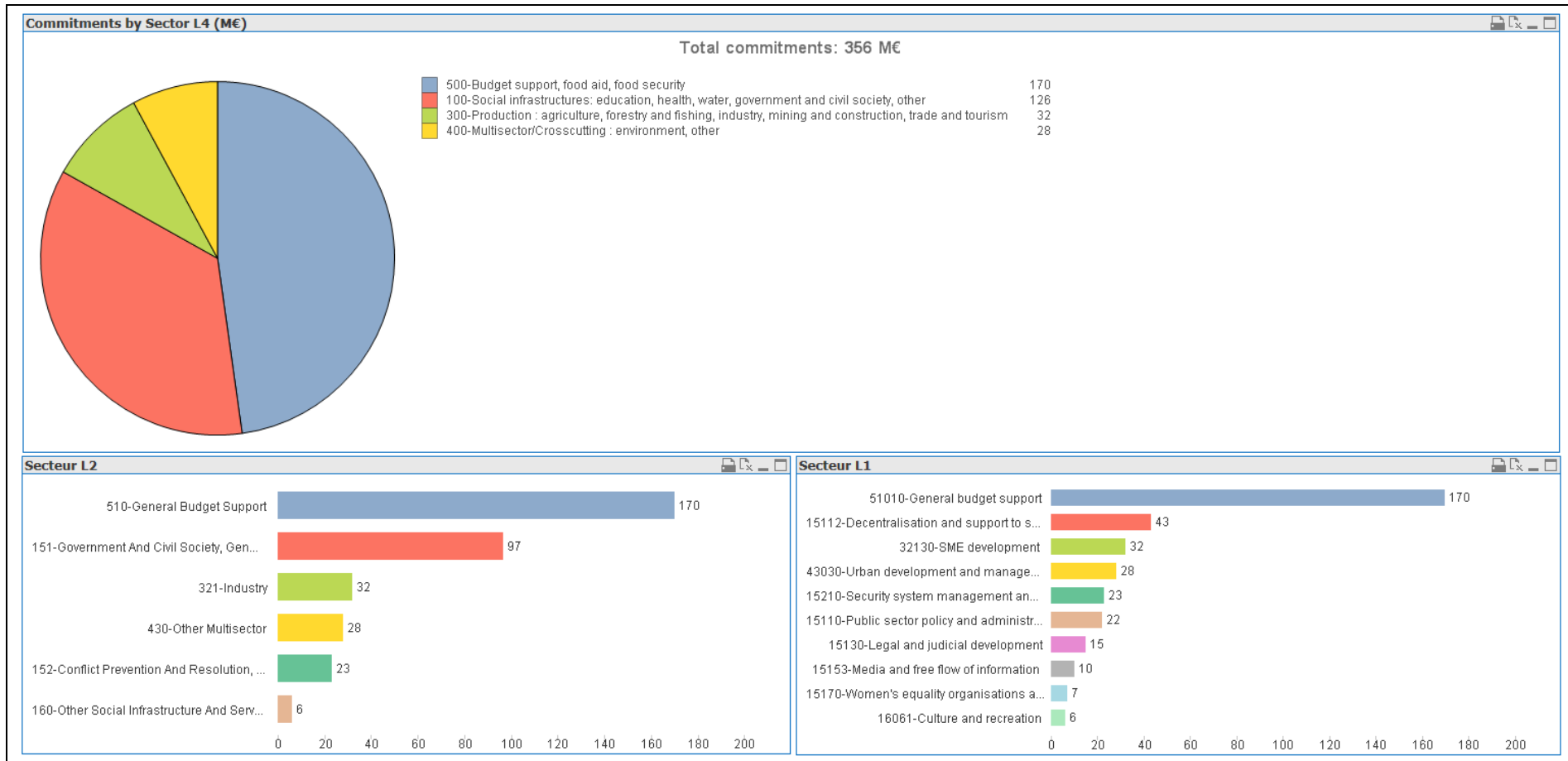
General Budget Support disbursement ratio is higher than 100% with EUR 192 million disbursed against 170 committed.

ENI Commitments and disbursements by channel

Figure 3 shows that the favourite channel for commitments is the public sector institutions (about 91%), with a lesser percentage of funding committed through multilateral organisations (7%). At L2 level, the recipient government are by far the most common option, followed by third country governments (under the Delegated Cooperation). United Nations channels are less common. In the case of disbursements, Figure 4 shows how public sector institutions are indeed the most common channel (91.5%), followed by minor percentages channelled via EU institutions and UN agencies. Again, the recipient government is the most important channel (89%), the other channels scoring percentages between 3% and 1%.

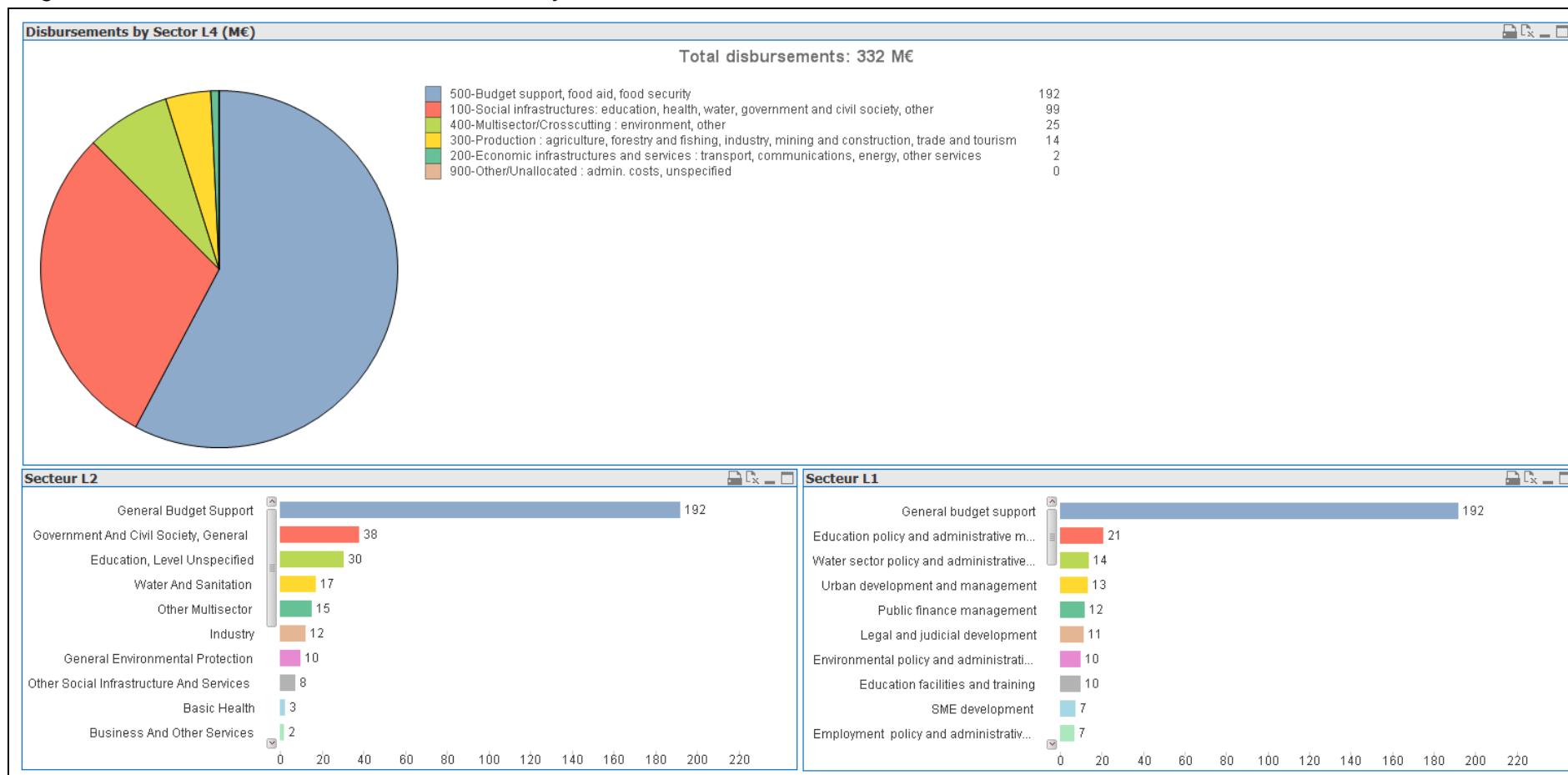
Source: DG NEAR R2

Figure 1 Overview of ENI commitments by sector



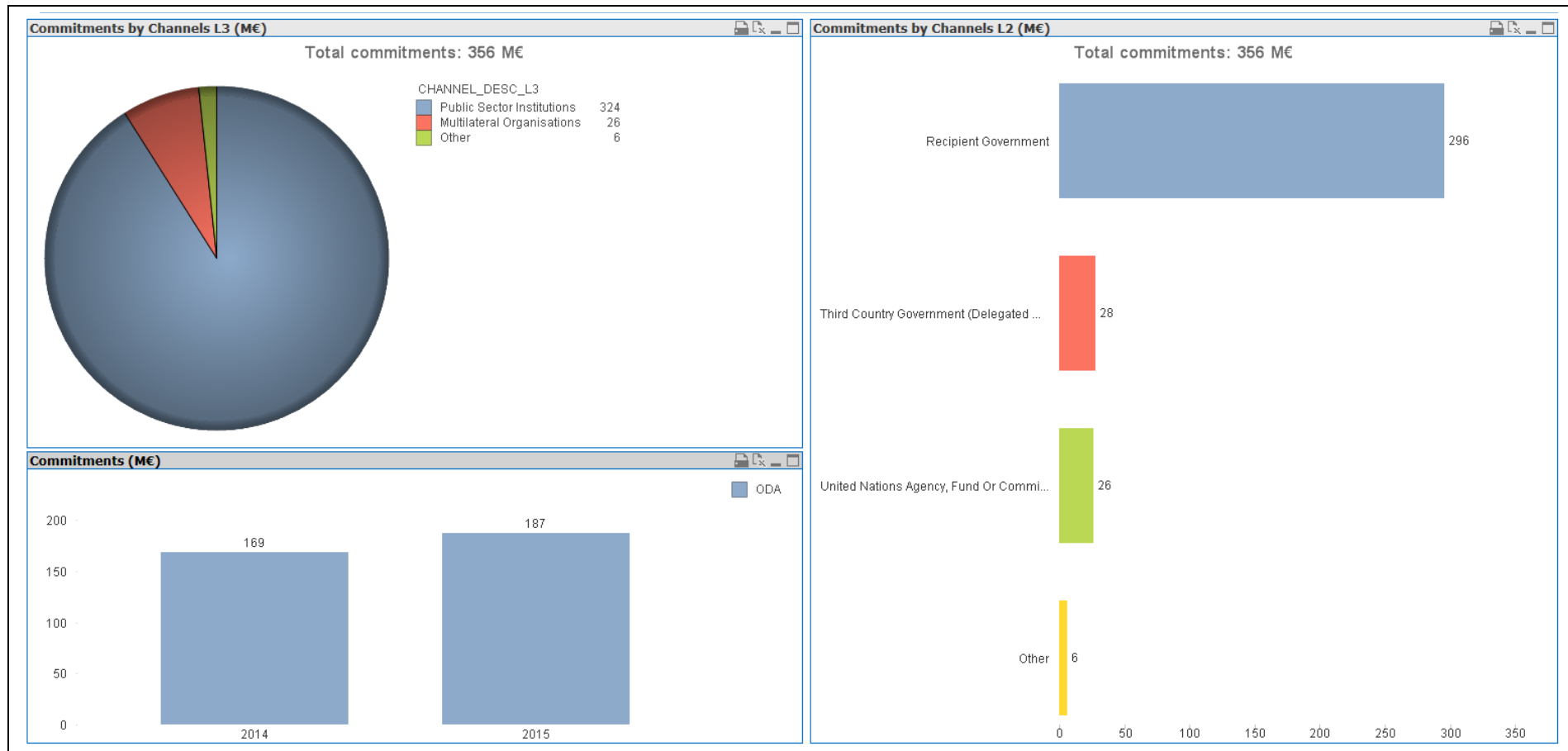
Source: EC Statistical Dashboard

Figure 2 Overview of ENI disbursements by sector



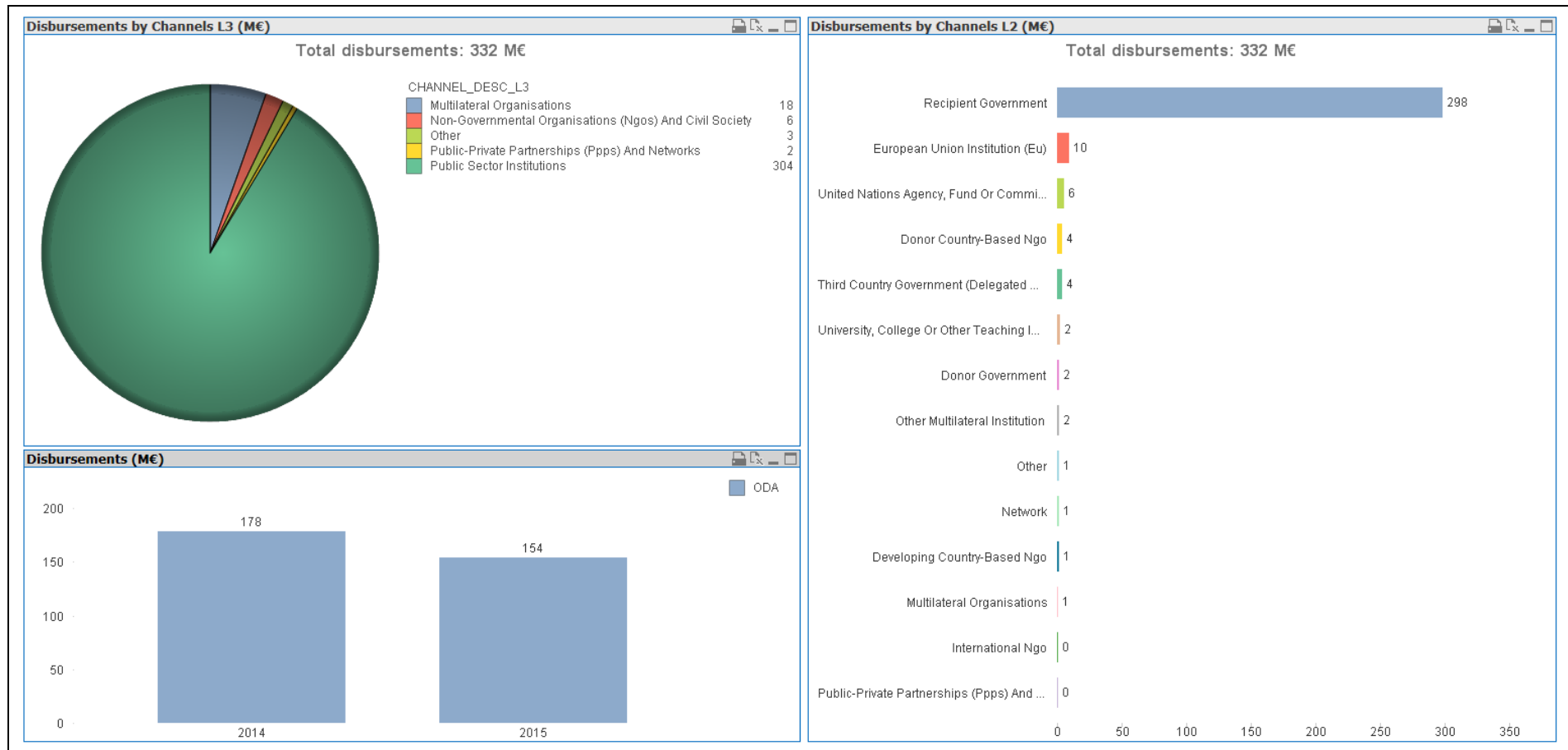
Source: EC Statistical Dashboard

Figure 3 Overview of ENI commitments by channel



Source: EC Statistical Dashboard

Figure 4 Overview of ENI disbursements by channel



Source: EC Statistical Dashboard

1.4 Overview of other Development Partners' support

Sources: EAMR 2015, 12;

Good cooperation exists with international organizations present in Tunisia, enabling good coordination from the design to the implementation of the programs. Cooperation is especially good with the organizations with which a number of joint operations are underway, as well as with several UN agencies. The EIB, EBRD, KfW and AFD participate in EU-MS cooperation meetings, as well as to thematic groups between technical and financial partners. International Organisations also participate in program steering committees (eg PARJ) under which they benefit of some funding.

In general terms, delegated cooperation through the agencies of the Member States or International Organizations, which have a longstanding expertise or other ongoing interventions in the field, ensure a quick start of activities following the signing of the delegation agreements , as well as coordination and consistency between the various cooperation programs that share objectives, results and approaches (PAFIP IRADA program in the same field of vocational training or Popular Neighbourhoods program, co-financed by AFD and EIB). Communication and information exchange is done on a regular basis. The visibility of EU funding is adequately insured, the delegation being particularly vigilant on this.

2 Evaluation findings on Tunisia

2.1 EQ 1 on relevance

To what extent do the overall and the specific objectives (ENI Regulation, Article 1 and 2) and the design of the ENI respond to:

(i) EU priorities and beneficiary needs identified at the time the instrument was adopted (2014)?

(ii) Current EU priorities, in particular emerging from the 2015 ENP Review such as stabilisation, and beneficiary needs, given the evolving challenges and priorities in the international context (2017)?

DR focuses:

Correspondence of the ENI objectives (Art.1 & 2) with partner country's own priorities:

In the post-revolution context in Tunisia, the country's priorities were quite obvious and there was a consensus, and the donors responded rather effectively to them. These responses have included increased budget support interventions. They have been mostly in line with ENI objectives.

EUD has internalized the new priorities highlighted in the 2015 ENP Review and has been able to implement them:

The EUD has not really modified its approach since the 2015 ENP Review. The priorities in Tunisia have roughly remained the same since 2011 and they have been confirmed at various discussions/assessments:

- Economic support, including regional development;
- Education;
- Governance (justice reform, security, gender issues, support to CSOs).

New orientations have been positively appreciated by partner countries, both at government and civil society levels:

GoT has not been satisfied by the principle of concentration on 3 sectors, because it considers that Tunisia needs are much diversified and cannot be limited to 3 sectors.

GoT has expressed no specific disagreement with the new list of priorities, but it has not demonstrated any particular enthusiasm either

Ownership by partner country:

There has been a continuity of commitments, decisions and priorities among the GoT, despite frequent ministries changes, and the coordination function of the Ministry of Cooperation has been stable and rather effective.

The GoT will present its new plan 2016-20 to investors and donors end of Nov (Plan de Développement 2016 – 2020; Manifestation Tunisia 2020 29-30/11/16). It includes up to 80 priority projects.

2.1.1 JC11: The ENI objectives and design were initially (2011/2014) congruent with i) EU priorities and ii) partner country priorities

Inputs to the information matrix

2(2)a - *Promoting human rights and fundamental freedoms, (...)*¹:

Yes. Progress achieved. An important sector of intervention for EC as well as for other donors.

2(2)b - *Achieving progressive integration into the Union internal market and enhanced sectoral and cross-sectoral cooperation(...)*²:

¹ Promoting human rights and fundamental freedoms, the rule of law, principles of equality and the fight against discrimination in all its forms, establishing deep and sustainable democracy, promoting good governance, fighting corruption, strengthening institutional capacity at all levels and developing a thriving civil society including social partners.

Negotiations are starting on DCFTA (ALECA). They are promising, but it will be a long process. The objective is to offer Tunisia the same openness on the UE market as UE MS. Negotiations of 12 chapters, including services liberalisation, notably GATS Mode 4 (temporary mobility of workers), that will be difficult to deal with.

2(2)c - *Creating conditions for the better organisation of legal migration (...)*³: –

2(2)d - *Supporting smart, sustainable and inclusive development in all aspects(...)*⁴: –

2(2)e - *Promoting confidence-building, good neighbourly relations and other measures contributing to security in all its forms and the prevention and settlement of conflicts, including protracted conflicts:* –

2(2)f - *Enhancing sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation:* –

Validation of DR hypotheses:

Clear understanding by EUMS and PC, especially in the East, that ENP is not a “Pre”- pre-accession policy:

Has never been an issue in Tunisia. However, the GoT has often requested to be given a special “super-partner” (above the others) status, that should reflect its strong involvement in the process of integration with the EU as well as its Democratic achievements.

Existence of multiple strategic scenarios at the EUD level (planning stage):

No scenario available at the EUD. EUD seems to rely on/believe in the IMF prospect of 2 % GDP growth in 2016, and is hoping for further stabilisation.

AFD had 2 scenarios for its 2014-15 programme: One positive, the other not; leading to 2 different volumes and strategies of intervention in Tunisia. (« La projection du programme d’activité de l’AFD en Tunisie sur la période 2014-2016 a été définie en tenant compte de deux scénarios : « Un scénario de référence qui suppose une reprise en mains rapide par le nouveau gouvernement de son administration et de dossiers d’investissement en instance ainsi que d’une stabilité de la situation politique et sociale. Cette configuration permettrait une concrétisation du foisonnement et une diversification du portefeuille avec des opportunités pour de projets nouveaux et éventuellement de plus grande taille avec un niveau prévisionnel estimé d’engagement annuel de 160 à 170 M€ environ dont 50 M€ en non souverain sur les trois années. Le scénario pessimiste ou scénario dégradé (...) ». AFD. Cadre d’intervention pays Tunisie, 2014-2016, p 19.)

AFD and WB did a joint “fragility assessment report” for Tunisia in 2015 (not available yet)

ENI programming has been aligned on partner countries’ strategies and needs:

Yes. Sectors of intervention of the EC :

- Assistance to the economy, unemployment reduction, etc... incl. Regional Dev
- Education sector
- Governance

have been consensual and stable priorities.

² Achieving progressive integration into the Union internal market and enhanced sectoral and cross-sectoral cooperation, including through legislative approximation and regulatory convergence towards Union and other relevant international standards, and improved market access including through deep and comprehensive free trade areas, related institution-building and investment, particularly in interconnections

³ Creating conditions for the better organisation of legal migration and the fostering of well-managed mobility of people, for the implementation of existing or future agreements concluded in line with the Global Approach to Migration and Mobility, and for the promotion of people-to- people contacts, in particular in relation to cultural, educational, professional and sporting activities

⁴ Supporting smart, sustainable and inclusive development in all aspects; reducing poverty, including through private sector development, and reducing social exclusion; promoting capacity-building in science, education and in particular higher education, technology, research and innovation; promoting internal economic, social and territorial cohesion; fostering rural development; promoting public health; and supporting environmental protection, climate action and disaster resilience.

2.1.2 JC12: The ENI objectives and design are still congruent with i) EU priorities emerging from the 2015 ENP Review such as stabilisation and ii) partner country priorities resulting from the evolving global and regional challenges (2016-2017)

Inputs to the information matrix

2(2)a - *Promoting human rights and fundamental freedoms, (...):*

Yes. Progress achieved. A important sector of intervention of EC as well as other donors

2(2)b - *Achieving progressive integration into the Union internal market and enhanced sectoral and cross-sectoral cooperation(...):*

EC increased the olive oil import quota for Tunisia in 2016 and 2017, to compensate for low tourism receipt. (temporary measure)

2(2)c - *Creating conditions for the better organisation of legal migration (...): –*

2(2)d - *Supporting smart, sustainable and inclusive development in all aspects (...): –*

2(2)e - *Promoting confidence-building, good neighbourly relations and other measures contributing to security in all its forms and the prevention and settlement of conflicts, including protracted conflicts: –*

2(2)f - *Enhancing sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation: –*

Validation of DR hypotheses:

New priorities (e.g. Review 2015) have been fully internalized in EUD:

The EUD has not really modified its approach since the 2015 ENP Review. The priorities in Tunisia have roughly remained the same since 2011 and they have been confirmed at various discussions/assessments:

- Economic support, including regional development
- Education
- Governance (justice reform, security, gender issues, support to CSOs...)

A divergence emerged since 2015 between renewed ENP priorities and partner's ones:

2.2 EQ 2 on effectiveness, impact and sustainability

To what extent does the ENI deliver results against the instrument's objectives, and specific EU priorities?

No significant difficulties of disbursement, despite the fast rise of external assistance in Tunisia. One of the reasons is the strong reliance on Budget Support by donors.

DR Focuses:

The scope for contributing to ENI objectives (see EQ1) increased over time:

Frequent changes in the Ministries have not modified the main directions and priorities of the cooperation with EC. Scope for reform, in most sectors (governance, regional development...) has rather increased because the size of the EC commitment has been considerably augmented. Funds for 2015 already amounted to €186.8 million; 217 million in 2016; (up to) 300 million yearly announced for 2017-20.

EUD adjusted the action documents (eg programmes) to ENI objectives:

Issue not evoked.

The "EU priorities" (vs ENI/ENP priorities) are marginalized in the process of programming and furthermore during implementation, particularly in the South:

In the case of Tunisia, there is rather a convergence between ENI activities and EU "priorities". The EU priorities are well integrated into the programming process in Tunisia. Support to CSO and their integration in the programming and management of programmes has been frequent; gender issues activities; projects dedicated to environment and climate

change (energy efficiency); support to underprivileged zones..

Gender dedicated programs have been successfully implemented in partnership with CSO. However public administration has been more reluctant to adopt new gender-balance rules.

COP21 and COP22 prospects – in addition with the strong presence of the Moroccan rival in the environment field – have stimulated the GoT's appetite for environment-climate projects.

2.2.1 JC 21: ENI programmes contribute towards the objectives listed in the ENI Regulation, Article 1 and 2

Inputs to the information matrix

2(2)a - Promoting human rights and fundamental freedoms, (...):

There has been a continuity of ENPI/ENI programmes in the sectors such as support to the civil society, promotion of fundamental freedoms, gender equality, fight against discrimination, which are still domains of interventions. Significant results have been achieved by several programs (for instance : 50 % gender balance in the electoral lists for national elections; similar scheme proposed for the local elections, still under discussion).

2(2)b - Achieving progressive integration into the Union internal market and enhanced sectoral and cross-sectoral cooperation(...):

Support to the preparation of the DCFTA.

One of the sectoral priority of the EC cooperation: Budget support; promotion of the industry and services sector, etc. ... including Regional Development

2(2)c - Creating conditions for the better organisation of legal migration (...):

ECHO intervention to support Libyan refugees.

2(2)d - Supporting smart, sustainable and inclusive development in all aspects(...):

Steadiness of ENPI/ENI programmes in the field of inclusive development and growth, targeting notably Regional Development and Fight against poverty

2(2)e - Promoting confidence-building, good neighbourly relations and other measures contributing to security in all its forms and the prevention and settlement of conflicts, including protracted conflicts: –

2(2)f - Enhancing sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation: –

Validation of DR hypotheses:

The appropriate targeting of democracy and rule of the law is linked to the inclusive programming processes, in-house expertise (notably CoTE), and ENPI experience:

Strong involvement of the EC, as well as of the donor community, to support progress in this sector in Tunisia, which is valued as a “global public good” by most of them.

The monitoring and evaluation systems are increasingly able to determine the link of economic results with ENI programmes:

No information on such development.

2.2.2 JC22: ENI programmes support policy dialogue and implementation of reform objectives agreed with each partner country

Inputs to the information matrix

Policy dialogue:

Implementation of reform objectives:

Validation of DR hypotheses:

The scope for policy dialogue is increasingly negatively influenced by the deepening of the social and political tensions in the Neighbourhood:

In Tunisia, there is rather a process of (non-linear) consolidation of the policy dialogue between the EC, the donors and the GoT.

New coordination mechanisms have been initiated, such as the “G7” coordination groups that have been recently created to cover each of the 5 priorities axis of the GoT’s new development plan. They incorporate the GoT + EC and MS + other G7 countries + IFIs. Donors estimate that the capacity of the Ministry of Dev and Coop to coordinate and manage the cooperation issues has improved.

However, the critical economic, social and security contexts in Tunisia do produce specific priorities.

The capacity of policy dialogue of the EU is weakened by issues in capitalising experience and technical expertise, relative “isolation” of EUDs staff, and quality of services provided by framework contractors:

These limitations were not confirmed by the EUD and its partners. GovT indicated that the EUD expertise was appreciated, particularly during strategic and programming exercises. The MS Development agencies had the same judgment, while they sometimes complain that EUD has too limited resources and time to lead the coordination process between European Donors.

In Tunisia, where the EC has considerably increased its volume of intervention, there is clearly an issue of “absorption capacity” at the EUD level. The EUD will soon benefit from 2 additional staff members; a late acknowledgment of an expanding workload.

2.2.3 JC23: ENI programmes enhance sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation

Inputs to the information matrix

Sub-regional collaboration: –

Regional programmes:

Tunisia has become a “regional hub” for Regional programs, with Jordan and Morocco. Many Regional Programs implement conference, workshops etc... in Tunisia, because it is one of the rare country where it is possible to organise effectively such events.

Thus, EUD is well informed about ENI regional activities and has been often participating to corresponding events.

Furthermore, EUD often consulted on the design and programming of Regional programs.

European-wide collaboration:

Important informal process of specialisation among MS, through regulatory exchange of information on the intervention sectors of the European donors.

EUD coordination effort appreciated by MS. They would appreciate more coordination but they acknowledged the limited capacity of the EUD in this domain.

Cross-border cooperation: –

Validation of DR hypotheses:

The geostrategic tensions are a major impediment for developing regional and sub-regional integration:

Not informed in Tunis.

Financial resources and “political weight” of ENI programmes are not sufficient to oppose to mistrust between neighbouring regions:

Idem.

2.2.4 JC24: ENI mainstreams EU policy priorities

Inputs to the information matrix

Validation of DR hypotheses:

The 'programming instructions 2014-2020' document was replaced by ad hoc instructions to adjust to the revised policy framework of the 2015 ENP review⁵:

Not evoked.

The 'new' ENP priorities are felt to have a far higher relevance in the present context of the neighbourhood than the 'priorities' induced by EU international commitments, with limited demand by partner country.

While some cross-cutting issues have remained present in the targets and programming process in Tunisia, they have been considered still relevant as long as they are shared priorities with the local partners, for instance gender issues or fight against discrimination or climate change management, i.e.: they contribute to the democratic consolidation, social stabilization, and/or future growth.

2.3 EQ 3 on efficiency

To what extent is the ENI delivering efficiently?

DR focuses:

Existing flexibility available with ENI are proportionated to challenges faced by partner.

Yes. Financial commitments have considerably increased, until 300 million/year for 2017-2020. (see infra)

Flexibilities introduced by ENI (special measures, EUTFs) are positively appreciated by partner countries and have not developed counterproductive features:

Increasing resources available to Tunisia :

For the period 2014-2020, the indicative allocation could range between €725 and €886 million (i.e. an average of €115 million yearly). For the years 2014 and 2015, the allocation amounted to €234 million.

Moreover, Tunisia is eligible for the "more for more" incentive mechanism, the so called Umbrella funds that reward progress made in terms of reforms. Under the 2014-2020 multiannual financial framework, SPRING funds were replaced by the so-called Umbrella programme fund. In 2014, Tunisia was the first recipient of Umbrella funds with an amount of €50 million and €71.8 million in 2015.

As part of EU bilateral cooperation (Annual Action Programme 2015) funds for 2015 amounted to €186.8 million (€115 million from the bilateral allocation and €71.8 million from the Umbrella fund).

Last September, 300 million/year from 2017 to 2020 have been granted by the EU: Com 29/9/16 "Un soutien renforcé à la Tunisie".

EUD has been able to absorb these surplus by :

- Developing BS project (trend : toward a 60 % share of the total)
- Extending the size of already planned projects
- Preparing a few additional projects

No major malfunctions. However the working load of the EUD staff has augmented and they have difficulties to cope with the additional work induced by the considerable increase of EU funding.

No significant disbursement difficulties until now. The absorption capacity of the country has been sufficient so far.

Progress in addressing the propositions of the working group on accelerating aid delivery:

No information.

2.3.1 JC31: ENI management is administratively cost effective

Inputs to the information matrix

⁵ Shared with us already by EEAS.

Validation of DR hypotheses:

The new/revised ENI/CIR/FR have improved cost and time efficiency on the ground (e.g. in EUDs):

No information.

The time consumption in EUDs of controls and administrative reporting still allows sound project management and policy dialogue:

No information.

Internal/external (CoA) audit system contributes to minimize initiatives intending to speed-up aid delivery:

Yes. Tunisia was given a special status, through crisis declaration after the revolution, which allowed to simplify the usual procedures. Later on, the CoA mission estimated that rules had not been respected. Based on this experience, EUD Cairo refused later to benefit from the same status, not knowing enough clearly what it could then do. They had preferred to keep the usual procedures, for which they had experience, rather than to adopt new one, even if apparently lighter, because they were more uncertain.

2.3.2 JC32: Budget allocation and execution are efficient, in particular in managing the incentive-based approach and response to crises

Inputs to the information matrix

Validation of DR hypotheses:

KPIs do not reflect contextual constraints on the ground:

No information.

Incentive of the umbrella programmes is not related to its procedural time-efficiency:

Incentive scheme appreciated in Tunisia, both by EUD and Gov. EUD has usually anticipated the increase of the allocation. However it has had difficulty to cope with increasing amount/number of projects due to the rapid augmentation of its intervention volume.

Special measures provided the required level of flexibility and time-efficiency:

At field level, flexibility has been satisfying and the mechanisms have not created major difficulties.

2.3.3 JC33: Appropriate monitoring processes and indicators for measurement of the performance of the ENI are in place and functioning.

Inputs to the information matrix

Validation of DR hypotheses

The link between progress reports and the allocation of the umbrella programmes is unclear to partner countries:

NS in Tunisia. Tunisia has benefited from an extensive EC, and international, support (that could not be reduced by any negative assessment).

The progress reports are subject of reputational competition between partner countries:

NS. No country in the South can compete with Tunisia.

GoT is very proud of the special status of “Democracy and Transition Champion” in the Southern Neighbourhood. It has been extensively used as a negotiation argument with donors, with strong justification.

2.4 EQ 4 on added value

To what extent do the ENI programmes add value compared to interventions by Mem-

ber States or other key donors?

DR focuses:

The perception and understanding of driving factors for EU added value by stakeholders of ENI programmes (authorities, civil society and EU MS):

GoT has highlighted the EC long-term and wide commitment in the country. Financial volumes are important but the symbolic dimension (special partnership on democratic progress) may be more critical. CSO have emphasized the strong and stable support of the EC.

MS were positive about EC added-value for financial volumes, quality of the expertise, and focus on policy reforms and institutional capacity building, but they would like the EUD to take a more leading role in the coordination of assistance to Tunisia.

The communication strategy of EU services in charge of ENI at HQ and country-level with regards to EU added value:

No further information.

The extent to which indirect management with international organisations (and trust funds managed by IFIs) contributes to EU added value:

No further information.

2.4.1 JC41: ENI offers added value in terms of size of engagement, particular expertise, and/or particular weight in advocacy, where ENI is operating in the same field as other donors

Inputs to the information matrix

Validation of DR hypotheses

The partner countries recognise the importance of ENI programmes beyond their financial value:

No specific information collected.

The expertise provided by DG NEAR at HQ responds to the needs of EUDs staff (adequacy to demand, quality and reactivity):

Interviews have emphasized the following points:

- Relationship with DG NEAR : Very competent ; good cooperation; satisfied.
- CoTe support: Degree of actual expertise varies among the experts, depends on sectors. Tendency to use "IPA designed" tools in the ENP-South often not adapted (example : Public Administration Reform)
- EEAS : EUD do not expect anything from EEAS; EUD report to EEAS.

The strategic intent of the mix of instruments and aid modalities is understood by EU MSs and partner countries:

No further information.

The programmes adopted by the Madad Funds respond to the needs of the partner countries and are owned by participating EUMSs:

No further information.

2.4.2 JC42: ENI programming encourages EU Division of Labour (focus on the EUMS but also with other donors)

Inputs to the information matrix

There is a coordination meeting with MS every 2 months.

No formal division of labor between MS, but regular exchange of information produce a relatively smooth process of coordination among donors.

New coordination scheme under implementation with the creation of the five “G7 Groupe de coordination “; one for each of the chapters of the goT new development plan (“Tunisia 2020”). Interviews, both among IFIs, Eud and MS, emphasize optimistic expectations on this coordination issue.

MS complain that operational cooperation with the EC is very heavy to manage. An estimation circulates in Tunisia, figuring out at 500 000 to 1 000 000 € the fixed cost (transaction cost) of implementing a project with the EC. Anyhow, the weight of the EC procedure creates a disincentive to get involved in EC projects smaller than 15-20 million €.

MS judge that EUD has been too busy with bureaucratic procedures to be able to develop an effective coordination function.

Validation of DR hypotheses

EUMSs are still reluctant about EU-led multiannual framework of division of labour to stay able to seize (economic) opportunities and respond to high level political commitments:

MS would appreciate more coordination by the EUD. A real division of labour has not been requested/considered relevant, because of the nature of emergency of Tunisia needs, that has led to a convergence of donors interventions on the same priority axis.

IFIs follow along the same lines than EU for policy dialogue (joint efforts); however they have far less financial leverage. In addition, their light design and reporting processes (in comparison to those of the EU) prevent them to encourage division of labour in the sense of the aid effectiveness agenda:

First part of the hypothesis confirmed. Division of labour is not a priority. But coordination (meaning here: exchange of information and mutual transparency on activities) is satisfactory.

2.5 EQ 5 on coherence, consistency, complementarity and synergies

To what extent does the ENI facilitate coherence, consistency, complementarity and synergies both internally between its own set of objectives and programmes, vis-à-vis other EFIs, and other donors?

DR focuses

The demonstrated added value of the joint programming process engaged to-date:

No value added expected so far.

On the MS side, the Joint programming Mission & meeting in October was considered as a top-down, non-participating, not efficient approach, for which no feed-back has been received yet.

Besides, it is not obvious that the EUD has the capacity to effectively coordinate European cooperation, because of its own capacity constraints. In addition, joint-programming in the context of different national programming calendar will create difficulties. They will also come from the lack of clear sectoral priorities provided by the GoT.

Nevertheless there is a need in Tunisia and it has been requested by MS.

The consistency of the EUTFs programming documents and actions with the ENP policy framework and with EU priorities (beyond relevance of addressing urgent needs) as well as the complementarity and synergies among them:

No information collected.

The capacity demonstrated by EUMS in channelling their projects through EUTFs:

No information collected.

2.5.1 JC51: ENI programmes are coherent and complementary with one another

Inputs to the information matrix

The ENI programs in Tunisia have followed stable priorities identified in the post revolution period, which have been considered as relevant and corresponding to the country needs by

the EUD. The GoT has valued these orientations, and this assessment has been confirmed by the similar assistance targeting of the other donors.

Validation of DR hypotheses

The too long visas and QSG process is compensating the insufficient specification of the programming instructions:

No information collected.

The NEAR institutional set-up constitutes an impediment to operative complementarity between bilateral and regional programmes:

New division between Maghreb and Middle-East appreciated and considered relevant at EUD level.

EUD Tunis well connected to Regional programmes. (See above) Complementarity between bilateral and regional programmes positively assessed.

2.5.2 JC52: ENI programmes are aligned with the evolving ENP policy and, where relevant, the EU development policy

Inputs to the information matrix

Validation of DR hypotheses

The update of the programming instructions after the ENP review is adjusted to need of coherence and complementarity:

The update was not evoked. Alignment on new ENP priorities does not seem to be a priority.

The ENI priorities and approaches are insufficiently specified by sector to encourage consistency with the policy framework (and swift processing):

No information collected.

2.5.3 JC53: ENI programmes are consistent with other (than ENP and development policy) EU external action policies (EFIs and EU sectorial policies)

Inputs to the information matrix

EFIs (nominative, not globally): –

Line DGs (nominative, not globally): –

Validation of DR hypotheses

The share of ENI in the assistance to neighbourhood countries is so high and thematically so encompassing that opportunities for complementary arise only with EFIs dedicated to crisis and stabilization:

No information on specific lack of consistency between policies.

The EUTFs (and other financing Facilities) limit further the scope for complementarity with EFIs since by design they are implementing actions covering the policy areas of some critical EFIs for the partner country:

No information collected.

The extent and diversity of the needs in the Neighbourhood in the recent years tend to hide overlaps between ENI and other EFIs:

No overlap identified or evoked.

2.5.4 JC54: ENI programmes complement and stimulate synergies with the other external action financing instruments

Inputs to the information matrix

Validation of DR hypotheses

Complement JC53 with this perspective.

2.5.5 JC55: ENI programmes complement and stimulate synergies with interventions of EUMSs and other donors

Inputs to the information matrix

EUMS: –

IFIS: Blending with the WB and coordination with WB & AfDB, joint support to GoT reform programmes after the revolution have increased impact of TA resources for the formulation/implementation of measures and improved the high level policy dialogue (“one voice”).

Other donors: –

Validation of DR hypotheses

EUMSs are increasingly involved in joint programming and find ways to accommodate their own constraints vis-à-vis their respective HQ:

AFD has increased its cooperation with the EC in Tunisia; GIZ is more reluctant.

Joint programming not done yet, but co-programming in several sectors has been usual.

Other donors still find it difficult to adjust their programming procedures to the aid effectiveness agenda: –

2.6 EQ 6 on leverage

To what extent has the ENI leveraged further funds and/or political or policy engagement?

DR Focuses

Partner country's assessment of the incentive approach:

No comment made.

EU's leverage capacity on the ground (by EUDs):

EUD has had a leading role for the Ministry of cooperation. MS, as well as WB, recognised the political leverage of the EUD.

2.6.1 JC 61: Under ENI interventions, the EU makes a strategic use of policy and political dialogue to leverage political and policy engagement/reforms in the partner countries and implementation by the partners of jointly agreed objectives

Inputs to the information matrix

Validation of DR hypotheses

Policy and political dialogue has been a driving factor behind recent reforms in countries relatively unscathed by the region's major crises:

In Tunisia there has been a strong policy dialogue on many sectors of intervention, rather effective despite the turn-over of Ministers heads.

The social and political costs of reforms might not be properly measured by the EU in its political/policy dialogue with partner countries, given the instability of the regional context:

No. The issue is clear in Tunisia. Possible consequences of budgetary and fiscal reform anticipated. Trade-off between social and macro-economic stabilities has remained an issue. The recent IMF report will probably start to reintroduce a priority to macro-economic adjustments.

2.6.2 JC 62 - The incentive-based approach within the ENI (umbrella funding, indicative financial allocations expressed in 20% ranges) leverages political and policy engagement/reforms in the partner countries and implementation by the partners of jointly agreed objectives

Inputs to the information matrix

Former Moldova desk HQ, now in Tunisia, recalls that there was a strong competition between Moldova, Ukraine and Georgia to benefit from the Umbrella programme, because of:

- Additional funding
- The Reputation effect; important for them

Now, the system is no more relevant, because the number of potential beneficiaries has become too small.

Besides, it is effective only for small countries. Large receiving countries such as Egypt, do not care much about the financial impact.

Validation of DR hypotheses:

The rewarding scheme is not financially attractive (volume):

In Tunisia, amounts have been huge and can therefore be assumed attractive.

The lack of competitors for the umbrella programmes in medium term further reduces the incentive, i.e. the tool was devised at a time where several countries were making progress:

The incentive effect has been reduced in Tunisia because of:

- The lack of competitors (only Jordan and Morocco)
- The GoT's understanding that Tunisia is a strategic priority for all western donors.

The incentive tools available to ENI are in fact limited to the umbrella programmes eg ranges are not used as incentives:

NS here.

2.6.3 JC 63 - ENI co-operation leverages additional resources – from other Union's instruments, partner countries, other donors, diaspora remittances, private sector.

Inputs to the information matrix

Validation of DR hypotheses

The leverage of additional resources is limited compared to ENI resources and considering the cost of inputs needed to be engaged by NEAR/EUDs for creating it:

No information collected.

EUTFs are too recent to have convinced more than some key EU MS but prospects are improving; comparative advantages of EUTFs start to be known among EU MS:

No information collected.

Annex: List of persons interviewed during the field mission

<i>Name</i>	<i>Position</i>	<i>Organisation / Unit</i>
Armelle Lidou	Head of Cooperation	EUD Tunis
Alberto Cortezon Gomez	Head of Section Cooperation	EUD Tunis
Mario Varrenti	Head of Section Cooperation	EUD Tunis
Gianpiero Borzillo	Head of Section Finances, contracts and audits	EUD Tunis
Jérémie Daussin-Charpantier	Deputy Director	AFD
Kristina Laarmann	Country Director Tunis	KfW
Matthias Giegerich	Country Director Tunis	GIZ
Eileen Murray	Country Director Tunis	World Bank
J.P. Cling		Twinning project to modernise the Tunisian statistical system
Sana Cheikh		MDCI – DG de la Coopération Euro-méditerranéenne
Mohamed Heni		MDCI – DG de la Coopération Euro-méditerranéenne
Chouchene M. Medhi		Ministry of Finance
Kouki Imen		Ministry of Finance
Kanzary Rim		Ministry of Finance
Mr Chelbi	Former Minister of Industry	
Nabiha Jallali	Board member	Association pour la promotion du droit à la différence (ADD)
Zahra Ben Nasr	President	Association Agir contre l'exclusion (FACE)

External Evaluation of the European Neighbourhood Instrument (ENI)

Case Study – Ukraine

1 Country dossier – a general overview

1.1 Political and economic situation in the country

Source: Special measure 2014 in favour of Ukraine to be financed from the general budget of the European Union; World Bank Country Overview;

Political situation

Ukraine became independent in 1991 and has since been beset by weak and corrupt governance dominated by oligarchs, lack of commitment to reform, weak rule of law and in recent years an increasing centralisation of executive, legislative and judicial power under former President Viktor Yanukovich. The crushing in Kyiv of the demonstrations against the refuse of the government to sign the AA/DCFTA unleashed a strong wave of protest against the Government and the President Yanukovich exemplified by the Maidan. President Yanukovich fled Kyiv on 22 February, failing to fulfil its duties. As a consequence, the Verkhovna Rada elected a new speaker who automatically became Acting President. The Rada decided to revert to the 2004 Constitution on which basis a new government, selected from the previous Opposition, was approved on 27 February with a constitutional majority.

May and October 2014 Elections

Source: Wikipedia

Presidential elections were held in Ukraine on 25 May 2014, resulting in Petro Poroshenko being elected President of Ukraine. Originally scheduled to take place on 29 March 2015, the date was changed following the 2014 Ukrainian revolution. Poroshenko won the elections with 54.7% of the votes. The Central Election Commission reported voter turnout at over 60% excluding those regions not under government control. The elections were not held throughout Ukraine. During the 2014 Crimean crisis, Ukraine lost control over Crimea, which was unilaterally annexed by Russia in March 2014. As a result, elections were not held in Crimea. In the Donbass region of Ukraine only 20% of the ballot stations were open due to threats and violence by pro-Russia separatists.

A snap parliamentary election for the Verkhovna Rada took place in Ukraine on 26 October 2014. The President of Ukraine, Petro Poroshenko, announced the date of the election on 25 August 2014. Poroshenko had pressed for early parliamentary elections since his victory in the May 2014 presidential election. Because of the ongoing War in Donbass and the unilateral annexation of Crimea by Russia, the elections were not held in all of the regions of Ukraine. Local election watchdogs, international observers, the European Union and Russia cited no serious election violations and were generally pleased with the election.

The new government has promised in its programme to take a radical approach as regards the corruption and conflicts of interest that had typified the previous policy of the former President and Governments and to seek early signature of the AA/DCFTA. The new government programme and the approach based on transparency and oversight by representatives of civil society represented a systemic regime change for Ukraine. Since 2014, Ukrainian authorities have carried out key reforms in several areas, including: undertaking significant fiscal consolidation, moving to a flexible exchange rate, reforming energy tariffs and social assistance, making public procurement more transparent, simplifying business regulation, and stabilizing and restructuring the banking sector.

Following an internal crisis and the dissolution of the governing coalition in February 2016, a new government took office in April 2016; the new government has committed to continuing

reforms. In May 2016, a government program and action plan covering a wide-ranging reform agenda was issued.

EU-Ukraine relationship

Source: Single Support Framework for EU support to Ukraine (2014-2017);

On 27 June 2014, European Union Heads of State and Government and Ukrainian President Petro Poroshenko concluded the signature of the EU-Ukraine Association Agreement by signing, at a ceremony in Brussels, its Deep and Comprehensive Free Trade Area (DCFTA) provisions. The political part of the agreement was signed on 21 March 2014 by Ukraine's interim government.

An EU-Ukraine Deep and Comprehensive Free Trade Area (DCFTA) has been provisionally implemented. It will be fully operational once all 28 EU countries agree to it. The DCFTA offers Ukraine a framework for modernising its trade relations and for economic development by opening up markets and harmonising laws, standards and regulations in various sectors. This will help align key sectors of the Ukrainian economy with EU standards.

EU Support to Ukraine

Source: Support Group for Ukraine Activity Report (the first 18 months)¹; Support package for Ukraine²;

Financial support

The EU is the largest donor to Ukraine. Since 1991, assistance provided by the European Community alone has amounted to over €3.5 billion. The level of financial support has generally been increasing over the past decade. The EU's financial assistance is aimed at supporting reform and European integration in Ukraine.

In the current exceptional circumstances, it remains difficult to identify multi-annual priorities for EU's bilateral assistance. This is why, for the moment, there is no Single Support Framework for Ukraine.

The total European assistance to Ukraine is summed up in the Support Package for Ukraine, which is worth EUR 11 billion:

- EUR3 billion from the EU budget in the coming years, EUR1.6 billion in macro financial assistance loans (MFA) and an assistance package of grants of €1.4 billion;
- Up to EUR8 billion from the European Investment Bank and the European Bank for Reconstruction and Development;
- Potential EUR3.5 billion leveraged through the Neighbourhood Investment Facility;

Under the ENI, planned EU grant assistance for Ukraine may total up to €1 billion in the period 2014-2020. This figure is indicative: as for all Neighbourhood countries, final allocations will depend on the country's needs and its commitment to reform. Instead of the Annual Action Programmes, a set of Special Measures were published in 2014 and 2015 to detail the priority areas in the EU-Ukraine cooperation.

In 2015, Ukraine became fully associated with the Commission's Horizon 2020 programme. Its researchers, businesses and innovators can now participate under the same conditions as EU Member States a multinational programme dedicated to research and innovation, equipped with a total budget of almost € 80 billion for 2014-2020.

Organisational support

The Support Group was created in Spring 2014. The mandate of the Group was to "provide a focal point, structure, overview and guidance for the Commission's work to support Ukraine, through the initial and crucial early phases of its transition". The Support Group would also help mobilise Member State expertise and further enhance coordination with

¹ <http://ec.europa.eu/enlargement/neighbourhood/pdf/key-documents/ukraine/20161028-report-squa.pdf>

² http://ec.europa.eu/archives/commission_2010-2014/president/news/archives/2014/03/pdf/20140306-ukraine-package_en.pdf

other donors and the International Financing Institutions (IFIs). The central purpose of the Support Group is to help Ukraine achieve the ambitious programme of reform set out in the various documents and agreements (Association Agenda etc). **The Support Group assumed responsibility for financial cooperation in July 2015.** This step allows the Group to follow a comprehensive approach in its relations with the country, and alongside the Delegation to deliver support in a fully integrated way.

Macroeconomic stability and economic situation

Sources: Ukraine Economic Update (the World Bank, 2016)³;

During 2014, Ukraine experienced a deepening economic recession. Faced with large accumulated fiscal and external imbalances, the authorities embarked on a major macroeconomic adjustment in early 2014. Sharp currency devaluation – after the fixed exchange rate was abandoned in March – combined with fiscal consolidation, triggered significant decline in consumption and investment. The contractionary impact of adjustment was compounded by an escalating conflict in the second half of the year, which led to severe economic disruption in the industrialized east and undermined investor and consumer confidence. **Balance of payments problems remained acute in 2014, compounded by capital flight, low FDI, and delays in official financing.** Following the devaluation in March, the current account deficit started to adjust and reached almost zero in August. However, during the remainder of the year the impact of the devaluation was dampened by conflict-related disruptions in export-oriented industries in the east and a seasonal increase in imports of gas and coal (after local coal production was damaged in the conflict areas). As a result, current account deficit remained high at 4.1 percent GDP in 2014.

After a sharp contraction in economic activity through the first three quarters of 2015, initial signs of stabilization emerged in the fourth quarter. Real GDP contracted by 9.9 percent in 2015 overall. The conflict has led to widespread disruption in supply and distribution chains and undermined confidence, while the drop in global commodity prices has led to a serious deterioration of Ukraine's terms of trade. **Considerable fiscal and external adjustment in response to the shocks have further compressed domestic demand.** While the external economic environment remains difficult, the conflict in the east has de-escalated since September 2015 and macroeconomic and structural reforms have begun to stabilize confidence. **Poverty is estimated to have increased in 2015.** Disposable incomes have contracted significantly from the deep recession, with both labor and non-labor incomes contracting in 2015 in real terms. **Labor market conditions worsened, with real wages down by 13 percent y/y in December 2015 and unemployment remaining elevated at 9.5 percent at end 2015.** Poor households were affected by the increase in energy prices in 2015, with the new means-tested housing utility subsidy program partly mitigating the impact.

Prospects for economic recovery remain uncertain and depend on how the conflict in the East unfolds and whether reforms on multiple fronts can be advanced in an uncertain political environment. If the conflict does not escalate further and progress is made on reforms, a gradual economic recovery is expected, with growth of 1 percent in 2016 and 2 percent in 2017. The real depreciation coupled with efforts to tap the EU market are expected to support exports and tradable sectors. Furthermore, improved expenditure efficiency should create fiscal space to unlock public investment. **The fiscal outlook remains challenging and has been shaped further by the recent cut in the social security contribution rate.** The fiscal framework actually projects an increase in the fiscal deficit to 3 percent of GDP in 2016 (because of lower NBU profit transfers). Meeting this deficit target will prove challenging, particularly in light of the payroll tax rate cut from 40 to 22 percent in 2016.

A gradual economic recovery by 1 percent in 2016 and 2 percent in 2017 is projected, contingent on reform progress and no further escalation of the conflict. Poverty is

³ <http://pubdocs.worldbank.org/en/88201459504749749/Ukraine-Macroeconomic-Update-April-2016-ENG.pdf>

estimated to have increased in 2015 and is projected to remain elevated through 2018 in light of the gradual recovery of economic activity, real wages, and jobs.

1.2 EU strategic priorities in the country (programming docs)

Sources: Special measure 2014 in favour of Ukraine to be financed from the general budget of the European Union; Special Measure 2015 for Private Sector Development and Approximation in favour of Ukraine; Special Measure 2015 for Decentralisation Reform in favour of Ukraine;

Short- and medium-term priorities are set out as part of the European Agenda for Reform which is a roadmap for EU support encompassing a wide range of assistance measures, including:

- constitutional reform and cooperation on energy matters;
- opening the EU market to Ukrainian products;
- reforming the judiciary and civil service;
- visa liberalisation.

Recent milestones achieved under the European Agenda for Reform include:

- A 'State Building Contract' (SBC) between the EU and Ukraine worth €355 million (plus €10 million of support for civil society) to help Ukraine's government address economic stabilisation needs and implement governance reform order, fight corruption, and so on;
- A Memorandum of Understanding to provide assistance to Ukraine which is necessary to give effect to the €1.61 billion Macro-Financial Assistance (MFA) loan programme introduced.

Priorities financed under the ENI are set out in the Special Decision documents, published in 2014 and 2015. These documents constitute the programming framework in the absence of a Single Support Framework and of the Annual Action Programmes.

Sectors of Intervention under the Special measure 2014 in favour of Ukraine:

- I. **State Building Contract (Budget Support – EUR232 million):** The **general objective** is to support the government of Ukraine in addressing short-term economic problems and preparing for in-depth reform in the context of political association and economic integration with the EU on the basis of the AA/DCFTA through support to improved governance, fight against corruption, Judiciary reform and public administration reform.

Specific objectives include:

- Increase the financial capacity of the government to reinforce macroeconomic stability and strengthen the capacity to reform.
- Improve governance and in particular public service delivery, public finance management (PFM), public procurement, budget transparency, judiciary reform and strengthen the fight against corruption.
- Support Ukraine in the process of transition and harmonious national development.
- Increase government responsiveness to citizens through reinforced civil society dialogue and oversight.

- II. **Support to Civil Society in Ukraine:** The **overall objective** of this Programme is to enhance civil society role in promoting democratic reforms and inclusive socio-economic development in Ukraine.

The **specific objectives** are:

- To strengthen the capacity and participation of CSOs in policy dialogue,

monitoring and oversight, and concrete actions, to advance the implementation of the national reform agenda;

- To contribute to foster a conducive environment for civil society, including legislative, institutional and social dimensions.

Sectors of Intervention under the Special Measure 2015 for Private Sector Development and Approximation in favour of Ukraine:

- I. **EU Support to Ukraine to Re-launch the Economy (EU SURE – EUR 55 million):** The **overall objective** of the action is to contribute to sustainable and inclusive economic growth in Ukraine to enhance employment opportunities, regional prosperity and national cohesion.

The **specific objectives** are:

- To strengthen the capacity of Ukrainian national, regional and local authorities and other stakeholders to develop and implement effective economic development policies, including SMEs policy.
- To contribute to re-launching the national economy by supporting development of the SME sector and increasing capacity for entrepreneurial skills training at the regional level.

- II. **Technical Cooperation Facility (EUR 15.3 million):** the **general objective** is to effectively raise Ukrainian public authorities' capacities in designing and implementing key reforms stemming from the Association Agreement and DCFTA, including capacity to carry out legal approximation process with the EU. Priority areas of this action are governance reforms; economic governance and trade reforms, including statistics, technical barriers to trade and financial services; energy; transport; and social reforms.

The **specific objectives** are:

- To improve effectiveness of Ukrainian public administration through support to major governance reforms, including civil service reform, judiciary reforms and reforms in the area of home affairs (border management and law-enforcement);
- To improve economic governance and trade environment in Ukraine through strengthening statistics services, financial services, competition policy framework, reducing the technical barriers to trade and developing a geographical indications system;
- To improve energy independence of Ukraine and secured supply of gas to the EU through support to modernisation of gas transmission system of Ukraine and other measures supporting reform of the Ukrainian gas sector;
- To support development and modernisation of the transport sector in Ukraine through the reform in the infrastructure management cycle, implementation of the Association Agreement and future EU-Ukraine Common Aviation Agreement;

Sectors of Intervention under the Special Measure 2015 for Decentralisation Reform in favour of Ukraine:

- I. **U-LEAD with Europe: Ukraine Local Empowerment, Accountability and Development Programme (EUR 97 million):** The **overall objective** of the action is to contribute to the establishment of multilevel governance which is transparent, accountable and responsive to the needs of the population.

The **specific objectives** are:

- To enhance the capacity of key actors at central, regional and local levels to implement the regional policy and decentralisation reform.
- To improve delivery of local administrative services for the benefit of the citizens.

Financial overview

The **indicative allocation** for Ukraine for the period **2014-2020** may total up to €1 billion in the period 2014-2020.

1.3 Overview of EU support

Table 1 Key ENI interventions (largest contracts) since 2014

Domain	Decision year	Decision N°	Decision title	Committed	Paid	DAC Code	Sector code
ENI	2015	32789	EU Support to Ukraine to Re-launch the Economy (EU SURE)	55.000.000	11.946.324	32130	Small and medium-sized enterprises (SME) development
ENI	2014	37370	State Building Contract for Ukraine (AAP 2014)	232.000.000	127.000.000	51010	General budget support
ENI	2015	37834	Technical Cooperation Facility	15.000.000	0	15110	Public sector policy and administrative management
ENI	2014	33833	Ukraine Civil Society Support Programme	10.000.000	1.809.627	15150	Democratic participation and civil society
ENI	2016	39641	Energy Efficiency Support Programme for Ukraine	0	0		
ENI	2016	39657	EU Anti-Corruption Initiative in Ukraine	15.000.000	0	15113	Anti-corruption organisations and institutions
ENI	2016	39660	Danube Transnational Programme 2014-2020 under Technical Cooperation Facility 2016, Ukraine	5.000.000	0	15110	Public sector policy and administrative management
ENI	2016	39569	Support to Comprehensive Reform of Public Administration in Ukraine	104.000.000	0	15110	Public sector policy and administrative management
ENI	2016	39835	Support to Rule of Law Reforms in Ukraine (PRAVO)	0	0	15130	Legal and judicial development
ENI	2016	39505	Technical Cooperation Facility 2016	23.500.000	0	15110	Public sector policy and administrative management
ENI	2015	38739	U-LEAD with Europe: Ukraine Local Empowerment, Accountability and Development Programme	90.000.000	17.216.536	15112	Decentralisation and support to subnational government

Source: DG NEAR R2

ENI Commitments and Disbursements by sector

The total level of commitments for the period 2014-2015 is of EUR 402 million, compared to a disbursement of EUR 381 million. **Error! Reference source not found.** below shows the breakdown of commitments by sector (sectoral classification is divided in four layers, L4 being the most aggregate and L1 the more disaggregate). At L4 level, about 58% of the resources is committed to Budget Support, about 29% to social infrastructures and the rest to productive sectors. Refining the breakdown at L2 level, the 58% of the resources (EUR 232 million) is fully committed to General Budget Support. About 29% of the resources is committed to the area of Government and Civil Society. Resources for productive sectors, making up the remaining 13% are committed to Industry. At L1 level, General Budget Support is not further broken down; the resources committed to Government and Civil society are broken down between Decentralisation and Public Policy (EUR 90 and 55 million respectively), with another EUR 10 million committed to Democratic Participation and Civil Society.

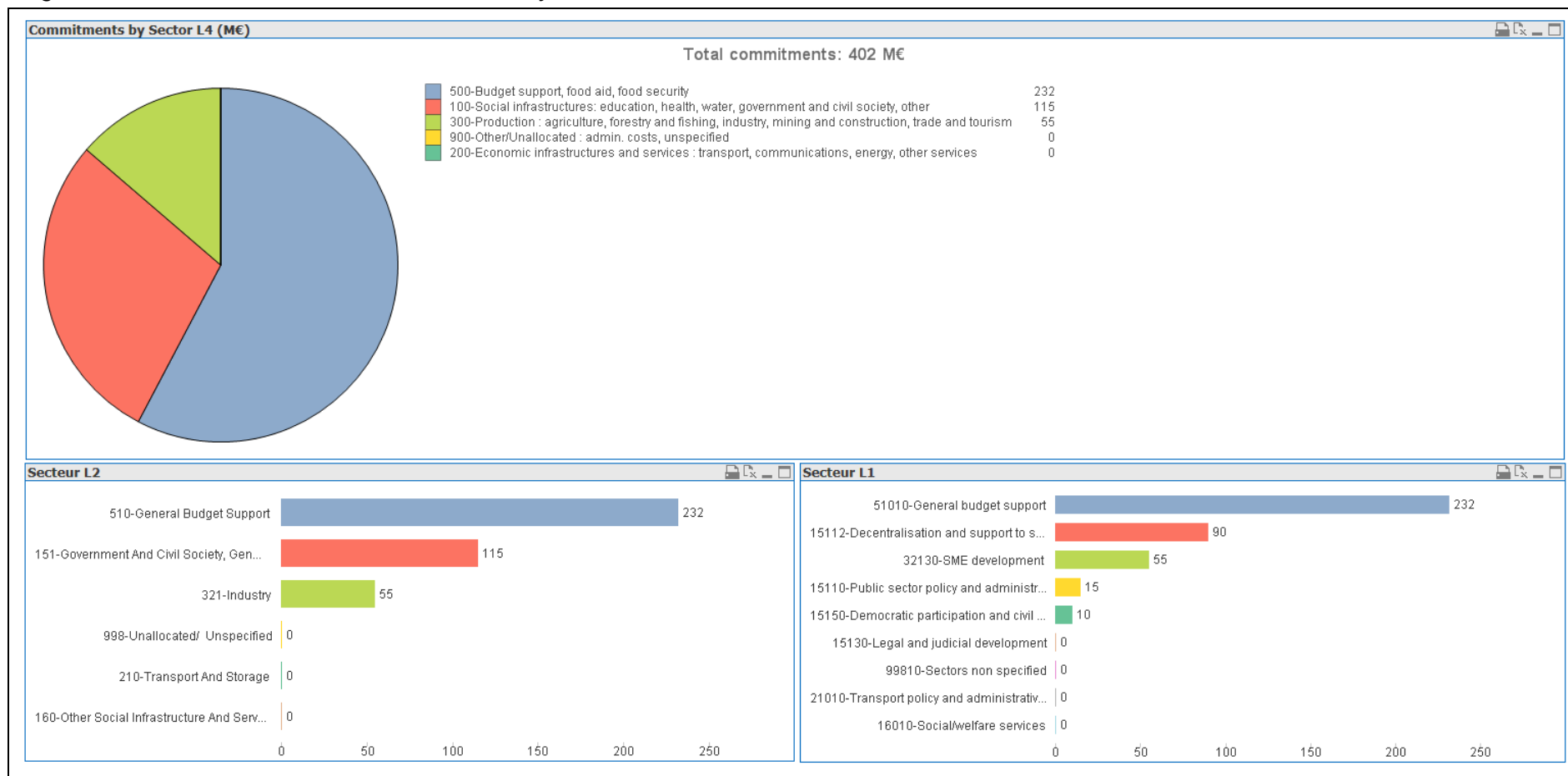
Error! Reference source not found. shows that the level of disbursement is mostly proportional to the level of commitments per sector. At L4 level, Budget Support the received the bulk of the disbursements (about 66%), followed by the social and infrastructure sector (about 23%) with the other sectors lagging far behind. At L2 and L1 the proportions are similar.

General Budget Support disbursement ratio is higher than 100% with EUR 250 million disbursed against 232 committed. Under Social Infrastructure, Decentralisation lags behind with only EUR 3 million disbursed over 90.

ENI Commitments and Disbursements by channel

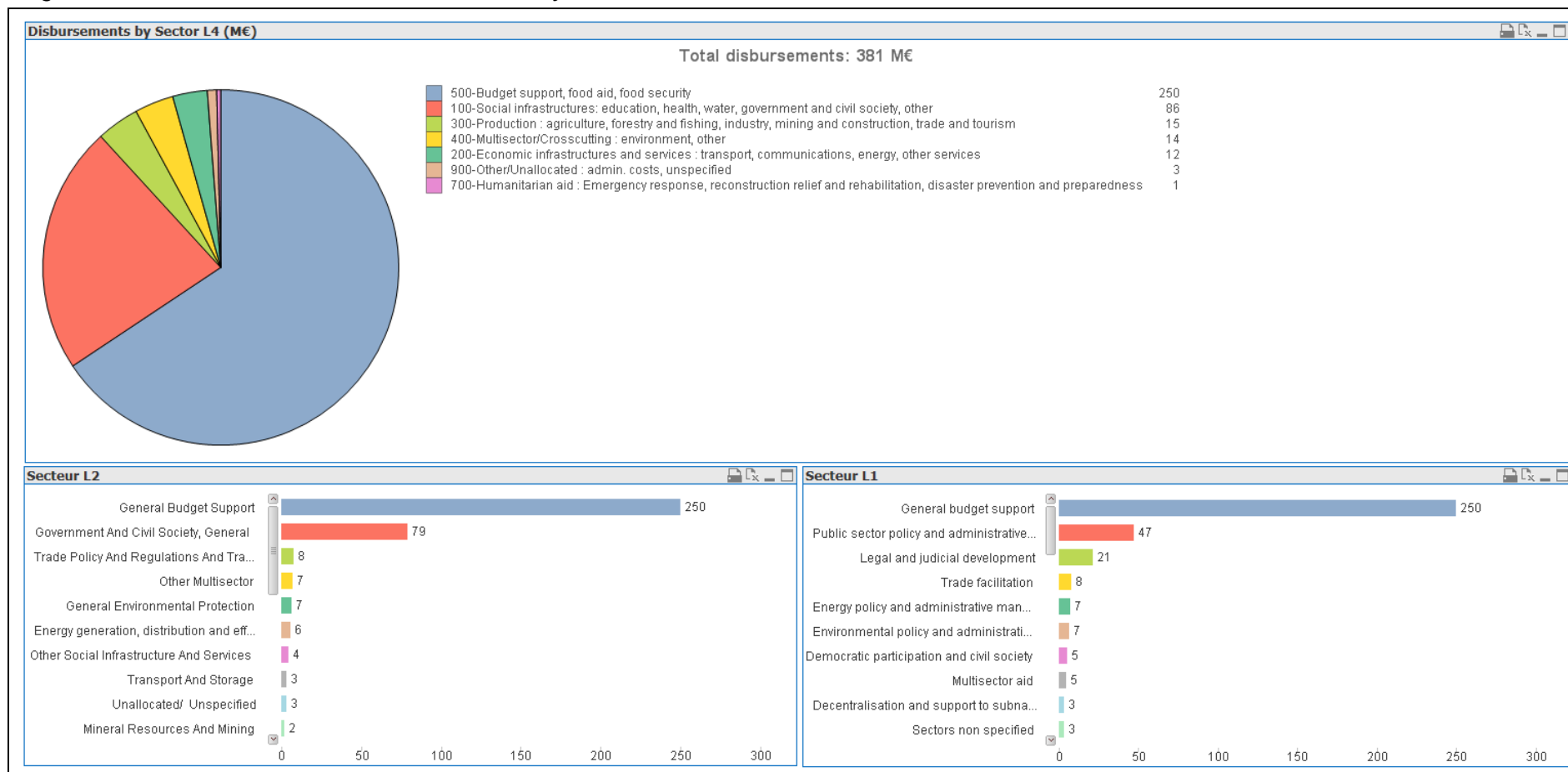
Error! Reference source not found. shows that the favourite channel for commitments is the public sector institutions (about 83%), with a lesser percentage of funding committed through multilateral organisations. At L2 level, the recipient government are by far the most common option, followed by third country governments (under the Delegated Cooperation). Regional Development Banks also seem to be a common channel. In the case of disbursements, **Error! Reference source not found.** shows how public sector institutions are indeed the most common channel, followed by minor percentages channelled via multilateral organisations and CSOs. Again, the recipient government is the most important channel (89%), the other channels scoring percentages between 3% and 1%.

Figure 1 Overview of ENI commitments by sector



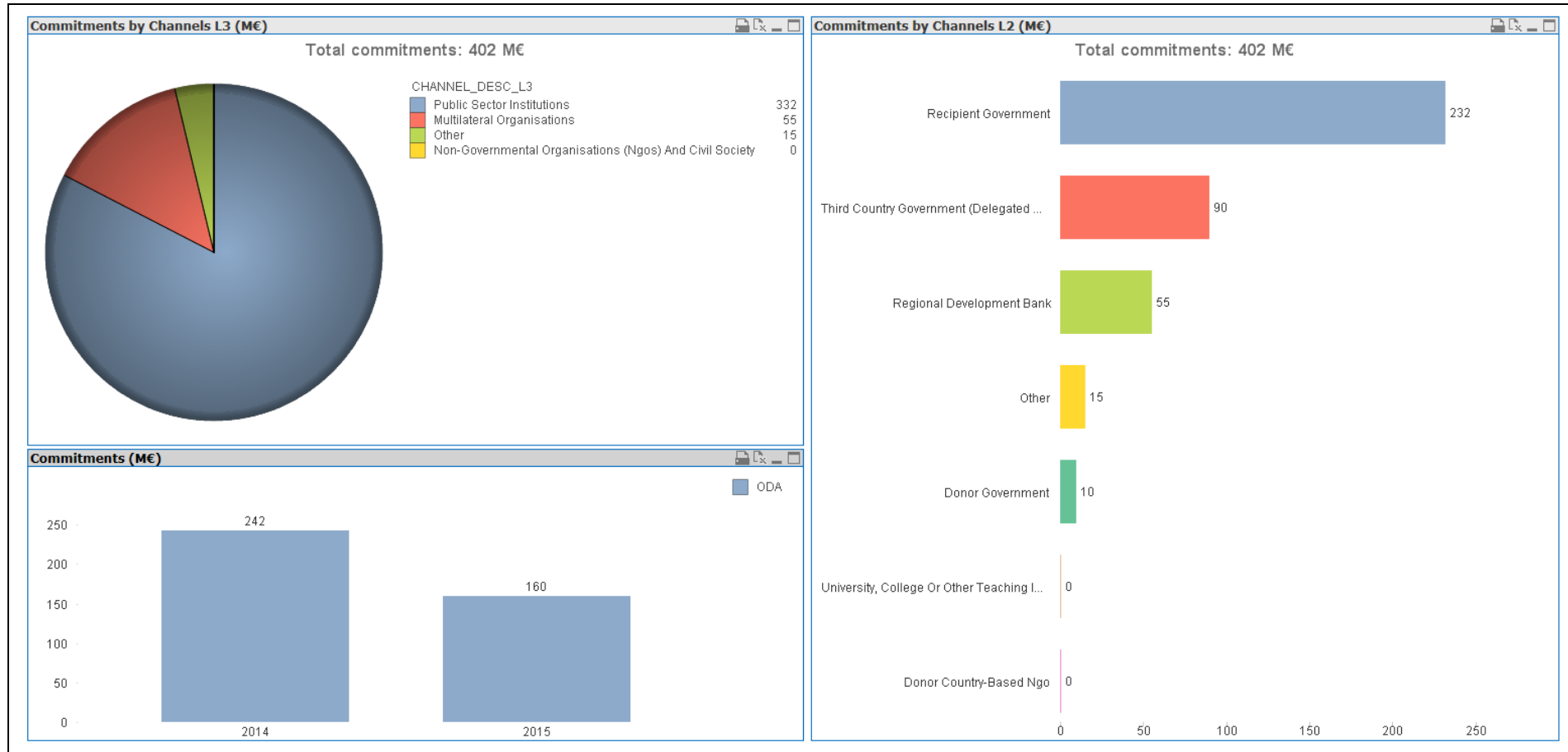
Source: EC Statistical Dashboard

Figure 2 Overview of ENI disbursements by sector



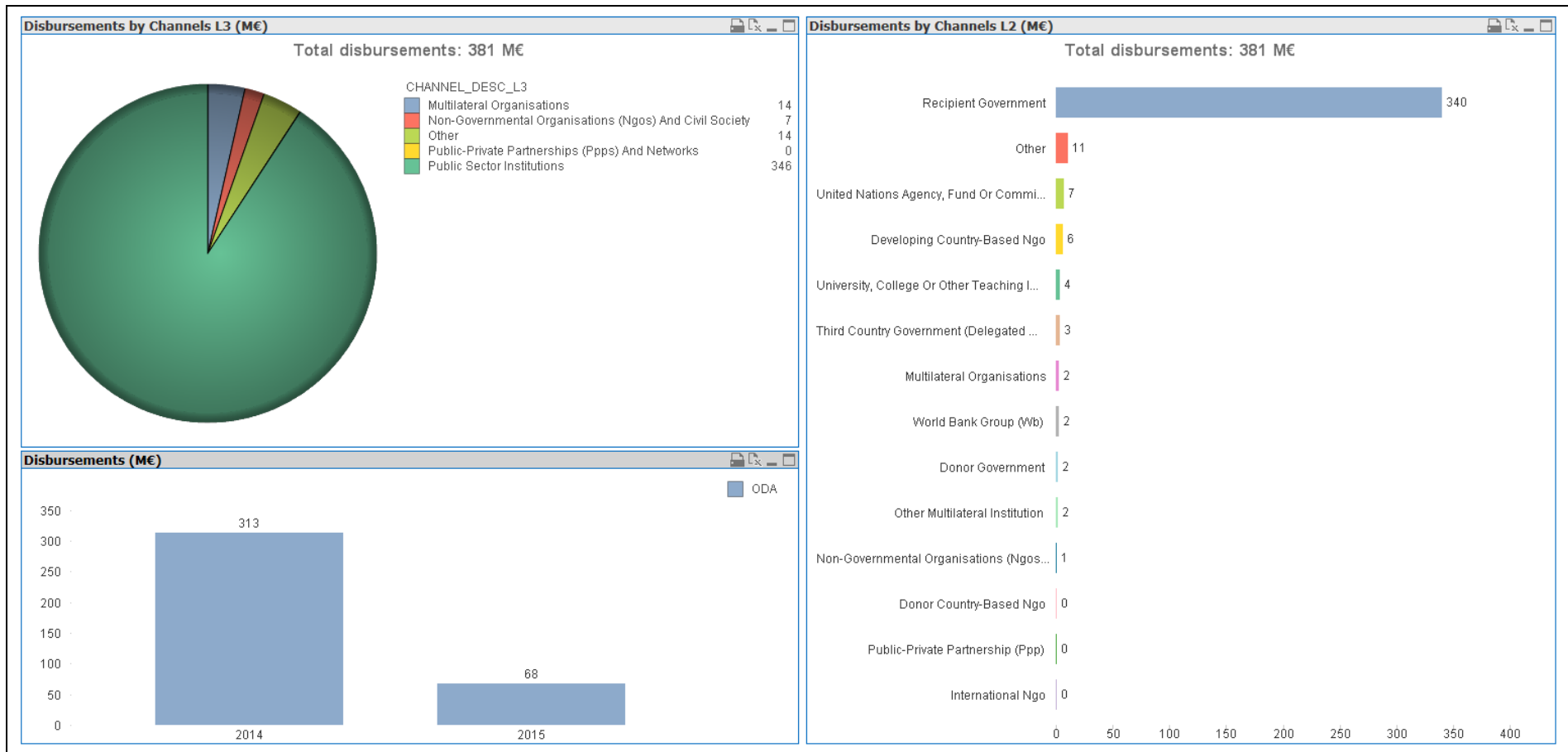
Source: EC Statistical Dashboard

Figure 3 Overview of ENI commitments by channel



Source: EC Statistical Dashboard

Figure 4 Overview of ENI disbursements by channel



Source: EC Statistical Dashboard

1.4 Overview of other Development Partners' support

Sources: Sources: 2015 EAMR, p.20

Implementation of assistance through International Organisations remains important in the Ukraine programme. Main partners measured according to budget at present are EBRD, UNDP and IOM and to a lesser extend OSCE, Council of Europe and World Bank. Mostly the programmes are designed by the implementing partner or at least they have a dominant say given their expertise in the respective areas. For the World Bank and Council of Europe the EU has a clear say in the steering and is also exercising this. As for UNDP such contribution appears to be expected, but given the non-policy/political nature of the community development programmes there is less need felt to do so. Close contact exist with EBRD, but there is often limited margin to manoeuvre in directing interventions. The joint country team meeting in Jan 2016, is expected to have helped in clearing the EU interest in this regard and should enable both side to further evolve their mutual partnership. Important to mention as example is also the protracted negotiations with EBRD on the € 40 million indirect management contract for the establishment of a country wide network of business development centres. Initially very reluctant, EBRD has compromised, even though a very close scrutiny of implementation is required to ensure adherence. In all case it is important that from EU side initiatives are taken to actively involve and make the maximum use of the programmes especially in order to pursue our policy goals.

2 Evaluation findings on Ukraine

2.1 EQ 1 on relevance

To what extent do the overall and the specific objectives (ENI Regulation, Article 1 and 2) and the design of the ENI respond to:

(i) EU priorities and beneficiary needs identified at the time the instrument was adopted (2014)?

(ii) Current EU priorities, in particular emerging from the 2015 ENP Review such as stabilisation, and beneficiary needs, given the evolving challenges and priorities in the international context (2017)?

DR focuses:

Correspondence of the ENI objectives (Art.1 & 2) with partner country's own priorities:

It should be recalled that the revolution of 2013 and the Maidan events in 2014 started because of the AA-DCFTA of Ukraine with the EU. Since then Ukraine is constantly looking to deepen its relations with the EU, being their main ally in its conflict with Russia. On the other hand, succeeding the revolution, the State is trying to be re-organised on a more efficient/ effective way and at the same time fighting corruption and an unofficial ("black") economy in order to increase public revenues and improve public finances. In this framework the ENI objectives correspond to Ukraine's priorities and objectives.

EUD has internalized the new priorities highlighted in the 2015 ENP Review and has been able to implement them:

The situation in Ukraine is still very critical; nothing has been so far secured, in terms of the wanted radical changes of the State and Economy; therefore the EU interventions in Ukraine are determined on the basis of an identification of existing acute needs on an ad hoc basis, through Special Measures (the old multi-annual programme 2007-2013 collapsed after the revolution, but the ENPI projects/ programmes which had started before the revolution continue to be implemented today); therefore the new ENP logic is not officially (not even practically) implemented. However, it has been decided that for the period 2018-2020 ENI assistance will be provided on the basis of a new long term programming, which is now under elaboration; in this new programming the ENP priorities/ logic will be incorporated.

New orientations have been positively appreciated by partner countries, both at government and civil society levels:

NA

Ownership by partner country:

The ownership of the ENI by Ukraine is high, due to both the new political orientation of the country towards the EU and the desperate need for support and funds for the restructuring of the State/ Economy.

2.1.1 JC11: The ENI objectives and design were initially (2011/2014) congruent with i) EU priorities and ii) partner country priorities

Inputs to the information matrix

2(2)a - *Promoting human rights and fundamental freedoms, (...)*⁴:

The revolution and Maidan focus their basic principles and endeavours exactly (and mainly) on the issues of human rights and democracy in all respects (i.e. promoting human rights and fundamental freedoms, the rule of law, principles of equality and the fight against discrimination in all its forms, establishing deep and sustainable democracy, promoting good

⁴ Promoting human rights and fundamental freedoms, the rule of law, principles of equality and the fight against discrimination in all its forms, establishing deep and sustainable democracy, promoting good governance, fighting corruption, strengthening institutional capacity at all levels and developing a thriving civil society including social partners.

governance, fighting corruption, strengthening institutional capacity at all levels and developing a thriving civil society including social partners); therefore the biggest part of the needed efforts for change are focussed on these issues; thus the relevant ENI objective is congruent with both EU and Ukraine's priorities.

*2(2)b - Achieving progressive integration into the Union internal market and enhanced sectoral and cross-sectoral cooperation(...)*⁵:

Ukraine is one of the few neighbourhood countries that have signed a DCFTA, aiming at opening/ widening the trade relations between the EU and Ukraine.

*2(2)c - Creating conditions for the better organisation of legal migration (...)*⁶:

Ukraine has a reverse migration, i.e. many Ukrainians wanting to leave the country for other places, including the EU; discussions between the EU and Ukraine on the liberalisation of visas have not yet been concluded.

*2(2)d - Supporting smart, sustainable and inclusive development in all aspects(...)*⁷:

The focus during the first years of ENI (i.e. 2014-2017) has been to address basic needs and to keep the economy alive. Of course smart, sustainable and inclusive development actions are included as possible (but they have not been the focus); these should be considered in the drafting of the new long-term programme 2018-2020.

2(2)e - Promoting confidence-building, good neighbourly relations and other measures contributing to security in all its forms and the prevention and settlement of conflicts, including protracted conflicts:

In the current period ENI is mainly focussing on state re-structuring/ development; however the still existing open conflict with Russia in the eastern parts of the country has very destabilising effects on all features of the country (economic, political, social, other); indirectly the ENI interventions (presenting the practical/ financial interest of the EU for the country) contribute to the development of confidence and security feelings of the Ukrainians and at the same time to the implementation of relevant relief measures (such as a special programme for the displaced people of the western regions of the country, which is under preparation).

2(2)f - Enhancing sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation:

The major part of Ukraine's borders is with non-friendly countries (Russia, Belarus); however the country also has borders (to the west and south) with Poland, Slovakia, Hungary and Romania; relations and cooperation with these EU member states can be enhanced through CBC programmes (such a programme exists between Ukraine and Hungary).

Validation of DR hypotheses:

Clear understanding by EUMS and PC, especially in the East, that ENP is not a "Pre"- pre-accession policy:

Ukraine's main concern in this period is the stabilisation of the economy and the re-structuring of its weak State; the accession to the EU is not considered at all in this point of time.

⁵ Achieving progressive integration into the Union internal market and enhanced sectoral and cross-sectoral cooperation, including through legislative approximation and regulatory convergence towards Union and other relevant international standards, and improved market access including through deep and comprehensive free trade areas, related institution-building and investment, particularly in interconnections

⁶ Creating conditions for the better organisation of legal migration and the fostering of well-managed mobility of people, for the implementation of existing or future agreements concluded in line with the Global Approach to Migration and Mobility, and for the promotion of people-to- people contacts, in particular in relation to cultural, educational, professional and sporting activities

⁷ Supporting smart, sustainable and inclusive development in all aspects; reducing poverty, including through private sector development, and reducing social exclusion; promoting capacity-building in science, education and in particular higher education, technology, research and innovation; promoting internal economic, social and territorial cohesion; fostering rural development; promoting public health; and supporting environmental protection, climate action and disaster resilience.

However the prospect of EU integration has remained quite actual, and very popular, at various levels of the Ukrainian Society.

Existence of multiple strategic scenarios at the EUD level (planning stage):

It seems that no-one (including the EU) could have anticipated the big changes of the regime in Ukraine. However Ukraine's status has changed and it has become a strategic partner for the EU. However, no strategic scenario about the future of this country is available at the EUD. EUD interventions have not, and are not, driven by any strategic vision relative to the Ukraine context. The implicit scenario/guideline seems to be that the "pro-reform" process will continue. Major risks are present, including the risk of "Europe-fatigue" in the country, recently strengthened by the rejection by Dutch voters of the ratification of the Association Agreement (AA) between the EU and Ukraine.

There is a paradox so far: A huge amount of EC assistance to Ukraine; No geopolitical analysis providing scenarios on which the programming of this assistance could rely.

Nevertheless it has been decided (and now it is being elaborated) that a new multi-annual programme will be developed for the period 2018-2020; this should logically be based on specific decisions on the policy lines and the focus of ENI during this period; relevant information has not been provided to the Evaluators.

ENI programming has been aligned on partner countries' strategies and needs:

ENI programming (as well as ENPI leftovers) has been based on the new needs of the country following the change of the regime; in practice up to now there is no long-term programming in place, but an ad hoc determination and elaboration of ENI funded actions/programmes on the basis of the existing needs, through Special Measures; these Special Measures address the new strategies and needs of the country.

2.1.2 JC12: The ENI objectives and design are still congruent with i) EU priorities emerging from the 2015 ENP Review such as stabilisation and ii) partner country priorities resulting from the evolving global and regional challenges (2016-2017)

Inputs to the information matrix

2(2)a - Promoting human rights and fundamental freedoms, (...):

2(2)b - Achieving progressive integration into the Union internal market and enhanced sectoral and cross-sectoral cooperation(...):

2(2)c - Creating conditions for the better organisation of legal migration (...):

2(2)d - Supporting smart, sustainable and inclusive development in all aspects (...):

2(2)e - Promoting confidence-building, good neighbourly relations and other measures contributing to security in all its forms and the prevention and settlement of conflicts, including protracted conflicts:

2(2)f - Enhancing sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation:

Validation of DR hypotheses:

New priorities (e.g. Review 2015) have been fully internalized in EUD:

A divergence emerged since 2015 between renewed ENP priorities and partner's ones:

2.2 EQ 2 on effectiveness, impact and sustainability

To what extent does the ENI deliver results against the instrument's objectives, and specific EU priorities?

DR Focuses:

The scope for contributing to ENI objectives (see EQ1) increased over time:

Budget Support programmes are not anymore considered fit for Ukraine, due to the extremely weak public Administration; Only one new SBS is considered to be developed and

implemented in the coming period 2018-2020: EUR 104 million for Public Administration Reform (only at central government level), which the EUD has decided to follow very closely; up to now a lot of preparatory work has been done. All other ENI projects will be implemented through awarding to International Organisations or EUMS Agencies (indirect management).

EUD adjusted the action documents (eg programmes) to ENI objectives:

Since the political change, the ENI interventions are implemented through Special Measures; all programmes/ actions have been adjusted to the new needs of the country not towards the ENI objectives.

The “EU priorities” (vs ENI/ENP priorities) are marginalized in the process of programming and furthermore during implementation, particularly in the South:

In Ukraine the EU priorities have also been neglected for the implementation of actions that respond to the needs of the country.

2.2.1 JC 21: ENI programmes contribute towards the objectives listed in the ENI Regulation, Article 1 and 2

Inputs to the information matrix

2(2)a - Promoting human rights and fundamental freedoms, (...):

An ENPI programme on Justice is still under implementation; this programme has a technical content (not political) and thus it is being continued without problems. One of the Special Measures which have been approved up to now is the “Anti-corruption” programme;

2(2)b - Achieving progressive integration into the Union internal market and enhanced sectoral and cross-sectoral cooperation(...):

A DCFTA was signed in 2014, and ENI programmes are increasingly mainstreaming support to adjustment induced by DCFT; One of the first Special Measures to be agreed on was “EU for Business” aiming to re-launch the Economy of Ukraine and develop trade with the EU (this programme is progressing slowly); another funding source is the DCFTA Facility for SMEs (shared by the three countries having signed this new generation agreement: Georgia, Ukraine and Moldova) which now has been incorporated under the “EU for Business” programme.

2(2)c - Creating conditions for the better organisation of legal migration (...):

This is not a priority issue for the country in this period of time...

2(2)d - Supporting smart, sustainable and inclusive development in all aspects(...):

Although such considerations are present in the programming of the actions currently under implementation or programming, the main objectives of the programming so far have been to address the basic needs of the country: fiscal stabilisation, restructuring of the state, improvement of the Public Administration (central and local levels); improvement of democracy and the rule of law.

2(2)e - Promoting confidence-building, good neighbourly relations and other measures contributing to security in all its forms and the prevention and settlement of conflicts, including protracted conflicts:

Due to the tense relations of Ukraine with Russia and Belarus, ENI is not supporting any actions contributing to the promotion of neighbourly relations with these countries; Wide exchanges of knowhow and collaboration exist between Ukraine and Georgia, while the relations of Ukraine with the EU Member-states (Poland, Hungary, Slovakia and Romania) can potentially be supported by ENI (depending on the bilateral/ multilateral cooperation of Ukraine with these countries).

2(2)f - Enhancing sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation:

Three CBC programmes are active today with the participation of Ukraine: one coming for the period 2007-2013: Hungary-Slovakia-Romania-Ukraine and two new (with funds of the

programming period 2014-2020): Poland-Belarus-Ukraine and Romania-Ukraine. All programmes of the above are co-financed by ENI.

Validation of DR hypotheses:

The appropriate targeting of democracy and rule of the law is linked to the inclusive programming processes, in-house expertise (notably CoTE), and ENPI experience:

Fighting against corruption, promotion of democracy and rule of law is a huge public request (especially from the young “generation of the Maidan”); however after two years in power the new Government of Ukraine has not done many things in this respect (may be justified, due to the extensive legal preparation required for this) and thus a discontent has started to appear among the Young. The relevant actions are not the result of the inclusive programming process of the EU, nor of the in-house expertise (COTEs) or the ENPI experience of the competent EU bodies; many other donors are also advising the Ukrainian Government and are providing funds for the implementation of relevant actions/ projects; it should be noted that the coordination of donors in Ukraine is not at all effective.

However a symbolic measure, the e-declaration, has been finally implemented last October. Nearly 100 000 officials are now required to declare their assets, as well as the assets of their families. This reform was strongly supported by foreign donors and it was a conditionality of the EC BS.

The monitoring and evaluation systems are increasingly able to determine the link of economic results with ENI programmes:

Under the existing situation and the ad hoc character of most interventions the M&E of the ENI programmes cannot refer to reliable indicators’ values; in addition the parallel work of many donors in the country (in almost all sectors) make the assessment of the results/ impacts of the ENI interventions very difficult; furthermore due to the fluidity of the situation and the lack of any kind of reliable long term programming, every intervention by every donor is of short-term ad hoc character, whose results/ impacts cannot be estimated.

2.2.2 JC22: ENI programmes support policy dialogue and implementation of reform objectives agreed with each partner country

Inputs to the information matrix

Policy dialogue:

Extensive policy dialogue is exercised since the political change in 2014 between the EU and Ukraine at various levels. This dialogue is not driven by the ENI but by the wider political relations between the EU (EEAS) and the Ukrainian Government; however the ENI supports the implementation of specific measures decided under this policy dialogue, thus it indirectly supports the continuation and facilitation of the political and policy dialogue between the two parties (EU-UA).

Implementation of reform objectives:

This is the main issue of the country following the revolution: to implement radical reforms leading to a democratic, value-based, fair, transparent and inclusive and open economic, social and political framework; all ENI funded interventions are directed to the implementation of this major objective.

Validation of DR hypotheses:

The scope for policy dialogue is increasingly negatively influenced by the deepening of the social and political tensions in the Neighbourhood:

On the contrary, the scope of policy dialogue with Ukraine is extremely positive following the change of the regime and the clear pro-EU orientation of the country.

The capacity of policy dialogue of the EU is weakened by issues in capitalising experience and technical expertise, relative “isolation” of EUDs staff, and quality of services provided by framework contractors:

In order to deal with the huge challenges created following the Ukrainian revolution, the EU has set up a Special Group (SGUA) aiming to coordinate all EU relevant actions and implement the policy guidelines developed and agreed upon at the political level; The mandate of the SGUA is considered to be appropriate for the situation and has so far contributed much to its goal. However it seems that there are internal coordination issues between SGUA, the EUD-Kiev, EEAS and all other EU institutions which are active in Ukraine (like the Court of Auditors, the E. Parliament, the EU Member States, etc.); it seems that the overall process of decision-making is not yet clear; furthermore, it seems that there are multiple interests for most of the EU bodies/authorities mentioned above, regarding the political and policy share, but rather limited interest about the programming and (good/timely) implementation of the EU (mainly ENI) interventions in the country; thus, together with the positive, there are some negative results, including: (i) the confusion of the officials of the main Ministries about who-is-who from the EU and what exactly they represent; (ii) delays in the promotion/ implementation of the programmes, which in turn results to loss of time (this is critical for Ukraine, because there is still enough political and social momentum –opportunity- for changes/ re-structuring) and funds (the Budget Support programme for State Building will lose more than EUR 50 million- out of the total EUR 50 million of the programme).

2.2.3 JC23: ENI programmes enhance sub-regional, regional and European Neighbourhood-wide collaboration as well as cross-border cooperation

Inputs to the information matrix

Sub-regional collaboration:

Ukraine and Georgia have developed strong relations and a good cooperation based on exchange of knowledge, knowhow and good practices about the development of the countries and the implementation of reforms (the flow of information is mainly from Georgia to Ukraine); in this respect many officials from the Ukrainian Ministries are visiting their counterparts of Georgia; there is no specific information about the joint development and implementation of actions/programmes financed by ENI (the SMEs' support programme, promoted by the EBRD just follows the same general lines of support, but not common funding/programming).

Regional programmes:

No relevant information collected.

European-wide collaboration:

TAIEX has been called quite often for support by the Ukrainian Authorities; in 2015 eight calls for TAIEX support have been submitted and are gradually being implemented (e.g. for the development of a new law on Education). Twinning projects have also been implemented like the State Rail Transport Reform Programme aiming to create a new institutional, legal and economic framework for railway management and to improve competition and operational performance while meeting the passengers' needs (2013-2017, EUR 1,8 million). In addition many EU member-states are active in Ukraine, providing financing for the implementation of specific actions/programmes either by their own or under pooling schemes; the most important (in terms of funding amounts) are: Germany followed by Sweden and UK and to a lesser extent France, Czech Republic, Austria, Denmark et al.

Cross-border cooperation:

Three CBC programmes co-financed by ENI and involving Ukraine are active today: one originating from the period in between 2007-2013: Hungary-Slovakia-Romania-Ukraine and two new (with funds of the programming period 2014-2020): Poland-Belarus-Ukraine and Romania-Ukraine.

Validation of DR hypotheses:

The geostrategic tensions are a major impediment for developing regional and sub-regional integration:

Although the ENI-East-area has never been a homogenous region (their only common feature is to have been part of the Soviet Union until 1991) and after the dissolution of the Soviet Union their differences and sometimes even disputes and conflicts (e.g. Nagorno-Karabakh) reappeared. Their “regional integration” seemed necessary due to their shared transport and energy networks and the need for trade cooperation and common treatment of wider issues (international criminality, human rights, etc.). This regional integration has always been impeded by the existing bilateral tensions/ problems as well as by their choice of the geopolitical side they would belong to, i.e. with the Russian Federation or with Europe/ western alliances. ENI and its predecessor programmes succeeded in bringing all the countries to the same table to discuss and accept common projects (e.g. in the transport & energy sector) which did not have any immediate political risks; this has been a major success of the programme; but the vision of a regional or sub-regional integration is far away and it will most probably never fully be successful. Especially in the current period the countries of the region have made political choices which impede their regional integration (even on non-political subjects) since: Armenia and Belarus have joined the Eurasian Economic Community, led by Russia, while Georgia, Ukraine and Moldova have made a pro-European choice and Azerbaijan is trying to develop its own policy based on its oil wealth.

Financial resources and “political weight” of ENI programmes are not sufficient to oppose to mistrust between neighbouring regions:

This has been found true, especially when Ukraine suffered the annexation of the Crimea to Russia and the war with Russia in its eastern regions; this conflict has increased the mistrust of Ukraine (not only for Russia, but also) for the “allies” of Russia, namely Belarus and Armenia. In this tense situation, what ENI can succeed at is to keep alive the cooperation dialogue between its partner countries in times of mistrust and to develop/ implement common beneficial projects as possible.

2.2.4 JC24: ENI mainstreams EU policy priorities

Inputs to the information matrix

The elaboration of the best short-term policies to address the critical situation of Ukraine after the revolution has been the main concern in the period of 2014 until today; recently, with the contribution of all the involved EU & UA competent stakeholders, the process to create a multi-annual strategy paper for Ukraine for the period 2018-2020 has started; it is expected to contribute to the mainstreaming of the EU policies in the country and again put on track a structured approach to ENI implementation, on the basis of a support strategy with specific objectives and content.

Validation of DR hypotheses:

The ‘programming instructions 2014-2020’ document was replaced by ad hoc instructions to adjust to the revised policy framework of the 2015 ENP review⁸:

In the case of Ukraine this issue has been overcome by the difficult conditions created after the revolution: ENPI/ENI long-term programming collapsed and ENI and other EU funding Instruments developed ad hoc programmes (“Special Measures” for ENI) in order to be able to address new/ urgent needs. The 2015 ENP has been practically ignored; the focus has been put to support the new regime in any possible way; ENP priorities were considered only where they were aligned or non-conflicting with the short-term targets of the support to the new State.

The ‘new’ ENP priorities are felt to have a far higher relevance in the present context of the neighbourhood than the ‘priorities’ induced by EU international commitments, with limited demand by partner country:

Within the critical situation of Ukraine, neither the “new” ENI priorities nor the EU International commitments were the policy drivers for the EU action in the country. It has

⁸ Shared with us already by EEAS.

been considered that it is a major crisis which has to be addressed in the best possible way according to the existing capacities of the country. Obviously both the international engagements of the EU and its own policy framework composed the background (and in certain cases the framework, but not the driving policies) for the development of the special measures financed by ENI.

2.3 EQ 3 on efficiency

To what extent is the ENI delivering efficiently?

DR focuses:

Existing flexibility available with ENI are appropriate to challenges faced by partner.

ENI flexibilities have been extensively used by the EC to address the urgent needs in Ukraine: a special measure for a Budget Support (BS) programme for “State rebuilding support” (with a budget of EUR 350 million) was immediately decided, elaborated, approved and beginning to be implemented within less than two months (!); this also required a restructuring of the existing ENPI/ENI programming for the re-direction of the non-spent funds under the stagnated Budget Support programmes of ENPI to the new BS; at the same time more funds were “brought in” by the ENI for the immediate payment of the first (fixed) tranche of EUR 200 million under this BS.

Flexibilities introduced by ENI (special measures, EUTFs) are positively appreciated by partner countries and have not developed counterproductive features:

The Ukrainian Government has certainly appreciated the support of the EU, also being the biggest donor in Ukraine; the clear pro-EU political choice of Ukraine and the huge (financial and policies’ elaboration) needs of the new Government make support provided through the ENI vital for the achievements of the new country objectives; this is not at all an easy task due to the massive change in political and policy questions, the need of a radical restructuring of the economic and administrative frame of the State, the stabilisation of the National economy, the promotion of the rule of law and fight against corruption and the implementation of free, transparent, fair and caring social policies.

The ENI (and other EU financing Instruments’) interventions are not alone in the country; many other donors and international organisations are present trying to assist the new regime; due to the weaknesses of the Government and the Public Administration the coordination of all these interventions is weak, but efforts are being made by the donors (with the EU having a leading role in this) to streamline the programming/ approval of these interventions; so far counterproductive features have not been developed due to the interventions of the EU EFIs.

Progress in addressing the propositions of the working group on accelerating aid delivery:

The ad hoc and urgent character of the ENI interventions after the revolution, were also reflected by the process followed by their identification, approval and implementation; by implementing ad hoc procedures (within the flexibility provided by the EU –and ENI specific-legal framework) the EU succeeded in immediate delivery of its aid, without following the propositions of the working group on accelerating aid delivery; these propositions should be considered in the drafting of the new multi-annual strategy paper 2018-2020.

2.3.1 JC31: ENI management is administratively cost effective

Inputs to the information matrix

ENI management is just a part of the wider frame of management of the EU actions in Ukraine, in the post 2014 period (after the revolution); the wider set-up of the EU is rather complicated and not exhaustively defined in terms of the roles of all involved EU institutions being clear and well organised, even now, after two years of existence. Although the final result of the EU actions in Ukraine is positive and can present a number of success stories (such as the immediate elaboration and implementation of the State building support

programme) this has been done under a “difficult” management structure with no clear hierarchy and decision line.

The creation of the “Support Group” (SGUA) to “*provide a focal point, structure, overview and guidance for the Commission's work to support Ukraine and also help mobilise Member States' expertise and further enhance coordination with other donors and the International Financing Institutions*”, would have been an excellent solution (following the theory of “project management organisation”) if there was no EU Delegation in the country having almost the same de-concentrated mandate; the existence of these two structures created tensions also due to the additional facts that SGUA could not have (as a newly established body) the knowledge of the Ukrainian situation (available in the EUD) and that it was based in Brussels, far from the country.

One would expect that: the relations (who is doing what exactly, how and when) between SGUA and EUD-UA to have been clarified in detail (especially the decision making approach) and for SGUA to be based in Kiev with its members in direct contact with the Government (Ministries and Prime Minister’s office); the situation is more complex due to the generally “difficult” coordination of the EU political/ policy development (under the EEAS - in HQ and EUD) and the policy implementation (in the case of Ukraine: under DG NEAR in HQ and EUD – cooperation section); considering also the interventions of the EC DGs which are competent for other EFIs (than the ENI) or for the development/ coordination of the sectoral policies of the EU (i.e. the “line DGs”), as well as the interventions of the EU member states’ external cooperation agencies, it is not strange that the (inexperienced) new political managers of the country cannot distinguish who is who of the EU officials who are visiting them.

A result of this unclear and non-coordinated internal situation of the EU organisation for Ukraine, under the existing fluid political/ policy framework of the country, is that all involved EU bodies (stakeholders) are interested in politics and policy development and have neglected the implementation of the currently active (ENPI/ENI and other) programmes/ actions and thus big delays have already occurred, which will most likely result in loss of funds (example: the new BS on State building support is foreseen to lose more than EUR 50 million due to delayed implementation).

Validation of DR hypotheses:

The new/revised ENI/CIR/FR have improved cost and time efficiency on the ground (e.g. in EUDs):

Not so important under the fluid case of Ukraine, where there are many more important problems to solve, rather than improving cost and time efficiency of ENI-implementation on the ground; however the opinion of the competent EUD officials about the CIR is positive: the principle of the concentration of rules under one legal document is generally correct and adds to the simplification of contracts’ administration; it is beneficial for both EU officials who are managing many EU funding instruments and the contractors (single rules).

The time consumption in EUDs of controls and administrative reporting still allows sound project management and policy dialogue:

This depends mainly on the period of the year: at the end of each year (and the start of the following) the administrative work is very intense and consumes most of the EUD officials’ time; this is a bad period for project management and policy dialogue.

Internal/external (CoA) audit system contributes to minimize initiatives intending to speed-up aid delivery:

In general the auditing system of the EU is weighs quite heavily (compared to the relevant systems of other international organisations); this does not minimise initiatives but minimises the potential solutions for speeding-up aid delivery; the implementation of the higher valued principles of the EU external aid (as the protection of open and fair competition, the sound financial management, etc) are considered correctly to be more important than the speed of aid delivery; the real challenge is to keep the substance and reduce bureaucracy.

2.3.2 JC32: Budget allocation and execution are efficient, in particular in managing the incentive-based approach and response to crises

Inputs to the information matrix

Even in the case of Ukraine where ENI actions had to be implemented quickly in order to address urgent needs, the way of implementation of the actions remained the same; in practical terms there have not been changes between ENPI and ENI implementation ways. In the case of Ukraine the incentive-based approach is not important: the country has still to promote the decided political and administrative changes soonest possible, which is not easy under the existing circumstances.

Validation of DR hypotheses:

KPIs do not reflect contextual constraints on the ground:

Side notes can complement and balance the accuracy of the information provided by the KPIs.

Incentive of the umbrella programmes is not related to its procedural time-efficiency:

N/A in the case of Ukraine due to the special situation of the country.

Special measures provided the required level of flexibility and time-efficiency:

This is correct especially in cases like Ukraine, where the needs after the revolution could not be accommodated under the existing strategic planning and programming; the fluid situation and time-efficiency reasons promoted the implementation of special measures instead of attempting to modify the strategic approach of the ENI in the country in order to deal with the new needs. This has been a correct decision, with good results in the first years of the ENI implementation; the return to long-term programming with the elaboration of a new multi-annual programme for the period 2018-2020 is also correct, on the assumption that the situation in Ukraine will gradually be stabilised.

2.3.3 JC33: Appropriate monitoring processes and indicators for measurement of the performance of the ENI are in place and functioning.

Inputs to the information matrix

N/A in the case of Ukraine, in the current period; the performance of the ENI under the existing situation of the Ukrainian State cannot be assessed through the existing monitoring processes/ indicators as it is difficult to assess the share of responsibility of the implemented ENI processes for the overall poor performance of the ENI in the country.

Validation of DR hypotheses

The link between progress reports and the allocation of the umbrella programmes is unclear to partner countries:

N/A in the case of Ukraine, in the current period.

The progress reports are subject of reputational competition between partner countries:

N/A in the case of Ukraine, in the current period.

2.4 EQ 4 on added value

To what extent do the ENI programmes add value compared to interventions by Member States or other key donors?

DR focuses:

The perception and understanding of driving factors for EU added value by stakeholders of ENI programmes (authorities, civil society and EU MS):

Ukraine currently remains a special case. The National Authorities and the Civil Society in Ukraine have made the big change and they have turned to the EU, unhooking from Russia; for them the added value of the EU goes much further than the implementation of the ENI programmes/ actions; it covers their national security issues (conflict with Russia), the change of the still widely existing old mentality and approaches, the deepening of democracy

and the rule of law, etc. The EU Member States see the ENI programmes (and their backing policies) as the basis for their additional contribution to the country; for them the added value of the EU is the general political and policy umbrella provided by the EU (as the bigger political and financial player in the country) and the EU efforts for the coordination of the donors in the country.

The communication strategy of EU services in charge of ENI at HQ and country-level with regards to EU added value:

The poor communication and visibility of the EU's added value in all countries (not only in Ukraine) have become a stereotype, but it is also true; it is evident that the competent EU services (DG NEAR, EUD and SGUA) are not performing well and that they have failed to promote the EU's added value, especially to the general public; this is evident also in comparison with other donors' visibility (e.g. of the USAid following the implementation of the action for the improvement of the police in the big cities of Ukraine).

The extent to which indirect management with international organisations (and trust funds managed by IFIs) contributes to EU added value:

The EU's added value for the partner country will become obvious when the outputs and results of the EU interventions will have been produced/ achieved; therefore the goal for the EU should be the proper implementation of useful interventions, so that the results/ outputs are benefiting the partner countries (if possible in a direct/ evident way).

When the competent EU institutions cannot implement their interventions or are not efficient enough doing so, then other effective/ efficient ways should be used for it; there are many already tested modalities all over the world such as: indirect management (by the partner country's administration, or by an EU MS Agency or by an International Organisation/ donor), trust funds (managed by an IFI or other Int'nal Organisation) and Budget Support programmes (BSP). The selection of the most appropriate modality will contribute to an increased EU added value (or not), depending on the degree of successful implementation of the interventions: (in a simplistic way) when the Administration of the partner country is strong, a BSP (or the indirect management by the country's Administration) is a good choice; otherwise the indirect management by a EU MS Agency or by an Int'nal Organisation/ IFI is the proper choice; in cases of urgent requirements of a synthetic nature (i.e. requiring the use of many approaches, methodologies and tools, but also the financial contribution of many donors) a Trust Fund should be used.

Conclusively the type of modality to be used is not by itself good or bad for the EU added value; it is the appropriateness of the modality for the specific intervention that will increase/ decrease the EU added value. Note: there have been problems of visibility for the EU in some cases of interventions financed by the EU and implemented by Int'nal Organisations (through indirect management), because the (major) role of the EU (being the financier of the intervention) has not been promoted; this again is not a problem of the specific modality but of the agreement between the EU and the implementing Int'nal Organisation, concerning the visibility of the project as well as of the wider small capacity of the EC to effectively promote its operations in partner countries.

2.4.1 JC41: ENI offers added value in terms of size of engagement, particular expertise, and/or particular weight in advocacy, where ENI is operating in the same field as other donors

Inputs to the information matrix

See above DR focuses.

Validation of DR hypotheses

The partner countries recognise the importance of ENI programmes beyond their financial value:

Please see response under the first bullet of EQ4.

The expertise provided by DG NEAR at HQ responds to the needs of EUD staff (adequacy to demand, quality and reactivity):

In Ukraine, under the current circumstances, the major part of the needed expertise is provided and used by the SGUA for the support of the partner country Government; the role of the EUD is complementary to the role of the SGUA (although this is not completely clarified).

The strategic intent of the mix of instruments and aid modalities is understood by EU MS and partner countries:

The EU Member States which are active in Ukraine and mainly those which are contributing with a substantial budget (e.g. Germany) do understand the wider context and the details of the EU policies and interventions in the country; the Government of Ukraine seems to have a fragmented view over the whole EU aid-context and its constituents.

The programmes adopted by the Madad Funds respond to the needs of the partner countries and are owned by participating EU MS:

N/A in Ukraine

2.4.2 JC42: ENI programming encourages EU Division of Labour (focus on the EU MS but also with other donors)

Inputs to the information matrix

In the case of Ukraine, where the Government is very weak and the coordination of the donors including the EU member States scattered, there is no multi-annual ENI programming, the division of labour among all these international players in the country is not coordinated and it is based on the relations of the donors with the Ministers.

Validation of DR hypotheses

EU MS are still reluctant about EU-led multiannual framework of division of labour to stay able to seize (economic) opportunities and respond to high level political commitments:

Under the current circumstances in Ukraine, the active EU Member states would very much like to have a multi-annual EU-led framework for the division of labour so that they can act through a more logical and coordinated framework, instead of implementing ad hoc actions (projects) addressing scattered needs.

IFIs follow along the same lines than EU for policy dialogue (joint efforts); however they have far less financial leverage. In addition, their light design and reporting processes (in comparison to those of the EU) prevent them to encourage division of labour in the sense of the aid effectiveness agenda:

Under the current circumstances in Ukraine, where there is limited and ad hoc coordination of the donors interventions; every donor is acting almost by its own: declarations, offers, discussions and negotiations concerning the support which they would like to provide directly to the competent Minister and implement the agreed intervention independently from the other donors...

2.5 EQ 5 on coherence, consistency, complementarity and synergies

To what extent does the ENI facilitate coherence, consistency, complementarity and synergies both internally between its own set of objectives and programmes, vis-à-vis other EFIs, and other donors?

DR focuses

The demonstrated added value of the joint programming process engaged to-date:

There is no joint programming implemented in Ukraine, at least up until now. Since 2014, all actions have been decided on an ad hoc basis independently of any long-term programming.

The consistency of the EUTFs programming documents and actions with the ENP policy framework and with EU priorities (beyond relevance of addressing urgent needs) as well as the complementarity and synergies among them:

N/A in the case of Ukraine

The capacity demonstrated by EU MS in channelling their projects through EUTFs:

N/A in the case of Ukraine.

2.5.1 JC51: ENI programmes are coherent and complementary with one another

Inputs to the information matrix

Validation of DR hypotheses

The too long visa and QSG process is compensating the insufficient specification of the programming instructions:

N/A in Ukraine. The adoption of special measures is quick and not depending on any ENI programming instructions.

The NEAR institutional set-up constitutes an impediment to operative complementarity between bilateral and regional programmes:

Since 2014 the programming of both, the bilateral and the regional programmes, is done on an ad hoc basis; the information about the bilateral programmes which are decided under the SGUA/EUD and the regional which are decided by the competent DG NEAR Unit (in Brussels) is communicated to each other and is being considered during the relevant negotiations with the Government of Ukraine.

2.5.2 JC52: ENI programmes are aligned with the evolving ENP policy and, where relevant, the EU development policy

Inputs to the information matrix

From 2014 (start of the ENI) until now, the identification of the programmes/ actions to be financed by the ENI in Ukraine, were aligned to the need of addressing the urgent requirements of the country and not to the ENP or the development policy of the EU.

Validation of DR hypotheses

The update of the programming instructions after the ENP review is adjusted to the need of coherence- and complementarity-criteria:

N/A for Ukraine until now, since no programming of the ENI interventions was applied; however coherence and complementarity are always promoted by the EU services even in the case of ad hoc actions.

The ENI priorities and approaches are insufficiently specified by sector to encourage consistency within the policy framework (and swift processing):

N/A in the case of Ukraine.

2.5.3 JC53: ENI programmes are consistent with other (than ENP and development policy) EU external action policies (EFIs and EU sectorial policies)

Inputs to the information matrix

EFIs (nominative, not globally):

EIDHR (implementing mainly Human Rights and democracy actions), IcSP (addressing urgent needs, stabilisation and peace building actions) and DCI (focussing on Non-State Actors, Local Authorities, gender equality, and cooperation in the area of migration and asylum) are in parallel to ENI active in Ukraine (addressing practically all sectors, although the Regulation requires concentration on max. three (3) sectors). The degree of consistency and complementarity among the actions/ programmes of all these Instruments (EFIs) is quite high; for example the Civil Society Support programme under the ENI (EUR 10 million) is well coordinated by the EUD with the Civil Society Organisation Programme of DCI, since both programmes are closely related and address common issues as: capacity development (for the CSOs to become monitors, policy advisors and innovators), advocacy, involvement in public issues and humanitarian action for the consequences of war. However, under the current non-coordinated Ukrainian environment, overlaps with projects of other donors cannot be excluded.

Line DGs (nominative, not globally):

No relevant information has been collected from Ukraine; the interesting sectors (and line DGs) include the (mainly, as concluded for the existing/ intended actions/ programmes): energy (DG ENER), transport (DG MOVE), support to the internationally displaced persons sector (DG ECHO- which has in Ukraine a full-time expert).

Validation of DR hypotheses

The share of ENI in the assistance to neighbourhood countries is so high and thematically encompassing that opportunities for complementary arise only with EFIs dedicated to crisis and stabilization:

This is not correct; the demand of all ENI countries is so great that all eligible EFIs can find important measures in need of financing; the challenge lies within in the coordination of the actions of the different EFIs (including ENI) in order for synergies and complementarities to arise and therefore a maximisation of the overall result (benefitting both the partner country and the EU). Specifically, Ukraine's needs are so great that ENI can only cover small parts of its required financing.

The EUTFs (and other financing Facilities) further limit the scope for complementarity with EFIs, since they are by their nature implementing actions covering the policy areas of some critical EFIs for the partner country:

Again the challenge lies within the coordination; the EUTFs (and other financing Facilities) cannot cover the existing needs; all other EFIs can have important complementary actions to finance; it is true that some actions are more attractive as they are easier to implement, easier to communicate to the beneficiary people and politically more important than others and this can create some kind of competition among the donors/ EFIs/ actors; but the substance lies at the achieved results and their real usefulness. Sometimes the "competition" of the EFIs results from personal pursuits and not from the real restrictions of the eligibility criteria used by the EFIs.

The extent and diversity of the needs in the Neighbourhood in the recent years tend to hide overlaps between ENI and other EFIs:

It could contrarily be said that the wide extent and diversity of the existing needs in the Neighbourhood is providing a chance to the interested EFIs and the ENI to develop and finance programmes and actions that are not overlapping; for example IcSP will fund a project with EUR 35 million for the upgrade of 25 police stations (which then can be extended to cover all other police station of the country).

2.5.4 JC54: ENI programmes complement and stimulate synergies with the other external action financing instruments

Inputs to the information matrix

In countries with a great need for support in almost all sectors and subjects (as it is the case in Ukraine) a multi-annual, well-structured ENI Support Framework would provide the necessary vehicle to achieve the complementarity and synergy aimed to develop with other EFIs; however Ukraine, under the current circumstances and through the lack of such framework about the complementarity and synergies of the ENI with the other EFIs could be done only at the level of ad hoc sectoral analyses and specific requests for support by the partner country. The example of the ENI and DCI programmes for the Civil Society in Ukraine (mentioned above under the first bullet of JC53) is one such case.

Validation of DR hypotheses

2.5.5 JC55: ENI programmes complement and stimulate synergies with interventions of EU MS and other donors

Inputs to the information matrix

EU MS:

Germany is the biggest donor among the EU Member States in Ukraine; it has a financial envelope of EUR 325 million for the period of 2014-2016, targeting the main following priorities: energy efficiency, sustainable economic development (focusing on SMEs), good governance (focusing on de-centralisation) and support to the internationally displaced persons; these subjects are targeted also by ENI either through its approved special measures for the: re-launch of the economy (“EU for Business”) and anti-corruption, or in its future special measures (which are still being elaborated) for energy efficiency and humanitarian assistance to the Eastern provinces of the countries; the actions of the two donors (ENI and Germany) are under scrutiny for the accomplishment of further complementarity and synergies between them.

IFIS:

One of the active IFIs in Ukraine is EBRD, which has a close cooperation with the EUD-UA and coordinates its actions with the other main players in Ukraine, namely: the World Bank Group, IMF, USAid and the German GIZ. EBRD is active in two partnership programmes with the EU (ENI): (i) the “EU for business” 4-years’ programme, providing capacity building to SMEs and the installation of 50 business centres in the country; and (ii) the “Reform support initiative” a multi-donor fund (EU, Canada, EBRD), to support a number of Ministries by hiring 100-105 well paid employees for 2 years, and to set up a strategic advisory group for the support of the Prime Minister.

Other donors:

No other donors were met in Ukraine; the EUD is considering to use the United Nations office for project services (UNOPS) for the implementation (through an indirect management modality) of the EUR 35 million project for Police scaling (upgrading) (firstly of 25 police stations and then extension to all the other Police stations in the whole country).

Validation of DR hypotheses

EU MS are increasingly involved in joint programming and find ways to accommodate their own constraints vis-à-vis their respective HQ:

Joint programming is not existent for the case of Ukraine; the EU MS with a big financial envelop for the country (like Germany) have developed their own programming and act almost independently in the frame of the existing loose donors’ coordination.

Other donors still find it difficult to adjust their programming procedures to the aid effectiveness agenda:

Due to the lack of donors’ coordination by the State (the role is typically with the Ministry of Economy and Development, which does not have to capacity to do it), the EUD attempted to coordinate the donors but failed due to lack of proper staff and the understanding of the donors’ aspirations; however the donors meet every two weeks and try to streamline their coordination (so far not yet successfully); the result of this situation is that practically every donor is acting and promoting its interests and projects on its own; it should be noted that most of the donors (except Japan) have their own agendas for support and are trying to promote and implement projects which are oftentimes not corresponding with the needs and intention of the National Authorities (“take it as it is or leave it”); thus there is the emerging situation of huge funds being channelled into the countries by several donors, without the nation being able to use them in a way that would maximise the effects in the various policy areas/sectors; this creates an image of a certain over-engagement in the country, bringing only minimal results.

2.6 EQ 6 on leverage

To what extent has the ENI leveraged further funds and/or political or policy engagement?

DR Focuses

Partner country’s assessment of the incentive approach:

The incentive approach is not applicable in the case of Ukraine.

EU's leverage capacity on the ground (by EUDs):

As mentioned before: EUD-UA is NOT the main player for the side of the EU: the SGUA is the body responsible for the overall support to be provided to the country by the EU; on the other hand the RUD has presented a weakness to firmly coordinate the donors' activity in the country (either alone or in cooperation with/ support of the competent Ministry; thus leverage by the EU is weak; on the other hand there are so many donors active ("alone") in the country, that such leverage is not possible/ relevant.)

2.6.1 JC 61: Under ENI interventions, the EU makes strategic use of policy and political dialogue to leverage political and policy engagement/reforms in the partner countries and implementation by the partners of jointly agreed objectives

Inputs to the information matrix

Due to the situation of the country, the EU policy and political dialogue is actually not only serving the identification of the required reforms (in all policy areas/ sectors), but also the determination of the best approach and practical ways of their implementation by an understaffed and weak Public Administration and Government; the ENI funds are used to implement interventions that can address as many problems as possible in an organised way.

Validation of DR hypotheses

Policy and political dialogue has been a driving factor behind recent reforms in countries relatively unscathed by the region's major crises:

N/A for Ukraine which is under a major crisis.

The social and political costs of reforms might not be properly measured by the EU in its political/policy dialogue with partner countries, given the instability of the regional context:

N/A in Ukraine the context is different: there is a huge pressure from the Civil Society of the country to make progress on major reforms (the "Maidan legacy" which is still very strong); therefore it is not the EU policies and political positions of the EU (in the frame of the discussions for the programming of the ENI funds) which "imposes" reforms.

2.6.2 JC 62 - The incentive-based approach within the ENI (umbrella funding, indicative financial allocations expressed in 20% ranges) leverages political and policy engagement/reforms in partner countries, as well as the implementation of jointly agreed objectives by partners.

Inputs to the information matrix

Umbrella programmes:

N/A in the case of Ukraine.

Ranges:

They exist as a general measure of flexibility which is very good for Ukraine due to the fluidity of the situation.

Validation of DR hypotheses:

The rewarding scheme is not financially attractive (volume):

N/A in the case of Ukraine.

The lack of competitors for the umbrella programmes in medium term further reduces the incentive, i.e. the tool was devised at a time where several countries were making progress:

N/A in the case of Ukraine.

The incentive tools available to ENI are in fact limited to the umbrella programmes eg ranges are not used as incentives:

N/A in the case of Ukraine.

2.6.3 JC 63 - ENI co-operation leverages additional resources – from other Union’s instruments, partner countries, other donors, diaspora remittances, private sector.

Inputs to the information matrix

Following the revolution of 2014 and the change of the regime in Ukraine, there has been a huge flow of funds from many international organisations and IFIs, the EU among them, to support the new regime to survive; therefore the ENI had little chances to leverage additional funds; however through the ENI programmes there have been cases of pooling of funds, including both grants and loans (example: the “Reform Support Initiative” which is co-financed by ENI and the Canadian Government (grant) and the EBRD (loan).

Validation of DR hypotheses

The leverage of additional resources is limited compared to ENI resources and considering the cost of inputs needed to be engaged by NEAR/EUDs for creating it:

The EU is the bigger donor in the country; in its programmes which are co-funded also by other donors, the major part of the financing sources from the EU Instruments (EFIs). Pooling schemes are, up to now, not very often due to the low level coordination of the donors and the “independent” actions by the Ministries.

EUTFs are too recent to have convinced more than some key EU MS but prospects are improving; comparative advantages of EUTFs start to be known among EU MS:

There is no EU Trust Fund active in Ukraine.

2 Annex 2: Answers to CIR specific questions

Identify the main differences (limited to the topics in item 2 below) in the rules for ENPI/ENI between the implementing rules 2007-2013 and the CIR

Untying of EU assistance under ENI (articles 8 to 11):

ENPI 2007-2013	ENI 2014-2020	CIR regulation (EU) No 236/2014
<p>Article 21: Participation in tenders and contracts</p> <p>1. Participation in the award of procurement or grant contracts financed under this Regulation shall be open to all natural persons who are nationals of, and legal persons established in, a Member State of the Community, a country that is a beneficiary of this Regulation, a country that is a beneficiary of an Instrument for Pre-Accession Assistance set up by Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA) (4) or a Member State of the EEA.</p> <p>2. The Commission may, in duly substantiated cases, authorise the participation of natural persons who are nationals of, and legal persons established in, a country having traditional economic, trade or geographical links with neighbouring countries, and the use of supplies and materials of different origin.</p> <p>3. Participation in the award of procurement or grant contracts financed under this Regulation shall also be open to all natural persons who are nationals of, or legal persons established in, any country other than those referred to in paragraph 1, whenever reciprocal access to their external assistance has been established.</p> <p>Reciprocal access shall be granted whenever a country grants eligibility on equal terms to the Member States and to the recipient country concerned.</p>	<p>Article 1: General objective and scope</p> <p>1. This Regulation establishes a European Neighbourhood Instrument (ENI) with a view to advancing further towards an area of shared prosperity and good neighbourliness involving the Union and the countries and territories listed in Annex I ('the partner countries') by developing a special relationship founded on cooperation, peace and security, mutual accountability and a shared commitment to the universal values of democracy, the rule of law and respect for human rights in accordance with the TEU.</p> <p>2. Union support under this Regulation shall be used for the benefit of partner countries and the areas involved in cross-border cooperation. It can also be used for the common benefit of the Union and partner countries.</p> <p>3. Union support under this Regulation may also be used for the purpose of enabling the Russian Federation to participate in cross-border cooperation, in regional cooperation with Union participation and in relevant multi-country programmes, including in cooperation on education, in particular student exchanges.</p> <p>Article 16: Participation by a third country not covered by Article 1</p> <p>1. In duly justified circumstances and in order to ensure the coherence and effectiveness of Union financing or to foster regional or trans-regional co-</p>	<p>Article 8: Common rules</p> <p>Participation in the award of procurement contracts and in grant and other award procedures for actions financed under this Regulation for the benefit of third parties shall be open to all natural persons who are nationals of, and legal persons which are effectively established in, an eligible country as defined for the applicable Instrument under this Title, and to international organisations.</p> <p>Legal persons may include civil society organisations, such as non-governmental non-profit organisations and independent political foundations, community-based organisations and private-sector non-profit agencies, institutions and organisations and networks thereof at local, national, regional and international level.</p> <p>(...)</p> <p>In the case of actions of a global, regional or cross-border nature financed by one of the Instruments, the countries, territories and regions covered by the action may be considered eligible for the purpose of that action.</p> <p>All supplies purchased under a procurement contract, or in accordance with a grant agreement, financed under this Regulation shall originate from an eligible country. However, they may originate from any country when the amount of the supplies to be purchased is below the threshold for the use of the competitive negotiated procedure. For the</p>

<i>ENPI 2007-2013</i>	<i>ENI 2014-2020</i>	<i>CIR regulation (EU) No 236/2014</i>
<p>Reciprocal access to the Community's external assistance shall be established by means of a specific decision concerning a given country or a given regional group of countries. Such a decision shall be adopted by the Commission in accordance with the procedure referred to in Article 26(2) and shall be in force for a minimum period of one year.</p> <p>The granting of reciprocal access to the Community's external assistance shall be based on a comparison between the Community and other donors and shall proceed at sectoral or entire country level, whether it be a donor or a recipient country.</p> <p>The decision to grant this reciprocity to a donor country shall be based on the transparency, consistency and proportionality of the aid provided by that donor, including its qualitative and quantitative nature. The beneficiary countries shall be consulted in the process described in this paragraph.</p> <p>4. Participation in the award of procurement or grant contracts financed under this Regulation shall be open to international organisations.</p> <p>5. Experts proposed in the context of procedures for the award of contracts need not comply with the nationality rules set out above.</p> <p>6. All supplies and materials purchased under contracts financed under this Regulation shall originate in the Community or a country eligible under this Article. The term 'origin' for the purpose of this Regulation is defined in the relevant Community legislation on rules of origin for customs purposes.</p> <p>7. The Commission may, in duly substantiated exceptional cases, authorise the participation of natural persons who are nationals of, and legal persons established in, countries other than those referred</p>	<p>operation, the Commission may decide, on a case-by-case basis, to extend the eligibility of specific actions in accordance with Article 2 of Regulation (EU) No 236/2014 to countries, territories and areas which would not otherwise be eligible for financing. Notwithstanding Article 8(1) of Regulation (EU) No 236/2014, natural and legal persons from countries, territories and areas concerned may participate in the procedures implementing such actions.</p> <p>2. Provision may be made in the programming documents referred to in Article 7 for the possibilities referred to in paragraph 1 of this Article.</p>	<p>purposes of this Regulation, the term 'origin' is defined in Article 23 and 24 of Council Regulation (EEC) No 2913/92 (1) and other legislative acts of the Union governing non-preferential origin.</p> <p>The rules under this Title do not apply to, and do not create nationality restrictions for, natural persons employed or otherwise legally contracted by an eligible contractor or, where applicable, subcontractor.</p> <p>In order to promote local capacities, markets and purchases, priority shall be given to local and regional contract.</p> <p>Eligibility as set out in this Title, may be restricted with regard to the nationality, geographical location or nature of applicants, where such restrictions are required on account of the specific nature and the objectives of the action and where they are necessary for its effective implementation. Such restrictions may apply in particular to participation in award procedures in the case of cross-border cooperation actions.</p> <p>Natural and legal persons who have been awarded contracts shall comply with applicable environmental legislation including multilateral environmental agreements, as well as internationally agreed core labour standards (2).</p> <p>Article 9: Eligibility under the DCI, the ENI and the Partnership Instrument for cooperation with third countries</p> <p>Tenderers, applicants and candidates from the following countries shall be eligible for funding under the DCI, the ENI and the Partnership Instrument for cooperation with third countries:</p> <p>(a) Member States, beneficiaries listed in Annex I to Regulation (EU) No 231/2014, and contracting</p>

ENPI 2007-2013	ENI 2014-2020	CIR regulation (EU) No 236/2014
<p>to in paragraphs 1, 2 and 3, or the purchase of supplies and materials of different origin from that set out in paragraph 6. Derogations may be justified on the basis of the unavailability of products and services in the markets of the countries concerned, for reasons of extreme urgency, or if the eligibility rules were to make the realisation of a project, a programme or an action impossible or exceedingly difficult.</p> <p>8. Whenever Community funding covers an operation implemented through an international organisation, participation in the appropriate contractual procedures shall be open to all natural or legal persons who are eligible pursuant to paragraphs 1, 2 and 3 as well as to all natural or legal persons who are eligible pursuant to the rules of that organisation, care being taken to ensure that equal treatment is afforded to all donors. The same rules shall apply in respect of supplies, materials and experts.</p> <p>Whenever Community funding covers an operation co-financed with a Member State, with a third country, subject to reciprocity as defined in paragraph 3, or with a regional organisation, participation in the appropriate contractual procedures shall be open to all natural or legal persons who are eligible pursuant to paragraphs 1, 2 and 3 as well as to all natural or legal persons who are eligible under the rules of such Member State, third country or regional organisation. The same rules shall apply in respect of supplies, materials and experts.</p> <p>9. Where Community assistance under this Regulation is managed by a joint managing authority, as referred to in Article 10, the procurement rules shall be those laid down in the implementing rules referred to in Article 11.</p>		<p>parties to the Agreement on the European Economic Area;</p> <p>(b) for the ENI, partner countries covered by the ENI and the Russian Federation when the relevant procedure takes place in the context of the multi-country and cross-border cooperation programmes in which they participate;</p> <p>developing countries and territories, as included in the list of ODA recipients published by the OECD-DAC ('list of ODA recipients'), which are not members of the G-20 group, and overseas countries and territories covered by Council Decision 2001/822/EC (3);</p> <p>(d) developing countries, as included in the list of ODA recipients, which are members of the G-20 group, and other countries and territories, when they are beneficiaries of the action financed by the Union under the Instruments covered by this Article;</p> <p>Countries for which reciprocal access to external assistance is established by the Commission. Reciprocal access may be granted, for a limited period of at least one year, whenever a country grants eligibility on equal terms to entities from the Union and from countries eligible under the Instruments covered by this Article. The Commission shall decide on the reciprocal access and on its duration in accordance with the advisory procedure referred to in Article 16(2), and after consultation of the recipient country or countries concerned; and member countries of the OECD, in the case of contracts implemented in a Least Developed Country or a Highly Indebted Poor Country, as included in the list of ODA recipients.</p> <p>Tenderers, applicants and candidates from non-eligible countries or supplies from a non-eligible</p>

<i>ENPI 2007-2013</i>	<i>ENI 2014-2020</i>	<i>CIR regulation (EU) No 236/2014</i>
<p>10. Tenderers who have been awarded contracts under this Regulation shall respect core labour standards as defined in the relevant International Labour Organisation conventions.</p> <p>11. Paragraphs 1 to 10 shall be without prejudice to the participation of categories of eligible organisations by nature or by localisation in regard to the objectives of the action.</p>		<p>origin may be accepted as eligible by the Commission in the case of: countries having traditional economic, trade or geographical links with neighbouring beneficiary countries; or urgency or the unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of a project, programme or action impossible or exceedingly difficult.</p> <p>For actions implemented in shared management, the relevant Member State to which the Commission has delegated implementation tasks shall be entitled to accept as eligible, on behalf of the Commission, tenderers, applicants and candidates from non-eligible countries as referred to in paragraph 2 of this Article, or goods from a non-eligible origin as referred to in Article 8(4).</p>

Use of indirect management (article 8):

<i>ENPI 2007-2013</i>	<i>ENI 2014-2020</i>	<i>CIR regulation (EU) No 236/2014</i>
Not mentioned	Not mentioned	<p>Article 8: In the case of actions jointly co-financed with a partner or other donor or implemented through a Member State in shared management, or through a trust fund established by the Commission, countries which are eligible under the rules of that partner, other donor or Member State or determined in the constitutive act of the trust fund shall also be eligible.</p> <p>In the case of actions implemented through one of the entrusted bodies in indirect management within a category listed in points (c)(ii) to (c)(viii) of Article 58 (1) of Regulation (EU, Euratom) No 966/2012, countries which are eligible under the rules of the body concerned shall also be eligible.</p>

EFIs specific rules for indirect management (in addition to FRs) are indicated in CIR only. They define which countries are eligible in case of actions jointly co-financed and EUTFs.

Use of country system (article 1(5)):

ENPI 2007-2013	ENI 2014-2020	CIR regulation (EU) No 236/2014
<p>Article 9 (4): Joint operational programmes shall be established by the Member States and partner countries concerned at the appropriate territorial level, in accordance with their institutional system and taking into account the principle of partnership referred to in Article 4. They shall normally cover a period of seven years running from 1 January 2007 to 31 December 2013.</p>	<p>Article 4 (1): Union support under this Regulation provided to each partner country in accordance with point (a) of Article 6(1) shall be incentive-based and differentiated in form and amounts, taking into account all the elements listed below, reflecting the partner country's:</p> <ul style="list-style-type: none"> (a) needs, using indicators such as population and level of development; (b) commitment to and progress in implementing mutually agreed political, economic and social reform objectives; (c) commitment to and progress in building deep and sustainable democracy; (d) partnership with the Union, including the level of ambition for that partnership; (e) absorption capacity and the potential impact of Union support under this Regulation. <p>Such support shall be reflected in the multi-annual programming documents referred to in Article 7.</p>	<p>Article 1 (5): Taking into account paragraph 4, in applying this Regulation, the Commission shall favour the use of partner countries' systems when possible and appropriate in light of the nature of the action.</p>

ENPI, ENI and CIR push for the use of country systems in a similar way, which stands as a key principle for all EFIs.

Involvement of stakeholders (articles 4(11) and 15):

ENPI 2007-2013	ENI 2014-2020	CIR regulation (EU) No 236/2014
<p>Article 4 (2): Community assistance under this Regulation shall normally be established in partnership between the Commission and the beneficiaries. The partnership shall involve, as appropriate, national, regional and local authorities, economic and social partners, civil society and other relevant bodies.</p>	<p>Article 4 (5): Union support under this Regulation shall, in principle, be established in partnership with the beneficiaries. That partnership shall involve, as appropriate, the following stakeholders in the preparation, implementation and monitoring Union support:</p>	<p>Article 4 (11): When working with stakeholders of beneficiary countries, the Commission shall take into account their specificities, including needs and context, when defining the modalities of financing, the type of contribution, the award modalities and the administrative provisions for the management of grants, with a view to reaching and best re-</p>

<i>ENPI 2007-2013</i>	<i>ENI 2014-2020</i>	<i>CIR regulation (EU) No 236/2014</i>
	<p>(a) national and local authorities; and (b) civil society organisations, including through consultation and timely access to relevant information allowing them to play a meaningful role in that process.</p> <p>Article 4 (6): Union support under this Regulation shall, in principle, be co-financed by the partner countries and other participating countries through public funds, contributions from the beneficiaries or other sources. Co-financing requirements may be waived in duly justified cases and where necessary in order to support the development of civil society and non-state actors, especially small-scale civil society organisations, without prejudice to compliance with the other conditions set out in Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council.</p>	<p>sponding to the widest possible range of such stakeholders. Specific modalities shall be encouraged in accordance with Regulation (EU, Euratom) No 966/2012, such as partnership agreements, authorisations of subgranting, direct award or eligibility-restricted calls for proposals or lump sums.</p> <p>Article 15: Involvement of stakeholders of beneficiary countries The Commission shall, whenever possible and appropriate, ensure that, in the implementation process, relevant stakeholders of beneficiary countries, including civil society organisations and local authorities, are or have been duly consulted and have timely access to relevant information allowing them to play a meaningful role in that process.</p>

Local contractors (article 8(6)):

<i>ENPI 2007-2013</i>	<i>ENI 2014-2020</i>	<i>CIR regulation (EU) No 236/2014</i>
Not mentioned	Not mentioned	<p>Article 8 (6): In order to promote local capacities, markets and purchases, priority shall be given to local and regional contractors when Regulation (EU, Euratom) No 966/2012 provides for an award on the basis of a single tender. In all other cases, participation of local and regional contractors shall be promoted in accordance with the relevant provisions of that Regulation.</p>

The promotion of local capacity is introduced specifically by the CIR.

Climate change and environment mainstreaming (articles 2(6) and 14):

<i>ENPI 2007-2013</i>	<i>ENI 2014-2020</i>	<i>CIR regulation (EU) No 236/2014</i>
<p>Article 2 (2): Community assistance shall be used to support measures within the following areas of</p>	<p>Article 2 (2): Union support under this Regulation shall target in particular:</p>	<p>Article 2 (6): Appropriate environmental screening, including for climate change and biodiversity</p>

ENPI 2007-2013	ENI 2014-2020	CIR regulation (EU) No 236/2014
<p>cooperation: [...] (g) promoting environmental protection, nature conservation and sustainable management of natural resources including fresh water and marine resources; [...].</p>	<p>[...] (d) supporting smart, sustainable and inclusive development in all aspects; reducing poverty, including through private sector development, and reducing social exclusion; promoting capacity-building in science, education and in particular higher education, technology, research and innovation; promoting internal economic, social and territorial cohesion; fostering rural development; promoting public health; and supporting environmental protection, climate action and disaster resilience; [...].</p>	<p>impacts, shall be undertaken at project level, in accordance with the applicable legislative acts of the Union, including Directive 2011/92/EU of the European Parliament and of the Council (1) and Council Directive 85/337/EEC (2), comprising, where applicable, an environmental impact assessment (EIA) for environmentally sensitive projects, in particular for major new infrastructure. Where relevant, strategic environmental assessments shall be used in the implementation of sectoral programmes. The involvement of interested stakeholders in environmental assessments and public access to the results of such assessments shall be ensured.</p> <p>Article 14: Climate action and biodiversity expenditure</p> <p>An annual estimate of the overall spending related to climate action and biodiversity shall be made on the basis of the indicative programming documents adopted. The funding allocated in the context of the Instruments shall be subject to an annual tracking system based on the OECD methodology ('Rio markers'), without excluding the use of more precise methodologies where these are available, integrated into the existing methodology for performance management of Union programmes, to quantify the expenditure related to climate action and biodiversity at the level of the action programmes and the individual and special measures referred to in Article 2(1), and recorded within evaluations and the annual report.</p>

While ENI regulation widens the initial scope of ENPI ("*promoting environmental protection, nature conservation and sustainable management of natural resources including fresh water and marine re-sources*") by introducing climate action, CIR provides more detailed instructions by i) reminding the Directives related to environmental impact assessments, ii) requesting for a strategic environmental assessment for sector programmes, and iii) quantification of expenditures related to climate action and biodiversity in line with Rio markers.

Promoting human rights and fundamental freedoms (articles 1(6) and 4(2), 3rd paragraph):

ENPI 2007-2013	ENI 2014-2020	CIR regulation (EU) No 236/2014
<p>Article 1 (3): The European Union is founded on the values of liberty, democracy, respect for human rights and fundamental freedoms and the rule of law and seeks to promote commitment to these values in partner countries through dialogue and cooperation.</p> <p>Article 2 (2): Community assistance shall be used to support measures within the following areas of cooperation:</p> <p>[...]</p> <p>k) promoting and protecting human rights and fundamental freedoms, including women's rights and children's rights;</p> <p>l); supporting democratisation, inter alia, by enhancing the role of civil society organisations and promoting media pluralism, as well as through electoral observation and assistance;</p> <p>[...].</p>	<p>Article 1 (4): The Union promotes, develops and consolidates the values of liberty, democracy, the universality and indivisibility of, and respect for, human rights and fundamental freedoms, and the principles of equality and the rule of law, on which it is founded, through dialogue and cooperation with third countries and in compliance with principles of international law. Accordingly, funding under this Regulation shall comply with those values and principles, as well as with the Union's commitments under international law, taking into account relevant Union policies and positions.</p> <p>Article 2 (2): Union support under this Regulation shall target in particular:</p> <p>[...]</p> <p>(a) promoting human rights and fundamental freedoms, the rule of law, principles of equality and the fight against discrimination in all its forms, establishing deep and sustainable democracy, promoting good governance, fighting corruption, strengthening institutional capacity at all levels and developing a thriving civil society including social partners;</p>	<p>Article 1 (6): The Union shall seek to promote, develop and consolidate the principles of democracy, the rule of law and respect for human rights and fundamental freedoms on which it is founded, on the basis of, where appropriate, dialogue and cooperation with partner countries and regions. The Union shall integrate those principles in the implementation of the Instruments.</p> <p>Article 4 (2): One of the key determinants of that decision shall be an assessment of the commitment, record and progress of partner countries with regard to democracy, human rights and the rule of law. The general or sector budget support shall be differentiated in such a way as to respond better to the political, economic and social context of the partner country, taking into account situations of fragility.</p>

ENI regulation introduces a more articulated approach to EU values and widens its scope to the fight against all discrimination and corruption, as well as to strengthening of institutional capacity at all levels and developing civil society. CIR emphasizes the assessment of the commitment, record and progress of partner countries. They also push for an approach to budget support differentiated according to the contexts, and in particular situations of fragility.

Use of innovative financial instruments (articles 4(1)(e) and 4(3)):

ENPI 2007-2013	ENI 2014-2020	CIR regulation (EU) No 236/2014
<p>Article 15 (2): Community assistance may also be used:</p> <ul style="list-style-type: none"> a) to finance technical assistance and targeted administrative measures, including those cooperation measures involving public-sector experts dispatched from the Member States and their regional and local authorities involved in the programme; (b) to finance investments and investment-related activities; (c) for contributions to the EIB or other financial intermediaries, in accordance with Article 23, for loan financing, equity investments, guarantee funds or investment funds; (d) for debt relief programmes in exceptional cases, under an internationally agreed debt relief programme; (e) for sectoral or general budget support if the partner country's management of public spending is sufficiently transparent, reliable and effective, and where it has put in place properly formulated sectoral or macroeconomic policies approved by its principal donors, including, where relevant, the international financial institutions; (f) to provide interest-rate subsidies, in particular for environmental loans; (g) to provide insurance against non-commercial risks; (h) to contribute to a fund established by the Community, its Member States, international and regional organisations, other donors or partner countries; (i) to contribute to the capital of international financial institutions or the regional development banks; 	<p>Opening statement 18: The Commission should seek the most efficient use of available resources by using financial instruments with leverage effect. Such effect could be increased by enabling funds invested and generated by financial instruments to be used and re-used.</p>	<p>Article 4 (1): The Union's financial assistance may be provided through the types of financing envisaged by Regulation (EU, Euratom) No 966/2012, and in particular:</p> <p>(...)</p> <p>4(1-e) financial instruments such as loans, guarantees, equity or quasi-equity, investments or participations, and risk-sharing instruments, whenever possible under the lead of the EIB in line with its external mandate under Decision No 1080/2011/EU, a multilateral European financial institution, such as the European Bank for Reconstruction and Development, or a bilateral European financial institution, e.g. bilateral development banks, possibly pooled with additional grants from other sources.</p> <p>Article 4 (3): Any entity entrusted with the implementation of the financial instruments as referred to in point (e) of paragraph 1 shall fulfil the requirements of Regulation (EU, Euratom) No 966/2012 and comply with Union objectives, standards and policies, as well as best practices regarding the use of and reporting on Union funds.</p> <p>Those financial instruments may be grouped into facilities for implementation and reporting purposes.</p> <p>The Union's financial assistance may also be provided, in accordance with Regulation (EU, Euratom) No 966/2012, through contributions to international, regional or national funds, such as those established or managed by the EIB, by Member States, by partner countries and regions or by international organisations, with a view to attracting joint financing from a number of donors, or to</p>

<p>(j) to finance the costs necessary for the effective administration and supervision of projects and programmes by the countries benefiting from Community assistance;</p> <p>(k) to finance microprojects;</p> <p>(l) for food security measures</p>		funds set up by one or more donors for the purpose of the joint implementation of projects.
---	--	---

ENI regulation introduces the financial leverage and the use and re-use of funds. The CIR further develop co-financing through EIB in line with its external mandate.

Cofinancing and more coordinated methods of working (article 4(9)):

ENPI 2007-2013	ENI 2014-2020	CIR regulation (EU) No 236/2014
<p>Article 17: Co-financing</p> <p>1. Measures financed under this Regulation shall be eligible for cofinancing from the following, inter alia:</p> <p>(a) Member States, their regional and local authorities and their public and parastatal agencies;</p> <p>(b) EEA countries, Switzerland and other donor countries, and in particular their public and parastatal agencies;</p> <p>(c) international organisations, including regional organisations, and in particular international and regional financial institutions;</p> <p>(d) companies, firms, other private organisations and businesses, and other non-state actors;</p> <p>(e) partner countries and regions in receipt of funding.</p> <p>2. In the case of parallel cofinancing, the project or programme is split into a number of clearly identifiable sub-projects which are each financed by the different partners providing cofinancing in such a way that the end-use of the financing can always be identified. In the case of joint cofinancing, the total cost of the project or programme is shared between the partners providing the cofinancing,</p>	<p>Article 4 (6): Union support under this Regulation shall, in principle, be co-financed by the partner countries and other participating countries through public funds, contributions from the beneficiaries or other sources. Co-financing requirements may be waived in duly justified cases and where necessary in order to support the development of civil society and non-state actors, especially small-scale civil society organisations, without prejudice to compliance with the other conditions set out in Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council.</p> <p>Article 5: Coherence and donor coordination</p> <p>1. In the implementation of this Regulation, coherence shall be ensured with all areas of the Union's external action as well as other relevant Union policies. To that end, measures financed under this Regulation, including those managed by the European Investment Bank (EIB), shall be based on the cooperation policy documents referred to in Article 3(1) and (2) as well as on the Union's specific interests, policy priorities and strategies. Such measures shall respect the commitments under multilateral agreements and international conventions to which the Union and partner countries are</p>	<p>Article 4 (9): Actions financed under the Instruments may be implemented by means of parallel or joint co-financing.</p> <p>In the case of parallel co-financing, an action is split into a number of clearly identifiable components which are each financed by the different partners providing co-financing in such a way that the end-use of the financing can always be identified.</p> <p>In the case of joint co-financing, the total cost of an action is shared between the partners providing the co-financing and the resources are pooled in such a way that it is no longer possible to identify the source of financing for any given activity undertaken as part of the action. In such a case, ex-post publicity of grant and procurement contracts as provided for by Article 35 of Regulation (EU, Euratom) No 966/2012 shall comply with the rules, if any, governing the entrusted entity.</p> <p>Article 8: In the case of actions financed by one of the Instruments and, in addition, by another Union instrument for external action, including the European Development Fund, the countries identified under any of those instruments shall be considered eligible for the purpose of those actions.</p>

<i>ENPI 2007-2013</i>	<i>ENI 2014-2020</i>	<i>CIR regulation (EU) No 236/2014</i>
<p>and resources are pooled in such a way that it is not possible to identify the source of funding for any given activity undertaken as part of the project or programme.</p> <p>3. In the case of joint cofinancing, the Commission may receive and manage funds on behalf of the bodies referred to in paragraph 1(a), (b) and (c) for the purpose of implementing joint measures. Such funds shall be treated as assigned revenue, in accordance with Article 18 of Regulation (EC, Euratom) No 1605/2002.</p>	<p>parties.</p> <p>2. The Union, the Member States and the EIB shall ensure coherence between support provided under this Regulation and other support provided by the Union, the Member States and European financial institutions.</p> <p>3. The Union and the Member States shall coordinate their respective support programmes with the aim of increasing effectiveness and efficiency in the delivery of support and policy dialogue and preventing overlapping of funding, in line with the established principles for strengthening operational coordination in the field of external support and for harmonising policies and procedures. Coordination shall involve regular consultations and frequent exchanges of relevant information during the different phases of the support cycle, in particular at field level. Joint programming shall be implemented whenever possible and relevant. When this cannot be achieved, other arrangements, such as delegated cooperation and transfer arrangements, shall be considered with a view to ensuring the highest degree of coordination.</p> <p>The Commission shall report on joint programming with Member States within the report referred to in Article 17 of Regulation (EU) No 236/2014, and shall include recommendations in cases where joint programming was not fully achieved.</p> <p>4. The Union, in liaison with the Member States, shall take the necessary steps, including consultations at an early stage of the programming process, to ensure complementarity, proper coordination and cooperation with multilateral and regional organisations and entities, including European financial institutions, international financial institutions, United Nations agencies, funds and pro-</p>	

<i>ENPI 2007-2013</i>	<i>ENI 2014-2020</i>	<i>CIR regulation (EU) No 236/2014</i>
	grammes, private and political foundations and non-Union donors. 5. The documents referred to in Article 7(2) and (3) shall also, to the extent possible, refer to the activities of other Union donors.	

EU visibility both in direct and indirect management (article 4(5)):

<i>ENPI 2007-2013 (general) regulation</i>	<i>ENI regulation 2014-2020</i>	<i>CIR regulation (EU) No 236/2014</i>
Article 11 (2): Matters covered by the implementing rules shall include issues such as the rate of co-financing, preparation of joint operational programmes, the designation and functions of the joint authorities, the role and function of the monitoring and selection committees and of the joint secretariat, eligibility of expenditure, joint project selection, the preparatory phase, technical and financial management of Community assistance, financial control and audit, monitoring and evaluation, visibility and information activities for potential beneficiaries.	Article 12 (2): Matters covered by the implementing rules shall include detailed provisions on, inter alia: [...] (f) visibility and information activities; [...].	Article 4 (5): When providing the Union's financial assistance as referred to in paragraph 1, the Commission shall, where appropriate, take all necessary measures in order to ensure the visibility of the Union's financial support. Those shall include measures imposing visibility requirements on recipients of Union funds, except in duly justified cases. The Commission shall be responsible for monitoring recipients' compliance with those requirements.

ENI regulation and CIR do not provide further instructions regarding visibility than ENPI regulation.

A key finding based on the interviews during the desk phase (within DG NEAR) and the above analysis of ENPI/ENI/CIR regulations is that overall the ENI regulation and CIR are quite complex and give room to interpretations, especially as they provide different options to choose from and the two documents need to be read together. An example is eligibility: the ENPI regulation defined eligibility in one document while currently both ENI and CIR provide complementary explanations of the concept. This is not consistent with the initial intention to harmonise the rules on EFIs and promote simplification.

In what ways do the rules of the CIR improve or hinder the delivery of the Instrument objectives in terms of:

Flexibility / Speed of delivery in the field of contract award procedures

(i.e. articles 8 to 11 CIR on rules of nationality and origin)

To what extent the nationality and rules of origin requirements of the CIR have increased the untying of aid for the Instrument, compared to its predecessor?

The eligibility criteria introduced by ENI are already broader than those of ENPI by proceeding on a case-by-case basis. The two key measures introduced by CIR for ENI (compared to ENPI) are to fully untie its aid for Highly Indebted Poor Countries (aid was already untied for Least Developed Countries under ENPI) and to open EU procurements to developing countries and territories, as included in the list of ODA recipients published by the OECD-DAC which are not members of the G-20 group (e.g. practically excluding China and India, the case of South Africa having been clarified later on). CIR also limits ENI contract awards to Russian companies to CBC involving Russia (with the exception of CBC programmes that are partly funded by ERDF). Conversely, CIR authorises restricted eligibility (in Article 8: “*Eligibility as set out in this Title, may be restricted with regard to the nationality, geographical location or nature of applicants, where such restrictions are required on account of the specific nature and the objectives of the action and where they are necessary for its effective implementation.*”). The two texts may work against each other in this case.

Often the reference in programming documents is rather generic (for example “eligible country as defined in Regulation 236/2014”). Occasionally the “full list” of eligible countries is displayed, which might work towards “opening” the markets – at least in principle – to non-traditional partners.

CIR does not impose nationality restrictions for natural persons (“*The rules under this Title do not apply to, and do not create nationality restrictions for, natural persons employed or otherwise legally contracted by an eligible contractor or, where applicable, sub-contractor.*”).

Full untying was adopted for materials and equipment for lines in the bills of quantities which do not exceed EUR 100,000. This measure applies (in PRAG) to any contract, including those concluded with NGOs.

Qualitative interviews and the six responses to the joint survey were not conclusive on this topic as only few ENI programmes are already under implementation to the point of contract award procedures. Russia is indicated in the ENI regulation as eligible for CBC programmes only. The information extracted from the Statistical Dashboard is limited to the 2014-2015 period i.e. does not allow to assess a trend.

Table 1 ENI commitments/disbursements in 2014-2015 by tying status (in mio EUR)

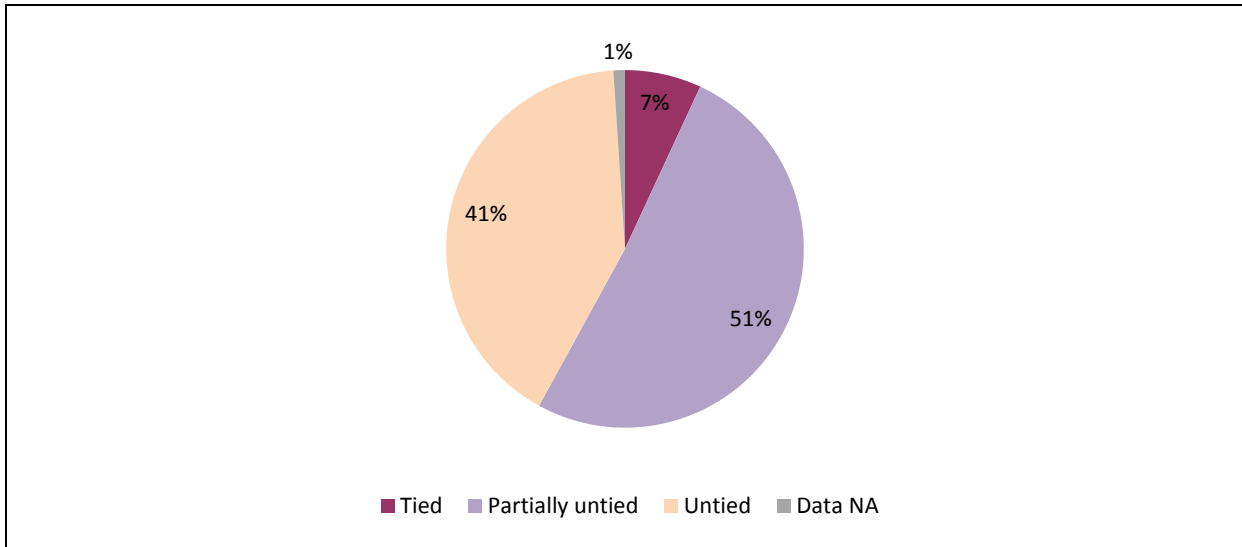
<i>Tying status</i>	<i>Commitments</i>	<i>%</i>	<i>Disbursements</i>	<i>%</i>
Tied	331,50	6,9%	210,73	6,2%
Partially untied	2.446,29	51,1%	613,01	18,1%
Untied	1.963,93	41,0%	909,66	26,9%
Data NA	49,81	1,0%	1.651,61	48,8%

Source: EC Statistical Dashboard

ENI programmes (at decision level) are untied for 41% of the commitments, and partially untied for another 51%. Tied aid is limited to less than 7% of EU assistance under ENI for that

period. A similar analysis cannot be conducted for disbursements due to the weight of data non available (on-going or just started programmes).

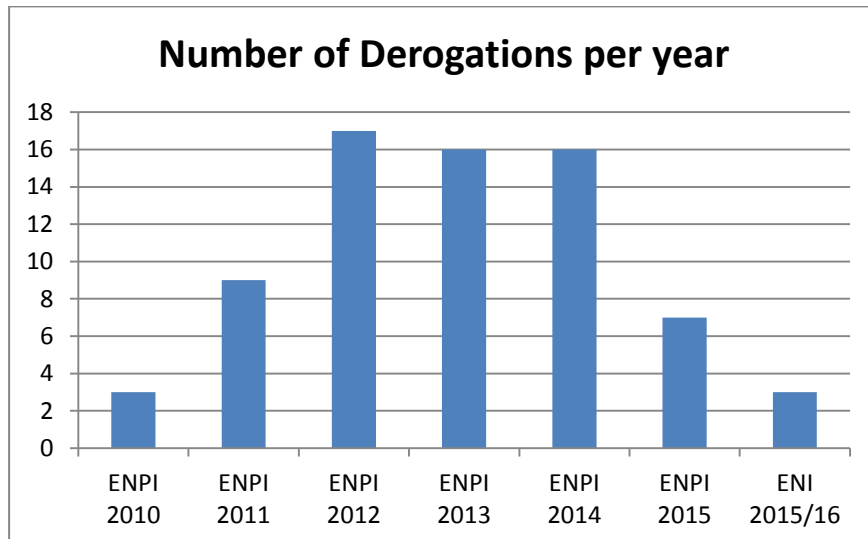
Figure 1 ENI commitments in 2014-2015 by tying status



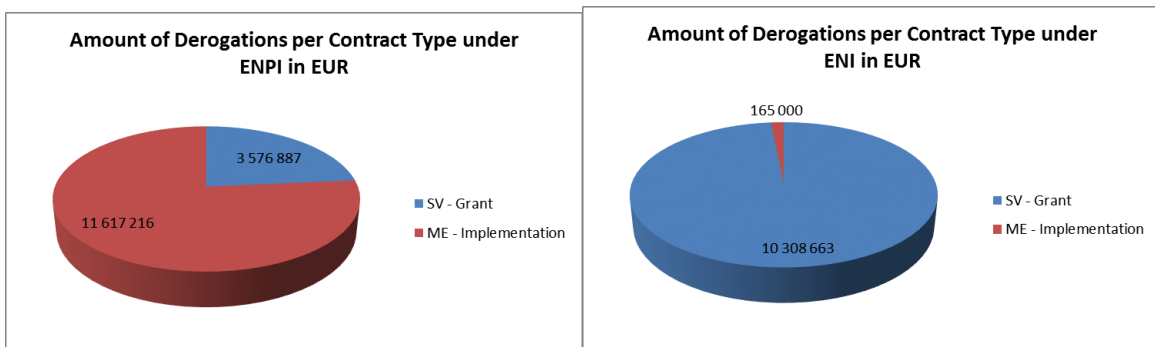
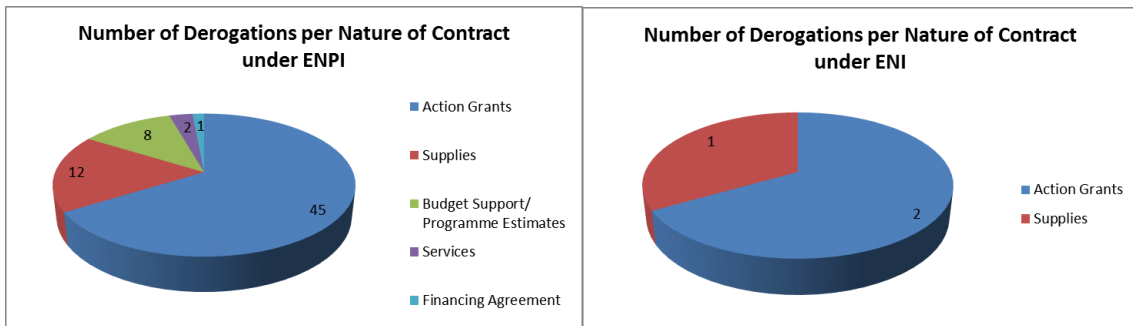
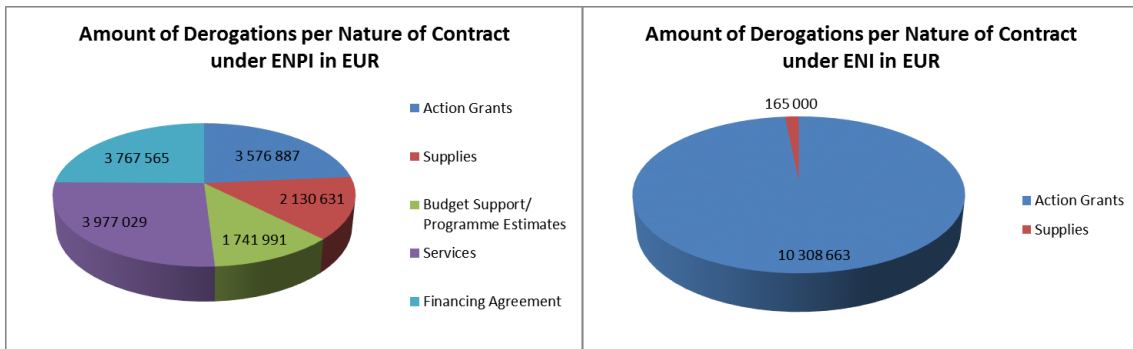
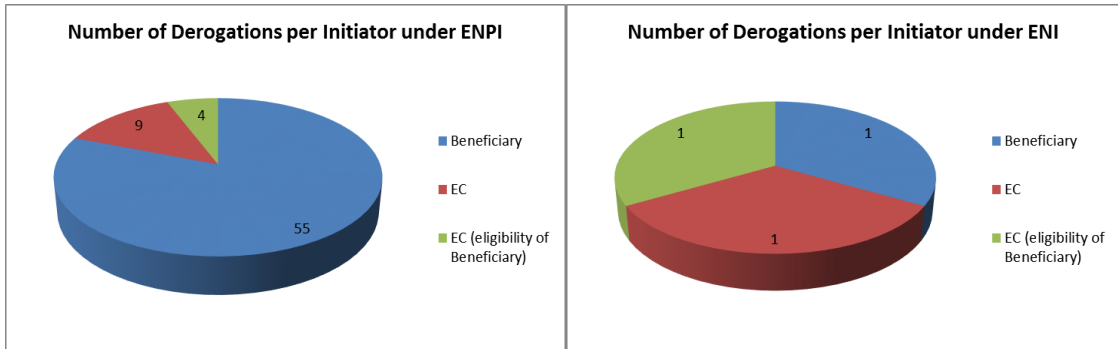
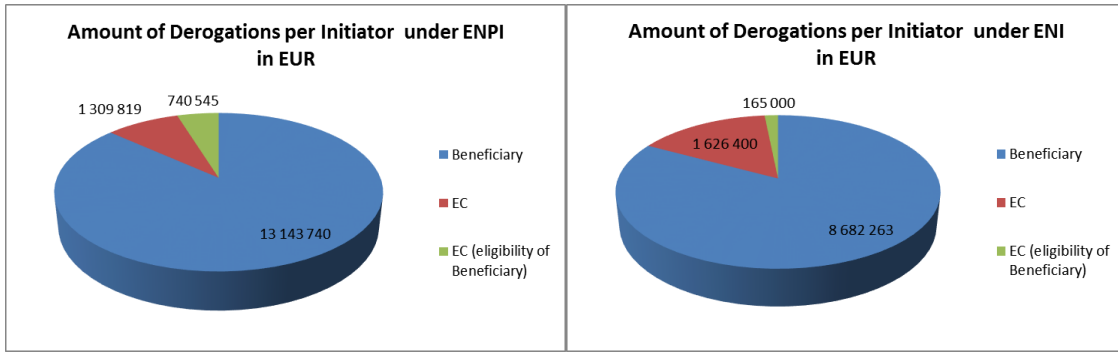
Source: EC Statistical Dashboard

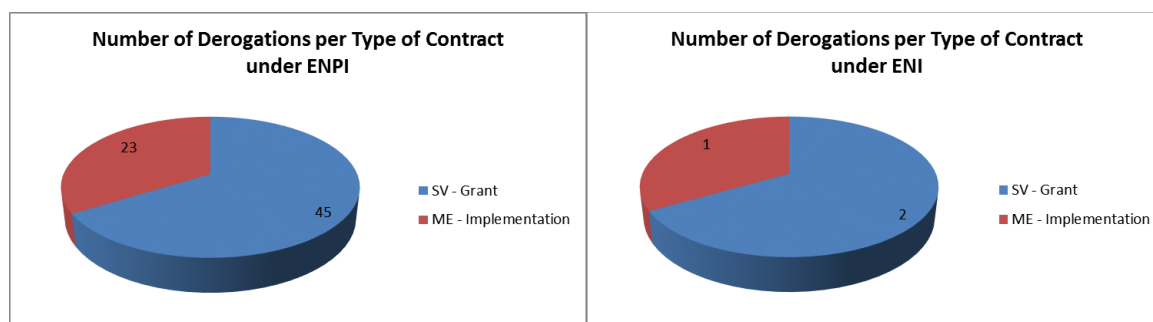
The four responses over the six EUDs that answered for the joint survey to the question “Does the scope of these rules meet the current and future implementing needs of the [instrument]?” are equally shared between yes and no.

NEAR B3 provided detailed information on derogations to the rule of origins, with a comparison between ENPI and ENI. The comparison in itself does not lead to crucial findings because comparing 5 years of ENPI implementation (2010-2015) with decisions covering barely one year of ENI implementation (2015/2016) is not statistically significant. An interesting finding is that over one year of implementation, ENI programmes obtained only three derogations, 2 for technology reasons, the other likely due to a unique source situation (security expertise). Comparatively, ENPI obtained on an annual average 11 derogations.



Other data on derogations are presented below:





Promoting ownership

To what extent has the use of country systems per Instrument increased, compared to the situation prior to 2014 (i.e. CIR article 1(5))?

The overall increase of budget support in ENI is confirmed by all interviewees, and corresponds to the demand of partner countries. A limitation in terms of ownership (and thus leverage) is that for middle income countries whose political actors are not consensually heading for reforms, the financial envelopes made available by the ENI budget are a weak incentive to develop ownership, even on priorities agreed with the government. This applies to sector budget support programmes in particular.

Table 2 ENI commitments/disbursements in 2014-2015 by type of aid (in mio EUR)

Type of aid	Commitments	%	Disbursements	%
Project-type interventions	2.463,53	51,4%	1.632,65	48,3%
Sector budget support	995,50	20,8%	579,65	17,1%
General budget support	412,00	8,6%	447,53	13,2%
Basket funds/pooled funding	381,00	8,0%	12,33	0,4%
Contributions to specific-purpose programmes and funds managed by international organisations (multilateral, INGO)	259,00	5,4%	242,89	7,2%
Administrative costs not included elsewhere	107,32	2,2%	108,92	3,2%
Other technical assistance	73,96	1,5%	180,28	5,3%
Scholarships/training in donor country	58,02	1,2%	161,94	4,8%
Development awareness	20,00	0,4%	6,95	0,2%
Core support to NGOs, other private bodies, PPPs and research institutes	19,00	0,4%	3,70	0,1%
Core contributions to multilateral institutions	2,20	0,0%	6,70	0,2%

Source: EC Statistical Dashboard

Almost one third of ENI resources during the 2014-2015 period are committed through budget support programmes: 21% for sector budget support, 9% under general budget support (mainly State Building Contracts).

Ownership is linked to the perspective of moving beyond EU market integration and towards an increasing feeling of cultural proximity or compatibility. The use of country systems in the South does not trigger ownership easily, Morocco being a good recent example. In the East, the increasingly contrasted buy-in of alignment to EU rules and standards (Georgia/Ukraine against Belarus/Moldova/Armenia/Azerbaijan) is another example showing that the implementation modality is only one of several factors that contribute to building ownership of EU programmes.

Another factor contributing to ownership is the quality of the expertise provided by EU to accompany the reform process. For some interviewees, the Support Group for Ukraine has

made a break-through in terms of quality by internalising expertise, cutting across the EU institutional structure. This organisation allowed to develop consistent programming, closely associated to policy dialogue.

The six answers to the joint survey question “In what ways do the opportunities for development opened by the ENI regulation on programming, implementing and monitoring have an impact on the ownership of EU programmes by national authorities and civil society networks?” reflect the above:

Box 1 Answers to the EFI survey question on ownership by EUDs in ENI countries

- All programmes under ENI are presented to the authorities and CSO in advance of adoption, thus giving them the opportunity for ownership. CSOs are quite happy with EU programmes. On the government side, there is no national focal point for donors, but the government beneficiaries overall are pleased with our programmes.
- Moldova has an enduring problem with the lack of ownership despite continuous efforts and support of the EUD. Moldova has a weak aid management structure.
- National authorities show limited absorption capacity; There are no real civil society networks (=no umbrella organisations at national level).
- No significant change witnessed.
- Ownership through alignment with national development priorities where EU interest coincide with governmental development objectives. Challenging CSO environment is currently an obstacle to extensive involvement of civil society networks.
- Participation of the government in programming and alignment of assistance to support government reforms or sector development policies provide a greater ownership especially in bilateral programmes.

To what extent stakeholders in the beneficiary country, such as civil society and local authorities, played a meaningful role in the preparation, implementation, monitoring and evaluation of actions (i.e. articles 4(11) and 15 CIR)?

(Tools, timely access to relevant information given to stakeholders, better targeting and designing of actions.)

In the South, EUDs are attempting to increase the involvement of local stakeholders, i.e. CSOs and LAs, by developing contacts with networks of CSOs/NGOs or associations of LAs. This is undertaken firstly by EUDs but HQ staff is also attempting to meet more CSOs during their missions. Consultations are developed mainly during the programming phase, less so during implementation, monitoring and evaluation of actions. New approaches or methodologies for involving CSOs/LAs more deeply in comparison to ENPI were not indicated by interviewees. Tunisia emerged during recent years as a model, as did Lebanon to a lesser extent. In the case of governments with weaker democratic inclusiveness (Egypt, Algeria and Libya/Syria), the consultation of CSOs is limited in scope and content but still constitutes an EU-specific added-value and a message to governments on the importance of EU values in its cooperation. Due to the difficulties (financial and administrative) faced by CSOs to continue their activities and due to their lack of involvement in policy dialogue with the government, their inputs in consultations organized by EUDs are limited in scope and content.

In the East, the civil society is potentially more vibrant and opportunities opened by national authorities to develop it even further are seized rather quickly. Bilateral programmes (mainly budget support) have not yet succeed in increasing the role played by CSOs and LAs in their preparation, implementation and monitoring with the exception of Georgia (on agriculture for instance). Regional programmes now involve CSOs (through a forum) in identifying priorities and, though to a lesser extent, in implementing activities. There is a strong division between activist NGOs and the ones focusing on service delivery, even though both are being financed by donors. Umbrella NGOs are intermediaries for grass-root organizations and supported to engage in structured and decentralized consultations. CSOs are increasingly playing a meaningful role in the preparation of the ENI programmes. When the programme allows it (like agriculture in Georgia with cooperatives), grass-root CSOs are involved.

CBC projects are different in this respect, with a large participation of local stakeholders, including LAs, in the preparation and implementation phases.

To what extent has the participation of local contractors increased since 2014 (i.e. article 8(6) CIR)?

Only a few (if any) ENI programmes are already at the stage of contracting and, as a consequence, evidence for this is very limited. ENI programmes are to limit the use of programme estimates which are the main source of work for local and regional contractors. The table below demonstrates that the percentage of the amount contracted to local and regional contractors decreased from 86% in 2013 to 10% in 2016. Conversely, the total number of procurement contracts signed with local and regional contractors increased from 28 to 51, suggesting a multiplication of small contracts.

Table 3 ENI amounts/procurement contracts contracted to local and regional contractors in 2013 and 2016

	2013	2016	2013	2016
Total amount contracted	90.963.340	8.850.847	100%	100%
Total amount contracted to local and regional contractors	78.205.778	914.940	86%	10%
Total amount contracted to local and regional contractors following a single tender procedure	5.778	0	0%	0%
Total number of procurement contracts	57	55	100%	100%
Total number of procurement contracts to local and regional contractors	24	31	42%	56%
Total number of procurement contracts to local and regional contractors following a single tender procedure	4	20	7%	36%

Source: Joint survey

In principle, the increased use of budget support should increase the participation of local contractors in the implementation of ENI programmes but this information cannot be collected from the EUDs as partner governments are fully in charge.

Promoting climate change and environment mainstreaming

(i.e. articles 2(6) and 14 CIR: the EU has committed that at least 20% of its budget for 2014-2020 (including the 11th EDF) should be spent on climate change-related action); With respect to biodiversity, the Union has endorsed the Hyderabad objective to 'double total biodiversity-related international financial resource flows to developing countries.'

To what extent have climate change and environment been mainstreamed in the actions financed under the instruments? To what effect?

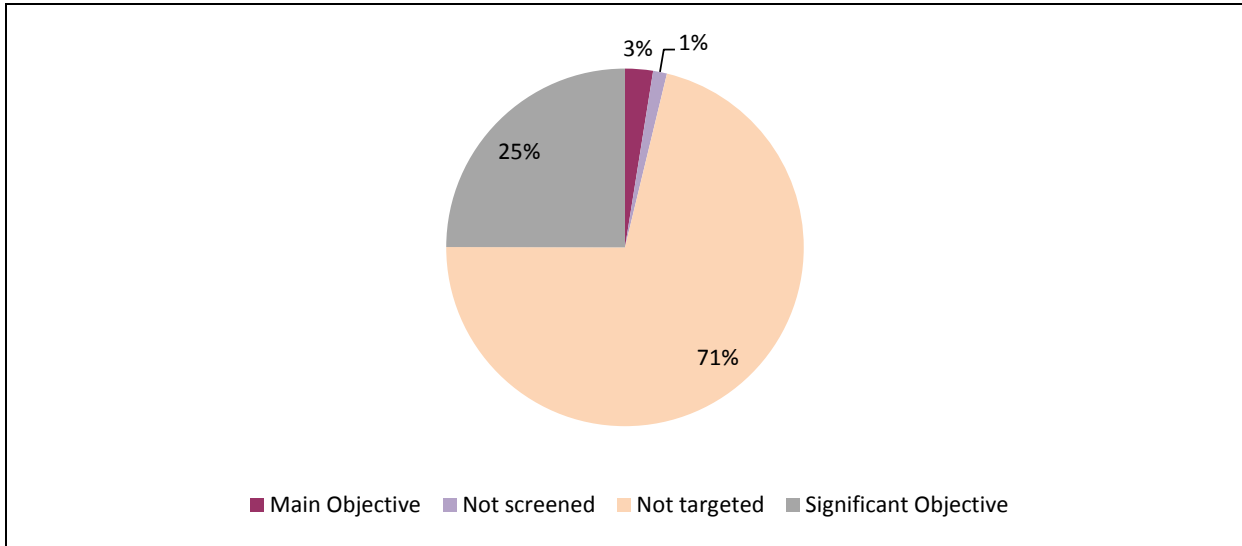
(E.g. greater financial resources? greater use of environmental impact assessments or strategic environmental assessments? More environment/climate change sensitive design and implementation?)

The information on the increase of financial resources is extracted from the Statistical Dashboard, with the limitation that the data available is limited to the 2014-2015 period¹. It provides a picture of the implementation of ENI programmes but does not allow to compare the information with the ENPI period.

Overall, environment protection is one of the five related Rio markers where ENI commitments are significant, with 3% as main objective and 25% as a significant objective. Biological diversity is far less covered by ENI activities and only 2% of the total ENI commitments are targeting this area as a significant objective.

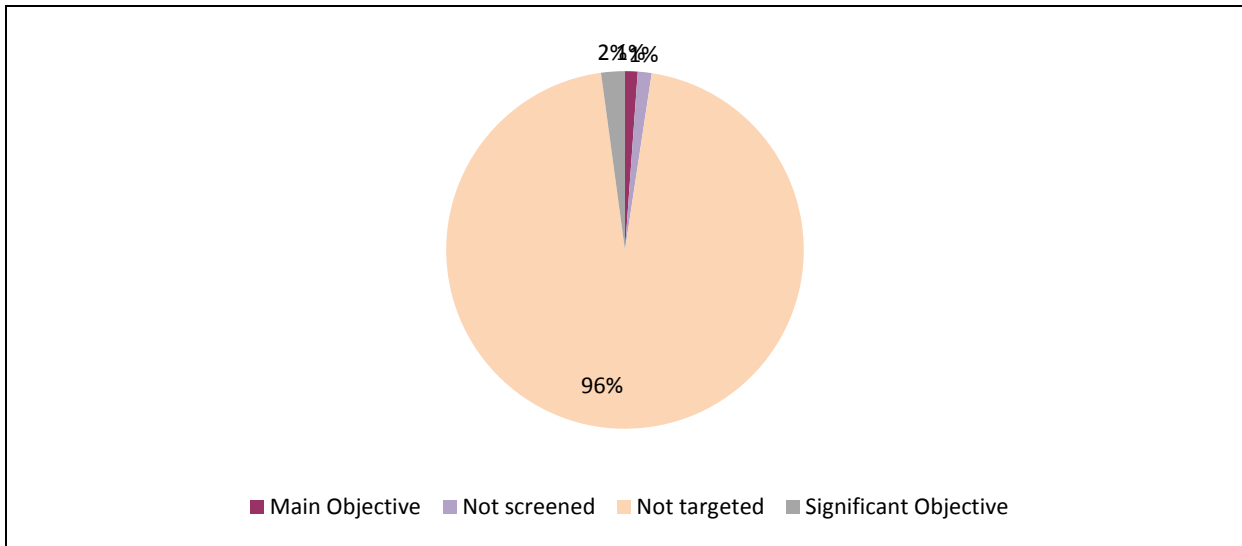
¹ In fact, ENPI decisions all appear to be „Not screened“ with regards to the Rio Markers according to the Statistical Dashboard.

Figure 2 Aid to Environment Marker for ENI commitments (2014-2015)



Source: EC Statistical Dashboard

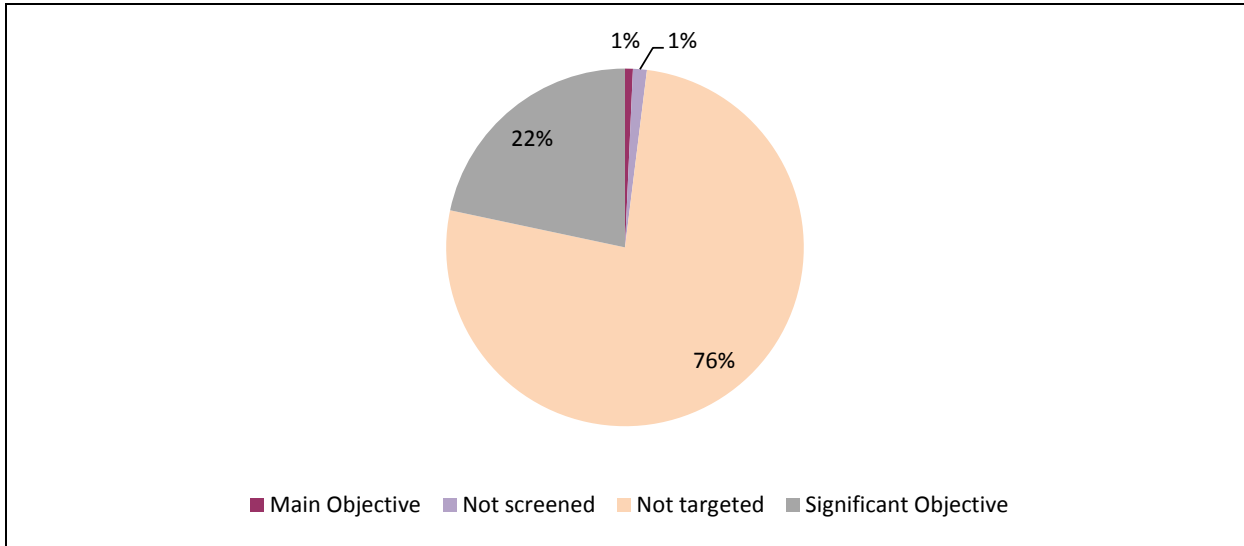
Figure 3 Biological Diversity Marker for ENI commitments (2014-2015)



Source: EC Statistical Dashboard

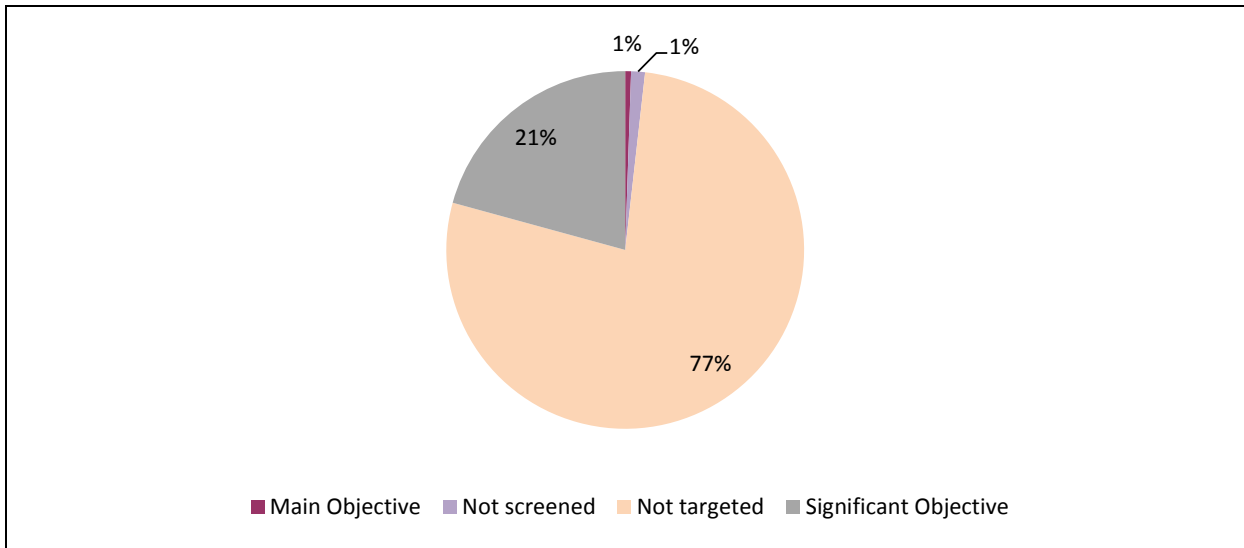
Climate change and mitigation are targeted as main objectives by less than 1% of ENI commitments but are indicated respectively as a significant objective for 22% and 21% respectively.

Figure 4 Climate Change Adaptation Marker for ENI commitments (2014-2015)



Source: EC Statistical Dashboard

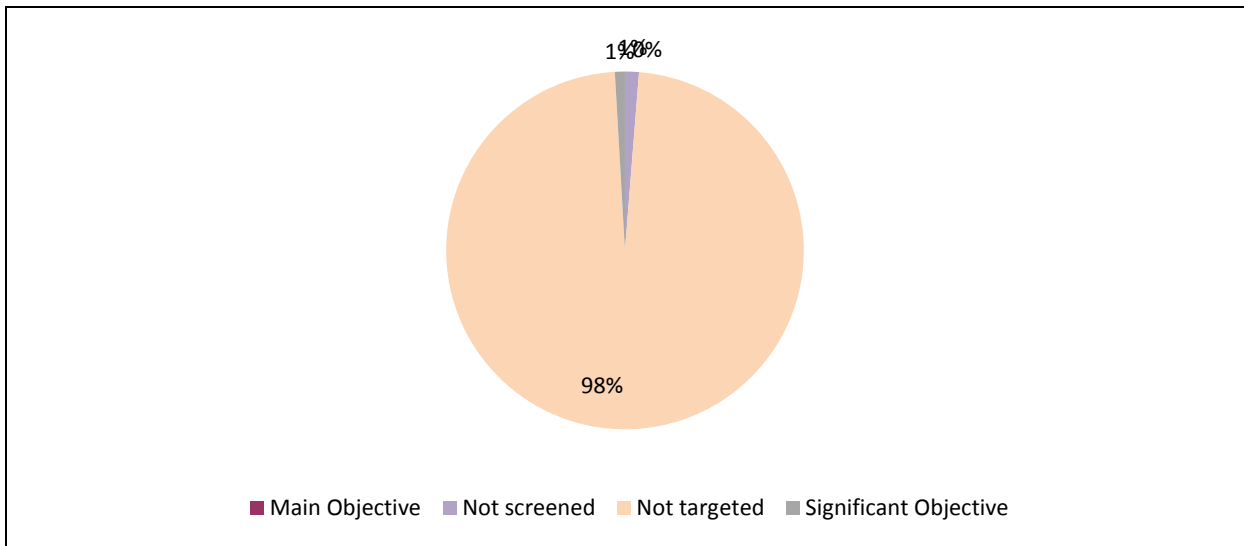
Figure 5 Climate Change Mitigation Marker for ENI commitments (2014-2015)



Source: EC Statistical Dashboard

Commitments that contribute to combat desertification are not significant (less than 1%).

Figure 6 Combat Desertification Marker for ENI commitments (2014-2015)



Source: EC Statistical Dashboard

To summarize evidence collected from interviews, , the level of priority given to climate change and environment has not changed significantly in the Neighbourhood. The ENP review 2015 induced a strong emphasis on stabilisation, security and migration where mainstreaming CC is not easy. The focus lies on soft measures such as PAR, PFM and private sector development. The programmes adopted to date did not commit 20% or more of their budget to climate change and environment.

Despite such a high level of priority, the CIR has proven to be ineffective by the mere fact that CIR is aimed at the implementation phase whereas programming is i) led by EEAS and therefore not directly influenced by CIR injunctions and ii) based on the policy framework rather than implementing regulations. This was amply demonstrated by the adoption of the Communication on the ENP review in 2015 which brought major changes in the objectives and priorities of the ENP, yet without making the related amendments to the CIR (and ENI regulation). Conflicting interests between regulations and the prominence of Communications over regulations, rather than increasing the focus originally wanted by legislators, led to downscale the potential of the CIR.

Promoting human rights and fundamental freedoms

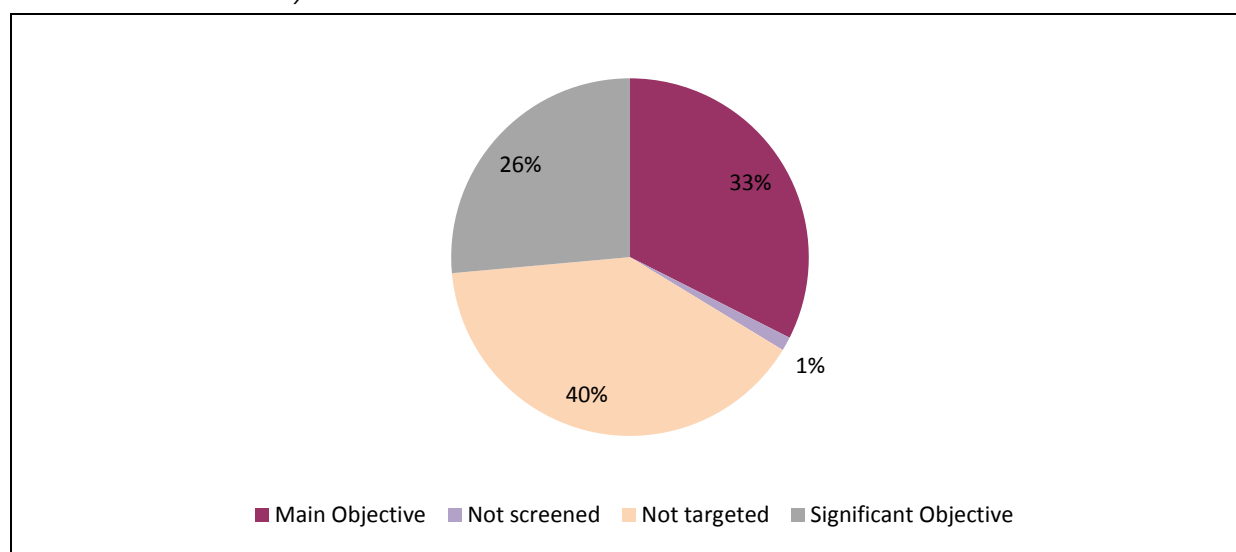
(i.e articles 1(6) and 4(2)(3rd paragraph) CIR):

To what extent has the promotion of democracy, the rule of law and respect for human rights and fundamental freedoms been included in the design of actions? To what effect?

(e.g greater financial resources? rights-based design of actions and implementation)

The financial data extracted from the Statistical Dashboard shows that one third of ENI commitments are targeting democracy as main objective, and 26% as a significant objective.

Figure 7 Participatory Democracy/Governance Marker for ENI commitments (2014-2015)



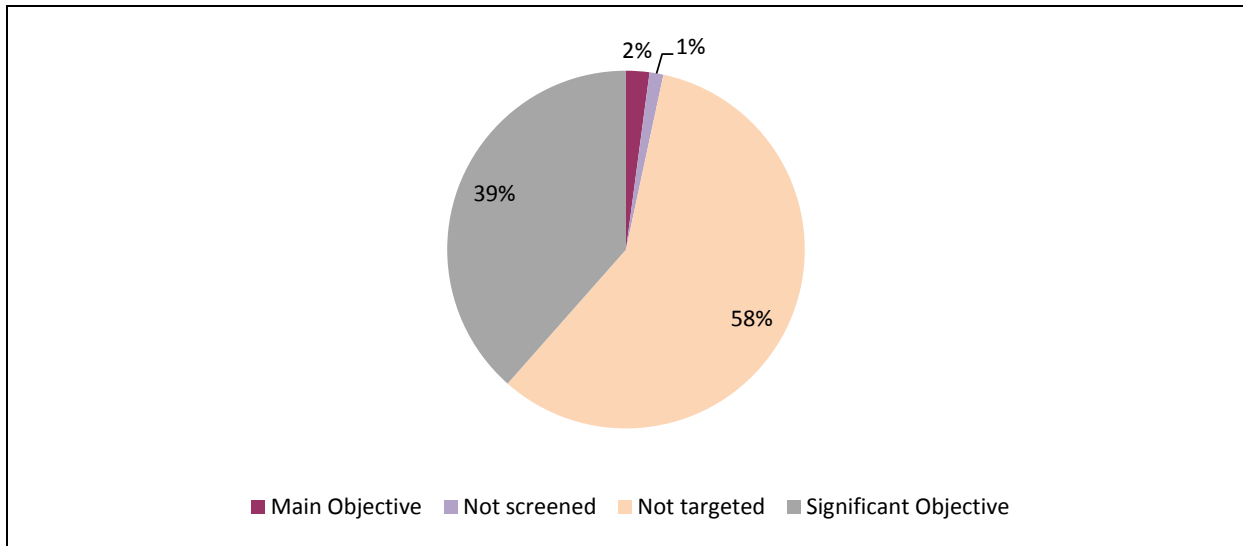
Source: EC Statistical Dashboard

Promotion of democracy, the rule of the law and respect of human rights is in-built in ENI regulation, to the extent that progress in those matters are key in implementing the incentive-based approach. Their duplication in CIR has had no perceptible additional effect.

To what extent has gender mainstreaming been included in the design of actions? To what effect (e.g. greater financial resources, improved gender-sensitive design of actions and implementation)?

In a way similar to the promotion of democracy, gender mainstreaming is an in-built feature of the ENI regulation but is targeted as main objective through only 2% of ENI commitments. Gender is however a significant objective of 39% of the commitments, indicating a relatively strong mainstreaming. It is not possible to infer specifically from the above that the inclusion of gender mainstreaming into CIR has had an additional effect.

Figure 8 Gender Equality Marker for ENI commitments (2014-2015)



Source: EC Statistical Dashboard

To what extent have criteria regarding accessibility for persons with disabilities been taken into account in the design and implementation of programmes and projects and to what effect?

No synthetic source of information on inclusion of accessibility for persons with disabilities in ENI programmes was identified. Similarly, in none of the interviews held with HQ staff, the importance to comply with this injunction in CIR was emphasized or even invoked.

Promoting effective and efficient implementation methods:

Has the use of innovative instruments (loans, guarantees, blending...) increased (volume)? (i.e. articles 4(1)(e) and 4(3) CIR)? Did they create a leverage effect?

On incentive of the CIR, ENI has increasingly used innovative financial instruments, but these tools themselves were mostly provided by the FR, in particular EUTFs.

According to NEAR B3, most of the potential of financial leeway of blending is tapped by the Neighbourhood Investment Facility (NIF) since 2009, in association with EIB and EBRD. In 2014, 16 new projects and two additional contributions for ongoing projects in the Neighbourhood region received final approval from the NIF Board for a total NIF contribution of EUR 294.46 million. These grants leverage over EUR 2.53 billion of loans from European Financial Institutions – in other words for every Euro provided by the NIF, EUR 8.60 of lending or investment was mobilised. In 2015, the situation was comparable with NIF contributions of EUR 367 million leveraging an estimated EUR 2.17 billion of loans (financial leverage effect 1:6.9).

The ENI resources were used to fund two trust funds, i) the Madad TF for answering to the needs of displaced persons induced by the Syrian conflict (and reconstruction challenges at a later stage); ii) the North Africa component of the EU Emergency Trust Fund for Africa, with a focus on the EU migration strategy. These tools were authorized by the revision of the financial regulations (2014), not by CIR. The financial leverage effect introduced by the EUTFs is, at this stage, found to be not significant (10% of the total). Madad Funds pledges and contributions as on September 2016 are shown below:

Table 4 EU and MS contributions and pledges to the Madad Fund

EU and Member States' contributions and pledges to the EU Regional Trust Fund in Response to the Syrian Crisis, the 'Madad Fund'	
In € million, last updated on May 20th, 2016	
Austria*	11,50
Belgium	3,00
Bulgaria	0,10
Croatia	
Cyprus	
Czech Republic*	5,00
Denmark*	10,00
Estonia*	0,25
Finland*	3,00
France*	3,00
Germany*	5,00
Greece	
Hungary*	3,00
Ireland	
Italy**	8,00
Latvia*	0,05
Lithuania*	0,10
Luxembourg	
Malta*	0,02
Netherlands*	5,00
Poland	3,00
Portugal*	0,20
Romania*	0,08
Slovakia*	3,00
Slovenia	
Spain	
Sweden*	3,00
United Kingdom	3,00
Total contributed & pledged from MS	69,30
Contribution from the EU budget	639,23
Total EU	708,53
Turkish co-financing for IPA I package*	24,65
Total overall	733,18
Target	1000,00
Shortfall	266,82
* Already paid in	
** Already paid in €3 million and pledged €5 million for 2016	

Source: Madad Fund Info note: EU Regional Trust Fund in Response to the Syrian Crisis, the 'Madad Fund' State of Play and outlook 2016

Beyond innovative instruments, the ENI demonstrated a strong capacity to introduce flexibility in financial programming, as illustrated for the support to Ukraine since 2014. The budget mobilised through those innovative tools has significantly increased, without reaching still – from stakeholders' point of view in the case of Ukraine and likely Lebanon or Jordan – a level that makes a real change.

Those new tools have still to prove their comparative advantages compared to similar initiatives by the World Bank or the UN agencies (EUTFs low administrative costs, coordination with EU MS, consistent policy framework).

Has there been an increase (volume) in use of more coordinated methods of working (i.e. division of labour) since CIR rules have been in place (i.e. article 4(9) CIR)?

The CIR instruction to improve coordinated methods of working was not indicated as a driving factor by any of our interviewees, at HQ as in EUDs. The most common reference for looking for more coordination with EU MS is rather the ENP and the ENI, whether through joint assessment/programming or EUTFs. As developed elsewhere in the main text, coordi-

nation does not necessarily imply division of labour with EU MS or with other donors. Only in Eastern Neighbourhood SSFs a donor matrix is presented in annexes, and not specifically followed by a statement on future division of labour or operationalization of agreed DoL. Sector analysis for priority sector present the state of play without further elaboration. In the South, none of the SSFs present a donor matrix and even the state of play is not detailed at sector level.

On another hand, DoL can be organised by the Commission by itself or even among donors. The partner countries must be committed and involved in donor's coordination, which is not the case in the South, and still rare (Georgia) in the East.

Promoting visibility

What measures were taken to ensure EU visibility both in direct (i.e. managed by the Commission) and indirect management (i.e. managed by another agency, partner country or international organisation) further to the introduction of the CIR (i.e. article 4(5) CIR)?

The CIR has not introduced supplementary visibility efforts in direct and indirect management, as they do not provide specific instruction or implementing modalities. The existing guidelines are still used by EUDs and projects to promote visibility. A greater visibility is expected from the EUTFs, linked to their focus on emergency situations (refugees), or issues highly sensitive for EU country and citizens (migration). The CIR article 4(5) is very general: *“When providing the Union's financial assistance as referred to in paragraph 1, the Commission shall, where appropriate, take all necessary measures in order to ensure the visibility of the Union's financial support. Those shall include measures imposing visibility requirements on recipients of Union funds, except in duly justified cases. The Commission shall be responsible for monitoring recipients' compliance with those requirements.”*

Reduction of the chronic deficit of EU visibility in indirect management is addressed in FR revised in 2015 (interview NEAR R). The costs associated to visibility in programmes managed by international organisations, non-EU development banks, and bilateral agencies are now indirect costs, thus paid only if the visibility requirements have been effectively met by the programme. According to some of our interviewees, this change was clearly perceived by international implementers and EU visibility is on the increase for indirect management too.

Regarding the instruments used in your Delegation/Unit: in which of the above areas could the CIR regulation be simplified? In what way? Provide any common feedback you have received from beneficiaries

The CIR was adopted in 2014 in order to introduce more flexibility to face crisis situations (direct award of contracts) and harmonised procedures among EFIs. In standard situations CIR mainly calls for publication, transparency and respect of certain time limits. The latter are in the interest of tenderers and participants of calls for proposals. The CIR regulation does not introduce major changes in implementation rules and procedures.

A lot of the internal regulation refers to the service level which is not at all referred to in the CIR but still contribute to slow down aid delivery. Some simplifications can be introduced by following the work load assessment study undertaken by Deloitte in 2015, and as far as they apply to internal rules and procedures, they can be implemented by NEAR alone.

In 2015, financial regulations were revised and simplified further than CIR (interview NEAR R). The latter is now seen as a limiting factor that requires to be amended.

For Directorate B and C staff engaged in programming and implementation, even revised, the financial regulations combined to internal NEAR procedures stay too cumbersome. Among other advantages, the strength of the EUTFs is for some interviewees to partly bypass them.

Contracts and finance staff in EUDs make a limited use of CIR as such. Their main references are the PRAG and the FR. The latter is utilised as the ultimate reference because it is the only legal provision recognised by the Court of Auditors. CIR occupies an intermediate position in the regulatory hierarchy and therefore it is only used with caution by EUD staff for fear of not respecting any other, supposedly higher-ranking, provisions (i.e. FR).

Regarding the instruments used in your Delegation/Unit. Does the scope of the CIR meet the current and future implementing needs of the Instrument?

(Provide any common feedback you have received from beneficiaries)

The answer to this question can be found above. The CIR introduced several features that proved useful. Conversely NEAR R2 indicated that CIR has become more restrictive than FR for some aspects after their revision in 2015.

The introduction in the CIR of the items analysed in question 2 above did not meet the needs of the instrument as they were for most of them already enunciated in the ENI regulation. At worst, they could have introduced conflictual divergences but are only duplicating existing ones, and largely seem to remain ignored by implementers. EUDs staff systematically refer to the PRAG and, in case the issue is not fully settled, to FR.

In the future, an amendment of the CIR is required to meet the needs of ENI programmes implementation and take stock of the good practices that emerged till then (EUTFs, specific support group...). The key aspects proposed by NEAR R2 are as follows (the points are not presented by order of importance):

Box 2 CIR amendment proposal by DG NEAR R2 (key aspects)

1. Actions for multi-annual programmes (NEAR)

Article 6(3)(a),

Elimination the condition of having a 'recurrent actions' for multiannual action programmes from the text.

2. Technical amendments (NEAR)

In Article 2.3 c) technical amendment to action programmes, individual measures and special measures

It is worth revisiting the description/scope of technical amendment to align with the scope of "non-substantial changes" incorporated in the new RF.

3. Article 4(6) clarification of the text on reflows (NEAR)

Article 4.6 All revenue generated by a financial instrument shall be assigned to the corresponding Instrument (i.e. ENI/IPA II) as internal assigned revenue and can thus be reused for financial instrument, grants or any other form of support under such programme (they come as C4 credits). Under current FR revenues are to be reimbursed to the general budget and repayments can be reused in the project (financial instrument). But in the revision of the FR (Article 140(6)) DG BUDG is considering to propose a single regime for revenues and repayments: all reflows can be reused in the project (financial instrument). So, external actions would be in a complete derogatory regime compared to the rest of the Commission, while we work with same entities. Having to recover in case of external actions all revenues and repayments, and not allowing them to be recycled in the project causes problems with financial institutions and we have less operational choices because of this constraint, keeping in mind that at the very core of the fin. Instr. one can find the concept of the "revolving funds".

4. includes interest rate subsidies under Article 4.1a)

For (a), comparing the current article 4(1) CIR with the current article 257 RAP ("Appropriations for the external actions referred to in Chapter 1 of Title IV of Part Two of the Financial Regulation may, in particular, finance procurement contracts, grants, including interest rate subsidies, special loans, loan guarantees and financial assistance, budgetary support and other specific forms of budgetary aid"), the only form not explicitly covered, seems the 'interest rate subsidies': hence, proposal to add this in future article 4(1)2nd para Cir

5. Eligibility of taxes

Currently, the policy in the CIR is that

- 1.) developing countries should not establish special taxes on aid (this is without prejudice to taxes that other goods and services are submitted to, ie. VAT)
- 2.) when taxes apply, the EU should try to conclude agreements on tax exemption
- 3.) if all fails, taxes are eligible in line with the provisions of the Financial Regulation

MS have asked to shift our policy towards enhancing the domestic resource management of partner countries, through paying taxes, duties without any exception. This new approach would require an amendment of the current wording of the regulation to better reflect the new policy.

6. Simplification of indirect management and financial instruments (requested by DEVCO accepted by NEAR)

The CIR contains some derogation to the Financial Regulation on indirect management and financial instruments, which may become inadequate with the forthcoming revision of the FR and would need to be adapted accordingly, more precisely on

- clearing of pre-financing,
- EU trust funds, allowing all management modes for all types of EU trust funds: currently indirect management is not possible under thematic trust funds, which has proven a major hindrance to creating such trust funds.

7. Eligibility rules

2.1 Further untying

Our system of certificates of origin delivered by chambers of commerce to prove that goods delivered under our contracts are of eligible origin has been found unreliable in two Ombudsman cases. DG TAXUD and the LS want us to change our current rules, replacing the certificates with questionnaires to be filled by contractors for contracting authorities to determine the origin of products. We have strong reservations on the feasibility of that new system, while most chambers of commerce claim that their certificates are reliable. Total untying regarding the origin of goods would thus fit both the simplification and the aid effectiveness agendas, but requires modification of the CIR (and Annex IV to Cotonou). This could also be an opportunity to totally untie procurement within grants and works contracts to alleviate the burden on our contractors and grant beneficiaries, as well as address the concerns raised by NEAR and FPI on the CIR rules of nationality and origin.

2.2 clarifications of applicable rules, Article 8; Article 9

- Article 8.1 : Which rules of origin apply in borderline cases (mixed interests) should be clarified. Should we interpret that whenever funding comes from a Basic Act (operational or administrative appropriations), the rules of CIR apply always, regardless of whether PRAG applies or not (i.e. even in exclusive interest of the Commission funded under ATA?). If it is not funded under a Basic Act, Part One Financial Regulation applies with the possibility to extend eligibility in accordance with current Article 191.2?
- Article 8.2: May grants to IO which are 100% financed by the EU be included?
- Article 9: General comments: precise if the eligibility rules apply to financing instruments (to financial intermediaries)

2.3 level of decision, Article 9.2 b)

Exception in terms of eligibility rules has to be decided today by the College in the action programme. Because it has been decided that financing decisions are going to be simplified, therefore, to have a balance in terms of content between FR for financing decisions and CIR for action programmes, this exception (like 9.2.b) should be decided by the AOSD.

Source: DG NEAR R2

Besides the above presented NEAR R2 suggestions, other interviews strongly suggested that simplification can be readily achieved with NEAR internal procedures.

Regarding the instruments used in your Delegation/Unit Are there any unintended benefits/problems arising from the CIR?

Unintended benefits did not arise during HQ staff interviews.

Three unintended problems emerged: i) several articles (2.3, 2.4 above) of the CIR are duplicating objectives or priorities that are already spelled out in ENI regulation, ii) the integration of instructions related more to programming than to implementation contributed to blur the lines between policy framework and the optimal use of EU resources to suit these priorities, and iii) the financial regulations were more reactive than foreseen and their revision in 2015

went further than CIR in terms of harmonisation, simplification and flexibility; however ENI's (and other EFIs') regulatory frameworks limit the actual use of these changes to their full extent.

3 Annex 3: Summary of OPC contributions

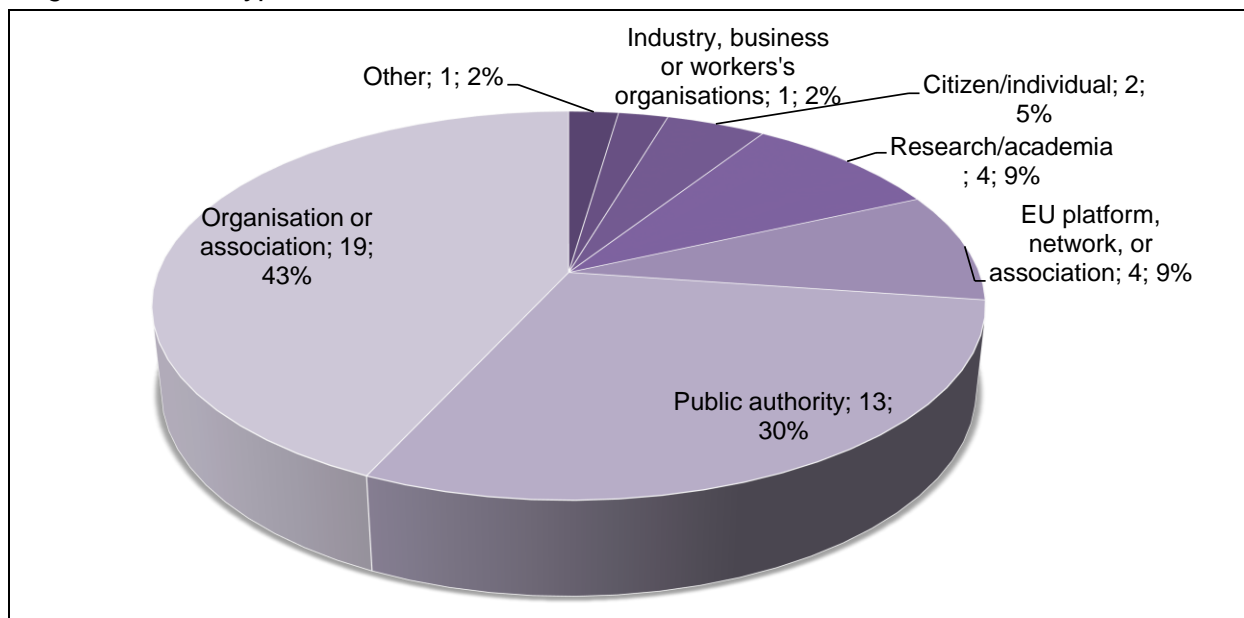
Introduction

The draft evaluation report on the European Neighbourhood Instrument (ENI)² was posted on the website of the European Commission for an **Open Public Consultation (OPC)** between 7 February and 5 May 2017³, together with the evaluation reports of all other External Financing Instruments (EFIs). All stakeholders in beneficiary and EU countries were welcome to participate in this process. The objective of the web-consultation was twofold:

- To gather **feedback from the broadest possible range of stakeholders**, including those in beneficiary countries and in the EU Member States, on the emerging conclusions from the evaluations.
- To gather **preliminary ideas on the future external financing instruments** after the current ones have expired by 31 December 2020.

From the web OPC, a **total of 44 contributions** were received and relevant for the ENI evaluation. Most of the contributions were made by organisations or associations, followed by public authorities. The graph below illustrates the type of contributors from the web OPC.

Figure 9 Type of contributors from the web OPC



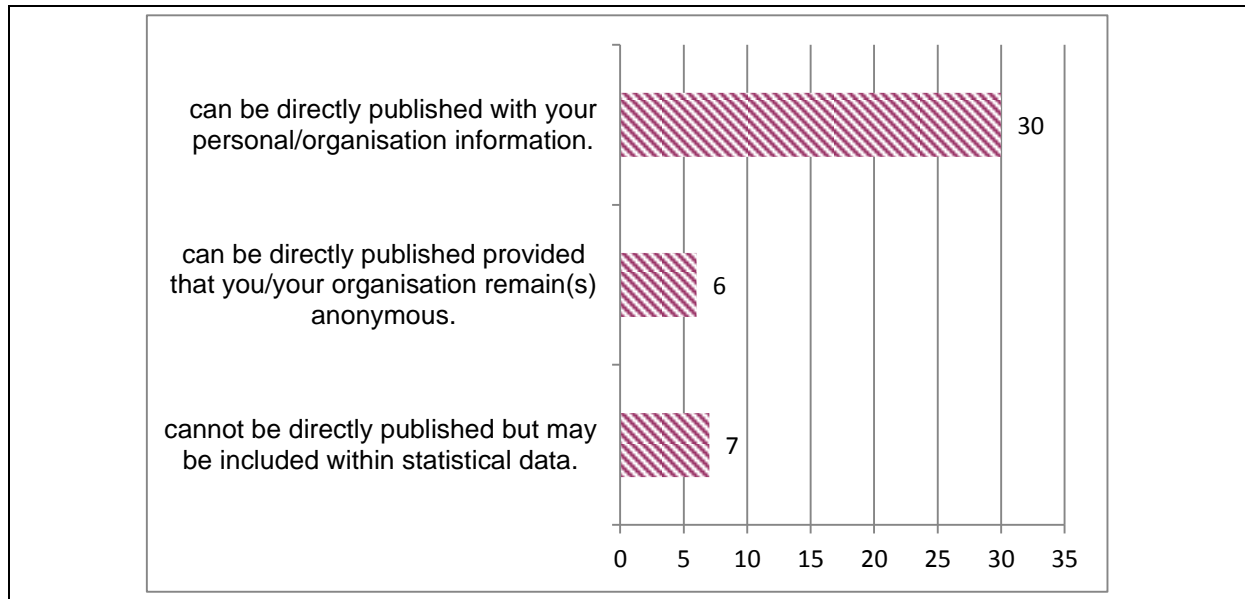
The following summary synthesises the main contributions received from the web OPC and in relation to key findings and emerging conclusions of the evaluation.

Each contributor could choose their level of confidentiality of their contribution. The following graph shows the option chosen by the different contributors. Contributors who chose the option “cannot be directly published but may be included within statistical data” are included in the statistical overviews for each question. The content of their comments has been taken into consideration by the evaluators.

² Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument.

³ https://ec.europa.eu/europeaid/public-consultation-external-financing-instruments-european-union_en

Figure 10 Level of confidentiality chosen by each contributor



Summary of OPC contributions

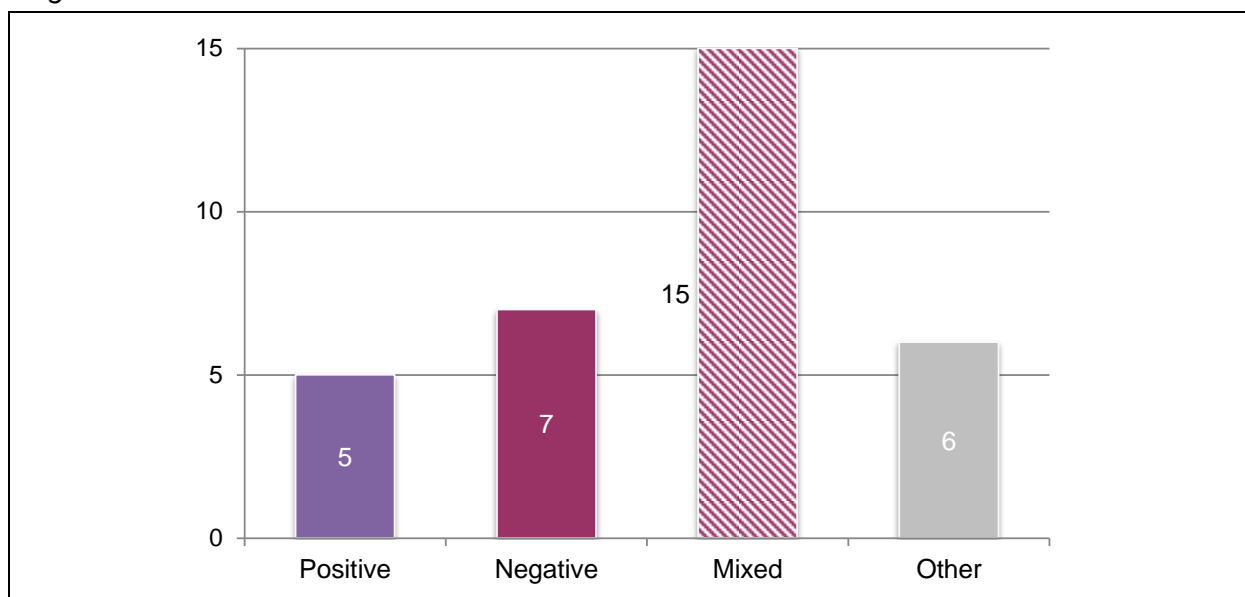
Question 1: Addressing ENI objectives

Question 1: How well do you think the ENI has addressed its objectives? The main assessment criteria for the evaluation are: relevance; effectiveness, impact and sustainability; efficiency; EU added value; coherence, consistency, complementarity and synergies; and leverage. Feel free to comment on the findings, conclusions or recommendations for any/all of the criteria.

Summary of contributions

For this question a total of 33 contributions were received from the web OPC. The majority of contributions provided a mixed assessment on the extent to which ENI has addressed its objectives. The graph below illustrates the number of contributions that were mainly *positive*, *negative*, *mixed* or *other*⁴.

Figure 11 Question 1: Contributions from web OPC



⁴ The category *other* includes contributions that are either neutral or considered as not being relevant for this question.

Despite the fact that only a few answers are *mainly positive*, numerous *mixed* contributions also provide an overall positive assessment of ENI. The instrument is generally considered as being **relevant** (with regards to the proximity of the Neighbourhood, human rights and the need to provide a differentiated approach for the partner countries) and as having an **added value** (in a sense that the EU is seen as a driving factor behind reforms in partner countries and that its assistance adds political weight to specific policies and issues).

Even though **coherence and coordination** is mentioned positively by some, it is also often raised as an area that still needs improvement, in particular with regards to EU MS and other donors. Other *mainly negative* answers (but also several *mixed* contributions) frequently cite the **increasing instability in the Neighbourhood** as evidence that ENI has failed to achieve its primary objective of creating an area of “good neighbourliness”. However, some contributors criticize the instrument in particular for **focusing too much on short-term stability issues** and raise concerns about ENI funding increasingly being channelled to security, **at the expense of a more sustainable support of democracy, human rights and civil society**.

Examples further illustrating these positions as well as other positive or negative aspects and recommendations for improving various aspects of ENI can be found in the selection of individual contributions below:

- *“Important contribution to supporting the ongoing reform process in the six EaP and most of the ten SN countries. Taylor-made approach enables to tackle specific needs of each individual country. Involvement of and coordination between the EC, EU Member States, other stakeholders (international organizations, civil society, etc.) as well as local authorities and partners have helped to bring about some tangible results.”* Public authority
- *“Results are limited, especially as it seems that the ENI was not ready to address major crises happening relatively suddenly: the instrument, while flexible, lacks in terms of preparation, forecasting and situation assessment. The instrument would become more effective if scenario planning and conflict sensitivity analysis took place. Key information can be gathered by strengthening the dialogue with local and regional governments, as they represent the first contact point between citizens and other layers of government and are directly involved in local life, thus possessing knowledge of the current situation and environment.”* Other contributor
- *“While it is essential to continue supporting the Neighborhood region, we are concerned that ENI funding may be increasingly channeled to security-related activities rather than to core issues of democracy, human rights and sustainable development. Similar to what happens under the EDF, the allocation of ENI funds to the North Africa Window of the Emergency Trust Fund for Africa raises some questions as the main focus of implementation has been placed on the objective of migration management. More transparency is needed to ensure that ENI funding is not used to fund programmes, which primarily aim at migration control at the expense of fundamental rights of migrants and refugees, rather than focusing on the original objectives of the instrument, notably to encourage democracy and human rights.”* Organisation or association
- *“Particular attention should be paid to the recommendation that EU action in its neighbourhood should be flexible, and should respect the balance between actions in response to crises and long-term involvement in the implementation of the reforms and the development of social and economic partners. In that regard, we agree with the conclusions of the report on its activities to focus on prevention (through sustainable social and economic development), rather than on crisis response.”* Public authority
- *“In relation to coherence, synergy and complementarity of the ENI, [the contributor’s] research on joint programming has highlighted some progress but also challenges in terms of coherence and coordination with the Member States. Some successes at the technical level on coordinating positions and development assistance can be remarked. However different priorities and interests of Member States in the region are evident and Member States’ bilateral relations with some neighbouring countries have often been described as contradictory with the EU’s stated objectives. Those differ-*

ences are stumbling blocks towards a more strategic approach of the EU and MS as a whole, on the political level.” Research/academia

- “In line with the recommendations formulated in the draft evaluation report of the ENI, [the contributor] concurs with R 1b: ‘The quest for complementarity between ENI and relevant thematic EFIs, MFA, and ECHO could be scaled-up to ensure actions mutually reinforce each other, comprehensively cover EU thematic priorities, and reflect medium and long term planning horizons.’ In the framework of ENI programming, increased synergies between the different programmes and instruments should be sought in order to target all relevant stakeholders. The recent grant call “Mayors for economic growth” is a good example in this regard as it links the different stakeholders from civil society as well as from the private and the public sectors.” EU platform, network or association
- “La complémentarité de l’IEV avec les autres instruments financiers européens et l’action des différents bailleurs de fonds internationaux est améliorée par la constitution de groupes de travail thématiques comme c’est le cas notamment en Arménie. [...]L’articulation de l’IEV avec les instruments couvrant une zone voisine, en priorité le FED et la fenêtre Afrique du nord du Fonds fiduciaire d’urgence pour l’Afrique, pourraient néanmoins être explorée afin de garantir la complémentarité et la cohérence des actions, notamment régionales, et la fluidité du dialogue avec les partenaires de mise en œuvre. Plus généralement, l’articulation de l’IEV avec le FED, le FFU et les autres instruments est primordiale et nous devons continuer à chercher à progresser dans ce domaine.” Public authority

Response of the evaluation team

Most of the mixed assessments in the comments received are **reflecting the findings of the evaluation team**. Recommendations provided are generally compatible with our own recommendations, some providing more detailed or operational suggestions, particularly regarding complementarity between EFIs and with other EU initiatives (EUTFs in particular).

The negative comments address actually on-going trends that are **out of the temporal scope of this mid-term evaluation**, or statements that do not take into account the basic fact that ENI cooperation, as EU cooperation overall, is contributing to a process and should not be held responsible for the instability in the Neighbourhood. For comments emphasizing the prominence of short-term actions, this is not confirmed by the analysis of the distribution of ENI commitments.

These contributions do not require changes in the report.

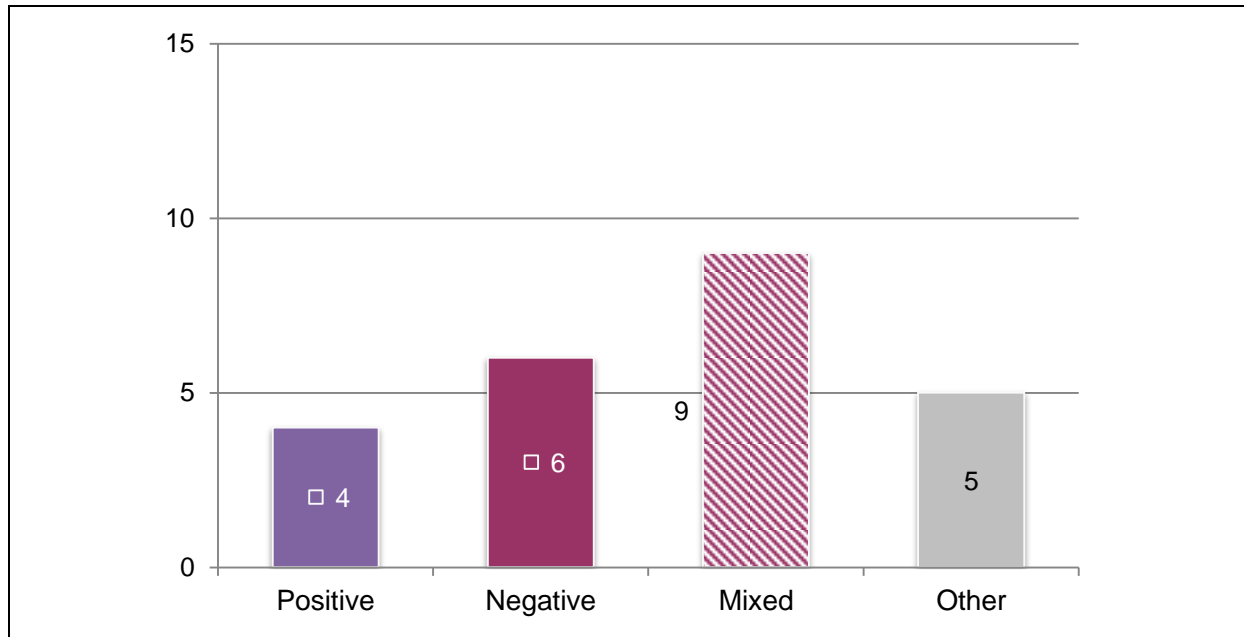
Question 2: Incentive-based approach

Question 2: Is the incentive-based approach under the ENI regulation a sound framework for fostering further reforms in partner countries in the neighbourhood? Does it suit the present regional context and did it induce a measurable change in depth or rhythm of structural reforms? Please provide reasons in support of your view.

Summary of contributions

For this question a total of 25 contributions were received from the web OPC. Again, *mixed* answers are predominant, but a reasonably large number of contributors provided a *mainly negative* assessment of the incentive-based approach, as illustrated by the graph below.

Figure 12 Question 2: Contributions from web OPC



The *mainly positive* assessments, which were incidentally submitted in majority by public authorities, all praise the incentive-based approach for its results in the Eastern Partnership, underlining the belief that the **“more for more” principle has managed to foster major reforms and transformation**. Positive results of the mechanism in specific cases (e.g. Georgia, Ukraine, Tunisia) are also often mentioned in *mixed* answers, most of which highlight the **relevance** of the principle and **the need to reward and encourage countries** that have shown goodwill in establishing reforms that mirror EU values.

The contributors of both mixed and *mainly negative* assessments however call into question the **effectiveness** of the incentive-based approach: the **financial volume is too small** to have a real leverage effect (in comparison to the countries' GDP) and the **actual promotion of human rights and democracy has suffered** from the application of a more pragmatic approach centered around ownership and common values following the recent crises (in particular related to migration). This is perceived as creating a **reward mechanism mainly for “friendly governments”** that are willing to go along a specific reform path, rather than offering an incentive to human rights and democracy reforms in the whole Neighbourhood. In this context, a very interesting complementary point has been put forward by one of the contributors: *“When partner countries show their goodwill in establishing reforms that mirror EU values, it is only natural that they receive the support that matches their ambition. However, when central governments in partner countries are not complying and not willing to bring positive changes, the budget allocated through the ENI is in theory distributed to NGOs. Yet, EUDs find it difficult to identify and involve umbrella organisations that represent civil society at large. In this case, the ones penalised are first and foremost the citizens since they do not benefit from programmes that foster stability.”* EU platform, network or association

Examples further illustrating these positions as well as other positive or negative aspects and recommendations for improving various aspects of the incentive-based approach can be found in the selection of individual contributions below:

- *“We are in favour of maintaining the ‘more for more’ principle, reward frontrunners reforms. We have not called into question the effectiveness of this mechanism. We do not agree with the statements contained in the report that the “more for more” approach does not appear to be entirely effective. [...] But that does not necessarily, mean that it would not be appropriate to examine the possibilities to improve the performance of the multi-country umbrella programmes, e.g. by increasing the available measures or by modifying the criteria to assess progress. [...] Member States that are not following the path of AA/DCFTA, if they choose to implement reforms, for example in the area of good governance or human rights, should also be able to rely on financial incentives.”* Public authority

- *“La mobilisation des fonds européens peut permettre de mettre à l’agenda des sujets jusqu’à présent peu prioritaires pour les bénéficiaires. [...]L’efficacité de l’approche incitative de l’IEV est par ailleurs renforcée quand elle est également appliquée aux autres instruments de soutien européens. Ce constat globalement satisfaisant ne s’applique pas aux pays pour lesquels l’Union européenne ne constitue pas le principal bailleur de fonds et n’y est perçue que comme un donateur parmi d’autres, sans véritable capacité d’influence sur les grandes orientations ou même le rythme des réformes menées par les autorités.”* Public authority
- *“Past constraints hampering cooperation will not easily be overcome with the promise of greater capital inflow or a greater emphasis on capacity building for border or migration management financed by the ENI or other instruments. Larger incentives offered by the EU for more immediate cooperation could help to achieve some objectives in the short-term but may do little to provide long-term solutions to migration and development dynamics. The EU has other tools for the protection and promotion of human rights, and has developed approaches to work with civil society as political and governance actors. It should use these as part of an integrated or comprehensive approach and not neglect the ultimate political choices that it faces rather than load unrealistic expectations on the ENI.”* Research/academia
- *“[The contributor] welcomed the ‘more for more’ policy adopted in 2011 as part of the ENP Review for human rights and democracy promotion and defence. Unfortunately, that policy was almost abandoned in the 2015 Review to promote ‘ownership’, in other words ‘more for more’ only for the partner countries that are willing to go along that reform path, and no more conditionality or incentives for the others. At the same time as the EU has diminished its ambition to be a reform-oriented actor in the human rights field – putting in place a transactional approach instead – conditionality is now a key leverage tool in the field of migration management.”* Organisation or association
- *“Absolutely not. It is just trying to buy friendly governments without paying much of an attention to development.”* Organisation or association

Response of the evaluation team

Out of the mainly positive and negative assessments, **a broad spectrum of the contributions is already reflected in our analysis of the incentive-based approach under ENI.** Human rights defenders are apparently unaware that human rights, Rule of Law and good governance are key criteria for the allocation of umbrella programmes. Very positive views were already expressed by Georgia officials interviewed during the field visits but need to be balanced by the view expressed by other partner countries less frequently benefitting from the umbrella programmes.

These contributions do not require changes in the report.

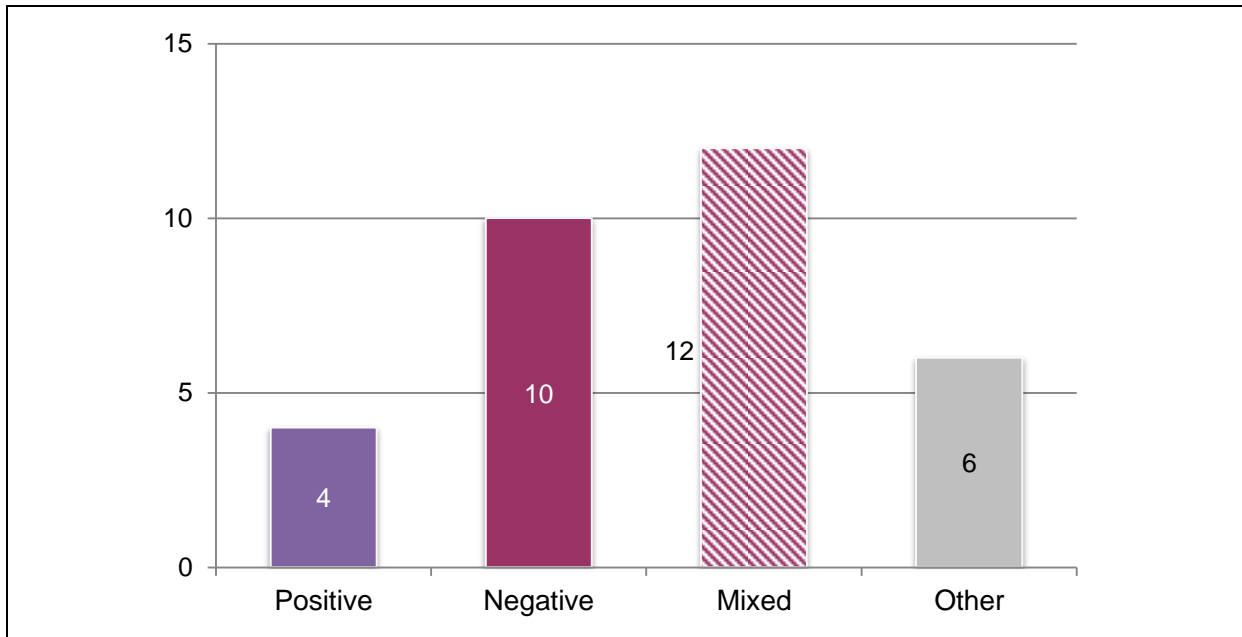
Question 3: Contribution to stabilisation

Question 3: Does the European Neighbourhood Instrument, as it stands, in association with other EU external action financing instruments, have the capacity to contribute to the stabilisation of the region? Please provide reasons in support of your view.

Summary of contributions

For this question a total of 32 contributions were received from the web OPC. *Mixed* and *mainly negative* answers clearly outnumber the *mainly positive* assessments of ENI’s capacity to contribute to the stabilisation of the Neighbourhood, as illustrated by the graph below.

Figure 13 Question 3: Contributions from web OPC



Most contributors express their opinion that the current political situation in the Neighbourhood and its recent crises (repression and hardening of regimes in the aftermath of the “Arab Spring”, outbreak of conflicts in Libya, Syria and Ukraine) are evidence of the failing attempts of ENI (and to a larger scale EU) to stabilize the region. In the *negative* and *mixed* answers, several explanations are given as to why the stabilisation efforts have been unsuccessful; citing a **lack of complementarity and flexibility**, but also the **lack of political will** and the **difficult situation of civil society** in the Neighbourhood countries.

The main topic present in most of the answers is however the **balance between short term efforts** (crisis prevention/response, security policies) **and long-term development**. In that respect, some (*mainly positive*) answers tend to see the ENI’s focus on **long-term development as an enabling factor for positive results** (for example in Ukraine and Tunisia, but also the CBC Programmes were mentioned as a positive example of a long-term engagement which establishes networks and exchanges across borders, thus stabilising relationships). This view is also shared in some *mixed* or negative *answers*, stating that EU/ENI has to concentrate even further on long-term reforms and development in order to truly contribute to the stability of the region. But there are also other voices that identify **the insufficient means of crisis prevention** as the main problem of EU/ENI efforts of stabilisation. One of the more neutral statements in this respect summarizes the issue: *“The key dilemma is to have a field-informed and adaptable policy that allows for cooperation on concrete problems needing responses in the immediate while not neglecting long-term support to regional integration, key for sustainable solutions. The ENI can be tweaked and improved but the EU needs to find a common long-term, strategic and comprehensive vision for the Neighbourhood, taking into account what is feasible, in light of interests, aspirations and opportunities on both sides. Otherwise the responses that ENI can offer are quite limited and their achievements can be quickly undermined by structural challenges and recurrent crises.”* Research/academia

The following selection of examples serves to illustrate the various positions brought forth by contributors with regards to ENI’s efforts to contribute to stability in the Neighbourhood:

- *“The ENI has the potential to contribute to stabilisation in the European Neighbourhood. However, the extent to which it is able to do so depends on the EU taking a transformative and people-focused (i.e. not entirely state-centric) approach to the issue.”* Organisation or association
- *“The ENI has an important role to play as an instrument that contributes to the stability of the region through long-term support to partner countries’ reform work in order not to decrease the possibilities for a sustainable development in the region. Long-term reform is in itself a form of conflict prevention, which in the long run is also more*

cost-efficient, not least in terms of strengthened resilience, greater prosperity and increasing the possibilities for the population in creating a better future. The ENI has proven flexible through using special measures and Trust Funds when there have been special needs. There is more to do in creating greater flexibility between different sectors, such as e.g. between the the agriculture and health sectors, in order to better respond to upcoming needs. However, we do not encourage resources flowing from ENI to short-term responses or other instruments. Better operational synergies between instruments at a local level could be explored.” Public authority

- “Yes, the huge reform steps undertaken in the EaP and SN countries with the support of the ENI and other financing instruments are contributing to strengthen the resilience of the societies - although there is still a long way to go. Through the ENI the EU was able to put its engagement with EaP countries on a long-term basis and at the same time take into account pressing needs. These countries should not have to choose between Brussels or Moscow, instead the EU should support the balancing capacities of countries like Belarus and Moldova, which currently find themselves under strong Russian pressure. For the stabilisation process to be really successful in the SN countries, conflict resolution and continuous long-term EU support will need to be complemented by large scale private foreign investment (as was the case in the successful EU enlargement process). While it is important to continue along this ambitious track, the goals should remain realistic and be supported by the local population, so as to avoid creating false expectations and disappointments. In addition, results must become visible and be communicated.” Public authority
- “We believe that ENI has been involved in strengthening stability in the neighbourhood, including the Eastern Partnership. Taking into account the new challenges in the region, new initiatives under the ENI and recommendations should respond to the proposals set out in the Communication on The review of the ENP, the Council Conclusions of November 2015 and the EUGS EU. This concerns in particular the need for a stronger emphasis than hitherto on the security and resilience of partner countries to internal and external security threats.” Public authority
- “L’action de l’Union européenne est d’autant plus efficace et contribue à la stabilisation du voisinage lorsque l’IEV est conjugué à d’autres instruments. Dans le cas de l’Ukraine, les mesures spéciales, combinées aux conditions de versement de l’assistance macro-financière et à celles du plan de libéralisation des visas ont permis des avancées notables. Dans le cas de la Tunisie, une stratégie globale de l’Union européenne vis-à-vis de la Tunisie a pu être établie grâce à la communication conjointe publiée fin septembre et endossée par les conclusions du CAE. [...] Dans ces deux cas, l’établissement d’une stratégie globale mettant en cohérence l’ensemble des outils et instruments financiers à la disposition de l’Union européenne ont permis à cette dernière de s’affirmer comme un acteur crédible.” Public authority
- “The ENI can contribute to the stabilisation of the region in countries that are open to reform their institutions and listen to their civil societies. In the Southern Neighbourhood, civil society organisations experience, e.g. in Egypt, legal and physical attacks, smear campaigns, arrests and harsh sentences, as well as orders to close their offices down, asset freezes, travel bans for their staff, etc. The ENI and the Civil Society Facility should be re-oriented to transform civil societies into real partners, promote their visibility and increase their space as legitimate, transformative actors of change that can help stabilise both their countries and the whole region.” Organisation or association
- “In its current form, the European Neighbourhood Instrument does not have the capacity to contribute to the stabilization of the region, as events from the previous years and months have shown that political instability remains a threat. To stabilise the region, it is necessary to ensure the institutions are present and stable. This requires more dialogue with all relevant actors, including local governments.” EU platform, network or association

Response of the evaluation team

The contributors in their diversity are **exemplifying the dilemma faced by HQ and EUDs** while programming ENI allocations: a focus on long-term / root causes / sustainable solutions while crises, social tensions and even conflicts are emerging everywhere. The recent history has demonstrated the incapacity of observers to anticipate which driver of instability will be transformed by social forces in an open crisis. In this respect, the report does not provide a one-size fits all solution but emphasizes the fact that conflict prevention should be better integrated in the programming processes.

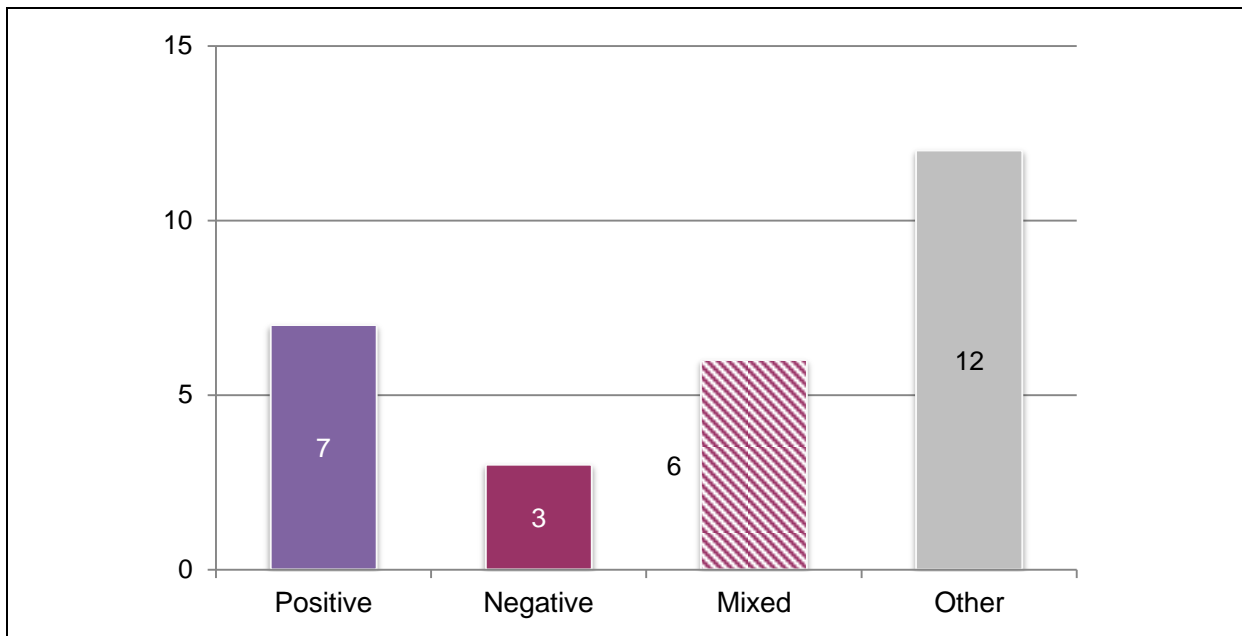
The notion of “dilemma” was further emphasised in the related part of the report.

Question 4: If you have any other views on the ENI you would like to share, they are welcome here.

Summary of contributions

For this question a total of 28 contributions were received from the web OPC. Naturally, the *other* category is represented most, which is understandable since the contributors were not asked to assess a specific issue or question.

Figure 14 Question 4: Contributions from web OPC



This question was mainly used by contributors **to introduce other topics or sectors** that are – in their view – neglected by ENI and for which they would like to see increased actions or funds in the future. These include for example the **rights of disabled persons, cultural relations and cooperation, and support to civil society or the independence and freedom of media.**

Others used this opportunity to provide an **assessment of specific elements** which did not fit into the other questions or to provide an **overall closing statement**. A selection of these assessments as well as examples illustrating other topics brought forth by the contributors can be found as follows:

- *“The ENI’s civil society facilities and EU Peacebuilding Initiative (formerly the EU Partnership for Peace Programme) are important sources of support for peacebuilding CSOs in the EU’s partner countries in the European Neighbourhood.”* Organisation or association
- *“In one policy domain that [the contributor] has recently researched the ENI and its predecessor the ENPI have been crucial to support culture in the European Neighbourhood. Out of 98 mapped cultural projects carried out in or as of 2014, 74 are funded by them. [The contributor’s] research in the “Preparatory Action for Culture in EU External Relations” demonstrates that cultural engagement with the ENP countries can serve the interests and the ideals of the EU and its Member States. Such en-*

agement strengthens intercultural dialogue and global solidarity, and the respect for cultural diversity. But cultural relations can also foster trade and investment, innovation and development. While cultural differences can be a factor in conflict dynamics, intercultural and interreligious dialogue can play a role in conflict prevention and peacebuilding through media, education, in particular of youth.” Research/academia

- “[The contributor] opposes innovative financial instruments outside the Multi-annual Financial Framework, as this circumvents the budgetary restrictions set out in the framework decided by the European Council and creates long-term budgetary risks for the Member States. This is even more important today and in the years to come given the uncertainties surrounding the EU budget.” Public authority
- “The approach adopted under the ENP Review - under the principle of joint ownership - has led to negotiate Partnership Priorities with Southern Mediterranean countries, and to differentiate the assessment of progress through country-specific reports published ahead of high-level meetings with partner countries, such as Association Councils. If the legally binding ENI Regulation, adopted by the European Parliament and the Council of the EU, is not amended during the 2017 mid-term review, the indicators listed in its Article 2.3 should be used until 2020 to measure the progress made by the partner countries. In that case, reallocation of the ENI funds to support, among others, civil society is to be made “in the event of serious or persistent regression” (Article 4.3). Otherwise, this would inevitably lead to contradictory, parallel pathways: a political assessment side-lining the said indicators to prioritise the Partnership Priorities, and a technical evaluation to comply with the ENI Regulation. In a nutshell, the EU has two options: either reflecting the current ENI Regulation in its relationships with partner countries (promoting deep democracy and reviving conditionality based on indicators), or amending the Regulation to reflect the ENP Review and its principles of ownership, differentiation and flexibility, with the involvement of the European Parliament.” Organisation or association
- “On account of the priority assigned to the neighbourhood for the EU, regardless of its final form, there is a need for a separate financial instrument supporting the implementation of the ENP. It is also appropriate to increase the visibility of EU support under the ENI. For transfers of funds from the ENI to the Trust Funds (Syrian and African), we have repeatedly stressed that we are not against increasing the financial support to our partners in the context of the migration crisis. However, measures taken and mobilising resources for the Southern Neighbourhood should not adversely affect the achievement of the primary objectives of the instrument, i.e. for the ENI, the need to provide long-term support to socio-economic development partners as well as reforms in the area of democratisation and human rights. In addition, we expect greater involvement of Member States in the process and inform well in advance about the planned activities. We understand the need to act quickly, however, in accordance with the declaration of the EC, transfers should be discussed at the meetings of the ENI. Therefore we expect greater transparency of all movements of the budget in this area.” Public authority
- “The ENI has the potential to contribute to stabilisation in the European Neighbourhood. For example, the ENI will provide important funding for the EU-Jordan Compact, which we see as an excellent example of integrating the needs of refugees and host communities into long term planning, in a way which benefits both, for example in terms of infrastructure and job creation. Therefore it serves as an example of implementation of the excellent Lives in Dignity-Communication and one to be followed for the other Compacts. This people-focused approach is critical to social cohesion and therefore stabilisation in the countries receiving large numbers of refugees and migrants, which already have development needs pre-dating the Syrian conflict. Moreover, for conflict contexts like Syria, it is crucial that development funding is invested alongside short term humanitarian funding. Genuine and sustainable peace will only be achieved if humanitarian efforts are accompanied by investments in livelihoods and resilience, as well as peacebuilding at community, regional and national level, to the extent possible. Early investments in peacebuilding and resilience will prevent the further spread of violence, and will reduce the time, money and effort

needed to rehabilitate the country. Needless to say, this requires a conflict-sensitive approach to ensure to do no harm, whereby human security is put front and centre, rather than concepts of state security or state resilience. The key outcome of stabilisation needs to be peace, good governance and an inclusive economy, all of which require participation of civil society, to ensure no one is left behind.” Organisation or association

- *“Key concerns regarding these instruments include the following:

 - *Promotion of EU values are overshadowed by security and stability concerns*
 - *Coherence and complementarity within financial instruments is key but policy coherence for development should stand at the center of EU external action*
 - *Allocation of financial instruments should be considered as a tool to enhance multi-stakeholder dialogues at national level*
 - *Commitment to mutual accountability must be at the center of financial instruments”**

Organisation or association

- *“[We] would like to point out that additional funds (i.e. fresh money) should not be provided. If need arises to provide additional support to a particular sector, the funds should be redistributed from those sectors which are not functioning so well. In addition, one should not anticipate the negotiations for the next financial framework 2020+. In recent years, we could observe an intensified use of EU budget support within the framework of the ENI as a means to strengthen financial national reform strategies and poverty reduction and promoting sound and transparent public finances in our partner countries. However, we believe that budget support is not a panacea and can only assist a partner country’s development, if the necessary conditions are in place and only under a strict control of the entire budget support process, in particular of the eligibility and disbursement criteria, in order to guarantee the necessary transparency and to fight corruption.”* Public authority
- *“Le découpage géographique des instruments financiers externes de l’UE peut poser question. Plusieurs défis sont partagés entre les pays d’Afrique du Nord et de l’Afrique Subsaharienne : désertification, adaptation au changement climatique, migrations, épidémies ; par exemple les enjeux de sécurité au Sahel se posent pour les pays du Maghreb et ceux d’Afrique Subsaharienne. Alors qu’entre les pays du voisinage Sud de l’UE et ceux à l’Est, les défis se posent dans des contextes géopolitiques et territoriaux très différents. Bien souvent la coopération européenne pour résoudre ces défis doit se démultiplier ou se dissocier du fait des périmètres géographiques de chaque instrument.”* Research/academia
- *“The ENI’s civil society facilities and EU Peacebuilding Initiative (formerly the EU Partnership for Peace Programme) are important sources of support for peacebuilding CSOs in the EU’s partner countries in the European Neighbourhood. EPLO welcomed the inclusion of the following article in the ENI Regulation: Article 2(2): ‘promoting confidence-building, good neighbourly relations and other measures contributing to security in all its forms and the prevention and settlement of conflicts, including protracted conflicts;’”* EU platform, network or association
- *“La programmation conjointe doit impérativement être approfondie et systématisée. Cet exercice offre ainsi un cadre de concertation adapté pour harmoniser nos interventions. Afin d’être efficace cet exercice doit prendre en compte l’ensemble des commentaires émis par les Etats membres de l’Union européenne dans le cadre des groupes de travail mis en place par la délégation de l’Union européenne sur place. Cette approche doit pouvoir être systématisée à l’ensemble des pays du voisinage. [...] L’association des Etats membres à l’exercice de programmation conjointe mais également plus largement à la définition des projets puis au suivi de leur mise en œuvre est indispensable et demeure insuffisante dans de nombreux pays à l’heure actuelle. Ainsi, dans certains pays comme Israël ou la Jordanie, les Etats membres ne sont que très peu, voire pas associés à l’exercice de programmation. Les consultations se révèlent trop tardives, informelles et aucun document ne circule en amont des réunions. Les avis des Etats membres ne sont que trop peu sollicités. Une meilleure visibilité sur la mise en œuvre des projets et les taux d’engagement est souhai-*

table afin d'identifier avec davantage de précision les besoins des pays partenaires et la visibilité des actions à venir. Il nous paraîtrait nécessaire d'envisager un passage annuel en groupe de travail/Coreper, en amont des comités IEV, pour renforcer le pilotage politique de la PEV et l'adéquation entre la programmation budgétaire et les objectifs politiques." Public authority

- *"The ENI should put more emphasis on cultural relations and cultural cooperation, concentrating on empowering co-creation and co-production between European and non-European cultural operators. In order to do so, local partners must be involved in the planning and inception phases of projects, which are crucial phases for ensuring reciprocity, building trust and thus guaranteeing the quality of the cooperation and a long-term impact. Knowledge transfer and mutual learning are also key aspects of any future ENI action in the field of culture. ENI-supported action in the field of cultural relations should involve a broad range of stakeholders alongside national public authorities (civil society, local authorities, private sector, etc.). In this view, the financial instruments for cultural relations between the EU and its Neighbours should be accessible and tailored to the capacities of the cultural sectors in the regions and the individual countries. Communication about the cultural action of the EU in the Neighbourhood should be improved in terms of visibility and outreach, while taking into account the sensitive political, economic and social context of the region(s). EU Delegations should be provided with more resources (financial and human, also in terms of trainings) in order to engage with local partners, but also with all donors – public, private, international organisations, NGOs – active in the region(s) in the field of culture."* Organisation or association
- *"There is one request that [the contributor] wishes to reiterate: Treat Africa as one and indivisible. The same as the European countries bordering the Mediterranean Sea are not cut off from Europe, we consider that the African countries bordering the Mediterranean Sea should not be seen as distinct from the rest of Africa. The security and migration challenges bring evidence to this idea."* Public authority

Response of the evaluation team

The high diversity of these contributions in terms of object, scope and nature makes it difficult to identify key aspects that need to be taken into consideration in the report. Beside contributions serving the interests of a particular group (of countries or structures), **two ideas are worth noting**: more **support to cultural relations/cooperation** that help long-term convergence on EU values, and more **support to independence and freedom of the media** – for the same reason. The key idea behind those two suggestions is that these indirect actions might be more effective than direct, targeted actions on human rights, Rule of Law and governance.

This idea is introduced in the report in the recommendation section.

Face-to-face consultations

As part of the public consultation, DEVCO, EEAS, FPI and NEAR organised a technical workshop with over 180 participants from the European Parliament and EU Member States on 27-28 March 2017. The purpose of this workshop was to gather views on the draft evaluation reports of the EFIs and start reflections on the future of the instruments post-2020.

In addition, the draft evaluation report was presented at the Policy Forum on Development Meeting on 23 March 2017 (which brought together Civil Society Organisations (CSOs) and Local Authorities (LAs) from the European Union and partner countries) and in the Council working group (COEST/MAMA) on 6 April 2017.

Summary of contributions

During each meeting, a number of issues were raised with regards to the evaluation findings, but also to ENI in general. Comments were made by different stakeholders from the Council of the European Union, European Parliament, Member States and Civil Society Organisations.

The following bullet points summarize the main issues raised during the face-to-face consultations:

- The principle of differentiation, which is generally appreciated as means for better and more targeted assistance, but if each country is treated specifically, the overall instrument is put into question;
- The incentive-based approach is an important tool, but clearly has room for improvement to make it more effective, e.g. by revising the allocation criteria;
- The question of balance between crisis prevention and long-term development;
- Coordination and coherence between different programmes (bilateral, multilateral) or instruments needs improving and operational linkages and synergies need to be created;
- Cooperation between EUD and MS needs strengthening, e.g. by applying Joint Programming in a systematic way;
- The lag between programming and implementation;
- The (low) absorption capacity of partner countries is seen as the main obstacle of an effective and fast implementation of the instrument and a key problem in the Neighbourhood;
- Insufficient (time) capacities of EUD staff;
- Visibility aspects of ENI with regards to strategic communication (reaching out in a broader sense than only governments) and with regards to indirect management;
- Added value of Trust Funds over standard ENI programmes;
- Advantages and disadvantages of Budget Support;
- Involvement of CSOs especially with regards to the challenges of reaching out to smaller CSOs.

Response of the evaluation team

During the face-to-face consultations, the findings, **conclusions and recommendations of the report were generally confirmed as reflecting the state of affairs of ENI implementation**, beyond the diversity of views expressed by the participants. Most questions asked during the face to face consultations were mainly requests for clarification in relation to the short presentation made. The two key disagreements were the following:

- The length of the programming process – which implies that after two years, almost no programmes have started on the ground – was seen as a key finding by participants. Not being specific to ENI i.e. shared by all geographic instruments, this length of the programming process was considered as given from the outset of the evaluation by the evaluators and not a result of the evaluation;
- The effectiveness of umbrella programmes were strongly supported by some EU MS while our analysis was more nuanced, taking into consideration the lack of results beyond 2-3 countries, and the recent evolutions in Moldova that benefitted in the past from the more for more mechanism.

4 Annex 4: Consultation strategy

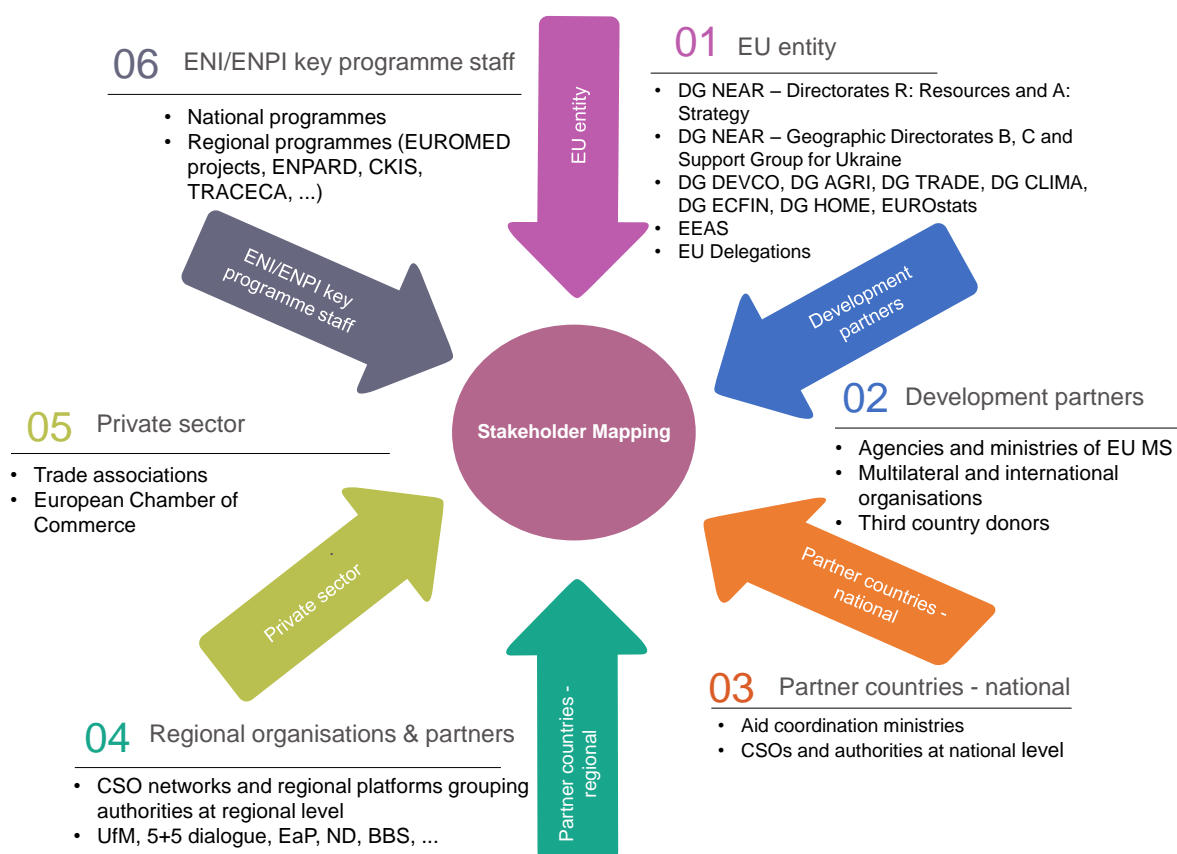
The evaluation of the European Neighbourhood Instrument (ENI) for the period 2014-20 will, together with parallel evaluations of other external financing instruments (EFIs) under the multiannual financial framework (MFF), feed into the required mid-term review report (MTR). The objectives of all EFI evaluations, including the one on the ENI, are to a) provide the relevant external relations services of the European Union and the wider public with an assessment of the EFIs, including complementarities and synergies among them; and b) inform the programming and implementation of the current EFIs, as well as the next generation of the EFIs.

This consultation strategy provides an overview of the approach that was taken for consulting with the main stakeholders of this evaluation. It contains two elements. The first describes the overall setup of the strategy (i.e. the underlying stakeholder mapping, the framework and strategy as well as the timeframe). The second provides statistics on the consultation of stakeholders. An important component of the stakeholder strategy is the open public consultation (OPC) at the end of the synthesis phase of the evaluation to acquire feedback from all relevant parties on the main evaluation findings, which is presented shortly in its own separate section below.

Stakeholder mapping

An important element of any consultation strategy is to identify or map the stakeholder groups to be consulted as illustrated in the figure below.

Figure 15 Stakeholder Mapping



The table below was first introduced as a planning tool in the Inception Report and has been updated to provide information on the actual consultations that took place during the course of this evaluation. It provides details of who was consulted, on what issue, when and how.

Table 5 Consultation process: Who, what, when and how?

Who? (Type and group)	What? (Consultation issues)						When? (Stage)	How? (tool)
	EQ1	EQ2	EQ3	EQ4	EQ5	EQ6		
Commission Services and EEAS								
DG NEAR	■	■	■	■	■	■	All stages	Interviews
DG DEVCO, AGRI, TRADE, CLIMA, ECFIN, HOME, EU-Rostats...	■	■		■	■	■	Desk and validation	Interviews
ERDF, EIB, EBRD					■	■	Validation	Interviews
EEAS	■	■		■	■	■	All stages	Interviews
EU Delegations	■	■	■	■	■	■	Desk and validation	Interviews, EUD survey
Development partners								
Agencies and ministries of EU MS		■			■	■	All stages	Interviews and OPC
Multilateral organisations (e.g. UN, World Bank)		■			■	■	Validation	Interviews
Third-country donors (e.g., USAID)		■			■	■	Validation	Interviews
Partner countries (national)								
Aid coordination ministries, ministries involved in informal dialogues (e.g. EaP)	■	■	■	■	■	■	Validation and synthesis	Interviews and OPC
CSOs and authorities at national level	■	■	■	■		■	Validation and synthesis	Interviews, group discussions and OPC
Regional organisations, partnerships, cooperation frameworks or networks								
UfM, LAs, EaP, ND, BBS...	■	■	■				Synthesis	OPC
CSO networks and regional platforms; grouping of LAs at regional level	■	■	■				Synthesis	OPC
ENI/ENPI key programmes (only team leaders, for case studies)								
National programmes		■	■				Validation	Interviews
Regional programmes (EUROMED projects, ENPARD, CKIS, TRACECA...)		■	■				Validation	Interviews
Private sector								
Trade associations		■				■	Synthesis	OPC
European Chamber of Commerce		■				■	Synthesis	OPC

Stakeholder consultation strategy

The stakeholder mapping for ENI 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 these stakeholders during the evaluation process. 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 in ENI 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 validation phases and informed them of results in the evaluation. Other DGs and entities have been consulted during the desk and validation phases where specific instances required it and informed of evaluation results. EUDs have also been consulted and informed throughout all phases of the evaluation.

Development Partners

The development partners active in the Neighbourhood (EU MS agencies, international organisations) have been consulted in-country in the validation phase as well as desk phase if judged necessary.

Partner countries (national)

Aid coordination ministries and other relevant line ministries of partner countries have been consulted in the case study countries during the validation phase. CSOs also have an active role in ensuring citizens are adequately represented in the formulation of ENI actions and in overseeing as well as implementing them. They have been consulted particularly during the validation phase and the OPC.

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 four case study countries;
- Interviews with EUDs in the form of a phone survey (in general targeting the Heads of Cooperation) during the desk phase;
- EFI-wide survey to EU delegations (coordinated by the chapeau team);
- Open Public Consultation (OPC) via web and face-to-face.

Desk Phase

The evaluators prepared the inception report and submitted it to the client for its approval. At this stage of the evaluation, no further stakeholder consultation took place. During the actual sub-phase of desk work, stakeholders as identified above have been closely consulted as appropriate, preferably via phone/email/ face-to-face /video-conference discussions. By the end of the desk phase, a Desk Report has been prepared and discussed with the ISG.

Validation Phase

In line with the assessment provided in the table above, the evaluation team sought validation of the desk phase hypotheses and further complementary evidence through field visits to case study countries, where it consulted the identified stakeholders via the appropriate evaluation tools e.g. interviews, focus groups, questionnaires.

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 Terms of Reference.

Report dissemination

Once the final evaluation report has been submitted, DG NEAR will publish it on its website.

Timeframe

The timeframe for the delivery of the consultation strategy as follows:

<i>Consultation actions</i>	<i>Deadline</i>
Desk Phase	Until 10 th October 2016
Validation Phase (incl. presentation of preliminary findings)	Until 24 th November 2016
Synthesis Phase (pre-OPC)	Until 16 th January 2017
Open Public Consultation	From 7 th February 2017 until 5 th May 2017
Synthesis Phase (post-OPC)	Until mid-June 2017

Stakeholder statistics

Interviews took place during the desk phase with all relevant units of DG NEAR, as well as other EU entities and EU MS. At the same time, interviews with EUDs (in general with the Heads of Cooperation) were undertaken in form of a phone survey. During the validation phase, interviews took mainly place within the frame of field visits to four case study countries (Egypt, Georgia, Ukraine and Tunisia). Consultation in the synthesis phase mainly concentrated on the Open Public Consultation and the targeted face-to-face meetings (see separate chapter below) and reverting to previous interview partners for clarification following the comments on the report. During all phases, the evaluation team proactively reached out to the identified stakeholders and made sure that everyone was given an opportunity to provide inputs.

To the possible extent, interviews were structured around interview guidelines shared with the interview partners beforehand and were attended by two (senior) experts of the team. In total, 174 interview partners were consulted, the vast majority of which fit into the category of “EU entity”. The following graphs provide a more detailed overview of the persons interviewed.

Figure 16 Overview of persons interviewed by category

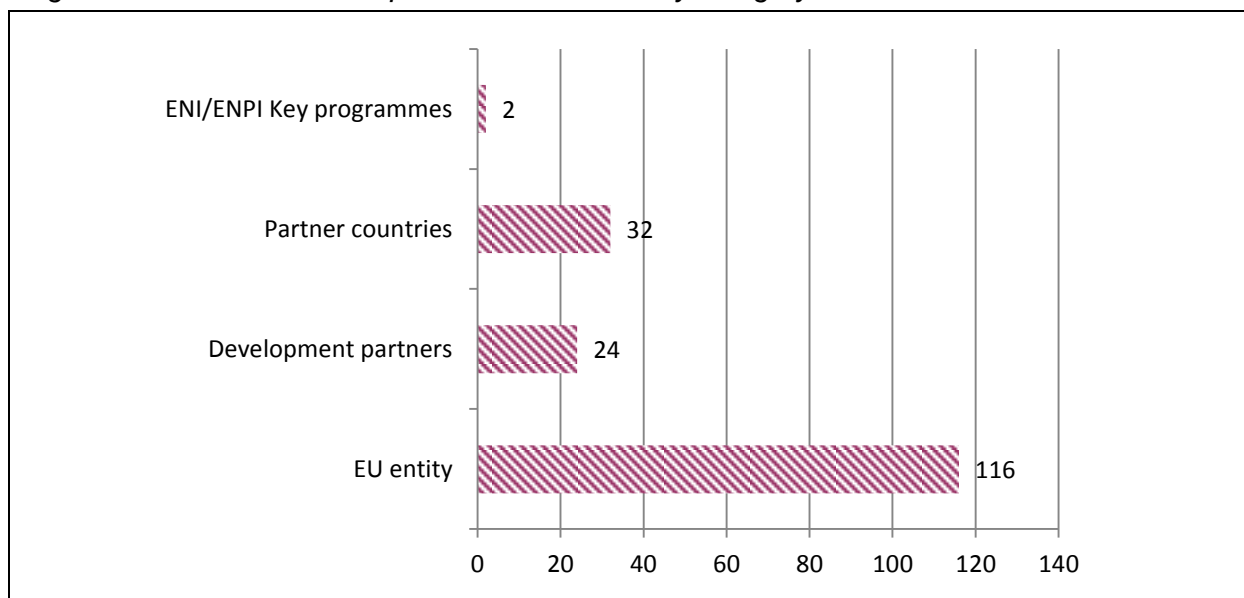
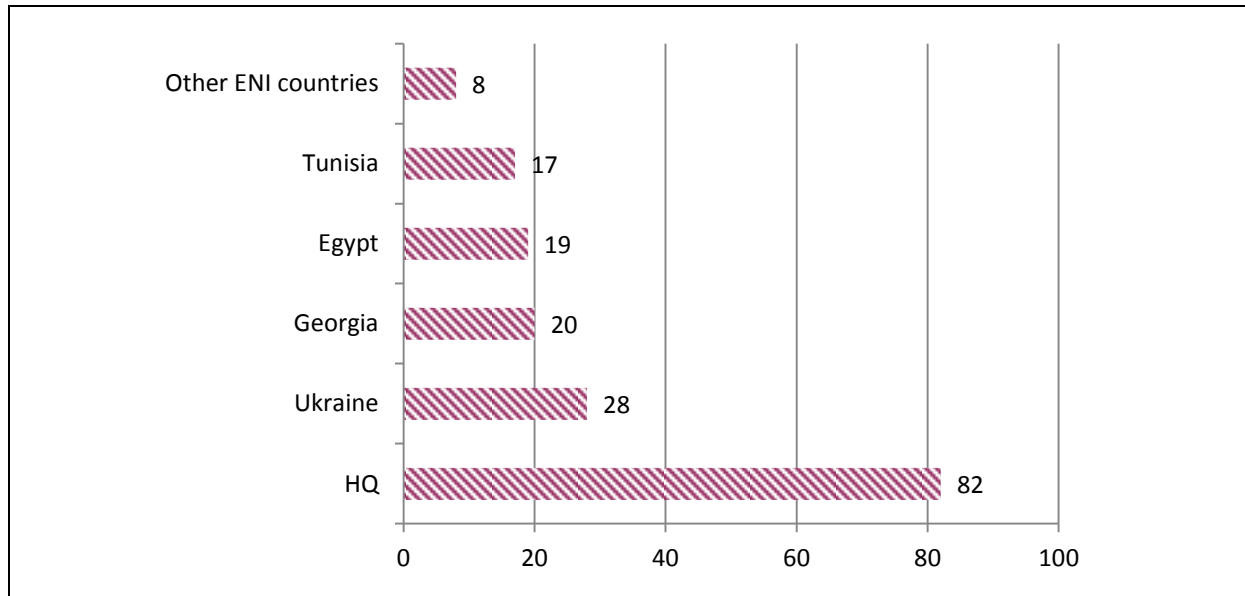


Figure 17 Overview of persons interviewed by country⁵



Open Public Consultation

The Open Public Consultation (OPC) done at the end of the synthesis phase represented an important component of this consultation process. By collecting contributions through a web survey and through technical workshops, it allowed to acquire feedback from all relevant parties on the main evaluation findings. Even though the OPC was also aimed at the broader public and all relevant stakeholders were targeted, particular attention was paid to the contributions of EU MS.

From the web OPC, a total of 44 contributors answered questions related to the ENI evaluation. Over 180 participants from the EU Parliament and EU MS attended a technical workshop organised in Brussels. In addition, the draft evaluation report was also presented at the Policy Forum on Development and in the Council's Working Parties on Eastern Europe and Central Asia (COEST) and Mashreq/Maghreb (MaMa).

⁵ „HQ“ stands for stakeholders interviewed at an EU-wide level and mostly refers to Commission staff in Brussels.

5 Annex 5: List of people interviewed

<i>Name</i>	<i>Position</i>	<i>Organisation / Unit</i>
ACUNER, Sevki	Country Director	EBRD (Ukraine)
ADJEMIAN, Hoa-Binh	Head of Cooperation	EUD Armenia
AHMED, Mostafa AWAD, Mostafa	Undersecretariate for Planning and intl cooperation	Ministry of Electricity and renewable energy (Egypt)
ANTONENKO, Anton		DixiGroup (Ukraine)
AUDAZ, Gerald	Team Leader – for Algeria, Morocco, and Tunisia	DG NEAR Dir B – Neighbourhood South 4. Maghreb
BANKI, Barbara	Deputy Head of Unit	DG NEAR Dir R – Resources 2. Financial and Legal Coordination
BAUR, Johannes	Head of Operations Section	EU Delegation Kiev
BEN NASR, Zahra	President	Association Agir contre l'exclusion (FACE) - Tunisie
BERGELT, Daniela	Head of Cooperation	German Embassy (Ukraine)
BERLOCO, Nicolo	Auditor	Court of Auditors
BLANC, Gabriel	Policy Officer	DG NEAR Dir A – Strategy and Turkey 3. Thematic Support, Monitoring and Evaluation
BORZILLO, Gianpiero	Head of Section Finances, contracts and audits	EUD Tunis
BOUSQUET, Mathieu	Head of Unit	DG NEAR Dir C — Neighbourhood East 1. Georgia, Moldova and Neighbourhood Cross-Border Cooperation
BRAVO-HEVIA, Begona	Deputy Head of Unit	DG NEAR Dir B – Neighbourhood South 1. Middle East
BRENDER, Reinhold	Deputy Head of Delegation	EUD Egypt
BRUNET, Bernard	Head of Unit	DG NEAR Dir A – Strategy and Turkey 3. Thematic Support, Monitoring and Evaluation
BUJIASHVILI, David	Acting Head of EU Assistance Coordination Department	State Minister's Office for the European and Euro-Atlantic Integration (Georgia)
BUNDE, Kristina	HoS Human Rights, Civil Society and Governance	EUD Egypt
BURKI, Olivier	Regional Director	Swiss Agency for Development and Cooperation (Georgia)
BYELOKOLOS, Hanna	Deputy Director for Coordination of International technical assistance	Ministry of Economic Development and Trade (Ukraine)
CABELLO, Juana Mera	Head of Operations Section	EU Delegation Kiev

<i>Name</i>	<i>Position</i>	<i>Organisation / Unit</i>
CANEA, Ana-Sorina	Evaluation Officer	DG NEAR Dir A – Strategy and turkey 3. Thematic Support, Monitoring and Evaluation
CAPPELLANI, Alessio	Deputy Head of Division – Maghreb Division	EEAS Dir MENA 3. Maghreb
CASTILLO-RAMIREZ, Jorgelina	Secretary to the Head of Unit	DG NEAR Dir R – Resources 1. Human Resources
CHEIKH, Sana		MDCI – DG de la Coopération Euro-méditerranéenne (Tunisia)
CHEN, Dandan	Country Sector Coordinator	World Bank (Georgia)
CHENTSOV, Vsevolod	Head of EU Directorate	Ministry of Foreign Affairs (Ukraine)
CISOWSKI, Michal	Policy Officer – European Neighbourhood Policy	EEAS Dir MENA 5. Strategy and instruments of the European neighbourhood policy
CLING, J.P.		Twinning project to modernise the Tunisian statistical system
COLAVITA, Antonella	Economic Analyst – Economist on ENP countries and Macro-Financial Assistance. Horizontal MFA matters.	DG ECFIN Dir D 2. Neighbourhood countries – Macrofinancial assistance 001. Macrofinancial Assistance
COMBETTE, Catherine	Deputy Head of Unit	DG AGRI Dir A Neighbourhood policy, EEA, EFTA and enlargement
COMO, Odoardo	Team Leader – Evaluation and Monitoring	DG NEAR Dir A – Strategy and Turkey 3. Thematic Support, Monitoring and Evaluation
CORTEZON Gomez, Alberto	Head of Section Cooperation	EUD Tunis
COSTELLO, Patrick	Head of Division	EEAS Dir MENA 1. Middle East I – Egypt, Syria, Lebanon, Jordan
DAUSSIN-CHARPANTIER, Jérémie	Deputy Director	AFD (Tunisia)
DAVID, Stéphane	Programme Manager Agriculture et rural devt	EUD Egypt
DE GROOT, Berend	Head of Cooperation	EU Delegation Kiev
DEAN, Homa	International Aid / Cooperation Assistant	DG DEVCO Reporting directly to the Director-General 01. General Coordination and Inter-

<i>Name</i>	<i>Position</i>	<i>Organisation / Unit</i>
		Institutional Relations
DELLA PIAZZA, Fabio	Programme officer	Political section, EU Delegation Kiev
DOMINGUEZ-PEREZ, Dolores	Finance and Contracts Manager – VOISINAGE – Chef de Secteur Horizontal	DG NEAR Dir B – Neighbourhood South 3. Finance, Contracts, Audit (ENI)
DOOMS, Ann	Team Leader – Budget, finance and contract Assistant	DG NEAR Dir R – Resources 1. Human Resources
DOTTO, Stefano	Programme Manager – EU Policies	DG NEAR Dir B – Neighbourhood South 2. Regional Programmes Neighbourhood South
EL FARAMAWI, Ismael	Senior Agricultural Expert	Italian Agency for development and cooperation (Egypt)
ELANDER, Malin	Programme Manager – EU Policies	DG NEAR Dir B – Neighbourhood South 2. Regional Programmes Neighbourhood South
ELIZBARASHVILI, Ketii	Operations officer – EIDHR	EUD Tbilisi (Georgia)
ESCALONA, Diego	Head of Cooperation	EUD Egypt
FALKENBERG-AMBROSIO, Carmen	Team Leader – Stakeholders and Delegations	DG NEAR Dir A – Strategy and Turkey 2. Inter-institutional Relations and Communication
FILORI, Jean-Christophe	Head of Unit	DG NEAR Dir B – Neighbourhood South 4. Maghreb
FUENTES-MILANI, Raul	Head of Division	EEAS Dir MENA 2. Middle East II – Israel, occupied Palestinian territories and Middle East peace process
GALLAGHER-FITZHENRY, Josephine	Team Leader – Human Resources	DG NEAR Dir R – Resources 1. Human Resources
GERSHBERG, Yeva	Executive Associate	UNDP / UN RC / HC (Ukraine)
GERTRUDA, Boguslaw	Desk officer for Armenia	EEAS Dir EURCA 2. Eastern partnership bilateral
GETIASHVILI, Ketii	Country Director	Oxfam (Georgia)
GIEGERICH, Matthias	Country Director Tunisia	GIZ (Tunisia)
GIERING, Claus	Head of Unit	DG NEAR Dir A – Strategy and Turkey 2. Inter-institutional Relations and Communication
GILI, Rosamaria	Head of Division	EEAS

<i>Name</i>	<i>Position</i>	<i>Organisation / Unit</i>
		Dir MENA 4. Arabian Peninsula, Iraq and Regional Policies
GOGOLL, Yvonne	Operations officer – Human rights	EUD Tbilisi (Georgia)
GOLOKOZ, Valentyna	Assistant to the Country Director	World Bank (Ukraine)
GOLOVCHENKO, Tetiana	Assistant to Director and Deputy Director	EBRD (Ukraine)
GRIESSE, Joern	Deputy Head of Unit	DG ECFIN Dir D 2. Neighbourhood countries – Macrofinancial assistance
GRIPPA, Gianluca	Head of Division	EEAS Dir MENA 5. Strategy and instruments of the European neighbourhood policy
GUTIERREZ HIDALGO, Angel	HoS Economic cooperation	EUD Egypt
HALGAND, Stephane	Team Leader – (CoTE) on Crisis reaction / Security Sector Reform	DG NEAR Dir B – Neighbourhood South 2. Regional Programmes Neighbourhood South
HASS, Daniel	Development Counsellor	Germany (Visit in Georgia)
HEDLING, Peter	Policy Officer – European Neighbourhood Policy	EEAS Dir MENA 5. Strategy and instruments of the European neighbourhood policy
HENI, Mohamed		MDCI – DG de la Coopération Euro-méditerranéenne (Tunisia)
HERRY, P.	Team Leader – Programme Strategy and Quality	DG NEAR Dir A – Strategy and Turkey 4. Financial Assistance: Policy and Strategy
HINZ, Burkhard	Director	KFW Egypt
HUITFELDT, Henrik	Head of Cooperation	Swedish Embassy (Ukraine)
IAROCHEVITCH, Boris	Head of Division	EEAS Dir EURCA 1. Eastern partnership, regional cooperation and OSCE
IMEN, Kouki		Ministry of Finance (Tunisia)
INGELS, Christophe	International Aid/Cooperation Officer	DG NEAR Dir B – Neighbourhood South 1. Middle East
JALLALI, Nabiha	Board member	Association pour la promotion du droit à la différence (ADD) - Tunisie
JONES, Allan	Head of Unit	DG NEAR

<i>Name</i>	<i>Position</i>	<i>Organisation / Unit</i>
		Dir A – Strategy and Turkey 1. Strategy, Policy, Planning; EEA/EFTA
KAHKONEN, Satu	Country Director	World Bank (Ukraine)
KAMINSKA, Joanna	Members of the EP Secretariat for IPA II & ENI	EP
KANAVETS, Maryna	Director of Twinning programme	Administration office, National Agency for civil service (Ukraine)
KANSKA, Klara	Head of Trade, Science and Enterprise	EUD Egypt
KARAULASHVILI, Archil	First Deputy Minister	State Minister's Office for the European and Euro-Atlantic Integration (Georgia)
KARVINEN, Terhi	Team Leader – Budget Support	DG NEAR Dir A – Strategy and Turkey 4. Financial Assistance: Policy and Strategy
KERESELIDZE, Nodar	Deputy Minister	Ministry of Agriculture (Georgia)
KERPEN, Stefan		EIB
KHALIFA, Essam	Chairman	Public Authority for Drainage Projects (Egypt)
KHMALADZE, Irakli	Operations officer – PFM	EUD Tbilisi (Georgia)
KLAUCKE, Martin	Head of Operations Section	EU Delegation Kiev
KOEHLER, Michael	Director	DG NEAR Dir B – Neighbourhood South
KOSHARNYI, Oleksiy	Head of Department for European Integration	Ministry of Finance (Ukraine)
KOSHMAN, Maya	Director for European Integration	Ministry of infrastructure (Ukraine)
KOWALSKI, Wojciech	Head of Unit	DG NEAR Dir R – Resources 1. Human Resources
KUCHERENKO, Olena	Director of Regional policy department	Ministry of regional development (Ukraine)
LAAFIA, Ibrahim	Head of Cooperation	EUD Jordan
LAARMANN, Kristina	Country Director Tunis	KfW (Tunisia)
LEISEDER, Kurt	Programme manager Institution building	EUD Egypt
LIDOU, Armelle	Head of Cooperation	EUD Tunis
LOEBER, Alexis	Head of Cooperation	EUD Lebanon
MALOVEC, Michal	Members of the EP Secretariat for IPA II & ENI	EP
MAND, Manjit		MS UK
MARAGOS, Vassilis	Head of Unit	DG NEAR Dir C — Neighbourhood East 2. Armenia, Azerbaijan, Belarus and Eastern Partnership

<i>Name</i>	<i>Position</i>	<i>Organisation / Unit</i>
MARAZUELA AZPIROZ, Susana	Head of Unit	DG AGRI Dir A & B 4. Neighbourhood policy, EEA, EFTA and enlargement
MARTELLI, Alberto	HoS Finance, Contracts and Audits	EUD Egypt
MARTINEZ-DIAZ, Maria-Dolores	HR Management Assistant – Personnel Policy and Management	DG NEAR Dir R – Resources 1. Human Resources
MARTINS, Paulo	Team Leader – Blending and IFI coordination	DG NEAR Dir A – Strategy and Turkey 4. Financial Assistance: Policy and Strategy
MAZZUCCO, Francesca	Operations officer – Private sector	EUD Tbilisi (Georgia)
MEDHI, Chouchene M.		Ministry of Finance (Tunisia)
MEREDITH, Lawrence	Director	DG NEAR Dir C – Neighbourhood East
MIKOS, Philip	Head of Cooperation	EUD Morocco
MINGASSON, Irene	Head of Unit	DG NEAR Dir B – Neighbourhood South 2. Regional Programmes Neighbourhood South
MOISE, Raluca	Budget Assistant	DG NEAR Dir R – Resources 1. Human Resources
LIEN, Molly	Development Counsellor	Sweden (Visit Georgia)
MORDUE, Simon	Director	DG NEAR Dir A – Strategy and Turkey
MOSCA, Riccardo	Political Counsellor	EUD Egypt
Mr CHELBI	Former Minister of Industry (Tunisia)	
MURRAY, Eileen	Country Director Tunis	World Bank (Tunisia)
MYRGORODSKYI, Artem	Head of Secretariat	Reanimation package of reforms (Ukraine)
NARVI, Jussi		EEAS Dir EURCA DG EAST – Russia, eastern partnership, Central Asia, Regional cooperation and OSCE Dir 2 – Eastern partnership bilateral
NATALE, Carlo	Deputy Head of Delegation	EUD Tbilisi (Georgia)
NAVARRO, Manuela	Head of Cooperation	EUD Algeria
NEFYODOV, Maxym	Deputy Minister	Ministry of Economic Development and Trade (Ukraine)
NEYKOV, Radostin	Economic Analyst – Desk	DG ECFIN

<i>Name</i>	<i>Position</i>	<i>Organisation / Unit</i>
	Economist for Ukraine	Dir D 2. Neighbourhood countries – Macrofinancial assistance
NINO-PAGE, Fernando	Programme Manager – EU Policies	DG NEAR Dir B – Neighbourhood South 2. Regional Programmes Neighbourhood South
NOVAK, Judith	IT Project Officer – Acting IT Team leader	DG NEAR Dir R – Resources 2. Financial and Legal Coordination
ODISHARIA, Natia	National Coordinator of Justice Sector Reform Programme	Ministry of Justice (Georgia)
OLEWINSKI, Dominik		DG TRADE Dir D 1. Trade and Sustainable Development, Generalized System of Preferences
PAPADOPOULOS, Andreas	Adviser	DG NEAR Dir A – Strategy and Turkey Economic Governance
PARASCHIV, Camelia	Information and Communication Officer – Public Diplomacy Actions	DG NEAR Dir A – Strategy and Turkey 2. Inter-institutional Relations and Communication
PASHCHENKO, Denys	Contact person	EU Justice sector project (Ukraine)
PAVLENKO, Olena		DixiGroup (Ukraine)
PIKET, Vincent	Head of Division – Maghreb	EEAS Dir MENA 3. Maghreb
POPOFF, Sophia		EEAS Dir EURCA DG EAST, 2. Eastern partnership bilateral
RAKVIASHVILI, Mariam	Deputy Minister for Assistance Coordination	State Minister's Office for the European and Euro-Atlantic Integration (Georgia)
REY, Vincent	Head of Cooperation	EUD Georgia
REY, Vincent	Head of Cooperation	EUD Tbilisi (Georgia)
RIM, Kanzary		Ministry of Finance (Tunisia)
RISBERG, Andreas	Head of Division	EIB — European Investment Bank Directorate for Operations Mandate Management Trust Funds and Blending
RIZZA, Graziella	International Relations Officer	DG HOME Dir A – Strategy and Turkey 3. International Coordination
ROJANSKI, Vladimir	Programme Manager – EU policies – Programme manager in the field of private sector de-	DG NEAR Dir B – Neighbourhood South 2. Regional Programmes Neighbourhood

<i>Name</i>	<i>Position</i>	<i>Organisation / Unit</i>
	velopment	South
SAAD, Raouf	Ambassador, Chairman	National bureau Egypt-EU association agreement
SABATIER, Muriel	Legal Assistant	DG NEAR Dir R – Resources 2. Financial and Legal Coordination
SALEM, Dalia	Head of European Cooperation Sector	Ministry of International Cooperation (Egypt)
SAN-EMETERIO-CORDERO, Bernard	International Aid/Cooperation Officer	DG DEVCO Reporting directly to the Director-General 01. General Coordination and Inter-Institutional Relations
SCHLEUNING, Stefan	Team Leader Financial Cooperation	DG NEAR Support Group for Ukraine
SCHUEBEL, Dirk	Head of Division	EEAS Dir EURCA DG EAST, 2. Eastern partnership bilateral
SCHULZ, Evelina	Programme officer	Political section, EU Delegation Kiev
SCHWAIGER, Ingrid	Deputy Head of Unit	DG NEAR Dir B – Neighbourhood South 2. Regional Programmes Neighbourhood South
SEVASTYANOVA, Natalia	First Deputy Minister	Ministry of Justice (Ukraine)
SHEVCHENKO, Taras	Director	CEDEM (Ukraine)
STROHAL, Severin	Deputy Head of Unit	DG NEAR Dir C — Neighbourhood East 1. Georgia, Moldova and Neighbourhood Cross-Border Cooperation
STRZASKA, Anna	Deputy Head of Division	EEAS Dir MENA 5. Strategy and instruments of the European neighbourhood policy
SUICA, Camelia	Policy Officer – Eastern Partnership	EEAS Dir EURCA DG EAST, 1. Eastern partnership, regional cooperation and OSCE
TAGAURI, Beka	Head of Program	Swiss Agency for Development and Cooperation (Georgia)
TEMBON, Mercy	Country Director	World Bank (Georgia)
TEREKH, Anastasiya	Deputy Head of Unit	Administration office, National Agency for civil service (Ukraine)
THIBERGE, Nathalie	Financial Officer – Procedural guidance	DG NEAR Dir R – Resources 2. Financial and Legal Coordination
TSILOSANI, Khatia	Head of Int. Relations Depart-	Ministry of Agriculture (Georgia)

<i>Name</i>	<i>Position</i>	<i>Organisation / Unit</i>
	ment	
UDINA, Marta	Members of the EP Secretariat for IPA II & ENI	EP
URBONAVICIUTE, Audrone		EUD Belarus
UTNICKA, Agata		MS Poland
VARRENTI, Mario	Head of Section Cooperation	EUD Tunis
VASCHETTO, Dario	International Relations Officer – Middle East Countries (Egypt, Lebanon, Jordan, Syria, Israel and Palestinian Territories) and Libya.	DG HOME Dir A 3. International Coordination
VASQUES, Guiseppe	Programme manager – Culture and culture heritage	EUD Egypt
VICENTE, Nuno-Miguel	International Relations Officer	DG AGRI Dir A & B 4. Neighbourhood policy, EEA, EFTA and enlargement
VIEZZER, Alessandra	Head of Cooperation	EUD West Bank and Gaza Strip
VINOT, Caroline	Chair of COEST and COSCE Working Party Parties	EEAS Dir EURCA Europe and Central Asia
VINUESA-SANTAMARIA, Jose-Luis	Programme Manager – EU policies – Team leader	DG NEAR Dir B – Neighbourhood South 2. Regional Programmes Neighbourhood South
VIRTANEN, Tuuli	Deputy Head of Unit	DG NEAR Dir B – Neighbourhood South 3. Finance, Contracts, Audit (ENI)
VON-HANDEL, Thomas	Desk officer for Georgia	EEAS Dir EURCA DG EAST, 2. Eastern partnership bilateral
WAGNER, Peter	Director	DG NEAR Support Group for Ukraine
WALKER, Neal	UN Resident Coordinator	UNDP (Ukraine)
WATSON, Myriam	International Relations Officer – Relations with Morocco, including Mobility Partnership, and Algeria in the area of Home Affairs	DG HOME Dir A 3. International Coordination
WEBER, Tatiana	Operations Officer	The World Bank (Egypt)
WEHENPOHL, Gunter	PDP programme coordinator	GIZ Egypt
WIEDEY, Claus		MS Germany
WILLEMS, Jeroen	Head of Cooperation	EUD Azerbaijan

6 Annex 6: Bibliography

Overall policy documents

EU General

EU (2006): The European Consensus on Development.

EU (2007): EU Code of Conduct on Complementarity and Division of Labour in Development Policy – Conclusions of the Council and of the Representatives of the Governments of the Member States meeting within the Council. 9558/07.

EU (2011): Operational Framework on Aid Effectiveness. Consolidated text.

EU (2011): EU Common Position for the Fourth High Level Forum on Aid Effectiveness – Council conclusions.

EU (2011): Increasing the impact of EU development policy: An Agenda for Change. COM(2011)637 final.

EU (2012): Consolidated version of the Treaty on the Functioning of the European Union.

EU (2012): Consolidated version of the Treaty on European Union.

EU (2013): A decent life for all: Ending poverty and giving the world a sustainable future. COM(2013)92 final.

EU (2013): The Overarching Post 2015 Agenda – Council conclusions.

EU (2014): European Council 26/27 June 2014 Conclusions. EUCO 79/14.

EU (2014): A decent life for all: from vision to collective action. COM(2014)335 final.

EU (2014): Council conclusions on a transformative post-2015 agenda.

EU (2015): A Global Partnership for Poverty Eradication and Sustainable Development after 2015. COM(2015)44 final.

EU (2015): A New Global Partnership for Poverty Eradication and Sustainable Development after 2015 – Council conclusions. 9241/15.

EUISS (2015): Towards an EU Global Strategy. Background, process, references.

EU Thematic

EU (2010): EU Plan of Action on Gender Equality and Women's Empowerment in Development 2010-2015. SEC(2010)265 final.

EU (2011): The Future Approach to Budget Support to Third Countries. COM(2011)638 final.

EU (2012): The roots of democracy and sustainable development: Europe's engagement with Civil Society in external relations. COM(2012)492 final.

EU (2012): Social Protection in European Union Development Cooperation. COM(2012)446 final.

EU (2012): EU Support for Sustainable Change in Transition Societies. JOIN(2012)27 final.

EU (2012): Trade, growth and development. Tailoring trade and investment policy for those countries most in need. COM(2012)22 final.

EU (2013): Action Plan for Resilience in Crisis Prone Countries 2013-2020. SWD(2013)227 final.

EU (2013): Empowering Local Authorities in partner countries for enhanced governance and more effective development outcomes. COM(2013)280 final.

EU (2014): A Stronger Role of the Private Sector in Achieving Inclusive and Sustainable Growth in Developing Countries. COM(2014) 263 final.

EU (2015): Addressing the Refugee Crisis in Europe: The Role of EU External Action. JOIN(2015)40 final.

EU (2016): Towards an EU strategy for international cultural relations. JOIN(2016)29 final.

International level

UN (1948): United Nations Universal Declaration of Human Rights 1948. RES 217A(III).

- UN (1966): International Covenant on Civil and Political Rights. RES 2200A(XXI).
- UN (1966): International Covenant on Economic, Social and Cultural Rights. RES 2200A(XXI).
- UN (1979): Convention on the Elimination of All Forms of Discrimination against Women. A/RES/34/180.
- UN (1986): United Nations Declaration on the Right to Development.
- UN (1989): Convention on the Rights of the Child. A/RES/44/25.
- OECD (2005): The Paris Declaration on Aid Effectiveness.
- OECD (2008): The Accra Agenda for Action.
- OECD (2011): Busan Partnership for Effective Development Co-operation.
- International Dialogue on Peacebuilding and Statebuilding (2013): A New Deal for engagement in fragile states.
- UN (2015): Addis Ababa Action Agenda of the Third International Conference on Financing for Development (Addis Ababa Action Agenda).
- UN (2015): Transforming our world: the 2030 Agenda for Sustainable Development. A/Res/70/1.
- UNFCCC (2015): Adoption of the Paris Agreement. CP/2015/L.9/Rev.1.
- UN (2015): Sendai Framework for Disaster Risk Reduction 2015-2030.

European Neighbourhood

Regulations, Decisions & Communications

- EU (2003): Wider Europe – Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours. COM(2003) 104.
- EU (2003): Paving the way for a New Neighbourhood Instrument. COM(2003) 393.
- EU (2005): Implementing and promoting the European Neighbourhood Policy. SEC(2005) 1521.
- EU (2006): On Strengthening the European Neighbourhood Policy. COM(2006) 726.
- EU (2006): Regulation laying down general provisions establishing a European Neighbourhood and Partnership Instrument. REG(2006) 1638.
- EU (2007): A Strong European Neighbourhood Policy. COM(2007) 774.
- EU (2007): Regulation laying down implementing rules for cross-border cooperation programmes financed under REG(2006) 1638. REG(2007) 951.
- EU (2011): Council Conclusions on the European Neighbourhood Policy.
- EU (2011): A Partnership for Democracy and share prosperity with the Southern Mediterranean. COM(2011) 200.
- EU (2011): A New Response to a Changing Neighbourhood. A review of European Neighbourhood Policy. COM(2011) 303.
- EU (2011): Proposal for a Regulation of the European Parliament and of the Council establishing a European Neighbourhood Instrument. COM(2011) 839.
- EU (2011): Regulation laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers. REG(2011) 182.
- EU (2011): A Medium Term Programme for a renewed European Neighbourhood Policy. SEC(2011) 650.
- EU (2012): EU bolsters its support to reformers in Southern and Eastern Neighbourhoods. Press release ENP package..
- EU (2013): European Neighbourhood Policy: Working towards a Stronger Partnership. JOIN(2013) 4.
- EU (2013): Implementation of the European Neighbourhood Policy in 2012. Statistical Annex. SWP(2013) 87 accompanying JOIN(2013) 4.

EU (2014): Commission implementing decision of 29.4.2014 on a Special measure 2014 in favour of Ukraine to be financed from the general budget of the European Union. C(2014) 2907.

EU (2014): Regulation establishing a European Neighbourhood Instrument. REG(2014) 232.

EU (2014): Regulation laying down specific provisions for the implementation of CBC programmes financed under REG(2014) 232. REG(2014) 897.

EU (2014): Regulation laying down common rules and procedures for the implementation of the Union's instruments for financing external action. REG(2014) 236.

EU (2015): Commission implementing decision of 23.4.2015 on a Special measure 2015 for Private Sector Development and Approximation in favour of Ukraine to be financed from the general budget of the European Union. C(2015) 2752.

EU (2015): Commission implementing decision of 2.12.2015 on the Special measure 2015 for Decentralisation Reform in favour of Ukraine to be financed from the general budget of the European Union. C(2015) 8394.

EU (2015): Regulation amending Regulation No 966/2012 on the financial rules applicable to the general budget of the Union. REG(2015) 1929.

Strategy & programming

EU (2007): Cross-Border Cooperation. Strategy Paper 2007-2013 and Indicative Programme 2007-2010.

EU (2007): ENPI Eastern Regional Indicative Programme 2007-2010.

EU (2007): ENPI Eastern Regional Programme. Strategy Paper 2007-2013.

EU (2007): ENPI Interregional Programme. Strategy Paper 2007-2013 and Indicative Programme 2007-2010.

EU (2007): ENPI Regional Strategy Paper (2007-2013) and Regional Indicative Programme (2007-2010) for the Euro-Mediterranean Partnership.

EU (2007): Strategy Paper 2007-2013 and National Indicative Programme 2007-2010 for Algeria.

EU (2007): Strategy Paper 2007-2013 for Armenia.

EU (2007): National Indicative Programme 2007-2010 for Armenia.

EU (2007): Strategy Paper 2007-2013 for Azerbaijan.

EU (2007): National Indicative Programme 2007-2010 for Azerbaijan.

EU (2007): Strategy Paper 2007-2013 and National Indicative Programme 2007-2010 for Belarus.

EU (2007): Strategy Paper 2007-2013 and National Indicative Programme 2007-2010 for Egypt.

EU (2007): Strategy Paper 2007-2013 for Georgia.

EU (2007): National Indicative Programme 2007-2010 for Georgia.

EU (2007): Strategy Paper 2007-2013 and National Indicative Programme 2007-2010 for Israel.

EU (2007): Strategy Paper 2007-2013 and National Indicative Programme 2007-2010 for Jordan.

EU (2007): Strategy Paper 2007-2013 and National Indicative Programme 2007-2010 for Lebanon.

EU (2007): Strategy Paper 2007-2013 for Moldova.

EU (2007): National Indicative Programme 2007-2010 for Moldova.

EU (2007): Strategy Paper 2007-2013 for Morocco.

EU (2007): National Indicative Programme 2007-2010 for Morocco.

EU (2007): Strategy Paper 2007-2013 and National Indicative Programme 2007-2010 for Syria.

- EU (2007): Strategy Paper 2007-2013 and National Indicative Programme 2007-2010 for Tunisia.
- EU (2007): Strategy Paper 2007-2013 for Ukraine.
- EU (2007): National Indicative Programme 2007-2010 for Ukraine.
- EU (2008): Revised National Indicative Programme 2008-2010 for Syria.
- EU (2010): ENPI Regional East Programme. Strategy Paper 2010-2013 and Indicative Programme 2010-2013.
- EU (2010): EU-Ukraine Association Agenda to prepare and facilitate the implementation of the Association agreement.
- EU (2011): Cross-Border Cooperation Multi-annual Indicative Programme 2011-2013.
- EU (2011): ENPI Regional East Programme. Strategy Paper 2010-2013 and Indicative Programme 2010-2013.
- EUR (2011): ENPI Interregional Programme.
- EU (2011): ENPI Regional Indicative Programme (2011-2013) for the Euro-Mediterranean Partnership. Revised Strategy Paper 2007-2013 and Indicative Programme 2011-2013.
- EU (2011): National Indicative Programme 2011-2013 for Armenia.
- EU (2011): National Indicative Programme 2011-2013 for Azerbaijan.
- EU (2011): National Indicative Programme 2011-2013 for Belarus.
- EU (2011): National Indicative Programme 2011-2013 for Egypt.
- EU (2011): National Indicative Programme 2011-2013 for Georgia.
- EU (2011): National Indicative Programme 2011-2013 for Israel.
- EU (2011): National Indicative Programme 2011-2013 for Jordan.
- EU (2011): National Indicative Programme 2011-2013 for Lebanon.
- EU (2011): Strategy Paper 2007-2013 and National Indicative Programme 2011-2013 for Libya.
- EU (2011): National Indicative Programme 2011-2013 for Moldova.
- EU (2011): Strategy Paper 2007-2013 and National Indicative Programme 2011-2013 for Morocco.
- EU (2011): National Indicative Programme 2011-2013 for Syria.
- EU (2011): National Indicative Programme 2011-2013 for Ukraine.
- EU (2013): EU-Ukraine Association Agenda to prepare and facilitate the implementation of the Association agreement.
- EU (2014): Programming document for EU support to ENI Cross-Border Cooperation (2014-2020).
- EU (2014): Regional East Strategy Paper (2014-2020) and Multiannual Indicative Programme (2014-2017).
- EU (2014): Regional East Strategy Paper (2014-2020) and Multiannual Indicative Programme (2014-2017). Summary.
- EU (2014): Instructions for the Programming of the ENI 2014-2020.
- EU (2014): Regional South Strategy Paper (2014-2020) and Multiannual Indicative Programme (2014-2017).
- EU (2014): Regional South Strategy Paper (2014-2020) and Multiannual Indicative Programme (2014-2017). Summary.
- EU (2014): Strategic Priorities 2014-2020 and Multi-annual Indicative Programme 2014-2017.
- EU (2014): Strategic Priorities 2014-2020 and Multi-annual Indicative Programme 2014-2017. Summary.
- EU (2014): Neighbourhood Investment Facility. Strategic orientations 2014-2020.
- EU (2014): Strategy Paper and National Indicative Programme 2014-2017 for Belarus.

EU (2014): Strategy Paper and National Indicative Programme 2014-2017 for Belarus. Summary

EU (2014): Strategy Paper and National Indicative Programme 2014-2015 for Libya.

EU (2014): Single Support Framework 2014-2017 for Algeria.

EU (2014): Single Support Framework 2014-2017 for Algeria. Summary.

EU (2014): Single Support Framework 2014-2017 for Armenia.

EU (2014): Single Support Framework 2014-2017 for Armenia. Summary.

EU (2014): Single Support Framework 2014-2017 for Azerbaijan.

EU (2014): Single Support Framework 2014-2017 for Azerbaijan. Summary.

EU (2014): Single Support Framework 2014-2017 for CBC.

EU (2014): Single Support Framework 2014-2017 for CBC. Summary.

EU (2014): Single Support Framework 2014-2017 for Egypt.

EU (2014): Single Support Framework 2014-2017 for Egypt. Summary.

EU (2014): Single Support Framework 2014-2017 for Georgia.

EU (2014): Single Support Framework 2014-2017 for Georgia. Summary.

EU (2014): Single Support Framework 2014-2017 for Jordan.

EU (2014): Single Support Framework 2014-2017 for Jordan. Summary.

EU (2014): Single Support Framework 2014-2017 for Lebanon.

EU (2014): Single Support Framework 2014-2017 for Lebanon. Summary.

EU (2014): Single Support Framework 2014-2017 for Libya.

EU (2014): Single Support Framework 2014-2017 for Moldova.

EU (2014): Single Support Framework 2014-2017 for Moldova. Summary.

EU (2014): Single Support Framework 2014-2017 for Morocco.

EU (2014): Single Support Framework 2014-2017 for Morocco. Summary.

EU (2014): Single Support Framework 2014-2016 for Tunisia.

EU (2014): Single Support Framework 2014-2016 for Tunisia. Summary.

EU (2015): DG NEAR. Management Plan 2015.

EU (2015): EU Support to Ukraine to Re-Launch the Economy (EU SURE). Technical and administrative provisions.

EU (2015): Technical Cooperation Facility. Financing Agreement.

EU (2015): U-LEAD with Europe: Ukraine Local Empowerment, Accountability and Development Programme. Technical and administrative provisions.

EU (2016): DG NEAR. Management Plan 2016.

EU (2016): DG NEAR. Strategic Plan 2016-2020.

EU (2016): Draft General Budget of the European Union for the financial year 2016. Programme statements of operational expenditure.

Progress reports

EU (2008): Implementation of the European Neighbourhood Policy in 2007. COM(2008) 164.

EU (2009): Implementation of the European Neighbourhood Policy in 2008. COM(2009) 188/3.

EU (2012): Implementation of the European Neighbourhood Policy in 2011. Regional Report: Eastern Partnership. SWD(2012) 112.

EU (2012): Partnership for Democracy and shared prosperity: Report on activities in 2011 and roadmap for future action. SWD(2012) 121.

EU (2012): Implementation of the European Neighbourhood Policy in Armenia. Progress in 2011 and recommendations for action.

EU (2012): Implementation of the European Neighbourhood Policy in Azerbaijan. Progress in 2011 and recommendations for action.

EU (2012): Implementation of the European Neighbourhood Policy in Egypt. Progress in 2011 and recommendations for action.

EU (2012): Implementation of the European Neighbourhood Policy in Georgia. Progress in 2011 and recommendations for action.

EU (2012): Implementation of the European Neighbourhood Policy in Israel. Progress in 2011 and recommendations for action.

EU (2012): Implementation of the European Neighbourhood Policy in Jordan. Progress in 2011 and recommendations for action.

EU (2012): Implementation of the European Neighbourhood Policy in Lebanon. Progress in 2011 and recommendations for action.

EU (2012): Implementation of the European Neighbourhood Policy in Morocco. Progress in 2011 and recommendations for action.

EU (2012): Implementation of the European Neighbourhood Policy in Moldova. Progress in 2011 and recommendations for action.

EU (2012): Implementation of the European Neighbourhood Policy in Palestine. Progress in 2011 and recommendations for action.

EU (2012): Implementation of the European Neighbourhood Policy in Tunisia. Progress in 2011 and recommendations for action.

EU (2012): Implementation of the European Neighbourhood Policy in Ukraine. Progress in 2011 and recommendations for action.

EU (2013): Implementation of the European Neighbourhood Policy in 2012. Regional Report: Eastern Partnership. SWD(2013) 85.

EU (2013): Implementation of the European Neighbourhood Policy in 2012. Regional Report: A Partnership for Democracy and Shared Prosperity with the Southern Mediterranean. SWD(2013) 86.

EU (2013): Implementation of the European Neighbourhood Policy in 2012. Statistical Annex. SWD(2013) 87.

EU (2013): Implementation of the European Neighbourhood Policy in Armenia. Progress in 2012 and recommendations for action.

EU (2013): Implementation of the European Neighbourhood Policy in Azerbaijan. Progress in 2012 and recommendations for action.

EU (2013): Implementation of the European Neighbourhood Policy in Egypt. Progress in 2012 and recommendations for action.

EU (2013): Implementation of the European Neighbourhood Policy in Georgia. Progress in 2012 and recommendations for action.

EU (2013): Implementation of the European Neighbourhood Policy in Israel. Progress in 2012 and recommendations for action.

EU (2013): Implementation of the European Neighbourhood Policy in Jordan. Progress in 2012 and recommendations for action.

EU (2013): Implementation of the European Neighbourhood Policy in Lebanon. Progress in 2012 and recommendations for action.

EU (2013): Implementation of the European Neighbourhood Policy in Libya. Progress in 2012 and recommendations for action.

EU (2013): Implementation of the European Neighbourhood Policy in Moldova. Progress in 2012 and recommendations for action.

EU (2013): Implementation of the European Neighbourhood Policy in Morocco. Progress in 2012 and recommendations for action.

EU (2013): Implementation of the European Neighbourhood Policy in Palestine. Progress in 2012 and recommendations for action.

EU (2013): Implementation of the European Neighbourhood Policy in Syria. Progress in 2012 and recommendations for action.

- EU (2013): Implementation of the European Neighbourhood Policy in Tunisia. Progress in 2012 and recommendations for action.
- EU (2013): Implementation of the European Neighbourhood Policy in Ukraine. Progress in 2012 and recommendations for action.
- EU (2014): Implementation of the European Neighbourhood Policy in 2013. JOIN(2014) 12.
- EU (2014): Implementation of the European Neighbourhood Policy in 2014. Regional report: Eastern Partnership. SWD(2014) 99.
- EU (2014): Implementation of the European Neighbourhood Policy in 2015. Regional Report: A Partnership for Democracy and Shared Prosperity with the Southern Mediterranean. SWD(2014) 100.
- EU (2014): Implementation of the European Neighbourhood Policy in 2013. Statistical Annex. SWD(2014) 98.
- EU (2014): Implementation of the European Neighbourhood Policy in Armenia. Progress in 2013 and recommendations for action.
- EU (2014): Implementation of the European Neighbourhood Policy in Azerbaijan. Progress in 2013 and recommendations for action.
- EU (2014): Implementation of the European Neighbourhood Policy in Egypt. Progress in 2013 and recommendations for action.
- EU (2014): Implementation of the European Neighbourhood Policy in Georgia. Progress in 2013 and recommendations for action.
- EU (2014): Implementation of the European Neighbourhood Policy in Israel. Progress in 2013 and recommendations for action.
- EU (2014): Implementation of the European Neighbourhood Policy in Jordan. Progress in 2013 and recommendations for action.
- EU (2014): Implementation of the European Neighbourhood Policy in Lebanon. Progress in 2013 and recommendations for action.
- EU (2014): Implementation of the European Neighbourhood Policy in Moldova. Progress in 2013 and recommendations for action.
- EU (2014): Implementation of the European Neighbourhood Policy in Morocco. Progress in 2013 and recommendations for action.
- EU (2014): Implementation of the European Neighbourhood Policy in Palestine. Progress in 2013 and recommendations for action.
- EU (2014): Implementation of the European Neighbourhood Policy in Tunisia. Progress in 2013 and recommendations for action.
- EU (2014): Implementation of the European Neighbourhood Policy in Ukraine. Progress in 2013 and recommendations for action.
- EU (2015): Implementation of the European Neighbourhood Policy 2014. Eastern Partnership Implementation Report. SWD(2015) 76.
- EU (2015): Implementation of the European Neighbourhood Policy 2014. Partnership for Democracy and shared prosperity with the Southern Mediterranean Partners Report. SWD(2015) 75.
- EU (2015): Implementation of the European Neighbourhood Policy 2014. Statistics. SWD(2015) 77.
- EU (2015): Implementation of the European Neighbourhood Policy 2014. JOIN(2015) 9.
- EU (2015): Implementation of the European Neighbourhood Policy in Armenia. Progress in 2014 and recommendations for action.
- EU (2015): Implementation of the European Neighbourhood Policy in Azerbaijan. Progress in 2014 and recommendations for action.
- EU (2015): Implementation of the European Neighbourhood Policy in Egypt. Progress in 2014 and recommendations for action.

EU (2015): Implementation of the European Neighbourhood Policy in Georgia. Progress in 2014 and recommendations for action.

EU (2015): Implementation of the European Neighbourhood Policy in Israel. Progress in 2014 and recommendations for action.

EU (2015): Implementation of the European Neighbourhood Policy in Jordan. Progress in 2014 and recommendations for action.

EU (2015): Implementation of the European Neighbourhood Policy in Lebanon. Progress in 2014 and recommendations for action.

EU (2015): Implementation of the European Neighbourhood Policy in Moldova. Progress in 2014 and recommendations for action.

EU (2015): Implementation of the European Neighbourhood Policy in Morocco. Progress in 2014 and recommendations for action.

EU (2015): Implementation of the European Neighbourhood Policy in Palestine. Progress in 2014 and recommendations for action.

EU (2015): Implementation of the European Neighbourhood Policy in Tunisia. Progress in 2014 and recommendations for action.

EU (2015): Implementation of the European Neighbourhood Policy in Ukraine. Progress in 2014 and recommendations for action.

Related evaluations & studies

EU (2013): Evaluation of the European Union's Support to two European Neighbourhood Policy Regions (East and South). 2004-2010.

EU (2014): European Neighbourhood and Partnership Instrument 2007-2013. Overview of Activities and Results.

EU (2014): Neighbourhood Investment Facility. Operational Annual Report 2014.

EU (2015): Council Conclusions on the Review of the ENP.

EU (2015): Neighbourhood Investment Facility. Operational Annual Report 2015. EU (2015): Review of the European Neighbourhood Policy. JOIN(2015) 50).

EAMRs

EU (2011): External Assistance Management Report (EAMR) 2011 for Algeria.

EU (2011): External Assistance Management Report (EAMR) 2011 for Armenia.

EU (2011): External Assistance Management Report (EAMR) 2011 for Azerbaijan.

EU (2011): External Assistance Management Report (EAMR) 2011 for Belarus.

EU (2011): External Assistance Management Report (EAMR) 2011 for Egypt.

EU (2011): External Assistance Management Report (EAMR) 2011 for Georgia.

EU (2011): External Assistance Management Report (EAMR) 2011 for Israel.

EU (2011): External Assistance Management Report (EAMR) 2011 for Jordan.

EU (2011): External Assistance Management Report (EAMR) 2011 for Lebanon.

EU (2011): External Assistance Management Report (EAMR) 2011 for Moldova.

EU (2011): External Assistance Management Report (EAMR) 2011 for Morocco.

EU (2011): External Assistance Management Report (EAMR) 2011 for Palestine.

EU (2011): External Assistance Management Report (EAMR) 2011 for Syria.

EU (2011): External Assistance Management Report (EAMR) 2011 for Tunisia.

EU (2011): External Assistance Management Report (EAMR) 2011 for Ukraine.

EU (2012): External Assistance Management Report (EAMR) 2012 for Algeria.

EU (2012): External Assistance Management Report (EAMR) 2012 for Armenia.

EU (2012): External Assistance Management Report (EAMR) 2012 for Azerbaijan.

EU (2012): External Assistance Management Report (EAMR) 2012 for Belarus.

EU (2012): External Assistance Management Report (EAMR) 2012 for Egypt.
EU (2012): External Assistance Management Report (EAMR) 2012 for Georgia.
EU (2012): External Assistance Management Report (EAMR) 2012 for Israel.
EU (2012): External Assistance Management Report (EAMR) 2012 for Jordan.
EU (2012): External Assistance Management Report (EAMR) 2012 for Lebanon.
EU (2012): External Assistance Management Report (EAMR) 2012 for Libya.
EU (2012): External Assistance Management Report (EAMR) 2012 for Moldova.
EU (2012): External Assistance Management Report (EAMR) 2012 for Morocco.
EU (2012): External Assistance Management Report (EAMR) 2012 for Palestine.
EU (2012): External Assistance Management Report (EAMR) 2012 for Syria.
EU (2012): External Assistance Management Report (EAMR) 2012 for Tunisia.
EU (2012): External Assistance Management Report (EAMR) 2012 for Ukraine.
EU (2013): External Assistance Management Report (EAMR) 2013 for Algeria.
EU (2013): External Assistance Management Report (EAMR) 2013 for Armenia.
EU (2013): External Assistance Management Report (EAMR) 2013 for Azerbaijan.
EU (2013): External Assistance Management Report (EAMR) 2013 for Belarus.
EU (2013): External Assistance Management Report (EAMR) 2013 for Egypt.
EU (2013): External Assistance Management Report (EAMR) 2013 for Georgia.
EU (2013): External Assistance Management Report (EAMR) 2013 for Israel.
EU (2013): External Assistance Management Report (EAMR) 2013 for Jordan.
EU (2013): External Assistance Management Report (EAMR) 2013 for Lebanon.
EU (2013): External Assistance Management Report (EAMR) 2013 for Libya.
EU (2013): External Assistance Management Report (EAMR) 2013 for Moldova.
EU (2013): External Assistance Management Report (EAMR) 2013 for Morocco.
EU (2013): External Assistance Management Report (EAMR) 2013 for Palestine.
EU (2013): External Assistance Management Report (EAMR) 2013 for Syria.
EU (2013): External Assistance Management Report (EAMR) 2013 for Tunisia.
EU (2013): External Assistance Management Report (EAMR) 2013 for Ukraine.
EU (2014): External Assistance Management Report (EAMR) 2014 for Algeria.
EU (2014): External Assistance Management Report (EAMR) 2014 for Azerbaijan.
EU (2014): External Assistance Management Report (EAMR) 2014 for Belarus.
EU (2014): External Assistance Management Report (EAMR) 2014 for Egypt.
EU (2014): External Assistance Management Report (EAMR) 2014 for Georgia.
EU (2014): External Assistance Management Report (EAMR) 2014 for Israel.
EU (2014): External Assistance Management Report (EAMR) 2014 for Jordan.
EU (2014): External Assistance Management Report (EAMR) 2014 for Lebanon.
EU (2014): External Assistance Management Report (EAMR) 2014 for Moldova.
EU (2014): External Assistance Management Report (EAMR) 2014 for Morocco.
EU (2014): External Assistance Management Report (EAMR) 2014 for Palestine.
EU (2014): External Assistance Management Report (EAMR) 2014 for Syria.
EU (2014): External Assistance Management Report (EAMR) 2014 for Tunisia.
EU (2014): External Assistance Management Report (EAMR) 2014 for Ukraine.
EU (2015): External Assistance Management Report (EAMR) 2015 for Algeria.
EU (2015): External Assistance Management Report (EAMR) 2015 for Armenia.
EU (2015): External Assistance Management Report (EAMR) 2015 for Azerbaijan.
EU (2015): External Assistance Management Report (EAMR) 2015 for Belarus.

EU (2015): External Assistance Management Report (EAMR) 2015 for Egypt.
 EU (2015): External Assistance Management Report (EAMR) 2015 for Georgia.
 EU (2015): External Assistance Management Report (EAMR) 2015 for Jordan.
 EU (2015): External Assistance Management Report (EAMR) 2015 for Lebanon.
 EU (2015): External Assistance Management Report (EAMR) 2015 for Moldova.
 EU (2015): External Assistance Management Report (EAMR) 2015 for Morocco.
 EU (2015): External Assistance Management Report (EAMR) 2015 for Palestine.
 EU (2015): External Assistance Management Report (EAMR) 2015 for Syria.
 EU (2015): External Assistance Management Report (EAMR) 2015 for Tunisia.
 EU (2015): External Assistance Management Report (EAMR) 2015 for Ukraine.

ENI Committee Minutes

EU and MS (2014): Minutes of the 1st Meeting of the ENI Committee on 19 May 2014.
 EU and MS (2014): Minutes of the 2nd Meeting of the ENI Committee on 24 June 2014.
 EU and MS (2014): Minutes of the 2nd Meeting of the ENI Committee on 16 July 2015.
 EU and MS (2014): Minutes of the 4th Meeting of the ENI Committee on 17 September 2014.
 EU and MS (2014): Minutes of the 5th Meeting of the ENI Committee on 17 November 2014.
 EU and MS (2014): Minutes of the 6th Meeting of the ENI Committee on 28 November 2013.
 EU and MS (2015): Draft Minutes of the 7th Meeting of the ENI Committee on 14 April 2015.
 EU and MS (2015): Final Minutes of the 7th Meeting of the ENI Committee on 14 April 2015.
 EU and MS (2015): Draft Minutes of the 8th Meeting of the ENI Committee on 2 July 2015.
 EU and MS (2015): Draft Minutes of the 9th Meeting of the ENI Committee on 17 September 2015.
 EU and MS (2015): Draft Minutes of the 10th Meeting of the ENI Committee on 13 November 2015.
 EU and MS (2016): Draft Minutes of the 11th Meeting of the ENI Committee on 28 June 2016.

General EU reporting

CoA (2008): Annual Report on the implementation of the budget 2007. (2008/C286/01).
 CoA (2008): Annual Report on the implementation of the budget 2008 – Corrigendum.
 CoA (2009): Annual Report on the implementation of the budget 2008. (2009/C269/01).
 CoA (2010): Annual Report on the implementation of the budget 2009. (2010/C303/01).
 CoA (2010): Annual Report on the implementation of the budget 2009 – Corrigendum.
 CoA (2010): Annual Report on the implementation of the budget 2009 – FAQ.
 CoA (2011): Annual Report on the implementation of the budget 2010. (2011/C326/01).
 CoA (2011): Annual Report on the implementation of the budget 2010 – FAQ.
 CoA (2012): Annual Report on the implementation of the budget 2011. (2012/C334/01).
 CoA (2012): Annual Report on the implementation of the budget 2011 – Corrigendum 1.
 CoA (2012): Annual Report on the implementation of the budget 2011 – Corrigendum 2.
 CoA (2012): Annual Report on the implementation of the budget 2011 – FAQ.
 CoA (2013): Annual Report on the implementation of the budget 2012. (2013/C331/01).
 CoA (2013): Annual Report on the implementation of the budget 2012 – FAQ.
 CoA (2014): Annual Report of the CoA on the implementation of the budget concerning the financial year 2013.
 CoA (2014): Annual Report of the CoA on the implementation of the budget concerning the financial year 2013 – FAQ.
 CoA (2014): 2013 EU audit in brief.

CoA (2015): Annual Report of the CoA on the implementation of the budget concerning the financial year 2014. Volume 58.

CoA (2015): 2014 EU audit in brief.

Other EFI regulations

EU (2006): Regulation (EC) No 1905/2006 of the European Parliament and of the Council of 18 December 2006 establishing a financing instrument for development cooperation. REG 1905/2006.

EU (2006): Regulation (EC) No 1638/2006 of the European Parliament and of the Council of 24 October 2006 laying down general provisions establishing a European Neighbourhood and Partnership Instrument.

EU (2006): Regulation (EC) No 17178/2006 of the European Parliament and of the Council of 15 November 2006 establishing an Instrument for Stability.

EU (2006): Regulation (EC) No 1889/2006 of the European Parliament and of the Council of 20 December 2006 on establishing a financing instrument for the promotion of democracy and human rights worldwide.

EU (2007): Council regulation (EURATOM) No 300/2007 of 19 February 2007 establishing an Instrument for Nuclear Safety Cooperation.

EU (2008): Council regulation (EC) No 2015/2008 of 18 February 2008 on the Financial Regulation applicable to the 10 EDF.

EU (2011): Council regulation (EU) No 370/2011 of 11 April 2011 amending Regulation (EC) No 2015/2008 on the Financial Regulation applicable to the 10th EDF, as regards the European External Action Service.

EU (2014): Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action.

EU (2014): Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020. REG 233/2014.

EU (2014): Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument.

EU (2014): Regulation (EU) No 230/2014 of the European Parliament and of the Council of 11 March 2014 establishing an instrument contributing to stability and peace.

EU (2014): Regulation (EU) No 235/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for democracy and human rights worldwide.

EU (2014): Council regulation (EURATOM) No 237/2014 of 13 December 2013 establishing an Instrument for Nuclear Safety Cooperation.

EU (2014): Council regulation (EU) No 566/2014 of 26 May 2014 amending the Regulation (EC) No 617/2007 as regards the application of the transition period between 10th EDF and the 11th EDF until the entry into force of the 11th EDF Internal agreement.

EU (2014): Regulation (EU) No 234/2014 of the European Parliament and of the Council of 11 March 2014 establishing a Partnership Instrument for cooperation with third countries.

EU (2014): Council decision 2014/137/EU of 14 March 2014 on relations between the European Union on the one hand, and Greenland and the Kingdom of Denmark on the other.

EU (2015): Council regulation (EU) 2015/323 of 2 March 2015 on the financial regulation applicable to the 11th EDF.

EU (2015): Council regulation (EU) 2015/322 of 2 March 2015 on the implementation of 11th EDF.

EU Budget & MFF

EU (2007): Final adoption of the European Union's general budget for the financial year 2007.

EU (2008): Final adoption of the European Union's general budget for the financial year 2008.

EU (2009): Final adoption of the European Union's general budget for the financial year 2009.

EU (2010): Definitive adoption of the European Union's general budget for the financial year 2010.

EU (2011): Definitive adoption of the European Union's general budget for the financial year 2011.

EU (2012): Definitive adoption of the European Union's general budget for the financial year 2012.

EU (2012): Draft General Budget of the European Union for the financial year 2013. Section III.

EU (2013): Draft General Budget of the European Union for the financial year 2014. Section III.

EU (2013): Multiannual financial framework 2014-2020 and EU budget 2014. The figures.

EU (2014): Draft General Budget of the European Union for the financial year 2015.

EU (2015): Draft General Budget of the European Union for the financial year 2016.