

**Lithuania**

**Programmes covered:  
National and Cross  
Border Co-operation  
Programmes  
1999-2001**



**The views expressed are those of the MWH Consortium and do not necessarily reflect those of the European Commission.**

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EUROPEAN COMMISSION  
**DG ENLARGEMENT EVALUATION UNIT**

Directorate E – Resources E4 - Evaluation

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## GLOSSARY OF ACRONYMS

<i>acquis</i>	<i>acquis communautaire</i>
AIRBC	Agric-Information and Rural Business Centre
BDF	Business Development Fund
CAA	Civil Aviation Administration
CAP	Common Agriculture Policy
CARDS	Community Assistance for Reconstruction, Development and Stabilisation
CBC	Cross Border Co-operation
CC	Candidate Country
CC	Competition Council
CCD	Central Client Database
CFCU	Central Finance and Contracting Unit
CPMA	Central Project Management Agency
CMR	Comprehensive Monitoring Report
CPER	Country Phare Evaluation Review
CRA	Communications Regulatory Authority
DG	Directorate General
DIS	Decentralised Implementation System
EC	European Commission
EDIS	Extended Decentralised Implementation System
ERDF	European Regional Development Fund
ESC	Economic and Social Cohesion
ESF	European Social Fund
EU	European Union
GMO	Genetically Modified Organisms
FADN	Farm Accountancy Data Network
FIDIC	<i>Fédération Internationale Des Ingénieurs-Conseils</i> . The abbreviation can be used as an adjective describing standard conditions of contract prepared by FIDIC
HRDF	Human Resource Development Fund
IACS	Integral Administration and Control System
IB	Institution building
IE	Interim Evaluation
IITS	Integrated Information Technology for SoDra
IPPC	Integrated Pollution Prevention Controls
JAR	Joint Aviation Regulations
JHA	Justice and Home Affairs
JPD	Joint Programming Document
LG	Lithuanian Railways
LIC	Lithuanian Innovations Centre
LIPA	Lithuanian Institute of Public Administration
LPDF	Lithuanian Property Development Fund
M€	Millions Euros
MRA	Lithuanian Agri-Food Product Market Regulation Agency
MIS	Market Information System
MoA	Ministry of Agriculture
MoCT	Ministry of Communications and Transport
MoE	Ministry of Economy
MoEnv	Ministry of Environment
MoF	Ministry of Finance

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MoFA	Ministry of Foreign Affairs
MoSSL	Ministry of Social Security and Labour
MTR	Commission's Mid Term Review
NAC	National Aid Co-ordinator
NAP	National Paying Agency
NPAA	National Programme for Adoption of the <i>Acquis</i>
NUTS	<i>Nomenclature des Unites Territoriales Statistiques</i>
OJ	Official Journal
PAA	Pre-accession Adviser
PAJC	Public Administrative and Judicial Capacity
PCM	Project Cycle Management
PIFC	Public Internal Financial Control
PPO	Public Procurement Office
RD	Rural Development
RDP	Rural Development Plan
RR	Regular Report(s)
SAPARD	Special Accession Programme for Agriculture and Rural Development
SBP	Strategic Business Plan
SF	Structural Funds
SMEDA	Small and Medium Enterprises Development Agency
SMSC	Sectoral Monitoring Sub-Committee
SoDra	Lithuanian Social Security Insurance Fund
SPD	Single Programming Document
TI	Transparency International
ToR	Terms of Reference
USR	Universal Services Regulation

## PREFACE

The purpose of this *ex post* evaluation is to assess the contribution of the 1999 - 2001 Phare National and Cross-Border Co-operation Programmes to support Lithuania in meeting the Copenhagen criteria so as to facilitate its accession to the European Union. The evaluation will also include a brief review of post-2001 allocations.

This report has been prepared during December 2005 and February 2006<sup>1</sup>, and reflects the situation where the Phare national Programmes have ended. The evaluation is based on an analysis of documents provided at the start, during and on completion of the national Programmes, including previous interim evaluations, on the results of questionnaires, and on interviews with beneficiaries. It examines the performance of the programmes in addressing the objectives stated in the formal programming documents, provides a general assessment of the programmes and draws conclusions and lessons learnt from them.

The evaluation of the Lithuanian National and Cross Border Co-operation programmes is one of a series of ten similar evaluations in the eight new Member States, and in Bulgaria and Romania. The evaluations of the eight new Member States will feed into a consolidated evaluation of Phare National and Cross Border Co-operation programmes, which, in turn, will form part of a consolidated *ex-post* evaluation of the Phare programme.

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<sup>1</sup> The report was prepared by Dagne-Elzbieta Eitutyte and Elizabeth Cunningham. It was reviewed at MWH Central Office by Martin White.

## EXECUTIVE SUMMARY

### Lithuanian National and Cross Border Co-operation Programmes 1999-2001

#### Background and Context

The purpose of this *ex post* evaluation is to assess the contribution of the 1999 - 2001 Phare National and Cross-Border Co-operation (CBC) programmes to support Lithuania in meeting the Copenhagen Criteria in order to facilitate its accession to the European Union. The overall objective of this evaluation is to provide accountability with respect to the use of European Commission funds, and lessons learned for decision-making on improvements of pre-accession aid to remaining and future candidate countries. The evaluation also provides for a brief update of post-2001 allocations.

#### Key Evaluation Findings

***Phare support has been highly relevant but there were weaknesses in addressing strategic issues.*** The Phare assistance evaluated in Lithuania has been highly relevant, as projects were developed strictly in line with the Accession Partnerships and National Programme for the Adoption of the *Acquis*, as well as responding to the issues identified in the Commission's Regular Reports. However, focusing on accession priorities in 'a top-down manner' created a mismatch between absorption capacity and project design, only partially overcome by strong political commitment. The design of the projects in 1999-2001, because of the primacy of accession priorities over transitional needs, was built in a 'top-down' manner and, as a result, project design often failed to be based on real strategic needs, leading to a mismatch between beneficiary absorption capacity and project design. This in turn diminished efficiency of interventions, particularly for weaker beneficiaries with little experience in using Phare. However, strong political support and prioritisation of the Phare intervention helped to overcome these difficulties.

***Poor management of the project cycle resulted in delays, but outputs were largely delivered.*** Delays in implementation resulted from a number of factors including revisions in project fiches, contracting and tendering delays, and insufficient preparation for construction projects. The actual timescale of projects seldom corresponded to the plan according to the project fiche, and a backlog of projects at the annual disbursement deadlines put considerable stress on all key bodies, in particular the understaffed Central Finance and Contracting Unit. Despite implementation delays, the majority of projects delivered the planned outputs. The success of the investment projects depended on their synergy with national development plans. Analysis of the investment projects shows that, in practice, even when the investment projects were not efficient at the tendering and contracting stages, results were achieved and sustained where they occurred within the context of national strategic investment plans.

***Phare support produced substantial results,*** increasing the overall performance of the Lithuanian beneficiaries. While the efficiency of assistance delivery depended on the scope of the reform and capacity of the beneficiary agency, many projects with 'poor' implementation were actually effective within the overall accession process, because they drew attention to issues of concern and stimulated further efforts in the sector. Examples of such difficult, but ultimately very useful sectoral investments include the installation of phytosanitary and veterinary posts, and projects in the area of social security and employment that paved the way for further structural reform in social insurance sector. Results in the transport, environment, energy, statistics and internal market sectors were useful for vertical *acquis* transposition and

implementation, and the knowledge and experience of the beneficiary institutions has continued to increase after 2001.

***Most institution building projects had strong immediate impacts***, which can be seen in the increased efficiency of the work of those institutions that received Phare support. In addition, the capacity of the Lithuanian administration to plan and implement Phare projects increased steadily in the post-2001 period.

***The 1999-2001 Phare programmes in Lithuania focused on meeting the *acquis*, rather than on promoting and securing sustainable reforms*** in the beneficiary institutions. Sometimes these two goals were difficult to achieve at the same time, because of the political commitment to meeting tight accession deadlines. Phare objectives that focused on transposing and implementing specific directives were sustainable inasmuch as they helped beneficiaries to understand how the system works in practice. Where Phare was matched with national funding and follow-on projects in strong organisation, results were sustained.

## **Main Conclusions**

The conclusions cover overall Phare performance in Lithuania, and three key issues:

- Whether Phare support in practice addressed the *ex post* needs of Lithuanian beneficiaries;
- Building public administrative and judicial capacity to apply the *acquis*;
- Supporting economic and social cohesion including preparation for Structural Funds.

***Overall the performance of Phare and CBC in Lithuania was good, particularly in relation to building sustainable institutional capacity in key civil service institutions***, which were key stakeholders in the *acquis*-driven accession process. Phare funds were important in stimulating significant reforms by key Lithuanian institutions (e.g. the Statistics Department, the Radiation Protection Centre; the Communications Regulatory Authority; the Competition Council, and the State Social Insurance Fund Board). Other parts of the public administration, less touched by the *acquis*-driven reform process are less advanced with their reforms. However, the Lithuanian public agencies could not have benefited from the opportunity to work with, and learn from, their EU-15 colleagues without Phare support. Cross-border cooperation projects delivered the planned outputs and had good intermediate impacts, but largely failed to deliver genuine ‘joint’ actions, particularly with the Russian partners.

***From an ex post perspective, Phare support addressed the accession needs well and satisfactorily achieved support for Lithuanian membership preparations***. Phare assistance to Lithuania was highly relevant to Lithuania’s preparations for EU membership and the majority of planned results were achieved, despite over-optimistic assessments of beneficiary capacity. High-level political commitment coupled with recognition of the value of Phare support, not just in financial terms, but also in terms of availability of member state expertise, helped projects to overcome difficulties. The Phare programme focused on meeting the *acquis* and achieving sustainable reform at the beneficiary agency, but these two goals were difficult to achieve at the same time.

***Most of the evaluated institution building projects have made a strong immediate impact***, which can be observed in the increased efficiency of the work of those institutions that received Phare support. In addition, the capacity of the Lithuanian administration to plan and implement Phare projects increased steadily in the post-2001 period. Although there is little data for measuring impact, immediate impacts have been delivered in areas such as improved

quality of drinking water, and increased safety standards in public health and food quality. Wider socio-economic impacts are expected in the medium-term in areas such as public health, consumer protection, environment, transport, employment, economy, civil society, and human rights.

***Phare support has had most impact at sectoral level, but development of horizontal public and judicial administrative capacity has been limited.*** At sectoral level, Phare assistance has supported progress and encouraged change in various aspects of strengthening administrative and judicial capacity. However, at the horizontal level of public administrative and judicial reform, the contribution of Phare is less obvious. The fast pace of reforms and the need to adopt a wide range of *acquis* legislation and to create capacity for implementation meant that horizontal issues were not an immediate priority during the 1999-2001 period. As a result, even as late as 2006 the need to tackle corruption and to pursue judicial and administrative reforms remains at the top of national agenda.

***Phare support for ESC and Structural Funds could have achieved more.*** A feature of the ESC programmes in the period was the strong involvement of local actors, who were empowered and strengthened through their participation in Phare ESC. In addition to targeting funding to regions and priority sectors, the programmes provided ‘hands on’ experience of running Structural Funds-type interventions. Importantly, confidence was built among local actors in relation to their capacity to ‘graduate’ from Phare ESC to mainstream Structural Funds. However, in practice, the current Structural Funds involve competition from strong national players and are governed by different applicability and financial eligibility rules, which reduce the chance of weaker local NGOs to win a fair share of funding, despite the good lessons learned under Phare ESC. The ability of Phare ESC to support preparations for the Structural Funds was limited by delays in finalising the institutional framework for the Structural Funds and a lack of continuity between Phare and ESC procedures. Late finalisation of institutional arrangements for the Structural Funds meant that programme design could not accurately target those bodies and actors that would be involved in the management of the Structural Funds on accession.

## **Recommendations**

To address the key findings and conclusions of the evaluation, five recommendations are made in respect of pre-accession assistance planned for current or future candidate countries.

**Recommendation 1: Assess and match beneficiary absorption capacity to appropriate pre-accession support before launching future interventions.** In order to ensure that pre-accession assistance is correctly matched to the absorption capacity and the general development interests of the beneficiary institution, a number of practical steps can be taken at the design stage, including: a focus on multi-annual development plans, establishment of benchmarks that include baseline levels, closer specification of beneficiary inputs and greater support for new beneficiaries to reduce the ‘learning curve’.

**Recommendation 2: Pay more attention to achieving value for money through considered application of cost-benefit analysis.** More attention should be paid to the delivery of value for money. The Phare Programming Guides note that cost benefit analysis should be a feature of all infrastructure projects and recommends the use of the approach adopted for Regional Policy initiatives.

**Recommendation 3: Assess the workloads and strengthen capacities of the key implementation bodies.** In order to avoid delays and overburdening the system, an Action Plan for the key implementation bodies (Central Contracting and Financing Unit, European Commission Delegation etc.) should be prepared. This should realistically forecast the volumes of work expected and assess the internal capacity, both in terms of numbers and skill profiles of staff and working procedures.

**Recommendation 4: Ensure a more effective framework for evaluation at project and programme/sectoral levels.** While the beneficiary should be fully accountable for achieving and monitoring indicators at project purpose level, programme or sector level evaluation should take place separately, with dedicated funding and administration. Domestic evaluation capacity should be developed to ensure that evaluation in its broadest sense is embedded appropriately within the project cycle. In practice, this extends beyond accounting for project funds spent and outputs delivered, to wider issues of achievement of objectives, impacts and sustainability. This will require a national evaluation strategy that is properly staffed and resources and embedded in public policy and programme frameworks.

**Recommendation 5: To support anti-corruption strategies, the European Commission should cooperate closely with institutions such as World Bank and Transparency International and apply agreed indicators of achievement for reporting on progress in tackling corruption.** Combating corruption is not only part of ensuring good governance, but also in ensuring public confidence in both the political and judicial systems. In recognition of the multi-dimensional nature of the problem, Phare support for the fight against corruption should be maximised by working in close cooperation with other agencies. Where possible, agreed indicators of achievement for monitoring progress should be incorporated in the design of Phare programmes.

## Lessons learned

**Lesson 1: A strategy for accession priority areas is required at an earlier stage in the pre-accession process.** The Lithuanian experience shows that candidate countries need to be encouraged to start implementing a strategy for the most important accession areas, namely civil service reform, preparation for Structural Funds, judicial reform and agriculture as early as possible. For any future candidate country, financial support for establishing the required structures, systems and resources should be conditional on the basis of a roadmap and of a national strategy.

**Lesson 2: The accession process might be successfully speeded up, but crucial changes of behaviour (for example in public administration and judicial capacity) could only be tackled to a limited extent.** The accession process of Lithuania, which accelerated as accession drew closer, shows that an enormous agenda can be realised within only a few years. However this pushed the local political and administrative bodies to their utmost capacities. Whilst the accession criteria have been fulfilled, long-lasting deficiencies requiring fundamental changes of behaviour and mentalities were only resolved to a certain extent. For future enlargement rounds, more realistic assessments should be undertaken of the amount of time a candidate country needs to complete the pre-accession process.

**Lesson 3: Develop and reinforce absorption capacity for the use of Structural Funds before accession.** The practical approach and results demonstrated by Phare ESC in Lithuania

proved the necessity to assess and to increase Structural Fund absorption capacity before accession and to ensure continuity between ESC and Structural Fund structures.

**Lesson 4: Promote and explain new assistance instruments sufficiently in advance.** The introduction of new interventions tools (like twinning or ‘twinning light’ during the period under review) should be promoted early and in a detailed enough way to avoid misunderstandings and failure of projects during contracting and implementation.

**Lesson 5: To realise the learning potential of fully decentralised implementation systems, these should be introduced at an earlier stage of the accession process.** In terms of the accession calendar, EDIS came too late to bring any learning effects for Structural Funds. The late establishment has been partly because the accession countries felt basically comfortable with the *ex ante* control carried out by the Commission, and partly because the EDIS introduction took place at the busiest time of the accession calendar, both before and after the date of accession. Thus opportunities were lost by Phare, which potentially could have given beneficiary institutions more experience in addressing their responsibilities before accession.

**Lesson 6: Pay more attention to impact indicators of achievement.** Indicators of achievement, where they exist, have not been used at all adequately in the management of interventions. In many interventions, particularly those with a long time horizon for achievement of impact, the activities stopped short at installation of the new systems or arrangements. There would be a better chance for impact if assistance was programmed to include some assessment of the quality of implementation.

**Lesson 7: Twinning was most successful when the institutional set-up and context of partners was similar.** Finding the right twinning partner has often been difficult. One reason has been that in different member states similar institutions have different obligations, sometimes operating in entirely different contexts. Therefore, potential partners could already be contacted in the planning phase.

## VEDANTYSIS APIBENDRINIMAS

### Lietuvos nacionalinės ir Bendradarbiavimo be sienų programos 1999-2001

#### Paramos programų kontekstas

Šio *ex post* įvertinimo tikslas – nustatyti 1999 - 2001 Phare nacionalinės ir Bendradarbiavimo be sienų (BBS) programų indėlį Lietuvai gyvendinant Kopenhagos kriterijų reikalavimus ir rengiantis Europos Sąjungos narystei. Bendras šio įvertinimo tikslas - užtikrinti atskaitomybę dėl Europos Komisijos fondų naudojimo, apibendrinti teigiamą ir neigiamą programos patirtį ir užtikrinti efektyvesnį paramos organizavimą ateityje. Šiame įvertinime taip pat glaustai apibendrinamos vėlesnių metų paramos programos.

#### Pagrindiniai įvertinimo duomenys

***Phare parama buvo labai aktuali, išskyrus strateginius plėtros klausimus, sprendžiant kuriuos Phare prisidėjo mažiau.*** Įvertintos Phare programos Lietuvoje buvo labai aktualios: projektai buvo planuojami griežtai laikantis Stojimo partnerystės ir Nacionalinio *acquis* priėmimo plano, bet to buvo atsižvelgiama į Komisijos nuolatinių ataskaitų pastabas. Kita vertus, dėl to, kad stojimo tikslai buvo nustatomi „iš viršaus“, projektų planai dažnai neatitikdavo Lietuvos institucijų galimybių įsisavinti teikiamą paramą. Ši galimybių neatitikimą dalinai amortizavo stipri politinė valia sukonzentruoti visas institucijų pajėgas ties stojimo tikslais. Planuojant projektus 1999-2001 metais stojimas į Europos Sąjungą buvo laikomi svarbesniu negu šalies persitvarkymo uždaviniai, dėl ko ir projektų tikslai buvo nustatomi „iš viršaus“. Projektų planai nebūtinai atitikdavo strateginius institucijos poreikius, o institucijų galimybės įsisavinti Phare ekspertų teikiamą paramą buvo neadekvačios. Dėl šio neatitikimo sumažėdavo paramos įsisavinimo našumas. Ypač tai pasakytina apie silpnas Lietuvos institucijas, kurios neturėjo daug patirties naudojantis Phare programų parama. Nežiūrint to, stipri politinė valia ir Phare programų prioritetizavimas padėjo įveikti šiuos sunkumus.

***Projektų įgyvendinimas vėlavo dėl prasto projekto ciklo valdymo, tačiau daugumoje projektų rezultatai buvo pasiekti.*** Projektų įgyvendinimas vėlavo dėl daugelio priežasčių: dėl to, kad būdavo peržiūrimos projekto fiche, ilgiau nei planuota vykdavusių viešųjų pirkimų ir sutarčių sudarymo, dėl nepakankamo pasirengimo darbų projektams. Faktinė projekto eiga labai retai atitikdavo darbų planą numatytą projekto fiche. Artėjant galutinėms sutarčių sudarymo ir pinigų išleidimo datoms, susidarydavo projektų eilės. Dėl to visoms projekto įgyvendinimą prižiūrinčios ar įgyvendinančios organizacijos tekdavo dirbti streso sąlygomis. Ypač tai pasakytina apie Centrinę finansų ir kontraktų agentūrą, kurioje tada buvo per mažai darbuotojų, kad būtų greitai aptarnauti visi projektai. Tačiau net jei projektų įgyvendinimas vėlavo, dauguma projektų pasiekė savo užsibrėžtus rezultatus. Investicinių projektų sėkmė daugiausiai priklausė nuo sinergijos su nacionaliniais plėtros planais. Investicinių projektų analizė rodo, kad net jei praktiškai projektai nevyko našiai projektinių dokumentų sudarymo ir viešųjų pirkimų organizavimo etape, projektų rezultatai buvo pasiekti, o projekto pasiekimais naudojamosi ir projektui pasibaigus tais atvejais, kai Phare investicinė parama buvo suderinta su nacionaliniais strateginiais plėtros planais.

***Phare programų rezultatai yra ženklūs.*** Phare prisidėjo prie bendro Lietuvos institucijų stiprinimo. Nors projektų efektyvumas priklausė nuo reformos apimčių ir naudos gavėjo pajėgumų, daugelis projektų, kurių projekto įgyvendinimas buvo prastas, vėliau buvo pasirodė naudingi padedant pasirenti narystei globalia prasme. Šie sunkūs įgyvendinimo prasme

projektai padėdavo sutelkti dėmesį ties iškilusių problemų įveikimu ir stimuliuojo tolesnę paramą sektoriui. Pavyzdžiui, tokių sunkių, tačiau globiama prasme labai naudingų investicinių projektų buvo iš veterinarijos ir fitosanitarijos sektoriaus bei socialinės apsaugos ir darbo sektoriaus. Čia Phare parama vėliau atvėrė kelią tolesnėms struktūrinėms reformoms socialinio draudimo srityje. Programų rezultatai transporto, gamtosaugos, energijos, statistikos ir vidaus rinkos sektoriuose buvo naudingi vertikalios *acquis* harmonizavimo prasme, o šių sektorių institucijų žinios bei patirtis augo ir po 2001 metų programų pabaigos.

***Daugelis institucinių gebėjimų stiprinimo projektų turėjo didelį tiesioginį poveikį.*** Institucijos gavusios Phare paramą dabar dirba efektyviau [palyginus su tais sektoriais, kurie paramos negavo]. Be to, po 2001 metų Lietuvos institucijos vis geriau planuodavo ir valdydavo Phare projektus.

***1999-2001 Phare programos Lietuvoje koncentravosi acquis įgyvendinime, o ne ilgalaikių reformų paramos gavėjo institucijose plėtojime.*** Kartais šie du tikslai buvo sunkiai suderinami, nes politiniai išipareigojimai dėl narystės turėjo būti įgyvendinti per trumpą laiką. Phare tikslai koncentravosi konkrečių direktyvų perkėlime ir įgyvendinime. Ši parama turėjo išliekamąją vertę tada, kai padėdavo Lietuvos institucijoms pačioms suprasti kaip praktiškai funkcionuoja ES direktyvų įgyvendinimo sistema. 1999-2001 metų programų rezultatai turėjo išliekamąją vertę tada, kai Phare parama buvo suderinta su nacionaline parama sektoriui, jei institucijos naudos gavėjos buvo stiprios ir paramos projektai buvo tęsiami.

### **Pagrindinės išvados**

Išvados apima bendrą Phare programų įgyvendinimą Lietuvoje ir konkrečiai įvertina šiuos klausimus:

- Ar Phara parama iš *ex-post* perspektyvos praktiškai atitiko Lietuvos institucijų poreikius;
- Viešojo administravimo gebėjimų ir teisingumo sistemos gebėjimų stiprinimas taikant *acquis*;
- Paramą ekonominei ir socialinei sanglaudai, kas apima pasirengimą struktūriniais fondams.

***Visumoje Phare ir BBS programos Lietuvoje buvo sėkmingos. Ypač tai pasakytina apie ilgalaikį institucinių gebėjimų išaugimą tuose valstybės tarnybos sektoriuose, kuriose acquis reformos buvo esminės.*** Phare lėšos buvo svarbios stimuliuojant *acquis* reformas Lietuvos institucijose (pvz.: Statistikos Departamente, Radiacijos saugos centre, Ryšių reguliavimo tarnyboje, Konkurencijos tarnyboje, Valstybinio socialinio draudimo fondo valdyboje). Kitos Lietuvos institucijos, kurias *acquis* reformos palietė mažiau, reformavosi irgi mažiau. Be to, Phare parama suteikė Lietuvos specialistams galimybę pasinaudoti ir perimti patirtį iš ES-15 šalių kolegų. Bendradarbiavimo be sienų projektai pasiekė savo užsibrėžtus rezultatus, kurie turėjo tiesioginį poveikį, tačiau BBS daugumoje „neįsiliejo“ į tolimesnius bendrus veiksmus, ypač kiek tai liečia bendradarbiavimą su Rusijos partneriais.

***Iš ex-post perspektyvos Phare parama gerai atitiko stojimo poreikius ir patenkinamai prisidėjo prie Lietuvos pasirengimo narystei.*** Phare parama Lietuvai buvo labai aktuali Lietuvai rengiantis ES narystei. Nežiūrint į tai, kad Lietuvos institucijų galimybės įsisavinti Phare paramą dažnai buvo vertinamos per daug optimistiškai, dauguma projektų pasiekė savo planuotus rezultatus. Politinė valia ir Phare paramos pripažinimas padėjo projektams įveikti sunkumus. Phare parama buvo vertinama ne tik finansine prasme, bet ir dėl to, kad šalys narės sudarė galimybes savo ekspertams dalyvauti paramos projektuose. Phare programa fokusavosi

*acquis* reikalavimų vykdyme ir padėdama įgyvendinti ilgalaikes reformas Lietuvos institucijose. Deja, šiuos du tikslus pasiekti tuo pačiu metu buvo sunku.

***Dauguma institucinių gebėjimų projektų turėjo didelį tiesioginį poveikį.*** Institucijos gavusios Phare paramą dabar dirba efektyviau [palyginus su tais sektoriais, kurie paramos negavo]. Be to, po 2001 metų Lietuvos institucijos vis geriau planuodavo ir valdydavo Phare projektus. Nors duomenų apie poveikio įvertinimą yra nedaug, tiesioginis Phare programų poveikis pasireiškia tokiuose dalykuose kaip pagerėjusi vandens kokybė, geresnė viešosios sveikatos apsauga, vartotojų apsauga, griežtesni gamtos saugos reikalavimai, progresas transporto srityje, naujos darbo galimybės, sutvirtėjusi ekonomika, pilietinė visuomenė ir žmogaus teisių apsauga.

***Phare parama turėjo didžiausią poveikį sektorių lygyje, o horizontali parama viešo administravimo ir teisingumo gebėjimų stiprinimui nebuvo ženkli.*** Sektorių lygyje Phare parama prisidėjo prie progreso ir skatino įvairius pasikeitimus institucijų valdyme bei įgyvendinant jų kompetencijoje esančius teisės aktus. Tačiau horizontaliame lygyje Phare parama valstybės tarnybos ir teisingumo sistemos pokyčiuose nėra tokia akivaizdi. Reformų tempai, reikalavimas suderinti Lietuvos teisės aktus su *acquis* bei dar svarbiau, išsiugdyti gebėjimus ir pajėgumą įgyvendinti naujus teisės aktus, reiškė, kad horizontalios reformos 1999-2001 metais nebuvo prioritetingos. To pasėkoje 2006 metais nacionalinių prioritetu vis dar išlieka kova su korupcija ir tolesnis teisingumo bei valstybės tarnybos sistemos reformavimas.

***Phare parama Ekonominėi ir socialinei sanglaudai (ESS) bei struktūriniais fondams galėjo pasiekti daugiau.*** ESS pilotinių programų dalyviai buvo iš regionų. Phare ESS įgalino ir sutvirtinimo regionines organizacijas. Phare ESS ne tik skyrė finansavimą regionams pagal jų prioritetinius poreikius, tačiau ir suteikė praktišką galimybę dirbti panašioje į struktūrinius fondus paramos sistemoje. Labai svarbu tai, kad Phare ESS suteikė pasitikėjimo regioninėms organizacijoms, nes, jei jos sugebėjo „sėkmingai pabaigti Phare ESS“, tai neturėjo būti sunkiau pradėti naudotis struktūriniais fondais. Faktiškai gavosi kitaip: dabartiniuose struktūriniuose fonduose atsirado daug didesnė konkurencija, nes paraiškas gali teikti ne vien regioninės organizacijos. Be to, struktūrinių fondų administravimo taisyklės nustatė kitokius reikalavimus pareiškėjams, remiamoms veikloms bei nustatė kitokias finansavimo taisykles. Dėl to, nors iš Phare ESS ir buvo pasimokyta, daug silpnesnių nevyriausybinė organizacijų iš regionų neturi realių galimybių laimėti adekvačią struktūrinių fondų paramos dalį. Be to, regioninė Phare ESS administravimo sistema veikė per kitas institucijas nei dabar administruojami struktūriniai fondai. Sprendimas dėl struktūrinių fondų administravimo sistemos buvo priimtas vėliau nei prasidėjo regioninis ESS ir todėl Phare programa negalėjo fokusuotis į tuos pačius administravimo sistemos dalyvius ar panašius pareiškėjus.

## Rekomendacijos

Atsižvelgiant į pagrindines ataskaitos išvadas suformuluotos penkios rekomendacijos. Jos skirtos pagerinti paramos teikimą esamoms ir būsimoms šalims kandidatėms.

**1 rekomendacija: Prieš pradėdant planuoti naujas pasirengimo narystei paramos programas, įvertinkite naudos gavėjo pajėgumus ir prie jų priderinkite siūlomos paramos intensyvumą.** Tam kad pasirengimo narystei paramos intensyvumas būtų tinkamai priderintas prie paramos gavėjo absorbcijos pajėgumų bei atitiktų bendruosius institucijos plėtros interesus, planuodami projektus atlikite tokius praktiškus žingsnius: atidžiai įvertinkite institucijos daugiamečius plėtros planus, nustatykite pasiekimo rodiklius, kurie turėtų atskaitos taškus, detaliai įvertinkite naudos gavėjo institucijos specialistų darbo projekte poreikį bei

kitokios paramos projektui poreikį. Šitai padės neseniai paramos programose dalyvaujančioms institucijoms sumažinti neefektyviai praleidžiamą projekto laiką, kai mokomasi valdyti projektą, o ne jame dirbama.

**2 rekomendacija: Daugiau dėmesio skirkite pinigų panaudojimo efektyvumui. Taikykite kaštų-naudos analizę.** Daugiau dėmesio turi būti skiriama paramos įvertinimui pagal geriausios vertės prizmę. Phare programavimo vadove buvo pažymėta, kad kaštų-naudos analizė turi būti atliekama visuose infrastruktūriniuose projektuose ir rekomenduojama ją atlikti regioninės politikos projektuose.

**3 rekomendacija: Įvertinkite darbo krūvius ir sustiprinkite įgyvendinančių institucijų pajėgumus.** Siekiant išvengti vėlavimo ir sistemos perkrovų, reikia, kad visos įgyvendinančios institucijos (Centrinė finansų ir kontraktų agentūra, Europos Komisijos delegacija, kitos) pasirengtų detalius veiksmų planus. Šiuose planuose reikia realiai suprognozuoti būsimo darbo apimtį bei įvertinti savo institucijos pajėgumus: kiek ir kokios kvalifikacijos žmonių reikia turėti tam, kad sėkmingai susidoroti su šiomis darbų apimtimis, kokie vidiniai darbo organizavimo ir procesų vadovai turi būti parengti.

**4 rekomendacija: Užtikrinti efektyvesnę projektų ir programų/sektorių vertinimo schemą.** Naudos gavėjo organizacijos turi būti pilnai atskaitingos už projekto rodiklių monitoringą projekto tikslo lygyje ir žemiau, tačiau programos ar sektoriaus vertinimas turi vykti atskirai, tam paskiriant tinkamą finansavimą ir atsakingas už šį vertinimą institucijas. Vietiniai vertinimo gebėjimai turi būti stiprinami siekiant, kad vertinimas būtų suprantamas plačiąją prasme ir organiškai apimtų viso projekto ciklo valdymo etapus. Praktiškai vertinimas yra daug daugiau negu atsiskaitymas už projekte išleistas lėšas bei atliktų projekto veiklų patikrinimą. Vertinimas turi atsakyti į klausimus ar projekto tikslai buvo pasiekti, koks projekto ilgalaikis poveikis, ar projektas turi išliekamąją vertę. Tokia vertinimo sistema turi remtis nacionaline vertinimo strategija, kuriai įgyvendinti būtų paskirtas personalas, resursai, vertinimas būtų viešos politikos dalimi, o vertinimai būtų atliekami sistemingai.

**5 rekomendacija: Remdama kovos su korupcija strategiją Europos Komisija turi glaudžiai bendradarbiauti su tokiomis institucijomis kaip Pasaulio Bankas ir Transparency International. Reikia sutarti ir taikyti vieningus korupcijos lygio rodiklius, pagal kuriuos būtų vertinama šalies pažanga kovojant su korupcija.** Kova su korupcija – ne tik užtikrina gerą valstybės valdymą, tačiau suteikia visuomenei pasitikėjimo politine ir teisingumo sistemomis. Suprasdama daugiaplanę problemos ištakas, Phare parama kovai su korupcija būtų efektyvesnė, jei teikiant šią paramą būtų bendradarbiaujama su kitomis organizacijomis. Kiek įmanoma būtina patvirtinti vieningus korupcijos lygio rodiklius, kurie būtų naudojami planuojant Phare programas ir pagal kuriuos būtų atsiskaitoma už Phare antikorpucinių projektų pasiekimus.

## „Išmoktos pamokos“

**1 pamoka: Kuo anksčiau sudarykite narystės prioritetų strategiją.** Lietuvos patirtis rodo, kad kandidates šalis reikia paremti, siekiant, kad jos kaip galima anksčiau sudarytų ir pradėtų vykdyti svarbiausių pasirengimo narystei sričių reformavimo strategiją. Tokia strategija turi apimti valstybės tarnybos ir viešo administravimo reformą, pasirengimą struktūriniais fondams, teisingumo sistemos reformą, žemės ūkio reformą. Ateityje finansinė parama steigiant reikalingas struktūras, apmokant personalą ar suteikiant kitokius išteklius šalims

kandidatėms turi būti teikiama su sąlyga, jog atskiros Europos Komisijos investicijos yra suderintos su bendra šalies persitvarkymo strategija.

**2 pamoka: Stojimo procesą galima sėkmingai paspartinti, tačiau esminius pokyčius žmonių elgesyje (pavyzdžiui, viešo administravimo ir teisingumo sistemos srityse) galima įtakoti labai neženkliai.** Pasirengimo narystei procesas Lietuvoje labai paspartėjo į jo pabaigą. Lietuva įrodė, kad milžinišką pasirengimo narystei programą galima įgyvendinti vos per keletą metų. Kita vertus, tokie pasirengimo tempai reiškė, kad politinė ir administracinė šalies sistemos turėjo dirbti pačiu didžiausiu pajėgumu. Nors stojimo kriterijai buvo išpildyti, ilgalaikės problemos, kurių sprendimui reikia fundamentalių mentaliteto pasikeitimų, buvo išspręstos dalinai. Ateityje galvojant apie naujų narių priėmimą reikėtų realiau įvertinti kiek laiko šaliai gali reikėti visiškam pasirengimui narystei.

**3 pamoka: Plėtokite ir stiprinkite institucijų pasirengimą naudotis struktūriniais fondais iki stojimo datos.** Lietuvos regioninės Phare ESS patirtis ir rezultatai rodo, kaip svarbu yra įvertinti ir sustiprinti struktūrinių fondų įsisavinimo pajėgumus iki stojimo. Ir kaip svarbu užtikrinti patirties perimamumą ir tęstinumą tarp ESS ir struktūrinių fondų administravimo reikalavimų.

**4 pamoka: Reklamuokite naujų paramos instrumentų privalumus prieš pradėdami jais naudotis.** Pateikite išsamius paaiškinimus apie naujus paramos instrumentus (pvz.: „twinning“ ar ‘twinning light’) prieš pradėdami jais naudotis. Vėliau tai padės išvengti nesusipratimų ir nesėkmių sudarinėjant sutartis, ar įgyvendinant projektus pagal šias paramos schemas.

**5 pamoka: Siekiant kuo daugiau pasimokyti kaip reikia įgyvendinti paramos programas decentralizuotoje sistemoje, įgyvendinkite decentralizaciją anksčiau.** Pasirengimo narystei kalendoriuje EDIS buvo įgyvendintas per vėlai, kad iš to būtų galima buvo pasimokyti struktūrinių fondų įgyvendinime. EDIS nebuvo skubama įgyvendinti dėl kelių priežasčių. Viena, šalys kandidatės jautėsi gerai, kai paramos *ex-ante* kontrolę atliko Komisija. Antra, pasirengimas ir EDIS akreditavimas vyko labiausiai įtemptu pasirengimo narystei metu, prieš pat įstojimą ir tuojuo po jo. Taigi, Phare sistema nerealizavo potencialios galimybės suteikti šalių narių institucijoms daugiau patirties mokantis įgyvendinti savo pareigas decentralizuotoje sistemoje dar iki stojimo datos.

**6 pamoka: Skirkite daugiau dėmesio poveikio rodikliams.** Pasiekimo rodikliai, jei tokie iš viso egzistavo, nebuvo adekvačiai naudojami projektų valdyme. Daugeliu atvejų, ir ypač kiek tai susiję su horizontaliais poveikio rodikliais, sistemos vertinimas apsiribojo veiklų apskaitymu, o įvertinimas – fakto konstatavimu reikiamos organizacijos egzistuoja. Paramos poveikis būtų buvęs didesnis, jei projektai būtų programuojami nustatant poveikio rodiklius, pagal kuriuos būtų atsiskaitoma už paramos įsisavinimo kokybę.

**7 pamoka: Twinning'ai buvo patys sėkmingiausi kai dvynių institucinė sąranga ir institucinė aplinka buvo panašios.** Surasti tinkamus dvynių partnerius dažnai būdavo sunku. Viena, įvairiose ES šalyse panašioms institucijoms pavedami skirtingi įpareigojimai. Antra, dažnai organizacijos dirba labai skirtingoje aplinkoje. Todėl geriausiai, jei su potencialiais partneriais būtų susisiekiama paramos planavimo etape.

## MAIN REPORT

### 1. INTRODUCTION

#### 1.1. Objectives

1. The purpose of this *ex post* evaluation is to assess the contribution of the 1999 - 2001 Phare National and Cross-Border Co-operation (CBC) Programmes to support Lithuania in meeting the Copenhagen Criteria in order to facilitate its accession to the European Union (EU). The evaluation will also include a brief review of post-2001 allocations.

2. The evaluation of the Lithuanian national programmes is one of a series of ten similar evaluations in the eight new member states, and in Bulgaria and Romania. The evaluations of the eight new member states will feed into a consolidated evaluation of Phare National and Cross Border Co-operation programmes, which, in turn, will form part of a consolidated *ex-post* evaluation of the Phare programme.

#### 1.2. Background and Context

3. The Phare Lithuanian National and CBC Programmes of 1999-2001 provided assistance in line with Lithuania's accession priorities as agreed with the European Commission in the Accession Partnership (AP) of March 1998 and the amended AP of December 1999. In June 1999 Lithuania submitted a revised National Programme for the Adoption of the Acquis (NPAA), which outlined the strategy for achieving the AP priorities. Later, when identifying the areas with the greatest needs for preparing for EU membership, the Commission's Regular Reports on Progress made by Lithuania towards membership were also taken into account.

4. Phare National and CBC programmes were financed through successive annual allocations with total financial assistance amounting to M€ 135 during the evaluation period (1999-2001).<sup>2</sup> Of this, approximately 60% went to institution building (IB) and *acquis*-related investments, 30% to economic and social cohesion (ESC) and 6% to CBC.<sup>3</sup>

5. Due to the specificities of the Lithuanian Phare and CBC programmes from 1999-2001, in particular the multiplicity of annual objectives (the 2001 national Phare programme identified 15 objectives) and following the logic of the Lithuanian Sectoral Monitoring Sub-Committees (SMSCs), the sectoral groupings in this evaluation differ from those originally proposed in the Evaluation Plan and are as follows:

- Agriculture;
- Social Affairs and Employment;
- Economic and Social Cohesion, CBC and Structural Funds;
- Statistics and Internal Market;
- Justice and Home Affairs;
- Transport, Energy, Environment; and
- Public Administration and Finance, Customs.

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<sup>2</sup> See Annex 1 for details. The programmes to be evaluated include so-called *Other Financing Memoranda*, which were implemented by national authorities and subject to previous interim evaluation, but excludes participation in Community programmes and nuclear safety programmes. Phare-funded multi-beneficiary programmes are also outside the scope of this evaluation.

<sup>3</sup> The figures are based on information provided by the Lithuanian Ministry of Finance: <http://www.finmin.lt>.

6. The Lithuanian national and CBC programmes were subject to Interim Evaluations (IE) regularly undertaken by the EMS Consortium, which were summarised in a Country Phare Evaluation Review<sup>4</sup> (CPEP). The key findings of the report were as follows:

- On the whole Lithuania made good use of Phare assistance during its pursuit of EU accession; the programmes were rated “Satisfactory” for 17 of the 18 IE reports across the nine monitoring sectors;
- Design of programmes was highly relevant to the needs of accession;
- Accession deadlines produced a concentration of Phare activities;
- Contracting and tendering problems frequently caused delays and lower efficiency ratings;
- Eight of the nine evaluated sectors consistently demonstrated effectiveness;
- Emphasising qualitative issues in the programme monitoring process would consolidate the programmes’ impacts;
- Impact of many programmes relied on follow-up actions to be taken by the legislature and executive powers in applying the policies;
- Overall sustainability was expected to be good and would be strengthened with institutional programmes focusing on human resource development.

7. Twelve IE reports produced under the ‘decentralised’ IE system were reviewed for this *ex post* exercise (see Annex 6). Of the sectors reviewed, four were rated ‘Good’ (Environment, Internal Market/Social Affairs, Preparation for Structural Funds and Public Finance).<sup>5</sup> The eight remaining sectors were rated ‘Sufficient/Good’. Programmes were relevant to organisational capacity building needs, but overall management of the project cycle continues to be poor. Common issues raised in the reports included persistent problems with tendering and contracting on schedule, limited capacity at the CFCU to deal with the heavy work load, and lack of monitoring of indicators, even where these were well-formulated.

### 1.3. Evaluation Questions

8. This evaluation focuses on the needs assessment, design and outputs produced by the national and CBC programmes for Lithuania. It will assess the impact and sustainability of these outputs, based on an analysis of a sample of projects programmed during the 1999-2001 period and implemented during the following years. The evaluation will also assess the effectiveness and efficiency of the contribution of the national and CBC programmes towards the actual performance of the public administration in the beneficiary country.

9. Evaluation questions were established in Terms of Reference (ToR) for the evaluation, divided into performance evaluation questions and thematic or cross-cutting questions (see Annex 1 for the ToR including the methodology, and Annex 4 for the evaluation indicators).

10. Following a sampling approach, a number of projects were selected by the Steering Committee for this evaluation<sup>6</sup> covering the totality of interventions programmed during 1999-2001. Because the Lithuanian National Phare Programmes 1999-2001 were multi-objective and difficult to group into the six sectors specified by the Evaluation Plan, projects were grouped according to the SMSC definitions. The Evaluation plan, including definition of the sample, is shown in Annex 3.

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<sup>4</sup> LT/CPEP/03109 issued 18 November 2003. The Report covered programmes of 1998-2002.

<sup>5</sup> The ratings awarded under the decentralised IE system are: Unacceptable/Poor/Sufficient/Good and Excellent. Combinations are possible to reflect ‘borderline’ cases.

<sup>6</sup> The Steering Committee consisted of representatives of the Evaluation Units of DG ELARG and the National Aid Co-ordination Unit and of the Financial Assistance Follow-Up Unit (D2) at DG Enlargement.

#### **1.4. Limitations Affecting the Evaluation**

11. This evaluation has been resourced as a short exercise to provide input for the final Consolidated Report for the new member states, rather than as an in-depth report, and thus the level of analysis possible has been necessarily limited. In addition, the evaluators faced a number of practical constraints in the field including the limited availability of data in country (no data was systematically collected by beneficiaries after project termination) and the limited availability of persons familiar with the key outputs (the main contact people were those directly implementing Phare, but results are often used by technical personnel working behind the scenes). In particular, identification and evaluation of impacts has been constrained by the poor construction of indicators of achievement at programme and project level. Impacts were not monitored by the respective contracting authorities or line ministries. There is almost no statistical data available on impact, particularly at socio-economic level. To supplement the factual information and document analysis, the findings on impacts are augmented by self-evaluation ratings by a number of focus groups. The evaluators have attempted to provide a balanced sectoral overview within the above constraints.

## 2. PERFORMANCE OF PHARE ASSISTANCE

12. This chapter starts by examining the overall performance of the 1999-2001 Phare National and CBC programmes, followed by consideration of needs assessment and design, inputs, outputs, results, impact and sustainability. This review is set against the Evaluation Questions specified in Annex 1 and the indicators given in Annex 4. The conclusions are based on the sample of projects examined during this evaluation and listed in Annex 5.

### 2.1 Good Overall Performance

13. ***Overall the performance of Phare and CBC in Lithuania was good***, particularly in relation to building sustainable institutional capacity in key civil service institutions – key stakeholders in the *acquis*-driven accession process. The Phare programmes were supported by strong political commitment, and had a strong ‘breakthrough’ effect, thus helping to guide the country along the track of *acquis*-driven reforms. In Lithuania, the programming process focused both on meeting the *acquis* requirements on time and on institutional capacity building. However with the tight accession deadlines, these two goals were often difficult to achieve at the same time and, in some cases, the pace of the reforms reduced learning opportunities.

14. This *ex post* evaluation found, surprisingly, that programmes experiencing implementation problems (due to the large scope of reforms needed and where beneficiary staff had limited experience of working under Phare procedures) were very significant for sectoral development (e.g. in agriculture). The difficulties in implementation had the unintentional impact of a positive shock effect; which catalysed the learning process and, even more importantly, attracted additional resources and managerial support. In the longer term, these are the most essential factors for successful development. Limited global effects were seen in those sub-sectors where structural reforms were not complete. This is true even where concrete Phare projects produced satisfactory or even good immediate and intermediate impacts (for example in the aviation sector).

### 2.2 Phare support has been highly relevant but there were weaknesses in addressing strategic issues.

15. ***The Phare support addressed accession needs well.*** The Phare assistance evaluated in Lithuania has been highly relevant, as projects were developed strictly in line with the APs and the NPAA, as well as responding to the issues identified in the Commission’s Regular Reports (see Box 1). Phare consistently provided very strong motivation for accelerating reforms. In practice the Phare support ensured that State budgetary resources were targeted at accession priorities and that political attention was paid to ensuring programme success and resolving ongoing problems.

#### **Box 1: Acquis-Driven Transport Sector Reforms**

The twinning ‘Further Alignment with the Transport Acquis and Strengthening Administrative Capacity to Manage the Implementation of Transport Policy’ is an example of a fully top-down *acquis*-driven reform. The Road Transport Department of the Transport and Communications Ministry was charged with implementation of the road transport *acquis*, namely fiscal harmonisation, regulating the carriage of dangerous goods, reorganisation of road charges system, licensing and safety issues. The Phare 2001 project provided practical assistance with legal harmonisation issues, equipment, developing a computerised information system for vehicle checks as well as training of agents of the State Road Transport Inspectorate. Consultations with the stakeholders (Lithuanian Road Carrier Association) about the need for the upcoming reforms were not seen as appropriate because the *acquis*-driven changes were a clear political priority.

Source: Focus Group Meeting, February 2006

16. ***Focusing on the accession needs in ‘a top-down manner’ prevented weaker Lithuanian agencies from absorbing Phare assistance effectively.*** For many Lithuanian agencies, transitional needs<sup>7</sup> were parallel with accession needs. Projects in 1999-2001 were designed, because of the primacy of accession priorities over transitional needs, in a ‘top-down’ manner – by first formulating the ‘end result’ to be achieved in the context of the accession-driven reforms, and then by planning how to use available beneficiary resources in meeting this objective. As a result, project design often failed to be based on real strategic needs, leading to a mismatch between beneficiary absorption capacity and project design (factors for success in project design are given in Box 2). This in turn diminished the efficiency of the interventions, particularly within weaker beneficiaries with little experience in using Phare. For instance, in 1999 the Public Procurement Office (PPO) was not able to employ a single lawyer. However, the PPO was simultaneously the beneficiary of a number of Phare projects and other donor projects dealing with legal harmonisation issues.<sup>8</sup> In practice, the Phare assistance schemes had to wait until the Lithuanian agencies became stronger and were able to hire sufficient qualified staff to work with their EU counterparts on equal terms.

**Box 2. Ensuring good design: factors for success.**

Needs assessment depended on the scope of the sectoral reforms, and the preparedness of the beneficiary agency to absorb assistance, that is:

- Whether there were local staff with previous experience in drafting contractual documents under Phare;
- Whether capacity for day-to-day co-ordination of local involvement existed;
- Whether top management was directly interested and prepared to take immediate action to resolve issues of concern;
- Whether there were sufficient numbers of local staff directly working with their Phare counterparts;
- Whether the personal tasks of the local staff directly coincided with the Phare project activity plans.

17. ***Smaller, more technically focused agencies had better success in implementing reforms.*** There was a discrepancy between the level of development in the sectors and the scope of the reforms required by the accession process. Understandably, smaller agencies with more technical and better-defined goals to accomplish (such as in the Department of Statistics or the Competition Council) found it easier to implement reforms. The more extensive the transformation objective, the more difficult it was to draw up viable strategies and plan project objectives, results and timing in sufficient detail. The less developed the capacities of the beneficiary agency, the less likely it was to design projects appropriately, or indeed to see the need for the project in the first instance<sup>9</sup>. The weaker sub-sectors or agencies were often de-motivated by receiving ‘poor’ evaluation ratings, despite the best efforts of some committed individuals, yet ironically Phare assistance was needed most for the least-developed sectors. Thus, the IE practice of rating projects’ strategic planning by using the same scale for small and large transformation objectives, for agencies well prepared to receive assistance, and for those lacking capacity and experience, was considered by interview respondents and focus group participants as unfair given that the baseline levels differed greatly.

<sup>7</sup> Developing human and material resources.

<sup>8</sup> In a 1999 Phare project PPO worked jointly with several Swedish lawyers.

<sup>9</sup> In many sectors entire agencies had to be developed from scratch or from a very rudimentary stage. For instance, the implementation of the European Common Agricultural Policy and the Veterinary and Phytosanitary *acquis* required a well functioning administrative structure, which was not present in Lithuania at the end of the 1990s. Over 800 national legal acts had to be drafted and over 90 institutional measures put in place to ensure successful implementation of the agricultural *acquis* and a series of border inspection posts had to be constructed, equipped and staffed from scratch.

18. ***Interventions were adversely affected by the pace of the reforms and insufficient strategic planning*** as local capacities were often too limited to implement the reform within the tight deadlines while at the same time learning from member state experts under twinning arrangements (see Box 3). For many 1999 projects there was a dilemma, namely whether on the one hand to take the assistance even if the agency was not yet prepared to fully absorb it, thereby compromising the efficiency of the Phare resources and experts; or on the other hand to wait until the agency became stronger, as a result of which time and, more importantly, the political support and motivation that Phare projects brought with them, was lost. In practice and as a rule, local beneficiaries always accepted assistance irrespective of their preparedness to absorb it efficiently.

**Box 3: Pace of reform reduced learning opportunities**

In the twinning project ‘Support to the Development of an Integrated Information Technology System for State Social Insurance Board’ the beneficiary focused on their immediate duties – implementing the pension reform during the set time. Thus, the beneficiary tended to look for help from their twinning partners on very specific and technical tasks rather than involving the experts in determining the overall process of reforming the pension system as had been the expectation of the partners while drafting the twinning covenant.

Source: *Ad hoc* Interim Evaluation Report LT01.02.01 “Pension Reform and Monitoring of IITS”, commissioned by the EC Delegation in Vilnius, January 2003.

19. ***Phare project design usually omitted involving social partners***, to explain why the *acquis*-driven reforms were necessary, how they were going to be implemented, as well as analysing the global impacts of the reforms. This was due to time and resource pressure. In some cases it was felt that strict obedience to the ‘letter’ of the *acquis* did not take into account possible negative impacts of the reform process. For example, during reform of the Lithuanian railways, liberalisation of railway operations<sup>10</sup> contributed to reducing numbers of passengers carried and resultant closure of some smaller passenger railway connections in Lithuania. This has had a negative impact on public perception of the accession process, some of which could have been avoided by more active involvement of the social partners at the design stage.

### 2.3 Despite implementation delays, planned results were largely achieved.

20. ***Phare projects delivered outputs as planned***. The assistance providers had to account strictly for delivering the quantifiable outputs according to their contractual arrangements. Any amendment to planned outputs had to be approved by the European Commission Delegation (ECD) and Central Project Management Agency (CPMA) in line with a strictly set procedure. The main results of the projects under review are listed in Annex 5. The typical outputs are classified in Table 1 below.

<sup>10</sup> Separation of the Lithuanian Railways infrastructure and operations, separating passenger and freight operations and introducing equal operational conditions for private and public operators.

Table 1.- Typical outputs

Type of Output	Activities supporting output
<b>Strategic development</b>	<ul style="list-style-type: none"> <li>• Preparation of strategies for sectoral reform or where agencies were developed from scratch;</li> <li>• Action plans for implementing strategies or development of comparative analyses/recommendations in connection with beneficiary agency operations;</li> <li>• Preparing and implementing evaluation schemes to check on the delivery of the strategies.</li> </ul>
<b>Legal harmonisation</b>	<ul style="list-style-type: none"> <li>• Commenting on draft laws;</li> <li>• Development of secondary legislation;</li> <li>• Training in legal harmonisation issues for beneficiary agencies.</li> </ul>
<b>Organisational development</b>	<ul style="list-style-type: none"> <li>• Development of strategic plans for development of an organisation;</li> <li>• Development of internal procedures/manuals to be applied within the beneficiary agency itself;</li> <li>• Training of staff and training of trainers (on-the-job, coaching, distance learning schemes);</li> <li>• On-the-job training and coaching;</li> <li>• Study tours and placements at twinning/other relevant organisations.</li> </ul>
<b>Information and publicity</b>	<ul style="list-style-type: none"> <li>• Publications in connection with preparations for Structural Funds, promotion of vulnerable groups</li> <li>• Explanatory material in connection with newly adopted legislation/<i>acquis</i></li> <li>• Web site development</li> </ul>
<b>Delivery of investments<sup>11</sup></b>	<ul style="list-style-type: none"> <li>• Drafting of technical specifications</li> <li>• Advice on procurement issues</li> <li>• Training in Phare procurement procedures</li> </ul>

21. Beneficiaries have identified *ex post* several **factors of success** in using resources efficiently to achieve outputs (see Table 2 below). As training is a prominent part of Phare activities, this is dealt with here in a separate section in Table 2.

<sup>11</sup> Particularly Information Technology, border crossing points and veterinary and phytosanitary posts.

Table 2.- Factors of success

Output	Comment
<b>Strategy development</b>	<ul style="list-style-type: none"> <li>Strategies need full political commitment and support, especially relating to inter-ministerial decision making: for example, the Anti-Corruption Strategy, Drugs Strategy, or strategies requiring large budgetary investments: Lithuanian Railways reform; Energy Sector Strategy;</li> <li>Even when recommendations were not fully implemented, the Phare support provided a forum for debate, and consequently drew attention to pending issues;</li> <li>When outputs were not monitored after project completion, the beneficiary agency repeatedly requested additional support for the same activity.</li> </ul>
<b>Legal harmonisation</b>	<ul style="list-style-type: none"> <li>The use of Phare experts in legal drafting was better when working in tandem with local experts (CC and member state consortia under TA arrangements);</li> <li>The language barrier slowed communication, with particularly adverse impacts where large volumes of legal text had to be translated within short deadlines for enacting national laws;</li> <li>Member state experts need to be prepared before arrival (as far as possible), otherwise valuable time is lost as they gain understanding of the local situation;</li> <li>Flexible expert involvement with 1-2 expert-day inputs and communications by e-mail is preferable to several week-long visits.</li> </ul>
<b>Information campaigns</b>	<ul style="list-style-type: none"> <li>Commissioning local experts is a more cost-efficient and effective way of delivering information campaigns.</li> </ul>
<b>Delivery of investments</b>	<ul style="list-style-type: none"> <li>Because of the time lag between identifying the needs and delivery IT equipment, budgets tend to be out of date. Revision of scope/content of procurement was needed (e.g. Department of Statistics);</li> <li>In cases of non-EU-origin equipment delivery, the justifications were very difficult to secure during the available contracting period;</li> <li>The procedures for purchasing furniture and equipment are too detailed (i.e. the beneficiary needs to identify all spending items for equipping laboratories in great detail);</li> <li>Help in drafting technical specifications was highly appreciated where beneficiary agencies had little experience in using Phare, and where new institutions were being built from scratch.</li> </ul>
<b>Delivery of training</b>	<ul style="list-style-type: none"> <li>The most successful training was tailored to the needs of the beneficiary (demand rather than supply based) and directly addressed the national challenges related to adoption and implementation of the <i>acquis</i>;</li> <li>On-the-job training has been very beneficial in capacity-building for implementation of the <i>acquis</i>;</li> <li>Twinning arrangements provide the most effective and efficient way of learning how the EU-15 administrations work in practice</li> </ul>

22. **Overall, efficiency was satisfactory.** The majority of the projects were rated in IE reports as adequate or sufficient,<sup>12</sup> with ratings for efficiency statistically lower compared to any other evaluation criterion.

23. **Implementation delays were a common feature and in some instances put relevance at risk.** The actual timescale of projects seldom corresponded to the plan set out in the project fiche and the majority of projects experienced delays. In fact, project fiche implementation schedules were seldom used as references for project monitoring purposes. The delays in contracting usually did not result in failure to deliver the outputs because FM contracting and disbursement deadlines were met.<sup>13</sup> However, the quality of the outputs depended primarily on the competence of the project consultants, on the absorption capacities of the beneficiary, and

<sup>12</sup> It should be noted that IE reports do not include calculations of Phare project efficiency in terms of cost benefit.

<sup>13</sup> Neither of the Phare sample projects failed to meet their contracting/disbursement deadlines in such a way that would have resulted in failure to use the funds. In the case of large infrastructure or equipment investment projects several extensions were granted.

on both partners' flexibility in adapting to changing needs. The late project start primarily put at risk the relevance of project outputs (which would come too late to be integrated into beneficiary accession preparations) rather than quality of delivery. With the shortening of the implementation period, the quality of the outputs could also be affected. In any case the backlog of projects at the annual and commitment and disbursement deadlines put considerable stress on all key bodies – the ECD, the CFCU and individual beneficiaries.

24. The main causes of the delays were:

- Project fiche revisions (including a change from twinning to technical assistance due to unsuccessful twinning selections; changes to specifications of investment components, resulting from changes in the beneficiary needs due to implementation delays or to fit in with other investments under national funding, and amending deadlines due to implementation delays);
- Errors in contracting, causing partial or complete repetition of the contracting cycle;
- Insufficient capacity at the Central Finance and Contracting Unit (CFCU) to coach inexperienced beneficiaries;
- Slow response times by stakeholders (ECD, CFCU, implementing ministries, Commission Services at Headquarters) during preparation and approval of ToR, tender dossier, etc.;
- Insufficient response to calls for twinning resulting in its replacement by Technical Assistance (TA);
- Insufficient experience in planning and preparation for construction projects using international civil engineering contract conditions.<sup>14</sup>

25. ***An understaffed CFCU struggled to cope with a mounting workload.*** As the key body in the implementation system, the CFCU came under considerable criticism. It must be noted however that before major recruitment in 2003, the CFCU's ongoing duties included supervision of more than 500 projects and preparation for accreditation under the Extended Decentralised Implementation System (EDIS), with only 7 procurement officers. The CFCU personnel were generally highly qualified, yet they were constantly referred to as the 'weakest link in the chain' before mid-2003 when the agency was expanded. Following its capacity building in 2003, the CFCU received EDIS accreditation in 2004.

26. ***Programme management at the sectoral level was good.*** Management of Phare programmes at sectoral level was good and this allowed different projects to learn from each others' experience. The project steering committees, involving project beneficiaries and experts, representatives of the NAC, ECD, and CFCU, were effective tools in problem resolution. The roles of the NAC and ECD were beneficial and provided a sound system for guarantee of transparency of operations and ability to cope with issues at sectoral level where political decisions were needed.

27. ***The success of the investment projects depended on their synergy with national development plans.*** Analysis of the investment projects shows that in practice, even when the investment projects were not efficient at the tendering and contracting stages, results were achieved and sustained where they took place within the context of national strategic investment plans. In these instances, Phare support (through twinning or TA) was instrumental in setting the parameters for large-scale equipment purchases and other strategic investments, thus helping to avoid costly errors. A good example of the synergetic use of Phare funding is

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<sup>14</sup> Normally specified as 'FIDIC' conditions, these are standard forms of contract prepared and disseminated by the *Fédération Internationale Des Ingénieurs-Conseils* (FIDIC).

State Border Protection investments. In general, Lithuanian national programmes rarely adopted a benchmarked strategy approach where public spending was connected to achievement of concrete impact targets, whereas a true synergetic effect can only be achieved when national and EU spending are governed by the same philosophy of goal-oriented intervention planning.

28. ***Project disbursement rates were not a concern***, with an average commitment rate of 97.5% and an average disbursement rate of 91.4% of the total allocation (for exact figures see Annex 5). However, it is difficult to relate project spending to the delivery of good quality assistance, as underlying reasons for failure to spend fully differed significantly. For instance, a good project (Competition Council) had the lowest disbursement rate (67%) due to over-cautious planning. Of more concern was the repayment of the grant at the Small Project Fund,<sup>15</sup> which from a disbursement point of view alone looked good at 82%. Therefore, 100% spending does not necessarily indicate sound planning, and in many cases additional State budget funding was needed to complete the Phare project. For example additional State financing was required to complete the Border Crossing Point and Veterinary/Phytosanitary Posts project due to increased construction costs.

29. Phare co-financing had priority over any other budgetary spending of participating institutions. However, the absence of a formal mechanism to record the national co-financing commitment and disbursement figures alongside the Phare figures made access to national co-financing figures difficult for the sectoral interim evaluation and monitoring purposes.

## 2.4 Substantial results delivered

30. ***Phare 1999-2001 support produced substantial results, increasing the overall performance of the Lithuanian beneficiaries.*** The conclusions by sector are based on the findings of the sample of projects reviewed. The results achieved are summarised in more detail in Annex 5. While the efficiency of assistance delivery depended on the scope of the reform and capacity of the beneficiary agency, many projects with 'poor' implementation were actually effective within the overall accession process, because they drew attention to issues of concern and stimulated further efforts in the sector. Examples of such difficult, but ultimately very useful sectoral investments include the installation of phytosanitary and veterinary posts, and the Phare 1999-2001 projects in the area of social security and employment that paved the way for further structural reform in social insurance sector. Results in the transport, environment, energy, statistics and internal market sectors were useful for vertical *acquis* transposition and implementation, and the knowledge and experience of the beneficiary institutions has continued to increase after 2001. Investments in justice and home affairs have been fully sustained via the Schengen Facility and with funding from the State budget. The sampled sectors are considered below in more detail.

31. ***Agriculture*** has been an important priority area for Phare funding to Lithuania both in the period under evaluation and subsequently under both pre- and post-accession (Transition Facility) funding. A series of programmes in the evaluation period 1999-2001 had important immediate results including improvements in administrative capacity at key institutions, in particular at the Ministry of Agriculture and its related agencies such as the National Paying Agency, a cornerstone of Common Agricultural Policy (CAP) implementation, and on

<sup>15</sup> For instance, one Small Project Fund beneficiary clearly needed more experience in project planning and management. Some spending items – such as accommodation costs for seminar participants - were overestimated, while some activities remained unfulfilled (test audits and certification of companies) because there was too little time allocated for their implementation. In the end, the project spent only 39% of the overall budget and had to repay back the difference from the 80% advance payment.

preparations for the Integrated Administrative Control Systems (IACS). Important border infrastructure was put in place through the 'Phytosanitary and Veterinary Border Control Measures' and staff was trained to carry out inspections. Immediate impacts on food quality resulted from the 'Strengthening and Enforcement of EU Food Control System'. Due to serious delays in contracting, the 'Phytosanitary and Veterinary Border sector' was evaluated as 'Unsatisfactory'. However, by October 2002, four border posts were fully completed, with three still in the process of completion. Thus the immediate objectives were only partially attained. The Phare 2000 Phytosanitary and Veterinary Border sector project achieved its results in constructing Border inspection posts<sup>16</sup> and modernising laboratory facilities.<sup>17</sup>

32. Phare support to the *Social Security and Employment sector*, aimed principally at supporting reform of the social security insurance system in Lithuania. The programmes supported pension reform and delivery of integrated Information Technology Systems for the State Social Insurance Board (SoDra). On completion, project objectives had been only partially achieved and absorption capacity was limited, due to changing political priorities and political pressure having shifted the focus to implementing the reforms on time rather than on using the Phare programme to guide strategic long-term capacity building.

33. Under *ESC*, immediate results were confined to the level of project outputs, rather than to substantive capacity building for Structural Funds (SF) at sector level. For example, under the 2000 Phare ESC assistance to Klaipeda-Taurage and Utena regions, which aimed at providing investment co-financing support via the Business Development Fund and the Human Resource Development Fund, results included jobs created, IT applications for business and learning, industrial technologies developed and implemented, and investment in tourist information and facilities, research and training stimulated. Taking the indicators at output level identified in the PF as a benchmark, the programme achieved, and in some cases exceeded its objectives (for more information on immediate results see Annex 5).

34. The *CBC programmes* comprised a Small Project Fund for the Baltic Sea Region. Of 126 applications received, 87 were rated as eligible (indicating a good level of existing capacity for project development at that time) and 16 projects were finally funded under the Lithuanian component. The majority of the projects were managed efficiently and approximately 88% of funds was utilised in total. However there were exceptions, due to: a) lack of experience and capacity among some actors; b) reduced implementation schedules with a knock-on effect on implementation of planned activities; and c) changing and unclear regulations in relation to eligible expenditure (for example VAT). As a result, in a number of cases funding was repaid to the implementing agency.

35. Despite these problems, the majority of activities were implemented and the individual projects achieved their objectives, with particular success in small-scale interventions to improve the framework for economic development (particularly in relation to tourism), quality of life and integration into European networks. However, projects involving Kaliningrad failed to involve the Russian partners at the level envisaged as, in a number of cases, the Kaliningrad partners failed to obtain Tacis financing. The mismatch between the programme cycles of Phare and Tacis meant that information on which projects had funding was not available during the Phare evaluation process. While individual projects delivered their results, the results

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<sup>16</sup> Kenos and the Panemune-Pagegiai Border Inspection Post; Construction and Upgrading of the Medininkai and the Lavoriskes Border Inspection Post.

<sup>17</sup> Modernising the Klaipeda Laboratory; developing capacity to analyse pesticides at the Agrochemical Research Institute, and advice on procurement of autoclaves to destroy contaminated plants.

envisaged in the fiche and Joint Programming Document (JPD) were only partially achieved. The development of a Joint Small Project Fund was not achieved, as the joint call for proposals (together with Latvia, Estonia and Poland) did not take place due to delays in agreeing the guidelines with the Latvian and Estonian agencies.

36. The sample projects in the *Statistics and Internal Market* sector were successful in providing assistance for the Competition Council, the Department of Statistics and Communications Regulatory Authority. For example, the 2003 IE of the 'Competition Policy' twinning project considered the potential impacts to be excellent because of the project's success in preparing secondary legislation and delivering 'on-the-job training' in the field of EU-compatible State aid and competition regulations. The strengthening of the Competition Authority was demonstrated by the high rate of cases successful in court (around 80% in 2003). However, it must be noted that in this case the high rating was primarily related to the existing high level of capacity in the beneficiary agency.

37. Overall Phare assistance in the *Justice and Home Affairs* sector yielded good immediate impacts as demonstrated by Lithuania's preparations to enter the Schengen area. For example two successive interventions 'Demarcation of the Eastern Border' and 'Three Infrastructure Components at Eastern Borders' enhanced the ability of the State Border Guard Service (SBGS) to secure the border with Belarus, and the 1999 programme delivered investments in IT that supported participation in the Schengen Information System (SIS). In this period, changes in government policy on border crossing points adversely impacted on the 1999 programme.<sup>18</sup> Immediate impacts in the fight against corruption were delivered by the 1999 project 'Review and Implementation of the National Anti-Corruption Programme, the Preparation and Implementation of Sector Anti-Corruption Strategies and Action Plans' that delivered capacity-building for 14 ministries or departments; a public awareness campaign aimed at making the public more intolerant of corruption; and measures to strengthen detection and prosecution of corrupt practices.

38. Phare support to the *Transport, Energy and Environment* sector covered a wide range of acquis-related issues and capacity building measures. In these areas, good immediate capacity-building impacts were delivered at the Ministry of Environment across a range of areas such management of chemicals and Genetically Modified Organisms (GMO); integrated pollution prevention and control (IPPC); and climate change gas emission control. Phare support helped in the developing the legal framework for strategic oil stocks, the heating sector and energy efficiency as well as strengthening the administrative capacity for management of the energy sector. The results are now fully incorporated in the National Energy Strategy. Phare support also supported 'Further Alignment with the Transport *Acquis*' which addressed the railway, road and aviation transport *acquis*. The effectiveness in delivering its results was good. The results include transposition and implementation of relevant secondary legislation

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<sup>18</sup> The immediate impacts of the project 'Panemune Border Crossing Point' were evaluated as 'unsatisfactory' due to the Government's decision to change the location of the border crossing point, which resulted in very little use being made of the Lithuanian Border Crossing Post compared with the Kaliningrad Border Post. Since then, the project has been the subject of much scrutiny and discussion. As a result it has generated much interest and has produced consultations on both sides of the border with Kaliningrad. On 30 September 2004, the State Auditor of the Republic of Lithuania issued Report No 2040-6 'On the Implementation of the Panemune Border Crossing Point Project' (available in Lithuanian at [http://www.vkontrolė.lt/veikla\\_ataskaita.php?720](http://www.vkontrolė.lt/veikla_ataskaita.php?720)) concluding that, *inter alia*, changing the location of the border crossing point resulted in the loss of state budget funds spent on design works, and that the place of the border crossing point has been designated without having precise information on the Russian Federation's plans to construct a new bridge over the river Nemunas to connect traffic from Russia to Lithuania. Furthermore, the state auditors indicate that at the start of construction in 2002, co-ordination of project activities were not sufficient and that project indicators of achievement - reduced communications and transport expenses - had not been reached by mid 2004.

in the road, civil aviation and railways transport sectors, advice on structural reform of the railway sub-sector and strengthened administrative capacities of the relevant agencies.

39. Support to the *Public Administration and Finance* sector in the evaluation period covered a wide range of issues ranging from support for capacity building for management of the Lithuanian domestic budget, preparations for management of European funds on accession and to general support for public administration training and reform. The interventions in the period were the first of a number of initiatives in these areas and immediate impacts varied. There were immediate positive impacts on the quality of training available to the public administration under ‘*Support for the Lithuanian Institute of Public Administration (LIPA)*.’ In particular, the ‘*Training Strategy Implementation*’ and ‘*Support for the National Aid Co-ordinator (NAC)*’ sub-components were rated highly satisfactory by the NAC and the Lithuanian Institute of Public Administration and *ex post* they are also rated highly satisfactory.<sup>19</sup> However, support provided under the ‘*Parliament*’ component was rated as unsatisfactory by the NAC and the Lithuanian Institute of Public Administration due to the absence of immediate results. The sector also included funding for the ‘*Lithuanian Development Property Fund*’ (LPDF) under the 1999 programme, Lithuanian Phare Pre-INS Facility. Following a difficult start, the loan fund had not produced any satisfactory tangible results by early 2003. The Articles of Association were changed at the beginning of February 2003 (to allow for direct disbursement of loans) and since then, a 10-year M€ 5 revolving fund has been used to promote a new financial instrument in Lithuania: capital risk management. The fund successfully contributed to two technology development projects in the Klaipeda Free Economic zone, helping to attract one of the largest foreign investments to the region. Apart from these two large loans, none of the many smaller loans produced any significant added value. The fund operations are limited in scope, range and duration and thus can hardly compete with more flexible private banking services, and therefore the intermediate impacts of this ongoing project will not be significant.

## 2.5 Strong immediate and intermediate impact in institution building projects

40. Most institution building projects had strong immediate impacts, which can be seen in the increased efficiency of the work of those institutions that received Phare support. In addition, the capacity of the Lithuanian administration to plan and implement Phare projects increased steadily in the post-2001 period.

41. In addition to the specific impacts (immediate, intermediate and global) which are analysed at sub-sectoral level below, feedback from the focus groups and interviews indicate that the Phare projects of 1999-2001 had four important, and indeed largely unplanned, impacts:

- a) ***Development of professional staff with good English language skills*** able to work on equal terms with their EU counterparts. Since accession, Lithuanian beneficiaries aim to become hands-on expert accession advisers to the Balkans or the Former Soviet Union countries;
- b) ***Avoidance of costly developmental mistakes***. The overall accession process was improved by helping the Lithuanian government to avoid costly developmental mistakes when developing new structures and systems from scratch. For example, when designing new institutional set-ups and division of responsibilities in the areas of phyto-sanitary and veterinary border control measures, Lithuania relied on experience and recommendations

<sup>19</sup> Both the NAC and the Lithuanian Institute of Public Administration evaluated the twinning project, which was assessed as very useful, and to have provided the long-term stimulus and ability to develop the knowledge received in 2001-2002.

- from Phare projects, as there was simply no experience in this sphere and no local ability to provide needs assessments;
- c) **Increased understanding of how the EU works** and promotion of the adoption of EU 'good practice'. Lithuanian beneficiaries highlighted the importance of choosing twinning partner(s) from member states with 'a leading reputation in the field', or using advice from the EU professional institutions (i.e. EUROSTAT);
  - d) **Intermediate impact on capacity building for policy analysis and development was weak**, although the Phare support did help the Lithuanian administration understand and install the *acquis*. Despite the Phare support, national policy-makers and stakeholders lacked the capacity to analyse the potential impact of EC legislation on Lithuania following accession (e.g. in the case of railway transport).

42. Assistance to the **Agriculture** sector progressed despite many obstacles, and the wider impacts (in particular preparation for participation in the CAP and development of capacity to implement the veterinary and phytosanitary *acquis*) have been satisfactory. All the planned border posts are fully completed and functioning to EU specifications.<sup>20</sup> In spite of difficulties with delayed completion of border posts, the beneficiaries self-evaluated the overall project impact as "high". The Phare assistance helped to avoid costly developmental mistakes where new systems had to be developed from scratch. When designing new institutional set-ups and division of responsibilities in the areas of phyto-sanitary and veterinary border control measures, Lithuania relied heavily on experience and recommendations from Phare projects as there was simply no existing Lithuanian experience in this area. The twinning component of the 2000 Phare project was self-evaluated as having produced global impacts "less than expected". The CAP project impacts were self-evaluated as "as planned". The main impact here is that projects helped create the database currently used for direct subsidy payments to farmers.

43. While it is not possible to reach definitive conclusion on the wider impact of the Phare support to the **Social Security and Employment** sector, it can be noted that the planned wider impacts of the sampled projects (fundamental reform of the pension system and capacity building at SoDra) were good. The intermediate impact is that new second-pillar pension reform has been effective from 2004 as planned, and the capacity of SoDra has been greatly developed. Importantly, the beneficiary drew valuable lessons in Phare project management, and with help from a subsequent Phare project not only completed the reforms but also installed one of the best qualitative monitoring and evaluations system in the public sector.

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<sup>20</sup> Commission experts have positively evaluated Lithuanian progress in ensuring veterinary supervision of animals and foodstuffs transported in EU territory. As from the date of accession to the EU (May 1, 2004), 12 modern frontier veterinary posts, satisfying EU requirements and completely equipped for proper checking, import, export and transit of foodstuffs have been in place. As far back as 2002, seven frontier veterinary control posts (Medininkai, Salcininkai, Lavoriskiai, Kybartai railway, Klaipeda port Mole's and Pilies) were set up in line with EU requirements. In 2003, four new frontier veterinary posts were set up (Pagegiai, Kena railway, Panemune road and Malku seaports). In February 2004, the construction of the last frontier veterinary post at Vilnius airport was completed. In 2003, and control procedures satisfying EU requirements, were applied in all frontier veterinary posts. During 2003 144,284 consignments subject to veterinary control were checked at the frontier veterinary posts. The main movement flows were registered at the Kalvarija border veterinary post. Further data can be found at: <http://www.zum.lt/agri04/08.htm>.

44. The intermediate impacts of the regional **ESC** focused in 2000 on improvements to the industrial fabric, including job creation, improvement of business and logistics infrastructure, and provision of training opportunities at local level. It is not possible to assess definitely the global impacts of the ESC 2000 human resource interventions, as the programme was not monitored or assessed at socio-economic level. However, some likely global impacts can be inferred. These are primarily region-specific (Klaipeda and Taurage regions) and include an enhanced framework for delivery of training and education and improved computer literacy among the target groups. A small number of jobs have been created (approximately 250) and the infrastructure for tourism has been improved, which should have added benefits in the longer-term on job creation. The delivery of training was seen as an end result in itself rather than a means of resolving the specific problem underlying the exclusion of the target group. In spite of its shortcomings, which are typical of many European Social Fund interventions, the ESC 2000 scheme was very much appreciated at regional level because it promoted genuinely local initiatives. Given the widening socio-economic gap between the two main centres (the capital Vilnius and the seaport Klaipeda) and the regions, the empowerment of local players that was achieved through the Phare ESC 2000, was of paramount importance (see Box 4).

**Box 4: Example of limited impact**

Training inputs were found to have had very good sustainable impact on the regional association of the handicapped in Utena. The training for social workers was very much in demand: the association prepared dissemination materials and printed handbooks to be used for the new social workers' preparation course. In October 2002 the course was approved nationally by the Ministry of Social Security and Labour. The attendees of the course modules were granted the right to be qualified as social workers (with re-grading according to the training modules attended). With regard to other human resource development training, many beneficiaries indicated their satisfaction with the courses on business strategy building and project management. However, there is little evidence as to how far the attendees of those courses successfully transformed their businesses or otherwise benefited tangibly as a result of the knowledge received.

Source: *Ad hoc* Interim Evaluation Report LT01.02.01 "Pension Reform and Monitoring of IITS", commissioned by the EC Delegation in Vilnius, January 2003.

45. At the global level, the impact of the **CBC** programme was constrained by the small size of the intervention. Some global impacts however can be noted – for example improvement of the conditions for tourism in the Klaipeda region through the successful 'cycle-ways' project. Intermediate impacts are more evident including:

- Creation of support structures for the CBC programme in the region, in particular the Euroregion offices, which are important local focus points for support and advice on European funding, not just on CBC;
- Increased opportunities for networking among local authorities in the region (6 of the 15 projects reviewed were implemented by local authorities);<sup>21</sup>
- Increased visibility of the programme in the region, and confidence-building among potential applicants for future programmes.

46. The sub-projects had less impact on integrating the region into formal infrastructure networks. For example the sub-project to set up a direct bus link between Klaipeda and Berlin via Kaliningrad was largely unsuccessful due to difficulties in agreeing transit through Kaliningrad and fast economic growth in the region, which saw greater use of cars and budget airlines rather than bus services. The two sub-projects related to the inland waterways and monitoring and tourism on the Curonian spit had positive impacts in engaging the Russian and Polish partners in dialogue and developing, insofar as was possible, common visions and approaches to this important conservation area. In practice, however, there was little impact on

<sup>21</sup> Information was available only on 15 of the 16 projects implemented.

actual integration, as the Russian side was reluctant to take practical steps forward, for example opening a border checkpoint at Ribachi or simplifying visa procedures.

47. In the area of *Internal Market and Statistics*, the subsequent positive developments in the Competition Council cannot be directly traced to the 1999 Phare project. In contrast, LT-0003.03 ‘*Technical Assistance to the Communications Regulation Authority (CRA)*’ (procurement of equipment and institution building), while experiencing many difficulties during implementation,<sup>22</sup> turned out to be an ‘ice-breaker’ project. The CRA benefited from legal advice in drafting secondary legislation for the transposition of the 1998 EU telecommunications package, training for implementation, and most importantly, spectrum monitoring equipment was successfully procured. In addition, the beneficiary has been able to draw lessons from their first project’s difficulties,<sup>23</sup> and a subsequent 2003 Phare project went smoothly.

48. The intermediate impacts of Phare on the Statistics Department are an important success story. The agency has significantly developed its human and technical capacities and is now capable of transferring its know-how to other CCs, particularly in relation to the processes and systems required to ensure compliance with the fast-evolving statistical *acquis*.

49. At this *ex post* stage, the investments in the new EU external borders in the *Justice and Home Affairs* sector can be considered a success despite implementation problems. The investments were fully incorporated into the overall strategy for border protection.<sup>24</sup> Although the project aimed only at aiding Lithuania with the installation of some formal borders with Belarus (i.e. clearing the land for a border control strip, construction of surveillance towers and a border fence intended for securing one-third (215 km) of Lithuania’s border with Belarus (the border fence was erected where it was needed most, not along the whole border strip). The reduced number of illegal attempts to cross the border with Belarus can be attributed to this Phare 2000 project (see Table 3).<sup>25</sup>

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<sup>22</sup> The first project proposal was drafted not by the beneficiary agency but by its supervising ministry, as the agency had not yet been established. This was a drawback because the ministry could not plan in detail the needs of the emerging agency. On the other hand, it was necessary to have some resources place for the new agency, even if it meant substantial revisions later on. Nevertheless, the achievement of the immediate objective was rated ‘poor’ because some of the benchmarks were already achieved before the project started (i.e., PF indicators included the establishment of the CRA which was active before the project start), and, most importantly, there was a risk that the procurement of equipment would not meet the commitment deadlines and fail.

<sup>23</sup> Re-drafting project proposal to reflect the change from Twinning to TA, substantive revision of project plans, working on a modified Inception Report together with the TA contractors, arguing for an exception to procure non-EU country of origin equipment (part of the spectrum monitoring equipment was produced only in Japan).

<sup>24</sup> The Baltic countries first focused on securing their borders with the Russian Federation and Belarus. In 1995 the Lithuanian Government clearly stated its border management policy for securing the 650-kilometre long border with Belarus at an estimated cost of about 60 million Litas (M€ 15). Phare co-financed some of those investments. Physically creation of the border with Belarus was very important as it literally meant clearing the land (fields, forest, lakes, river, and swamps) for the border control strip and path, purchasing surveillance equipment and erecting surveillance towers, provision of transport equipment for border patrol guards, and information management systems. The majority of the border with Kaliningrad Oblast is along the river Nemunas (no fence). Because of increasing price differences, cigarette smuggling from Russia by boats/swimming/ice is the most typical offence. The latest State Border Protection Strategy for 2005-2007 provides concrete investments for strengthening State border protection. In addition to infrastructure, coastal border protection, transport, maintenance and staff wages (new recruitments are needed), significant funding has been earmarked for the special Kaliningrad Transit Programme and Ignalina Nuclear Power Plant Protection Programme, which are supplementary to border security investments in Latvia and Estonia.

<sup>25</sup> [http://www.pasienis.lt/english/stats/st\\_b\\_violations.htm](http://www.pasienis.lt/english/stats/st_b_violations.htm) and [http://www.pasienis.lt/english/stats/st\\_b\\_violators.htm](http://www.pasienis.lt/english/stats/st_b_violators.htm).

Table 3.- Violations at the State Border with Belarus 1995 – 2003

1995	1996	1997	1998	1999	2000	2001	2002	2003
Registered Cases of State Border Violations								
2751	648	369	581	717	369	544	377	341
Number of Violators Detained at the State Border								
5017	845	656	700	1029	539	750	477	366

50. With regard to the ‘*Panemune Border Crossing Point*’ project, the border post on the Lithuanian side is fully functional, although not at present used at its optimal capacity. An agreement with the Russian Federation is currently under negotiation and this should secure positive long-term impact of the Phare investment once the Russian side’s border point capacities match those of Lithuania. In total Phare has invested only 16% of the overall price of the border post installations *via* the project in question.

51. Although the evaluated project on corruption prevention measures produced very good intermediate impacts, corruption continues to be a source of serious concern in Lithuania. In 2005, Transparency International (TI) ranked Lithuania 44<sup>th</sup> in its ‘Perceptions of Corruption Index’ with a score of 4.8. (TI considers countries with a score below 5.0 to have serious problems with corruption). Although improving slightly, up from 4.6 in 2004, 4.7 in 2003, and 4.8 in 2004, the improvement is not significant.

52. In the ***Transport, Energy and Environment*** sector, intermediate impacts include some strengthening of the capacity of the Ministry of Environment and other relevant institutions through training, legal advice and improved physical infrastructure which combine to improve their capacity to fulfil their respective functions. Compared to other Phare projects under evaluation, however, the global impacts of the environment sample project are somewhat weak.

53. The majority of NPAA measures under the responsibility of the Ministry of Economy have been addressed and the revised National Energy Strategy was approved in October 2002. The intermediate and global impact of the evaluated projects is considered satisfactory. At this *ex post* stage, the National Energy Strategy has been a working document used in practice to guide further developments in the field.

54. The global impacts of the evaluated sample in road, railway and aviation depend firstly on the relative progress of the sub-sectoral reforms. The implementation of the road transport *acquis* was the most technical in nature and comparatively easiest to implement, with good *ex post* effects. The global impacts of the railway transport project are also good, including an improved regulatory framework for the railway service and improved safety regulations for the transportation of dangerous goods, especially as they have been followed up by subsequent Phare projects. On the other hand, liberalisation of the Lithuanian railway system was very difficult, and required both support at cabinet level and budgetary backing. Clearly, to revive international passenger traffic via Lithuania considerable state budget subsidies are needed. Meanwhile the railway network has been reduced. If Russian railways can reach Kaliningrad

by alternative routes, the active railway routes via Lithuania will be reduced even more.<sup>26</sup> In the aviation sector, the global impact of the Phare project (addressing the implementation of international aviation safety rules)<sup>27</sup> has been weaker, as the general restructuring of the aviation sector is still ongoing.

55. The global impacts of the evaluated project in the area of **Public Administration and Finance** have been fully achieved in the NAC, which is now a well-staffed and stable organisation capable of carrying out its functions, including supervision of monitoring and evaluation services of the current Transition Facility and EU structural policies.

## 2.6 Phare focused on meeting the *acquis*, rather than securing sustainable reforms

56. **The 1999-2001 Phare programme in Lithuania focused on meeting the *acquis*, rather than on promoting and securing sustainable reforms** in the beneficiary institution. Sometimes these two goals were difficult to achieve at the same time because of the political commitment to meeting tight accession deadlines. Phare objectives that focused on transposing and implementing specific directives were sustainable inasmuch as they helped beneficiaries to understand how the system works in practice. However, the *acquis* in many areas is evolving, with the result that national laws continue to be updated to reflect changes in Regulations and Directives on an ongoing basis.

57. **A few sectors failed to deliver more lasting benefits.** Results in terms of capacity building of local and regional actors under Phare ESC 2000 were good, but the centrally administered SF measures are now failing to reach the regions, thus diminishing the overall impact of ESC 2000 results. Similarly the Fight Against Corruption and Public Administrative capacity programmes of 1999, despite their good results in the institutions involved, were clearly insufficient to produce long-term effects at horizontal level. Furthermore, the public administrative and judicial reforms, which had looked promising during implementation, were at the time of this evaluation, not delivering long-term systemic change.

58. Phare investments in the **Agriculture** sector are sustainable. These investments both triggered initial reforms and motivated local decision-makers to continue the reform process. Without Phare, transformation of the sector could not have taken place at this speed, as the Lithuanian Government lacked the resources to implement such a wide range of reforms, and local experts largely lacked the knowledge on how to implement and strengthen reforms.

59. In the **Social Security and Employment** sector, the Phare interventions are sustainable. As evidence of the increased knowledge, Lithuania's social security experts have been invited to organise workshops to share their knowledge with the French government social security office.

60. The most sustainable impact under **ESC** was that local players were empowered and partnerships between NGO, municipalities, and regional offices of the national government were promoted. This however did not translate into greater ability to participate in the Structural Funds (SF). This is not so much due to lack of capacity on the side of the NGOs or partnerships, but relates to the different applicability rules under the current SF, which have

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<sup>26</sup> The majority of the current international rail routes are in Kaliningrad. Starting in summer 2006, the Russian railways operates the Baltiisk-Ust-Luga ferry. According to a Russian Railways press release this will allow an increase in the flow of goods to and from Kaliniograd, while providing an alternative route to Russia for citizens besides road, air or rail going from Kaliniograd via Lithuania.

<sup>27</sup> International Civil Aviation Organisation Standards and Recommended Practices, European Civil Aviation Conference documents, Joint Aviation Authorities Requirements.

resulted in: a) more complex financial implementation and procurement rules than under Phare PRAG; and b) competition among the strong local and national players. As the SF financing rules not allowing for advance payments, SF interventions were largely inaccessible to the majority of smaller regional NGOs, which had an adverse impact on local and regional actors. From the Taurage target regions, for instance, there are only two enterprises participating in European Social Fund (ESF) measures under the SF, one of them being the regional branch of the national employment service (labour exchange office).

61. Sustainability of results at individual sub-project level within **CBC** varies greatly, depending on the nature of the activity and the capacity of the beneficiary organisation:

- Good sustainability is noted in the case of the ‘cycle-ways’ sub-project where the Klaipeda local authority will continue funding development of the cycle track networks;<sup>28</sup>
- In the case of the ‘new clothes for old buildings’ project, Klaipeda council has set up a municipal fund to support ongoing small-scale renovations;
- The inland waterways project, which was implemented by the governor’s office, stimulated the creation of the Inland Waterways Centre, which is now a focal point for stimulating managed development of the inland waterways network.

62. In the **Justice and Home Affairs** sector, the Schengen investments for the protection of the EU external borders are fully sustainable. With regard to the anti-corruption activities, it is clear that reducing corruption depends on strong political will to tackle a wide range of inter-related issues such as removing the conditions which encourage State officials to abuse their position, reducing public tolerance of corruption, making the public decision process simpler and more transparent, and reducing the amounts of grants to be distributed by public agencies. In relation to the fight against corruption, the huge public investments available under SF 2004-2006 and, even more under SF 2007-2013 SF, create an additional challenge to the national administration to resist corrupt behaviour and to distribute the funds with efficiency and transparency.

63. In the **Transport, Energy and Environment** sector, the impacts, especially of the TA component, were more of an operational nature,<sup>29</sup> and the sustainability of project achievements is affected by the changing requirements of the EU environment policy. The Twinning Light and investment components are of a more sustainable nature. The twinning component focused on activities that have a direct impact on the capacity of staff in the Ministry of Environment and other agencies involved in the project. For example, the Twinning Light focussed on training, developing an action plan for further capacity building, risk management and notifications in the management of chemicals and genetically modified organisms (GMO). The laboratory equipment for chemicals and GMO management is installed and operational.

64. Because of the overall importance of the energy sector, national capacities in the field are very strong, thus safeguarding sustainability and promoting further development of administrative capacities and knowledge in the sector. The Phare project impacts in the road, railways and civil aviation sub-sector will be largely sustained. There is some concern regarding the retention of qualified staff at the Civil Aviation Administration (CAA), as there has been a tendency for staff to move to the aviation companies where salaries are higher than at the regulator.

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<sup>28</sup> The CBC contribution paid for the technical drawings and tender specifications for the entire cycle network and these are used by the Klaipeda city council to guide the tendering and construction process as funding becomes available.

<sup>29</sup> Translation of legal documents or obtaining consensus among public administration institutions for drafting legal acts.

65. In the area of the ***Public Administration and Finance***, the sustainability of the impacts of the Phare interventions in the evaluation period was varied. Good support was provided for the adoption of appropriate legal and regulatory frameworks for financial control relating to EU funding, and these have been sustained. While there were gaps in administrative capacity on accession (particularly relating to the staffing of various bodies), these have largely been addressed. Results have been very well sustained at both the NAC and LIPA. Both organisations have consolidated their institutional positions and are well supported by government. The LIPA in particular has developed into an important actor in public administration training and delivery. However, the limited results achieved under the Lithuanian Parliament administrative component have not been sustained. In particular, the outputs of the twinning component (a review of the parliament's competencies and committee structures and advice on restructuring of the parliament's administration) were not taken on board. At the time of this *ex post*, there had been a high-profile series of resignations of senior parliament staff due to lack of transparency in the incentive system.

### 3. THEMATIC/ CROSSCUTTING FINDINGS

66. Following examination of the overall and sectoral performance of the Phare Programme in Chapter 2, this chapter reviews progress made with Phare support in three key thematic areas of the pre-accession strategy:

- Phare's contribution to Lithuania's improved performance in the pre-accession process,
- Building public administrative and judicial capacity (PAJC) to apply the *acquis*; and
- Supporting ESC and preparation for Structural Funds

67. Phare has contributed considerably to Lithuania's performance in the pre-accession process. It was especially crucial in speeding up and consolidating the *acquis*-driven process in less developed sectors. Results and impacts on building public administrative capacity at sectoral level are positive and directly observable, whereas PAJC at the horizontal level is limited in scope and less observable. Phare ESC 2000 was very useful in empowering local players in the regions, and thus clearly supported the ESC objectives. Phare assistance in learning about Structural Funds was influential, but was not the only factor of importance. In many cases local rules in applying for and running Structural Fund interventions go beyond EU rules, where EU-15 experience does not help.

#### 3.1 Phare speeded up the *acquis*-driven reform process

68. ***Phare interventions triggered initial *acquis*-driven reforms and stimulated further progress.*** Phare funds were a very important factor motivating Lithuanian beneficiaries to reform. While it may seem a contradiction, in those sectors where the Phare programme experienced implementation difficulties, it has in fact produced very significant impacts which could not have been possible without Phare.

69. As accession was a clear political priority, changes in sectors that were heavily *acquis*-driven were strongly supported. Examples of successful *acquis*-driven sectoral reforms are many, including the Statistics Department, the Radiation Protection Centre, the Communications Regulatory Authority, the Competition Council and the State Social Insurance Fund Board. Key sectors (agricultural, environment and public health and safety) underwent significant and wide reaching changes. Phare investments in these sectors made them more advanced than other sectors. For example, following Phare investment, border laboratories are often more advanced than key national scientific research centres.

70. At the same time, the very rapid development of *acquis* sectors may have created some unbalance in overall national development, as political attention to *acquis* sectors diverted the funds and efforts from other equally or even more important sectors for national transformation i.e. education and health care reforms. Generally, reforms are still pending in those parts of the public administration with no *acquis* influence (i.e. health care, education, culture).

71. Also, for weaker beneficiary agencies, the rapid pace of the reforms reduced learning opportunities. Local capacities were often too limited for implementation of reforms against tight deadlines while at the same time learning from member state experts under twinning arrangements.

72. ***Phare support helped Lithuania to avoid costly development mistakes.*** Adoption and implementation of the *acquis* required deep organisational changes, sectoral re-structuring, establishment of new institutions, as well as extensive investments in physical and information

technology infrastructure. The availability of Phare support, particularly the advice and support for strategic development through TA and twinning arrangements, helped to define the scope of what was required. Given the lack of local expertise in many areas addressed by the Phare programme, this helped to maximise the use of EU and national funding, and helped Lithuania to avoid costly development mistakes.

73. ***Twinning was very successful in facilitating networks and confidence building.*** Apart from the various outputs and guaranteed results realised by twinning, one of the most valuable, if intangible, side-benefits was establishment of personal contacts with other partner administrations and EU administrators in the same expert field. In this sense twinning arrangements were found to be superior to TA. Establishment of face-to-face working contacts with counterparts from other member state administrations has contributed to confidence building and the ability of Lithuanian administrators and policy makers to participate in Community institutions and decision and policy-making fora. This has not been specific to the 1999-2001 programmes, but has been an important ‘thread’ running through post-2001 allocations as well. However the 1999-2001 interventions were among the first to demonstrate this clearly to the Lithuanian administration.

74. ***Technical Assistance facilitated the creation of effective joint teams,*** which ensured that local knowledge (e.g. of the legal situation and important socio-cultural issues) was brought into project implementation. In addition to making the work of the project more effective, this helped to ensure greater ownership of the results, which were seen to be more ‘grounded’ in awareness of the specificities of the local environment. For instance, the help of EU-15 experts in legal drafting was limited because of their lack of detailed knowledge of the current domestic legislation. Moreover, with limited staff, the beneficiaries could not spare the time to bring the EU-15 experts up to speed on the current legal environment and developments in their agencies. In practice, local expert involvement provided the coaching for the EU experts, which reduced their learning curve and enabled them to be more effective. Furthermore, management of the TA contracts gave the Lithuanian administration experience in using external assistance to stimulate internal changes. The increased effectiveness of subsequent interventions for the same beneficiary demonstrates that learning-by-doing in fact took place.

75. ***Some resistance to twinning arrangements.*** While twinning was more widely used than technical assistance (TA), there were some problems. As a rule the ECD in Vilnius would recommend using the twinning instrument. However in a number of cases, failure to find twinning partners resulted in changes to TA. Within this evaluation sample alone, three projects were changed from twinning to TA due to lack of interest from potential twinning partners. Comparing overall information from Phare National Programmes in 1999, 2000 and 2001,<sup>30</sup> the use of twinning increased from 1999 to 2000 and remained relatively constant in the 2001 programme:

Table 4.- Distribution of Twinning/TA in the evaluation period

1999			2000			2001		
Twinning	TA	Invest.	Twinning	TA	Invest.	Twinning	TA	Invest.
18 (jointly)		19	13	10	20	12	4	15

<sup>30</sup> MoF website information at <http://www.finmin.lt>.

76. ***Phare not only speeded up the acquis-driven reform process, it raised the status of the public administration as a key player.*** Without Phare, the reforms needed for accession could not have taken place by the accession date of 1 May 2004. Reform of public administration through capacity building in individual institutions, has resulted in a perception of public administration as a prestigious occupation. At the time of this *ex post* study, salaries of middle-level public administrators are equal to or higher than in the private sector. This has resulted in lower turnover of staff and higher competition for places. However horizontal reforms have not been completed and problems remain in putting in place a modern civil service (see below).

### 3.2 Progress in administrative and judicial capacity at sectoral level

77. ***At sectoral level, Phare assistance has supported progress and encouraged the strengthening of administrative and judicial capacity.*** Legislative and administrative impacts, particularly the establishment of new institutions, alignment of legislation, and strengthening of administrative capacities, were of enormous significance, both in terms of the volume of interventions and of the strategic impact of the changes. Thus in key sectors Phare was very influential in promoting and supporting institutional change. Many Phare interventions in Lithuania, in addition to addressing sectoral matters, normally included visits to partner institutions in the EU as well as general management or operational and structural reform issues. In this sense Phare has also been used to encourage development of appropriate structures to implement the *acquis*.

78. ***IB was not part of a planned approach to development of the public administration.*** Phare supported was not designed, delivered, or monitored as part of a wider effort to upgrade the capacity of the public administration. The Ministry of Interior is charged with setting universal rules for public sector recruitment, remuneration and fringe benefit schemes in Lithuania. It was not a party to the Phare programming process, making it difficult to address horizontal reform issues, such as staff motivation or remuneration. In practice, the IB process was *ad hoc* and did not require individual agencies to sustain and account for IB results over time.

79. ***At the horizontal level of public administrative and judicial reform, the contribution of Phare is less obvious.*** Although Lithuania fulfilled the political criteria at the start of the accession negotiations, there remain many concerns in relation to public administrative and judicial capacity and the state of reforms in these important areas (see Box 5). In particular, reform of the judicial system remains incomplete. For example, measures to ensure that appointment of judges is both transparent and based on merit have not been completed. This has an adverse impact on the ability of the judiciary to uphold the rule of law, as well as to enforce the *acquis* in an appropriate manner.

#### ***Box 5: More reform needed in PAJC***

The Lithuanian President's 'State of the Nation' address in 2006 clearly identified the need to pursue legislative and administrative reforms.

*“The area of regulatory impact assessment of our legislative system still receives too little attention in Lithuania. Laws are often drafted and presented in haste with lack of any deeper analysis of possible economic and social implications or the existing best practice, as a result of which, public interests most often remain unconsidered.*

*Effective public administration and civil service system should become a solid institute, which ensures public interests, but today's reality is entirely different. Our public governance system still lacks professional competence and does not act on the basis of universal goals and often becomes a hostage of personal and narrow party interests. Instead of improving coordination and solving public administration problems, we often opt for establishing new institutions, in order to increase one's powers or secure yet another post”.*

80. ***Public perception of corruption in the public administration remains high.*** International and local surveys show a widespread perception that corruption is pervasive. Following the latest public survey in May 2006,<sup>31</sup> more than half of Lithuanians surveyed believe that EU funds are distributed in a non-transparent manner and lack information on the use of the EU SF. In addition, corruption is most entrenched in those areas that have remained untouched by reforms, or where the public administration is system excessively complex, allowing for arbitrary decision making processes and failure to ensure accountability of decision-makers for securing universal application of rules.<sup>32</sup> Suspicions about fund distribution also deepen distrust in the powers of public democratic institutions.

### 3.3 Limited ESC contribution to preparation for Structural Funds

81. ***The legislative and administrative frameworks for the administration of the SF are now in place and operational.*** The implementation of SF interventions is ongoing at the time of this evaluation. In some measures, the funds have already been fully committed, but without regard to the application deadlines as originally set.

82. ***The lack of a clear institutional framework for SF limited the contribution of ESC 2000 to capacity building.*** The first Phare IB interventions for the SF took place in 1998 through the Special Preparatory Programme (SPP) for SF. The final set-up of an SF administration system under the Lithuanian Single Programming Document (SPD) 2004-2006 was confirmed in 2003. The early interventions did not involve the appropriate actors. For instance, the ESC 2000 programmes were implemented through regional implementing offices, whereas under the current SF structures the implementing agencies are all at central level. The 'real' testing of the SF administration system took place under Phare ESC 2001 and 2002 when Phare schemes were administered centrally. However, the experience of ESC 2000 did increase local and regional interest, and experience of EU funding mechanisms.

83. ***The Phare ESC 2000 programmes stimulated regional interest, and experience of grant schemes, but there is a lack of continuity between ESC and the Structural Funds arrangements.*** Phare ESC 2000 and subsequent ESC programmes have successfully stimulated interest in the Structural Funds and the development of a project pipeline for future funding, particularly at the regional level and among NGOs. From an *ex post* perspective however, it can be seen that current SF success stories do not demonstrate a link between Phare experience and the SF intervention. For example, successful SF project beneficiaries have not necessarily participated in Phare grant schemes, raising questions about the extent to which ESC has contributed to capacity building for the Structural Funds. In practice, the Lithuanian SF administrative and financial implementation rules are more complex and lengthy than those of Phare or indeed of the EU-15, thus making it difficult for many bodies such as NGOs to participate. Divergences are noted not only in differing administrative rules, but also in the actors involved in the management of the Structural Funds.<sup>33</sup> On the one hand, this divergence could be attributable to the fact that strategic decisions on how to implement SF had not been taken when Phare ESC 2000 was designed. On the other hand, this could be a reflection of the Lithuanian government's attempts to ensure even higher standards of financial probity to counterbalance potential criticism.

<sup>31</sup> Conducted by 'VILMORUS' on March 10-13, 2006. The representative surveyed 1000 respondents. Vilmorus is an independent market research centre whose polls on public attitudes to political parties, politicians and institutions are published monthly in '[Lietuvos rytas](#)' – one of Lithuania's biggest selling daily newspapers.

<sup>32</sup> Firstly relating to construction permitting issues, and land acquisition/restitution issues.

<sup>33</sup> Indeed this is noted in the Update Report on ESC.

## 4. CONCLUSIONS AND LESSONS LEARNED

84. This chapter sets out the conclusions on the overall Phare performance in Lithuania, and three key issues:

- Whether Phare support in practice addressed the *ex post* needs of Lithuanian beneficiaries;
- Building public administrative and judicial capacity to apply the *acquis*;
- Supporting economic and social cohesion including preparation for Structural Funds.

85. It is important that lessons are learned about the strengths and weaknesses of the way in which Phare support for Lithuania was programmed and realised in order to optimise the approach to future pre-accession support. To assist this process, this evaluation makes four general recommendations and presents a set of lessons learned based on the Lithuanian experience.

### 4.1 Conclusions

**Conclusion 1: Overall the performance of Phare in Lithuania was good, particularly in relation to building sustainable institutional capacity in key civil service institutions, which were key stakeholders in the *acquis*-driven accession process.**

86. *Phare funds were important in stimulating reforms by key Lithuanian institutions.* Examples of agencies that have undergone significant changes due to the *acquis*-driven reforms include the Statistics Department; the Radiation Protection Centre; the Communications Regulatory Authority, the Competition Council, and the State Social Insurance Fund Board. Other parts of the public administration, less touched by the *acquis*-driven reform process are less advanced with their reforms. However, the Lithuanian public agencies could not have benefited from the opportunity to work with, and learn from, their EU-15 colleagues without Phare support.

**Conclusion 2: From an *ex post* perspective, Phare support addressed the accession needs well and satisfactorily achieved support for Lithuanian membership preparations.**

87. *Phare support addressed Lithuania's accession needs well.* From the *ex post* perspective, the Phare assistance evaluated in Lithuania has been considered highly relevant for Lithuania's preparations for EU membership and the majority of results have been achieved. This has been in spite of design flaws which resulted in over-optimistic assessments of beneficiary capacity and despite implementation delays due to bottlenecks at key institutions. High-level political commitment, coupled with recognition of the value of the Phare support, not just in financial terms but also in terms of availability of member state expertise, helped to overcome difficulties.

88. *The Phare programme focused on meeting the *acquis* and achieving sustainable reform at the beneficiary agency, but these two goals were difficult to achieve at the same time.* Lack of needs-based planning that correctly identified the level of beneficiary absorption capacity resulted in many cases in reduced efficiency. Smaller, more technical agencies proved better at utilising Phare funds, while more complex sectors and institutions struggled to integrate Phare into their regular work. In many cases, meeting the *acquis* requirements and responding to issues identified in the Regular Reports were given priority over development of a sustainable capacity in the beneficiary agency.

89. Overall, the sample of interventions selected for this *ex post* evaluation delivered the planned outputs in a satisfactory manner. The cost-efficiency of the interventions is difficult to assess, as there was usually no alternative to Phare assistance in Lithuania. On average the interventions under evaluation disbursed 92% of the total allocations. The programmes delivered results against a backdrop of mounting stress in the implementing agencies.

90. ***Most IB interventions analysed have had a strong immediate impact***, which can be observed in the increased efficiency of the work of those institutions that received Phare support. In addition, the capacity of the Lithuanian administration to plan and implement Phare interventions increased steadily in the post-2001 period. An important failing, however, was the lack of benchmarks for institutional capacity-building in the earlier programmes. The process of agreeing twinning covenants did focus minds on clearly identifying benchmarks and targets.

91. ***The identification and evaluation of global impacts has been constrained*** by a failure of Phare project schemes to include mechanisms for monitoring baseline indicators during implementation and at the *ex post* stage. It is not made clear whose responsibility this is. The programme implementing agencies are very diligent about checking the eligibility of spending and observing quantities of outputs delivered. However, measuring the quality of the deliverables - what is being received and used by the beneficiary rather than simply delivered by the consultant, or furthermore, setting up sound systems for checking on sustainable behavioural changes at immediate (beneficiary agency) or global (society) levels, are outside of even of the current Project Cycle Management (PCM) schemes under Phare EDIS or SF rules.

92. The Lithuanian public administration lacks an evaluation culture (impact evaluation is not a regular practice under the national government programmes), with the result that there is almost no statistical data available which can underpin a serious analysis of the global impacts of the Phare programmes influence on national public administration reform, even of the post-2001 programmes.

93. When PCM finishes at the financial disbursement stage, the lesson learning is generally about project implementation (spending according to a plan) rather than seeing if, when and how projects achieve their objectives. In the absence of dedicated personnel, viable monitoring schemes and financial resources at either EU or national levels for evaluating impacts, setting project purpose/overall objective indicators of achievement is rather meaningless. It can even be counterproductive for example, leading to setting of unrealistically high targets in order to secure financing, knowing that nobody will ask the beneficiary to account for reaching those targets after the project ends.<sup>34</sup>

94. ***Socio-economic impacts are expected in the medium-term*** across a range of areas including significant improvements in the quality of food available to the public, enhanced consumer protection, and improved health and safety standards. Strong socio-economic impacts are expected in the environment sector, in particular improved quality of drinking water, and improved surface water quality through new wastewater treatment, and improvements in air quality. Longer-term benefits are expected to accrue from improved management of environmental issues. Investments in transport infrastructure are expected to deliver wider impacts, both through improved safety standards and improved road and rail networks. Wider social impacts in terms of a strengthened civil society are expected in the medium-term. Human rights and the need for transparency in public management have come

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<sup>34</sup> Except for evaluators, or, rarely, the European Court of Auditors.

on the agenda, supported by new and dedicated institutions. Phare support helped to create technical capacity in key institutions, and helped the Lithuanian administration understand and install the *acquis*, its impact on capacity building for policy analysis and development was weak.

**Conclusion 3: Phare support has had most impact at sectoral level, but development of horizontal public and judicial administrative capacity has been limited.**

95. At sectoral level, Phare assistance has supported progress and encouraged change in various aspects of strengthening administrative and judicial capacity. Legislative and administrative impacts, particularly establishment of new institutions, alignment of legislation, and strengthening of administrative capacities, were well addressed. However, at the horizontal level of public administrative and judicial reform, the contribution of Phare is less obvious. The fast pace of reforms and the need to adopt a wide range of *acquis* and to create capacity for implementation meant that horizontal issues were not an immediate priority in the 1999-2001 period. As a result, even as late as 2006 the need to tackle corruption and to pursue judicial and administrative reforms remains at the top of national agenda.

**Conclusion 4: Phare support for ESC and SF could have achieved more**

96. *Phare ESC produced tangible results in empowerment of local players and promotion of partnerships but this did not translate into strong local participation in SF.* A strong feature of the ESC programmes in the period was the strong involvement of local actors, including NGOs, municipalities, and regional offices of the national government, who were empowered and strengthened through their participation in Phare ESC, particularly through the 2000 programme. In addition to targeting funding to regions (through the 2000 programmes) and priority sectors (in 2001), the programmes provided ‘hands on’ experience of running Structural Funds-type interventions. Importantly, confidence was built among local actors in relation to their capacity to ‘graduate’ from Phare ESC to mainstream Structural Funds. However, the assumption that regional ESC beneficiaries would be able to participate more successfully in future Structural Funds on accession was not borne. In practice, the current Structural Funds involve competition from strong national players and are governed by different applicability and financial eligibility rules, which reduce the chance of weaker local NGOs to win a fair share of funding under SF measures, despite the good lessons learned under Phare ESC.

97. *Lack of timely decision making and a strategic approach limited the ability of Phare ESC to adequately prepare for Structural Funds.* The ability of Phare ESC to support preparations for the SF was limited by two factors: delays in finalising the institutional framework for the SF and a lack of continuity between Phare and ESC procedures. Late finalisation of institutional arrangements for the SF meant that programme design could not accurately target those bodies and actors that would be involved in the management of the SF on accession. Therefore actors and bodies who had gained experience under Phare ESC were not necessarily involved in SF, and since accession a number of actors and bodies have emerged within the SF ‘system’ who had limited or no experience of Phare ESC. Lack of continuity between Phare and SF procedures is understandable given that member states can apply different supplementary local rules in the use of the SF. However in the Lithuanian case, these place additional burdens on NGOs and local bodies who face competition from strong national players and who have therefore been unable to attract a significant share of the available funds.

## 4.2 Recommendations and lessons learned

**Recommendation 1: Assess and match beneficiary absorption capacity to appropriate pre-accession support before launching future interventions. As well as planning in accordance with AP and NPAA priorities, encourage an integral approach in planning pre-accession interventions in line with beneficiary multi-annual development plans.**

98. In order to ensure that pre-accession assistance is correctly matched to the absorption capacity and the general development interests of the beneficiary institution, a number of practical steps can be taken at the design stage. These include the following:

1. Beneficiaries should focus on creation of multi-annual development plans, particularly including benchmarks for their own development. These could be used to plan phased pre-accession and national funding, as well as to provide an important input for evaluation of individual interventions. Where possible, use the same system of benchmarks for pre-accession interventions and local multi-development plans;
2. Benchmarks for pre-accession projects should include baseline levels (situation before project start);
3. Evaluators should adopt standard explanation models in reporting on benchmark achievement *from* baseline levels, and also in reporting on general beneficiary needs (preparedness to receive the assistance). An upward adjustment to IE ratings should be used for weaker beneficiaries achieving a comparatively large degree of change with limited resources, in contrast to stronger beneficiaries which could have developed well without pre-accession support;
4. Specifying the amount or duration of beneficiary inputs (in terms of person-days) in the same way as that of the member state inputs. This will help forecasting of time demands on the organisation and allow planning of the beneficiary institutions inputs;
5. To increase project efficiency, more home-base preparations from both the EU-15 and CC staff should be provided, especially in connection with legal transposition issues. In addition to the relevant EU law, which is usually identified clearly in the TA Inception Reports and twinning covenants, more detailed description of existing national legislation and the capacities of agencies charged with implementation of the particular *acquis* should be provided. The EU-15 experts should minimise their time spent in the beneficiary country for clarifying the situation, or waiting until the local laws will be translated;
6. For new beneficiaries and in order to minimise the 'learning curve', a number of simple steps can be taken, for example a list of 'Frequently Asked Questions' could be posted on the CFCU/NAC website; round table discussions should be arranged to exchange experience with other 'former' and current beneficiaries; and internal 'twinning' could be arranged between ministries or institutions to facilitate knowledge transfer.

**Recommendation 2: Pay more attention to achieving value for money through considered application of cost-benefit analysis**

99. In order to maximise use of pre-accession funding, more attention should be paid to the delivery of value for money. The Phare Programming Guides notes that cost benefit analysis should be a feature of all infrastructure projects and recommends the use of the approach adopted for Regional Policy initiatives.<sup>35</sup> However, given the prevalence of 'soft' measures e.g. institution building, this may be difficult to apply across the board. Nevertheless, economies of scale and the use of local consultants (as and when appropriate) should be considered at the design stage.

<sup>35</sup> [http://ec.europa.eu/regional\\_policy/sources/docgener/guides/cost/guide02\\_en.pdf](http://ec.europa.eu/regional_policy/sources/docgener/guides/cost/guide02_en.pdf).

**Recommendation 3: Assess the workloads and strengthen capacities of key bodies before implementing the decentralised implementation system.**

100. In order to avoid delays and overburdening the system, an Action Plan for the CFCU, ECD and other relevant bodies should be prepared. This should realistically forecast the volumes of work expected and assess the internal capacity (both in terms of numbers and skill profiles of staff and working procedures). This would help identify potential bottlenecks in the system and ensure that inadequacies can be addressed before they have too negative an impact on implementation. This would have a knock-on effect of creating better conditions in advance of EDIS.

101. When outsourcing services, beneficiaries with no in-house expertise would benefit from the assistance of an independent third party to control the quality of services delivered. The majority of earlier Phare interventions involved outsourcing of goods/services by beneficiaries with little experience of contracting out. The role of the CFCU and ECD should be expanded to allow these organisations to act as an independent third party, advising beneficiaries on how to secure the best service.

**Recommendation 4: Ensure a more effective framework for evaluation at project and programme/sectoral levels, with appropriate division of responsibilities and resourcing.**

102. It is unreasonable to require each individual beneficiary to account for the overall programme or sector reform process. While the beneficiary should be fully accountable for achieving and monitoring indicators at project purpose level, programme or sector level evaluation should take place separately, with dedicated funding and administration. As a rule, in order to measure socio-economic impacts, baseline surveys are needed, complemented by similar exercises at project completion.

103. Domestic evaluation capacity should be developed to ensure that evaluation in its broadest sense is embedded appropriately within the project cycle. In practice, this extends beyond accounting for project funds spent and outputs delivered, to wider issues of achievement of objectives, impacts and sustainability. The project management cycle system will not be complete without a clear definition of which body has responsibility for monitoring impact level indicators. In practice, this will require a national evaluation strategy that is properly staffed and resources and embedded in public policy and programme frameworks.

104. To strengthen impact monitoring exercises, the typical Financial Assistance Contract (Grant Agreement) should include a clause clarifying for each project beneficiary (including grant recipients) their duties in respect of co-operation with programme evaluators within the period of five years subsequent to closure of their project. The beneficiary should be obliged to: (1) report to a designated programme monitoring body any changes in their address and project contact persons, and; (2) co-operate with a designated programme evaluator during and after the closure of their projects by providing written responses to questionnaires; participating in interviews or focus group meetings; or otherwise assisting the evaluator with provision of other information about the results and impacts of their interventions.

**Recommendation 5: To support anti-corruption strategies, the EC should cooperate closely with institutions such as World Bank and Transparency International and apply agreed indicators of achievement for reporting on progress in tackling corruption.**

105. Combating corruption is not only part of ensuring good governance, but also in ensuring public confidence in both the political and judicial systems. In recognition of the multi-

dimensional nature of the problem, Phare support for the fight against corruption should be maximised by working in close cooperation with other agencies. Where possible, agreed indicators of achievement for monitoring progress should be incorporated in the design of Phare programmes.

## Lessons Learned

### ***Lesson 1: A strategy for accession priority areas is required at an earlier stage in the pre-accession process.***

106. The Lithuanian experience shows that candidate countries need to be encouraged to start at the beginning of the admission process with implementing a strategy for the most important accession areas, namely civil service reform, SF preparation, judicial reform and agriculture. For any future candidate country, financial support for establishing the required structures, systems and resources should be conditional on the basis of, *inter alia*, a roadmap and of a national strategy. These documents should include objectives, sequencing, and organisational, financial and human and other resources required, to be agreed with the Commission Services before launching any support interventions. Support should be given to the candidate country for the preparation of such strategic documents at a sufficiently early stage. Once the strategy is in place, the candidate country should regularly demonstrate how pre-accession assistance projects are complemented by the use of national funds and/or those of other donors, to ensure that the overall objective can be met. Elements of this lesson may have been already taken on board for programming the underlying strategic approach and framework of the upcoming Instrument for Pre-Accession (IPA).

### ***Lesson 2: The accession process might be successfully speeded up, but crucial changes of behaviour (for example in PAJC) could only be tackled to a limited extent.***

107. The accession process of Lithuania, which accelerated as accession drew closer, shows that an enormous agenda can be realised within only a few years. All this however pushed the local political and administrative bodies to their utmost capacities. Whilst the accession criteria have been fulfilled, long-lasting deficiencies requiring fundamental changes of behaviour and mentalities, notably in PAJC and towards regional development, were only resolved to a certain extent. For future enlargement rounds, more realistic assessments should be undertaken of the amount of time a candidate country needs to complete the pre-accession process to a minimum acceptable standard, including PAJC.

### ***Lesson 3: Develop and reinforce absorption capacity for the use of SF before accession***

108. The practical approach and results demonstrated by Phare ESC project proved the necessity to assess and to increase SF absorption capacities before accession. Not all new member states devoted sufficient attention to the need to increase absorption capacities, particularly through project preparation pipelines. Also the approaches to develop project pipelines differed significantly. From the Lithuanian experience, the innovative approaches and methodologies involving and mobilising the energies and capacities of the project partners themselves were clearly successful. However it is necessary to ensure that there is continuity between ESC and SF so that SF structures and procedures can be tested and possible bottlenecks identified. The early existence of public investment policies and the sound development of project appraisal techniques, are essential elements of effective absorption and cohesion.

***Lesson 4: Promote and explain new assistance instruments sufficiently in advance.***

109. The introduction of new interventions tools (like twinning or ‘twinning light’ during the period under review) should be promoted early and in a detailed enough way to avoid misunderstandings that occurred in Lithuania and failure of projects during contracting and implementation. The complexity of preparatory and tendering procedures should be in proportion to the size and complexity of the intervention.

***Lesson 5: To realise the learning potential of fully decentralised implementation systems, these should be introduced at an earlier stage of the accession process***

110. In terms of bringing Phare procedures closer to those of the SF, the introduction of EDIS for Phare with local *ex ante* control and only *ex post* control by the Commission has been a major step forward. However, in terms of the accession calendar, EDIS came too late to bring any learning effects for SF. The late establishment has been partly because the accession countries felt basically comfortable with the *ex ante* control carried out by the Commission, and partly because the EDIS introduction took place at the busiest time of the accession calendar, both before and after the date of accession. Compared to the learning effects resulting from SAPARD, where full decentralisation and *ex post* control was set up from the beginning, opportunities were lost by Phare, which potentially could have given beneficiary institutions more experience in addressing their responsibilities before accession.

***Lesson 6: Pay more attention to impact indicators of achievement***

111. Indicators of achievement, where they exist, have not been used at all adequately in the management of interventions. For example, better use of cost-effectiveness indicators could be made in investment assistance if they were defined before approving infrastructure assistance, and were monitored after the completion. Otherwise the only measurement of success is the completion of the works *per se*, which is not an adequate indicator of effective spending of EU and Lithuanian funds.

112. In many interventions, particularly those with a long time horizon for achievement of impact, the activities stopped short at installation of the new systems or arrangements. There would be a better chance for impact if assistance was programmed to include some assessment of the quality of implementation.

113. In some cases, although good indicators were identified, the systems to provide the data to measure the indicator (e.g. conducting a survey) were not provided for. In the validation of programming documentation, particular attention should be paid to the availability of sources of information to calculate the identified indicators.

***Lesson 7: Twinning was most successful when the institutional set-up and context of partners was similar.***

114. Twinning has proven to be a useful institutional building tool. However, finding the right twinning partner has often been difficult. One reason has been that in different member states similar institutions have different obligations, sometimes operating in entirely different contexts. Therefore, potential partners could already be contacted in the planning phase. In order to safeguard fair competition, this should happen before the twinning tenders are officially circulated. The objective is to save valuable time because calls for twinning proposals should yield more useable offers from which it is possible to choose the most suitable member state partner.

## **ANNEXES**

## Annex 1. Terms of Reference

*These terms of reference were approved 25 October 2005 and have not been updated to take account of small changes, for example in the time line, that have occurred in the meantime.*

### OBJECTIVES

The purpose of the *ex post* evaluation is to assess the contribution of the 1999 - 2001 Phare National and Cross-Border Co-operation (CBC) Programmes to support Lithuania meeting the Copenhagen criteria so as to facilitate its accession to the European Union.

The evaluation of the Lithuanian national programmes is one of a series of ten similar evaluations in the ten candidate countries (CC). These will feed into two consolidated evaluations of Phare national and CBC programmes,<sup>36</sup> which, in turn, will form part of a consolidated ex-post evaluation of the Phare programme.

### BACKGROUND AND CONTEXT

In accordance with the priorities of the Accession Partnership, the overall objectives of the Phare Lithuanian National and CBC Programmes were to help the Republic of Lithuania fulfil the Copenhagen and Madrid criteria for membership, which were:

- Stability of Institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities;
- The existence of a functional market economy as well as the capacity to cope with competitive pressure and market forces within the Union;
- The ability to take on the obligations of membership, including adherence to the aims of political, economic and monetary union;
- The conditions for integration through the adjustment of its administrative structures, so the European Community legislation transposed into legislation is implemented effectively through appropriate administrative and judicial structures.

In addition the Phare and CBC programmes had the objective to ensure that Structural Funds can be implemented on accession with EU Policy and procedures.

The Lithuanian national programmes were subject to interim evaluations (IE) regularly undertaken by the EMS Consortium, which were summarised in a Country Phare Evaluation Review (CPER). The CPER<sup>37</sup> confirmed that on the whole Lithuania had performed well in implementing Phare assistance, and that this assistance had successfully supported the accession process. The design of programmes was highly relevant to the needs of the accession, though the accession deadline has produced a concentration of Phare activities. The general standard of management was constantly improving. The transfer of National Aid Co-ordinator role to the Ministry of Finance has been beneficial. Contracting and tendering problems frequently caused delays and lowered efficiency of the assistance delivery. This was often linked to changing poor attention to procedures or the introduction of changed procedures. Steady consolidation of human resources demonstrated efficiency. This could be further consolidated by programme monitoring process giving more emphasis to qualitative

<sup>36</sup> One (i) for the eight new member states, and a second one (ii) for Bulgaria/ Romania.

<sup>37</sup> LT/CPER/03109 issued 18 November 2003

issues, and analysis of achievements. The impact of many programmes was reliant to action by the Government. Overall sustainability was expected to be good and will be strengthened with institutional programmes of human resource development, which include regular training.

## **EVALUATION QUESTIONS**

This evaluation will focus on the following three interrelated sets of key questions:

- Was Phare well focused on the objectives of pre-accession strategy?
- What were the results and impacts and are these results and impacts sustainable?
- Could the same results and impacts have been achieved more cost- effectively?

These framework questions will be further specified by the below performance evaluation questions and thematic/ cross-cutting questions. It should be noted that the issues and findings that are highlighted under respective question are not necessarily exhaustive.

### **Performance evaluation questions**

#### **Needs assessment and design**

The IE findings pointed out that Phare assistance had been mostly relevant or even highly relevant and in line with sectoral needs. However, the individual design of several projects had included over-ambitious objectives and sometimes planning was not thought out well. The evaluation will therefore start with an assessment of the relevance and design of the national programmes. In particular, attention will be paid to the extent to which the objectives/strategy of the national programmes addressed identified needs and the involvement of the stakeholders in the design (ownership).

#### **The extent to which inputs/ activities have produced outputs**

The IE findings stated that the individual project management had been mostly good, with a few exceptions, but co-ordination and timely contracting had often been difficult in a number of areas and programmes.

#### **The extent to which outputs have produced intended results**

The IEs concluded that Phare had been largely effective. Most immediate objectives were achieved, or were expected to be largely achieved by the end of the projects.

The judgement criteria to assess the extent to which intended results have been achieved include clear national/sector strategies and related action plans, proper needs assessment, well organised beneficiaries in terms of committed and experienced staff, and adequate absorption capacity.

#### **The extent to which the results contributed to the achievement of objectives**

The IEs identified a clear impact from the infrastructure projects in the environment sector. Significant contributions to wider objectives were also seen in compliance with the acquis (e.g. agriculture, social security system, border control, and financial control). Since these and other programmes are now essentially completed, it should allow for an improved scope for evaluating actual impacts.

### **Long term viability of institutional reforms following the withdrawal of Phare support**

The majority of results achieved from the 1999 programmes were likely to be sustainable. Sustainability of twinning projects was enhanced by long-standing co-operation between Lithuania and the twinning partners. However, sustainability in most sectors was considered to be endangered by shortages of staff.

### **Thematic/cross-cutting questions**

#### **The extent to which Phare support improved the performance of Lithuania's pre-accession process**

The purpose of this question is to assess whether Phare support in practice addressed the *ex post* needs of the Lithuanian beneficiaries. Thus the evaluation will seek to assess whether the original objectives (*ex ante* needs) of the programme were appropriately set. This assessment would augment the analysis based on the five performance evaluation criteria.

The CMR for Lithuania provides for an indication of the *ex post* needs of the beneficiaries. As examples, this includes the need for enhanced efforts in agriculture, regional policy and coordination of structural instruments, justice and home affairs, and financial control.

#### **The extent to which Phare support strengthened the administrative and judicial capacity of Lithuania**

The examination of the Phare contribution to the public administrative and judicial capacity (PAJC) of the Lithuanian beneficiary administrations will fall into two parts:

- *Acquis*-specific administrative capacity issues, where the nature component concerned explicitly demands, often in some detail, a particular capacity of PAJC performance, and
- Horizontal administrative capacity issues, which are non-sector specific but are needed to meet the requirements of the first Copenhagen criterion – the 'Political Criteria'<sup>38</sup>.

The 2004 Consolidated Interim Evaluation Report<sup>39</sup> covering all candidate countries, concluded that, in general, Phare support in this area had been hampered by – *inter alia* – the absence of a comprehensive strategy, poor coordination of relevant instruments of assistance, and limited progress on horizontal public administrative reforms and governance.

#### **The extent to which Phare contributed to the strengthening of ESC and to the preparation for the use of Structural Funds**

Both the CMR on Lithuania and the IE findings expressed concern about weaknesses in relation to the legislative framework, institutional structures, and financial management and control for the implementation of actions under EU Structural and Cohesion funds.

## **METHODOLOGY**

Due to the phasing out of Phare, many stakeholders, both in Lithuania and in the EC have changed assignments or left the service. The EC Representation in Lithuania, as far as the Phare programme is concerned, has ceased to provide services after the 30 June 2005. This presents a certain risk, as to the availability of data and information.

<sup>38</sup> As emphasised in the 2000 Phare Review communication, these would involve general public administration reforms including civil service reforms, inter-ministerial coordination and anti-corruption programmes. The requirements of strengthening and reforming the administrative and judicial capacities were stressed in the Madrid, Luxembourg, Feira and Gothenburg Councils.

<sup>39</sup> Prepared by EMS consortium, issued March 2004.

Following a desk study analysis, the evaluation team will undertake selected fieldwork. The analysis of documentation will be accompanied by structured interviews, carried out both in country and at the Commission Services Headquarters, following a sampling approach with regard to the list of programmes in annex 1. Other proven data collection tools such as surveys and questionnaires may also be used. The performance evaluation questions have been structured in line with the five standard evaluation criteria: relevance, efficiency, effectiveness, impact and sustainability. To support the evaluation questions, a set of judgement criteria and indicators will be developed. These may be both quantitative and/or qualitative.

Further, the Lithuanian project stakeholders, including representatives of the NAC and financial implementation agency (CPMA) were invited into six focus group meetings, where moderated discussion took place following evaluation issues concerning relevance, impacts and sustainability. The project stakeholders self-evaluated their projects themselves and jointly discussed recommendation on how to make better use of the Community assistance in other countries. Process design notes to focus group meetings methodology attached below.

As to the sample selection, the Evaluation Contractor (MWH) will make a proposal in close collaboration with DG Elarg and respective national evaluation body. For this purpose the Contractor will prepare an evaluation plan for the country evaluation including a specification of the agreed sample.

Whilst the evaluation will focus on 1999-2001 allocations, it will also provide for a brief update of post 2001 allocations, based on the Lithuania CPER report as well as on the findings of the selected fieldwork.

There will be close consultations with stakeholders (either by electronic mail or by meetings, where appropriate). For this purpose, the Lithuanian National Aid Co-ordinator (NAC) has nominated a representative of their evaluation body to ensure that the evaluation will be carried out in partnership, including arrangements for establishing a Steering Group. The arrangements involve establishment of a Group with a representative of DG Elarg country team, the appointed national representative of the exercise, and with DG Elarg Evaluation Unit as the chair of the Group.

## **REPORTING AND TARGET AUDIENCES**

At the conclusion of the fieldwork, a draft evaluation report will be produced and circulated for comments. The evaluation report will contain an introduction (objectives, background and context), performance of Phare assistance, thematic/cross-cutting findings, and conclusions and lessons learned (see annex 2). It will also report on how the evaluation recommendations of the CPER have been taken into account. The scope of the evaluation will probably not allow the drafting of any country-specific recommendations but such recommendations might be extracted from the lessons learned.

The main users of the evaluation will be Phare and Transition facility country teams, and the country teams for the Western Balkans and Turkey. In Lithuania the main evaluation users will include the National Aid Co-ordinators, and the relevant implementing agencies and public authorities.

### ACTIVITIES, RESOURCES AND TIMETABLE

The evaluation of the Lithuanian national and CBC programmes will be conducted in a number of stages as follows:

Step	Activity	2005-2006						
		Nov	Dec	Jan	Feb	March	April	May
1	Preparation							
2	Info gathering and processing							
3	Drafting of report							
4	Comments from E4 and national authorities							
5	Submission of final Lithuanian report as input into the Consolidated National Programme Report							

The evaluation will be carried out by a team consisting of the local and international. Since the Lithuania evaluation exercise is designed as a contribution to a consolidated evaluation of Phare National and CBC programmes and not as an in-depth evaluation, the total resources envelope available for this exercise is limited to 50 man-days.

### Annex 2. Phare National and CBC Programme Data for Lithuania 1999-2001

Progr. Number	Sub-Programme /Project	Expiry Date Contracting	Expiry Date Disbursement	Allocated (M€)
<b>1999</b>	<b>National</b>			
LI 99 01 01 02	<b>Large Scale Infrastructure Facility Part 3</b> Panevezys Environment Project Klaipeda Environment Project	31/12/2000	31/12/2003	10.20
LI 99 04 01 02	<b>Large Scale Infrastructure Facility Part 4</b> (ISPA Project Preparation)	31/05/2000	31/05/2001	2.20
LI 99 05	<b>Large Scale Infrastructure Facility Part 5</b> Jurbarkas Water Project	31/12/2000	31/12/2003	2.00
LI 9906 01 02 03	<b>Reinforcement of Institutional Capacity</b> Strengthening Public Administration Services Internal Financial Control Capacity Building of the CFCU	31/10/2001	31/10/2002	4.18
LI 9907 01 02 03 04	<b>Enforcement of the Internal Marker Acquis</b> Strengthening of Competition Policy Strengthening of Public Procurement Office Strengthening of Audio-Visual Policy Computerised Customs Master Tariff System	31/10/2001	31/10/2002	3.50
LI 9908 01 02	<b>Justice and Home Affairs</b> Adoption and Implementation of the Schengen Acquis Including Establishment of a National Schengen Information System; Demarcation of the Eastern Border of the Republic of Lithuania with the Republic of Belarus	31/10/2001	31/10/2002	6.00
LI 9909 01 02	<b>Agriculture</b> Ensure Phyto-sanitary and Veterinary Border Control Measures; Modernisation of Rural Administration System	31/10/2001	31/10/2002	4.50
LI 9910 01	<b>Energy</b> Transposition, Implementation, and Enforcement of the Energy Acquis	31/10/2001	31/10/2002	3.25
LI 9911 01 02	<b>Social Affairs</b> Strengthening of Occupation Safety and Health Policy; Support to the State Social Insurance Board	31/10/2001	31/10/2002	3.00
LI 9912 01	<b>Environment</b> Strengthening Environment Monitoring Capacities	31/10/2001	31/10/2002	2.50
LI 9913 01 02	<b>1999 Lithuania Phare Pre-Ins Facility</b> Lithuanian Property Development Fund Fight against corruption in the Lithuanian Customs Department and Services	31/12/2001	31/12/2002	7.50
LI 9916 01 02	<b>Special Action in Favour of the Baltic Sea Region Programme in 1999</b> Panemune Border Crossing Point Small Project Fund	15/12/2001	15/12/2002	3.00
<b>Total 1999</b>				51.83 <sup>40</sup>

<sup>40</sup> The total 1999 allocation also included other financing.

Progr. Number	Sub-Programme /Project	Expiry Date Contracting	Expiry Date Disbursement	Allocated (M€)
<b>2000</b>	<b>National</b>			
LT0002 01	<b>Economic Criteria</b> Promotion of Competitiveness / Enforcement of Financial Discipline for Enterprises	30/09/200	30/09/2003	2.00
LI 0003 01 02 03 04	<b>Internal Marker</b> Strengthening Administrative and Technical Capacity to Promote Free Movement of Goods Strengthening Customs Procedures and Operations in the Lithuanian Customs Department and the Regional Customs Administrations Support to Establishment of Communications Regulatory Authority Further Harmonisation of Statistical Data and Methods with Eurostat Requirements	30/09/200	30/09/2003	10.15
LI 0004 01 02 03	<b>Agriculture and Fisheries</b> Strengthening Capacity of the Ministry of Agriculture and Related Institutions to Manage and Administer the EC Acquis for Agriculture (CAP) and Rural Development Strengthening and Enforcement of Food Control System: Phase III Completion of Modernisation of Veterinary and Phyto-Sanitary Border Inspection Posts (BIPs) Strengthening Lithuania's Capacity to Manage and Administer the Common Fishery Policy	30/09/200	30/09/2003	6.50
LI 0005 01	<b>Transport</b> Implementation of the Acquis in the Maritime Sector	30/09/200	30/09/2003	1.00
LI 0006 01	<b>Employment, Social Affairs and Health</b> Preparation for Participation in the European Employment Strategy	30/09/200	30/09/2003	2.15
LI 0007 01	<b>Justice and Home Affairs</b> Strengthening Illicit Drug Demand and Supply Reduction Capabilities	30/09/200	30/09/2003	1.0
LI 0008	<b>Institutional and Administrative Capacity</b> Budget Management and Financial Control	30/09/200	30/09/2003	1.5
LI 0009 01 02 03	<b>Economic and Social Cohesion</b> National – Regional Development in the Target Region Western Lithuania (Klaipeda-Taurage Counties) National – Regional Development in the Target Region Marijampole County National – Regional Development in the Target Region Utena County	30/09/200	30/09/2003	14.00
<b>Total 2000</b>				<b>38.30<sup>41</sup></b>

<sup>41</sup> The total 2000 allocation also included other financing.

<b>Progr. Number</b>	<b>Sub-Programme /Project</b>	<b>Expiry Date Contracting</b>	<b>Expiry Date Disbursement</b>	<b>Allocated (M€)</b>
<b>2001</b>	<b>National</b>			
<b>LT01.01</b>	<b>Participation in EC Programmes, EEA and 5<sup>th</sup> Framework Programme</b>	31/10/2003	31/10/2004	4.43
<b>LT 01.02 01</b>	<b>Economic Criteria</b> Continue social security financing reform	31/10/2003	31/10/2004	3.00
<b>LT 01.03 01</b>	<b>Transport</b> Further alignment with the Transport Acquis and Strengthening Administrative Capacity to Manage the Implementation of Transport Policy	31/10/2003	31/10/2004	2.42
<b>LT 01.04 01</b>	<b>Internal Market</b> Strengthening the Energy Market Regulator	31/10/2003	31/10/2004	1.95
<b>LT 01.05 01</b>	<b>Agriculture</b> Development of Animal Tracing and Epidemiological Surveillances and Modernisation of Phyto-Sanitary Research and Administration	31/10/2003	31/10/2004	3.00
<b>LT 01.06 01 02</b>	<b>Environment</b> Strengthening the Institutional Capacity to Implement EC Requirements on Management of Chemicals, Modified Organisms, IPPC and Climate Change Creation of Radiation Protection Structure and Development of Supporting Services	31/10/2003	31/10/2004	4.16
<b>LT 01.07 01 02</b>	<b>Justice and Home Affairs</b> Strengthening the Fight Against Crime through Establishing the National Europol Bureau and Upgrading the Forensic Science Service's Central Laboratory Strengthening the Capacity of Lithuanian Judiciary	31/10/2003	31/10/2004	4.80
<b>LT 01.08 01</b>	<b>Public Health</b> Strengthening Capacities to Manage Public Health System in the Compliance with EC Regulations	31/10/2003	31/10/2004	1.00
<b>LT 01.09 01 02 03</b>	<b>Administrative Capacities</b> Public External Audit Special Preparatory Programme for Structural Funds Twinning Light Reserve	31/10/2003	31/10/2004	5.16
<b>LT 01.10 01 02 03</b>	<b>Regional Environment</b> Water Supply and Sewerage Development in Anyksčiai Water Supply, Sewerage Development and Waster Water Treatment Plant in Kazlu Ruda Water Supply and Waster Water Collection system Development in Kretinga	31/10/2003	31/10/2004	8.00

<b>LT 01.11</b> 01	<b>Innovation</b> Innovation Capacity	31/10/2003	31/10/2004	0.80
<b>LT 01.12</b> 01	<b>Tourism</b> National Tourism Information and Pilot Tourism Infrastructure in Utena Region	31/10/2003	31/10/2004	0.87
<b>LT.01.13</b> 01	<b>Vocational Training</b> Vocational Training as a Means for Economic and Social Cohesion	31/10/2003	31/10/2004	0.42
<b>LT.01.14</b> 01	<b>Special Action Programme For Ignalina Region</b> Framework for Economic Restructuring in Ignalina, Visaginas and Zarasai Municipalities	31/10/2003	31/10/2004	1.17
<b>LT.01.15</b> 01	<b>Project Preparation Facility</b>	31/10/2003	31/10/2004	1.5
<b>Total 2001</b>				<b>42.68<sup>42</sup></b>

Source: Financing Memoranda

<sup>42</sup> The total 2001 allocation also included other financing.

### Annex 3. Evaluation Planning Summary Sheet

This document defines the scope of the evaluation, the approach to fieldwork, and the evaluation sample together with the relevant contact persons. It is supported by working documents giving primary sources of evidence and evaluation criteria for each evaluation question.

<b>Phase (1, 2 or 3)</b>	2 – National (1999-2001) <sup>43</sup>	<b>Subject</b>	<b>Lithuania</b>
<b>Level of Evaluation ('standard' or 'in depth')</b>	Standard		
<b>Evaluation Conclusions</b>	A three-point rating system (satisfactory, barely satisfactory and unsatisfactory) will be used to rate effectiveness and impact of projects, clustered into the sectors <b>Agriculture, CBC, ESC, Energy and Transport, Environment, Internal Market, JHA, and Social Affairs</b> . The results will be presented at sector level in the consolidated report. No rating will be applied to the thematic/cross-cutting questions.		
<b>Evaluation questions</b>	<p><u>Performance criteria</u></p> <ol style="list-style-type: none"> <li>1. Needs assessment and design</li> <li>2. Extent to which inputs/activities have produced outputs</li> <li>3. Extent to which outputs have produced intended results</li> <li>4. Extent to which results/impacts contributed to achieving wider objectives</li> <li>5. Long term viability of institutional reforms following the withdrawal of Phare support</li> </ol> <p><u>Thematic/Cross-cutting questions</u></p> <ol style="list-style-type: none"> <li>6. Extent to which Phare support improved the performance of Lithuania's pre-accession process</li> <li>7. Extent to which Phare support strengthened the administrative and judicial capacity of Lithuania</li> <li>8. Extent to which Phare contributed to strengthening ESC and preparation for Structural Funds</li> </ol>		
<b>Sampling</b>	The sample projects in Table 1 have been selected in consultation with the country steering group <sup>44</sup> to be representative of the sectors and thematic areas defined for this <i>ex post</i> evaluation, and taking into account the availability of staff knowledgeable about the programmes. Overall, the sample represents 42.95% <sup>45</sup> of total funding. Note that where the sample size is small, this will reduce the confidence in the data and conclusions that can be drawn there from.		
<b>Sources of evidence</b>	The potential sources of evidence are desk review, questionnaire, analysis (e.g. of a database), and interviews. In the sources of evidence document (not attached), a score is used to indicate for each evaluation question and each source whether it is dominant i.e. a major dependency on information from one source, or whether several sources support each other, giving good triangulation, or whether difficulty is expected in accessing data or the question is predominantly qualitative.		
<b>Interviews</b>	Present and former country coordinators from ELARG D2, and any former staff from the EC Delegation in the period 1998-2004 that can be located. Involved line DGs (such as DG REGIO for ESC, and DG AGRI for Phare support to SAPARD).		
<b>1 Commission staff</b>			
<b>2 Beneficiary staff<sup>46</sup></b>	Key Lithuanian national/regional administrations and public bodies identified in the attached Table 1		
<b>3 Other stakeholders</b>	Relevant national parties such as the Government Office for European Affairs, and the Chairmen of the six Sectoral Monitoring Sub-Committees (SMSCs).		
<b>Supporting documents</b>	Table 1 (attached). - Proposed project samples with key contact persons Table 2. (Working document) - Primary Sources of Evidence Table 3. (Working document) - Evaluation Indicators Table 4. (Working document) - List of identified reports for desk review		

<sup>43</sup> The evaluation will also take account of post-2001 allocations where appropriate, based mainly on IE reports.

<sup>44</sup> This includes the Evaluation Units of DG ELARG and the National Aid Co-ordination units.

<sup>45</sup> In Lithuanian *Ex Post* evaluation.

<sup>46</sup> Other beneficiaries and stakeholders may be identified during fieldwork (for example from private entities, NGOs, etc.).

**Table 1. Proposed sample programmes and contact persons<sup>47</sup>**

SMSC	Project No.	Project title	Allocation (M€)	Contact Persons
<b>Agriculture</b>				
AGR	LI 9909-01	Ensure Phyto-Sanitary and Veterinary Border Control Measures	3.5	Ms. Jolita MACIULYTE, Deputy Chief of the Border and Transport State Veterinary Service Ms. Loreta PETRASIUNAITE, Head of International Relations division, MoA Mr. E. MORKEVICIUS, Director of the State Plant Protection Service
AGR	LT-0004.01	Strengthening the capacity of the Ministry of Agriculture and Related Institutions to manage and administer the EU Acquis for Agriculture (CAP) and Rural Development.	2.00	Ms. Loreta PETRASINUAITE Head of International Projects and Programmers Coordination Division
AGR	LT-0004.02	Strengthening and Enforcement of EU Food Control System Twinning Component Number LT2000/IB/AG/02	3.00	Mr. K. LUKAUSKAS Director, Lithuanian Veterinary Service Mr. D JONAUSKAS – Chief of State Plant Protection Service Ms R. ŽIVATKAUSKAITĖ, Head of the EU Integration Department, State Veterinary Service
<b>Total sample (57 % of sector)</b>			<b>8.80</b>	
<b>Total for the sector in the period 1999-2001</b>			<b>14.94</b>	
<b>Social Affairs and Employment</b>				
SOC	LI-9911.02	Support to the State Social Insurance Fund Board	2.00	Ms. Violeta SIVILEVIČIENĖ, State Social Insurance Fund Board Mr. Evaldas Bacevičius Ministry of Social Security and Labour
SOC	LT-0102.01.02	Support to Development of Integrated Information Technology System for State Social Insurance Fund Board (SoDra) – Phase III	1.30	Ms. Violeta SIVILEVIČIENĖ, State Social Insurance Fund Board Mr. Evaldas BACEVIČIUS Ministry of Social Security and Labour
<b>Total sample (49 % of sector)</b>			<b>4.53</b>	
<b>Total for the sector in the period 1999-2001</b>			<b>9.20</b>	

<sup>47</sup> Projects have been classified according to the sectors in place in Lithuania.

<b>Economic and Social Cohesion, CBC and Structural Funds</b>				
ESC	LT0009-01	National-Regional Development in Klaipeda-Taurage Target Region	6.00	Mr. Sergėjus KRIŠPINOVIČIUS, Director, Regional Policy Department, Ministry of Interior,
ESC	LT0009-03	LT0009-03 National-Regional Development in the Utena Target Region	4.00	Mr. Sergėjus KRIŠPINOVIČIUS, Director, Regional Policy Department, Ministry of Interior
REG-SF	LT-0115	Project Preparation Facility	1.50	
CBC	LT-0016	Baltic Special Action	3.00	
ESC	LT01.11.01	Innovation Capacity	0.80	Kęstutis GEČAS, Director of Lithuanian Innovation Centre
<b>Total sample (58 % of sector)</b>			<b>15.30</b>	
<b>Total for the sector in the period 1999-2001</b>			<b>26.50</b>	

<b>Statistics and Internal Market</b>				
INT	LT-0003.03	Support for the Establishment of the Communications Regulatory Authority	2.80	Mr Henrikas VARNAS, Deputy Director CRA
INT	LT-0003.04	Further Harmonisation of Statistics Data and Methods with Eurostat Requirements	2.60	Ms. V.LAPENIENE, first deputy director general, Statistics Lithuania
INT	LI9907.01	Strengthening Enforcement of Competition Policy	0.75	Ms Viktorija ALEKSIENĖ, head of the Competition Policy and Foreign Relations Division
<b>Total sample (33 % of sector)</b>			<b>6.15</b>	
<b>Total for the sector in the period 1999-2001</b>			<b>18.69</b>	

<b>Justice and Home Affairs</b>				
JHA	LI-0013	Three Infrastructure Components at Eastern Borders	4.30	Mr. Valentinas NOVIKOVAS Headquarters Deputy Head for Development State Border Guards Service Ministry of Interior
JHA	LI-9913.02	Review and Implementation of the National Anti-Corruption Programme, the Preparation and Implementation of Sector Anti-Corruption Strategies and Action Plans	2.50	Mrs. Jurate TUMONIENE International Relations Officer Special Investigation Service
<b>Total sample (32 % of sector)</b>			<b>6.80</b>	
<b>Total for the sector in the period 1999-2001</b>			<b>21.36</b>	

<b>Transport, Energy, Environment</b>				
ENV	LT01.06.01	Strengthening of institutional capacity to implement EC requirements on management of chemicals, genetically modified organisms, IPPC and climate change	4.16	Vilma SLAVINSKIENĖ, Head of <b>European Union Funds Management Division, Ministry of Environment</b> , v.slavinskiene@finmin.lt
ENE	LI-9910	Transposition, implementation and enforcement of the Energy <i>Acquis</i>	3.25	Marijus FRANCKEVICIUS, Director of Energy Agency, Anzelmas BACAUSKAS, Lietuvos energija, GLINSKIENE, Lietuvos dujos
TRA	LT01.03.01	Further Alignment with the Transport Acquis and Strengthening Administrative Capacity to Manage the Implementation of Transport Policy	2.42	Lina JASINSKIENE, Deputy Director of the Railway Transport Department
<b>Total sample (36% of sector)</b>			<b>9.83</b>	
<b>Total for the sector in the period 1999-2001</b>			<b>27.45</b>	

<b>Public Administration and Finance, Customs</b>				
PUB	LI-9906,01	Strengthening Public Administration Services	3.00	Mr Alfonsas VELICKA Director, LIPA,
PUB	LI9916.01	Panemunė Border Crossing Point	2.00	Svaja RAZMIENE, Customs Department
<b>Total sample (41 % of sector)</b>			<b>5.00</b>	
<b>Total for the sector in the period 1999-2001</b>			<b>12.15</b>	

<b>1999 Lithuanian Phare Pre-INS Facility</b>				
	LI-991301	Lithuanian Property Development Fund	5.0	Mantas VAITKUS, General Director Lithuanian Property Development Fund

### Annex 4. Evaluation Indicators

The **evaluation indicators** are a wider concept than “performance indicators”, and identify static and dynamic information and events for use in the evaluation. They are divided into three categories, **discrete**, where there are only two possible states (e.g. present/absent), **relative**, where more than two states are possible (e.g. satisfactory, barely satisfactory and unsatisfactory), and **qualitative**, where the expert judgment of the evaluator will be used to reach a conclusion based on all the evidence gathered for the evaluation criteria. This is typically in the areas of outcome and impact evaluation conclusions.

#### Evaluation Indicators – Performance Evaluation Questions

Evaluation Questions	Evaluation Indicators	Assessment		
		Discrete	Relative	Qualitative
<b>1. Needs assessment and design</b>				
1.1. Adequacy of strategies	<ul style="list-style-type: none"> <li>Clarity of objectives</li> <li>Quality of strategic planning documentation</li> <li>Availability of needs assessment</li> </ul>		•	•
1.2. Involvement of stakeholders in line DGs and beneficiary countries in the design	<ul style="list-style-type: none"> <li>Whether stakeholders were consulted</li> <li>Degree of consultation</li> </ul>	•	•	
<b>2. Extent to which inputs/activities have produced outputs</b>				
2.1. What are the outputs: institution building projects; regulatory investment projects; investment projects?	Quantitative/qualitative measure of outputs			•
2.2. What were the tools/activities/resources used to produce the outputs?	Quantitative/qualitative description of tools/activities/ resources			•
2.3. Were there resources/tools provided that were under-used or not used?	<ul style="list-style-type: none"> <li>Extent of participation in events</li> <li>Unused resources/ excess resources provided</li> </ul>	•	•	
2.4. Was the use and the relative importance of the tools provided appropriate?	Suitability of activities for stated purpose			•
2.5. How cost effective was the production of outputs in relative terms?	Relative cost of activities in sample programmes		•	
<b>3. Extent to which outputs have produced intended results</b>				
3.1. What were the improvements in legislative/administrative structures, systems and resources?	<ul style="list-style-type: none"> <li>Clear allocation of the roles and responsibilities within and between institutions (structures)</li> <li>Availability of procedures and guidelines (systems)</li> <li>Availability of suitably qualified skilled staff and adequate financial resources (resources)</li> </ul>		•	
3.2. Did the legislative/administrative and judicial performance related to the political criteria improve?	<ul style="list-style-type: none"> <li>Horizontal public administration reform</li> <li>Judicial capacity</li> <li>Rule of law</li> <li>Respect of the protection of the minorities</li> </ul>			•
3.3. Did the legislative/administrative performance related to the economic criteria improve?	<ul style="list-style-type: none"> <li>Legislative/administrative support to a functioning economy</li> </ul>		•	
3.4. Did the legislative/administrative performance related to the ability to take on the obligations of the <i>acquis</i> improve?	<ul style="list-style-type: none"> <li>Support for the transposition of the <i>acquis</i></li> <li>Support for the implementation of the <i>acquis</i></li> <li>Support for the enforcement of the <i>acquis</i></li> </ul>		•	
3.5. Have the installed Phare equipment/ works/ grant schemes been usefully put into operation?	<ul style="list-style-type: none"> <li>effective use of the investment/ infrastructure upgrade and/ or Phare funding mechanisms</li> </ul>		•	

### Evaluation Indicators – Thematic/ Cross Cutting Questions

Evaluation Questions	Evaluation Indicators	Discrete	Relative	Qualitative
<b>4. Extent to which results/impacts contributed to achieving wider objectives</b>				
4.1. To what extent can the legislative and administrative impacts at programme level be separated and measured?	<ul style="list-style-type: none"> <li>• Prevailing observed changes in administrative behaviour, procedures, structures</li> </ul>			•
4.2. To what extent can the socio-economic impacts at programme level be separated and measured?	<ul style="list-style-type: none"> <li>• Prevailing observed changes identifiable for the national/regional macro- and/or micro economic situation</li> </ul>			•
4.3. Examine likely legislative/administrative /socio-economic impacts on the basis of the extent to which pre-conditions are in place or are being put in place	<ul style="list-style-type: none"> <li>• Projects conceived within a strategic framework and based on needs assessment</li> <li>• The essentials for adequate public and administrative capacity in place, including stable institutions, appropriate public investment policies, adequate inter-ministerial and central-regional collaborative machinery of government</li> <li>• Positive project ratings for effectiveness and achievement of objectives</li> <li>• Contribution of project outputs to overall objectives</li> <li>• Identifiable benefits for society or the economy</li> <li>• Awareness of the public administrative units, ministries and regional structures involved in project implementation of the activities; and existence of complementary public administrative systems</li> <li>• Beneficiary awareness of project outputs</li> <li>• Relevant civil society bodies involved, and roles defined, with respect to project outputs</li> </ul>	•		• • • •
<b>5. Long term viability of institutional reforms following the withdrawal of Phare support</b>				
5.1. Have the legal, administrative and organisational outputs been sustained?	<ul style="list-style-type: none"> <li>• Availability of financial and human means for continuation of accession preparation and after accession</li> </ul>		•	
5.2. To what extent has the trained staff in the Lithuanian administrations been stable?	<ul style="list-style-type: none"> <li>• Fluctuation rate of trained staff</li> </ul>		•	
5.3. Are the pre-conditions for sustainability in place or being put in place?	<ul style="list-style-type: none"> <li>• Positive ratings for effectiveness in achieving project outputs</li> <li>• Sectoral strategy documents exist, containing project needs identification. Project outputs contribute to achievement of the strategic objectives</li> <li>• Ownership is demonstrated by managers responsible for onward strategic implementation of project outputs</li> <li>• Horizontal public administration systems stable and adequate</li> <li>• Ongoing national finance available for maintenance, insurance, replacements, consumables, etc.</li> </ul>	•	•	• •

Evaluation Questions	Evaluation Indicators			
	<ul style="list-style-type: none"> <li>• Secure provisions in place for ongoing staffing, staff replacement and training</li> <li>• Procedures and systems fully documented, with defined responsibility for updating</li> </ul>	•		•
<b>6. Extent to which Phare support improved the performance Lithuania's pre-accession process</b>				
6.1. Did the Lithuanian national programmes address <i>ex-post</i> needs?	<ul style="list-style-type: none"> <li>• Establishment of ex-post needs</li> <li>• Alignment of project activity to ex-post needs</li> <li>• Current position</li> </ul>		• •	•
<b>7. Extent to which Phare strengthened the administrative and judicial capacity of Lithuania</b>				
7.1. Development of a strategic approach for Phare support to building PAJC	<ul style="list-style-type: none"> <li>• Existence of a strategic framework</li> <li>• Evidence of a needs analysis</li> <li>• Logic of the approach to address the defined needs</li> </ul>	• •		•
7.2. Development of national PAJC strategies to underpin Phare programme prioritisation	<ul style="list-style-type: none"> <li>• Alignment with Phare priorities</li> </ul>			•
7.3. Adequacy of Phare support to horizontal reforms and governance	<ul style="list-style-type: none"> <li>• Alignment of Phare support with defined needs</li> <li>• Extent to which project outputs contributed to achievement of objectives</li> <li>• Identification of non-sector specific capacities, strengthened by Phare. Current position of these capacities</li> </ul>			• •
7.4. Adequacy of Phare support to cover the Acquis	<ul style="list-style-type: none"> <li>• Trend in Lithuania's administrative capacities, both qualitative and quantitative</li> </ul>		•	•
7.5. Adequacy of Phare support to develop regional and local PAJC	<ul style="list-style-type: none"> <li>• Identification of these capacities, strengthened by Phare</li> <li>• Current position of these capacities</li> </ul>		•	•
7.6. Efficiency, effectiveness, deployment and co-ordination of instruments (TAIEX, Twinning, SIGMA, Technical Assistance and related investments)	<ul style="list-style-type: none"> <li>• Adequacy of inter-instrument co-ordination mechanisms</li> <li>• Whether the projects' effectiveness in achieving their objectives were positively rated</li> <li>• Extent to which project outputs contributed to achievement of overall objectives</li> </ul>	•	•	•
7.7. Prospects for promoting and supporting a government initiative for a systematic benchmarking approach to public administration reforms	<ul style="list-style-type: none"> <li>• Viability of proposed key performance indicators</li> <li>• Level of awareness and ownership amongst key actors</li> </ul>			• •
7.8. Sustainability of post accession PAJC (related to, for example, scaling down of Phare support and financial/human resource constraints)	<ul style="list-style-type: none"> <li>• Existence of planned PAJC resource levels for the medium and long term</li> <li>• Identification and availability of financial resources</li> <li>• Identification and availability of human resources</li> <li>• Existence and adequacy of human resource development planning</li> </ul>	• • •	•	•
<b>8. Extent to which Phare contributed to the strengthening of ESC and to the preparation for Structural Funds</b>				
8.1. To what extent has Phare been successful in preparing Lithuania to support ESC after accession, by assisting the country to put in place the pre-conditions for sustainable recourse to the SF? What are the factors underlying the observed performance?	<ul style="list-style-type: none"> <li>• Existence of a strategic framework</li> <li>• Adequacy and stability of institutional arrangements incl. planning capacities</li> <li>• Stakeholder dialogue</li> <li>• Sequencing approach for implementation</li> <li>• Trend in Lithuania's ESC administrative structures and capacities, both qualitative</li> </ul>	•	•	• • •

Evaluation Questions	Evaluation Indicators			
	and quantitative			
8.2. What Commission and National policies have been used to direct the course of preparations in Lithuania?	<ul style="list-style-type: none"> <li>• Existence of relevant policies</li> <li>• Relationship of policies to the strategic framework and the Phare planning/programming process</li> </ul>	•	•	
8.3. What lessons can be learned from the planning/programming process of Phare ESC assistance?				•
8.4. What lessons learned can be learned from the Phare funded ESC pilot investments in Lithuania? Did they have immediate impact and did they contribute to wider socio-economic cohesion objectives?	<ul style="list-style-type: none"> <li>• Lessons learned from Phare-funded ESC pilot investments in Lithuania</li> <li>• Reduction of regional disparities observed</li> </ul>		•	•
8.5. What institutional arrangements have the Lithuanian authorities put in place over time to plan, co-ordinate, and manage operations?	<ul style="list-style-type: none"> <li>• Establishment of bodies and allocation of responsibilities, at national and regional levels</li> </ul>			•
8.6. To what extent has Phare institution building been successful in supporting Lithuania in its preparation for SF implementation?	<ul style="list-style-type: none"> <li>• Remaining gaps in institutional structures, systems, resources and competences</li> </ul>			•
8.7. Has there been any acceleration in the pre-accession performance of ESC programmes since the beginning of the support to ESC in Lithuania?	<ul style="list-style-type: none"> <li>• Trend in key performance indicators</li> </ul>	•		

### Annex 5. Sample projects – Financial data and Results

SMSC	Project No.	Project title	Phare Allocation (ME)	Final Commitment (€)	Final Disbursement (€)	Main results achieved
AGR	LI 9909-01	Ensure Phyto-Sanitary and Veterinary Border Control Measures	4.44	4,440,000.00	4,437,055.86	<p>Construction of Veterinary and Phytosanitary border posts were completed as follows:</p> <ul style="list-style-type: none"> <li>• Lavoriskes (veterinary) post completed</li> <li>• Salcininkai completed (with minor defects to be repaired after project end)</li> <li>• Kybartai Road (veterinary and phytosanitary) completed</li> <li>• Kybartai Rail work was proceeding with 65% completeness at the project end</li> <li>• Vite post completed</li> <li>• Smelte (veterinary and phytosanitary) completed</li> <li>• Kena was completed only 50% (75% in monetary terms)</li> <li>• Malkos was 65% complete (75% in monetary terms)</li> </ul>
AGR	LT-0004.01	Strengthening the capacity of the Ministry of Agriculture and Related Institutions to manage and administer the EU Acquis for Agriculture (CAP) and Rural Development.	2.00	1,943,252.30	1,769,817.90	<ul style="list-style-type: none"> <li>• The National Paying Agency as the cornerstone of CAP implementation has well defined structures and competent staff. Capacity to manage all schemes was not yet in place (Objective partly achieved)</li> <li>• The payments and accountancy procedures of the NPA still have to be extended to all CAP schemes (Objective partly achieved)</li> <li>• In general the NPA Internal Audit seems to fulfil the requirements. As the SAPARD scheme has not produced a large number of applications, the Internal Audit Unit could not in practice apply full-scale audit methods. Therefore a final evaluation of the system is not possible. Training sessions have been delivered. (Objective partly achieved)</li> <li>• The land parcel register is nearly complete. It will be maintained and operated by AIRDC (Objective reached)</li> <li>• IACS procedures are in principle ready. Adjustments will be needed in the light of the MTR reform and possible transition measures. (Objective reached)</li> <li>• The MIS is now entering its operational phase. Few technical improvements remain to be introduced. The MIS is considered sustainable in its present shape. (Objective reached)</li> </ul>

						<ul style="list-style-type: none"> <li>• Methodology and availability of data for the FADN have reached a satisfactory stage. Some refinement is still needed and introduction of analytical capacity remains to be solved. (Objective reached)</li> <li>• The concept of modern human resource development has been introduced and ongoing staff training is a common feature. (Objective partly achieved)</li> <li>• The capacity in the Ministry and in the NPA has been increased and a RDP and SPD prepared. Further upgrading of the administrative capacity will be needed in the light of increased emphasis on RD policy as part of the reform. (Objective partly achieved).</li> </ul>
AGR	LT-0004.02	Strengthening and Enforcement of EU Food Control System Twinning Component Number LT2000/IB/AG/02	3.00	2,945,300.00	2,904,123.72	<ul style="list-style-type: none"> <li>• Construction of the Kenos and the Panemune-Pagegiai Border Inspection Post</li> <li>• Modernisation of the Klaipeda Laboratory</li> <li>• Construction and Upgrading of the Medininkai and the Lavoriskes Border Inspection Post</li> <li>• The Phyto-sanitary controls are performed in accordance with the relevant EU standards</li> <li>• The capacity to analyse pesticides at the Agrochemical Research Institute is established</li> <li>• Advice in procuring of autoclaves to destroy contaminated plants</li> </ul>
SOC	LI-9911.02	Support to the State Social Insurance Fund Board	2.00	1,620,264.00	1,579,837.51	<ul style="list-style-type: none"> <li>• Strategic Business Plan (SBP) including 'paradigm shift' to significantly restructure SoDra, reorganise its business units and functions, reengineers business practises delivered</li> <li>• A detailed implementation time-table to achieve the aims of the SBP</li> <li>• SoDra's delivery strategy prepared (within the SBP), concentrating on Contribution Collection, Claim Processing, Benefit Payment and related Information Provision prepared</li> <li>• Key performance measure and performance targets for IT and business functions set in line with the SBP prepared;</li> <li>• SoDra's human resource policy reviewed and updated</li> <li>• SoDra Management and staff development and re-training programme implanted</li> <li>• A pilot central benefits claim processing functions designed and implemented</li> <li>• Active Billing system implemented</li> <li>• IITS strategy updated</li> </ul>

SOC	LT-0102.01	Support to the social sector SoDra Phase III	3.00	2,999,830.00	2,916,104.17	<ul style="list-style-type: none"> <li>• The Transition Plan updated; all activities were completed, ongoing or no longer relevant. All ongoing activities or future activities have been included into SoDra business plan of 2005-2007;</li> <li>• The Strategic Business Plan updated and used as a basis for developing more detailed plan for 2005-2007;</li> <li>• Performance measure and benchmarking target were reviewed, evaluated and finally updated to match the Business Plan for 2005-2007;</li> <li>• Roll-out of the Central Client Database (CCD) completed in all SoDra territorial Offices</li> <li>• IT Training needs determined and 2 training programmes implemented</li> <li>• Business training needs determined and a number of training programmes implemented;</li> <li>• Management advice provided in relation to the proposed Financial Management System;</li> <li>• Management Information System fully operational;</li> <li>• Document management system successfully implanted in 2 pilot locations and design for future system agreed;</li> <li>• Information System security and risk management completed and agreed with SoDra ;</li> <li>• E-Form software developed in conjunction with the CCD in used by SoDra to support operational work associate with migrant workers.</li> </ul>
ESD	LT-2000	Participation in Access 2000	1.23	1,227,051.86	1,096,866.52	
ESC	LT0009-01	National-Regional Development in Klaipeda-Taurage Target Region	6.00	5,968,856.40	5,250,139.19	<ul style="list-style-type: none"> <li>• 2 distance learning centres</li> <li>• 17 distance learning classes equipped (included 2 classes in public libraries)</li> <li>• System for evaluation of knowledge (ISO certificated)</li> <li>• Trainings delivered to 528 distance learning instructors</li> <li>• Public campaign on distance learning (including website pages, workshops, printed matter, press conference)</li> <li>• Need assessment of distance learning, 7 course in computer literacy, strategic plan of sustainability in distance learning</li> <li>• Women's need analysis, strategy of women's integration</li> <li>• Around 6000 women were involved into project's activities in the region</li> <li>• Logistics centre established</li> </ul>

						<ul style="list-style-type: none"> <li>• Investment lots development project (<a href="http://www.invest-in.lt">www.invest-in.lt</a>)</li> <li>• Labour needs research, specialised IT</li> <li>• New business development initiatives, support to established business, tourism and tourism related investment</li> <li>• 254 working places created</li> <li>• 166 IT working stations installed</li> <li>• 60 Advanced technologies created</li> <li>• 67 new products created</li> <li>• 50 Management systems created</li> <li>• 22 ISO certificates received</li> <li>• 5413 hours of business consultations delivered</li> <li>• 3486 company staff attended the trainings</li> </ul>
ESC	LT0009-03	LT0009-03 National-Regional Development in the Utena Target Region	4.00	3,867,921.06	3,563,013.96	<ul style="list-style-type: none"> <li>• Administrative capacity building project</li> <li>• 125 working places created</li> <li>• 27 IT working stations created</li> <li>• 13 Advanced technologies created</li> <li>• 32 new products created</li> <li>• 7 Management systems created</li> <li>• 7 ISO certificates received</li> <li>• 2160 hours of business consultations delivered</li> <li>• 526 company staff attended the trainings</li> <li>• Business Competence development in Visagainas regions</li> <li>• 174 various training programmes prepared</li> <li>• 640 trainers trained</li> <li>• 217 new training places created</li> <li>• 30 distance learning programmes created</li> </ul>
REG-SF	LT-0115	Project Preparation Facility	1.50	1,463,747.75	1,441,989.18	<ul style="list-style-type: none"> <li>• LT-01.15.01.01 EDIS Implementation Stage 1, including assistance to EU Assistance Co-ordination Division, MoF, co-ordinator</li> <li>• National Fund</li> <li>• Central Financing and Contracting Unit,</li> <li>• Lithuanian Development Agency of the Ministry of Economy and the SMEDA (Small and Medium Enterprise Development Agency) LATER replaced by other Implementing Agency (Business Support Development Agency under the Ministry of Economy)</li> <li>• Human Resources Development Programmes Foundation under the Ministry of Social Security and Labour and the Ministry of Education and Science</li> </ul>

						<ul style="list-style-type: none"> <li>• Lithuanian Public Procurement Office</li> <li>• LT01.15.01.02 SPD ex-ante evaluation</li> <li>• Ex-ante prepared and delivered</li> </ul>
CBC	LT-0016	Cross Border Co-operation - Lithuania	2.00	2,000,000.00	2,000,000.00	There were 16 projects contracted from the SPF and 15 from CBC including:
CBC	LT-0014	Special Action in Favour of the Baltic Sea Region Lithuania	1.00	991,855.85	824,349.05	<ul style="list-style-type: none"> <li>• Networking Logistics Centre in the Baltic Sea Region</li> <li>• Euro-region Seshupe established</li> <li>• Curonian Split Environmental Monitoring and Tourism Centre</li> <li>• New Clothes for Old Buildings</li> <li>• Development of Non-Motorised Transport Sector in the Coastal Region</li> <li>• Modernising International Bus lines Network in the Baltic Sea Region – for the needs of Tourism and NGO</li> <li>• Rambynas Cultural and Natural Heritage Use for Cognitive Tourism</li> <li>• The Development of the Tourism System in the Pajuris Regional Park</li> <li>• ECO Forum Baltica</li> <li>• Strengthening Local Capacities for Introduction of Sustainability Principles to Strategic Regional Development</li> <li>• BARDI-net Strengthening local co-operation and democracy for enhanced economic development in the Baltic Sea Region</li> <li>• Kings Road</li> <li>• Pre-Feasibility Study of International Inland Waterways System development</li> <li>• Euro-region Nemunas Marijampole Bureau</li> <li>• Adaptation of new learning methods for the increase of employability in SME Sector and Reduction of Unemployment in Siauliai region. The conclusions are based on a sample of projects</li> </ul>

ESC	LT 01.11.01	Innovation Capacity	0.80	792,208.47	772,102.58	<ul style="list-style-type: none"> <li>• Written analysis and recommendations of the existing Grant Schemes for Innovation in Lithuania, aid schemes in Germany and the UK</li> <li>• Proposal for national co-financing support scheme for innovation in the Framework of the future SPD in Lithuania (as of ex- post LIC has been involved in a couple of dozen of projects, however, not as a direct beneficiary under Structural Funds measures, for details see <a href="http://www.lic.lt/index.php?593091598">http://www.lic.lt/index.php?593091598</a>)</li> <li>• National Innovations Centre, including regional branches established and staffed (Lithuanian Innovations Centre, LIC)</li> <li>• LIC has been collaborating with more than 300 foreign business support organisations or private companies. Today, in the on-going projects, according to consortium contracts, LIC has more than <b>40 international and 16 local partners</b>.</li> <li>• Each year LIC serves more than <b>1000 clients</b> (business enterprises and research institutions). Today, LIC employs a core team – permanent staff of <b>21 persons</b>, cooperating with part-time or full-time consultants on project-by-project basis.</li> </ul>
INT	LT- 0003.03	Support for the Establishment of the Communications Regulatory Authority	2.80	2,771,132.00	2,726,389.39	<p>Legal advice including</p> <ul style="list-style-type: none"> <li>• Strategic Legal Advice (Legal Advice on Impact Regulatory Reform, additional to ToR)</li> <li>• Universal services regulation (USR) and Expertise Report</li> <li>• Liberalisation and Licensing Rules</li> <li>• Access Regulation</li> <li>• Regulation on Construction, Use, Protection of Telecom Networks</li> <li>• Regulation on Interconnection of Tariff Calculation</li> <li>• Regulation on Interconnection of Dispute Resolution</li> </ul> <p>Strengthening of CRA</p> <ul style="list-style-type: none"> <li>• Recommendations on CRA scope of activities, number of staff, budget, training in monitoring software.</li> </ul> <p>Procurement Package – technical assistance for Spectrum Monitoring</p> <ul style="list-style-type: none"> <li>• General Procedures, specifications, clarification, evaluation and acceptance (The original tender dossier consisted of 6 lots)</li> </ul>

INT	LT-0003.04	Further Harmonisation of Statistics Data and Methods with Eurostat Requirements	2.60	2,510,723.54	2,505,412.63	<ul style="list-style-type: none"> <li>• Systems of regional indicators and business statistics developed, including household budget survey, labour force survey, regional GDP compilation, etc)</li> <li>• Guidelines/questionnaires for enumerators developed and printed</li> <li>• Agricultural Census completed</li> <li>• Constructions, expert/import, transport and communications service price indices operational</li> <li>• As surplus results - new complimentary subcomponent of non-observed economy was introduced.</li> </ul>
INT	LI9907.01	Strengthening Enforcement of Competition Policy	0.75	731,823.00	504,351.14	<ul style="list-style-type: none"> <li>• Written recapitulation of finding and possible options for the elimination of gaps, including evaluation of institutional capacity. Establishment of an inventory of existing aid and of the 1999 annual report on state aid;</li> <li>• Decisions of the Competition Council (CC) on new aid proposals and on evaluation of existing aid in line with the Acquis. Publication of necessary CC resolutions. Preparation and publication of brochure about relevant EU acquis, in particular of legal acts not published in the OJ;</li> <li>• Decisions of the CC on new aid proposals and on evaluation of exiting aid in line with the acquis. Publication of necessary CC resolutions; publication of information material about relevant EU acquis, including a) enforcing of Lithuanian State Aid and control over state aid with regard to individual cases; and b) raising of awareness of aid granting authorities, judiciary and related economic entities.</li> </ul>
JHA	LI-0013	Three Infrastructure Components at Eastern Borders	4.30	3,886,119.52	3,870,489.94	<ul style="list-style-type: none"> <li>• Border control strip and path, as well as security fence along 33% of the border with Belarus completing the investment started under LI-9908.02.01;</li> <li>• Construction of 2 frontier stations; and</li> <li>• Construction of 7 surveillance towers.</li> </ul>
JHA	LI-9913.02	Review and Implementation of the National Anti-Corruption Programme, the Preparation and Implementation of Sector Anti-Corruption Strategies and Action Plans	2.50	2,460,266.58	2,287,000.21	<ul style="list-style-type: none"> <li>• Reviewing and implementing the National Anti-Corruption Programme;</li> <li>• Developing and implementing the Sector Anti-Corruption Strategies and Sector Anti-Corruption Action Plans;</li> <li>• Strengthening the administrative capacity of the Special Investigation Service;</li> <li>• Strengthen capacities of all other institutions involved in the fight against corruption (activities involve 14 ministries/departments)</li> </ul>

						<ul style="list-style-type: none"> <li>• Public Campaign against Corruption;</li> <li>• Supply of Equipment.</li> </ul>
ENV	LT 01.06.01	Strengthening of institutional capacity to implement EC requirements on management of chemicals, genetically modified organisms, IPPC and climate change	4.16	4,137,807.92	4,055,026.11	<ul style="list-style-type: none"> <li>• Legal advice and implementation of by-laws in connection to monitoring and risk assessment of chemical and genetically modified organisms (both TA and Twinning Light); TA failed to prepare specifications for the following supply contract due to delays;</li> <li>• Strengthening of Ministry of Environment and other pertaining institution in applying chemicals and GMO management; integrated pollution prevention and control (IPPC); and climate change and gas emission controls.</li> <li>• Purchase of equipment for laboratories to perform their functions.</li> </ul>
ENE	LI-9910	Transposition, implementation and enforcement of the Energy Acquis	3.25	3,247,188.00	2,755,139.10	<ul style="list-style-type: none"> <li>• Advice in developing the legal framework for strategic oil stocks and to establish the necessary reporting system for oil stocks, trade and delivery data from oil companies</li> <li>• Drafting secondary legislation in gas sector and to some extent in the electricity sector</li> <li>• Legal advice on issues related to the heat sector, energy efficiency, data and statistics</li> </ul>
TRA	LT 01.03.01	Further Alignment with the Transport Acquis and Strengthening Administrative Capacity to Manage the Implementation of Transport Policy	2.425	2,400,951.21	2,332,412.52	<p><b>Railways sector:</b></p> <ul style="list-style-type: none"> <li>• Amendments on the Railway code;</li> <li>• Development of legal basis for further railway sector reform;</li> <li>• Elaboration of the LG (Lithuanian Railways) reorganisation project</li> <li>• Creation of the Railway Regulatory Service</li> <li>• Preparation of the law on the railway traffic safety;</li> <li>• Elaboration of the certification rules;</li> <li>• Elaboration of the “transportation of dangerous goods” rules;</li> <li>• Elaboration of a method for implementation of a safety plan</li> <li>• Delivery of licenses of accredited safety manager;</li> <li>• Edition of the manual of traffic safety rules;</li> <li>• Drafting Railway traffic safety law</li> </ul> <p><b>Civil Aviation (following JAR)</b></p> <ul style="list-style-type: none"> <li>• Training Course for Ramp Inspectors</li> <li>• Dangerous goods transportation and maintenance</li> <li>• Flight operation Inspectors Training Course</li> <li>• Approved Maintenance Organisation</li> <li>• Certification of an airline</li> <li>• Approval and quality concepts</li> </ul>

						<p><b>Road Transport</b></p> <ul style="list-style-type: none"> <li>• Reorganising system of fiscal policy for heavy goods vehicles, and passenger transport</li> <li>• Trainings to the State Road Transport Inspectorate</li> <li>• Development of computerised information system for check management</li> <li>• Equipment with specialised tools for control of rest-driving regime</li> <li>• Public information of to haulers and drivers about changing legislation</li> </ul>
PUB	LI-9906,01	Strengthening Public Administration Services	3.00	2,848,548.73	2,476,749.94	<p><b>In connection to the Lithuanian Institute of Public Administration (LIPA):</b></p> <ul style="list-style-type: none"> <li>• LIPA development strategy for 2002-2005 prepared. During 2002, 17 internal project implanted following the strategy</li> <li>• Training programmes catalogued, including distance learning (19 programmes) top level managerial courses (8), and EU-curriculum modules (20); marketing strategy developed.</li> <li>• Improved IT system, IT classroom, other technical means required for quality course delivery</li> <li>• LIPA library accessible for trainers and students</li> <li>• Methodology and Procedures for training needs analysis, quality Assurance and course accreditation procedures developed;</li> <li>• Pilot courses reached to a large number of civil servants (85 training events, including circa 1200 participants, 107 trainers prepared)</li> <li>• EU-curriculum adaptable to the changing needs</li> <li>• Training programme for high level officials – OLIMPIC – became a flagship of LIPA’s portfolio of training programmes for the most important clients</li> <li>• Annual training plans for civil service in use making a basis of client determination in establishing training needs</li> </ul> <p><b>In connection to the National Aid Co-ordinator</b></p> <ul style="list-style-type: none"> <li>• The NAC’s secretariat capacity to programme, implement, monitor developed from scratch (the formal decision to move that NAC from the Ministry of Foreign Affairs to the Ministry of Finance was reached in 2001 Autumn)</li> <li>• Assistance to Programming including review of programming procedures and development of the programming manual;</li> <li>• Trainings needs analysis and development of training modules</li> </ul>

						<ul style="list-style-type: none"> <li>• Delivery of trainings to the Line ministries (in programming and monitoring)</li> <li>• Help-desk function</li> <li>• Review of monitoring process, improvement of monitoring reports and tools</li> <li>• Public campaign about community assistance</li> <li>• Training programme for the staff of the NAC</li> </ul> <p><b>In connection to the Seimas Administration in improved parliamentary procedures:</b></p> <ul style="list-style-type: none"> <li>• Seimas administrative structure analysed</li> <li>• Analysis of the standing committees with the priority focus in the European Affairs standing committee</li> <li>• Conference on the work of the Parliamentary Committees in the EU member states</li> <li>• Review of the administrative tasks of Seimas' competencies</li> <li>• (as of ex-post little of the advice from the twinning were used. Currently, the Seimas administration has been experiencing a major controversy of non-transparent incentive systems used by the administration causing resignation of among others the Head of Seimas administration, head of Legal Division, Director of Official Journal Publishing office)</li> </ul>
PUB	LI9916.01	Panemunė Border Crossing Point	2.00	2,000,000.00	2,000,000.00	<ul style="list-style-type: none"> <li>• A border post is fully functional. The project was evaluated 'unsatisfactory' because of re-allocation of border post from its initial locations. Though more expensive, the construction of the Panemune Border Post was completed using additional circa M€ 4.3 from the National Budget.</li> </ul>
	LI-991301	Lithuanian Property Development Fund	5.0	4,994,850.00	4,856,969.97	<ul style="list-style-type: none"> <li>• A revolving 10 year duration capital risk management fund of M€ 5;</li> <li>• Two large projects in Klaipeda Free Economic Zone received a significant boost to due to financial instrument available via the LPDF.</li> </ul>

Source for financial data: National Fund Department, MoF. Source for results: project final reports.

### Annex 6. List of Documents

Originator	Date	Title of Document
<i>OVERALL DOCUMENTS</i>		
EC	2003	Comprehensive Monitoring Report on Lithuania's preparation for Membership
EC	2002	2002 Regular Report on Lithuania's Progress towards Accession
EC	2001	2001 Regular Report on Lithuania's Progress towards Accession
EC	2000	2000 Regular Report on Lithuania's Progress towards Accession
EC and MoFA	17/12/1999	Lithuania National Programme 1999, Financing Memorandum, LI9906-LI9912
EC and MoFA	23/12/1999	Lithuania Special Action in Favour of the Baltic Sea Region Programme in 1999, Financing Memorandum, LI9916
EC and MoFA	23/12/1999	Lithuania Phare Pre-Ins Facility 1999, Financing Memorandum LI 9913
EC and MoFA	14/12/2000	Lithuania Phare National Programme 2000, Financing Memorandum, LT0002-LT0009
EC and MoFA	14/12/2000	Lithuania Phare National Programme 2000, Financing Memorandum, LT0002-LT0009
EC and MoF	30/10/2001	National Programme for Lithuanian 2001, part 1, Financing Memorandum, LT01.01.01 to LT01.09.03
EC and MoF	14/12/2001	National Programme for Lithuanian 2001, part 2, Financing Memorandum, LT01.010.01 to LT01.15.01
<i>INTERIM EVALUATION REPORTS</i>		
Public Policy and Management Institute	25/02/2004	Interim Evaluation Reports (electronic versions) LT/IER/AGR/25/02/2004
	29/03/2004	LT/IER/ENV/29/03/2004
	11/04/2004	LT/IER/ESC/11/04/2004
	01/05/2004	LT/IER/JHA/01/05/2004
	12/05/2004	LT/IER/SOC/12/05/2004
	14/01/2005	LT/IER/CUS/14/01/2005
	24/01/2005	LT/IER/FIN/24/01/2005
	24/01/2005	LT/IER/INT/24/01/2005
	04/02/2005	LT/NS-ENE-TRA/04/02/2005
	11/04/2005	LT/IER/PSF/11/04/2005
	11/04/2005	LT/IER/ENV/11/04/2005
	21/01/2005	LT Country Summary
	EMS	15/05/2002
15/01/2003		R/LT/ENV/02085 Environment
11/06/2003		R/LT/TRA/03026 Transport
06/01/2003		R/LT/JHA/02086 Justice and Home Affairs
20/01/2003		R/LT/PAD/02087 Public Administration
25/07/2002		R/LT/PAD/02083 Public Administration
25/08/2002		R/LT/REG/02082 Regional Development
01/09/2003		R/LT/ESC/03114 Structural Funds Preparation

	01/10/2003 24/07/2003 19/03/2003 18/11/2003	R/LT/ESC/03115 Economic and Social Cohesion, and CBC R/LT/SOC/02084 Employment, Labour and Social Affairs, Health R/LT/INT/02088 Internal Market and Statistics R/LT/CPER/03109 Country Phare Evaluation Review Lithuania
<i>Agriculture</i>		
TA contractor MoA	28/09/2002	LI9909.01 Ensure Phytosanitary and Veterinary Border Control Measures <ul style="list-style-type: none"> <li>• Project Fiche (electronic version)</li> <li>• Final Report (paper version)</li> </ul>
Twinning Partners MoA	11/06/2001 01/08/2003	Twinning Reference LI 2000/IB-AG-01 Strengthening the Capacity of the Ministry of Agriculture and Related Institutions to Manage and Administer the EU Acquis for Agriculture (CAP) and Rural Development <ul style="list-style-type: none"> <li>• Project Fiche (electronic version)</li> <li>• Twinning Covenant (electronic version)</li> <li>• Final Report (electronic version)</li> </ul>
Twinning Partners MoA	09/10/2001 08/01/2003	Twinning Reference LT 2000IB/AG-02 – Phase III Completion and modernization of Veterinary and Phytosanitary border Inspection Posts <ul style="list-style-type: none"> <li>• Project Fiche (electronic version)</li> <li>• Twinning Covenant (paper version)</li> <li>• Final Report (paper version)</li> </ul>
<i>Social Affairs and Employment</i>		
TA Contractor, Statistics Lithuania	09/11/2001 10/10/2002	LI9911.02.02 support of the Development of the Integrated Information Technology System for SoDra (the State Social Insurance Fund Board ) Phase 2 <ul style="list-style-type: none"> <li>• Project Fiche (electronic version)</li> <li>• Inception Report (electronic version)</li> <li>• Final Report (electronic version)</li> </ul>
	15/12/2003 07/10/2004	LI01.01.01 Support to the Development of the Integrated Information Technology System for SoDra Phase 3 <ul style="list-style-type: none"> <li>• Project Fiche (electronic version)</li> <li>• Inception Report (electronic version)</li> <li>• Final Report (electronic version)</li> </ul>
<i>Economic and Social Cohesion, CBC, Preparations for Structural Funds</i>		
Ministry of Interior Regional Counties Administration		LT-00.09-01 National-Regional Development in Klaipeda-Taurage Target Region LT-00.09-02 National-Regional Development Utena target Region <ul style="list-style-type: none"> <li>• Project Fiche (electronic version)</li> <li>• Summed findings on Project results for Human Resource Development Fund and Business Resource Development Fund (In Lithuanian) paper version</li> <li>• Excel table of all results per three pilot regions (in Lithuanian) electronic version</li> <li>• Summed up information on main problems in connection to grant administration (in Lithuanian) electronic version</li> <li>• Phare 2000 lessons learned electronic version</li> </ul>
Twinning Partner		Twinning Reference No LT2001/IB/OT/01 Innovation Capacity Project Fiche (electronic version)

Lithuanian Innovations Centre	22/08/2002 23/04/2004	<ul style="list-style-type: none"> <li>• Twinning Covenant (electronic version)</li> <li>• Final report (electronic version)</li> </ul>
Ministry of Foreign Affairs Secretariat to CBC and SPF National Regional Development Agency	05/12/2003	LT-0014 Small Project Fund <ul style="list-style-type: none"> <li>• Project Fiche (electronic version)</li> <li>• Final Report (electronic version)</li> </ul>
<i>Statistics and Internal Market</i>		
TA contractor, MoCT, CRA	29/05/2002 25/05/2004	LI0003.03.01 Support of the Establishment of the Communications Regulatory Authority in the Republic of Lithuania with Associated Investment for the Modernisation of its Technical and Radio Monitoring Basis, Lithuania. <ul style="list-style-type: none"> <li>• Project Fiche (electronic version)</li> <li>• Inception Report (paper version)</li> <li>• Final Report (paper version)</li> </ul>
Twinning Partner Competition Council	01/12/2000	LI-99-IB-FI-Strengthening Enforcement of Competition Policy <ul style="list-style-type: none"> <li>• Project Fiche (electronic version)</li> <li>• Final Report (paper version)</li> </ul>
TA contractor Statistics Lithuania	10/09/2001 25/06/2003	LI 003.04.01 Further Harmonisation of Statistical Data and Methods with Eurostat Requirements, Lithuania <ul style="list-style-type: none"> <li>• Project Fiche (electronic version)</li> <li>• Inception Report (electronic version)</li> <li>• Final Report (electronic version)</li> </ul>
<i>Justice and Home Affairs, Customs</i>		
TA Contractor Special Investigation Service	01/01/2002 01/12/2002	LI9913.02 Review and Implementation of the National Anti-Corruption Programme, the Preparation and Implementation of Sector Anti-Corruption Strategies and Action Plans <ul style="list-style-type: none"> <li>• Inception Report (electronic version)</li> <li>• Final Report (paper version)</li> </ul>
State Border Guard Service	14/08/2002	LI0013 Three Infrastructure Components at Eastern Borders Design and Technical Assistance <ul style="list-style-type: none"> <li>• Project Fiche (electronic version)</li> <li>• Monitoring Report (electronic version)</li> </ul>
Customs Lithuania	08/02/2006	LI9916.01 Panemune Border Crossing Point <ul style="list-style-type: none"> <li>• Project Fiche (electronic version)</li> <li>• Written Explanation (electronic version)</li> </ul>
<i>Transport, Environment, Energy</i>		
Twinning Partners MoTC CAA LG	30/30/2001 27/02/2002	LT200/IB/TR/01 Further alignment with the Transport Acquis and to Strengthen the Administrative Capacity in Order to Manage the Implementation of Transport Policy <ul style="list-style-type: none"> <li>• Project Fiche (electronic version)</li> <li>• Twinning Covenant (paper version)</li> <li>• Final Report (paper version)</li> </ul>
Twinning partner MoE	18/07/2000 15/12/2001 01/07/2002	LI99/IB/-EC-01 Policy and Regulatory Support to the Ministry of Economy (Energy acquis) <ul style="list-style-type: none"> <li>• Twinning covenant (paper version)</li> <li>• Amendment to Twinning covenant (paper version)</li> <li>• Final Report (paper version)</li> </ul>
MoEnv IE Reports		LT 01.06.01 Strengthening of Institutional Capacity to Implement EU Requirements on Chemicals and GMO Management, IPPC, and Climate Change

	01/06/2002 11/04/2005 04/05/2004	<ul style="list-style-type: none"> <li>• Project Fiche (electronic)</li> <li>• Monitoring Report (electronic version)</li> <li>• IE Report (electronic version)</li> <li>• IE Report (electronic version)</li> </ul>
<i>Public Administration and Finance</i>		
Property Development Fund		LI-991301Lithuanian Property Development Fund <ul style="list-style-type: none"> <li>• Project Fiche (electronic version)</li> <li>• <a href="http://www.lipf.lt/">http://www.lipf.lt/</a></li> </ul>
Twinning Partner MoF LIPA	01/10/2000 11/09/2002	LI 99/IB-OT-01 Twinning and training Package for Civil Service Training <ul style="list-style-type: none"> <li>• Twinning Covenant (paper version)</li> <li>• Final Report (paper version)</li> </ul>

### Annex 7. List of Interviews

INSTITUTION	INTERVIEWEE	DATE
Department of Customs, International Relations Division Deputy Head	Ms Svaja Razmiene <a href="mailto:svaja.razmiene@cust.lt">svaja.razmiene@cust.lt</a>	23/01/2006
Department of Customs, Infrastructures Division	Mr. Evaldas Belickas <a href="mailto:evaldas.belickas@cust.lt">evaldas.belickas@cust.lt</a>	23/01/2006
Internal Audit Service, Head	Mr Antanas Gedgaudas <a href="mailto:antanas.gedgaudas@cust.lt">antanas.gedgaudas@cust.lt</a>	23/01/2006
Ministry of Interior, Regional Development Department Deputy Head	Ms Irena Simeniene <a href="mailto:Irena.Simeniene@vrm.lt">Irena.Simeniene@vrm.lt</a>	07/02/2006
Establishment of the Communications Regulatory Authority	Mr. Arunas Luksas <a href="mailto:aluksas@rrt.lt">aluksas@rrt.lt</a>	13/02/2006
Department of Statistic	Ms. Vilija Lapeniene <a href="mailto:vilija.lapeniene@stat.gov.lt">vilija.lapeniene@stat.gov.lt</a>	13/02/2006
Department of Statistic	Ms. Audrone Miskiniene <a href="mailto:audrone.miskiniene@stat.gov.lt">audrone.miskiniene@stat.gov.lt</a>	13/02/2006
Ministry of Finance ES Funds Management Department	Mr. Raimundas Arauskas <a href="mailto:r.arauskas@finmin.lt">r.arauskas@finmin.lt</a>	13/02/2006
Ministry of Agriculture Head International Relations Division	Ms. Loreta Petrasiunaite <a href="mailto:loreta@zum.lt">loreta@zum.lt</a>	14/02/2006
Lithuanian Institute of Agrarian Economics	Mr. Arvydas Kuodys <a href="mailto:arvydas@laei.lt">arvydas@laei.lt</a>	14/02/2006
Lithuanian Institute of Agrarian Economics	Ms. Rima Daunyte <a href="mailto:rima@laei.lt">rima@laei.lt</a>	14/02/2006
National Land Service at the Ministry of Agriculture	Ms. Ausra Kalantaite <a href="mailto:ausrak@zum.lt">ausrak@zum.lt</a>	14/02/2006
State Plant Protection Service Head	Mr. Edmundas Markevicius <a href="mailto:vaat@vaat.lt">vaat@vaat.lt</a>	14/02/2006
State Food and Veterinary Service International Relations and Law Division	Ms. Jurgita Rimkiene <a href="mailto:jrimkiene@vet.lt">jrimkiene@vet.lt</a>	14/02/2006
Lithuanian Agricultural and Food Market Regulation Agency Deputy Director	Mr. Germanas Lamsodis <a href="mailto:g.lamsodis@litfood.lt">g.lamsodis@litfood.lt</a>	14/02/2006
Lithuanian Agricultural and Food Market Regulation Agency Deputy Director	Mr. Remigijus Samulevicius <a href="mailto:r.samulevicius@litfood.lt">r.samulevicius@litfood.lt</a>	14/02/2006

National Paying Agency under the Ministry of Agriculture	Mr. Juozas Bruzgulis <a href="mailto:juozasb@nma.lt">juozasb@nma.lt</a>	14/02/2006
Taurage Apskritis Governor's Office Regional Development Division	Ms. Dalita Marintaitiene <a href="mailto:dalita@taurage.aps.lt">dalita@taurage.aps.lt</a>	15/02/2006
Taurage Apskritis Governor's Office Regional Development Division	Ms. Nijole Slefendoraitė <a href="mailto:nijoles@taurage.aps.lt">nijoles@taurage.aps.lt</a>	15/02/2006
Taurage Apskritis Governor's Office Regional Development Division	Mr. Simas Einikis <a href="mailto:simas@taurage.aps.lt">simas@taurage.aps.lt</a>	15/02/2006
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State Social Insurance Fund Board Planning and Development Division Head	Ms. Violeta Sivileviciene <a href="mailto:siv@sodra.lt">siv@sodra.lt</a>	22/02/2006

### Annex 8. Written Response

INSTITUTION	RESPONDENTS	DATE
Utena, Klaipeda and Taurage Target Regions Business Development Fund and Human Resource Development Fund	Grant Recipients 16 filled questionnaires received	February 2006
Customs Department	Written explanation over LI9916.01 Panemune Border Point project (questions according to evaluation issues)	07/02/2006

A copy of the questionnaire was forwarded to subsidy recipients of Utena, Klaipeda and Taurage target regions, by each region's Governor's Office Regional Development Division staff. Out of overall 172 Phare ESC 2000 grant recipients in Utena, Klaipeda and Taurage regions, there were only 16 filled questionnaires received.

The best response level was from the smallest target region, Taurage. The evaluators appreciated the Taurage Region representative's interest and active involvement and in *ex post* evaluation.

The Form of the Questionnaire to Grant Level Stakeholders is given below.

#### Questions Grant Level Stakeholders (ESC)

The questionnaire should be anonymous asking the respondents to indicate measure (i.e. business development) and locality of their operations

##### 1. Impact

- What did you planned to be achieve with your project?

*Please indicate in specific longer term impacts of such as job creation/better environment / other as applies to your project:*

- What impact has your project had?

*Please indicate in specific:*

- How would you describe this impact?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lower than anticipated	As expected	High impact

- What factors did influenced your level of impact?

*Please indicate in specific:*

##### 2. Lessons learned, recommendations

- If you are applying to Structural Funds assistance, was former Phare ESC experience useful? Please indicate pros and cons
- Other recommendations