

Final Evaluation Report

COWI

**Retrospective Evaluation of
the CARDS Programmes**

Country: Kosovo

**Sectors:
Justice, Energy, Economic
development and Rural de-
velopment**

Date: July 2009



The views expressed are those of COWI A/S and do not necessarily reflect those of the European Commission.

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EUROPEAN COMMISSION, Enlargement Directorate-General

Directorate E - Resources – Unit E4 Evaluation

E-mail: elarg-evaluation-ecotec@ec.europa.eu

Sector Sheet

Projects selected for evaluation by individual cluster
<i>Good Governance and Institution Building</i>
<ul style="list-style-type: none">▪ Justice (Further Support to the Justice Institutions in Kosovo, Support to the Kosovo Juvenile System, Further Support to the Ministry of Internal Affairs, Strengthening Capacity To Combat Money Laundering & Corruption, Support to Justice, Modernisation of Courts, Support to the Establishment of the Kosovo Special Prosecutors Office, Legal Aid Project, Establishment of Legal Aid System, Creation of Case Management System in the District Court of Kosovo)
<i>Economic and Social Development</i>
<ul style="list-style-type: none">▪ Energy (Further Training to Improve Technical & Management Skills in KEK, Further Turn Around Management in KEK, TA for the Establishment of a Transmission System and Market Operator, Assignment of Engineer for Major Overhaul of Overburden System, Further Institutional Support to the Energy Regulatory Office in Kosovo, Further Institutional Support to the Ministry of Energy and Mining, Studies to Support Development of New Generator Capacities & Related Transmission, Institutional Building Support to the Energy Regulatory Office, Support to KEK's Establishment of Organization & Skills Development Programme, Management and Technical Assistance to KEK)▪ Economic Development (Investment Promotion, Development of Measuring, Standardisation, Testing & Quality, Further Support to the KTA in Privatization, Further Support to the Statistical Office of Kosovo, Development and Elaboration of a Private Sector Development Strategy for Kosovo, TA to Kosovo Development Plan, Development, Contribution to EBRD Programme to Assist the Pre & Post Privatisation Restructuring, Institutional Support to the Ministry of Trade & Industry, Support of KTA in the Privatisation of SOEs, Support for Enterprise Development in Minority Regions)▪ Rural Development (Institutional Support to Ministry of Agriculture, Local Development Strategies, Sustainable Forest Management, Marketing Support Project, Agricultural Land Utilisation Project, Agriculture Master Plan Kosovo)

Justice: Assistance included actions aimed at building the capacity of institutions in Kosovo, supporting creation of the Ministry of Justice, Kosovo Judicial Council, Kosovo Special Prosecutor's Office and the Kosovo Judicial Institute. The projects focused on increasing the efficiency and capacity of court administration, implementing computerised case management system, support to training of magistrates and prosecutors as well as development of training courses.

Energy: Assistance to this sector centred in the first phase on rejuvenation of largest power plant and developing and refurbishing the infrastructure of transmission and distribution energy systems. Then the support shifted to restructuring of the energy sector, institution building by: assisting Ministry of Energy and Mining, establishment of Energy Regulatory Office, technical assistance to Kosovo Energy Corporation (KEK). Moreover EC assistance focused on development of new investments in order to secure the Kosovo's future energy needs.

Economic Development: Assistance in this cluster comprised key acquis areas such as: support the Ministry of Trade and Industry in creating good investment climate and private sector development, support in elaborating the development strategies, support in development of small and medium enterprises (SMEs), assistance in privatisation and Kosovo Trust Agency (KTA) as well

as in restructuring of the socially-owned enterprises (SOEs) and assistance to the economic development in the minority regions.

Rural Development: Assistance to this sector centred on support to the Ministry of Agriculture, Forestry and Rural Development in developing the strategy for the sector with the emphasis on structural changes to create employment and increase incomes in the rural areas. Support also covered technical assistance for farmers and agri-producers, forest management and land utilisation.

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Preface

This evaluation covers CARDS assistance from 2001-2006 national programmes to Kosovo under UNSCR 1244/99 (hereafter Kosovo). The total CARDS allocation to Kosovo in the period was M€ 583.8, and by September 2008 all (100%)¹ had been contracted.

This report was prepared by COWI A/S during the period from January 2008 to June 2009 and reflects the situation as of 31 March 2009, the cut of date for the report. The preparation of the report was preceded by an inception phase which took place in November and December 2008. The factual basis is the monitoring reports², project documentation and other evaluations. Other findings are based on analysis of Financing Agreements, formal programme documentation, strategic and planning documentation and other relevant, published materials. The interviews with the main parties involved in the programming and implementation of this assistance took place in the period from January to April 2009.

The report examines the progress of the programme towards the objectives stated in the formal programming documents, i.e. Financing Memorandum, Project Fiches, etc. It is intended to provide strategic and operation management information for the Commission Services, the Monitoring Meeting and the beneficiaries. It draws conclusions and puts forward recommendations and provides a judgement on sectoral and sub-sectoral (cluster) performance. Comments on the draft report were requested from the following parties:

Parties invited	Comments received
European Commission, DG Enlargement, Evaluation Unit (E-4)	Yes
European Commission, DG Enlargement, Kosovo Issues Team	Yes
The European Commission Liaison Office in Kosovo	Yes
The Agency for Coordination of Development and European Integration (ACDEI)	Yes
Ministry of Mining and Energy	No
Ministry of Justice	No
Ministry of Economy and Finance	No
Ministry of Agriculture	No

¹ EAR webpage, <http://ec.europa.eu/enlargement/archives/ear/kosovo/kosovo.htm>.

² For those projects where these are available.

List of Acronyms

AEI	Agency for European Integration
AMPK	Agriculture Master Plan for Kosovo
ARDP	Agricultural and Rural Development Plan
BAS	Business Advisory Services
CARDS	Community Assistance to the Countries of South-Eastern Europe
CJ	High Council of Justice
CoE	Council of Europe
CMIS	Court Management Information System
CSP	Country Strategy Paper
DCC	Donor Coordination Centre
DFID	Department for International Development
DG-ELARG	Enlargement Directorate-General
EAR	European Agency for Reconstruction
EBRD	European Bank for Reconstruction and Development
EC	European Commission
ECD	European Commission Delegation
ECLO	European Commission Liaison Office in Kosovo
ECSEE	Energy Community of Southeast Europe
EI	European Integration
EIB	European Investment Bank
EP	European Partnership
ERO	Energy Regulatory Office
ESTAP	Energy Sector Technical Assistance Project for Kosovo
EU	European Union
EULEX	European Union Rule of Law Mission in Kosovo
FDI	Foreign Direct Investment
FRY	Former Republic of Yugoslavia
FWC	Framework Contract
GDP	Gross Domestic Product
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit

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HR	Human Resource
HRD	Human Resource Development
HRM	Human Resource Management
IFIs	International Financial Institutions
IMF	International Monetary Fund
IPA	Instrument for Pre-accession Assistance
IPAK	Investment Promotion Agency of Kosovo
IPP	Independent suppliers
ISMAFRD	Institutional Support to the Ministry of Agriculture, Forestry and Rural Development
KfW	Kreditanstalt für Wiederaufbau
KJC	Kosovo Judicial Council
KEK	Kosovo Power Corporation
KOSTT	Kosovo Transmission System and Market Operating Company
KSIP	Kosovo Standards Implementation Plan
KSPO	Kosovo Special Prosecutor's Office
KTA	Kosovo Trust Agency
LAG	Local Action Group
MAFRD	Ministry of Agriculture, Forestry and Rural Development
MDG	Millennium Development Goals
MEI	Ministry for European Integration
MIP	Multi-Annual Indicative Programme
MIS	Market Information System
MoA	Ministry of Agriculture
MoEM	Ministry of Energy and Mining
MoJ	Ministry of Justice
MTBP	Medium Term Budget Program
MTEF	Medium Term Expenditure Framework
NES	National Environmental Strategy
NGO	Non-Governmental Organization
OSCE	Organization for Security and Co-operation in Europe
OVI	Objectively Verifiable Indicators
PISG	Provisional Institutions of Self-Government
PPP	Public-Private Partnership
ROM	Result Oriented Monitoring
SAA	Stabilization and Association Agreement
SAP	Stabilisation and Association Process
SASS	Strengthening Advisory and Support Services
SDC	Swiss Development Cooperation
Sida	Swedish International Development Cooperation Agency

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SIGMA	Support for Improvement in Governance and Management
SOE	Socially Owned Enterprises
SOK	Statistical Offices in Kosovo
STM	Stabilisation and Association Process Tracking Mechanism
TA	Technical Assistance
TAM	Turn Around Management
ToR	Terms of Reference
TSMO	Transmission System and Market Operator
UNMIK	United Nations Mission In Kosovo
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UNSCR	United Nations Security Council Resolution
USAID	United States Agency for International Development
WB	World Bank

Executive Summary

Scope and Objectives

The purpose of this ad hoc evaluation of CARDS in Kosovo under UNSCR 1244/99 (hereafter Kosovo) is to provide accountability for past assistance and lessons learned for decision making on improvement of pre-accession aid under IPA. This report encompasses four sectors: Justice, Energy, Economic Development, and Rural Development. The evaluation is based on a sample of 35 projects which have been subject to interviews and desk research. The evaluation covers CARDS 2001-2006, and the sample is drawn from all six years on a representative basis. The evaluation took place in the period January-April 2009.

The evaluation covers the period 2001-2006 during which Kosovo was under the interim administration of UNMIK. The responsibilities have gradually during the period been transferred to the Kosovo authorities from UNMIK, pending the final status. EU funded projects have therefore often been implemented in an unclear political-administrative environments where most of the institutions relevant to the CARDS assistance did not exist or were ready to absorb the assistance (para 8 – 11).

Evaluation Questions and Conclusions

Evaluation Question	Conclusions
1. Was CARDS well focused on the objectives of the Stabilisation and Association Process (SAP) and the pre-accession strategies?	CARDS was focused on the objectives of the relevant planning and strategic documents, but the documents were not adequately detailed and developed.
2. What were the results and impacts and are these results and impacts sustainable?	There are results and short-term impacts in most projects in spite of a difficult implementation environment. However, many of these results and impacts will only be sustainable if supported by sufficient staff and resources.
3. Have the results and impacts been achieved in an efficient manner?	Overall the results and impacts have been achieved in a relatively efficient manner, but the lack of experienced institutions has delayed delivery.
4. To what extent has CARDS supported the cross-cutting issues: 1) gender equality and inclusion of minorities, 2) promotion of sustainable development including protection of the environment and 3) strengthened the effectiveness/efficiency of donor coordination?	Cross-cutting themes have mainly been addressed in the latter part of the period. Donor coordination has not been consistently carried out across the sectors, thus resulting in lower overall aid effectiveness.

Key Evaluation Findings

CARDS assistance has reflected the needs in the sectors but needs have not been fully identified and assessed:

- Projects are in compliance with EU strategic documents, but project design has been made without in-depth institutional assessment and functional reviews, and projects were therefore too ambitious (para. 17, 18, 62, 63, 99)
- There were no real national strategies and few sector strategies at the beginning of the programming period, and local stakeholders were not consistently involved in the design (para. 20, 64, 99, 100).
- Projects had too many components and activities, forcing the contractors to concentrate on delivery of outputs instead of capacity building. Projects were designed with

too short implementation periods (in general around 18 months) (para. 20, 45, 63, 101).

Project efficiency has in general been good, but contractors and recipient have faced shortcomings:

- Contractors have in general been efficient and flexible in the implementation but often met institutions which did not have the human resource or technical capacity to receive the assistance (para. 46, 68, 86, 103).
- Some projects suffered institutional changes or lacking legislation, delaying implementation as they had to await establishment or transfer of competences to the new institution from UNMIK. Transfer from EAR to ECLO has caused delays in some projects (para. 24, 67, 104).
- The situation in Kosovo has been constantly changing in the evaluation period, and CARDS did not have had the flexibility to address this during the implementation (para. 105).

Projects have in general had the planned effects, but have been affected by recipients' limited capacity to implement the outcomes:

- Overall, projects have met their operational objectives and delivered the outputs required by the ToR. The project indicators were designed to focus on the delivery of specific outputs rather than on capacity building (para. 27, 51, 70, 107).
- The effects of the projects are at risk due to high staff turnover and the instability of new ministries and institutions. These factors are in many projects identified as key obstacles to achieving full effectiveness and thereby implementing projects results (para. 27, 70, 108).

Short-term impacts, especially at the institutional level, can be identified, but monitoring of longer term impacts has to be improved:

- Many project results will have impacts beyond the immediate institution and project environment. Knowledge of these impacts is often limited to the direct beneficiaries and in most cases not shared even within the same institution (para. 30, 73, 93, 110).
- Ministries and institutions are in the process of developing policies, strategies and EU integration functions however, the monitoring of the impacts and effect of policies donor projects is limited (para. 30, 54, 111).

Further improvement in institutional capacity and ownership is a prerequisite for sustainability:

- High staff turnover is a key impediment to sustainability of capacity building projects as is the budget uncertainty and lack of institutional stability (para. 113).
- In spite of limited ownership in the planning and programming phases, there is, at this point in time, identifiable ownership and recognition of the importance of the outcomes of the CARDS projects and an interest in sustaining these results (para. 114).
- In very few projects sustainability had been directly addressed as part of the reporting in spite of sustainability being a key issue (para. 32, 77, 116).

Performance rating

Cluster	Relevance	Efficiency	Effectiveness	Impact	Sustainability	Overall
Justice	MU	MU	MS	MS	MS	MS
Energy	S	S	S	S	MS	S
Economic Develop.	MS	MS	S	S	MS	MS
Rural Develop.	S	MS	S	MS	MS	MS
Total	MS	MS	S	MS	MS	MS

HS:Highly Satisfactory; S:Satisfactory; MS:Moderately Satisfactory; MU:Moderately Unsatisfactory; U:Unsatisfactory; HU: Highly Unsatisfactory

Recommendations

1) Strengthening the sectoral and overall policy functions is needed as these are new and in many cases still developing. Capacity for policy development and budget planning should be supported in all line ministries, including setting up HR units in line ministries ensuring capacity development.

2) Project design should be based on **solid institutional and needs assessment** and increased **conditionality**. Realistic assessment and prioritisation of the needs of the institution addressing the absorption capacity of the current levels of staff and the available budget is needed. Support should be conditioned on provision of staff numbers and budget.

3) Donor coordination should be supported and links to budget and MTEF should be ensured. Government should strengthen donor coordination with more staff and ensure that ministries take care of sectoral coordination. ECLO should take the lead in coordination on donor side of key EU integration sectors. Link between donor support and the budget should be ensured in MTEF 2010-2012 and donor support should be identifiable off-budget in the MTEF and the budget.

4) Development of sectoral strategies in key sectors will help identify needs and secure relevance of projects assisting both the programming and the project development phase in assessing development needs and priorities, as well as provide support to policy coordination between sectors and a framework for targeting and coordinating donor assistance.

5) Careful planning and sequencing of IPA assistance will be important in order to ensure **sustainability and ownership**. Sequencing and planning will be necessary to ensure that institutions have the basic set-up in place for core functions before implementation of the Acquis. Functional reviews currently undertaken by DFID, should be done in all ministries.

6) Increase dissemination of already tried and tested **successes** across sectors. Replicate successful capacity building concepts throughout the administration focusing on top ministry level and training of civil servants at management level.

7) & 11) Project duration and focus should be **increased to secure sustainability**. Reduce the components or prolong the time of the projects for more sustainable results. Significant institution building projects should not be less than three years e.g. with a decreasing presence of (international) experts. Ongoing CARDS projects should focus on ensuring sustainable results.

8) Focus more on sustainability in project design and implementation. IPA projects should focus more on sustainability of results and not only on delivery of outputs. There is a need to explicitly address sustainability in terms of staff, financial resources and institutional stability in projects and reporting.

9) Increase monitoring of projects for timely follow-up and implementation adjustment to support to involved stakeholders in projects which are not performing. Monitoring helps the stakeholders to follow-up on recommendations, implement changes and keep a record on the implementation. Monitoring of all projects is essential.

10) Cross-cutting issues need to be made operational with clear instruction on requirements to project partners. A clear strategy and operational guidelines to be developed and clear instructions and specific requirements should be given in the ToR on what is expected of the project stakeholders in terms of the cross cutting issue. More should be done at policy level given lack of awareness of gender and minorities in the administration.

Përmbledhja Analitike

Fushëveprimi dhe Objektivat

Qëllimi i këtij ad hoc (aty për aty) vlerësimi të CARDS-it në Kosovë në kuadër të UNSCR 1244/99 (këtej e tutje Kosova) është dhënia e përgjegjësisë për ndihmën e kaluar dhe mësimet e mësuara për vendim marrje në përmirësimin e ndihmës për parainkuadrim në IPA. Ky raport përfshin katër sektore: Drejtësinë, Energjetikën, Zhvillimin Ekonomik dhe Zhvillimin Rural. Vlerësimi bazohet në shembullin e 35 projekteve të cilat i janë nënshtruar intervistimit dhe kërkimit të informatave në internet. Vlerësimi përfshin CARDS-in 2001-2006, dhe shembulli është marrë nga të gjashtë vitet përfaqësuese. Vlerësimi u bë në periudhën janar – prill 2009.

Vlerësimi mbulon periudhën 2001-2006 kur Kosova ishte nën administrimin e UNMIK-ut. Gjatë periudhës përgjegjësitë i janë bartur autoriteteve të Kosovës nga UNMIK-u, me status final të pazgjidhur. Prandaj, projektet e financuara nga BE shpesh janë implementuar në mjedis të paqartë politiko-administrativ, ku shumica e institucioneve të rëndësishme për ndihmën CARDS nuk ekzistojnë ose ato ishin të gatshme ta pranonin ndihmën (parag 8 – 11).

Pyetjet dhe Konkluzionet e Vlerësimit

Pyetja e Vlerësimit	Konkluzionet
1. A ishte CARDS i përqendruar mirë në objektivat e Procesit të Stabilizim Asocimit (PSA) dhe strategjitë e parainkuadrimin?	CARDS-i u përqendrua në objektivat e planifikimit përkatës dhe dokumenteve strategjike, por dokumentet nuk kanë qenë si duhet të përpiluara dhe të detajizuara.
2. Cilat ishin rezultatet dhe ndikimet dhe a janë këto rezultate dhe ndikime të qëndrueshme?	Përkundër mjedisit të vështirë për implementim, shumë projekte kanë rezultate dhe ndikime afatshkurtëra. Mirëpo, shumë nga këto rezultate dhe ndikime do të jenë të qëndrueshme vetëm nëse mbështeten nga stafi dhe mjetet e mjaftueshme.
3. A janë arritur rezultatet dhe ndikimet në mënyrë efikase?	Rezultatet dhe ndikimet e përgjithshme janë arritur në mënyrë relativisht mjaft efikase, por mungesa e institucioneve me përvojë e kanë vonuar arritjen e tyre.
4. Në ç'masë i ka mbështetur CARDS-i çështjet e tërthorta: 1) barazinë gjinore dhe përfshirjen e pakicave, 2) nxitjen e zhvillimit të qëndrueshëm përfshirë mbrojtjen e mjedisit dhe 3) përforcimin e efektshmërisë/efikasitetit të koordinimit të donatorëve?	Temat e tërthorta kryesisht janë trajtuar në pjesën e fundit të periudhës. Koordinimi i donatorëve nuk është zhvilluar në mënyrë të qëndrueshme nëpër sektorë, duke rezultuar kështu në efektshmëri më të ulët të ndihmës së përgjithshme.

Gjetjet Kyçe të Vlerësimit

Ndihma CARDS ka pasqyruar nevojat në sektore, por nevojat nuk janë identifikuar dhe vlerësuar plotësisht:

- Projektet janë në përputhje me dokumentet strategjike të BE, por disenjimi i projekteve është bërë pa vlerësim të hollësishëm institucional dhe rishikime funksionale dhe për këtë arsye projektet ishin shumë ambicioze (parag. 17,18, 62, 63, 99)
- Në fillim të periudhës programuese, nuk ka pasur strategji reale kombëtare dhe shumë pak strategji të sektoreve dhe palët me interes nuk ishin vazhdimisht të kyçur në disenjim (parag. 20, 64, 99, 100).
- Projektet kishin komponente dhe aktivitete të tepërta, duke i detyruar kontraktuesit të përqendroheshin në arritjen e rezultateve në vend të ngritjes së kapaciteteve. Projektet

ishin disenjuar me periudha shumë të shkurtëra implementuese (në përgjithësi rreth 18 muaj) (parag. 20, 45, 63, 101).

Efikasiteti i Projektit në përgjithësi ishte i mirë, por kontraktuesit dhe pranuesit janë përballur me mangësi:

- Kontraktuesit kanë qenë në përgjithësi efikas dhe fleksibil në implementim, por shpesh ka hasur në institucione të cialt nuk kanë pasur resurse njerëzore ose kapacitet teknik për të marrë ndihmën (parag. 46, 68, 86, 103).
- Disa projekte janë përballur me ndryshime institucionale ose iu ka munguar legjislativioni, duke e vonuar implementimin, sepse ata duhej të pritnin caktimin ose bartjen e kompetencave nga UNMIK-u tek institucioni i ri. Bartja nga AER-i tek ECLO ka shkaktuar vonesa në disa projekte (parag. 24, 67, 104).
- Situata në Kosovë ka ndryshuar vazhdimisht në periudhën e vlerësimit dhe gjatë implementimit CARDS-i nuk ka pasur fleksibilitet të merret me këtë (parag. 105).

Në përgjithësi projektet kanë pasur efekte të planifikuara, por ato janë ndikuar nga kapaciteti i kufizuar i pranuesve për implementim të rezultateve:

- Përgjithësisht, projektet i kanë përmbushur objektivat e tyre punuese dhe kanë dhënë rezultate të kërkuara me ToR (PP). Janë krijuar treguesit e projektit për t'u përqendruar më tepër në dhënien e rezultateve të veçanta se sa në ngritjen e kapacitetit. (para. 27, 51, 70, 107).
- Ndikimet e projekteve janë të rrezikuara, për shkak të lëvizjes së stafit të lartë dhe jostabilitetit të ministrive dhe institucioneve të reja. Këta faktorë janë identifikuar në shumë projekte si pengesa kyçe për arritjen e efektshmërisë së plotë dhe me këtë implementimin rezultateve të projektit. (parag. 27, 70, 108).

Mund të identifikohen ndikimet afatshkurtëra sidomos në nivel institucional, por duhet të përmirësohet monitorimi i ndikimeve afatgjata:

- shumë rezultate të projekteve do të ndikojnë përtej institucioneve të tanishme dhe mjedisit të projekteve. Shpesh njohuritë për këto ndikime janë të kufizuara për përfutuesit e drejtpërdrejtë dhe në të shumtën e rasteve nuk ndahen as edhe brenda institucionit të njëjtë (para. 30, 73, 93, 110).
- Ministrinë dhe institucionet janë në proces të zhvillimit të politikave, strategjive dhe funksioneve integruese, edhe pse monitorimi i ndikimeve dhe efektit të projekteve të politikave të donatorëve është i kufizuar (parag. 30, 54, 111).

Parakusht për qëndrueshmëri është përmirësimi i mëtutjeshëm në kapacitetin dhe pronësinë institucionale:

- Lëvizja e madhe e stafit është pengesa kyçe në qëndrueshmërinë e projekteve për ngritje të kapacitetit, siç është edhe pasiguria e buxhetit dhe mungesa e stabilitetit institucional (para. 113).
- Përkundër pronësisë së kufizuar në fazat e planifikimit dhe programimit, në këtë kohë ekziston pronësia e identifikueshme dhe njohja e rëndësisë së rezultateve të projekteve CARDS dhe interesimi në mbështetjen e këtyre rezultateve (parag. 114).
- Në shumë pak projekte qëndrueshmëria është trajtuar si pjesë e raportimit pavarësisht se qëndrueshmëria është çështje kyçe (parag. 32, 77, 116).

Poentimi i efektshmërisë

Grupi	Rëndësia	Efikasiteti	Efektshmëria	Ndikimi	Qëndrueshmëria	E përgjithshme
Drejtësi	MP	MP	MM	MM	MM	MM
Energjetikë	M	M	M	M	MM	M
Zhvillim Ekonomik	MM	MM	M	M	MM	MM
Zhvillim Rural	M	MM	M	MM	MM	MM
Gjithsej	MM	MM	M	MM	MM	MM

TM:Tepër i mjaftueshëm; M:Mjaftueshëm; MM:Mesatarisht i mjaftueshëm; MP:Mesatarisht i pamjaftueshëm; P:Pamjaftueshëm; TP: Tepër i pamjaftueshëm

Rekomandimet

1) Nevojitet përforcimi i funksioneve sektorale dhe të politikave të përgjithshme sepse ato janë të reja dhe në të shumtën e rasteve ende janë në zhvillim e sipër. Duhet mbështetur kapaciteti për zhvillim të politikave dhe planifikim të buxhetit në të gjitha ministritë e vendosura, përfshirë formimin e njëjësive HR në ministritë e vendosura që mundësojnë zhvillimin e kapacitetit.

2) Disenjimi i projektit duhet të bazohet në **vlerësim solid institucional dhe të nevojave dhe kushtëzim** të shtuar. Nevojitet vlerësim real dhe caktim i prioriteteve të nevojave të institucionit i cili merret me kapacitetin absorbues të nivelit aktual të stafit dhe buxhetit ekzistues. Mbështetja duhet të kushtëzohet me sigurim të numrit të stafit dhe buxhetit.

3) Duhet mbështetur koordinimi i donatorëve dhe duhet siguruar lidhjet me buxhetin dhe MTEF. Qeveria duhet të përforcoj koordinimin e donatorëve me më shumë staf dhe të siguroj që ministritë të përkujdesen me koordinim sektoral, ECLC duhet të merr udhëheqjen në anën e donatorëve të esktoresve kyç për integrim në BE. Duhet të sigurohet lidhja midis donatorëve dhe buxhetit në MTEF 2010-2012 dhe duhet të identifikohet jashtë buxhetit në MTEF dhe buxhet.

4) Zhvillimi i strategjive sektorale në sektoret kyçe do të ndihmoj në identifikimin e nevojave dhe sigurimin e rëndësisë së projekteve, duke ndihmuar si programimin, ashtu edhe fazën e zhvillimit të projektit në vlerësimin e nevojave për zhvillim dhe prioritete, si dhe të ofroj siguri për koordinim të politikave midis sektoreve dhe kornizën për caktimin e caqeve dhe koordinim të ndihmës së donatorëve.

5) Planifikimi i kujdesshëm dhe vazhdimi i ndihmës IPA do të jenë të rëndësishme me qëllim që të **sigurohet qëndrueshmëria dhe pronësia**. Do të nevojitet vazhdimi dhe planifikimi për të siguruar që institucionet të kenë krijuar si duhet funksionet kyçe para implementimit të Acquis (tërësia e ligjeve të BE). Shqyrtimet funksionale të cilat aktualisht po i bën DFID-ja duhet të bëhen në të gjitha ministritë.

6) Shtimi i përhapjes së sukseseve tashmë të provuara dhe të testuara në të gjitha sektoret. Përsëritja e koncepteve për ngritje të suksesshme të kapacitetit në tërë administratën e cila përqendrohet në nivel më të lartë ministror dhe trajnim të shërbyesve civil në nivel menaxherial.

7) & 11) Për të siguruar qëndrueshmëria duhet të shtohet **kohëzgjatja dhe fokusi** i projekteve. Të zvogëlohen komponentet ose zgjatja e kohës së projekteve për rezultate më të qëndrueshme. Projektet e rëndësishme të ngritjes institucionale nuk duhet të zgjasin më pak se tri vite, p.sh. me zvogëlimin e pranisë së ekspertëve (ndërkombëtar). Projektet CARDS në zhvillim e sipër duhet të përqendrohen në sigurimin e rezultateve të qëndrueshme.

8) Përqëndrim më i madh në qëndrueshmëri në disenjimin dhe implementimin e projektit. Projektet IPA duhet të përqendrohen më shumë në qëndrueshmërinë e rezultateve dhe jo vetëm në dhënien e kapacitetit. Ka nevojë për trajtim të caktuar të qëndrueshmërisë sa i përket stafit, mjeteve financiare dhe stabilitetit institucional në projekte dhe raportim.

9) Shtimi i monitorimit të projekteve për vazhdim me kohë dhe përshtatje të implementimit për të mbështetur palët e interesuara në projekte të cilat nuk funksionojnë. Monitorimi i ndihmon palët e interesuara për t'i çuar në fund rekomandimet, për t'i zbatuar ndryshimet dhe mbajtur evidencë të implementimit. Është qenësor monitorimi i të gjitha projekteve.

10) Çështjet e tërthorta duhet të **bëhen funksionale** me udhëzim të qartë për kërkesa të partnerëve të projektit. Duhet të përpilohet strategjia e qartë dhe udhëzuesit operativ dhe në ToR (PP) duhet të jipen udhëzime të qarta dhe kërkesat e veçanta për atë se çfarë pritet nga palët e interesuara të projektit lidhur me çështjet e tërthorta. Duhet të bëhet më shumë në nivel të politikave duke pasur parasysh mugesën e sensibilizimit në administratë për çështjet gjinore dhe të pakicave.

Izvršni Rezime

Svrha i Delokrug i ciljevi

Svrha ove ad hoc procene CARDS-a na Kosovu u okviru UNSCR 1244/99 (nadalje Kosovo) je pružanje odgovornosti za prethodnu pomoć i naučene lekcije za odlučivanje oko poboljšanja pomoći za pristupanje u okviru IPA-e. Ovaj izveštaj obuhvaća četiri sektora: Pravosuđe, Energetiku, Privredni Razvoj i Ruralni Razvoj. Procena se zasniva na primeru 35 projekata koji su bili podvrgnuti ispitivanju i istraživanju na internetu. Procena pokriva CARDS 2001-2006, i primer je izvađen sa svih šest reprezentativnih godina. Procena je izvedena u razdoblju Januar-April 2009.

Procena pokriva razdoblje 2001-2006 kada je Kosovo bilo pod privremenu administraciju UNMIK-a. Odgovornosti su postepeno prešli sa UNMIK-a vlastima Kosova, sa nerešenim finalnim statusom. S toga su financirani projekti EU su često bili izvedeni u nejasnoj političko-administrativnu sredinu, gde većina institucija važnih za pomoć CARDS-a ne postoje ili su bile spremne da private pomoć (para 8 – 11).

Pitanja Procene i Zaključci

Pitanja Procene	Zaključci
1. Da li je CARDS dobro usredsređen na ciljeve Procesu Stabilizacije i Asocijacije (PSA) i strategije pristupanja?	CARDS je bio usredsređen na ciljeve relevantnog planiranja i strateškim dokumentima, ali dokumenti nisu bili adekvatno sastavljeni i objašnjeni u detaljima.
2. Koji su rezultati i učinci id a li su ovi rezultati i učinci održivi?	Usprkos otežanoj sredini izvođenja, mnogo projekata daju kratkoročne rezultate i učinke. Međutim većina ovih rezultata i učinaka će biti održivi samo u slučaju ako imaju podršku dovoljnog osoblja i sredstava.
3. Da li su postignuti rezultati i učinci na efikasan način?	Opšti rezultati i učinci su postignuti na relativno efikasan način, ali kašnjenje je rezultat nedostatka iskusnih institucija.
4. U kojoj meri se CARDS podržao unakrsna pitanja: 1) pitanja ravnopravnosti spolova i uključenje manjina, 2) poticanje održivog razvoja uključujući zaštitu sredine i 3) ojačanje efektivnost-efikasnost koordinisanje donatora?	Unakrsne teme su uglavnom adresirana u poslednji deo razdoblja. Koordinacija donatora nije dosledno izvedena po sektorima, rezultirajući tako na manju efektivnost celokupne pomoći.

Glavni Nalazi Procene

Pomoć CARDS je odrazila potrebe u sektorima, ali potrebe nisu potpuno utvrđena i procenjena:

- Projekti su u skladu sa strateškim dokumentima EU, ali je dizajniranje projekta urađeno bez temeljite institucionalne procene i funkcionalnog razmatranja, s toga su projekti veoma ambiciozni (para. 17,18, 62, 63, 99)
- U početku perioda programiranja, nije bilo realne nacionalne strategije i veoma malo strategija sektora i domaće zainteresovane stranke nisu konstantno bile uključene u projektiranje (para. 20, 64, 99, 100).
- Projekti su sadržali previše komponenata i aktivnosti, prisiljavajući poduzetnike da se usredsrede na davanje učinka umesto na izgradnju kapaciteta. Projekti su dizajnirani sa veoma kratkim periodima izvedbe (ukupno oko 18 meseci) (para. 20, 45, 63, 101).

Projekat je uopšteno bio efikasan, ali poduzetnici i primaoci su se suočili sa nedostacima:

- Poduzetnici su uopšte bili efikasni i fleksibilni u izvedbi, ali su često nailazili na institucije koje nisu imale ljudske resurse ili tehnički kapacitet da bi primili pomoć (para. 46, 68, 86, 103).
- Nekoliko projekata su se suočili sa institucionalnim promenama ili nedostatkom zakonodavstva, zakasnelom primenom, jer su trebali čekati stvaranje ili prenošenje nadležnosti sa UNMIK-a novoj instituciji. Prenošnje sa EAR-a na ECLO je izazvalo kašnjenje u nekim projektima (para. 24, 67, 104).
- Situacija na Kosovu se konstantno menja u periodu procene i tokom izvedbe CARDS nije imao fleksibilnost da se bavi time (para. 105).

Uopšte, projekti su imali planirane efekte, ali je na njih uticao ograničeni kapacitet primalaca za ostvarivanje rezultata:

- Uopšte, projekti su ispunili njihove operativne ciljeve i dali rezultate prema ToR-u. Pokazatelji projekta su dizajnirani da se usredsrede na posebne rezultate više nego na izgradnju kapaciteta (para. 27, 51, 70, 107).
- Efekti projekta su ugroženi zbog velikog kretanja osoblja i nestabilnosti novih ministarstva i institucija. Ovi faktori su u mnogim projektima identifikovani kao glavne prepreke ka postizanju pune efektivnosti i time primenu rezultata projekta (para. 27, 70, 108).

Kratkoročni uticaji, posebno na institucionalnom nivou se mogu identifikovati, ali nadgledanje dugoročnog uticaja trebaju se poboljšati:

- Mnogi rezultati projekta će imati uticaja izvan sadašnjih institucija i sredine projekta. Spoznaja ovih uticaja je često ograničena za neposredne korisnike i u većini slučajeva se ne dele niti u istoj instituciji (para. 30, 73, 93, 110).
- Ministarstva i institucije su u procesu razvoja politike, strategije i funkcija integrisanja u EU, međutim nadgledanje uticaja i efekat projekata donatorske politike je ograničena (para. 30, 54, 111).

Preduslov za održivost je dalje poboljšanje institucionalnog kapaciteta i vlasništva:

- Veliko kretanje osoblja je glavna prepreka u održivosti projekata za izgradnju kapaciteta kao što je nesigurnost budžeta i nedostatak institucionalne stabilnosti (para. 113).
- Uprkos ograničenog vlasništva u fazama planiranja i programiranja, momentalno postoji utvrđeno vlasništvo i prepoznavanje važnosti rezultata projekata CARDS i zainteresovanosti u podržavanju ovih rezultata (para. 114).
- U sasvim malo projekata, održivost je direktno obrađena kao deo izveštavanja usprkos toga što je održivost glavno pitanje (para. 32, 77, 116).

Poentiranje efektivnosti

Grupa	Relevantnost	Efikasnost	Efektivnost	Uticaj	Održivost	Ukupno
Pravosuđe	SD	SN	SD	SD	SD	SD
Energetika	D	D	D	S	SD	D
Privredni Razvoj	SD	SD	D	S	SD	SD
Ruralni Razvoj	D	SD	D	SD	SD	SD
Ukupno	SD	SD	D	SD	SD	SD

JZ:Jako zadovoljavajući; D:Dovoljan; SD:Srednje Dovoljan; Srednje Nedovoljan; N:Nedovoljan; JN: Jako nedovoljan

Preporuke

1) Potrebno je **ojačanje sektoralne i funkcije opšte politike** pošto su one nove i u većini slučajeva još u razvoju. Treba se podržati kapacitet za razvoj politike i planiranje budžeta u svim postavljenim ministrastvima, uključujući i stvaranje HR jedinica u postavljenim ministrastvima, koje omogućuju razvoj kapaciteta.

2) **Dizajniranje projekta** se treba zasnivati na **solidnu institucionalnu i procenu potreba** i povećati **uslovljavanje**. Realna procena i davanje prioriteta potrebama institucije koja obrađuje kapacitet apsorpcije sadašnjeg stepena osoblja i potrebno je imati budžet na raspolaganju. Podrška se treba uslovljavati osiguranjem broja osoblja i budžeta.

3) **Treba se podržati koordinacija donatora** i osigurati veze sa budžetom i MTEF. Vlada treba ojačati koordinaciju donatora sa većim brojem osoblja i omogućiti da se ministarstva brinu o koordinisanju sektora. ECLO treba predvoditi u koordinisanju sa strane donatora glavnih sektora za integrisanje sektora. Veza između podrške sektora i budžeta se treba osigurati u MTEF 2010-2012 i treba se utvrditi van budžet u MTEF i budžet.

4) **Razvoj sektornih strategija** u glavnim sektorima će pomoći u identifikovanju potreba i osigurati relevantnost projekata pomagajući kao programiranje, tako i u fazi razvoja projekta u proceni potreba za razvoj i prioritete, kao i pružanje podrške koordinisanju politike između sektora i okvir za postavljanje cilja i koordinisanju donatorske asistencije.

5) Pažljivo **planiranje i redanje IPA asistencije** će biti važno da bi se **omogućila održivost i vlasništvo**. Redanje i planiranje će biti neophodno osigurati se da su institucije postavile na mesto glavne funkcije pre primene Acquis. U svim ministarstvima se treba preduzeti funkcionalno razmatranje od strane DFID.

6) **Povećanje širenja** već ispitivanih i testiranih **uspeha** po sektorima. Ponavljanje uspešnih koncepta izgradnje kapaciteta širom administracije usredsređujući se na visoki nivo ministarstva i obuku državnih službenika na nivo rukovodstva.

7) & 11) Treba se povećati **trajanje i fokus da bi se osigurala održivost**. Smanjiti komponente ili odgoditi vreme projekata za više održive rezultate. Značajni projekti za gradnju institucija ne trebaju trajati manje od tri godine n.p. sa smanjenim prisustvom (međunarodnih) stručnjaka. Projekti CARDS koji su u toku se trebaju usredsrediti na omogućenje održivih rezultata.

8) **Usredsrediti se više na održivost** dizajniranja i primeni projekta. IPA projekti se trebaju usredsrediti više na održivost rezultata i ne samo na davanje rezultata. Potrebno je da se izričito obradi održivost što se tiče osoblja, finansijskih izvora i institucionalnih stabilnosti u projektima i izveštavanju.

9) **Povećanje nadgledanja** projekata za praćenje na vreme i usklađivanje primene za podršku uključenim zainteresovanim strankama u projektima koji nisu funkcionalni. Nadledavanje pomaže zainteresovanim strankama da nastave sa preporukama, primene promene i drže evidenciju o primeni. Značajno je nadgledanje svih projekata.

10) Potrebno je **pokrenuti unakrsna pitanja** sa jasnim uputstvima oko zahteva partnera projekta. Treba se sastaviti jasna strategija i uputstva rada i trebaju se dati jasna uputstva i posebni zahtevi u ToR-u oko toga šta se očekuje od zainteresovanih stranaka što se tiče unakrsnog pitanja. Više se treba uraditi na nivou politike imajući u vidu nedostatak informiranosti oko spolnih i manjinskih pitanja u administraciji.

1 Introduction

1.1 Objectives and Scope of Evaluation

1. The purpose of this retrospective evaluation of CARDS in Kosovo 2001-2006 is to provide lessons learned and accountability for decision-making on improvement of pre-accession aid and financial assistance to Kosovo. The evaluation questions were established in the Terms of References (Tor) and indicators used for this evaluation are included in Annex 3. The evaluation questions are outlined as follows:

- Was CARDS well focused on the objectives of the Stabilisation and Association Process (SAP) and the pre-accession³ strategies?
- What were the results and impacts and are these results and impacts sustainable?
- Have the results and impacts been achieved in an efficient manner?
- To what extent has CARDS supported the cross-cutting issues: 1) gender equality and inclusion of minorities, 2) promotion of sustainable development including protection of the environment and 3) strengthened the effectiveness/efficiency of donor coordination?

2. The evaluation of CARDS in Kosovo is based on a sampling of projects financed by CARDS in the period from 2001-2006 from the macro sectors: Good Governance and Institution Building and Economic & Social Development. In these two macro sectors, four sub-sectors were established as listed in the table below, and from these the sample of projects was selected⁴. The aim was to identify sectors which had not undergone recent larger evaluations by the European Agency for Reconstruction (EAR). It was furthermore the aim that the sectors should be of relative importance in the CARDS programme as well as to the future Instrument for Pre-accession Assistance (IPA) programme. As the table below shows, the largest by far of the sectors in the CARDS programme was the Energy sector. A major share of the support to the Energy sector has been investments into energy supply and equipment, which is not included in this evaluation. In all sectors, the focus has been on capacity and institution building projects relevant for future IPA programmes, which explains the relatively small, in value, size of the energy sample.

³ Kosovo was not a candidate or potential candidate country during most of the period covered by the evaluation

⁴ The choice of sectors for the evaluation was based on discussions with the European Commission Liaison Office (ECLLO) and the DG ELARG during the inception phase

Table 1 - Scope of evaluation

Macro Sector	Sub-sector/ Cluster	Projects evaluated			Total CARDS M€
		Interviews + Desk Studies	Desk Stud- ies	CARDS M€	
Good Governance and Institution Building	Justice	5	4	10.86	32.10 ⁵ (38.10) ⁶
Economic and Social De- velopment	Energy	4	6	22.92	381.00 (234.90)
	Economic Development	6	4	16.84	104.70 (79.20)
	Rural Development	4	2	9.61	66.00 (38.20)
In total		19	16	60.22	583.80 (390.40)

3. The factual basis is desk studies of the monitoring reports, evaluation reports⁷, and project documentation, financing agreements, formal programme documentation, strategic and planning documentation and other relevant published materials from other donors and International Financial Institutions (IFIs). The interviews with the main parties involved in the programming and implementation took place in the period from January to April 2009. Interviews were preliminarily conducted for projects financed in the period from 2004-2006 as interview persons for older projects are difficult to identify.

4. Access to project documentation has been an issue for this evaluation especially for projects in the first part of the period, but not only, due to the closure of the EAR. Some projects originally selected for the evaluation had to be taken out as no project documentation or very limited project documentation was available from the ECLO or the Commission archives⁸ (see list of projects not evaluated due to lack of available documentation in Annex 1). Limited access to interview persons i.e. recipients, due to staff turn over and transfer of tasks from United Nations Mission in Kosovo (UNMIK) and EAR task managers, as these are no longer in place, has also been a limitation in connection with data collection.

1.2 Country Context

5. Kosovo has undergone significant economic, constitutional and institutional developments in the period covered by the evaluation. These developments have to a high degree influenced and impacted the assistance and the institutions involved in the CARDS assistance. In many cases the institutions, which were to receive the CARDS assistance (as well as assistance from other donors), were not established or under establishment as the CARDS projects were designed. In order to describe the context in which the CARDS assistance has been provided some of the key economic and institutional factors impacting these developments have been outlined below. These factors have been taken into account when evaluating the CARDS assis-

⁵ Figures from the Terms of Reference (ToR), Appendix II, cumulated assistance 2000-2006.

⁶ Figures in brackets are calculations on the basis of the Annual Action Programmes and Sector fiches.

⁷ Only a part of the projects included in this evaluation had been monitored or part of a midterm or sector evaluation.

⁸ Where possible the consultant has contacted the contractor to obtain the necessary documents.

tance to Kosovo for the period from 2001-2006, but are not necessarily repeated through all of the findings.

6. Kosovo remains the poorest country in the Western Balkans with a per capita GDP of around €1,100. The World Bank (WB) estimates that around 37% of the population live in poverty, with around 15% living in extreme poverty. Its economy still relies heavily on international support, as the share of GDP provided by the donors was 29% in 2006. According to the Medium-Term Expenditure Framework (MTEF), the donor financing requirement for 2008-2010 amounts to €1,255 billion⁹.

7. The Kosovo economy showed signs of growth in 2008, the real GDP growth for 2008 is estimated to 5.1% and growth for 2009 is expected to slow to 3.75¹⁰. The inflation rate accelerated in the first half of 2008 at 12.9%¹¹. Unemployment remains very high, reportedly ranging between 39% and 42%. Economic policy coordination remains weak, and the development of a viable private sector has been further hampered by limited access to finance, legal uncertainty, insufficient skills and training, the weak technology base and the poor state of the transport, energy and communication infrastructure. The large informal sector, fuelled by weakness in law enforcement, reduces the tax base, hampers the government's capacity to implement economic policies and negatively affects the business environment¹².

8. The United Nations Security Council Resolution 1244/99 (UNSCR 1244/99) established an international civil presence to provide an interim administration for Kosovo - UNMIK. In 2002, the Kosovo Provisional Institutions of Self-Government (PISG) was established. The Kosovo Standards Implementation Plan (KSIP), described in the document "Standards for Kosovo"¹³ in 2004, sets out the actions and policies to reach the standards which were to be undertaken by the PISG and other institutions. Since the PISG was established, administrative and legislative powers were gradually transferred to the PISG, while some specific powers were reserved to UNMIK¹⁴.

9. In February 2008, Kosovo declared independence, and on 9 April 2008, the assembly adopted the Constitution of the Republic of Kosovo. This necessitated a reconfiguration of the international civil presence UNMIK in Kosovo. UNMIK has moved back from an executive role to one of monitoring and support to local institutions and cooperates with the EU in order for it to assume an enhanced operational role in Kosovo in the area of the rule of law under EULEX. The European Union Rule of Law Mission in Kosovo (EULEX) aims at assisting and supporting the Kosovo authorities in the rule of law area, specifically in the police, judiciary and customs areas. It is a technical mission which will monitor, mentor and advise whilst retaining a number of limited executive powers in full co-operation with the European Commission Assistance Programmes. EULEX works under the general framework of United Nations Security Resolution 1244 and has a unified chain of command to Brussels¹⁵.

10. The legal system in Kosovo is a combination of legislation adopted by the Kosovo authorities, regulations and administrative directions of the UNMIK, and Yugoslav laws in place be-

⁹ MTEF 2008-2010

¹⁰ Aide Memoire. International Monetary Fund (IMF) Staff Visit to Kosovo. February 11-17, 2009.

¹¹ Semi-annual Macroeconomic Bulletin, January-June 2008, Ministry of Economy and Finance (this is the latest bulletin published on the website of the ministry).

¹² EAR Annual Report 2007

¹³ Standards for Kosovo, UNMIK, Pristina, 10 December 2003

¹⁴ UNMIK Website

¹⁵ EULEX Website

fore 22 March 1989¹⁶. The gradual nature of UNMIK's reconfiguration has led to uncertainty in some areas as to the actual competences of the Government (e.g., take-over of the Kosovo Trust Agency). This problem is exacerbated by the continuing existence of three parallel sources of legislation (ex-Yugoslav law, UNMIK regulations and Kosovo law adopted following the declaration of independence)¹⁷.

11. The development of the public administration should be seen in the light of the above institutional changes and transfers of competences. A number of ministries and institutions are relatively new and under establishment. The legal framework for the public administration is only partly in place and the Law on Civil Service, the Law on the Kosovo Institute for Public Administration and the Law on Public Administration have yet to be adopted¹⁸. Important steps have been taken in terms of developing a public administration strategy and an action plan for the period 2006-2011 with the participation of key ministries.

1.3 The CARDS Programme in Kosovo

12. The European Union (EU) has been the largest donor in Kosovo and the assistance provided by CARDS has aimed at facilitating Kosovo's progress towards the creation of a democratic and multiethnic society by: a) facilitating returns and enhancing economic and social sustainability of minority communities; b) increasing the participation of media and civil society in the democratic dialogue; c) fighting against poverty through sustainable industrial and rural development; d) advancing Kosovo's transition to a market economy, in line with the Stabilisation and Association process; e) supporting the inclusion of Kosovo as a reliable partner of the Energy Community of South East Europe; and f) building an increased role for local government in democratic governance¹⁹.

13. In the period covered by this evaluation, the CARDS programme has been guided by the Country Strategy Paper (CSP) 2002-2006 (for the Federal Republic of Yugoslavia) and two Multi-annual Programmes (MIPs): MIP 2002-2004 and MIP 2005-2006. Furthermore, the European Partnership (EP) document outlines the main EU priorities for Kosovo, also taking into account the requirements of UN Standards for Kosovo. The first EP was in 2004 followed by an EP in 2006 and 2008. Kosovo participates in the SAP the EU's policy framework for the Western Balkans. The Stabilization and Association Process Tracking Mechanism (STM) is the instrument that guides and monitors Kosovo's development with regard to the European Partnership²⁰.

14. The European Commission (EC) published its regular Kosovo (under UNSCR 1244) 2008 Progress Report and has done so each November since 2005. The report describes the relations between Kosovo and the Union, assessing progress achieved in democratic development, rule of law, human rights, protection of minorities and regional issues. It also reviews Kosovo's economic situation and its capacity to implement European standards, following the priorities set by the EP.

¹⁶ Progress Report 2008

¹⁷ Progress Report 2008

¹⁸ Progress Report 2008

¹⁹ EAR Annual Report 2007

²⁰ EAR Annual Report 2007

2 Performance of CARDS

This chapter presents the four sector assessments: Justice, Energy, Economic development and Rural development, undertaken for this evaluation. Each assessment is introduced with a short sector description and outline of the key areas and projects supported by the CARDS in the sector covered by this evaluation. The assessments are structured according to the five evaluation criteria: relevance, efficiency, effectiveness, impact and sustainability.

2.1 Justice

15. *In spite of progress, weakness of the judiciary persists and the Justice sector still has limited technical and human resources.* There is a lack of a unified system of justice throughout the country, and there is a low level of trust in the judiciary among the population. A large number of cases are pending before the courts, which impede the timely administration of justice. In order to ensure the enforcement of the rule of law, the key priorities have been to strengthen the rule of law and improve the efficiency and capacity of the judicial and prosecution through update facilities and IT for Kosovo judiciary (in particular courtrooms, prosecution offices and Kosovo Judicial Council (KJC) premises); to reduce the backlog of court cases, further develop legal education and training, particularly for judges, prosecutors and administrative personnel; to increase service quality in line with EU and human rights standards, and to rehabilitate prisoners²¹.

16. *The EC assistance was aimed at building the capacity of justice institutions in Kosovo,* supporting creation of the Ministry of Justice (MoJ), Kosovo Judicial Council, Kosovo Judicial Institute (Support to Justice (2005) and Further Support to the Justice Institutions in Kosovo (2006)), Kosovo Special Prosecutor's Office (KSPO) (Support to the KSPO (2005)) and developing the Juvenile Justice (Support to the Kosovo Juvenile System (2005)). Emphasis was put on developing a legal aid system for Kosovo (Legal Aid Project (2004) and Establishment of a Legal Aid System (2004)). Moreover the projects focused on increasing the efficiency and capacity of court administration, implementing a computerised case management system (Modernisation of Courts - Court Management Information System - CMIS II (2004)). In addition, the assistance aimed to fight against corruption, fraud, money laundering (Strengthen Capacity to Combat Money Laundering and Corruption (2005)). A complete list of projects is included in Annex 1.

Relevance

17. *Although highly satisfactory in terms of relevance and compliance with EU and government strategies the project design and needs assessment were not in-depth and appropri-*

²¹ Medium Term Expenditure Framework (MTEF) 2008-2010

ate. Almost all projects assessed in the justice sector were in compliance with the key strategic EU documentation as well as included in the Standards for Kosovo and national strategies²². Although the Kosovo Justice Strategy was only adopted in 2007 and therefore not used for the planning of the assistance, the priorities addressed in CARDS are reflected herein²³. The MIPs (MIPs 2002-2004 and 2005-2006) were relatively general in nature and only addressed the overall priorities. Projects such as the Juvenile Justice, the KSPO and the Legal Aid were therefore not specifically included in the MIPs but would generally be covered under the justice reform.

18. *Project design was in general too ambitious taking into account that the institutions in the Justice sector were new and therefore had limited capacity.* Projects such as Support to Justice and Further Support to Justice Institutions had clearly too many components and activities overestimating the absorption capacity of a newly established Ministry of Justice. The Support to Justice project had five components directed at six different key recipients of which three were not established at the time of the project design. The follow-up project Further Support to Justice also included 5 components with a total of 37 activities but only three key recipients: Ministry of Justice, the Legal Aid Commission and the court information management system. All activities are relevant in terms of addressing both the administration, management and legal drafting capacity of the MoJ as well as the function of the CMIS and the Legal Aid Commission. However, for a project designed for 15 months, the number and complexity of the project activities was too large. It was thus not realistic that the consultants could assist in designing procedures and manuals as well as supervising their implementation. The underlying assumptions also overestimated the capacity of the newly established MoJ to absorb the assistance. These factors were recognised by a number of stakeholders in the project.

19. *Proper needs and institutional assessment were not possible in the design phase.* Projects such as the Support to Justice and Support to the KSPO and the Establishment of Legal Aid System were designed prior to the establishment of the institutions themselves; the MoJ, Kosovo Judicial Council, Kosovo Special Prosecutors Office and the Legal Aid Commission. The reason for designing and starting projects prior to the institution being established has most probably been to be able to provide support to the institution in question from the initial start-up as the responsibilities were transferred from UNMIK. The consequences have, however, been that the projects have been designed without knowing the exact setup and staffing of the KSPO and the Legal Aid Commission. The assumptions and risks have not been sufficiently addressed in the project design phase of these projects, and measures to mitigate the risk have not been considered. In the case of the KSPO it was very difficult to hire the staff of the institution due to lack of qualified available candidates. For the Establishment of Legal Aid project the main assumption was that the legal framework establishing the system and its institutions was in place from the beginning of the project. Although a delay in establishing the legal framework was foreseen in the ToR there were no measures foreseen to deal with this delay once the project had started.

20. *Project recipients were not always involved in the planning of the assistance.* As mentioned above, the fact that many institutions were not established at the time of the design of the assistance implicitly meant that the recipients were not involved in the project design. But not only institutions under establishment have reflected a lack of involvement in the project design. In the large and very broadly scoped Further Support to Justice Institutions and Support

²² Standards for Kosovo

²³ Justice Strategy 2007

to Justice projects, which were to involve a number of recipient institutions (some already established at the time of project design), only a few of these institutions were involved in the project design, and they probably did not have the real capacity to be involved given the fact that they were newly established institutions, which could hardly be expected to be fully aware what was required on their part.

21. ***Assistance coordination has varied in the sector, and no clear picture of donor coordination could be established.*** There have been a large number of donors in the justice sector (USAID, Council of Europe (CoE), UNICEF, Department for International Development (DFID), Sida, UNDP, Swiss Development Cooperation (SDC), and EU CARDS), and this has demanded a high level and commitment to coordination of assistance in order to ensure complementarity and avoid overlap. Anecdotal evidence points to that securing complementarity was an issue in the beginning of the period between the different donors approached and traditions. Interview persons in the sub-sector Juvenile Justice all confirmed that there had been good coordination and cooperation in this particular part of the sector. Some donors interviewed did, however, express the view that they felt that they had not been involved sufficiently in the EU CARDS programmes.

22. Although relevant, due to the shortcomings mentioned above the overall rating of relevance of CARDS in the Justice sector in Kosovo is **Moderately Unsatisfactory**.

Efficiency

23. ***Projects have delivered in spite of inadequate project design, but focused on outputs.*** The majority of the projects have delivered the outputs (or parts of) either within the time line or during the extensions. Support to Justice and Further Support to Justice (the latter is not finalised yet and full delivery will have to be assessed separately)²⁴ have delivered their output in terms of an internal rulebook for the MoJ, Human Resource Management (HRM) tools, manuals for legal drafting and more. The concern in these two projects has been whether the institutions especially the MoJ had the capacity to implement the many procedures and guideline produced by the projects. For the Support to Justice a key issue was that the MoJ structure was not in place during the project, complicating project delivery, as responsibilities within the ministry were not clear. Although several of the projects have shown flexibility in terms of adapting the outputs to the situation, some of the projects have not been flexible enough or may have been under pressure to deliver the outputs within project duration. The Establishment of Legal Aid project had to deliver all outputs (legal framework, procedures etc.) as drafts, as the Legal Aid Commission and its secretariat was also under establishment at the end of the project, in order to be able to deliver within in the time line as well as the extended time line. These drafts were later used by the Legal Aid Commission.

24. ***Efficiency has been impacted by lack of needs assessment and timing*** as the institutions which were to receive the outputs have often not been able to absorb/implement them, because these were new institutions or under establishment as e.g. Establishment of Legal Aid and the Support to the KSPO. For all projects, the project implementation period was too short, which made the projects focus on delivering (a list of) the outputs within the given time frame or seek time-wise extensions. An assessment of the Kosovo institutional contexts (especially in Justice) should have pointed to a longer duration of the projects so that the projects had time to address the very new institutions and adapt the activities of the projects to the circumstance in a manner which would be more suitable for a new administration. The Support to the KSPO

²⁴ The project reporting focuses on delivery and there is very little on the actual implementation.

project took a very long time to start up (as mentioned above) partly relating to the project concept and design, and partly to the readiness of the responsible institution (the KSPO) which resulted in lack of overall ownership²⁵.

25. The overall rating of the efficiency in the justice sector is **Moderately Unsatisfactory**.

Effectiveness

26. *In spite of the circumstance, the effectiveness of several of the projects in the justice sector is relatively good.* Several of the projects (Establishment of Legal Aid and Juvenile Justice) were, however, able to address the circumstance and delivered adapted outputs, and these outputs have then overall been used by the institution once established. Project recipients are in general satisfied with the projects and the delivery. For the Legal Aid System, the KSPO and the Juveniles Justice, the main parts of the outputs and results are being implemented by the institutions, in some cases with delays and after the end of the project as mentioned earlier. The outputs have been essential for setting up the institutions and provided legal framework, procedures, manuals, and key training.

27. *Projects with many components and recipients risk not being effective due to lack of capacity and structures to absorb.* The Further Support to Justice Institutions has a number of components and a long list of activities and several recipients (MoJ, Legal Aid Commission, Kosovo Judicial Council and the entire judiciary). Many of the activities have been delivered (except the training for the CMIS), but several are not likely to be effectively anchored with the recipients as too many of the activities have too little days reserved for actual delivery and securing the impacts. It is a concern that the project seems to have been more focused on the outputs, rather than on the actual capacity building and securing of the implementation and absorption. The absorption capacity of the ministry and the structure and management system of the ministry have also impacted the implementation of the output of this projects. As this project is still ongoing the final effectiveness will have to be assessed when the project comes to a final close to see whether it has delivered effectively. The implementation of the CMIS has been ongoing for a number of years and through different contracts and donors. In terms of effectiveness, the CMIS is after three phases not fully up and running and has been impacted by delays in all phases. At the present time the final phase should have been delivered and the training provided by the Further Support to Justice Institutions project. However, due to delays in procurement of hardware in the MoJ, this training has been delayed.

28. The rating for effectiveness of the Justice Sector is therefore **Moderately Satisfactory**.

Impact

29. *Overall impacts²⁶ in terms of a better functioning justice system are too early to measure but institutional impacts can be detected for some projects in the sector.* For the broader Further Support to Justice project and its predecessor, it is more difficult directly to determine the overall impacts on an improved judicial system. The assessment of the judiciary in Kosovo is still that the system has a lot of weaknesses and that the trust in the judiciary is low²⁷. With regard to the enhanced administrative system of the MoJ there are signs of improved administrative capacity partly provided by the projects but as the many activities have been thinly

²⁵ Institutional Capacity Building - Judiciary EAR Evaluation Report EU/11/035/05 March 2006

²⁶ Most of the project have included some impact indicators in the log-frames (log-frames are not available for all projects). These indicators are in most of the projects very general at the overall level or very specific at activity level. For projects without log-frame the impacts have been assessed from the objectives of the projects as described in the Terms or grant application.

²⁷ EU Progress Report 2008

spread²⁸, it is not likely to have the institutional impacts that it could have had, had the support been concentrated on fewer activities. The support could have been more focused on setting up as well as implementing the key internal procedures and orders, organisational structures, assisting the ministry in building up the basic functioning of the ministry first, before starting on more advanced topics.

30. *Initial institutional impacts in terms of developed capacity and structures have potential to translate into impacts contribution to a better functioning justice institutions.* For the Juvenile Justice project, the aims of the project were awareness raising and capacity building activities in the key institutions with regard to the law on alternative sentencing of juveniles. Impacts related to this have been observed, as an increased capacity to raise awareness of alternative sentencing has been developed within the probation service of the MoJ, which is the first of its kind in the region²⁹. The Probation Service published a yearly bulleting with comprehensive research and statistics on the juvenile delinquency and justice in Kosovo³⁰. Further work does, however, lie ahead in securing that the judges in general are aware of and can use the alternative sentencing. The KSPO is working and handling cases in relation to the level of staffing (not complete as mentioned earlier) and to the level of the training that the institution has received. The very serious cases and war crimes are, however, handled by EULEX. The Legal Aid Commission and its secretariat are now functioning and have set up five District Legal Aid Bureaus during the last 12 months active in the regions and each covering a number of municipalities. The precursor of the Establishment of Legal Aid, the Legal Aid project provided legal aid directly to beneficiaries through an ad hoc structure, but was nevertheless assessed as successful in doing this. The Legal Aid Commission publishes an Annual Report³¹ on its activities.

31. The overall rating for impacts in the justice sector is **Moderately Satisfactory**.

Sustainability

32. *Institutional strength and development should secure sustainability of project results.* As many projects have been used to actually support the establishment of the institutions themselves and not only their development, the institutional structures and set-up become key issues for assessing sustainability. Real institutional uncertainties have only been observed in the Legal Aid Project as the Legal Aid Commission has still to adopt its own statutes. The Commission has been placed under the supervision of the Kosovo Assembly which will also have to develop the capacity to monitor the activities of institutions under its supervision. Several observers were of the opinion that the model chosen for the Legal Aid Commission was too advanced for the current institutional structures where both the institution itself and its supervision have to develop their capacity at the same time. The Legal Aid, apart from the Technical Assistance (TA) delivered through the Further Support to Justice project, is currently only funded by the state budget and there is concern that it is underfunded and will not be able to fulfil the needs with the current budget³².

33. *Staff fluctuations are an issue for most of the institutions in the Justice sector impacting sustainability of the project results.* Salary levels in the administration are low, and well-

²⁸ There has in effect not been very many consultancy days per activity.

²⁹ UK Assessment and Proposed Support in the Rule of Law Sector in Kosovo.

³⁰ The Kosovo Probation Service - Bulletin 2008.

³¹ Annual Report of Legal Aid of Kosovo - 2007.

³² UK Assessment and Proposed Support in the Rule of Law Sector in Kosovo. November 2008. DFID.

qualified staff will seek other opportunities; this is particularly an issue in the MoJ and KSPO. For the KSPO it is a key issue that even though the KSPO can pay more to the staff (prosecutors and assistants), the salary level does still not reflect the qualifications and also the personal risks faced by the staff due to the serious crimes dealt with by the KSPO. The KSPO does not have the full number of prosecutors originally planned, due to lack of availability of suitable candidates.

34. *Too many components and outputs reduce overall sustainability due to limited budgets and capacity.* Projects with too many components and activities, and too thinly spread, such as Support to Justice and Further Support to Justice Institutions will have components which will not be sustained because the institutions will not all have the capacity to proceed with a wide number of activities for which they neither have staff nor funding. The Juveniles Justice project has a number of institutional recipients, and the support to the probation service is assessed as being well anchored institutionally and as being sustainable. The prevention part of the project is not as well anchored, and although important initiatives have been taken all over Kosovo, the institutional anchoring is less evident as this is not linked to any existing institution but has been developed with different local and non-government organisations (NGOs). When the current funding (UNICEF) comes to an end, it is unclear how this will continue.

35. *The justice sector is represented and described in the MTEF, the budget and the justice sector strategy*³³. The current MTEF³⁴ (currently being updated in the 2010-2012 which has not been published yet) outlines the overall priorities in the justice sector and the operative expenditures and investments needed for implementing these priorities. Although the MTEF chapter on Justice is not very detailed and some of the areas and topics included in the CARDS projects are not directly mentioned, several of the key areas can be identified with the investment needs both from the budget³⁵ and the donors. However, one of the key concerns in the Justice sector is not only the available budget but the capacity to handle the many procurement processes. Several projects have been postponed due to complicated procurement procedures (CMIS) and lack of capacity and staff resources to procure and contract³⁶. In spite of the delays, the CMIS is already in use by Kosovo courts and EULEX. More assistance to the CMIS is provided in later projects and the estimate is that the CMIS will continue to be developed and full operationality should be reached in 2-3 years provided funding from both the donors and the budget is in place.

36. Against this background the assessment of the overall sustainability in the justice sector is **Moderately Satisfactory**.

2.2 Energy

37. *Due to many years of neglect and lack of investment in the energy sector in Kosovo as well as the recent conflict damage, at the initial stage of the reconstruction period the assistance was concentrated on investments in infrastructure.* Even before the conflict, following years of under-investment, the Kosovo energy system³⁷ was in a poor condition and the actual

³³ Justice Sector Strategy 2007

³⁴ MTEF 2008-2010

³⁵ Kosovo Consolidated Budget 2008

³⁶ Kosovo: Policy Note on Public Investment Management, October 2007

³⁷ The total installed generation capacity is 1,513 MW, substantially provided by two lignite-fired thermal power plants near Pristina (Kosovo 'A' and Kosovo 'B') and one hydropower plant. There are a few mini-hydro schemes, only one of which (Radavci) remained in

available capacity was much less than the rated output. The power plants have suffered from lack of maintenance and mismanagement, but there was no direct conflict damage. At the end of the conflict, only one or two of the five units at Kosovo 'A' operated, but intermittently and at reduced capacity. Kosovo 'B' was not in operation due to problems in water treatment, turbines, a missing boiler circulating pump, and the high energy requirements to re-start the units. A programme for reconstruction and recovery in Kosovo was prepared by the EC and WB, and presented at a Donor Conference in Brussels on 17 November 1999. For the power sector, an immediate goal was to get as much power as possible from the existing power plants with electricity shortages being covered by imports and/or by planned disconnecting consumers during peak load (load shedding). Investments were required in order to secure power generation, transmission and distribution. After the initial years of reconstruction of infrastructure focus changed toward reforming the institutional and regulatory framework and building up capacity in the institutions Ministry of Energy and Mining (MOEM), Kosovo Transmission System and Market Operating Company (KOSTT), Energy Regulatory Office (ERO) and Kosovo Power Company (KEK) to secure sustainability

38. EC assistance within CARDS programmes was substantial to the energy sector in Kosovo. Support to this sector centred in the first phase on rehabilitation of the largest power plants and developing and refurbishing the infrastructure of transmission and distribution systems (as noted in the introduction, these projects are not covered by this evaluation³⁸). Then the support shifted to restructuring of the energy sector with emphasis on developing a policy framework for public-private partnerships (PPP), and improving the financial viability of the sector (Further Turn Around Management (TAM) in KEK (2006)). Assistance to the institution building was carried out by: assisting MOEM (Further Institutional Support to the Ministry of Energy and Mining (2005), establishment of KOSTT (Technical Assistance for the Establishment of a Transmission System and Market Operator (2005)) separated from KEK, establishment of ERO (Institutional Building Support to the Energy Regulatory Office of Kosovo (2004) and Further Institutional Support to the Energy Regulatory Office, (2005) and technical assistance to KEK to improve KEK's organization, staff skills and management. Moreover, EC assistance focused on development of indigenous energy resources in order to secure Kosovo's future energy needs (Assignment of Engineer for Major Overhaul of Overburden System for Sibovc South West Mine, 2005). A complete list of projects is included in Annex 1.

Relevance

39. All projects in the Energy sector are reflected in the strategic documents, EP, CSP and most projects are directly covered in the MIP. The sole exception is mining, which only to a limited extent has been the focus of the evaluation. This area/topic is not specifically mentioned in the strategic documents. The CSP 2002-2006 is very general in its description of energy, whereas the MIP 2004-2006 is more specific on the objectives supporting the institutional and regulatory framework for an improved energy supply in Kosovo. The MIP 2005-2006 furthermore reflects the Athens Memorandum of 2002³⁹ and its revision in December 2003 which established the Energy Community of Southeast Europe (ECSEE). The decision to restructure the sector, supported by CARDS, involving the establishment of KOSTT and ERO, followed the binding signature of the agreement.

operation after the conflict. Kosovo 'A' thermal power plant has five units with a total installed capacity of 800 MW and Kosovo 'B' plant has two units with an installed capacity of 678 MW.

³⁸ Evaluation of the Energy Sector in Serbia.

³⁹ Memorandum of Understanding on the Regional Electricity Market in South East Europe and its Integration into the European Union Internal Electricity Market ("The Athens Memorandum - 2002").

40. ***The CARDS assistance was in the latter period also in alignment with the Government strategies.*** The Law on Energy, the Law on Electricity and the Law on Energy Regulator were all promulgated in 2004. A White Paper containing the future strategy of the energy sector in Kosovo was completed in 2003 and submitted to the Office of the Prime Minister. A new MOEM was established in December 2004. An Energy Strategy of Kosovo 2005-2015 was approved in 2005 prepared by the MOEM. This strategy contains the fundamental framework which determines the objectives and development priorities of the energy sector and was in accordance with the Law on Energy and the Standards of Kosovo. The CARDS assistance to the sector took the strategy into account in the annual programmes for 2005 and 2006. The Energy Strategy of Kosovo addresses energy efficiency as an objective but does not address renewable energy (others than small hydro power) in the strategic objectives. However, the EU has funded a pre-feasibility study⁴⁰ assessing the potential of renewable energy sources. This study found that there is considerable potential for solar and biomass, whereas wind and geothermal potential is very low⁴¹.

41. ***Overall, the recipients have been involved in the specific planning of the training and institutional capacity building project.*** In the projects supporting ERO and KOSTT as well as training to KEK, the recipient institutions have been involved in the design of the projects. As part of the ECSEE, the functions of these institutions are defined by the requirements of the ECSEE and the national legislation (Law on Energy, Law on Electricity and Law on Energy Regulator). These requirements involve a need for market models and introduction of methodologies based on international practices, and require institution building and training for the new institutions, and this capacity strengthening was based on needs assessments.

42. ***For the Further Turn Around Management to KEK (TAM to KEK), however, only very limited institutional analysis was carried out.*** The missing in-depth institutional assessment resulted in insufficiently designed interventions and thus problems with internal motivation and cooperation for the project. Initially, internally in KEK, no actions were taken neither to establish a common understanding of the need for an external Management Contractor⁴², nor for a common understanding of the need for an incentive structure that would benefit the contractor as well as KEK as a utility. The dilemma was the need for urgent action against the need for establishing this common understanding, and in this case it seems that the urgency had higher priority than the in-depth institutional assessment and establishment of the motivation. It is important to note that the project was not initiated by EAR, nor defined in terms of objectives, design and budget. EAR solely agreed to provide a limited (five months) support to avoid that KEK was left without international support before the new USAID-funded project could commence. The TAM was replaced by TA funded by USAID⁴³.

43. ***In general coordination with other donors has been good.*** Since 1999, Kosovo has received TA support in the energy sector mainly from the EAR, the WB, USAID, Sida and Kreditanstalt für Wiederaufbau (KfW). The donor coordination is good. KfW is at the moment the only donor supporting infrastructure investments while the other donors provide technical assistance and earlier equipment and supplies. KfW Development Bank was involved with an

⁴⁰ Status Report on Kosovo's Energy Sector, EAR May 2008

⁴¹ This study was not part of the evaluation.

⁴² A Management Contract is a time limited contract for an external operator who manages a public company/utility according to some performance standards expressed in a number of indicators relating to financial performance as well as technical performance. The operator is guaranteed a minimum payment for complying with required minimum standards. He is fined if he underperforms and receives a bonus for performing above standards (incentives).

⁴³ Evaluation of the contribution by EAR to Serbia's participation in the Regional Energy Market; EU/03/048/7, January 2008

emergency programme for refurbishment of units of TPP Kosovo A in 2002, after the more modern power plant Kosovo B was severely damaged by a fire accident⁴⁴. The WB has provided technical assistance for the sector through the Energy Sector Technical Assistance Project for Kosovo: ESTAP I, ESTAP II and ESTAP III projects. USAID provides TA for financial and commercial support within KEK.

44. Against this background the relevance of the assistance to the energy sector in Kosovo is regarded as **Satisfactory**.

Efficiency

45. ***Efficiency of the projects has been impacted by ambitious ToRs, and most projects have been extended.*** All projects have delivered the output required according to ToR, either within the time line or in extensions. MOEM, KOSTT and ERO were new institutions under establishment and thus not fully ready for receiving the assistance, the staff was not fully in place when projects started up with the result that projects had to delay certain components pending the hiring of staff (TA for Establishment of KOSTT). In general, the designed duration of the projects has been too short in terms of timing and too optimistic in terms of activities. One indication of this is that all capacity building projects in the energy sector have had to be extended or follow-up projects have had to be developed in order to ensure the sustainability of the assistance.

46. ***Most of the capacity building projects have showed flexibility in terms of adapting the outputs to the situation.*** Both the ERO (Institutional Building Support to ERO) and the KOSTT (TA for Establishment of Transmission System and Market Operator (TSMO)) projects had problems with the availability of staff at the beginning of project implementation. However, the contractors were able to adapt outputs (and the ToR in agreement with the EAR) to the situation and by the end (of the extended project duration) the projects had delivered more outputs than expected in the ToR, especially in relation to the training components. In some cases the ToR required use of local consultants with specific technical qualifications which could not be recruited locally - these activities had to be given up or taken over by international consultants (TA for Establishment of KOSTT).

47. ***Important lessons learned on appropriateness of contract types in an important project.*** The Further TAM of KEK⁴⁵ was expected to be the solution to a critical situation with outdated equipment, unreliable power supply, persistent power cuts, low collection rate, high staff numbers and no cost recovery even of operating costs. The TAM project was expected to improve the performance of KEK, but the approach and the design of the performance contract and indicators created conflicts internally in KEK. As mentioned above, there was no common understanding of the need for incentives for a Management Contractor, and there was the impression that the contractor was more interested in the incentives than in KEK as such. The low collection rate is one of the reasons for the low financial performance, but it was not possible for the Management Contractor to disconnect non-paying customers. The legislation which would allow taking customers to court or disconnect them was not in place, and in addition many of the non-paying customers were governmental institutions, and the access to electricity is a sensitive social and political issue. The project was furthermore costly compared to all

⁴⁴ At esent, another programme for the refurbishment of a bucket wheel excavator for opening the new Sibovc South West Lignite Mine and the construction of Peja 3 substation is being implemented. Furthermore, KfW Development Bank is currently preparing financial support for the construction of a 400kV transmission line between Kosovo and Albania.

⁴⁵ The Evaluation Team did not have access to all the project documentation for this project

other projects, including that for KOSTT, which involved similar expertise. Indeed, its cost was about 50% higher (per working day) than most EAR-funded projects due to the contract type.

48. In spite of the problems with the TAM in KEK, the overall efficiency of the sector is rated as **Satisfactory**.

Effectiveness

49. ***The effectiveness of the projects in the energy sector is relatively good. The ERO and KOSTT capacity-building projects are implemented.*** For the ERO project, the development of conditions for licenses, procedures for granting permits for new energy facilities and the system of compliance monitoring was partly delayed due to lack of license application. Performance indicators that address the quality of supply and service were developed as part of license monitoring requirements. The KOSTT project worked well and delivered expected results after some initial lack of absorption capacity. Counterparts were defined for each task and were stable and effective. The objective to achieve a level similar to European best practices is, however, hampered by poor metering and lack of control equipment and software. As responsible for the system, KOSTT shall ensure a balance between demand and supply and with the introduction of an increasing number of - often independent suppliers (IPPs) - a more sophisticated information systems will be required in future.

50. ***Only one project did not deliver.*** The TAM to KEK did not achieve the objective of improving financial management of KEK, and the contract, as mentioned above, was unsuccessful both in terms of efficiency and effectiveness as the Kosovo energy sector was not ready for a contract of this kind. As mentioned above, a management contract has to be accompanied by conditions to the Government to ensure supportive legislation and enforcement of this legislation. In other countries like Albania and Macedonia, the governments have made a deposit which is paid to the operator, if agreed regulatory steps are not taken.

51. ***Skills development and training programmes achieved the objectives.*** The building up of training facilities and training capacity in KEK achieved the objectives of training trainers. However, the capacity of the facilities allowed involvement of more staff at KEK and other institutions in the energy sector than anticipated in the ToR. The contractor and KEK management decided to extend the target group. Similar results were obtained during the training provided to KOSTT and ERO.

52. Taking the above into consideration, the overall rating of the effectiveness of the Energy sector is **Satisfactory**.

Impact

53. ***Electricity supply has improved and institutional capacity developed, although major issues still lie ahead.*** The improvements in power generation, transmission and distribution have reduced the power cuts and have thus had a positive impact on social welfare and business opportunities in general. However, the financial situation of KEK is problematic due to the extremely low level of power billing and collection. As a result, electricity supply still remains uncertain and unreliable in Kosovo, especially in remote areas⁴⁶.

⁴⁶ EU Progress Report 2008

54. ***The projects addressing the restructuring and capacity building (KOSTT, ERO and MOEM) will in a medium and longer perspective attract private investors.*** The capacity to handle license applications from independent power producers has increased as has the building up of the institutional capacity of the Ministry, Regulator and Transmission System Operator (KOSTT) as recognised in the Progress Report 2008⁴⁷. The overall result is that international companies have expressed an interest in investing in power generation in Kosovo. The support to KOSTT will have a positive impact although the unbundling has not yielded the immediate benefits, such as conditions for the launch of a market. However, it did force a global rethinking and modernisation of organisation and management of the (formerly integrated) transmission branch of the electricity industry as well as a substantial enhancement of staff capabilities and thereby the overall institutional capacity of KOSTT⁴⁸. The support to ERO clearly had an impact as a new institution was created, which quickly achieved satisfactory standards compared to international requirements, although its independence from the Ministry is not fully implemented⁴⁹.

55. The impact of the projects in the sector is **Satisfactory**.

Sustainability

56. ***Most institutions have achieved routines and capability to maintain capacity of staff but budget and staff turnover are critical issues for most of the institutions in the Energy sector.*** Most institutions now have well-functioning Human Resource (HR) departments, but there is still a need for management to prioritise HR and allocate the needed resources. In several institutions in-house training of new staff is now a normal procedure (MOEM, ERO and KOSTT). Although some of the energy institutions have succeeded in establishing a working environment which is attractive to the regular staff, the low salary levels in the public administration may have the result that well-qualified staff will seek other opportunities. This can be illustrated by the situation in ERO in 2006 where the ERO was requested to adapt the salary level to the Government level which resulted in staff leaving the ERO thus reducing the effectiveness of the training programme provided by CARDS. The problems were later rectified, and new staff has since been trained under a new TA project. The problem with staff turnover due to low salaries is a general problem and can only be solved by establishing limited or joint-stock companies not governed by public salary regulations provided that these companies are financially viable.

57. ***There has been a need for further technical assistance in most institutions in the Energy sector.*** In order to continue the development and secure the sustainability of the institution and capacity building projects, continuations and new projects are currently ongoing in the energy sector. KOSTT, ERO and KEK all have ongoing projects, and only at the end of these can the real sustainability be assessed. The challenge and scope of restructuring the energy sector probably merit the relatively large role and continued use of consultants during implementation of the capacity building projects. The newly established MOEM still has limited capacity to manage the development, and ERO is still building up its capacity to manage licences. The restructuring of the energy sector is an important precondition for attracting private partners to

⁴⁷ EU Progress Report 2008

⁴⁸ EU Progress Report 2008

⁴⁹ Evaluation of the contribution by EAR to Serbia's participation in the Regional Energy Market; EU/03/048/7, January 2008

invest in power generation in Kosovo. So far no independent power producers have established themselves in Kosovo most likely because they are awaiting the restructuring of the sector and still assess Kosovo as a high risk area. This consideration raises the question about the sustainability and the need for continuous support. Despite substantial effort by the EAR and other donors and some limited improvement in tariff billing and collection, KEK remains in a virtually bankrupt condition. Support of energy imports has not avoided systematic and costly service interruptions, which still represent a serious obstacle to economic development.⁵⁰

58. *Need for more investments in power generation.* There is a need for large investments in the energy sector to improve electricity supply. The MTEF 2009-2011 for the energy sector in Kosovo foresees a need for funding sources of MEUR 386.8 for the period. The MTEF should cover MEUR 149.6 with the remaining funding coming from donors. In the energy sector the priorities are infrastructure improvements in the transmission and distribution network as well as excavators for the new lignite mine to ensure continuous supply of coal. The MTEF is expecting that the private sector will be brought in to run large parts of the electricity system and that they will generate revenues to cover the full cost of production supply, transmission and distribution. Government funding for these activities will be in the form of long-term loans. The future potential private sector buyer is expected to take over the assets as well as the liabilities.

59. Sustainability of the CARDS projects in the Energy sector is considered **Moderately Satisfactory**.

2.3 Economic Development

60. *The weak productive basis of Kosovo combined with the effects of the last 15 years is a substantial challenge to economic development in Kosovo.* Gradual economic progress has been made in Kosovo since 1999; however, the Kosovo economy remains underdeveloped. The privatisation process has been slow due to the need for legal clarification of the process, and foreign investor confidence is weak. The level of industrialisation remains low with the bulk of Kosovo's enterprises involved in the reconstruction, trade and services sectors. The economy also has a substantial trade deficit reflecting the current low capacity to export. Critical elements for the emergence of a modern business sector include: a successful privatisation process; the restructuring of public enterprises and ensuring their financial sustainability through improved revenue collection; enforcement of newly established legal frameworks; more long-term lending capital for businesses; and enhancing regional integration to promote exports.

61. *The EU assistance has focused on developing the policy and legal frameworks and reforms for a well-functioning market economy, and preparing a good investment climate.* In order to ensure growth in the private sector, assistance in this sector comprised support the Ministry of Trade and Industry for creating a good investment climate and framework (Development of Measuring, Standardisation, Testing and Quality (2006) & Further Support to the Statistical Office in Kosovo (2005)), attracting Foreign Direct Investment (FDI) (Investment Promotion (2006)), private sector development (Development and Elaboration of a Private Sector Development Strategy for Kosovo (2004)), and support to elaborating the development strategies (TA to Kosovo Development Plan (2004)). Substantial assistance has been provided to privatisation and Kosovo Privatisation Agency (KTA) (Support the KTA in the Privatisation

⁵⁰ Evaluation of the contribution by EAR to Serbia's participation in the Regional Energy Market; EU/03/048/7, January 2008

of SOEs (2002) and Further Support to the KTA in Privatisation 2005)), restructuring of the socially-owned enterprises (SOEs) (contribution to the European Bank for Reconstruction and Development (EBRD) Programme to Assist the Pre and Post Privatisation (2004) (TAM/BAS)) and assistance to the economic development in the minority regions (Support for Enterprise Development in Minority Regions (2002)). A complete list of projects is included in Annex 1.

Relevance

62. *The project objectives and topics in the Economic development sector overall correspond to the EU strategic documentation, the EP, CSP and MIPs.* The projects in the Economic development sector have been supporting the key areas addressed in the strategic documents such as the EP, the CSP and the Multi-annual Programmes. Throughout the period, development of the Kosovo economy and improvement of competitiveness have been key priorities in the support to improve the economic conditions and reduce poverty and unemployment and increase social inclusion. Due to the many years of mismanagement and command economy, needs were substantial, and the CARDS strategies concentrated on support to the privatisation and restructuring process of SOEs and Agro-combinats in the short term. In the medium term, the strategic focus of CARDS was an increase in private sector investments, advice and support to small and micro enterprises, local economic regeneration activities and support to companies in establishing partnerships with European countries and to economically depressed areas heavily affected by the restructuring process and areas with specific regional problems⁵¹.

63. *Project design was in most projects ambitious and although addressing important needs, not always adapted to the institutional capacity.* A few of the projects in the sample for Economic development such as statistics, investment promotion and privatisation were too ambitious and had too many or inadequately designed components. Other projects supporting TAM/BAS and support to standards and quality were well designed and met the needs of the recipients fully.

64. *It has been difficult to carry out consultation and include recipients due to transfer of responsibilities between institutions.* Due to the changing institutional environment and transfers of responsibilities from UNMIK to the Kosovo institutions, it was, at the time of project design, difficult to obtain the appropriate institutional consultation on project design and ToR. Due to staff changes in all institutions involved both on the recipient and the EU side, and very limited written records on the consultation process, it is for some projects unclear whether consultations have taken place. For other projects in the sample, the interviewees expressed the view that partners were not sufficiently consulted in the project design process, even though these were accessible. These factors have contributed to inappropriate project design and have resulted in initial, limited ownership in projects, such as the TA to the Kosovo Development Plan, where the original project was developed by a project inside the Prime Minister's office. The consultation on a project like this is also more complicated as it involves a number of stakeholders and other institutions than the key implementing institution (horizontal coordination). Combined with a new and inexperienced administration, this has probably added to the complication in consultations.

65. *Coordination of activities between donors in this field has been satisfactory.* The sector (the areas of this sector which is covered by the evaluation) has not had many donors, and the

⁵¹ Former Republic of Yugoslavia (FRY) Country Strategy Paper 2002-2006

few donors (Gesellschaft für Technische Zusammenarbeit (GTZ), DFID, CARDS, and USAID) have coordinated well.

66. Against this background the overall rating for relevance is **Moderately Satisfactory**.

Efficiency

67. *Project efficiency has been impacted by staff changes and scarce resources (especially IT) available for the implementation of the activities.* Almost all of the projects in the sample on Economic development have faced resource problems during implementation which have delayed or prevented development and delivery of all or some of the activities. The project supporting statistics could not deliver due to lack of data from other institutions, which should have been used as inputs to activities of the Statistical Offices in Kosovo (SOK), e.g. the census was originally planned for 2006 and it was also assumed that the business registry already existed and would be able to provide data⁵². The investment promotion project suffered up to three months delay due to IT problems, move of offices of the Investment Promotion Agency of Kosovo (IPAK) and delays in appointment of staff. Lack of staff also had an impact on the standards and quality of the project as staff was appointed with a one-year delay.

68. *Contractors have in general been able to deliver outputs in a timely and flexible manner but have been forced into an output focus.* The project supporting the Kosovo Development Plan did in particular show flexibility as the project focus had to be completely changed, nevertheless the project delivered within the time frame. In some of the projects, the delays mentioned above resulted in a concentration of activities at the end of the project, e.g. the investment promotion project. The concentration, in turn, implied that far too many activities were carried out and outputs delivered at the end of the project (focus on output delivery), and it has been difficult for the staff to absorb this.

69. The overall rating of efficiency of projects in economic development is **Moderately Satisfactory**.

Effectiveness

70. *Overall, the projects have delivered results but the full implementation by recipient institutions may not take place due to capacity problems.* As mentioned above, the projects have generally been delivered. However, there is uncertainty about the medium-term effects as the recipient institutions may not all have the capacity to implement the outputs and turn these into outcomes. For example, human resources are often an impediment as many projects depend on a few key specialists and managers. If they find other job opportunities (typically in the private sector) and leave the institution, it is often detrimental to the continuous implementation of the project outputs. As some projects have delivered the main part of the activities at the end of the project, the consultants will not have the possibility to assist the recipient with the initial implementation and anchoring of the outputs in the organisation. This may in particular be the case with the investment promotion and statistics projects.

71. *However, recipients express satisfaction with the results delivered, and the project results have contributed to the achievement of important objectives.* The standards and quality projects have ensured that the legal framework is now developed, the support to the Kosovo Development Strategy and Plan has been very successful in training and policy development with

⁵² The Census has not been carried out yet. It should be mentioned that one of the projects which was not evaluated because of lack of documentation was "Support to statistical system and preparation for the census" (2005, budget 1,3 m€).

senior management staff in six ministries. This is highly appreciated in the ministries concerned and has furthermore supported key functions, such as the policy departments in developing sectoral strategies, which are now underway in several ministries. For the statistics projects important tools and data collection have been initiated, but as not all data have been available to the SOK and as some outputs have not been delivered, some objectives will not be met. The TAM/BAS project has provided concrete support to enterprises.

72. The effectiveness of the support provided to economic development is overall **Satisfactory**.

Impact

73. *In spite of the problems in implementation, short-term impacts as well as wider impacts are likely in many of the projects.* Projects, such as the TA to Kosovo Development Strategy and Plan, have already before their completion resulted in improvements in inputs to the budget process from the ministries involved in the project. This project will therefore have a direct impact on the quality of the budget process in Kosovo and it will support other processes, such as the MTEF and the general policy and strategy planning in the line ministries. The TAM/BAS programme has increased the availability of private sector consultants (the consultant register now has 83 consultants) and a generally increased the capacity of the private sector, which is important for the future economic development in Kosovo. Statistical data are slowly improving through the upgrading of the Statistical Office of Kosovo, and although the full process will take a number of years, national account and social statistics are slowly improving, which can be detected in policy formulation and budgeting processes.

74. *As some projects are still being implemented, impacts are too early to determine.* The investment promotion project has experienced serious delays and constraints which may reduce direct impacts on FDI directly from the project - the time the consultants could spend on attracting investors. The standards and quality project has established a legal framework, the implementation of which will determine the impacts, and the TAM/BAS project has established the consultancy network the sustainability of which lies with the capacity of the companies to use the consultancy support offered.

75. The impacts and potential impacts of the projects supporting economic development is rated **Satisfactory**.

Sustainability

76. *Sustainability is a key issue as capacity and training are provided to institutions with high staff fluctuation and low salaries.* In some of the projects assessed, the capacity had been centred on a very small group of staff. This makes the institutions vulnerable to staff fluctuations, and the sustainability is therefore not ensured in projects such as the development of a measuring, standardisation, testing and quality project. The project for the support to the statistical office of Kosovo faces similar problems of limited staff and staff fluctuations as does the Investment Promotion Project. IPAK expects to be able to hire more staff in the near future, who could then be trained before the project ends, and such a measure would enhance sustainability. For all these projects the staff security is a major issue impacting the future sustainability.

77. *Only one project has directly focused on sustainability.* The TA to Kosovo Development Strategy and Plan has focused on securing sustainability and designed the assistance so that it became engrained in the institutions involved. Furthermore, the training has been targeted at

core staff groups and train-the-trainers which will be able to impact the future development of the institution and the Human Resource Development (HRD). The sustainability of the TAM/BAS network will depend on whether government institutions will link up with it in the short term until the demand for consultancy services is self-sustaining. In other countries supported by CARDS the Business Advisory Service (BAS) has been taken over by a key ministry.

78. For the projects in the economic development sector overall sustainability is rated **Moderately Satisfactory**.

2.4 Rural Development

79. *Kosovo's area of agricultural land is 53%, and roughly 90% of the land are on private hands, but with an average farm size of around 2.3 hectares.* There is great dependence on subsistence household plots with low input and low output farming dominating. Input prices are relatively high compared to neighbouring countries, and raising productivity requires adoption of new more capital-intensive technologies. The consolidation of land into larger units takes place very slowly, and the small farm size will remain a significant impediment to agricultural development. The high fragmentation of the agricultural holdings increases production and marketing costs. The low profitability of primary production is the main obstacle for achieving competitiveness in the agriculture and food sector.

80. *The EC assistance in this sector aimed at development of policy, and a regulatory framework to support concrete local rural development initiatives,* including support to the Ministry of Agriculture (MOA), Forestry and Rural Development (MAFRD) in developing policy and an EU-type rural development plan (Institutional Support to Ministry of Agriculture, Forestry and Rural development (2006) & Agricultural Master Plan for Kosovo (2004)), and development of competitiveness of the agriculture and agro-processing sector by supporting the agricultural producers in several sectors (Marketing Support Project (2005)). Support also covered land utilisation and consolidation (Agricultural Land Utilisation Project (2005)), and technical assistance for farmers (Strengthening Advisory and Support Services (SASS) Provided to Farmers and Rural Communities at Kosovo (2003)), rural development strategies and development of Local Actions Groups (Local Development Strategies (2006)) as well as forest management (Sustainable Forest Management (2006)). A complete list of projects is included in Annex 1.

Relevance

81. *The Rural development area is reflected in the EU and national strategic documentation such as the EP and Kosovo Greenbook.* However, the specific areas covered mainly appear in the MIP and only to a lesser extent in the CSP. In the CSP 2002-2006 Rural development is a sub-sector under Economic development and not described in any detail. In the EP 2004, the sector is fully described, and most of the areas targeted by the projects under rural development are mentioned. The project objectives and areas of intervention have all been covered in the national strategy on rural development - the Greenbook⁵³.

82. *Overall, all projects are relevant in the context of the development of Kosovo, and project design has reflected the needs of the institutions and direct beneficiaries.* The majority of the projects in the sample for rural development have met clearly identified needs of beneficiaries.

⁵³ The Kosovo Greenbook. A strategy for sustainable agriculture and rural development in Kosovo. 2003. UNMIK/MAFRD

The strategic projects supporting the Ministry of Agriculture (Institutional Support to the MAFRD and the Agricultural Master Plan for Kosovo (AMPK)) have been well designed, but the AMPK-project was probably too ambitious and should at that time have included less direct Acquis-related topics.

83. *For the more strategic projects, project design has involved the recipients and beneficiaries.* In the projects aimed at agribusinesses and Local Advisory Groups, involvement of the more direct beneficiaries in the design has for practical reasons (more than 30 municipalities) not been possible. But especially the support to marketing projects would have benefitted from a more in-depth assessment of the specific needs of key beneficiary groups and the sector to be targeted before designing the ToR. These types of projects, with many small direct beneficiaries rather than institutional and capacity building projects, require assessment as well as consultations to be made in advance of the design of ToR to ensure that the project is targeted towards the end-beneficiary level and not only towards the sector level.

84. *Donor coordination has taken place at the programme level, but at project level there seems to be direct overlap.* Although the programme documentation clearly mentions some of the donors active in the field, there are examples of overlap in the field of agribusiness-support with bilateral donors. A GTZ-supported project on development of the agro-processors supports some of the same sub-sectors as those supported under the Marketing Support Project. Also, there is no sector coordination in the field of agriculture and rural development.

85. Overall relevance is rated as **Satisfactory** for rural development.

Efficiency

86. *Efficiency has been satisfactory in the sector of rural development in most projects although some have suffered due to contractors' lack of performance.* In general, contractors have performed well in the rural development projects, and they have also shown flexibility and innovation in addressing the obstacles and issues in implementation of the projects. The Local Development Strategies, the Marketing Support Project and AMPK have all been efficient in the implementation phase. However, the Institutional Support to the Ministry of Agriculture, Forestry and Rural Development (ISMARFD) had serious implementation problems in the first part and had to change Team Leader twice during the project. An extension has been granted in order to ensure that the new Team Leader can implement the activities planned, if not as planned.

87. *Recipient capacity has been generally good in the rural development sector and has ensured that the activities could be implemented.* The rural development projects have had multiple recipients and beneficiaries, and good cooperation and capacity to be involved in the projects have been registered in the projects ISMARFD and AMPK. The Marketing Support Project mainly dealt with individual businesses and associations and has recorded varied interest and participation as have the Local Development Strategies which dealt with between 25-30 local actions groups - some of which have been very active and interested, while others have been less engaged.

88. The overall rating for efficiency of the projects in rural development is **Moderately Satisfactory**.

Effectiveness

89. *Effectiveness has been satisfactory, and the project outputs have contributed to the overall objectives.* The Local Development Strategies have supported the establishment of almost 30 Local Action Groups (LAG) (concept from EU LEADER programme) throughout the municipalities. The LAG consists of members from the administration and business sector. The most advanced of the LAGs have already now developed a local action plan identifying key development priorities for the areas. The local development strategies will be the basis for attracting funding from the EU as well as other donors. The Marketing Support Project supported a number of Kosovo producers in agribusiness development and marketing support. Local agri-products were developed and small-scale subsistence farmers were trained in collecting and drying herbs (medicinal herbs), for larger producers the project developed marketing materials (packaging design, brochures)⁵⁴.

90. *Some activities have been less suited to the Kosovo situation or may have been implemented too early.* As mentioned above, the AMPK project was very relevant in the Kosovo situation where agriculture plays a very important role strengthening budgeting, planning and policy implementation though amongst other the development of a rural development plan. The ARDP was modelled on a EU member state type rural development plan which is very comprehensive in scope and requirements. Parts of this may possibly have been introduced too early as neither the full administrative and management capacity in the MoA to implement, the plan nor the financing to fund this was available and it may therefore have limited initial effects. As the capacity as well as the access to data in the agricultural sector has evolved since, this is not the assessment of the successor project ISMARFD. Some of the activities in the Marketing Support Project had immediate effect but may not have longer term impact as the companies and the organisation of producers were not mature enough for the type of assistance. This issue will be discussed under sustainability below.

91. The effectiveness of the rural development projects is assessed as **Satisfactory**.

Impact

92. *The short-term impacts are achieved at the institutional level as well as at individual company and farmer level.* There are impacts in terms of increased planning capacity at the central level in the Ministry of Agriculture supported by the ISMARFD and AMPK projects. This capacity in the ministry for planning, budgeting and HRM has improved and there is an awareness of the need to further develop these capacities, which will in turn support improved planning and the EU integration effort in the Agricultural and Rural development sector. This was highlighted in the EU Progress Report 2008. The Marketing Support Project has some immediate impact on the companies and involved farmers in terms of increased marketing capacity and direct income opportunities for some of the farmers.

93. *Mid-term impact in terms of effects of the activities of the projects in the Rural development sector can only be estimated at a later point in time.* Concerns have been raised in the Progress Report 2008 that the institutional and legal framework for the implementation of the Agricultural and Rural Development Plan (ARDP) are only at a preliminary stage and the real impacts of the ARDP will only be measurable when the ARDP is implemented and the financing is available for the plan. Longer term impacts are assessed as positive for the Local Development Strategies as these will enable the LAG to plan and find investment for key develop-

⁵⁴ The evaluation team visited a farmer in Giljan and the Pestova potato product company in Vustii.

ment projects. This should impact on an increase in activity in local and rural development in Kosovo.

94. The impact and expected impacts of the project in the rural development sector is rated **Moderately Satisfactory**.

Sustainability

95. *A key concern is the sustainability of all projects due to access to finance and/or institutional development and capacity.* Although the impact of the projects can be detected, the sustainability of the support projects to the MOA is very dependent on increase in staff and capacity in key units such as policy, which has currently only a staff of three, budgeting as well as establishment of a human resource unit and a human resource development policy. Without further strengthening of the human resources it is uncertain whether the MOA can handle all the many requirements involved in the EU accession process.

96. *For the project supporting the LAGs, success and sustainability will depend on the access to financing of the development strategies formulated.* Key to this will be availability of financing from the Government, the EU IPA and other donors. It is clearly the impression that if the LAGs cannot access finance for the key investment projects, the LAGs will not last, and the local development strategies will be superfluous. Funds have been allocated under IPA 2008 for small-scale investment projects⁵⁵, and the Government budget will also provide some funding to this effect⁵⁶. It was noted by the evaluation team that some municipalities operated with more strategies than the local development strategy. Other strategies formulated by other projects (and donors) in tourism and economic developments are also available in several municipalities. These strategies may be well coordinated so as to avoid overlap, but it is understood that they are not necessarily coordinated in terms of synergy and complementarity. It is not clear how the investment priorities included in the different strategies are prioritised overall and how these will compete for financing.

97. *The sustainability of the direct support to the agribusiness varies substantially between the sub-sectors and beneficiaries.* Some of the beneficiaries⁵⁷ have clearly managed to use the support to develop a new business which goes on and thrives also without use of additional financing. An example of this is the support to the collection and marketing of medicinal herbs, where the farmers have been taught low-cost methods for drying and packaging herbs. Further investments would be useful but is not a prerequisite for developing the business. Others have been given marketing and packaging support, and in addition the EBRD is a shareholder today in one of the companies supported by the project. However, for example, support to the apple producers was not as successful, as the additional financing needed for the purchasing of warehouses for storage of apples has not been accessed by the apple producers. The Market Information System (MIS) developed under the project is being sponsored by a commercial bank which can use the MIS as a platform for advertising their services and loans. There is, however, a need for further support to the development of the MIS and the Regional Marketing Centres in order for these to be able to supply the necessary information to the MIS in the future.

⁵⁵ IPA 2007 Supporting local government and decentralisation

⁵⁶ Exact figure not known

⁵⁷ The extent to which the activities are still ongoing is not known and there is no post-project monitoring of the further development in projects supported - the evaluation team interviewed three cases.

98. The sustainability of the projects in the rural development sector is overall rated **Moderately Satisfactory**.

2.5 Overall Findings

2.5.1 CARDS assistance has reflected the needs in the sectors but need have not been fully indentified and assessed

99. *Projects are in compliance with strategic documents but project design has been made without in-depth institutional assessment, and many projects were therefore too ambitious.* The projects funded under the CARDS 2002-2006 are overall in compliance with both EU strategic documents (EU Partnership, CSP, MIP) and national (UNMIK) strategies. Recipients in general confirmed that they have been involved in the planning and design of the projects, however, due to high staff turnover, or staff engaged after project programming and design, this cannot fully be confirmed. The key issue has been the detailed design of projects and the specific assessment of the capacity and capability of the institutions to receive the project. There are examples of projects designed for institutions, which did not exist at the time of project design and tender (Justice and Economic development). This implicitly means that no institutional assessment has been made, and in some cases projects have been implemented even though the institution did not come into existence during the project implementation (Justice).

100. *Due to the situation/developments there were no real national strategies and very few sector strategies at the beginning of the programming period.* It has been difficult (not possible) to assess the link of CARDS to national strategies as these only exist in a few of the sectors, e.g. the Greenbook in agriculture. The lack of sector strategies may have contributed to the limited needs assessment for the individual projects and also to the lack of an institutional assessment, and functional reviews of ministries have impacted the design of projects. DFID is currently making functional reviews of all line ministries, which should be a very valuable support to the future design of institution and capacity building projects.

101. *Many of the ToR have too many components and activities forcing the contractors to concentrate on delivery of outputs instead of capacity building.* The number of components and activities included in a number of projects have not been adjusted to the relatively new institutions and their level of capacity (Justice, Energy and to some extent Economic development). While it is fully understandable that the needs have been manifold, overloading projects with activities in a relatively short time frame (many projects do not have a duration of more than 18 months, and some less, and are often extended or prolonged) weakens impact and sustainability. Contractors may therefore have been encouraged in the direction of delivering the outputs at the expense of sustainability. Some projects even had to be fully redesigned in the inception phase (Economic development) due to lack of involvement and ownership of the project in key institutions to be involved. A number of contractors and experts expressed that the time to implement a long list of tasks and outputs in very new institutions was far too short. In their opinion, the complexity of projects should be reduced, and the time should be prolonged, otherwise the transfer of knowhow and thereby the sustainability would be jeopardised.

102. Overall rating of relevance for the sectors is **Moderately Satisfactory**.

2.5.2 Project efficiency has in general been good, but contractors and recipient have faced shortcomings

103. *Contractors have in general been efficient and flexible in their implementation but often met institutions which did not have the human resource or technical capacity to receive the assistance.* Many contractors have shown a great deal of flexibility in adapting to the situation and the specific, changing environment in Kosovo (Economic development, Rural development and Energy). The situation regarding the recipient institution staff and resources varies between projects and sectors - there are also good examples of projects where key staff has been made available by the management of the ministry (Economic development).

104. *Some projects suffered from institutional changes which delayed implementation.* Projects have experienced delays as they have had to await establishment or transfer of competences to the new Kosovo institution from UNMIK. Serious delays have been observed in the process of establishing the institution due to technical circumstances resulting from the situation in Kosovo (Justice and Economic development). Also, delays in development or approval of legislation have been an issue (Justice and Economic development). In addition the transfer from EAR to ECLO has caused delays in some projects (Economic development).

105. *The situation in Kosovo has been very particular and constantly changing in the period, and CARDS did not have had the flexibility to address this in the implementation.* The transfer of tasks from UNMIK to Kosovo Government institution has also impacted the relevance of the design of many projects, which have been designed at a time where the institution was under UNMIK, but implemented after the responsibilities were transferred to the Kosovo administration. More flexibility in the implementation should have been included in project design and terms of references - allowing the contractors and recipients to reassess the need at the time of implementation. The support to the KSPO is an example of a project designed to support an institution not in existence at the time of design and tendering. The project encountered many implementation problems as CARDS assistance is not geared to deal with unforeseen needs.

106. The overall rating of efficiency in the four sectors is **Moderately Satisfactory**.

2.5.3 Projects have in general had the planned effects, but have been affected by recipients' capacity to implement the outcomes

107. *In spite of flaws in project design and implementation problems, the majority of the projects have met most of their project objectives.* Overall, projects have met their operational objectives and delivered the outputs required by the ToR. The project indicators were designed to focus on the delivery of specific outputs rather than on capacity building (Justice, Economic development and Energy). This problem was also identified in the final EAR evaluation⁵⁸, namely that in order to satisfy the terms of the contracts, the contractors had focused on carrying out activities themselves instead of involving the recipients which would have required additional time and may not have been possible within the time frame of the contract. The EAR evaluation found that this may have had serious consequences for the local ownership of the projects and their outcomes.

⁵⁸ Lesson Learned to Lessons Applied, p. 17, 2008, EAR

108. ***The effects of the projects are at risk due to high staff turnover and the instability of new ministries and institutions.*** High staff turnover and lack of staff are in many projects identified as key obstacles to achieving full effectiveness and thereby using and implementing projects results. As a key outcome of many projects is capacity building through coaching and training of staff, staff fluctuations are important issues, which impact the effects of the training in case the staff trained either has already left or will be leaving the ministry or institution (Energy, Economic development and Justice).

109. Overall effectiveness in the four sectors has been **Satisfactory**.

2.5.4 Short-term impacts, especially at the institutional level, can be identified, but monitoring of longer term impacts has to be improved

110. ***Many project results will have impacts beyond the immediate institution and project environment.*** Knowledge of these impacts is often limited to the direct beneficiaries and in most cases not shared even within the same institution (Rural development). However, there are examples of projects which have managed to raise the awareness of the project and thereby the impacts further afield either in the administration or in the general public. Examples of this are found in Economic development and Justice.

111. ***Monitoring of overall and medium to longer term impacts only takes place in a very limited number of ministries.*** As most ministries and institutions are in the process of establishing and developing policies, strategies and EU integration functions, the monitoring of the impacts and effect of policies as well as EU and other donor projects is limited. In several ministries, there is awareness of the projects implemented (at least in the ministry if not in the sector) but a real monitoring does not yet take place. Awareness needs to be further developed among ministries for measuring results and impacts of their policies. Some ministries, as for example the Ministry of Justice and the Energy institutions, are beginning to measure impacts in policy areas. The probation service is an example of an area where statistics are available, and the probation service is now publishing a bulletin with statistics⁵⁹. The access to good and reliable statistics is key to this, and this is still an issue in many areas where statistics have to be collected and developed by projects as these cannot be obtained from the SOK.

112. Overall rating of impacts in the four sectors is **Moderately Satisfactory**.

2.5.5 Further improvement in institutional capacity and ownership will be a prerequisite for sustainability

113. ***High staff turnover is a key impediment to sustainability of capacity building projects.*** Adding to this is the budget uncertainty and lack of institutional stability factors which make sustainability of project results uncertain. For many projects finalised more than two years ago it is difficult to find staff members who would still know the project (because they are not in place any more) and a culture for transfer and sharing of knowledge will still have to be developed.

114. ***In spite of difficult institutional set-up and transition in Kosovo ownership of project results is relatively good in CARDS projects.*** Ownership is a key issue of the sustainability

⁵⁹ The Kosovo Probation Service - Bulletin 2008

discussion as projects and activities are only sustainable in the cases where the government/institution has ownership of the project and its outcomes. The ownership issues are also assessed in the EAR evaluation which emphasises the many problems of ownership in government and institutions in transition. Ownership of the reform process is, however, the most important factor in capacity building projects, and without this success is unlikely⁶⁰. The ownership discussion in the case of Kosovo is naturally difficult except in recent years, as in the first years of assistance many of the present Kosovo institutions were either not established or entirely new. Nevertheless, where this evaluation had problems in identifying ownership in the planning and programming phases (as the institutions were often not in place at the time of planning the project), there is at this point in time in all sectors an identifiable ownership and recognition of the importance of the outcomes of the CARDS projects and an interest in sustaining these results.

115. Only for a few projects in the sample, has sustainability been directly addressed as part of the reporting. Sustainability is a key issue for most projects, and in spite of this sustainability is not a fixed part of most final reports. In the TA to Kosovo Development Strategy and Plan, the project specifically addressed what had been done in order to secure sustainability of the activities and results of the project. But many projects do not address sustainability of output in the reports and final report (Justice and Rural development). This has not been a key concern in all monitoring reports either.

116. Overall rating of the sustainability of CARDS is **Moderately Satisfactory**.

Other observations

117. Formal monitoring⁶¹ has only been carried out for around 25% of the project sample (which included primarily the TA project of the programmes) and relatively few of the projects financed after 2004 have been subject to monitoring. Taking into consideration the size and complexity of the programme as well as the difficult environment in which it has been implemented this share is assessed as being too limited. For the evaluation team this has been an additional challenge as the institutional memory of the EAR in most sectors is gone, and many recipients are no longer in place, the only documentation left for the evaluation has been the project documentation itself.

118. The evaluations carried out by the EAR (around 80) have been a useful addition to the monitoring, but they do not cover all projects and sectors in the programme. As many of the evaluations cover all four countries, they are good instruments for comparisons and overall policy assessments, but as input to a country-based programme evaluation they are difficult to use as most findings are of a general character and individual country findings limited. Some of the evaluations do however concern single sectors and countries and these have been included as secondary data where relevant.

Performance ratings

119. The table below is a summary of the rating of the 35 projects included in the evaluation. The ratings per project have been included in Annex 2.

⁶⁰ Lessons Learned to Lessons Applied, 2008, EAR

⁶¹ Monitoring report made available to the evaluation team on CD-ROM by DG ELARG.

Table 2 - Performance rating

Cluster	Relevance	Efficiency	Effectiveness	Impact	Sustainability	Overall
Justice	MU	MU	MS	MS	MS	MS
Energy	S	S	S	S	MS	S
Economic Develop.	MS	MS	S	S	MS	MS
Rural Develop.	S	MS	S	MS	MS	MS
Total	MS	MS	S	MS	MS	MS

HS = Highly Satisfactory; S = Satisfactory, MS = Moderately Satisfactory; MU = Moderately Unsatisfactory; U = Unsatisfactory; HU = Highly Unsatisfactory

3 Thematic and Cross-cutting Findings

120. Having examined the different sectors and the overall performance of CARDS, this chapter will look at the cross-cutting evaluation questions towards the key thematic areas of the assistance to Kosovo. Indicators for these questions have been included in Annex 3.

3.1 CARDS is beginning to support gender equality and inclusion of minorities in a more targeted manner

121. *The strategies for the CARDS assistance have all included references to the inclusion of minorities and protection of their rights.* The FRY Country Strategy 2002-2006 and the MIP 2005-2006 include gender and minorities as cross-cutting issues in order to ensure that all projects pay due attention to gender mainstreaming and inclusion and protection of minorities, but not as a specific focus. The EP 2006 had a specific focus on minorities and human rights and specifically mentioned the implementation of the act on gender equality and the importance of ensuring mainstreaming of women's rights in all existing policies and legislation. The evaluation of gender as a cross-cutting issue undertaken by the EAR in July 2007 finds that the CSPs only briefly addressed the gender issues⁶². More apparent is the awareness of issues regarding gender equality in the MIPs, which have objectives at the strategic level on gender and minorities, but include little in terms of directions at the operational project level.

122. *Overall, gender and minority were mentioned in many projects at the beginning of the period, but not made operational in the project documentation.* Whereas the gender issues are recognised at the level of the strategic documents, there is no or little information on how to make this operational at the project level. In an early project in the Rural development sector, gender and minority issues, e.g., were only mentioned under reporting. In Economic development, specific projects focused on minorities, but the overall attention in other projects was limited, especially early on in the evaluation period. The latter was also the case in Justice and Energy. In some projects, gender and minorities are not mentioned at all in the ToR, but do appear in the reporting, but more as a formality than an operationally addressed issue.

123. *Focus on gender and minority issues increased in the programme period.* In particular in the latter years of CARDS, the ToRs have made specific requests to the projects in terms of including assessment of the gender and minority issues in the sector or areas to be targeted by a specific project. It is, however, difficult to see which operational approach has been taken as there have been different approaches at play. As the cross-cutting issues are not addressed in

⁶² Gender, a cross-cutting issue for interventions of the EAR EU14/042/06, July 2007

the Annual Reports of the EAR⁶³, the overall approach of the CARDS has therefore been difficult to assess. Some projects focused on selecting end-beneficiaries who had representation of gender and minorities as well, and on using consultants from different ethnic groups. Other projects again were more generally focused on mapping the gender and minority participation in the sector (Economic development and Rural development).

124. *The gender and minority issues gained more attention in the project documentation towards the end of CARDS.* The strategic documents primarily change for IPA 2007 to become more specific in terms of gender and minority issues, and the annual programmes also increasingly specify gender issues to be taken into account in the projects⁶⁴. The CARDS did take steps towards mainstreaming gender issues more effectively with more specific requirements in the project ToRs as mentioned above. Monitoring reports, where available, also address the contractor performance related to these issues and assess gender inclusion during programme implementation and recommend remedial actions.

3.2 CARDS has to some extent promoted sustainable development including protection of the environment

125. *Most of the projects in all sectors, except Energy, only indirectly address the environmental issues.* Considerations on sustainable development relating to the environment have only to a limited extent been included in the design of the project. Especially in Rural and Economic development, very few environmental considerations were highlighted in the project documentation and the ToR. In the Rural development sector, environmental issues in the projects evaluated are either missing or only found in a few cases. This is also noted in some of the monitoring reports and probably stems from the fact that environmental issues have received limited focus by the ToR. The energy sector is an important exception which is addressed below.

126. *The Energy Strategy for Kosovo as well as all Terms of Reference for the projects address the environmental impacts in general from the implementation of the project,* although there are very few considerations about mitigation of CO₂ emissions from the energy sector in the CARDS projects as such. However, the EU has funded a pre-feasibility study⁶⁵ assessing the potential of renewable energy sources. This study found that there is considerable potential for solar and biomass, whereas wind and geothermal potential is very low⁶⁶.

127. *The rehabilitation of the energy sector will result in improved efficiency in electricity generation and thus have a positive effect on the environment.* However, increased supply of electricity based on lignite will have a negative impact on the climate. The development plans for the power sector in Kosovo involve a high dependence on utilisation of indigenous lignite. There could be a conflict between the desire to provide low-cost electricity and reduce emissions of CO₂. The Ministry of Energy and Mining will be responsible for adjusting these objectives against each other.

⁶³ Annual Report 2007 and 2008, EAR

⁶⁴ IPA 2007 Programme for Kosovo

⁶⁵ Status Report on Kosovo's Energy Sector, EAR May 2008

⁶⁶ This study was not part of the evaluation.

3.3 CARDS has in some sectors strengthened the effectiveness/efficiency of the donor coordination

128. *Donor coordination was mentioned by many interviewees as a key issue, and major sectoral and sub-sectoral differences have been observed.* Coordination has, in the period covered by the evaluation, been dependent on whether donors would take the lead in the coordination work as coordination efforts were very limited at the sectoral level from line ministries. Some sub-sectors of justice seem to have been very well coordinated while other sub-sectors lack coordination. The Rural and Economic development sectors have had many donors and are therefore difficult to coordinate. Energy is probably the best coordinated sector due a small number of large donors. The Lessons Learned to Lessons Applied 2000-2008 evaluation carried out by the EAR draws attention to the fact that efforts by the donor community should be enhanced. The report underlines the necessity of increased donor willingness to share information and work together as well as to integrate their approach into the national strategies.

129. *The Kosovo donor coordination function is not large enough to deal with a large number of donors and to secure the linkages to the budget/MTEF.* The current donor coordination function within the Ministry for European Integration (MEI), established in 2006, is at the moment only staffed by one person, who has to deal with a large amount donors⁶⁷. A database, which contains the full overview of donor support, is run by the Donor Coordination Centre (DCC). Support for Improvement in Governance and Management (SIGMA) assessed in May 2008 that the DCC and the EU Assistance Coordination Unit in the Agency for European Integration (AEI) needs special consideration and cooperation needs to be improved in order to strengthen the aid management in relation to the MTEF and the budget. The Lessons Learned evaluation also points to the fact that increased support should be provided to the Government in enhancing their capacity and heading the coordination drive⁶⁸.

130. *Donor support is currently off-budget and is included in the MTEF as off-budget - but is not clearly identifiable in the budget*⁶⁹. The fact that all donor support is not included in the budget may possibly be because of the technical assistance nature (and the uncertain timing issues this entails) of the donor funding, which can be difficult to include in the budget planning. A link to the MTEF and action plan was secured for the donor conference⁷⁰ in 2008, but the AEI is still waiting for the details from the conference. Presently only the sectoral pledges from donors are known. According to an OECD survey only 3% of schedules disbursements were recorded by the Government in 2007⁷¹. In the budget 2008⁷², a direct link to MTEF is made for the first time. The OECD Survey on Monitoring the Paris Declaration 2008 found that Aid Effectiveness has not been high on the agenda in Kosovo till date. The survey scores Kosovo low on the dimensions alignment, harmonisation, managing for results and mutual accountability. And low to medium on ownership. The Survey recognises that this is due to the special situation in Kosovo and the transfer of responsibilities from UNMIK. Furthermore that the public finance management systems are not in place, strategies and priorities have till now not been fully developed, and that donors to a large extent has managed the assistance using their own systems.

⁶⁷ Report on Donor Activities 2006. Agency for Coordination of Development and European Integration

⁶⁸ Lessons Learned to Lessons Applied 2000-2008, EAR

⁶⁹ Kosovo Expenditure Management System, Assessment May 2008, SIGMA

⁷⁰ MTEF 2008-2010

⁷¹ 2008 OCED Survey on Monitoring the Paris Declaration

⁷² Kosovo Consolidate Budget 2008, UNMIK

4 Conclusions and Recommendations

131. This chapter will focus on lessons learned in order to improve the future IPA assistance to Kosovo. Taking in lessons about the programming and implementation of the CARDS assistance is key to strengthening the IPA assistance. This chapter highlights the key conclusions found in the previous analysis, underlines lessons learned and makes recommendations in key areas which can have an impact on the IPA programme in Kosovo and in other IPA countries.

4.1 Conclusions

Conclusion 1: CARDS was focused on the objectives of the relevant planning and strategic documents, but the documents were adequately detailed and developed

132. The objectives of the CARDS project were overall well focused on the Country Strategy Paper and the EP (from 2004 onwards). The Country Strategy Paper 2002-2006 is a combined document for Serbia, Montenegro and Kosovo and details of the different areas are limited, but the overall priorities can be determined from the CSP. The CSP makes an attempt to set up results and indicators but at a very general level, stating very overall development and reconstruction goals. The indicators are often a mix of the activities and the results. The EP of 2004 and 2006 covering the last three years of the programme period is also reflected in the objectives of the projects. The MIPs relevant for the period 2002-2004 and 2005-2006 correspond by and large to the projects implemented. It has been difficult to assess CARDS in relation to national sector strategies as these do not exist in most sectors (Agriculture and now Justice). Lack of developed sector strategies and needs assessment (made at the time of project design) for some sectors, e.g. Justice and Economic development, may have contributed to inadequate project design or needs assessment which has impacted the performance of CARDS. The problems of accurate needs assessment reflect both a lack of capacity, especially in the sector ministries for project design and development, and the fact that sufficient resources were not set aside for the preparation of projects neither by the beneficiary nor by the EAR.

Conclusion 2: There are results and short-term impacts in most projects in spite of a difficult implementation environment

133. In spite of a difficult implementation environment many projects have achieved results or delivered outputs, only a very small number did not achieve most of their objectives and only a very small number achieved all objectives. Impacts can be detected in particular at the institutional level in many projects in all four sectors - but a general concern is that a lack of institutional capacity will limit the wider impacts. CARDS assistance has had effects in supporting the development of new institutions (Justice and Economic development) and legal framework

or strategies (Rural and Economic development) in a majority of the sectors, and the effects of CARDS in capacity building of staff have in some sectors been successful. The CARDS assistance has focused on direct training in a majority of the projects more than on training-of-trainers and developing training capacity. This approach may make capacity building vulnerable to staff turnover and movements. But it is difficult to determine this, as many projects have not focused on sustainability in the final report and thereby the longer term effect of the training.

Conclusion 3: Many of these results and impacts will also be sustainable if supported by sufficient staff and resources

134. Although projects have managed to support the development of legal and institutional frameworks in the sectors, it is difficult to judge whether the institutional, legal and strategic work prepared will be fully sustainable. The further development of the administration in terms of staff numbers and competences, as well as the top level in the ministries engaging in the reform processes, will be prerequisites for sustainability. Sustaining the results of many of the projects will demand significant investment from both the state budget and the donors. Some of this assistance is already included in the IPA programmes 2007-2009, but substantial budgets and other donor funds will be needed to continue the investments in key infrastructure in Energy and the Justice sector.

Conclusion 4: Overall the results and impacts have been achieved in a relatively efficient manner, but the lack of experienced institutions has delayed the delivery

135. The assistance under CARDS has largely delivered the outputs in a well-managed way, although exceptions and differences are seen in the performance between the sectors. CARDS has overall performed better in more concrete and specific technical projects than the in overall strategic and planning projects except for Economic development. Many projects have been implemented in a very changing environment with new staff at all levels. Delays have been registered in the implementation due to the fact that institutions were under establishment when the project started and lacked administrative capacity and staff to implement projects in the ministries; in some cases delays were due to contractor performance (Energy, Economic development and Rural development). In some sectors, project design has not taken the administrative situation into account which resulted in significant institutional changes (Justice and Economic development). In this circumstance, many projects were designed with a too short time line resulting in many extensions, because the projects could not be implemented within the set time frame.

Conclusion 5: Cross-cutting themes have mainly been addressed in the latter part of the period, and the donor coordination has not been consistently carried out, thus resulting in lower overall aid effectiveness

136. The CARDS projects have in a general manner addressed the cross-cutting issues gender, minorities and sustainable development in the beginning of the period. It was, however, often not really mentioned or specified in the ToR, or often only under reporting requirements. There

were of course projects which specifically focused partly or fully on cross-cutting issues: gender and minorities (Rural development and Economic development) or specifically on minorities (Justice). In the latter part of the period, the projects overall had more focus on gender and minorities and it is specifically mentioned in the ToR. In some of the reports, it is, however, not very operational and concrete, and does indicate that the project partners may not have been aware of what was expected from the projects in terms of gender and minorities. Sustainable development and the environment are, except for Energy and some rural development projects, not addressed in the CARDS projects. Donor coordination is generally a weak point (although not in Energy) and will need to be addressed as it does not take place properly in a majority of the areas subject to the evaluation. Too few resources have been set aside by the Government to ensure donor coordination and the donors, including CARDS, have only led the process on a case by case basis.

4.2 Lessons Learned & Recommendations

137. To address the key findings and conclusions of the evaluations, the following actions are recommended in respect of pre-accession assistance (IPA) planned for a future candidate country. There are two groups of recommendations: strategic and operational. There are five strategic recommendations which are based on a number of problems that emerged during the evaluation and that should be addressed when programming future assistance to Kosovo and other potential future candidate countries. The second group is operational recommendations, which could be taken into account when implementing the remaining CARDS and future IPA assistance.

Strategic Recommendations

Recommendation 1: More focus on strengthening the sectoral and overall policy functions as these are new and in many cases still developing

138. Functions such as budgeting and policy are only developed in some ministries and, where present, the function is often limited to a few persons. It is a key issue in any reform process that the capacity for policy is developed as also underlined by the Lessons Learned to Lessons Applied 2000-2008 by the EAR. The report highlights that "projects implemented within a government strategy and policy framework proved much more sustainable"⁷³. The development of HR units and functions in line ministries and institutions are key to further capacity development as Kosovo needs to develop and retain relevant staff to secure the future development. This should be further supported by the IPA programme.

Recommendation 2: Project design should be based on solid institutional and needs assessment and increased conditionality

139. Many projects in the CARDS programme have been too unrealistic and ambitious in terms of what they could achieve in a short time period. Realistic assessment and prioritisation of the needs of the institution should be made prior to the design of the project. The assessment should address the absorption capacity of the current levels of staff and the available budget. Supporting these assessments are the current functional reviews undertaken by DFID of all ministries. The Lessons Learned Report goes even further and suggests that the culture and traditions should be taken into account as the reform processes are so complex and time con-

⁷³ Lessons Learned to Lessons Applied 2000-2008 EAR. October 2008

suming that many obstacles have to be overcome. Conditionality should be introduced in terms of ensuring the commitment of the institutions to secure that staff and budget are in place for partaking in the assistance projects⁷⁴.

Recommendation 3: Donor coordination should be supported and links to budget and MTEF should be ensured

140. Donor coordination has been identified as a weakness on both the donor and government sides. Donor coordination should be carried out both by the Government and by the donors, ideally led by the Government. The Government should enhance its donor coordination function (at present only one person) and ensure that ministries take care of their sectoral coordination. For the latter to happen, more efforts in terms of staff need to be made by the Government, and the EU should consider supporting this area. In addition, the ECLO should take the lead where appropriate in securing the coordination on donor side of key EU integration sectors. Other donors are looking to the EU to take this lead. Furthermore, the link between donor support and the budget should be ensured. A good attempt was made in the MTEF 2009-2012⁷⁵ but this is not reflected in the budget 2008, and it is not known whether this will be reflected in the new MTEF 2010-2012. As Kosovo receives very large amounts of donor support which probably cannot be put on budget, it should at least be visible/identifiable as off-budget in the MTEF and the budget.

Recommendation 4: Development of sectoral strategies in key sectors will help identify needs and secure relevance of projects

141. At present, there are only a few sectoral strategies in the sectors analysed, the Greenbook for Agriculture, the Energy Strategy and the Justice Reform Strategy (the latter was developed in 2007 so this has not had an impact on the programming of CARDS). The sector strategies should be assisting both the programming and the project development phase setting the objectives and assessing development needs of key institutions. The sector strategies should furthermore assist the Government in targeting and coordinating donor assistance from a large amount of donors (see recommendation 3). The Lessons Learned evaluation sees improved donor coordination as a key to coordinating assistance and to avoiding not only overlap but also contradictory project approaches and to optimising the use of scarce resources in the line ministries⁷⁶. Furthermore, the currently developed functional reviews (funded by DFID) should be a key input to future capacity and institutional development projects and should assist with the detailed needs assessment of key institutions to be supported by IPA.

Recommendation 5: Careful planning and sequencing of IPA assistance will be important in order to ensure sustainability and ownership

142. The CARDS assistance in the period 2002-2006 primarily focused on the reconstitution and initial build-up of institutions and capacity. The EU Agenda was in its very early stages in Kosovo. Initial attempts to introduce Acquis-related assistance have been possible in some projects. In others it has been too early and has therefore not been targeted. With IPA, a new policy framework has been put in place which will direct the assistance for IPA and the dialogue with the EU. The goals and aims of future of assistance will therefore be clearer than under

⁷⁴ The evaluation team has not looked into conditionality already used in IPA 2007-2009.

⁷⁵ Medium-term Expenditure Framework 2009-2011, Republic of Kosovo

⁷⁶ Lessons Learned to Lessons Applied 2000-2008, p. 8

CARDS. Lessons from other countries in the region show that if weak ministries are overloaded with difficult Acquis implementation, before they have the capacity necessary, and therefore they will not be successful, which may lead to frustration with key staff. It is therefore especially important in the context of Kosovo, which has so many new institutions, to ensure that assistance is sequenced and planned correctly and that institutions have the basic set-up in place needed to run its core functions before starting more complicated implementation of the Acquis. Needs assessments and functional reviews therefore need to address the issues of readiness and capacity very seriously.

Operational Recommendations

Recommendation 6: Increase dissemination of already tried and tested successes across sectors

143. There are examples of very good projects which have addressed key capacity building issues with success and sufficient top ministry level focus (Economic development and Energy). There are important lessons to be learned from projects like these which ensured top level ministry support. At the same time these projects focused on training of civil servants at management level and not only at lower level civil servants. Although it is also important to train lower level civil servants, it happens far too often that capacity building projects try to implement reforms from below. Staff fluctuations at the higher level of civil servants are often smaller than of younger staff members, and the dissemination effect achieved from training the civil servants who will have influence on policy and budgets is key to the reform process. It is highly recommended to repeat this approach throughout the administration as well as ensure the further extension to a wider audience in the ministries.

Recommendation 7: Project duration should be increased as well as focus to secure sustainability

144. The project length and time line of implementation have in many cases weakened the performance of CARDS. With limited absorption capacity in certain institutions, too short a time frame (for the type of intervention) has been planned for many of the CARDS projects. A timeframe of 1.5 years for projects involving significant institutional establishment or major legal initiatives have been too short. Quite a number of these projects were granted a time extension and managed to produce their core outputs only during this period. Projects should be planned realistically, and rather reduce the components or prolong the time of the projects in order to obtain more sustainable results. There is some evidence which points to that significant institution building projects should not last less than three years (Energy and Justice). Only then will the projects have sufficient time to consider both the development of the task, the legal framework and the training of staff to become properly prepared when the plan or initiative reaches its first implementation phase. Designing longer projects with e.g. a decreasing presence of experts may be an option to ensure sustainability.

Recommendation 8: Focus more on sustainability in project design and implementation

145. Future projects should focus more on sustainability and less on outputs (Justice and Energy). Many of the projects subject to this evaluation have been focused on delivery of outputs rather than on the anchoring of results in the organisation in question. The increasing awareness of recipients and contactors that they have to address sustainability in terms of staff, financial resources and institutional stability in the projects from the start is the first step in the

direction of improving sustainability of projects. For larger institution building projects it should be clear from the beginning that the recipients have to allocate funding to continue the activity after project end. Very few reports of the CARDS programme address this issue actively, and it is recommended that a specific chapter in ToR, inception report and final report is dedicated to the description of how sustainability is ensured and what staff and financing will be set aside in order to achieve sustainability. If no budget funding is to be set aside, donor possibilities should be identified.

Recommendation 9: Increase monitoring of projects for timely follow-up and implementation adjustment

146. Relatively few projects under CARDS 2002-2006 were monitored (around 25% of the sample used for this evaluation), and this may have resulted in late reactions to non-performing projects and difficult circumstances. The Result-oriented Monitoring (ROM) reporting has already taken over the IPA and some ongoing CARDS projects are also monitored by ROM. The monitoring when generally implemented in all projects will be a support to all involved stakeholders as it has the possibility of highlighting and bringing to the forefront the issues from other perspectives than those of stakeholders who are involved on a daily basis. In addition, the monitoring helps the stakeholders follow-up on recommendations, implement changes and keep a record on the implementation, which is not done in the same "objective" manner by the project reporting. It is generally recommended to monitor most projects (except for very small projects e.g. Framework Contracts).

Recommendation 10: Cross-cutting issues need to be made operational and project partners need clear instruction on requirements

147. In order to avoid that cross-cutting issues become a matter of "ticking-off-the-box" by projects without necessarily being given in-depth attention, a clear strategy and operational guidelines to the purpose should be developed. Within each project, clear instructions and requirements should be given in the ToR on what is expected in the project as well as in the reporting. The EAR evaluation on gender, which is an overall evaluation covering countries in the EAR, also found that more could be done directly at policy level with the governments and not only through the projects as there is a lack of awareness in the Kosovo administration.

Recommendation 11: Ensure that the remaining ongoing CARDS projects are focused on making results sustainable

148. A key finding of this evaluation has been that projects have had too short an implementation period, have included too many different components and have focused on the delivery of outputs instead of securing the sustainability of the outputs such as strategies, procedures and guidelines etc. Some projects, which are still under implementation in Justice (Further Support to Justice), Economic development (Kosovo Development Plan) and Rural development (IMPARD II and Local Development Strategies), would benefit from an extension. At the same time, the focus of the implementation process should give more emphasis to sustainability even if this means reconfiguration of outputs. The indicators of these projects are reviewed in annex 7.

4.3 Conclusions and Recommendations Table

Issue	Conclusion	No.	Recommendation	Ref.	Action by	Deadlines
Effectiveness/efficiency/impacts	<ul style="list-style-type: none"> ▪ CARDS has overall performed better in more concrete and specific technical projects than the in overall strategic and planning projects. ▪ Delays have been registered in the implementation due to the fact that institutions were under establishment when the project started and lacked administrative capacity and staff to implement projects. ▪ In some sectors, project design has not taken the administrative situation into account which resulted in significant institutional changes. 	1	<ul style="list-style-type: none"> ▪ Functions such as budgeting and policy are only developed in some ministries and, where present, the function is often limited to a few persons. ▪ The development of HR units and functions in line ministries and institutions are key to further capacity development as Kosovo needs to develop and retain relevant staff to secure the future development. ▪ This should be further supported by the IPA programme. 	133, 134, 135, 138	ECLO, line ministries, PAR, ACDEI	
Relevance	<ul style="list-style-type: none"> ▪ The CSP makes an attempt to set up results and indicators but at a very general level, stating very overall development and reconstruction goals. ▪ The indicators are often a mix of the activities and the results. ▪ The problems of accurate needs assessment reflect both a lack of capacity, especially in the sector ministries for project design and development. ▪ Sufficient resources were not set aside for the preparation of projects neither by the beneficiary nor by the EAR. 	2	<ul style="list-style-type: none"> ▪ Realistic assessment and prioritisation of the needs of the institution should be made prior to the design of the project. ▪ The assessment should address the absorption capacity of the current levels of staff and the available budget. Supporting these assessments are the current functional reviews undertaken by DFID of all ministries. ▪ Conditionality should be introduced in terms of ensuring the commitment of the institutions to secure that staff and budget are in place for partaking in the assistance projects. 	132, 139	ECLO, Commission, ACDEI	
Cross cutting issues/effectiveness	<ul style="list-style-type: none"> ▪ Donor coordination is generally a weak point and will need to be addressed as it does not take place properly in a majority of the areas subject to the evaluation. ▪ Too few resources have been set aside by the 	3	<ul style="list-style-type: none"> ▪ Donor coordination should be carried out both by the Government and by the donors, ideally led by the Government. ▪ The Government should enhance its donor coordination function and ensure that ministries take care of their sectoral coordination. 	136, 140	ECLO, Commission, ACDEI, MOEF, line	

	Government to ensure donor coordination and the donors, including CARDS, have only led the process on a case by case basis.		<ul style="list-style-type: none"> ▪ IPA should consider supporting this area. ▪ The ECLO should take the lead where appropriate in securing the coordination on donor side of key EU integration sectors. ▪ Furthermore, the link between donor support and the budget should be ensured. 		ministries	
Relevance/efficiency/effectiveness	<ul style="list-style-type: none"> ▪ It has been difficult to assess CARDS in relation to national sector strategies as these do not exist in most sectors. ▪ Lack of developed sector strategies and needs assessment (made at the time of project design) may have contributed to inadequate project design or needs assessment which has impacted the performance of CARDS. ▪ The problems of accurate needs assessment reflect both a lack of capacity, especially in the sector ministries for project design and development . ▪ Sufficient resources were not set aside for the preparation of projects neither by the beneficiary nor by the EAR. 	4	<ul style="list-style-type: none"> ▪ Development of sectoral strategies in key sectors will help identify needs and secure relevance of projects. ▪ The sector strategies should be assisting both the programming and the project development phase setting the objectives and assessing development needs of key institutions. ▪ The sector strategies should furthermore assist the Government in targeting and coordinating donor assistance from a large amount of donors (see recommendation 3). ▪ Furthermore, the currently developed functional reviews (funded by DFID) should be a key input to future capacity and institutional development projects and should assist with the detailed needs assessment of key institutions to be supported by IPA. 	132, 134, 135, 141	ECLO, ACDEI, MOEF, line ministries	
Effectiveness/relevance	<ul style="list-style-type: none"> • CARDS assistance has had effects in supporting the development of new institutions and legal framework or strategies in a majority of the sectors, and the effects of CARDS in capacity building of staff have in some sectors been successful. 	5	<ul style="list-style-type: none"> ▪ Careful planning and sequencing of IPA assistance will be important in order to ensure sustainability and ownership. ▪ Ensure that assistance is sequenced and planned correctly and that institutions have the basic set-up in place needed to run its core functions before starting more complicated implementation of the Acquis. ▪ Needs assessments and functional reviews therefore need to address the issues of readiness and capacity very seriously. 	134, 135, 142	ECLO, ACDEI, line ministries. PAR	
Impacts/sustainability/efficiency	<ul style="list-style-type: none"> ▪ Impacts can be detected in particular at the institutional level in many projects in all four sectors - but a general concern is that a lack of institutional capacity will limit the wider impacts. ▪ The CARDS assistance has focused on direct training in a majority of the projects more than on training-of-trainers and de- 	6	<ul style="list-style-type: none"> ▪ Increase dissemination of already tried and tested successes across sectors. ▪ Ensured top level ministry support while at the same time it focused on training of civil servants at management level and not at lower level civil servants. ▪ It is highly recommended to repeat this approach throughout the administration as well as ensure the further extension to a wider 	133, 134, 135, 143	ECLO, ACDEI,	

	veloping training capacity, vulnerable to staff turnover and movements.		audience in the ministries.			
Efficiency/sustainability	<ul style="list-style-type: none"> ▪ Many projects have been implemented in a very changing environment with new staff at all levels. ▪ Delays have been registered in the implementation due to the fact that institutions were under establishment when the project started and lacked administrative capacity and staff to implement projects in the ministries. ▪ Project design has not taken the administrative situation into account which resulted in significant institutional changes. ▪ Projects were designed with a too short time line resulting in many extensions, because the projects could not be implemented within the set time frame. 	7	<ul style="list-style-type: none"> ▪ Project duration should be increased as well as focus to secure sustainability. ▪ Projects should be planned realistically, and rather reduce the components or prolong the time of the projects in order to obtain more sustainable results. ▪ Significant institution building projects should not last less than three years so projects have sufficient time to development of the task, the legal framework and the training of staff. ▪ Designing longer projects with e.g. a decreasing presence of experts may be an option to ensure sustainability. 	134, 135, 144	ECLO, ACDEI,	
Sustainability	<ul style="list-style-type: none"> ▪ It is uncertain whether the institutional, legal and strategic work prepared will be fully sustainable. ▪ The further development of the administration in terms of staff numbers and competences, as well as the top level in the ministries engaging in the reform processes, will be prerequisites for sustainability. ▪ Sustaining the results of many of the projects will demand significant investment from both the state budget and the donors. ▪ Some of this assistance is already included in the IPA programmes 2007-2009, but substantial budgets and other donor funds will be needed. 	8	<ul style="list-style-type: none"> ▪ Future projects should focus more on sustainability and less on outputs. ▪ Increasing awareness of recipients and contactors to address sustainability in terms of staff, financial resources and institutional stability in the projects from the start. ▪ For larger institution building projects the recipients have to allocate funding to continue the activity after project end. ▪ A specific chapter in ToR, inception report and final report is dedicated to the description of how sustainability is ensured and what staff and financing will be set aside in order to achieve sustainability. ▪ If no budget funding is to be set aside, donor possibilities should be identified. 	134, 145	ECLO, ACDEI, line ministries. PAR	
Monitoring	<ul style="list-style-type: none"> ▪ Formal monitoring has only been carried out for around 25% of the project sample. ▪ Relatively few of the projects financed 	9	<ul style="list-style-type: none"> ▪ Increase monitoring of projects for timely follow-up and implementation adjustment. ▪ The Result-oriented Monitoring (ROM) reporting has already taken over the IPA and some ongoing CARDS projects are also 	117-118, 146	ECLO, Commission, ACDEI	

	<p>after 2004 have been subject to monitoring.</p> <ul style="list-style-type: none"> ▪ Size and complexity of the programme too limited. ▪ Challenge as the institutional memory of the EAR in most sectors is gone. ▪ Evaluations: the EAR made around 80 cover only some projects and sectors. 		<p>monitored by ROM.</p> <ul style="list-style-type: none"> ▪ Will be a major support to all involved stakeholders as it has the possibility of highlighting and bringing to the forefront the issues. ▪ The monitoring helps the stakeholders follow-up on recommendations, implement changes and keep a record on the implementation. ▪ It is generally recommended to monitor most projects. 			
Cross cutting issues	<ul style="list-style-type: none"> ▪ In the latter part of the period, the projects overall had more focus on gender and minorities and it is specifically mentioned in the ToR. ▪ In reports it is not very operational and concrete, and does indicate that the project partners may not have been aware of what was expected from the projects in terms of gender and minorities. ▪ Sustainable development and the environment are, except for Energy and some rural development projects, not addressed in the CARDS projects. 	10	<ul style="list-style-type: none"> ▪ Cross-cutting issues need to be made operational and project partners need clear instruction on requirements. ▪ A clear strategy and operational guidelines to the purpose should be developed ▪ Within each project, clear instructions and requirements should be given in the ToR on what is expected in the project as well as in the reporting. ▪ More could be done directly at policy level with the governments and not only through the projects as there is a lack of awareness in the Kosovo administration. 	136, 147	ECLO, Commission, ACDEI	
Sustainability/efficiency/effectiveness	<ul style="list-style-type: none"> ▪ Some projects, which are still under implementation in Justice (Further Support to Justice), Economic development (Kosovo Development Plan) and Rural development (IMPARD II and Local Development Strategies), would benefit from an extension. 	11	<ul style="list-style-type: none"> ▪ The focus of the implementation process should give more emphasis to sustainability even if this means reconfiguration of outputs. ▪ Ensure that the remaining ongoing CARDS projects are focused on making results sustainable. 	148	ECLO, ACDEI, line ministires	

Annex 1 Scope of Evaluation - List of Projects (desk studies and interviews)

Programme/ Project number	Year	Programme/Project Title	Allocation (in €)	Implementation	
				Start date	End date
Justice					
06KOS01/03/05/	2006	Further Support to the Justice Institutions in Kosovo	1,199,800.00	31.01.08	30.06.09
06KOS01/03/002	2006	Support to the Kosovo Juvenile System	1,041,489.67	12.02.07	12.02.09
06KOS01/03/06/	2006	Further Support to the Ministry of Internal Affairs	999,200.00	11.04.08	11.07.09*
05KOS01/03/002	2005	Support to Justice	1,964,900.00	08.05.06	31.01.08
05KOS01/03/03/	2005	Strengthening Capacity To Combat Money Laundering & Corruption	1,282,110.00	01.07.08	31.10.08*
04KOS01/02/003	2004	Modernisation of Courts - CMIS III	1,997,940.00	20.12.04	31.12.07
04KOS01/02/004	2004	Support to the Establishment of the Kosovo Special Prosecutors Office	996,855.00	04.01.05	05.04.08
04KOS01/02/001	2004	Legal Aid Project	900,000.00	02.07.04	01.09.05
04KOS01/02/005	2004	Establishment of Legal Aid System	470,262.91	13.04.05	30.06.06
Energy					
06KOS01/09/002	2006	Further Training to Improve Technical & Management Skills in KEK	429,490.75	27.12.06	23.01.08
06KOS01/09/001	2006	Further Turn Around Management in KEK	796,652.72	31.07.06	01.01.07
05KOS01/04/002	2005	TA for the Establishment of a Transmission System and Market Operator	2,155,125.00	01.02.06	31.05.08
05KOS01/04/08/	2005	Assignment of Engineer for Major Overhaul of Overburden System	809,000.00	22.11.07	01.07.11
05KOS01/04/001	2005	Further Institutional Support to the Energy Regulatory Office	1,075,490.00	22.02.06	15.06.08
05KOS01/04/003	2005	Further Institutional Support to the Ministry of Energy and Mining	1,200,300.00	27.12.05	16.05.08
05KOS01/04/005	2005	Studies to Support Development of New Generator Capacities & Related Trans	1,299,176.00	13.12.06	17.09.07
04KOS01/03/006	2004	Institutional Building Support to the Energy Regulatory Office	867,100.00	10.02.05	01.05.06
03KOS01/03/001	2003	Support to KEK's Establishment of Organization & Skills Development Programme	1,265,525.72	05.01.04	15.02.06
02KOS01/12/001	2002	Management and Technical Assistance to KEK	13,017,323.94	28.03.02	31.08.04
Economic Development					
06KOS01/07/004	2006	Investment Promotion	1,447,664.00	15.05.07	15.05.09
06KOS01/07/002	2006	Development of Measuring, Standardisation, Testing & Quality	1,478,000.00	19.02.07	05.03.09
05KOS01/06/003	2005	Further Support to the KTA in Privatization	4,082,367.00	14.11.05	15.04.08
05KOS01/06/017	2005	Further Support to the Statistical Office of Kosovo	1,418,485.00	02.01.07	01.02.09

04KOS01/05/03/	2004	TA to Kosovo Development Plan	1,490,000.00	21.03.07	07.05.09
04KOS01/05/016	2004	Development and Elaboration of a Private Sector Development Strategy for Kosovo 1	140,944.00	16.06.05	20.09.05
04KOS01/05/003	2004	Contribution to EBRD Programme to Assist the Pre & Post Privatisation Restructuring	2,000,000.00	20.10.04	31.12.07
03KOS01/05/006	2003	Institutional Support to the Ministry of Trade & Industry	2,165,770.92	22.04.04	06.05.06
02KOS01/16/006	2002	Support of KTA in the Privatisation of SOEs	1,421,578.48	17.07.03	30.06.05
02KOS01/16/003	2002	Support for Enterprise Development in Minority Regions	1,193,000.00	23.05.02	31.12.05
Rural Development					
06KOS01/08/002	2006	Institutional Support to Ministry of Agriculture, Forestry and Rural Development	1,844,370.00	20.12.06	16.08.09
06KOS01/08/003	2006	Local Development Strategies	1,690,230.00	17.04.07	15.05.09
06KOS01/08/001	2006	Sustainable Forest Management	1,198,980.00	15.01.07	15.01.09*
05KOS01/06/004	2005	Marketing Support Project	1,944,460.00	01.12.05	14.12.07
05KOS01/06/005	2005	Agricultural Land Utilisation Project	1,530,845.00	13.02.06	13.02.08*
04KOS01/05/010	2004	Agriculture Master Plan Kosovo	1,401,495.84	25.10.04	24.11.06

* Project duration estimated based on project documentation

List of Projects for which documentation was not available

Programme/ Project number	Programme Year	Programme/Project Title	Allocation (in €)
Justice			
06KOS01/03/003	2006	SUPPORT TO THE FINANCIAL INVESTIGATION UNIT	726,873.13
03KOS01/02/003	2003	CREATION OF CASE MANAGEMENT SYSTEM IN THE DISTRICT COURT OF KOS.	260,400.00
06KOS01/07/003	2006	CORPORATE FINANCIAL LAW -SCAAK	1,499,170.00
05KOS01/06/002	2005	SUPPORT TO THE STATISTICAL SYSTEM AND PREPARATION FOR THE CENSUS	1,315,000.00
05KOS01/06/010	2005	RESOLUTION OF LAND AND COMMERCIAL PROPERTY DISPUTES	3,000,000.00
04KOS03/02/32/	2004	001-DEVEL. AND ELABORATION OF A PRIVATE SECTOR DEVEL. STRA.FOR KOS	198,146.00
05KOS01/06/016	2005	SUPPORT TO THE KOSOVO CENTRE FOR LIVESTOCK BREEDING	1,593,046.00
03KOS01/06/001	2003	SASS PROVIDED TO FARMERS AND RURAL COMMUNITIES AT KOSOVO	1,612,618.00
01KOS01/03/002	2001	TA ESTABLISHMENT AUTONOMOUS AGRI BUSINESS DEVELOPM UNIT	1,521,742.75

Annex 2 Performance rating per project and sector

Cluster/Criterion	Relevance	Efficiency	Effectiveness	Impact	Sustainability	Overall
Justice						
Further Support to the Justice Institutions in Kosovo (2006) (D+I)	MU	MS	MS	MS	MS	MS
Support to the Kosovo Juvenile System (2006) (D+I)	MS	S	S	S	S	S
Further Support to the Ministry of Internal Affairs (2006) (D) ⁷⁷	MS	MU	-	-	-	-
Support to Justice (2005) (D+I)	MU	MU	MU	MS	MU	MU
Strengthening Capacity To Combat Money Laundering & Corruption (2005) (D) ⁷⁸	MS	MS	-	-	-	-
Modernisation of Courts - CMIS III (2004) (D)	MU	U	MS	MU	MU	MU
Support to the Establishment of the Kosovo Special Prosecutors Office (2004) (D+I)	U	U	S	S	S	MS
Legal Aid Project (2004) (D)	S	S	S	S	MS	S
Establishment of Legal Aid System (2004) (D+I)	MS	MS	S	MS	MS	MS
Total	MU	MU	MS	MS	MS	MS
Energy						
Further Training to Improve Technical & Management Skills in KEK (2006) (D)	S	MS	HS	S	MS	S
Further Turn Around Management in KEK (2006) (D+I)	MU	U	U	U	HU	U
TA for the Establishment of a Transmission System and Market Operator (2005) (D+I)	HS	HS	HS	HS	S	HS
Assignment of Engineer for Major Overhaul of Overburden System (2005) (D)	S	S	S	S	U	S
Further Institutional Support to the Energy Regulatory Office (2005) (D+I)	S	HS	HS	HS	S	HS
Further Institutional Support to the Ministry of Energy and Mining (2005) (D)	S	HS	S	HS	S	S
Studies to Support Development of New Generator Capacities & Related Trans (2005) (D)	S	HS	HS	-	-	HS
Institutional Building Support to the Energy Regulatory Office (2004) (D+I)	S	HS	HS	HS	S	HS
Support to KEK's Establishment of Or-	S	HS	S	MS	U	S

⁷⁷ This project only started in mid 2008 and has had substantial delays and therefore only be assessed on the first two criteria.

⁷⁸ We have only received the ToRs and 50% of the Final Report full assessment can therefore not be made

ganization & Skills Development Programme (2003) (D)						
Management and Technical Assistance to KEK (2002) (D)	MS	HU	MS	MS	U	MS
Total	S	S	S	S	MU	S
Economic Development						
Investment Promotion (2006) (D+I)	MS	MS	MS	S	MS	MS
Development of Measuring, Standardisation, Testing & Quality (2006) (D+I)	HS	S	HS	S	S	S
Further Support to the KTA in Privatization (2005) (D+I)	MS	MS	S	MS	⁷⁹	MS
Further Support to the Statistical Office of Kosovo (2005) (D+I)	MS	MS	S	S	MS	MS
TA to Kosovo Development Plan (2004) (D+I)	U	MS	HS	S	S	MS
Development and Elaboration of a Private Sector Development Strategy for Kosovo 1 (2004) (D)	S	S	S	S	MS	S
Contribution to EBRD Programme to Assist the Pre & Post Privatisation Restructuring (2004) (D+I)	MS	S	HS	S	MS	S
Institutional Support to the Ministry of Trade & Industry (2003) (D)	S	MU	MS	S	MS	MS
Support of KTA in the Privatisation of SOEs (2002) (D)	MS	MS	S	MS	S	MS
Support for Enterprise Development in Minority Regions (2002) (D)	HS	S	S	MS	S	S
Total	MS	MS	S	S	MS	MS
Rural Development						
Institutional Support to Ministry of Agriculture, Forestry and Rural Development (2006) (D+I)	S	U	S	MS	MS	MS
Local Development Strategies (2006) (D+I)	S	S	S	S	MS	S
Sustainable Forest Management (2006) (D)	S ⁸⁰	-	-	-	-	-
Marketing Support Project (2005) (D+I)	MS	S	S	MS	MS	S
Agricultural Land Utilisation Project (2005) (D)	S ⁸¹	-	-	-	-	-
Agriculture Master Plan Kosovo (2004) (D+I)	MS	S	MS	S	MS	MS
Total	S	MS	S	MS	MS	S

D - Desk studies; D+I - Interviews and Desk studies

⁷⁹ Project on-going - sustainability not possible to rate

⁸⁰ Only ToR and IR were received for this project

⁸¹ Only final report was received for this project

Annex 3 Evaluation Questions and Indicators

RETROSPECTIVE EVALUATIONS OF CARDS PROGRAMMES IN Kosovo and Montenegro - EVALUATION QUESTIONS, INDICATORS AND DATA SOURCES

Level 1 Assessment of key issues	Level 2 Specific evaluation questions	Level 3 Indicators	Main data sources
Relevance	R.1 To what extent do the programmes/projects address the needs and priorities identified in progress reports, SA Agreements, Strategy papers, partnerships and country/sectoral strategies	<ul style="list-style-type: none"> - CARDS is focused on the objectives of pre-accession strategy - A high level of consistency between Programme objectives and the needs assessment in strategy papers - The allocation of resources to different macro sector areas and projects reflect the strategy - The programmes have a high quality 	<ul style="list-style-type: none"> - EU Strategic documentations (other) - Kosovo and Montenegro CARDS Programme documents - Progress reports - CARDS Evaluations
	R.2 To what extent have the stakeholders in Kosovo and Montenegro and relevant DGs been involved in the needs assessments and contributed to the design of the programmes/projects?	<ul style="list-style-type: none"> - Consultation processes are/were in place at the time for involvement of stakeholders in needs assessment and programming - Key recipient stakeholders have been involved in needs assessment and programming - Civil society has been consulted and involved in the planning of the activities 	<ul style="list-style-type: none"> - Documentation on programming process (incl. programming documents) - Survey and interviews - Evaluations - Consultation procedures
	R.3 To what extent were the programmes designed in a manner relevant to the needs and problems identified in the partner countries?	<ul style="list-style-type: none"> - The programmes are based on national (recipient country) strategic and planning documents (national development plans, poverty reduction strategies etc.) - Programme alignment with other (donor) needs assessment and coordination ensured complementarity between CARDS programme and other programmes - Quality of programme/project documentation, log-frame, objectives, indicators etc. 	<ul style="list-style-type: none"> - Programming documents (log-frames etc). - Kosovan and Montenegrin strategic and planning documents - Project documentation - Other donor documentation - Interviews - Evaluations

Level 1 Assessment of key issues	Level 2 Specific evaluation questions	Level 3 Indicators	Main data sources
Efficiency	EFI.1 To what extent have the outputs of the projects been produced, and have they been produced in time as planned?	<ul style="list-style-type: none"> - The projects are successfully completed and outputs delivered - The key stakeholders consider the outputs and activities satisfactory - The project activities are implemented timely - Measures in place to support implementation of projects and delivery of outputs 	<ul style="list-style-type: none"> - Project documentation - Survey and interviews - Monitoring and evaluations
	EFI.2 Could similar results have been achieved at a lower cost or more results to the same costs (value-for-money)?	<ul style="list-style-type: none"> - Costs are reasonable compared to equivalent programmes in comparable regions/countries - Quality of project management (reaction - adaptation) to changes and risks in implementation - Did the project achieve unplanned results 	<ul style="list-style-type: none"> - Project documentation - Other donor/programme documentation - Survey and interviews
Effectiveness	EFE.1 To what extent have the operational objectives of the programmes/projects been achieved or are in the process of being achieved?	<ul style="list-style-type: none"> - Actual outputs correspond to planned outputs - The programmes outputs are assessed to contribute to the overall objectives by key stakeholders - The project results are being implemented/used as intended/planned 	<ul style="list-style-type: none"> - Programme and project documentation - Survey and interviews - Monitoring

Level 1 Assessment of key issues	Level 2 Specific evaluation questions	Level 3 Indicators	Main data sources
Impacts and likely impacts	<p>I.1: To what extent have the impacts contributed to the achievements of the objectives?</p> <p>I.2 To what extent have the projects (outcomes and results) had an impact: short, medium and long term?</p>	<ul style="list-style-type: none"> - The achievements of the project (short-term) is rated positive by recipients (government institution and other beneficiaries), member states, and donors - The impacts have contributed to the achievements of the objectives (short-term) - Systems and institutions in place for implementing results and securing impacts (short to medium term) i.e. government institutions are in place and have been involved in needs assessment, programming and project development - Systems in place for monitoring global impacts in the longer term - In the long-term, the accession process has been improved as a result of the programme 	<ul style="list-style-type: none"> - Programme and project documents - progress reports and country reports - Survey and Interviews - National strategic documents - reports on assessment of public institutions in country
Sustainability or likely sustainability	S.1 Are the results and impacts of the programmes/projects likely to continue after EU funding ends?	<ul style="list-style-type: none"> - Measures have been put in to place to secure/increase sustainability of activities including methods to assess pre-conditions for sustainability. - The project forms part of the overall priority of the organisation/beneficiary and is identified in sector strategy - The beneficiaries have been involved in preparation of the project (ownership) - The intervention integrate well into the beneficiary organisation/institution - The beneficiaries have the financial and human resource to use the intervention - The organisation have a proper management system to integrate the results of intervention in the organisation 	<ul style="list-style-type: none"> - National strategies - Sectoral strategies and assessments - Reports on assessment of public institutions in country (in general and in specific) - Interviews and survey results

Level 1 Assessment of key issues	Level 2 Specific evaluation questions	Level 3 Indicators	Main data sources
Thematic and Cross-cutting questions	C.1 The extent to which CARDS support gender equality, inclusion of minorities, protection of the environment and complementarity with other donors.	<ul style="list-style-type: none"> -The thematic issue were directly or indirectly included in projects - These project have had an impact 	<ul style="list-style-type: none"> - Assessment of the criteria above - Programme and strategic documentation - Progress reports - Interviews and survey - Monitoring and evaluation
	C.2 The extent to which CARDS support strengthened the development of civil society	<ul style="list-style-type: none"> - Projects in place to support civil society - Measure incorporated in CARDS projects in general to support civil society 	<ul style="list-style-type: none"> - Assessment of the criteria above - Programme and strategic documentation - Progress reports - Interviews and survey - Monitoring and evaluation

Annex 4 Indicators of Achievement⁸²

Overall Objective/Specific Objective/Project Purpose	Indicators of Achievement (From Standard Project Fiche Log-Frame Matrix)	S	M	A	R	T	Remarks
Further Support to the Justice Institutions in Kosovo (2006)							
The overall objective of the project is to assist the development and strengthening of effective justice structures and policies in Kosovo free from political influences, guaranteeing a space of freedom, security and justice for all habitual residents of Kosovo, in accordance with EU standards and best practices.	Improved and strengthen independent judicial system in Kosovo based on the EU standards and best practices	N	N	N	Y	N	The Indicator is not specific and although measurable to a certain degree, sources of verification this would not be readily available. The indicator is not time bound.
	Enhanced administrative and management capacity of the Ministry of Justice	N	N	N	Y	N	This indicator would need to be more specific and related to the specific areas of the assistance, there are no targets in the indicators and sources of verification would only be available at a more specific level and it would need to be time bound. It is formulated as an objective.
Investment Promotion (2006)							
To Increase Foreign Direct Investment in Kosovo through Further Development of MTI/IPA	Institution building in the IPAK/MTI	N	N	N	Y	N	These indicators are too general and not directly measurable or time bound although some of these are probably relevant, too unspecific to be measures except for the Increase in FDI. It is assumed that these are not meant as indicators, but as sources for indicators. None are time bound.
	Regional development	N	N	N	Y	N	
	SME advisory services	N	N	N	N	N	
	Support for developing managed workspace	N	N	N	N	N	
	Poverty alleviation and gender equality in the economic activities	N	N	N	N	N	
	Increased FDI	Y	Y	Y	Y	N	
	Business opportunities for vulnerable groups	Y	Y	Y	N	N	
TA to Kosovo Development Plan (2004)							

⁸² Indicators have only been analysed for projects on-going during the evaluation with the view to addressing this in the final reports.

Overall Objective/Specific Objective/Project Purpose	Indicators of Achievement (From Standard Project Fiche Log-Frame Matrix)	S	M	A	R	T	Remarks
1) To help develop a strategic policy function in the key line Ministries, which are responsible for a large share of public spending.	Systematic approach and procedures for strategic prioritisation of investment projects	Y	N	Y	Y	N	These indicators are formulated as actions or activities and would have to be reformulated in order to be come indicators. The indicators all are without target, too unspecific to be measured and not time bound.
	Procedures and systems for liaison with financing/donor organisations and other stakeholders and project proponents. Minority, gender and environmental aspects integrated in draft sector strategies	Y	N	Y	Y	N	
	Regular information on Project developments, and implementation planning of activities disseminated to relevant government institutions and stakeholders;	Y	N	Y	Y	N	
2) Within these key line Ministries, to develop capacity to identify, plan, prioritize and budget for important future projects	Action Plan for enhanced information management system and communication strategy	Y	N	Y	Y	N	
	Systems and procedures in accordance with best practice and consistent with requirements for IPA funding	Y	N	Y	Y	N	
Institutional Support to Ministry of Agriculture, Forestry and Rural Development (2006)							
Institutional strengthening of MAFRD to facilitate rural development and harmonise further with the EU.	Implementation of ARDP 2007 – 13 commenced	N	Y	N	Y	N	Too general would need to be specified and reformulated in order to become indicators, and targets specified. The topics chosen would be relevant but sources of verification would have to be specifically developed for most of the indicators. Not time bound.
	MAFRD meets its targets as set out in the European Partnership Action Plan.	N	Y	Y	Y	N	
	Output of MAFRD staff increased: Tasks completed in a timely and qualitative manner	N	N	N	Y	N	

SMART: Specific; Measurable; Available, i.e. the sort of indicators of achievement for which source of verification should exist; Relevant to objective concerned; Time-bound. Y – Yes; N - No

Annex 5 List of Interviews

Name of Institution	Name of person/position	Date
DG ELARG Kosovo Issues	Magdalena Mueller-Uri, Assistance Desk Officer	07.11.2008
DG ELARG Kosovo Issues	Ruud Van Enk, Political Desk Officer	07.11.2008
DG ELARG Evaluation Unit	Goran Segerlund, Head of Unit	07.11.2008
DG ELARG Evaluation Unit	Mose Apelblat, Task Manager	07.11.2008
EAR, Kosovo	Richard W. Lundgren, Programme Manager	17.11.2008
EAR, Thessaloniki	Lennart Almqvist, Head of Evaluation	20.11.2008
ECLO, Pristina	Kjartan Bjornsson, Head of Operations	18.11.2008
ECLO, Pristina	Group Meeting, Task managers	17.11.2008
ECARLO, Pristina	Odran Hayes	18.11.2008
ECLO, Pristina	Aferdita Tahiri, Programme and Quality Assurance Officer	18.11.2008
Kick-off meeting, ECLO	ECLO Task managers and Beneficiaries	02.02.2009
USAID	Merita Stublla	06.02.2009
SDC	Saranda Cana	04.02.2009
UNDP	Vigjina Dumnica	05.02.2009
GTZ	Marcel Schwickert, Head of Programme	04.02.2009
DFID	Florina Duli, Deputy Programme Manager	02.03.2009
Agency for Development Coordination and European Integration	Elvane Bajraktari, Senior Officer for Analysis and Reporting	03.03.2009
DG ELARG Kosovo Issues	Nicholas Cendrowicz, Energy and Rural Development	15.04.2009 (TI)
DG ELARG Kosovo Issues	Stefano Dotto, Economic Development	16.04.2009 (TI)
DG ELARG Kosovo Issues	Lucas Holub, Justice sector	08.05.2009 (TI)
Energy		
ECLO	Task Managers: Lendita Gashi and Agron Orana	02.02.2009
The World Bank, Office in Kosovo	Edon Vrenezi, Operations Officer (Tel: (381) 38 249459 (ext. 103), evrenezi@worldbank.org)	04.02.2009
KFW	Ganimete Huruglica, Deputy Head of Office (Ganimete.Huruglica@kfw.de Mob 044 506 899)	03.02.2009
EGISBCEOM International	John Warthington, Acting Team Leader (john.worthington@egis.fr)	04.02.2009
KOSTT	Fadil Ismaili, Managing Director (fadil.ismaili@kostt.com Tel. +381 38 501 601 5)	05.02.2009
KOSTT	Jusuf Imeri, Human Resources Director (jusuf.imeri@kosst.com Mob. 044 141 817)	05.02.2009
KOSTT	Skender Gjonbalaj, Director of Department for Market Operation (skender.gjonbalaj@kostt.com , Mob. 044 507 482)	05.02.2009

KOSTT	Visar Hoxha, Personal Assistant to MD (visar.hoxha@kostt.com , Mob. 044 308 830)	05.02.2009
KEK	Arben Gjukaj, Managing Director (arben.gjukaj@kek-energy.org)	03.02.2009
MTC	Ramë Çupeva, Director of Roads (rame.cupeva@ks-gov.net Mob. 044 220 516)	04.02.2009
ERO	Theranda Beqiri, Member of the Board (theranda.beqiri@ero-ks.org , Mob 044 137 922)	04.02.2009
ERO	Afrim Ajvazi, Acting Head of Legal and Licensing Department (afrim.ajvazi@ero-ks.org , Mob. 044 220 442)	
Ministry of Energy and Mining	Skender Ahmeti, Permanent Secretary (skender.ahmeti@ks-gov.net , Mob. 044 313 130)	06.02.2009
Ministry of Energy and Mining	Besim Veselaj, Head of Division (besim.veselaj@ks-gov.net , Tel. +381 38 200 218 45)	06.02.2009
TERNA & IPA Consortium	Les Clarke, Project Team Leader (Lesclarke93@aol.com , Mob. 044 656 067)	02.03.2009
Justice		
Human Dynamics	Folkert Milch, Team Leader (folkert.milch@justicesupport.com , Mob. 044 497 923)	03.02.2009
ECLO	Enrico Visentin, Task Manager	02.02.2009
Prosecutors Office	Mirsad Aliu, Legal Officer (Mob. 044 292 372)	05.02.2009
Prosecutors Office/UNMIK	Fabio Pinzari, Liaison Officer (pinzari@un.org , tel. 044502013)	05.02.2009
Ministry of Justice	Sokol Krasniqi, Political Adviser (sokolm.krasniqi@ks-gov.net , Mob. 044 504 455)	04.02.2009
Legal Aid Commission	Drita Rexhepi, Legal Aid Coordination (drita.rexhepi@ks-gov.net , Mob. 044 508 802)	05.02.2009
UNICEF	Afrim Ibrahim, Juvenile Justice Officer (aibrahimi@unicef.org , tel: 0381 38 249 230/231)	06.02.2009
Support to Justice (2005)	Erwin Reister, Team Leader (ere07@yahoo.de , 00386 5 7302 610, 0043 3473 72218)	17.02.2009 (TI)
Kosovo Judicial Institute	Lavdim Krasniqi, Director (Lavdim.Krasniqi@kjjjudicial.org , Mob. 044 689 821)	02.03.2009
Ministry of Justice	Metije Ademi, Director of Probation & Parole Service Directorate (metije.ademi@ks-gov.net , Mob. 044 169 019)	05.03.2009
Ministry of Justice	Resmi Hoxha, Director of Correction Service (resmi.hoxha@ks-gov.net , Mob. 044 169 018)	05.03.2009
Legal Aid Commission	Gjyljeta Mushkolaj, Board Member (gjylieta@yahoo.com , Mob. 044 158 677)	05.03.2009
Legal Aid Project (2004)	Xhevdet Shala, Lawyer (xhevdetshala@gmail.com , Mob. 044 122 021)	03.03.2009
IRZ-Stiftung	Stefan Pürner, Team Leader (Tel.: +49(0)228 9555-103)	17.03.2009 (TI)
UNICEF	Ivana Milosavljevic, Programme Officer (+37744 501 677 or +38162 8103 138, imilosavljevic@unicef.org)	24.03.2009 (TI)
Economic Development		
ECLO	Jehona Hyseni, Task Manager	02.02.2009
Statistical Office	Clementina Ivan-Ungureanu, Key expert (iu_clem@yahoo.com),	03.02.2009

Ministry of Finance	Selim Thaqi, Macroeconomic Adviser (sthaqi@mfe-ks.org , Mob. 044 307 196)	04.02.2009
MTI	Mustaf Hasanaj, Acting Chief Executive of the Agency for Investment Promotion (mustaf.hasanaj@ks-gov.net)	04.02.2009
MTI	Hafiz Gara, Chief Executive of the Agency for Standardisation (hafiz.gara@ks-gov.net)	04.02.2009
BSI/ British Standards	Richard Wheatley, Team Leader (richard.wheatley@ntlworld.com , Mob. 044 833 059)	04.02.2009
Kosova Privatisation Agency	Shkumbim Bicaj, Deputy Managing Director (shkumbim.bicaj@pak-ks.org , Mob. 044 373 382)	05.02.2009
Kosova Chamber of Commerce	Berat Rukiqi, General Secretary	05.02.2009
Kosova Chamber of Commerce	Ekrem Hoxha, National Programme Director (ehoxha.bas.kos@its-ks.net , Mob. 044 132 695)	06.02.2009
East West Consulting	Tony Gething, Team Leader (tony_getthing@yahoo.com , Mob. 044 933 504)	06.02.2009
SOGES	Felim Cluskey, Team Leader (feluskey@iol.ie , Mob. 044 602 293)	06.02.2009
Statistical Office	Avni Kastrati, Chief Executive (avni.kastrati@ks-gov.net , Tel. +381 38 235 111 ext. 145)	03.02.2009
Maxwell Stamp, England	Phelim Dunlea, Ex Team Leader (phelim_dunlea@yahoo.co.uk , Mob. 044 373 384)	05.02.2009
MTPT	Agim Kukaj, Director of Post & Telecommunication and IT Department (agim.kukaj@ks-gov.net , Mob. 044 799 631)	03.03.2009
MLSW	Mentor Morina, Head of Division for Budget Analysis and Evaluation of Poverty (mentor.morina@ks-gov.net Mob: 044 159 715)	05.03.2009
MFE	Agim Krasniqi, Director of Budget Department (akrasniqi@mfe-ks.org , Mob. 044 507 127)	03.03.2009
MFE	Hasan Isufaj, Deputy Director of Budget Department (hisufaj@mfe-ks.org , Mob. 044 120 909)	03.03.2009
MFE	Valmira Rexhebepaj, Macroeconomic Adviser (vrehebepaj@mfe-ks.org , Mob. 049 313 307)	03.03.2009
TAM/BAS	Svend Vestergaard-Jensen, EBRD Senior Advisor and Coordinator, svj@saknet.dk	15.04.2009
Rural Development		
BDPA	Walter De Oliveira, Team Leader (walter.deoliveira@lds-ks.org , Mob. 044 944 671)	03.02.2009
MAFRD	Shefki Zeqiri, Permanent Secretary (shefki.zeqiri@ks-gov.net)	03.02.2009
MAFRD	Shqipe Dema, Project Coordinator (shqipe.dema@ks-gov.net)	03.02.2009
WYG International	Alush Grosha, Deputy Team Leader (alush59@yahoo.com , Tel. +381 38 247 960/1,.)	03.02.2009
AGRIFOR Consult	Ross Bull, Team Leader (ross.bull@ismafrd.org , Tel. +381 38 200 387 07)	05.02.2009
ECLO	Iva Stamenova, Task Manager	05.02.2009
Municipality of Shtime	Ejup Ismajli, Head of Agriculture Sector (ejup_ismajli@hotmail.com , Mob.044 201 876)	04.03.2009
Youth	Artan Ndrecaj, President (artan.ndrecaj@hotmail.com , Mob. 044	04.03.2009

NGO/Municipality of Shtime	265 731)	
Municipality of Novoberde	Sami Vllasaliu, Coordinator for Development of Local Strategy (samivllasaliu@hotmail.com , Mob. 044293 279)	04.03.2009
Municipality of Novoberde	Skender Avdyli, Director for Public Services (skender-67@hotmail.com, Mob. 044 290 798)	04.03.2009
Municipality of Gjilan	Rrezarta Jakupi, Regional Coordinator for Local Development Strategies (rrezjakupi@yahoo.com , Mob 044 292 294)	04.03.2009
Petsova Company, Vushtri	Bedri Kosumi, Director (pestova04@hotmail.com , Mob. 044137 429)	06.03.2009
Farmer at Stanishor Village/Gjilan	Adem Jakupi	04.03.2009

(TI) = Telephone interviews

Annex 6 List of Documents⁸³

No.	Type of document	Title	Author	Date
1.	EU Strategies	Enlargement Strategy and Main Challenges 2008-2009	European Commission	05.11.2008
		Enlargement Strategy and Main Challenges 2007-2008	European Commission	06.11.2007
		Federal Republic of Yugoslavia Country Strategy paper 2002-2006 (with annex Multi-Annual Indicative Programme 2002-2004)	European Commission	n/a
		European Partnership with Serbia including Kosovo	Council of the European Union	18.02.2008
		European Partnership with Serbia and Montenegro including Kosovo	Council of the European Union	30.01.2006
		European Partnership with Serbia and Montenegro including Kosovo	Council of the European Union	14.06.2004
		Kosovo 2008 Progress Report	European Commission	
		Kosovo 2007 Progress Report	European Commission	06.11.2007
		Kosovo 2006 Progress Report	European Commission	08.11.2006
		Kosovo 2005 Progress Report	European Commission	09.11.2005
2.	EU Multi-annual Indicative Programmes	Multi-Annual Indicative Programme 2005-2006 (Serbia and Montenegro including Kosovo as defined by the United Nations Security Council resolution 1244)	European Commission	n/a
		Multi-Annual Indicative Programme 2002-2004 (as an annex to the FRY Country Strategy Paper 2002-2006)	European Commission	n/a
		Multi-annual Indicative Planning Document (MIPD) 2007-2009 for Kosovo (under UNSCR 1244)	European Commission	n/a
		Multi-annual Indicative Planning Document (MIPD) 2008-2010 for Kosovo (under UNSCR 1244)		
3.	EU Annual Programmes	Kosovo Annual Action Programme 2006	European Commission	n/a
		Annual Action programme for 2005 community assistance to Kosovo	European Commission	n/a
		Action Programme 2004 for Kosovo (Amended)	European Commission	n/a
		Annual Action Programme 2003 for Kosovo	European Commission	n/a
		Amendment to the Annual Action Programme 2003 for Kosovo	European Commission	n/a
		Annual Programme 2002 for Kosovo	European Commission	n/a

⁸³ Monitoring and evaluation reports for individual projects are not included as well as individual project documentation

		Financial Proposal: A Housing, Institutional, Water/Waste, and Health Support Programme for Kosovo in 2001	European Commission	n/a
4.	EU Sector fiches	Energy sector fiches (2001-2006 excl. 2003)	European Agency for Reconstruction	n/a
		Justice sector fiches (2002-2006 excl. 2003)		
		Economic development sector fiches (2001-2006 excl. 2003)		
		Agriculture (rural economy) sector fiches (2001-2006 excl. 2003)		
5.	EAR Documents	Contract list - signed by EAR from 21/02/2000 to 26/09/2008, Kosovo	European Agency for Reconstruction	26.09.2008
		Quarterly Report to the European Parliament April to June 2008	European Agency for Reconstruction	2008
		Annual Report 2007	European Agency for Reconstruction	30.05.2008
6.	EU evaluations and monitoring	Evaluations 2001-2008 by sectors	European Agency for Reconstruction	10.2008
		Evaluation of the assistance to the Balkan Countries under CARDS regulation 2666/2000 (Vol. I-III)	Development Researcher's Network Consortium (commissioned by the European Commission)	06.2004
		Result-Oriented Monitoring (ROM) for the CARDS/Western Balkan countries. Annual Report 2006	INTEGRATION International Management Consultants (commissioned by the European Commission)	n/a
		Court of Auditors Special Report No 5/2007 on the Commission's management of the CARDS programme with Commissions replies	European Court of Auditors	27.11.2007
		Lessons learned to lessons applied 2000-2008	European Agency for Reconstruction	2008
		DG ELRAG Evaluation Guide	European Commission	03.2008
7.	UNMIK and National Strategies	Constitutional Framework for Provisional Self-Government in Kosovo	UNMIK	15.05.2001
		Kosovo Standards Implementation Plan	UNMIK	31.03.2004
		Fuelling Kosovo's Growth Engines - A Strategic Vision and Policy Priorities - A contribution from UNMIK EU Pillar to the Kosovo Development Plan	UNMIK EU Pillar, Economic Police Office	07.2005
		Towards a Kosovo Development Plan. The state of the Kosovo economy and possible ways forward	UNMIK EU Pillar	08.2004
		Towards a Kosovo Development Plan. Proposed Structure and Activities	UNMIK EU Pillar	12.2004
		Kosovo Action Plan for the Implementation of European Partnership 2006	UNIMIK EU Pillar / Office of the Prime Minister, Provisional Institutions of Self-	08.2006

			Government of Kosovo (PISGK)	
		Public Administration Strategy 2004-2006	UNMIK EU Pillar / PISGK	07.2004
		Kosovo Outlook 2004	UNMIK EU Pillar	13.05.2004
		The Economic Foundations of Status. Kosovo Economic Outlook 2006	UNMIK EU Pillar	03.2006
		From Consolidation to Sustainability: Maintaining and Improving Achievements. Kosovo Economic Outlook 2007	UNMIK EU Pillar	09.2007
		Public Expenditure and Financial Accountability (PEFA) Assessment Report	Government of Kosovo	04.2007
		Report on Donor Activities for 2006	Agency for Coordination of Development and	n/a
		Donor Activities 2007	European Integration, Government of Kosovo	n/a
		Donor Conference - allocation sheet		11.07.2008
8.	Other donors evaluations and strategies	Sida Country Report 2007 Kosovo	SIDA	04. 2008
		Aide Memoire. IMF Staff Visit to Kosovo.	IMF	11-17.02. 2009
		2008 Survey on Monitoring the Paris Declaration.	OECD	2008
		Semi-Annual Report April-September 2003 Kosovo	SIDA	11.2003
		Strategy for development cooperation with Kosovo June 2005 - December 2006	SIDA	2005
		Early Warning Report Kosovo. Report #20/21 Special Edition	UNDP/USAID	06.2008
		Energy for Development. Kosovo Human Development Report 2007	UNDP/the Swiss Development Cooperation Office	2007
		Human Development Report, Kosovo 2004	UNDP	2004
		Human Development Report, Kosovo 2006	UNDP	2006
		Assessment of Administrative Capacity in Kosovo	UNDP	2005
		Kosovo Mosaic 2006	UNDP	2006
		2008 Governance Overview for Kosovo under UNSCR 1244	SIGMA/EU	2008
		Kosovo Public Expenditure Management System	SIGMA	05.2008
		Kosovo Poverty Assessment vol. I-II	The World Bank	10.2007
		Kosovo Public Expenditure and Institutional Review, Vol. I-II	The World Bank	19.09.2006
		Kosovo: Policy Note on Public Investment Management	The World Bank	10.2007
9.	Energy Sector	Energy for Development. Kosovo Human Development Report 2007	UNDP/the Swiss Development Cooperation Office	2007
		Status Report on Kosovo Energy Sector 2003	European Agency	07.2003

			for Reconstruction	
		Status Report on Kosovo Energy Sector 2005	European Agency for Reconstruction	11.2005
		Status Report on Kosovo's Energy Sector 2008	European Agency for Reconstruction	05.2008
		Energy Strategy for Kosova 2005-2015	Ministry of Energy and Mining,	07.2008
		The White Paper. Energy Strategy and Policy for Kosovo	EU Pillar/ PISGK	09.2003
		Memorandum of Understanding on the Regional Electricity Market in South East Europe and its Integration into the European Union Internal Electricity Market ("The Athens Memorandum - 2002")		2002
10.	Justice	UK Assessment and Proposed Support in the Rule of Law Sector in Kosovo	DFID	11.2008
		Public Perception on Transitional justice	UNDP	05.2007
		Annual Report of Legal Aid of Kosovo - 2007	Legal Aid Commission	03.2007
		The Kosovo Probation Service - Bulleting 2008	Kosovo Probation Service	2008
11.	Economic Development			
12.	Rural Development	The Kosovo Greenbook. A strategy for sustainable agricultural and rural development in Kosovo	UNMIK/MAFRD	05.2003
13.	Regional documents	The Stabilisation and Association process for South East Europe, Third Annual Report	European Commission	30.03.2004
		Regional Strategy Paper 2002-2006	European Commission	n/a
		Regional Multi-Annual Indicative Programme 2005-2006	European Commission	n/a
		Western Balkans: Enhancing the European perspective	European Commission	05.03.2008
		IPA Multi-Annual Indicative Financial Framework for 2008-2010	European Commission	n/a