



The European Union's IPA Program for Western Balkans and Turkey

# IPA - interim evaluation and meta-evaluation of IPA assistance

## Evaluation of Multi Beneficiary Programmes



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# Interim evaluation and meta-evaluation of IPA assistance

Evaluation of Multi Beneficiary Programmes

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## List of abbreviations

Abbreviation	Full name
CEI	Central European Initiative
CEFTA	Central European Free Trade Agreement
CPiE	Country Programme interim Evaluations
EC	European Commission
EU	European Union
EUD	European Union Delegation
DG	Directorate General
IPA	Instrument for Pre-accession Assistance
IPF	Infrastructure Project Facility
MBP	Multi-beneficiary Programme
MIPD	Multi-annual Indicative Planning Document
NIPAC	National IPA Coordinator
NP	National Programme
OECD	Organisation for Economic Cooperation and Development
RCC	Regional Co-ordination Council
ReSPA	Regional School for Public Administration
ROM	Result Oriented Monitoring
SC	Steering Committee
SEECCEL	South East European Centre for Entrepreneurial Learning
ToT	Training of Trainers
TA	Technical Assistance
WB	World Bank
WBIF	Western Balkans Investment Framework



# 1 Scope of work

## 1.1 Introduction

The overall objective of the Interim Evaluation and Meta Evaluation of the European Commission's (EC) Instrument for Pre-Accession (IPA) is to improve the performance of European Union (EU) financial assistance. The specific objectives are to provide a judgment on the performance of EU pre-accession assistance under the IPA Component I in Albania, Bosnia and Herzegovina, Montenegro, Serbia and Kosovo<sup>1</sup> through the preparation of five Country Programme interim Evaluations (CPiE) and on the performance of the Multi-Beneficiary Programmes (MBP). The contract comprises also drafting a meta evaluation summarising of all CPiEs (including those of Croatia, Former Yugoslav Republic of Macedonia and Turkey completed by other contractors) and will provide a limited amount of capacity building on evaluation to beneficiaries in the IPA countries.

This report covers the findings of the MBP evaluation. The majority of the IPA budget is allocated through the National Programmes (NP) but a small proportion – of about 10% – is implemented through the MBP. In the period of 2007-10 the total allocation to the MBP was 562.4 MEUR, including a series of very large infrastructure and investment co-financing elements. The programme is designed to be complementary and consistent with the National Programmes and will be used when there is a clear need for horizontal actions with similar needs in a number of beneficiary countries or where there is a clear cross-border character of assistance objectives, on both a bilateral and a multi-lateral basis.

The evaluation began with a scoping mission and kick off in December 2012. This was followed by a field work phase in the period January to March 2013. The report was commented upon by stakeholders in Headquarters and presented to all stakeholders in May 2013.

## 1.2 Summary methodology

The individual CPiE followed a methodology that involved the combination of a programme evaluation and a sectoral evaluation, with an analysis to identify the contribution made by the IPA to sectoral changes observed. The nature of the MBP makes a similar approach impractical for this evaluation and it will therefore include firstly an assessment of the *performance of the projects* in the sample to draw overall programme level conclusions as in the CPiE (Chapter 2). Secondly, a new focus was developed to replace the sectoral evaluation component with an analysis of the *added value of the MBP* over the National Programmes in a more general context (Chapter 3).

### *First step: assessing the performance of the project sample*

To select the sample, the overall population of MBP projects was stratified by type and then individual projects were selected principally by their multi-annual character (to show impact over time) and commonality with subjects covered in the National Programmes (to allow comparison with the MBP). As such, the sample is not random and cannot be considered representative of the population as a whole however it does allow indicative conclusions to be drawn.

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<sup>1</sup> The designation is without prejudice to positions on status and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

Information was collected from the review of project and programme documentation coupled with verification interviews of stakeholders. A series of online questionnaires was used to gather more subjective opinions. All NIPACs and all EUDs responded and thus their perspectives can be considered representative. The broad and diverse range of beneficiaries and contractors over the programme made it impossible to have a representative response on all individual issues covered by the questionnaires.

Chapter 2 presents the evaluation of the performance of the MBP against the four evaluation criteria: effectiveness, efficiency, sustainability and impact and seeks to answer the same eight evaluation questions as given in the ToR<sup>2</sup> and used for the CPiE:

EQ1: To what extent are interventions financed under IPA efficient in terms of value for money when delivering outputs and immediate results?

EQ2: To what extent are interventions financed under IPA effective in delivering outputs and immediate results?

EQ3: Are the outputs and immediate results delivered by IPA translated into the desired/expected impacts?

EQ4: Are there any additional impacts (both positive and negative)?

EQ5: Are the identified impacts sustainable?

EQ6: Are there any elements which could hamper the impact and/or sustainability of the assistance?

EQ7: Are there any potential actions which would improve the efficiency and effectiveness of on-going assistance?

EQ8: Are there actions which would improve the prospects for impact and sustainability of the on-going assistance?

#### *Second step: added value of MBP*

Secondly, the evaluation will identify the added value from the multi-beneficiary approach over individual national assistance (Chapter 3). In this context, the type of projects implemented via the MBP are characterised in the programming as:

- **Regional projects** aim to facilitate regional cooperation between the IPA beneficiaries. These projects endeavour to promote reconciliation, reconstruction and political cooperation;
- **Horizontal projects** address common needs across several IPA beneficiaries and seek to attain efficiencies and economies of scale in implementation.

The evaluation will seek to determine firstly whether these types of assistance truly generate an added value based on the evaluation of the sample projects in Chapter 2. Secondly, an assessment of efficiencies and economies of scale is presented. An evaluation matrix has been developed to guide the interviews and to support the analysis of the added value of the MBP and can be found in annex 1.

#### *1.2.1 Methods of data collection*

Information on programme performance has been generated largely from a review of project and other background documents, complemented by questionnaires and interviews with beneficiaries. For the analysis of the added value of the MBP both face to face interviews with central management teams in Brussels have been used and structured questionnaires for key stakeholders (NIPACs, EU Delegations and geographical units of DG ELARG).

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<sup>2</sup> Restructuring of the format of the CPiE to start with effectiveness means that these questions now appear in the text out of sequence to the original ToR.

### On-line survey for project assessment

To efficiently target the diverse and disparate groups of stakeholders an on-line survey was used for four of the target groups: (1) project beneficiaries; (2) NIPAC Offices (3) MBP Unit and (4) Contractors. The EC Services and some of the contractors located in Brussels were also interviewed face to face.

Four specific sets of questions were tailored to the target groups. Some of the questions (for example, the role of EU Delegations in MBP management) have been asked all of the groups which allowed comparison of opinions between them (see Annex 6). The questions were designed to provide information on the main evaluation criteria: effectiveness, efficiency, impact and sustainability, and the added value of the multi-beneficiary approach. Given the nature of these questionnaires, the majority of the questions were 'closed' requiring the respondents to choose one or several answers from a pre-defined list. The full questionnaire with answers is available in Annex 6.

The questionnaire was sent to 87 potential respondents, representing the total number of stakeholders in the four target groups. The respondents represent beneficiaries of the projects, all NIPACs, all contractors of the on-going projects and all project managers of the specific projects included in the sample from the MBP Unit. For NIPACs, the contractors and EC MBP Unit the questionnaire was sent to all involved stakeholders. For the beneficiaries we were able to identify a more detailed list of beneficiaries only for *Statistics*, *Quality Infrastructure*, *CEFTA* and *ReSPA* projects.

From the total of 87 potential respondents that the questionnaire was sent to, 49 (53%) opened the e-mail invitations and 35 (40,2%) (71% of those who saw the e-mail invitations) responded (see a detailed breakdown of invitations and responses in table 1.1 below).

**Table 1.1 Invitations and responses to the questionnaire**

Target Group	Sent		Responded		
	N	%	N	%	%
EC Services	5	6%	3	60%*	9%**
Contractors	16	18%	6	38%	17%
NIPACs	23	27%	8	35%	23%
Beneficiaries	43	49%	18	42%	51%
Total	87	100%	35	40,2%	40,2%

\*Percentage of responses to invitations, \*\*Percentage from the total responses

The questionnaire was sent to more than one contact in NIPAC offices and contractors (including the country managers for *IPF*). NIPAC offices from 6 of 9 countries responded (see Annex 2). NIPACs in Turkey, Iceland and Montenegro did not respond. Contractors of four (*Statistics*, *Quality Infrastructure*, *Public Finance Management* and *Infrastructure Investment*<sup>3</sup>) of eight on-going TA projects responded to the questionnaire.

**Table 1.2 Countries where beneficiaries and NIPACs responded**

Response	NIPAC	Beneficiary	% of responses	Total %
1 Albania	1	1		8 %
2 Turkey	0	1		4 %
3 Kosovo	1	2		12 %

<sup>3</sup> one of the three on-going TA contracts under this project.

Response	NIPAC	Beneficiary	% of responses	Total %
4 Macedonia	2	1		12 %
5 Serbia	2	3		19 %
6 Croatia	2	1		12 %
7 Bosnia and Herzegovina	2	2		15 %
8 Moldova	-	0		0 %
9 Iceland	0	1		4 %
10 Montenegro	0	4		15 %

Source: on-line survey done by Ecorys.

In spite of a number of reminder emails the response rate in particular from beneficiaries was low. Because of this low or variable response rate, the information from the questionnaire is not representative. The information from the questionnaire was used to direct the analysis and suggest areas where conclusions could be drawn with additional supporting information developed from other sources, such as document analysis. It was also useful to illustrate some findings.

#### *Structured survey for added value of MBP*

In addition to the on-line survey and desk research, interviews were held with the task managers at the MBP Unit of DG ELARG to elaborate the added value of the MBP. All Delegations of the EU, NIPAC and Geographical Units at DG Enlargement of the IPA countries have been invited to answer questions by email or telephone. Answers were received from all nine Delegations (Iceland also responded but indicated that they were not dealing with MBP), from six of nine geographical units at DG ELARG and from seven of nine NIPACs.

Table 1.3 outlines the approach to making an assessment of the added value of the MBP, which is analysed in chapter 3.

**Table 1.3 Approach used to assess the added value of MBP**

Topic	Evaluation question	Source of information
<b>Relevance/ Effectiveness of MB approach</b>	Are the issues addressed common to all stakeholders?	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Questionnaire</li> <li>• ROMs (relevance)</li> </ul>
	Are common solutions introduced?	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Questionnaire</li> <li>• ROMs (relevance)</li> </ul>
<b>Efficiency of MB approach</b>	Are solutions introduced at lower costs (economies of scale)?	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• ROMs (relevance)</li> </ul>
	Are MB projects implemented at lower costs than national alternatives?	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Questionnaire</li> </ul>
<b>Impact of MB approach</b>	Did the MB projects enhance regional integration?	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Questionnaire</li> <li>• ROMs (involvement of beneficiaries)</li> </ul>
	Did the MB projects support the Acquis?	<ul style="list-style-type: none"> <li>• Interviews</li> </ul>

Source: Ecorys.

### 1.3 Structure of the sample

For the purposes of the evaluation, the total number projects funded under the MBP had to be reduced to a more manageable scale whilst retaining relevance to the National Programmes. To do

this, the programme was stratified into five themes<sup>4</sup>. Those parts of the programme covering grants to individuals or financial contributions to infrastructure investments through IFI schemes were discarded as they were already evaluated by different mechanisms or had little comparability with the type of assistance funded under National Programmes. Projects from the Justice and Home Affairs and Civil Society sectors were also excluded as they had been covered by other thematic evaluations during 2012.

This definition of the sample has led to the selection of clusters for Institution Building, Infrastructure investment and Regional organisations. Within these clusters projects were selected that had a multi annual financing perspective (to show impact over time) or which were connected to assistance funded under the National Programmes. The scale of the sample was also influenced by the resources available to the evaluation. The sample is thus not representative but provides illustrative examples and complements other research undertaken within the scope of the CPIEs. Table 1.4 gives a total overview of the sample.

**Table 1.4. MBP projects selected for inclusion in the evaluation**

'Sector'	MBP project	IPA year
Institution building (22.4 MEUR)	Statistics	2007, 2008, 2009, 2010, 2011
	Quality infrastructure	2008, 2011
	Public procurement	2009
	Public Finance Management	2010
	Strengthen EU integration	2010, 2011, 2012
Infrastructure investment (31.3 MEUR)	Infrastructure project facility TA	2008, 2010, 2011 and 2012 (WBIF)
Regional organisations (15.1 MEUR)	Public Administration School	2008, 2009
	Trade CEFTA	2008, 2009, 2011
	Regional Cooperation Council	2008, 2010
	Regional entrepreneur Learning	2009

Source: Ecorys.

The MBP supported *institution building*, which consists of technical assistance and grant contracts implemented by or via third party implementing bodies in the areas of statistics, quality infrastructure, public procurement and public finance management. The *Strengthening EU Integration* assistance included in the sample is used primarily as an instrument to support programming, co-ordination, preparation, implementation and visibility of the MBP.

MBP provided support to *infrastructure investment* in the Western Balkans through the technical assistance based *Infrastructure Project Facility (IPF)* (2008, 2010 and 2011). Its objective is to develop bankable infrastructure project proposals in the areas of energy, transport, environment and the social sector. Since 2011 programming, the IPF has been incorporated into the Western Balkans Investment Framework (WBIF)<sup>5</sup>. It is currently being implemented through three ongoing contracts with mixed funding: CARDS 2005 and IPA 2010 for the first contract (IPF1), IPA 2008 and 2011 for the second (IPF2) and IPA 2011 (IPF3) for the third.

The evaluation covers the support to four regional organisations, principally through financing their operational costs. The MBP provides about 75% of the financing for the operation of the CEFTA

<sup>4</sup> Institution building, infrastructure investment, regional organizations, grants to individuals & grants to IFIs.

<sup>5</sup> WBIF was founded in 2009 by the EC, European Investment Bank (EIB), European Bank for Reconstruction and Development (EBRD) and the Council of Europe Development Bank (CEB). KfW, the World Bank and bilateral donors joined later. The WBIF provides grants and loans for priority infrastructure projects in the Western Balkans as well as access to finance for SMEs and energy efficiency.

secretariat that supports the implementation of the CEFTA Agreement on trade liberalisation<sup>6</sup>. It also supports the operation of the Regional School for Public Administration (ReSPA) through a direct grant covering almost two thirds of the annual budget, with complementary support from the beneficiary countries in the Western Balkans and Turkey. For the Regional Co-operation Council (RCC) the evaluation includes technical assistance through a grant contract with the Central European Initiative (CEI) as well as support to the operational budget of the RCC Secretariat along with the countries<sup>7</sup> of the region and other donors. The MBP provides 85% of the funding for the operation of the Regional Entrepreneur Learning Centre (SEECCEL), with the remainder provided by the Croatian Government, who hosts the institute.

## 1.4 Sources of information

The following sources of documentary information have been used:

- Project fiches;
- ROM reports, when available;
- Terms of References, when received;
- Evaluation reports, when received;
- Project reports;
- Activity reports of the MBP Unit;
- Other useful information such as specific deliverables.

For the evaluation matrix and the added value of MBP, EU documents such as the progress reports, European Partnership, Enlargement Strategy, Multi-Annual Indicative Financial Frameworks, etc. have also been used. A full list of material studied is attached in the Annex 3.

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<sup>6</sup> Signed in 2006 by Albania, Macedonia, Moldova, Montenegro, Croatia, Serbia, Bosnia and Herzegovina and the United Nations Interim Administration Mission in Kosovo on behalf of Kosovo.

<sup>7</sup> Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Greece, Moldova, Montenegro, Romania, Serbia, Slovenia, Turkey and Kosovo.

## 2 Performance of IPA Multi Beneficiary projects

### 2.1 Introduction

This chapter presents an analysis of the performance of IPA assistance in the sample selected, with the report grouped around the three themes of *Institution Building*, *Infrastructure Investment* and *Regional Organisations*. Projects will be evaluated under the four OECD DAC<sup>8</sup> criteria of effectiveness, efficiency, sustainability and impact. This structure follows that of the individual country evaluations that have been completed for five of the IPA recipients. The criteria of relevance, although not specifically evaluated as it was substantially addressed in the previous evaluation of the MBP has been commented upon where necessary.

### 2.2 Effectiveness of Multi Beneficiary projects

This section examines the effectiveness of the three groups of projects by considering the extent to which outputs were delivered and used by beneficiaries to generate the expected results.

**EQ2 To what extent are interventions financed under IPA effective in delivering outputs and immediate results?**

#### 2.2.1 Effectiveness in institution building

The assistance in the area of *Statistics* has delivered most of the planned outputs – handbooks, trainings, methodologies, transfer of knowledge and experience – but there have been some problems due to lack of capacity or technical reasons (for example lack of historical data to make assessments). These cases however are not significant in number and do not in general effect the overall progress reported. The outputs are used to support the National Statistical Institutes (NSI) in the beneficiary countries to improve the quality of the statistical data sent to Eurostat. There is no systematic assessment on the progress made as a result of the MBP assistance. The contractors in the annual reports include some comment on achievements made as a result of the activities performed, which however are in most cases qualitative statements and not measurable.

Although the MBP contributes to improving methodologies, data collection and processing in some specific areas (as for example trade statistics, agricultural statistics, national accounts, structural business statistics etc.) the main regional effects can be seen the exchange of experience between countries and harmonisation of approaches and methodologies. However, no data on these regional effects has been collected and the assessment relies on qualitative statements in ROM and contractors reports and from the on-line survey by the beneficiary statistical offices.

The series of *Quality Infrastructure* projects was effective in strengthening the technical capacities of the quality infrastructure bodies in the beneficiary countries, exchanging experiences between them and creating mutual confidence which could eventually support elimination of some technical barriers to trade such as the recognition of certificates. The cooperation and links created and maintained through the assistance with key international players in the trade area including OECD and CEFTA contributed to the discussion and planning of joint and complementary measures to eliminate barriers to trade. For example, the OECD was supported to conduct annual assessments of technical barriers to trade between CEFTA Parties. At the project Cooperation Committee it was

<sup>8</sup> Organization for Economic Cooperation and Development - Development Cooperation Directorate.

agreed that two products would be supported by the project (cement and household appliances) while several household appliances are included in the new CEFTA/OECD monitoring. This was expected to complement CEFTA activities.

The assistance in *Public Procurement* builds on an EC and OECD SIGMA<sup>9</sup> project and aimed to deliver common public procurement training strategies and tools on the basis of training modules prepared under the earlier assistance. The training packages have been adapted and translated for each beneficiary country, trainers have been trained and roadmaps for delivery of the trainings provided. However, the achievement of results is uncertain as the subsequent delivery of training depends on the capacity of each beneficiary and this is variable but frequently weak. Furthermore, the sustainable exchange of experience between the public procurement institutions and trainers in different countries will be challenging due to the differences in the public procurement systems.

*Public Finance Management* is effective in providing analytical and strategic planning support to national administrations and has some regional perspective in that PEFA assessments are intended to provide international comparison. It has also made some contribution to exchange of information between donors. However, exchange of experience between the countries is minimal as most of the supported projects are nationally focused<sup>10</sup>.

The *Strengthening of the EU Integration Assistance* is an instrument that enables beneficiaries in the region to develop MBP programmes and projects, participate in activities, workshops, conferences and study visits. Contributory assistance is provided to other actors for their initiatives that support European integration. The diverse nature of the projects supported<sup>11</sup> makes in depth assessment of effectiveness challenging, but in general it can be concluded that this assistance has improved project /programme co-ordination, programming and management and improved the visibility of MBP.

Table 2.1 contains a summary of the planned results and outputs delivered, as well as an assessment on the extent to which the results have been achieved.

**Table 2.1 Planned results and outputs/results achieved –MBP Institution Building cluster**

Planned results (indicators in the PF)	Outputs	Achievement of results
<b>Statistics 2007, 2008, 2009, 2010, 2011</b>		
1. Improved functioning of the national statistical systems;	Updated country assessment reports; statistical handbooks; updated and new methodologies, help desk in operation; improved staff technical skills; experiences exchanged; data collected, processed and made available for users.	Progress was made with achievement of all four planned results to different levels in the beneficiary countries. The extent to which the MBP assistance contributes to statistical development in individual countries is impossible to disaggregate.
2. Improved availability, quality and comparability of the statistical data in priority areas;		
3. Improved effectiveness of the National Statistical Institutes to coordinate the national statistical systems;		
4. Volume of data validated and published by Eurostat increased;		
<b>Quality Infrastructure 2008, 2011</b>		
1. Common approach of the national accreditation bodies, metrology institutes and future proficiency testing	Assessment report for the status of Quality Infrastructure for each	Progress is evident with achievement of result 1, 2, 3 and 5. Achievement of result 4

<sup>9</sup> Support to Improvement in Governance and Management.

<sup>10</sup> Of the 9 projects contracted only one is at regional level.

<sup>11</sup> Including support to working groups and organization of forums and meetings, training, assessments and studies, capacity building, civil society partnership, IT, data exchange and Management Information Systems.

Planned results (indicators in the PF)	Outputs	Achievement of results
<p>providers in the beneficiaries;</p> <p>2. Capacity of the QI bodies strengthened;</p> <p>3. EU technical legislation implemented in a more uniform manner;</p> <p>4. Sharing of resources and facilities;</p> <p>5. Improved co-operation with OECD, CEFTA, UNECE, WTO and other key international players in trade-related fields</p>	<p>beneficiary country; Experts trained; 34 laboratories from WB and 28 from Turkey exchanged experience and comparisons through proficiency testing</p>	<p>is not currently possible as it requires further harmonisation of procedures and recognition of the decisions/certificates between countries.</p>
<b>Public Procurement 2009</b>		
<p>1. Established infrastructure for regional cooperation within the public procurement community (common tools and training materials, network of experts certified according to regionally recognized rules);</p> <p>2. Sustained delivery of face-to-face and online modalities of procurement training;</p> <p>3. Ensured regional network dimension with exchange of experiences in public procurement.</p>	<p>Training packages and material adapted and translated into local languages; National training roadmaps developed; Trainers trained and certified.</p>	<p>Common public procurement training packages have been developed but not yet applied and the extent that they will be remains unclear. Experience in public procurement was shared and a network of experts created through the nomination and training of national public procurement trainers and common workshops.</p>
<b>Public Finance Management 2010</b>		
<p>1. Improved public financial management;</p> <p>2. More comprehensive and comparable information within and between Beneficiaries on the status of public financial management;</p> <p>3. Improved skills of recipient jurisdiction officials in analysis, interpretation and policy response on areas reform initiatives in financial management and accountability;</p> <p>4. High levels of cooperation and exchange of information on public financial management within and between donors and recipient jurisdictions.</p>	<p>Albania PEFA assessment prepared; Experience exchanged between countries on Fiscal Impact Assessment of Structural Reforms</p>	<p>The improvement of the Public Finance management was supported in the beneficiary countries. Some skills in PEFA&amp; PFM methodology and financial analyses were created through training and strategic planning. PEFA assessments enable cross country comparisons. The regional benefits are limited as most of the assistance addresses national needs.</p>
<b>Strengthen EU Integration 2011, 2012</b>		
<p>1. More effective implementation of the relevant programmes and projects;</p> <p>2. Faster completion of tendering;</p> <p>3. Higher quality responses from organisations and companies submitting bids;</p> <p>4. Increased disbursement of available funds;</p> <p>5. Improved effectiveness of projects.</p> <p>6. Increased capacities of beneficiary institutions to prepare the ground for</p>	<p>18 contracts concluded under MBP 2011 – support to working groups and organization of forums and meetings, training, assessments and studies, capacity building, civil society partnership, IT, data exchange and Management Information Systems, MBP visibility; 3 contracts</p>	<p>The assistance is expected to contribute to better project /programme co-ordination, programming and management and improved visibility of MBP.</p>

Planned results (indicators in the PF)	Outputs	Achievement of results
introducing a Sector Wide Approach (SWAP) for IPA assistance ; 7. Increased knowledge to develop, implement and monitor policies to prevent and fight corruption and crime affecting the economy; 8. Strengthened capacities of local data producers to carry out national surveys on corruption and crime.	concluded under MBP 2012 – policy development, training, forums	

Source: MBP Project Fiches, Ecorys.

Institution Building projects are principally horizontal but also offer some elements of regional projects, including exchange of information and experience and establishment of regional networks. The *Statistics* and *Quality Infrastructure* projects have a strong regional scope, emphasising regional actions such as the exchange of experience and networking. *Statistics* combines multi-country common projects with targeted national interventions that are complementary in building capacity at national levels.

The regional effects of *Public Finance Management* assistance are more indirect as the individual projects are mainly nationally focussed<sup>12</sup>, although there is an inherent comparability between countries in the PEFA assessment process. They are included under the MBP due to the common PEFA approach and methodology of the World Bank for a number of the projects, as well as ease of contracting. This is convenient for the EC and reasonably logical, but the beneficiaries are rather detached from the process and see little contribution of this project to addressing their needs. Part of the work is sub contracted out by the World Bank to other contractors. Therefore the benefits of including them under central contracting become less logical. Including these projects in national programmes would increase the local ownership of the results and would strengthen the visibility of the EU as financier.

The generic nature of the training concepts under *Public Procurement* questions whether the more specific programme at the national level would better target beneficiary needs. The different structures and national specifics in public procurement also question whether a regional network of either institutions or individuals will be able to be effective after project support finishes as beneficiaries have no common purpose or EU level institution providing sectoral oversight.

The on-line survey, EC progress and ROM reports and project and programme management documentation indicates that the **outputs** from the institution building assistance were mostly delivered or expected to be delivered although in some cases the beneficiaries have not been fully satisfied with both quality and timelines of the delivery. More than half of the beneficiaries of institution building projects who responded to the questionnaire report that they use all of the deliverables provided under the assistance. Some of the outputs have not been used because they were not needed and/or because the beneficiaries had no capacity or staff to use them. The different needs and levels of knowledge between the beneficiaries reduced the usefulness of some training (e.g. on *Statistics* and *Quality infrastructure*).

Measuring the **achievement of results** is challenging due to the lack of indicators but in general the institution building projects succeeded in delivering the following planned results:

<sup>12</sup> Of the nine projects supported under Public Finance only one has contribution to exchange of information and practices on public financial management. The other projects are primarily national and will support improvement of public financial management at a national level.

- Strengthening human resources through provision of training;
- Exchange of information and development of networks between the institutions and experts in the beneficiary countries and with EU institutions;
- Harmonisation with EU practices and development of common approaches and tools;
- Supported the improvement of the Public Finance Management systems and tools.

There are a number of **risks or limitations to achieving the planned results**:

- The sharing of *quality infrastructure* resources and facilities is not yet possible as there is no recognition of test certificates between countries, which remains both a technical and a political issue. While the MBP assistance is contributing to harmonisation of procedures and practices, other regional cooperation mechanisms such as CEFTA support political cooperation in this field. In practice it will not be able to be achieved until countries enter the internal market on accession;
- The delivery of face-to-face and online modules of *public procurement* training will depend on the ability of the national beneficiary Public Procurement bodies to update and continue the delivery of training to their own staff in future. Institutional fragility identified during the country evaluations in a number of cases suggests that this will be challenging;
- Furthermore, the creation of a regional network for the exchange of experience in public procurement is unlikely to be achieved because public procurement is primarily a national issue. There is little motivation and no structure to support the national authorities in sustaining this network in the future;
- The regional relevance of public finance management assistance will be limited because most of the projects supported produce effects only at the national level. Whilst comparison of performance between different countries is an important result of the PEFA assessments, there is no formal forum for collaboration.

As MBP institution building covers countries with diverse needs and capacity, the effectiveness of the assistance varies depending on:

1. How well the assistance addressed specific national needs: Projects had variable success in addressing the needs of different stakeholders. The on-line survey and the interviews indicated that beneficiaries thought that the projects for Statistics best matched countries' needs, while Public Finance Management was considered as least appropriate. Putting benchmarking exercises such as the PEFA (used in Public Finance Management) at the centre of national sector planning may improve perceptions of relevance. The beneficiaries of Quality Infrastructure were more interested in training and proficiency testing than in the assessment of their progress in quality infrastructure<sup>13</sup>. The usefulness of the assistance is undermined when there is overlap between the MBP and national level projects as in the case of public procurement training<sup>14</sup>.
2. The absorption capacity of the specific beneficiary institutions: Insufficient staff in some of the beneficiaries as well as insufficient technical knowledge and the lack of English language knowledge reduced effectiveness of the trainings and workshops carried out under Statistics and Quality Infrastructure.
3. For regional effects, the extent to which the assistance targeted regional objectives: Public Finance Management was mainly delivered at national level, therefore did not have to account

<sup>13</sup> 16 instead of the planned 10 trainings with the participation of 44 extra trainees (the cost covered by the beneficiaries) were conducted; 133 laboratories in the region applied for proficiency testing– of which only 35 were selected. "Light" assessments instead of the ordinary assessment of the main fields of quality infrastructure in the Western Balkans were conducted.

<sup>14</sup> Croatia already had a Public Procurement Training Strategy. Albania - training in public procurement delivered through a Twinning with Poland; In Montenegro - IPA project prepared National Training Strategy; In MK - a twinning with Germany supported public procurement secondary regulation and e-procurement, a project with USID focused on e-procurement, in B&H- there was previous twinning on public procurement; in SRB- there was a twinning with Denmark for the development of a new Public Procurement Law.

for and was not impacted by the difference between the countries. The provision of public procurement training is primarily for the benefit of national institutions with only limited effort on the establishment of regional networks.

### 2.2.2 Effectiveness in infrastructure

The IPF, directed to the preparation of investment projects, **delivered the planned outputs**. Table 2.2 shows (2008, 2010 IPF) that investment projects have been gradually prepared in all areas, although sometimes with a delay.

**Table 2.2 Planned results and outputs/results achieved –MBP Infrastructure Investment cluster**

Planned results (indicators in the PF)	Outputs	Achievement of Results
1. Increased number and improved rate and quality of delivery of investment proposals for infrastructural remediation and improvement projects in the context of National and Regional Investment Plans	75 projects selected for preparation, 63 under implementation (32 by IPF 1). of these 32 have been completed (23 by IPF 1 with an additional three partially complete); NIPAC contributions in preparing projects improved; training needs assessment of beneficiaries done; training programme developed.	Financing commitments are already in place on 8 projects amounting to 201 MEUR; Four projects are under construction. Better quality of the project proposals has been observed.
2. Signed loans (for individual investment project and at aggregate level)		
3. Skills and knowledge transfer from the international experts to the beneficiary institutions, including local authorities and municipalities		

Source: MBP Project Fiches, Ecorys.

The IPF succeeded in the selection and development of a significant number of investment projects throughout the Western Balkans. The introduction of the WBIF and the incorporation into it of the IPF created an effective mechanism for directing investment funds. WBIF provides a platform for a competitive selection of project proposals of all countries and this limits the influence of the national politics. The quality of the project proposals submitted by the national authorities has improved and whilst this is likely to be attributed at least in part to **training to support capacity building** from the MBP, it is difficult to disaggregate these effects from the many other capacity building projects in investment project preparation at national level supported by IPA, government and other donors. Nevertheless, there is still a need to ensure that the proposals better reflect EC policies followed under the national programme (e.g. financing in the transport sector proposals which belong to SEETO<sup>15</sup> network etc.) and also correspond to the regional dimension of the MBP. The MBP should not be regarded as a substitute for projects (of not necessarily regional significance) which would be rejected under the national programme for policy reasons. The **secretarial activities** provided by the MBP TA to the WBIF<sup>16</sup> contributed to improvement of the management and co-ordination of both of IPF and WBIF.

The IPF could be classified as both a regional and a horizontal type of project. The regional effects come from support to regional initiatives of infrastructure development that affect more than one country. This initiative has a clear added value for inclusion in the MBP programmes but has limited scale in reality with only 6,7% of all projects funded being regional in nature – principally in the

<sup>15</sup> South East Europe Transport Observatory, a regional transport planning body also financed by the MBP under sub delegation to DG MOVE

<sup>16</sup> Added to IPF1 after the contract extension on 2010.

energy sector. The horizontal effects of economies of scale seem less obvious as infrastructure design requires a substantial analysis of specific local conditions as well as local cooperation and partnership. Therefore it is doubtful whether the location of a centralised contractor for all beneficiary countries is more cost effective than a number of contractors located in several beneficiary countries. The management and co-ordination at a central level has proved more complicated and cannot address the local/national issues in the depth that national assistance would do. Centralised management does, however, ease communication with potential funding institutions and removes national political influence from the project selection process that might affect nationally managed schemes.

Despite the progress in project preparation and the financing commitments already made it is to be expected that not all projects developed will be funded. The principle reason is the limited investment funds compared to the enormous needs of the region but there are some other influencing factors including:

- Funding largely depends on local political support for projects and this varies as administrations change. Albania has shown, for instance, that local elections can have a major impact on IPF 1 progress<sup>17</sup>;
- There have been concerns in the past that project selection is more driven by the International Financing Institutions (IFI) than the beneficiary countries/regional priorities<sup>18</sup>. However the WBIF notes that the consultation process has improved since 2010 and project proposals are now either submitted by NIPACs or clearly endorsed by them when they come from IFIs.
- There were early examples of projects with low financial viability or politically driven that IFIs were not willing to invest in (e.g. Center for the Elderly project in Montenegro)<sup>19</sup>.

### 2.2.3 Effectiveness in regional organisations

The MBP support to regional organisations consists of the establishment of ReSPA and contribution to the operational costs of CEFTA, RCC and SEECEL. Therefore the effectiveness of this group of projects can be measured by the continued effective operation of the individual institutions.

Table 2.3 summarises the planned results for the regional organisations cluster, the outputs delivered by the IPA funding and the results achieved to date.

**Table 2.3 Planned results and outputs/results achieved –MBP Regional organisations cluster**

Planned results (indicators in the PF)	Outputs	Achievement of Results
<b>ReSPA</b>		
1. Operation of ReSPA as a regional professional School on Public Administration;	Work programmes for 2011 and 2012, Business Plan, TNA made and training programme for 2012; training provided.	ReSPA began operations in September 2011. However, it experiences difficulties to address the training needs of the beneficiaries in complementary, regional and effective way.
2. The administrative capacity needs of the Beneficiaries are addressed through the establishment of targeted multi-country programmes, activities and tools; Administrative capacity of the beneficiaries strengthened.		
<b>RCC</b>		
1. RCC participates in regional and	Two study tours, e-RCC	RCC took over management of

<sup>17</sup> 2010 ROM report.

<sup>18</sup> These concerns were also shared by two EU Delegations in the region.

<sup>19</sup> 2010 ROM report.

Planned results (indicators in the PF)	Outputs	Achievement of Results
<p>international fora.</p> <p>2. Regional activities are monitored;</p> <p>3. A regional perspective is provided, in the context of IPA Multi Beneficiary Strategic programming of assistance;</p> <p>4. Support to the involvement of civil society in regional activities is increased.</p>	<p>scenario agreed, support to promotion of RCC underway (TA project); Represented the region in different international and regional fora; RCC Annual Reports, RCC Secretariat has had a managing, monitoring and/or steering role in different bodies or projects of other regional initiatives.</p>	<p>South East Europe Investment Committee from OECD, with focus on South East Europe 2020 Vision; Initiated Regional Strategic Document and Action Plan 2011-2013 on Justice and Home Affairs; Initiated regional cooperation mechanism among Chiefs of Military Intelligence – SEEMIC, and heads of National Security Authorities – SEENSA. Established RCC Task Force on Culture and Society.</p>
<b>CEFTA</b>		
<p>1. CEFTA Secretariat effectively supporting CEFTA decision making structures;</p> <p>2. Strengthened regional links and networking between governments of the Western Balkans with a view to align trade and investment related legislation and policies;</p> <p>3. Links between governments and the business community re-enforced.</p>	<p>CEFTA secretariat provides effective support to CEFTA chairmanship and structures; CEFTA web-site (<a href="http://www.cefta.int">www.cefta.int</a>) operational since 2010 and provides exhaustive information on trade and customs to business community;</p>	<p>Liberalisation of the trade of agricultural products, sanitary and phytosanitary database; Statistical data on dynamics of the intra-regional trade collected and published on the website. Negotiations on liberalisation of trade in services started; CEFTA Project Facility was established to support the realisation of priorities identified by the CEFTA Structures.</p>
<b>SEECEL</b>		
<p>1. Entrepreneurship developed as a key competence in all Beneficiaries at primary school level;</p> <p>2. Cross-campus entrepreneurship education established in pre-accession universities;</p> <p>3. Advisory Network for Enterprise Training established, training needs analysis methodologies provided and applied.</p>	<p>Implementation of entrepreneurial learning in 31 pilot schools and 16 pilot faculties; Regional TNA survey.</p>	<p>Established structured regional cooperation in Entrepreneurial learning.</p>

Source: MBPPProject Fiches, Ecorys.

The establishment of *ReSPA*<sup>20</sup> was initially not as effective as planned partly due to inappropriate design and partly because of the performance of the contractor, who focused on the planning of training rather than the establishment of the institution itself. This delayed the start of operations. The effectiveness of the training was reduced because of the inability to respond to the specific needs of beneficiaries. For example, Serbs required training more targeted to their needs and about half the courses were not useful for Croatia as the subject matter had been covered through other projects. The beneficiaries also expected more Training of Trainers (ToT) type programmes as well as greater involvement of regional experts. The effectiveness of training was also compromised by the limited linguistic skills of some trainees.

<sup>20</sup> In addition to EC funding Montenegro invested 6MEUR for construction of the premises.

ReSPA continues to experience difficulties in acting as a regional school to complement national administrative capacity building. It remains too focused on the act of delivering training courses rather than in ensuring that the training provided truly addresses regional training needs. It initially had an ambitious training plan of 2500 training days per year that was driven by the need to keep a high occupancy rate of the established training facilities – including the on site hotel. In 2012 this was revised to around 2000 days covering both training and conferences. Training needs analyses (TNA) are prepared each year but have failings in quality (overlap with national training, not enough regional focus) and do not properly consult all potential clients. The Governing Board Members – representative ministries - from each country are consulted but there is no requirement for the Board Members to further consult with their national stakeholders (other line ministries)<sup>21</sup>. Therefore it was not possible to take into account all planned activities at national level. The ambitious training plan also meant that not all trainings were of a common priority. The 2012 work programme specifically addresses the four institutional objectives of ReSPA<sup>22</sup> and thus MBP assistance should become increasingly effective.

In addition to the operation of the RCC itself, the evaluation includes a technical assistance component providing capacity building and promotional support, including the development of electronic tools (e-RCC<sup>23</sup>). The assistance is expected to be effective in strengthening RCC capacity although the cooperation between RCC and the CEI was not always smooth due to different visions on the support and because RCC management has seen CEI as a potential competitor. The RCC itself is in a process of strengthening and reshaping its role in the region – it is currently too ambitious, covering too many and sometimes too technical issues<sup>24</sup>, preventing it from focusing on its regional co-ordination role. It participates in regional events and fora including at the Steering Committees of the MBP but so far it has more of an observer role than leading or contributing. In terms of monitoring of regional activities and involvement of civil society, contacts with key national and other regional players have been established, but the cooperation mechanisms need to improve in order not to duplicate efforts and to preserve the co-ordination role. The RCC role in MBP programming and implementation is so far weak and unclear. Of key importance is the clarification of responsibilities and establishment of cooperation with the NIPACs. Visibility is promoted through the web-page, newsletters and an annual conference. Cooperation with OECD, EU and national training institutions is maintained but needs strengthening to make it more effective.

The CEFTA Secretariat supports the CEFTA Chair in Office, the sub-committees and the working groups and identification of technical needs. The MBP also funded technical studies that have been used by the CEFTA sub-committees and working groups to support their work. The Secretariat ensures co-ordination with other projects and organizations (OECD, WB, GTZ, and Eurostat) in the area of trade. Although some of the studies supported by the MBP have not been very useful for CEFTA bodies, the support to the Secretariat is effective as it contributes to the effective implementation of the CEFTA, achieving liberalisation of the trade between the member countries and strengthening regional links.

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<sup>21</sup> ROM report 2012.

<sup>22</sup> 1) improve cooperation of public administration; (2) strengthen exchange with EU; (3) strengthen the administrative capacity and (4) develop human resources of the public administration.

<sup>23</sup> e-RCC is a concept that includes e-tools for an extended information on/participation to the processes of regional building, video-conference platform and Digital Ecosystem for South East Europe cooperation.

<sup>24</sup> The RCC in their Self evaluation SWP 2011-2013 report state: *RCC's areas of intervention, although considerably reduced in the Strategy and Work Programme, might still be too broad. This represents a risk that planned activities will not be achieved in all areas jeopardizing sustainability of intervention. Thus, the RCC Secretariat needs to focus its activities and base them around several core initiatives that make its work even more coherent and sustainable. It is important to notice that this shift is already happening and it is becoming evident that the fragmented projects and activities are giving way to more structured, longer-term processes;* other stakeholders as EC Services and EU Delegations also share this opinion.

SEECEL delivered the planned outputs in terms of regional TNA and pilot entrepreneurial learning in schools and universities. An Advisory Network for Enterprise Training was established as well as the working structures that ensure cooperation between the beneficiary countries in the area of entrepreneurial learning. Due to the lack of time and resources two outputs have been postponed – the professional training programme for enterprise training needs analysts and the feasibility study for development of a regional master's degree for university teaching. Some objectives were considered too optimistic for the current timeframe, including entrepreneurship education established in pre-accession universities. Independent assessments consider the outputs to be of high quality and useful<sup>25</sup>. While the outputs delivered so far make a good basis for achievement of the planned objectives, further work will be needed in order to establish entrepreneurship education and training as a practice in the educational institutions in the beneficiary countries.

#### 2.2.4 Conclusions on effectiveness

The direct outputs from the assistance have largely been delivered or are expected to be delivered. Although the beneficiaries consulted for this evaluation considered them to be of good quality, there were instances where outputs were not always good or delivered in a timely manner which will affect their uptake. Results in institution building are in some cases overly ambitious and achievable only in the medium term. Providing appropriate training to diverse beneficiaries under a single project has been difficult and sometimes not as effective as expected. The development of regional networks was successful when strongly driven by contractors but is largely project reliant due to limited resources in beneficiaries. Delegated management agreements to specialist organisations and longer term financing have supported the achievement of results. Results in infrastructure investment preparation are starting to be achieved although the regional effects remain limited. Regional organisations have had a variable performance. The CEFTA Secretariat and SEECEL are performing effectively but ReSPA and RCC have struggled with clearly defining their roles and implementing core activities, although corrective actions are being implemented to improve the situation.

## 2.3 Efficiency

In the context of this evaluation, efficiency focuses on:

- whether the planning process took adequate consideration of other ways of delivering outputs or objectives and whether assistance could have been delivered in a more efficient manner to achieve the same outputs or objectives;
- whether the assistance has been, or is likely to be, delivered within the originally planned budget and time-frame;
- whether the assistance has been properly managed, monitored, reported and popularised.

1.

**EQ 1 To what extent are interventions financed under IPA efficient in terms of value for money when delivering outputs and immediate results?**

#### 2.3.1 Efficiency in institution building

The experiences, specific needs and absorption capacity of the beneficiaries in *Statistics* and *Quality Infrastructure* projects have been better addressed at the design stage than for *Public Procurement*. For example until the conclusion of the Phare 2006 programme in 2010, Turkey and Croatia participated only in some activities under *Statistics* as they were substantially supported

<sup>25</sup> ROM Report 2011, SEECEL Independent External Evaluation 2012.

under other instruments<sup>26</sup>. The same approach was applied in planning *Quality Infrastructure* where participation of the countries in the project activities was discussed and planned according to their capacity and needs (Turkey was not included in all activities where it was more advanced). Whilst the project fiche for *Public Procurement* describes the situation in the sector for each of the beneficiary countries and identifies similar initiatives undertaken at national level, it was intended to provide only common solutions. However during implementation the courses were customised to the needs of individual beneficiaries. It was optimistically expected that the training modules developed by OECD SIGMA project could be used with minor revision, but significant work was needed to adapt the modules to the national practices.

Most of the projects needed non-cost time extensions in order to complete planned activities (*Quality Infrastructure*, *Public Procurement*, some of the subcontracts under *Public Finance Management*), to ensure better achievement of results and to increase sustainability. This does not have any negative consequences.

The projects were managed and coordinated through steering committees with representation of all interested parties. The Policy Group for statistical cooperation, comprised of the heads of the NSI and international departments, does overall policy co-ordination in *Statistics*. In *Quality infrastructure* co-ordination is undertaken by a Cooperation Committee attended by DG ENTR. In general co-ordination worked well although significant efforts from the contractor's side were needed. Co-ordination has improved overtime in the consecutive projects in these sectors. Contractor and grant beneficiary reporting is usually satisfactory and is complemented by biannual activity reports from Commission Services. Reporting under the *Public Finance Management* differs from the usual IPA reporting and is both less regular and contains only minimal information.

Visibility of the projects is in general limited. *Statistics* produces a web-page and information brochure but this has not been found very useful by the beneficiaries<sup>27</sup>. The other projects do not have web-sites, although there is project information on the web pages of the various implementing contractors. *Public Finance Management* is principally seen as an instrument of the World Bank.

### 2.3.2 Efficiency in infrastructure investment

Due to the increasing scale and scope of the IPF, the assistance is delivered through three TA contracts running in parallel and in close collaboration. Each of the contracts covers all beneficiary countries with one including secretarial services in support of the WBIF. The preparation of a pipeline of investment projects is combined with provision of training and support to the beneficiaries (mainly NIPACs) in project proposal development and cooperation with IFI. This, in general, provides a good basis for addressing the technical assistance needs related to infrastructure development. The assistance is changing and adapting to the needs of both IFIs and the Commission Services. The first TA contract was extended by two years and additional tasks for horizontal co-ordination, monitoring and operation of the MIS and provision of secretarial services to WBIF and its structures were assigned. This improved management and efficiency.

Implementation initially suffered from co-ordination problems and delays which were gradually overcome. The co-ordination is implemented through Country Managers who supported communication and cooperation between the parties, especially after 2011 where they started to develop country specific reports on the IPF activities. This improved communication with the beneficiaries, enhancing their ownership of the project. The annual WBIF Regional NIPAC

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<sup>26</sup> Including the Phare MBP and USST - Upgrading the Statistical System of Turkey.

<sup>27</sup> ROM Report, 2011.

workshops offer an opportunity for the beneficiary countries to discuss projects of common interest and to share project ideas and experiences.

The IFI Office<sup>28</sup> cooperates with SEETO (Transport) as well as with the Energy Community Secretariat (Energy), [Regional Environmental Network for Accession](#) (RENA) (Environment) and RCC (Social Sector and Private Sector Development). This to a certain extent ensures cooperation between WBIF and the regional organizations through the linkages with the IFI although no regional projects in transport and environment have been funded yet.

The IPF follows IPA service reporting pattern and was subject of two ROM missions in 2009 and 2010. It did not have a steering committee which reduced the level of ownership amongst beneficiary countries. However, this was overcome after the IPF was incorporated into WBIF through the bodies of the Facility. Beneficiaries are represented at the Steering Committee but not in the PFG which screens and assesses requests for financial support.

Visibility significantly improved with the introduction of WBIF. The web-page provides exhaustive information, including reports and analyses as well as project related information. Events to improve local level visibility were held in 2011 and 2012.

### *2.3.3 Efficiency in regional organisations*

The assistance to the regional organisations is provided in the form of technical assistance for their establishment, capacity strengthening and contribution to operational costs, which is relevant to their needs. The choice of the service providers to deliver technical assistance is reasonable as it involved direct transfer of knowledge and experience from organisations that implement similar activities - CEI in case of RCC and EIPA in the case of ReSPA. At least in the case of EIPA however this proved inadequate as they focused too much on training rather than the required institution building.

Limited no cost time extensions were provided to the TA contract for ReSPA, to RCC and the grant contract for SEECCEL in order to complete all activities and achieve the planned objectives. In the case of ReSPA and SEECCEL it also ensured smooth transition between contracts.

The contributions to the operation of CEFTA were made annually up to 2011 and then changed to every three years to reduce the administrative procedures and thus improve contracting efficiency. A similar contracting pattern is applied in the case of the other organisations – ReSPA (two year grant), RCC and SEECCEL (three year grants). As the EU has a long term commitment to these organisations, this is appropriate.

The assistance is managed by the EC Services centrally but with close collaboration and supervision on the TA work by the regional organisations themselves (RCC and CEFTA in the case of small TA analytical contracts for support of the work of CEFTA bodies) which is efficient and contributes to the better ownership of results. ReSPA and SEECCEL have both been subject of ROM assessments. ROM missions for RCC and CEFTA are currently being implemented. These reports identify some key weaknesses in the operation of ReSPA and SEECCEL and the findings are broadly in line with the issues identified during this evaluation.

In general, implementation of the activities of the regional organisations proved to be time-consuming and required very good co-ordination between the beneficiary countries due to the differences between them. ReSPA coordinates activities through Liaison Officers who work with the

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<sup>28</sup> Established in February 2010 by the EC this office focuses on co-ordination, co-operation and communication

Governing Board members from the respective beneficiary country and the ReSPA Staff members. They implement mainly technical and administrative tasks while the Governing board members have a decision making role. This division of responsibilities has not proved very efficient, despite the efforts to strengthen the role and capacity of the Liaison Officers, as the views and opinions of the countries cannot be provided in an operational manner. The cooperation with the local training providers has been insufficient as it was implemented through supplementary activities and was not specifically targeted<sup>29</sup>. The exploitation of the ReSPA accommodation facilities is inefficient as it is impossible to ensure full occupancy through the ReSPA activities only and, on the other hand, due to the diplomatic status of ReSPA it cannot be opened to other clients. RCC is managed by a Board and operates through a Secretariat comprising an Expert Pool, Front Office and Administration Unit, located in Sarajevo. The co-ordination with the beneficiary countries is mainly at political level or forums and through regional initiatives. So far this is insufficient to allow RCC to play a leading regional co-ordination role. CEFTA operation is efficient and is based on rotational principle of the Chair in Office and general governance by the CEFTA Joint Committee. Technical issues are addressed in the sub-committees and working groups. Both RCC and CEFTA have liaison offices in Brussels which helps to facilitate the contacts with EC and the relevant EU imitations. SEECEL Steering Committee members are the main contact points in each beneficiary country; each SEECEL member country has two representatives in the Steering Committee coming from the area of education and entrepreneurship. The main coordinator is the officially nominated national representative for the implementation of the Small Business Act for Europe (National SBA Coordinator) in each country. This co-ordination mechanism has proved efficient. SEECEL was not able to second experts from its members due to inflexible national labour laws, both in Croatia and in beneficiary countries of the region. This meant that the work had to be undertaken by the SEECEL staff.

Visibility of the regional organisations and thus the MBP through their web-sites significantly improved and is at good level. However, the promotion of activities of the regional organisations in the beneficiary countries remains insufficient, especially in the case of ReSPA and the RCCs they have a diverse range of stakeholders. Better visibility would support access to local information, contacts and initiatives that would enhance the efficiency and effectiveness of their operations. This has been acknowledged and addressed by TA to RCC and planned to be addressed in the ReSPA management plans. CEFTA operates with fewer key beneficiaries and has a good cooperation mechanism established. SEECEL -although it only recently started activities- is well promoted between the key local stakeholders due to their efficient representation in the project Steering Committee.

#### *2.3.4 General issues on efficiency*

**MBPplanning** is based on Multi Indicative Planning Documents (MIPD)<sup>30</sup>, which provide the strategic framework for the Multi-Beneficiary envelope of IPA. The programming for 2011-2013 and 2012-2013 was based on Sector Plans 2011 –2013, which were drafted by the Sector Working Groups<sup>31</sup> during 2010 and revised in 2011.

The programming process provides reasonably good grounds for ensuring as much as possible the involvement of all interested parties. Other stakeholders (regional organisations, other donors, Civil Society Organisations (CSO), etc.) were largely consulted. The introduction of a more sector based approach in the next financial perspective offers the potential for better involvement of regional

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<sup>29</sup> As Capacity Needs Assessment or Advisory Board, where representatives of the national institutions are providing inputs for the regional capacity building programmes.

<sup>30</sup> 2007-2009, 2008-2010, 2009-2011, 2011-2013.

<sup>31</sup> With broad participation of interested stakeholders including Civil Society Organizations.

organisations as it will build on the sector working groups to take a more strategic approach to programming. The MIPDs as well as the project fiches have generally been consulted with the NIPACs and beneficiaries as appropriate and significant funds expended in bringing NIPAC representatives to Brussels in this process. Nevertheless the programming process remains driven by the Commission Services which negatively affects ownership within beneficiary countries. The MBP Programming Guide for 2012-2013 acknowledges this, emphasising the importance of local ownership: “it is essential that initiatives come from the region itself. Regional ownership as well as co-ordination with other stakeholders therefore lies at the core of the Multi-beneficiary IPA programming exercise”.

The majority of the assistance was provided through a series of consecutive projects, which is typical of more recent IPA programming generally, and seeks to build on earlier experiences and lessons learned. This addresses the longer term nature of institutional reform but the implied guarantees of funding need to be accompanied by rigorous performance benchmarks and this is not always the case. This is especially important in those cases where there is no tendering for contract implementation and when the same organisation implements sequential projects (such as *Quality Infrastructure*).

**Contracting** is implemented through administration agreements, sub-delegation to other DGs and, either directly or indirectly, grant and service contracts. There is a good rationale for the choice of the contracting method. Due to the specificity of services in some cases there was limited choice on the companies, institutions or experts that were interested to provide assistance. For *Statistics* and *Quality Infrastructure* at EU level these are Eurostat and CEN, who subsequently subcontract specific functions through either services or grants and retain an oversight and management function. EIPA, as an EU institution for training of public administration was chosen to support *ReSPA*. In other cases the choice was made based on the need to link the assistance to similar interventions by other donors (World Bank for *Public Finance Management* and OECD acting as Secretariat to *ReSPA* before EIPA). Grants have been provided to OECD, World Health Organizations and other organizations under *Strengthening EU Integration* to support their activities in the region. Direct agreements have speeded up contracting – an important aspect to consider given the shorter contracting periods under MBP than the NP (see also Chapter 3). Centralised contracting is also seen as generating important efficiency gains in terms of project management, with the consolidation of assistance to a number of countries under a single contract. This report argues that these savings need to be offset by performance inefficiencies created by difficulties of targeting specific country needs within the scope of a single project. Again, this issue is further elaborated in Chapter 3.

**Co-ordination** between countries during project implementation is one of the main challenges of the MBP (with the exception of projects with little regional collaboration such as *Public Finance Management*). This was mostly achieved by the use of local coordinators and/or Steering Committees where the beneficiaries and NIPAC offices were usually represented as well as EC Services including DG ELARG and, in some cases other DGs such as DG ENTR in the case of *Quality Infrastructure*. The local coordinators usually had administrative functions (*Statistics*, *ReSPA*, *IPF*) with the Steering Committees taking overall policy co-ordination and decision making roles. The role of the local coordinators was in general limited. Although it has become more effective due to sustained multi-annual assistance, the capacity to support implementation is generally stronger where co-ordinators are integrated into the beneficiary institutions.

Both individual projects and the MBP programme as a whole are complicated, which leads to substantial **administrative costs**. These costs include not only the staff of the MBP unit and contractors but also the contributions in time from the beneficiary NIPACs and the operational costs

of co-ordination, financed from the *Strengthening EU Integration* project. This offsets the scale advantages of MBP projects where direct management costs are relatively fixed compared to the size of the project. Whilst National Programmes incur similar types of costs, comparison is not possible the roles and responsibilities of the actors differ and it is impossible to compare like with like.

An important justification for the use of centralised contracting is the economies in provision of common assistance – for example training or tools that are developed once but benefit many countries. It is clearly more cost effective to develop a single contract at central level than a series at national level and managing one large contract would take fewer resources than multiple contracts in individual countries. However the analysis within this report suggests that developing common outputs in a region of diverse needs is not always as effective as anticipated and this would reduce the overall cost effectiveness of central contracting. Central contracting of regional organisations is clearly the only practical as well as the most efficient approach.

Much of the administrative costs for managing assistance are borne by contractors, especially for example where delegated management is used, and this may disguise the true costs of management. Under general conditions of the contract management costs are included in the overall fees of experts and so it is impossible to determine how much time is spent on management and how much on technical implementation. Delegated management does not always use tenders which are important processes in ensuring value for money – *Statistics* does tender technical assistance but not grants although *Quality Infrastructure* sub contracts most of its operational budget. Even when there are tender processes, these do not always lead to cost effective solutions – MBP public procurement contractors charged €28600 per month for a team leader whilst the monthly cost of a twinning RTA in the same field was €8700. Whilst twinning does not include a profit motive and TA has to cover some additional costs, the difference in prices appears unduly large. In other institution building contracts such as for *Statistics* however fees seem to be more in line with tenders under national programmes. Support to regional organisations is in the form of direct grants and whilst there is negotiation there are few practical ways to ensure costs are minimised.

Once contracted, the **implementation** of the MBP contracts has similar management issues to projects funded under the NP. There were delays in delivery of some outputs, some contracts needed and were granted extensions in order to better achieve the planned results, contractors in most of the cases strived to fine-tune implementation and cope with problems arising. Overlapping in the timing of the consecutive contracts was efficient as it ensured continuous support and both the MBP unit and ROM reports identified the smooth transfer in activities from one contractor to the next as an advantage. The insufficient capacity of the beneficiaries and NIPACs due to their relatively limited experience in the management of EC assistance under both National Programmes of the IPA as well as the MBP, the poor performance of the contractors in some cases as well as staff turnover in stakeholder institutions, including EC Services, also contributed to delays and affected the quality of outputs.

**Monitoring and reporting** is in general implemented by the Steering Committees and the Commission Services where progress is summarised in biannual activity reports. NIPACs are consulted during the programming of MBP assistance but largely not involved in implementation reflecting the centralised management systems for EC funds in place in most of the Western Balkans. This does, however, limit the amount of information that they have on the MBP assistance in their countries. The majority of the NIPAC offices interviewed expressed a willingness to receive more information and strengthen their role in MBP, but the variable capacities across the region questions how this can be practically implemented. Beneficiaries seldom see the ToR of the

consultants therefore do not know what to expect from the assistance. The EU Delegations are also not involved in monitoring and reporting of MBP and in some cases are insufficiently consulted during the programming. This makes practical implementation more difficult than it needs to be as there is no local supervision and support to the contractors. The ROM process is the main tool that can provide additional external information on project implementation.

The MBP Unit is staffed principally by **non-technical administrators**, with variable levels of technical oversight in both management and programming from specialist institutions both within the EC and externally.<sup>32</sup> Sub-delegation to Eurostat and the World Bank however ensures technical management in these areas. Conversely, the National Programmes are implemented either by technical staff within the Delegations (for centralised management) or by technical staff within recipient institutions (for decentralised management). Systematically including a technical DG in the implementation of assistance – as in the case of either *Statistics* or *Quality Infrastructure* - would enhance technical control of outputs and results as well as providing a thematic oversight and thus strengthening impact.

The **visibility** of the MBP is weak and strengthening it would promote regional cooperation, a wider objective of the programme. In the case of delegated management to other donors and joint contribution of other stakeholders (e.g. *Public Finance Management*), the visibility of the European Commission is particularly weak. The sharing of information to NIPAC offices and EU Delegations on the MBP implementation is not as good as it could be. This contributes to poor visibility as these stakeholders cannot effectively promote the MBP through their information activities. On a project level, improved visibility would help targeting of beneficiaries as well as the general public. The IPF (WBIF), CEFTA, RCC and ReSPA are well promoted through the web-sites. Improving MBP's visibility is expected to be addressed through the development of a communication strategy which is currently ongoing.

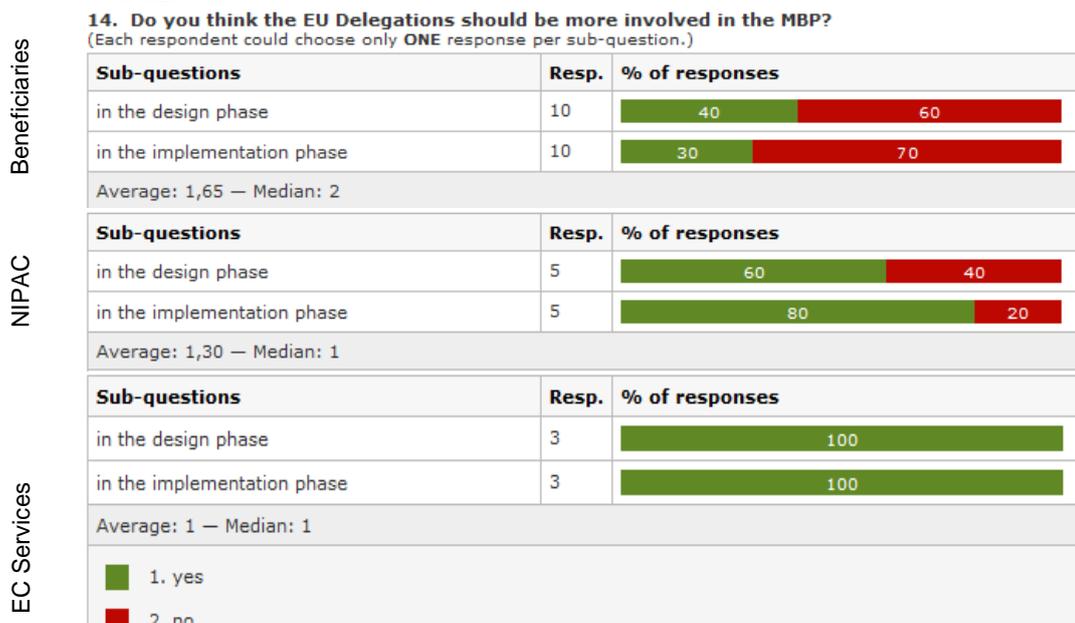
### 2.3.5 Supportive analyses with regard to efficiency

The respondents to the on-line survey (see figure 2.1) have different perceptions on the role of the EU Delegations in MBP. While the EC Services would like to strengthen the involvement of EU Delegations in MBP programming and implementation and the NIPAC offices are broadly supportive of them having a greater role, the beneficiaries do not think their involvement should increase as NIPACs have the national co-ordination role. The beneficiaries see in the EU Delegations another player that would further complicate administration rather than support it. On the other hand, the EC Services are detached from the implementation of the assistance on the ground and would like to have better information on progress. NIPACs are in general in favour of the greater involvement of EU Delegations as they see the opportunity to get more information on the MBP implementation.

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<sup>32</sup> Eurostat and the World Bank have technical competencies but do not evaluate the quality of programme impacts. DG ECFIN reviews the outputs of Public Finance Management and DG ENTR sits on the Cooperation Committee of *Quality Infrastructure*. Other DGs provide support during programming.

**Figure 2.1 Views of beneficiaries, NIPAC offices and EC Services on the involvement of EU Delegations in MBP**



### 2.3.6 Conclusions on efficiency

The programming process provides good grounds for ensuring as much as possible the involvement of all interested parties in the planning process. Despite this it is perceived as being top down, due to practical reasons of co-ordination, national capacity constraints and a short contracting period limiting the extent stakeholders can be consulted. Some projects were better able to plan and adapt to the different needs of the beneficiaries than others. The majority of the projects required limited duration non-cost extensions to complete activities or to ensure that assistance continued until subsequent projects could start. Co-ordination is a challenge for regional projects as it involves beneficiaries in a range of countries with different capacities and specific issues. Greater involvement of the national administrations would improve technical and decision-making support. Co-ordination in some of the regional organisations is complex and not always as efficient as it could be. It is difficult to compare the administrative costs between national and multi beneficiary programmes. Cost savings from centralised contracting may not necessarily lead to increased cost effectiveness when project performance is less than expected. The pragmatic use of contracting procedures without tenders potentially reduces cost efficiency but even with tenders some assistance appears relatively very expensive.

Multi-annual funding has led to the creation of efficient operational structures in a number of areas under review. The implementation, monitoring and reporting is, even more than the programming, driven by Commission Services in Brussels with little active involvement of NIPACs and EU Delegations, again due principally to time and capacity issues. The co-ordination of activities with EU Delegations could be better organised internally within the EC but greater involvement of national authorities is likely to be limited by capacity constraints, at least in the short term. NIPACs are involved in programming but cannot do this efficiently without having more information on implementation. Programme management within the MBP Unit does not always have access to technical management resources but there have been good examples of the inclusion of technical DGs to overcome this and this should become systematic in the future. The visibility of MBP is weak both at EU and at national level and could be enhanced to stimulate the regional initiative and support ownership.

## 2.4 Sustainability

Sustainability of the MBP considers:

- Ownership/addressing the needs of beneficiaries;
- Capacity to sustain results: availability of financial, human and technical resources;
- Legislation in place;
- Political support;
- Interventions success and planned follow-on measures.

Sustainability in terms of the regional scope of MBP is also discussed as far as the MBP has a specific objective to create and establish common tools, regional links and partnerships and impact for the whole region.

**EQ5 Are the identified impacts sustainable?**

**EQ6 Are there any elements which could hamper the impact and/or sustainability of the assistance?**

### 2.4.1 Sustainability of institution building projects

The **ownership** of the institution building projects in particular resides largely in the EC Services as they drive the programming and implementation processes. Where local ownership is weak there is a lower expectation that the beneficiaries will sustain the results in the absence of drivers—requirements of the national legislation, acquis commitments, strong local needs or continuing financial support. Key factors that weaken ownership are:

- Limited involvement of regional representatives/organisations in MBP programming in the areas of their competence;
- Limited involvement of the NIPACs in MBP monitoring and implementation or inclusion in reporting processes;
- Limited visibility of MBP in the beneficiary countries.

The sustainability of the capacity building activities and training is principally influenced by staff turnover in recipient institutions and the usefulness of the training to the day to day work of the trainees. Staff turnover does not appear to be an issue of general concern, although specific cases of high staff turnover, as in national public procurement institutions and in some cases in statistics, have been reported. The ability of the MBP generally to effectively target specific national needs has also been a cause for concern in some sectors (*public procurement*, PAR generally) but more successful in others (*statistics*).

The sustainability of the Public Procurement training assistance is vulnerable as it depends on national funds for implementation of the training programmes Sustainability could be improved through subsequent assistance to ensure utilisation of training packages and tools – for example the involvement of ReSPA in continuing the common public procurement training issues or through National Programmes.

**The implicit multi-annual approach** through consistent financing can support sustainability as it reflects the long term nature of sectoral reform. Continuing institution building support from MBP, national programmes or other donors is planned for *Statistics* and *Quality Infrastructure*. So far there are no similar follow-on projects planned for *Public Procurement* or *Public Finance Management* through MBP, although the support at national level is likely to continue.

MBP projects contributed to **creation of regional networks and links** with EU and regional/international institutions. These links are primarily between the organisations and experts from the participating countries. MBP beneficiaries consider sustainability of links most likely where they have been directly involved in the process of establishing them. Collaboration with EU institutions and with regional organisations has been mostly steered by the contractors, especially in the case of institution building projects, and is thus less sustainable. There are good networks between the quality infrastructure institutions in the beneficiary countries as well as between the statistical offices. These networks are created for and supported by the MBP and whilst this suggests some risk that they will not be sustained once the projects are completed, if funding continues until accession beneficiaries will be integrated into Member State networks. Even if funding is not maintained in some areas, some contacts and links are likely to remain for acquis related technical issues that require collaboration (for example, exchange of standards through CEN).

#### *2.4.2 Sustainability of infrastructure investment*

The introduction of the WBIF strengthened sustainability of the technical assistance in infrastructure investment as the financial support provided through the facility is essential to enable implementation of the design outputs. Sustaining the infrastructure investments themselves requires local cooperation between the beneficiary municipalities and clear systems to ensure financial sustainability for the operation of the facilities. Evidence from the CPIEs is that this is frequently absent or incomplete.

National as well as local **political support** is a key factor for realisation of the infrastructure investments supported under IPF and has been in some cases vulnerable to changes in administrations. Infrastructure investment has been channelled through WBIF and will continue to be supported in future.

#### *2.4.3 Sustainability of regional organisations*

**Financial resources** for operation of the regional organisations are ensured through EU co-financing, other donors and contributions of the participating countries. The EC contribution varies from 85% in the case of SEECEL to 28% in the case of RCC. However, this as well as other donors' funds are expected to drop in the future and donors from outside the region are already withdrawing from CEFTA. Sustainability will need ideally the participating countries to increase their financial commitment in the longer term, indicating the value they see from them. Some member countries have been late with subscription payments at various times due to administrative or financial constraints and this makes management difficult. The following specific comments could be made with regard to the financial sustainability of the evaluated regional organisations:

- CEFTA: The EC contribution is decreasing and other donors are withdrawing. The CEFTA Secretariat is deemed efficient by the EC Services and member countries<sup>33</sup> and the latter are willing continue financing it. Therefore it is likely that the CEFTA secretariat would be able to continue even if budget cuts reduced the scale of its activities;
- ReSPA struggles to comprehensively address the training needs of the public administrations in the region as expected and therefore the member states remain reticent about increasing their financial contributions<sup>34</sup>;
- The EC and other donors are willing to continue to support RCC although it is still struggling to assume its role of regional coordinator. Member countries also cover a substantial proportion of

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<sup>33</sup> CEFTA Secretariat reports, Interview with EC Services.

<sup>34</sup> 2012 ROM report and interviews.

the operating costs (about 43%). Therefore the financial sustainability of RCC, at least in the next few years, seems ensured;

- SEECEL depends heavily on the EC for financing (85%) and does not yet have any contributions from its member countries. Given the good results achieved, resources are likely to be requested from structural funds once Croatia joins the EU in July 2013 and potential remains to request contributions from members in the future.

The human and technical capacities of the *regional organisations* need improvement in order to fulfil their (increasing) obligations. CEFTA Secretariat and SEECEL operate with limited staff numbers (four and five respectively) and cannot undertake more obligations with this current capacity. ReSPA needs optimisation of the distribution of staff between content (core) activities and support staff. There are currently 15 ReSPA Secretariat members employed of which eight are technical and service employees. ReSPA has started preparing functional analysis to adjust the number of staff and the job descriptions. The RCC Secretariat was reorganised in 2011 in order to increase effectiveness in the realization of core activities related to the implementation of its Strategy and Work Programme. It is likely that this will be needed again in order to match the human capacity with the changing/fine-tuning of policy and activity priorities.

The accommodation built at ReSPA cannot be sustained through the activities of the school alone and is a distracting influence on operations. There are plans to develop SEECEL in a similar manner to ReSPA, with the inclusion of accommodation in its new administration building, and therefore there is the opportunity to learn valuable lessons.

Continuing political support from member countries is also important for the operation of the regional organisations and is so far strong for the RCC and CEFTA Secretariat. SEECEL is supported by the EU and Croatia. Although other donors are withdrawing from CEFTA, the member countries support the operation of the secretariat with the activities in the working groups and sub-committees and with financial contributions to its operation. The RCC also enjoys political support although stakeholders would like to see it more efficient. ReSPA has to continue to prove its benefit for the national governments in the region if the current political support is to be sustained. The positive start in 2009 to SEECEL<sup>35</sup> is a good basis for convincing regional stakeholders that it can bring valuable benefits.

#### 2.4.4 Conclusions on sustainability

Ownership remains largely with Commission Services as they lead the processes of programming and implementation and this may reduce sustainability overall. Funding sectors over longer periods through implicit multi annual financing contributes to sustainability. Where the MBP is not likely to continue funding sectors, there is good chance of national programmes replacing it, at least in part, giving the potential to sustain outputs and build on results achieved. The maintenance of regional networks in areas without a common *acquis* imperative will rely on both national funding and commitment which are currently unclear. Preparation of infrastructure investments will be sustained as long as financing is provided for the investments developed and whilst this cannot be expected to be comprehensive there is good evidence that some funds are being contracted. Into the longer term, the CPIEs have questioned the sufficiency of national funds to maintain infrastructure. There are clear commitments to sustain the financing of regional institutions by the EC and other donors as well as beneficiary countries from the region. Improving the quality of service delivery in some elements would strengthen funding, especially from regional sources.

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<sup>35</sup> 2011 ROM report, interview with EC Services, Evaluation report of the SEECEL activities, 2009 – 2012 May 2012.

## 2.5 Impact

**EQ3 Are the outputs and immediate results delivered by the IPA translated into the desired/expected impacts, namely in terms of achieving the strategic objectives/priorities linked to the accession preparation? Are/can impacts be sufficiently identified/quantified?**

The focus of this chapter is on the contribution of the sample to impact in the context of *institutional structures, human resource development and systems and tools*. In addition, the impact in the regional context has been analysed and is further elaborated in Chapter 3 in terms of the added value of MBP.

The impact of the three groups of projects - institution building, infrastructure investment and regional organisations is analysed jointly because the impact is linked with the area of intervention (for example trade being targeted by *Quality Infrastructure* institution building and by operation of CEFTA).

The impact of *institution building and infrastructure investment* groups of MBP projects cannot be disaggregated from that of similar assistance provided by IPA national programmes and other donors, as they target the same beneficiaries and have broadly similar objectives. The only discernible impact for the MBP in these areas is regarding those parts that target specifically regional aspects: for example the development of common tools and approaches and established or strengthened regional cooperation. The MBP impact is more visible in the cases of *regional organisations* as this assistance has an inherently regional focus with no specifically national actions.

In general the evaluated MBP projects contributed to the observed progress in the following:

- **The publication of improved statistical data**

In the area of statistics significant support has been provided by IPA national programmes as well as other donors covering with varying intensity practically all the main statistical areas. Therefore the impact of IPA MBP is difficult to disaggregate. Currently only an indirect impact assessment is possible on the basis of evaluation of the delivery of outputs and results of the IPA assistance, qualitative assessment on the performance of the National Statistical Institutes made by Eurostat (peer assessment reports), opinions expressed by the beneficiaries and EU officials (including in the Commission Progress reports) and information provided in the ROM reports.

Impact of MBP support can be demonstrated in the following sub-areas, where the assistance provided through the MBP 2007 and 2008 has been completed:

- External Trade (2007, 2008);
- Price statistics – Purchasing Power Parities (2007, 2008);
- Price statistics - Harmonised Index on Consumer Price (2007, 2008);
- Consumer Price (2007, 2008);
- Population and housing censuses (2007, 2008);
- National Accounts (2007, 2008);
- Agricultural censuses or farm structure surveys (2007,2008);
- Structural Business Statistics (2008);
- PRODCOM<sup>36</sup> (2008);
- Business Register (2008).

<sup>36</sup> Prodcum provides statistics on the production of manufactured goods. The term comes from the French "PRODUCTIONCOMMUNAUTAIRE" (Community Production) for mining, quarrying and manufacturing: sections B and C of the Statistical Classification of Economy Activity in the European Union (NACE 2).

The EC Progress reports for 2011 and 2012 note progress in the area of statistics in the following sub-areas:

**Table 2.4 Progress on some statistical areas as reported in the EC progress reports for 2011 and 2012**

Country	AL		B&H		CR		KO		MK		MN		SR		TR	
Year	11	12	11	12	11	12	11	12	11	12	11	12	11	12	11	12
ET	+		+										+			
Price Stat.	+										+	+				
PHS		+		+	+		+				+	+		+	+	+
NA		+		+		+	+		+	+	+	+	+	+		+
AS		+		+		+	+	+	+	+	+	+		+	+	+
SBS		+							+	+	+				+	
PRODCOM																
BR		+		+							+					

The above gives grounds to expect that the MBP should have made at least partial contribution to the progress observed in the supported areas. The significance of it for the observed change, however, can only be estimated on the basis of contribution analysis after similar support on national level has been accounted for and this is beyond the scope of this evaluation.

- **Facilitated intra-regional trade and free movements of goods;**

The assistance in *Quality Infrastructure* and to the *CEFTA secretariat* support inter-regional trade. *Quality infrastructure* targets technical barriers to trade, while CEFTA - other barriers to trade.

CEFTA work in 2009 and 2010 resulted on the following:

- Liberalisation of agricultural trade (in force since 2011);
- Mutual recognition agreements in the area of sanitary and phytosanitary (a database established to enhance the transparency and improve the exchange of data) – work continues;
- Mutual recognition agreements in the area of technical barriers to trade – work continues;
- Trade statistics.

The support in *Quality Infrastructure* was targeted at:

- Assessment of the state of standardisation, accreditation, conformity assessment, metrology and market surveillance for all beneficiary countries;
- Proficiency testing;
- Joint practical training;
- Establishment of cooperation networks.

The support provided by CEFTA has no analogue at national level. Quality infrastructure has been supported at national level through EC programmes CARDS and IPA mainly in Turkey (three IPA projects and also support through MEDA programme in the past), Montenegro and Bosnia and Herzegovina (five IPA projects) and Albania and Serbia (one IPA project). The MBP is largely complementary to the support provided through the national programmes as it targets areas that that are not covered (assessment of the status for all countries which allows comparisons), joint training with the added value of exchange of experience. Although networking was targeted by some of the national level projects, the networking of MBP has broader scope.

The assessment of the direct impact of the two evaluated MBP projects on the improvement of trade, however, is difficult due to the following reasons:

- It is too early to measure impact as the trade liberalisation agreements have only recently been enforced and it will take time to realize changes and improvements from the Quality Infrastructure projects;
- There are other external factors that affect the inter-regional trade, free movements of goods and competitiveness of the economy in the region, for example the recent economic crisis.

Nevertheless there are some quantitative and qualitative assessments that indicate in general a positive impact in the areas of CEFTA and Quality Infrastructure despite the existing limitations. CEFTA trade statistics allow the possibility to measure the impact and show increases in intra-regional trade both for agricultural and non-agricultural products. The EC 2012 progress reports for the Western Balkan countries also note stable or increasing trade between the CEFTA countries.

The World Bank Trade indicators show improvement for the CEFTA countries ranking between 2006 and 2009 in the ease of doing business and Logistics Performance Indicator (LPI)<sup>37</sup>.

Year/CEFTA average	Ease of Doing Business – Rank	LPI – Overall rank
2006	98	102
2009	87	93

Source: [http://info.worldbank.org/etools/wti/1a.asp?regionID=a7&periodID=16&vr=Rank&h\\_country=Select Country](http://info.worldbank.org/etools/wti/1a.asp?regionID=a7&periodID=16&vr=Rank&h_country=Select Country).

CEFTA contribution to increased regional trade and to dispute resolution was acknowledged in a World Bank study<sup>38</sup>: *“Growth in trade within the region was even stronger following the entry of CEFTA into force, though of course this cannot be fully attributed to the Agreement. As a matter of fact the most important novelty of the Agreement in addition to the full liberalisation of trade in manufactured goods is the inclusion of other areas of cooperation such as technical barriers to trade, rules of origin, competition rules, public procurement, intellectual property rights and so forth. CEFTA also establishes a well define dispute resolution mechanism and it is important to ensure that the Agreement is well implemented or that possible disputes could be efficiently resolved”*.

The CEN Assessment Regional Report<sup>39</sup> acknowledges the progress made in quality infrastructure, but states that the difference in the level of the institutional development between beneficiaries (such as the implementation of EU directives and standards) remains as a significant technical barrier to trade. Equal level of development of the countries is not achievable. Although all countries are moving to common targets other political factors (also different stages to EU accession) and human capacity mean that still time is needed until the practices are harmonised with the EU standards and regionally. However, the assessments show significant improvements through the years which is encouraging and to a certain extent is result of the MBP assistance.

There is a specific additional impact from both *Statistics* and *Quality Infrastructure* assistance which stems from the multi-beneficiary mode of the assistance and cannot be observed in national level assistance: the possibility to compare and assess implementation and development in these fields between the countries and for the region as a whole; valuable information that steers the planning of the support and cooperation at both MBP and IPA national assistance and other donors' assistance in these areas.

<sup>37</sup> reflects the overall perception of a country's logistics environment, efficiency of the customs clearance process, quality of transport and transport - related infrastructure, ease of arranging competitively priced shipments, and competence, quality of logistics services and tracking ability and timeliness of shipments;

<sup>38</sup> Enhancing Regional Trade Integration in South East Europe, World Bank, 2010;

<sup>39</sup> Assessment Regional Report, 2011, CEN;

- **Improved regional cooperation and cooperation with EU structures**

Contractor, ROM reports and beneficiaries suggest that the MBP has contributed to its wider objective of enhancing interregional cooperation and cooperation of the region/beneficiary countries with EU institutions and member states although this is hard to measure quantitatively and there are no indicators provided. As noted above, the impact of regional cooperation in technical areas such as statistics is principally measured at the national level where it becomes difficult to disaggregate the contribution of the MBP from that of the NP. The MBP has been a driver for the establishment of cooperation between national institutions, regional and EU organisations and between the supported projects (for example *Quality Infrastructure* and *CEFTA*) but again specific impacts are difficult to define. The operation of CEFTA and RCC has enhanced high-level political cooperation as evidenced by the progress made on establishing and implementing international agreements.

The impact from the MBP support in the following areas so far is limited or uncertain:

- **Improved operational performance and professionalism of the public procurement system:** MBP support in establishment of common tools for training in public procurement is under implementation but likely impact is uncertain due to the national focus of public procurement needs and the difficulties to replicate training or maintain networks unaided;
- **Improved accountability and transparency of public funds:** Studies implemented by *Public Finance Management* are likely improve public finance processes, however the limited scope of the assistance means that any impact will only be achieved if the results are placed at the centre of sectoral development on the national level;
- **More developed entrepreneurship culture and alignment with EU in the field of entrepreneurial learning:** The SEECEL is at the very beginning of developing an entrepreneurship culture across the region and the contribution it could make to such an impact is likely to be limited;
- **Improved socio-economic development of the Western Balkan and Turkey through improved infrastructure in transport, environment, and energy and in the social field.** Although infrastructure is not yet constructed (most projects are in the tendering phase with only a few under construction), the scale of the funding available and its targeting on key needs using transparent selection processes suggests that the impact is likely to be positive.

The CPIE included a methodology for the assessment of impact in administration reform that identified three constituent elements- institutional structures (institutional reform and legal framework), human resource development (resources, competences and staffing) and systems and tools (management and monitoring systems, infrastructure investment and investment in information and communication technologies).

The evaluated projects have limited contribution to establishment of **institutional structures**. It is evident only in the case of regional organisations and has not been the focus of institution building assistance.

All the assistance contributed to **human resources development** through training and capacity building. Despite the staff turnover in some beneficiaries and areas, the supported institutions overall are better skilled to provide their usual services or implement new activities.

One of the overall objectives of the MBP is development of common **systems and tools** that can be used throughout the region. Common approaches and methodologies are being supported for collection and processing of statistical data in various areas in order to ensure reliability and comparability with the data collected by other EU member states. In the area of Quality Infrastructure the support intends to align the operation of national quality infrastructure bodies with

the principles of European bodies, transposition of EU legislation and adoption of European standards. The challenge in both these situations is to implement common approaches when beneficiaries have a wide range of capacities, institutional structures and policy agendas. The systems and tools in public procurement may not have impact as their continued application beyond the life of the project is in doubt. The common project database for infrastructure projects in the region has improved objectivity and transparency in the selection of projects and this should translate to greater impact on the infrastructure financing overall.

All of the *institution building projects* target to varying extents the harmonisation of national practice with EU or international standards. *Statistics* and *Quality Infrastructure* have a more **regional impact** because they target the establishment of regional cooperation and harmonised practices between countries. *Public Finance Management* and *Public Procurement* are small, not multi-annual and more nationally focused and will therefore have limited regional impact.

The *infrastructure investments* address directly more national than regional priorities and therefore the regional impact from these projects is limited thus far. Of the six regional projects supported, five are in the area of energy, where the strongest impact can be expected and one in the social sector. No projects have been funded so far, and therefore no regional impact is available in environment and transport. However, as contributory elements to regional infrastructure development, the assistance is expected to have overall positive impact to the socio-economic development of the Western Balkan and Turkey.

For *Regional organisations* the regional impact is essentially the impact of the projects themselves. Liberalisation of trade between the countries in the region is improving which has been supported by CEFTA Secretariat. ReSPA and to some extent RCC are still finding the balance between the needs – and changing needs - of regional stakeholders and their own visions and strategies, therefore the impact on the region from their operation is so far limited. SEECEL has only recently started operations.

#### 2.5.1 Additional impact

##### EQ4 Are there any additional impacts (both positive and negative)?

An alternative definition of impact is 'the total of all effects: direct and indirect, expected and unexpected, positive and negative'. The evaluation did not identify any positive or negative unexpected impacts caused by the IPA interventions.

#### 2.5.2 Conclusions on impact

The impact of the MBP for institution building is difficult to disaggregate from the impact of IPA national programmes and other donors in areas such as statistics, public procurement and public finance management. Given the scale of the assistance, some of the sectoral impact in particularly statistics is likely to be due to the MBP. The only readily discernible impact is in the regional context where human resources development and the creation of new systems and tools have improved the provision of statistical data, intra-regional trade and regional cooperation.

Regional organisations presumably have regional impact although this is practically evident so far only in the case of CEFTA because of the early stages of development of both SEECEL and ReSPA and the vague broader objectives of the REC. Infrastructure investments are expected to have limited regional impact in the near term – so far mainly in the area of energy –but stronger

impact at national level. The MBP has made an unquestionable contribution to strengthened cooperation in the region and harmonisation of practices between countries.

## 2.6 Lessons learned

In this section some lessons learned from the implementation of MBP support to Institution Building, Infrastructure Investment and support to Regional Organisations are highlighted.

All three types of assistance evaluated are appropriate to be supported under MBP. The institution building support provides opportunity for exchange of experience and harmonisation of practices between countries of the region that often have a common institutional and cultural background. Infrastructure development supports projects that benefit many countries which is not possible under the national programmes. It provides both a regional perspective in planning and a regional forum for leveraging funds from IFIs. Support to the regional organisations also has no equivalent in the national programmes and strengthens the political structures at regional level.

### 2.6.1 Institution building

As with the National Programmes, Institution building under MBP is most successful when closely related to the *acquis* and where there is a need for the establishment of common procedures as in *Statistics* and *Quality Infrastructure*. In other areas where the approaches, institutional arrangements and systems in the beneficiary countries differ significantly (*Public Finance Management* and *Public Procurement*) the multi beneficiary elements are less successful.

Most of the institution building assistance was appropriately targeted on issues that can bring added value from being implemented with participation of many countries – i.e. harmonisation of practices and exchange of experience through implementation of joint activities and training. The training components under multi-beneficiary programmes, although useful in creating networks and exchanges of experience, proved challenging due to the different levels of knowledge, needs and English language competence.

Assistance to Institution building is most sustainable and has the best chance of generating impact when it is provided in a series of consecutive projects. Single interventions have less chance of being sustained as institution building is a long term process and ownership of *ad hoc* assistance is weak. However, whilst consecutive components build on the achievements of earlier projects the lack of systemic assessments of results at each stage makes the success of individual interventions more difficult to define. Any planned results not achieved can be simply rolled into subsequent actions.

### 2.6.2 Infrastructure development

The results and impact from support to infrastructure development are ultimately dependent on the availability funding for realisation of the projects developed under the assistance. The development of the IPF into the WBIF including the closer involvement of the IFIs and centralisation of the selection, monitoring and management strengthens this relationship and thus improved the potential performance of the TA. However, tailoring the technical development of proposals and finetuning support to the national authorities through a centralised facility has proved difficult. The involvement of the national players in this process as well as improving their ownership and capacity to develop and select project proposals could be enhanced through more locally based

contractors, even if contracting remains centralised. There remains scope for increasing the proportion of regional over national level projects funded.

### *2.6.3 Regional organisations*

The centralised management of the MBP provides a natural format for the contracting of support to regional organisations. EU support to the establishment and first years of operation has proved important in ensuring credibility amongst member states. The increasing level of financial contribution from these member states and other involved entities reflects the value of the organisation and is a key indicator of sustainability. With the EU is likely to remain a significant player in financing these organisations into the longer term, regional countries should shoulder a significant proportion of costs reflecting the benefit they attribute to them.



## 3 Added value of multi-beneficiary approach

### 3.1 Introduction

In Chapter 2 the performance of the interventions funded through the MBP was assessed on their effectiveness, efficiency, sustainability and impact. This chapter assesses the added value of the Multi-Beneficiary approach as a *system* to address –along with the national IPA programmes– common problems with a need for horizontal actions and/or where there is a clear cross-border character of assistance objectives, on both a bilateral and a multi-lateral basis.

The MIPD 2008-2010<sup>40</sup> formulates the objectives of the MBP as: “The purpose of support under the IPA programme is to help candidate and potential candidate countries and territories – the Beneficiaries – to progress towards fully meeting the Copenhagen political and economic criteria as well as adopting and implementing the EU acquis. The Multi-beneficiary actions will complement and add value to the support given under the National Programmes.”

The value added of the Multi-Beneficiary approach will be assessed firstly by considering the *type* of assistance provided through MBP: tackling cross-border issues, promoting cooperation, reconciliation, reconstruction and harmonizing instruments and approaches addressing common issues. In a next section we will pay attention to *efficiencies* resulting from that fact MBP is implemented through centrally managed and/or jointly managed programmes.

### 3.2 Value added of MBP in addressing specific regional issues

In Table 3.1 an overview is presented of the areas of interventions as defined in the MIPDs for the MBP. The 2007-2009 MBP MIPD started with a broad range of 10 areas of intervention. In the following two MIPDs a different selection approach was chosen by defining axis of intervention along three main criteria: political, economic and the acquis process. In the most recent MIPD a sector approach was adopted. The MBP has addressed areas/axis/sectors where in most of the cases IPA assistance has also been provided through individual national programmes. The MIPD 2009-2010 and the MIPD 2009-2011 define more explicitly the relation with the acquis process than in the periods 2007-2009 and 2011-2013.

**Table 3.1 Structure used in the MBP MIPDs for the areas of intervention**

MIPD MBP 2007-2009	MIPD MBP 2008-2010 and 2009-2011	MIPD MBP 2011-2013
Areas of intervention	Axis of intervention	Sectors of intervention
I. Regional Cooperation, Infrastructure Development, II. Justice and Home Affairs, III. Internal market IV. Public Administration Reform V. Supporting Civil Society VI. Education, Youth and Research VII. Market Economy	<b>Political criteria:</b> <ul style="list-style-type: none"> <li>• Democracy and the Rule of Law,</li> <li>• Human Rights and the Protection of Minorities,</li> <li>• Regional Issues and International Obligations,</li> <li>• Interim Civilian Administration</li> </ul>	(1) Justice and Home Affairs, including fundamental rights and vulnerable groups; (2) Public administration reform; (3) Support to Civil Society; (4) Private Sector Development;

<sup>40</sup> MULTI-ANNUAL INDICATIVE PLANNING DOCUMENT (MIPD) 2008-2010; MULTI-BENEFICIARY.

MIPD MBP 2007-2009	MIPD MBP 2008-2010 and 2009-2011	MIPD MBP 2011-2013
Areas of intervention	Sectors of intervention	
Axis of intervention		
VIII. Nuclear Safety and Radiation IX. Protection X. Interim Civilian Administrations XI. Administration	<ul style="list-style-type: none"> <li>• Civil Society Dialogue and Development.</li> </ul> <p><b>Economic criteria:</b></p> <ul style="list-style-type: none"> <li>• Competitiveness of the Economies,</li> <li>• Cooperation with International Financial Institutions</li> <li>• Education and Youth.</li> </ul> <p><b>Assumption of the obligations of membership:</b></p> <ul style="list-style-type: none"> <li>• Free movement of goods, Intellectual and Industrial Property policy,</li> <li>• Veterinary policy,</li> <li>• Transport policy,</li> <li>• Energy,</li> <li>• Customs and Taxation,</li> <li>• Statistics,</li> <li>• Environment,</li> <li>• TAIEX,</li> <li>• Nuclear Safety and Radiation Protection.</li> </ul> <p><b>Information and communication.</b></p> <p><b>Support activities:</b></p> <ul style="list-style-type: none"> <li>• Audit,</li> <li>• Monitoring</li> <li>• Evaluation.</li> </ul>	(5) Transport and energy infrastructure, including nuclear safety;  (6) Environment and Climate Change;  (7) Social Development.

Source: MIPDs MBP.

Within the selected areas/axis/sectors the multi-beneficiary IPA assistance has been programmed through two different types of programmes:

- **Regional programmes** that will particularly facilitate the *regional cooperation process* among the beneficiaries of the Western Balkans, although Turkey may also be included. These programmes endeavour, in particular, to promote reconciliation, reconstruction and political cooperation.
- **Horizontal programmes** address *common needs* across several IPA countries and seek to achieve efficiencies and economies in implementation by providing centrally managed and/or jointly managed assistance with international organisations, rather than by implementing the programmes on a national basis. Institution building activities are also performed in this framework, notably through instruments such as TAIEX and SIGMA.

### *Regional programmes*

From 2007 to date, 23 multi beneficiary programmes (about 40% of the assistance in numbers of interventions) can principally be categorized as regional programmes aiming to foster regional cooperation (see Table 3.2). It should be noted that the same projects financed under different MIPDs are counted as one project and sometimes projects can be labelled as both regional and horizontal projects. ReSPA can be seen as an example of such a project, as on the one hand it is addressing common needs in reforming the public administration and on the other it runs a

common training facility which can promote cooperation between civil servants from the beneficiary countries. Here ReSPA is counted as a horizontal programme.

**Table 3.2 Overview of regional programmes**

Regional programmes 2007 – 2013		
CAFAO (customs & tax)	Environmental monitoring	Regional Co-operation Council
Customs & tax IT	Sava River Management	Union for the Mediterranean
Customs & Taxation blueprints	Regional Environment Net	IFI co-operation
Trade CEFTA	Energy community	SEE Investment committee
SIGMA	Migration & socioeconomics	Support to Ljubljana process
Electronic data exchange	Refugees Return	Regional co-operation in justice
Police co-operation - drugs	Prosecutor's Network	Witness protection
Police co-operation – trans border	CBC IB	

Source: ECORYS.

Table 3.2 shows that in most cases the objective of promoting reconciliation, reconstruction and reconciliation has been targeted on clear cross border issues. The main fields for assistance are promoting interregional trade, organized crime fighting, and energy and environment. Only in a limited number of cases in the sample was the MBP objective of promoting reconciliation, reconstruction and political cooperation translated into direct support to organisations facilitating (political) cooperation in the region: SEE and RCC.

Regional respondents in the evaluation found that crime fighting, facilitating and promoting interregional trade, cooperation in environmental protection and energy supply are the fields in which the cross-border issues are most clear. Ensuring the ongoing relevance of the programme to regional needs is an obvious task for future MBP. Reconciliation and stabilization were valid and rather urgent objectives when MBP started in 2007. For the future MBP, the regional respondents ask for a more explicit priority for interventions that bring clear (economic) gains for the individual beneficiary countries.

#### *Horizontal programmes*

In addition to the regional programmes, about 60% of the MBP assistance (by number of projects, see also Annex 5) has been delivered through horizontal programmes. These address common issues – but not specifically cross-border issues- by seeking harmonisation of (national) approaches and instruments<sup>41</sup>. Promoting regional cooperation can be seen as an additional effect of these programmes.

The achievement of the value added effects of harmonised approaches or instruments depends not only on the quality of the assistance itself, but also on the presence of necessary conditions to implement these harmonised approaches or instruments in the individual participating countries.

In Chapter 2 the performance of a number of horizontal programmes has been assessed: Statistics, Quality Infrastructure, Public Procurement, Infrastructure Project Facility, ReSPA, RELC and Public Financial Management. Most of these programmes are effective, in particular in delivering the planned outputs. With respect to sustainability – a very relevant issue concerning the value added of these MBP- and with respect to the impact, the assessment is variable. A number of factors that limit sustainability and impact of horizontal programmes were mentioned in Chapter 2.

Three more general factors are relevant here:

- *Differences in national priorities* limit the impact of harmonised instruments and approaches. The MBP Public Procurement is an example of this as the sector is very much seen as a

<sup>41</sup> See MIPD 2007-2009 and MIPD 2011-2013.

national concern. The MBP Statistics found the solution in a mix of joint training and assistance to specific national needs through a system of grants;

- *Differences in legislation* can prevent the implementation of harmonised approaches and instruments. The impacts of the Quality Infrastructure programme are limited by the fact that countries do not (yet) recognise each other's quality standards and are unlikely to do so much before accession;
- *Much of the MBP assistance has been delivered in training programmes, but joint training programmes don't always match the specific needs* of the participants from different countries due to the two factors mentioned above. ReSPA invested much in a regional training needs assessment, but still there are reservations as to whether the training programmes really meet the specific needs of the participants.

### Conclusions

The Multi-Beneficiary approach is a logical complement to the national IPA programmes. Most of the assistance provided by the regional programmes has a clear value added by creating the conditions for interregional cooperation- and so fostering reconciliation and reconciliation - by bringing civil servants from different countries together.

In particular, in the regional projects the value added is evident as in most cases the cooperation process is focusing on tackling cross-border issues that cannot be effectively addressed by national programmes.

With respect to the assistance delivered through horizontal projects there are more reservations. Horizontal programmes also create the conditions for cooperation but sustainability and impact of harmonised approaches and instruments face differences in priorities and legislation between participating countries.

A Multi-Beneficiary approach in itself has its limitations to organise the fine-tuning needed in an efficient programming process; see also the next section. Moreover, it is hard to design joint training programmes that satisfy the needs of all individual countries.

## 3.3 Efficiencies of the MBP process

An explicit objective of the MBP is generating efficiencies from a centralised programming and management system. In this section the savings from a centralised way of contracting and economies of scale in scope and design of the assistance in a multi-beneficiary approach are assessed. Subsequently the disadvantages of a more complicated programming and monitoring process required for providing assistance to multiple beneficiaries is addressed.

### Centralised contracting and management

Organizing efficient contracting with different beneficiaries is complicated. In Chapter 2 (Section 2.3.6): cost and time savings by a centralised system have already been mentioned as an obvious efficiency of the Multi Beneficiary approach. The centralised system under MBP avoids long tendering procedures and the risk of disagreements between stakeholders which could paralyze the whole process. The fact that there is no need to agree on financing agreements with the beneficiaries is certainly an advantage of the multi beneficiary approach in speeding up contracting but reduces the contracting period by one year.

The efficiency of the centralised contracting is amplified by the system of delegated management that is applied for many of the programme beneficiaries that makes contracting fast and efficient.

Even if a formal delegated management is not used, the practise in MBP of contracting out a project in different MIPDs to the same implementation organization also speeds up the decision making on contracting.

### *Economies of scale*

Another potential efficiency of the multi beneficiary approach lays in economies of scale in designing the assistance where a joint project costs less than the sum of individual projects. This can result in budget savings compared to separate interventions in the individual beneficiary countries, especially if the size of projects in individual countries is small and thus the administrative and management costs represent a proportionally high percentage of costs. It is not possible to make a detailed comparison of costs between MBP funded assistance and assistance under national IPA programmes as the scale and involvement of the differing actors varies. However, it is logical to assume that economies of scale have been realised through central contracting. For example, the average budget of the MBP assistance to public procurement is about 125.000 Euro which would not be sufficient to establish a project in each country. It should be noted that budget efficiencies do not directly mean that value for money has been realised. Chapter 2 concluded that the sustainability of the MBP assistance to public procurement was in doubt because the common training programme struggled to match national priorities and conditions.

### *Programming and monitoring*

The EC is aware that a multi-beneficiary approach complicates the programming process. For the preparation of the MIPD 2011-2013 a system of Sector Working Groups was set up in order to define sectoral strategies. These Sector Working Groups were designed as a thorough planning and participatory consultation process with beneficiaries, donors, civil society and other stakeholders. This process allowed a better tailoring of the 2011-2013 multi-beneficiary strategy to the needs of the Beneficiaries in the region and aims at enhancing their ownership of the programme<sup>42</sup>.

The assistance under review was designed before these Sector Working Groups came into being and Chapter 2 indicated that tailoring to the specific needs had not always been realised. This has consequences for sustainability and impacts of the assistance. Partly this is inherent to a multi-beneficiary approach itself. In particular the horizontal programmes have to be a certain compromise between the specific needs of the beneficiaries. This can explain that in spite of their involvement in the Sector Working Groups many of the regional respondents still have doubts that their needs were taken fully into account<sup>43</sup>.

Expanding of the involvement of regional stakeholders in the programming process has its limits as it makes the programming even more complicated, time consuming and expensive. This brings the risk of reducing the advantages of the present MBP system as a relatively fast decision making system (see above under contracting). Regional stakeholders indicated in the interviews that in the present system their heavy workload sometimes prevents them from fully contributing to the Sector Working Groups.

For these reasons, it is questionable whether a stronger involvement of the region will produce a much higher quality in programming that compensates for the disadvantages of a more complicated

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<sup>42</sup> SeeC(2011) 9712 final, COMMISSION IMPLEMENTING DECISION of 16.12.2011, amending Commission Implementing Decision C(2011)5117 of 18 July 2011 adopting the Multi-beneficiary Programme under the IPA Transition Assistance and Institution Building Component for the year 2011.

<sup>43</sup> 70% of the respondents in the web based questionnaire did not think that their needs were fully considered. Most respondents did not think that the projects (fully) matched the specific needs of their countries (Source: Webbased questionnaire).

process. By definition it is hard to satisfy all beneficiaries. A stronger involvement requires from the regional stakeholders capacity that in their current state of institutional development is most probably difficult to provide, especially at a consistent level across all beneficiaries to ensure equal involvement.

In this context, regional stakeholders mentioned that their involvement should not be limited to the programming of the MBP. They also felt that in the implementation phase of the projects they should be better informed about progress and results. This lack of information has a negative effect on feelings of ownership. The MBP currently uses the standard IPA monitoring approach with the Steering Committees being responsible for the monitoring. In Chapter 2 it is concluded that in most cases the national stakeholders are represented in the committees, but that the local coordinators do not play an active role. It would be logical that in a multi-beneficiary approach an adjusted monitoring system is used in which in broad range of regional stakeholders have a participative role. It is obvious that such monitoring system is more time and cost consuming than the present system both for the EC and for the national stakeholders. If greater involvement of national stakeholders is introduced to the programming and monitoring process, this will diminish the cost and time savings currently experienced in the design and contracting phases of the MBP.

### *Conclusions*

A Multi Beneficiary approach can provide efficiencies and economies of scale in delivering the assistance. Cost and time savings in the contracting procedure are evident. These savings result directly from the fact that the MBP is managed as a centralised programme and most of the assistance is implemented by delegated or joint management.

A second obvious cost advantage of the Multi Beneficiary approach is in obtaining economies scale in the design of the assistance. The extent to which economies of scale in the design of the assistance can be realized is hard to indicate.

However, the multi beneficiary approach has also inefficiencies due to a more complicated process of stakeholders' involvement in the programming and the monitoring of the assistance. Although the present MBP has developed a rather sophisticated programming procedure, regional stakeholders do not always think their specific needs fully addressed. It is questionable if a broader involvement of stakeholders is feasible and will result in a substantially better co-ordination between MBP and national needs.

Monitoring in MBP follows the usual IPA system of Steering Committees that does not always guarantee an active role of national stakeholders and coordinators.

It has to be noted that in assessing the efficiency of the multi-beneficiary approach it has to be taken into account that from 2010 onwards a budget was reserved under the theme *Strengthening EU Integration* to support programming, co-ordination, preparation, implementation and visibility of the MBP.

## 4 Key conclusions and recommendations

The evaluation reviewed a sample of projects covering institution building, infrastructure investment and support to regional organisations consisting principally of technical assistance and grants. Information was gathered through documentary review, interviews and a series of online questionnaires to key stakeholders to determine firstly programme performance and secondly the added value from the MBP over the National Programmes. The conclusions below cover both the programme performance and added value (unless specific projects are mentioned) and are followed by specific recommendations targeting both the programme and project level.

### 4.1 Conclusions

#### Effectiveness

The direct outputs from the assistance have been largely delivered or are expected to be delivered although in some cases with delays, which will affect uptake. Results in institution building are in some cases overly ambitious and achievable only over the medium term. Providing appropriate training to diverse beneficiaries under a single project has been difficult and sometimes not as effective as expected. The development of regional networks was successful when strongly driven by contractors but is largely project reliant due to limited resources in beneficiaries. Delegated management agreements to specialist technical organisations and longer term financing have supported the achievement of results. Results in infrastructure investment preparation are starting to be achieved although the regional effects remain limited thus far. Regional organisations have had a variable performance. The CEFTA Secretariat and SEECCEL are performing effectively but ReSPA and RCC have struggled with clearly defining their roles and implementing core activities, although corrective actions are being implemented to improve the situation.

#### Efficiency

The programming process provides good grounds for ensuring as much as possible the involvement of all interested parties in the planning process. Practical reasons of co-ordination, capacity constraints in national stakeholders and a short contracting period mean that it has to be led by the Commission Services and as such can be perceived as top down. Projects have evolved over time to better address the needs of beneficiaries, with some managing the process better than others. The majority of the projects required non-cost extensions to complete activities or to ensure that assistance continued until subsequent projects could start. Co-ordination is a challenge for regional projects as it involves beneficiaries in a range of countries with different capacities and specific issues. Greater involvement of the national administrations in project implementation and co-ordination would improve technical and decision-making support. Co-ordination in some of the regional organisations is complex and not always as efficient as it could be. It is difficult to compare the administrative costs between national and multi beneficiary programmes. Cost savings from centralised contracting may not necessarily lead to increased cost effectiveness when project performance is less than expected. The pragmatic use of contracting procedures without tenders potentially reduces cost efficiency but even with tenders some assistance appears relatively very expensive.

Multi-annual funding has led to the creation of efficient operational structures in a number of sectors under review. The implementation, monitoring and reporting is, even more than the programming, driven by Commission Services in Brussels with little active involvement of NIPACs and EU Delegations, although at a project level some good co-ordination mechanisms have been

established. The co-ordination of activities with EU Delegations could be better organised internally within the EC but greater involvement of national authorities is likely to be limited by capacity constraints, at least in the short term. NIPACs are involved in programming but cannot do this efficiently without having more information on implementation. Programme management within the MBP Unit does not always have access to technical management resources but there have been good examples of the inclusion of technical DGs to overcome this and this should become systematic in the future. The visibility of MBP is weak both at EU and at national level and could be enhanced to stimulate the regional initiative and support ownership.

### Sustainability

Ownership remains largely with Commission Services as they lead the processes of programming and implementation and this may reduce sustainability overall. Multi annual funding of sectors contributes to sustainability. Where the MBP is not likely to continue funding sectors, there is good chance of national programmes replacing it, at least in part, giving the potential to sustain outputs and build on results achieved. The maintenance of regional networks in areas without a common acquis imperative will rely on both national funding and commitment which are currently unclear. Preparation of infrastructure investments will be sustained as long as financing is provided for the investments developed and whilst this cannot be expected to be comprehensive there is good evidence that some funds are being contracted. Into the longer term, the CPIEs have questioned the sufficiency of national funds to maintain infrastructure. There are clear commitments to sustain the financing of regional institutions by the EC and other donors as well as beneficiary countries from the region. Improving the quality of service delivery in some elements would strengthen funding, especially from regional sources.

### Impact

The impact of the MBP for institution building is difficult to disaggregate from the impact of national programmes and other donors in areas such as statistics, public procurement and public finance management. Given the scale of the assistance, some of the sectoral impact in particularly statistics is likely to be due to the MBP. Its only readily discernible impact is in the regional context where human resources development and the creation of new systems and tools have improved the provision of statistical data, intra-regional trade and regional cooperation.

Regional organisations presumably have regional impact although this is practically evident so far only in the case of CEFTA because of the early stages of development of both SEECEL and ReSPA and the vague broader objectives of the REC. Infrastructure investments are expected to have limited regional impact in the near term – so far mainly in the area of energy –but stronger impact at national level. The MBP has made an unquestionable contribution to strengthened cooperation in the region and harmonisation of practices between countries.

### Added Value

The MBP is a logical complement to the National Programmes as it has a clear added value in creating the conditions for interregional co-operation. Regional type projects have added value as they are clearly focused on tackling cross border issues that cannot be effectively addressed by National Programmes. Horizontal type projects have more difficulties in providing common solutions to diverse beneficiaries, although this has still been achieved in areas of *Statistics* and *Quality Infrastructure*.

The MBP offers efficiencies in cost and time savings in both contracting and implementation through centralised management and the use of delegated or joint management as well as the creation of management efficiencies through multi annual financing of sectors. Factors negatively

affecting MBP efficiency include the complicated process of co-ordinating beneficiaries and national authorities in project design and management that reduces ownership.

## 4.2 Recommendations

**EQ 7 Are there potential actions which would improve the efficiency and effectiveness of the on-going assistance?**

1. The MBP is a logical complement to IPA assistance in national programmes. ***The Commission Services are recommended to accentuate this added value further by focusing future MBP on clear regional issues in which national programmes alone are not sufficient and limit future horizontal programmes to those cases in which***
  - a) the regional stakeholders agree that addressing common problems match sufficiently with their national priorities and***
  - b) a MBP approach generates clear economies of scale.***
2. The MBP management unit currently prepares six monthly progress reports. Whilst these are adequate for the internal reporting purposes of the Commission Services they are not meant to give national stakeholders a clear understanding of how assistance is progressing. ***The Commission Services are invited to investigate mechanisms to improve the frequency and transparency of programme implementation reporting for all stakeholders.***
3. Targeting national acquis agendas through the use of common training or technical assistance has not always been effective or efficient due to the varying different national needs and policies. There is a real risk that training will be provided at the level of the lowest common denominator rather than at the levels needed to stimulate change. ***It is recommended that technical assistance for institution building should be used only in those areas where there is a clear operational need for a regional perspective – for example quality infrastructure needs mutual confidence in certification to promote regional trade.***
4. Horizontal aspects of PAR which are principally non acquis driven should be more relevant to the common training offered by ReSPA but efficiency and effectiveness could also be improved. Again, variable levels of competency and linguistic skills amongst beneficiaries means that training risks being delivered at the lowest common skill level– for example, PCM training at ReSPA. ***The design of ReSPA training programmes needs a greater awareness of areas covered by national programmes and this would be improved by a more comprehensive needs assessment within individual member states.***
5. There are clear opportunities for SEECCEL to learn lessons from the establishment of ReSPA, in particular the planned construction of residential facilities, development of training and expansion of the facility from the establishment phase to fully operational. ***SEECCEL should avoid burdening itself with infrastructure not directly related to its operational needs.***
6. The Infrastructure Project Facility is well tailored to being centrally contracted because it leverages funds from other donors, allows centralised selection of projects for funding and management information systems and enables close and direct communication with potential financing through the WBIF. However, centralisation of the advisory teams and the limited involvement of national institutions make it more difficult to engender national ownership. Ownership could be increased by focusing contractors on a smaller number of countries, although these benefits would be offset by increases in the administrative burden on a central

level and risks to overall quality levels of outputs. Ultimately, quality concerns can be addressed by enhanced management and the priority for improving impact should be on maximising ownership. **Consider the possibility contractors for project preparation to be limited to two countries to enable them to focus on the specific local needs.**

7. Assignments in public finance management have little EU identity as they were implemented by the World Bank, limited national ownership and little regional perspective. PEFA assessments could form a useful basis for the introduction of the sector wide approach at a national level and for regional comparison and collaboration in the sector. **Much of the content of the PFM, including the PEFA assessments specifically, should be continued under national IPA programmes.**

**EQ8 Are there actions which would improve the prospects for impact and sustainability of the on-going assistance?**

8. Whilst programming is supported by technical elements of the Commission Services who are also present on steering committees for individual projects, implementation is the responsibility of principally non technical administrative staff. **The involvement of technical DGs in a more formal role in project oversight, including commenting on the achievement of results and making assessments of the regional and technical contribution of the assistance to wider objectives should become systemic for all projects. Greater use could be made of technical capacity in EUDs.**
9. Joint management through implementation agreements has proved effective but impact would be enhanced by a greater level of monitoring. **Technical partners under implementation agreements (for example Eurostat) have the competence and oversight to be able to make assessments of the results and actual (or likely) impact of the assistance, improving transparency and enabling corrective actions to be taken to improve impact.**
10. The MBP should focus on issues that really require a regional perspective. Respondents to the survey in this report suggest regional infrastructure, law enforcement and organised crime fighting, customs, migration and environment. **The Commission Services are recommended to develop more rigorous selection criteria to focus the MBP on sectors with clear need for a regional approach.**
11. Stakeholders have highlighted a number of areas (including minority issues, cultural heritage, history teaching and acquis related issues) covered by the MBP that they consider as not effective, suggesting that regional priorities are different to those of the Commission Services. **However, these issues remain important and therefore the Commission Services need to improve communication with national stakeholders on why they would wish to fund these more contentious areas (for example, the need to address Copenhagen Criteria).**

N	Conclusion	Recommendation	Action	By	Indicative Deadline
1	The MBP is widely appreciated as a logical complement to IPA assistance in national programmes	The Commission Services are recommended to accentuate this added value even more by focusing future MBP in the first place on clear regional issues in which national programmes alone are not sufficient and limit future horizontal programmes to those cases in which a) the regional stakeholders agree that addressing common problems match sufficiently with their national priorities and b) a MBP approach generates clear economies of scale.	Assess the regional dimension and regional added value of the proposed interventions before their approval for funding.	EC Services DG ELARG, Unit E.4	Next programming round
2	The MBP management unit currently prepares six monthly progress reports. Whilst these are adequate for the internal reporting purposes of the Commission Services they are not meant to give national stakeholders a clear understanding of how assistance is progressing.	The Commission Services are invited to investigate mechanisms to improve the frequency and transparency of programme implementation reporting for all stakeholders.	The exchange of information and MBP reporting mechanisms to be discussed between the MBP key stakeholders - EC Services, NIPAC offices and EU Delegations in order to clarify the information needs and agree on responsibilities and reporting formats and frequency.	EC Services DG ELARG, Unit E.4	December 2013.
3	Targeting national acquis agendas through the use of common training or technical assistance has not always been effective or efficient due to the varying different national agendas. There is a real risk that training will be provided at the level of the lowest common denominator rather than at the levels needed to stimulate change.	It is recommended that technical assistance for institution building should be used only in those areas where there is a clear operational need for a regional perspective – for example quality infrastructure needs mutual confidence in certification to promote regional trade.	As part of the programming process assess the benefits of the proposed institution and human capacity building activities for all beneficiaries and for the region as a whole before approval of this type of interventions under IPA MBP.	EC Services DG ELARG, Unit E.4, NIPACs	Continuous
4	Horizontal aspects of PAR which are principally non acquis driven should be more relevant to the common training offered by ReSPA but efficiency and effectiveness could also be improved. Again, variable levels of competency and	The design of ReSPA training programmes needs a greater awareness of areas covered by national programmes and this would be improved by a more comprehensive needs assessment within individual member states.	Consult the key national training providers that provide training to the public administration in order to ensure that there is no duplication of training and that ReSPA training complements national training and steers administrative capacity	ReSPA	In the next training needs analysis assessment.

N	Conclusion	Recommendation	Action	By	Indicative Deadline
	linguistic skills amongst beneficiaries means that training risks being delivered at the lowest common skill level– for example, PCM training at ReSPA.		building in the region.		
5	There are clear opportunities for SEECCEL to learn lessons from the establishment of ReSPA, in particular the planned construction of residential facilities, development of training and expansion of the facility from the establishment phase to fully operational.	SEECCEL should avoid burdening itself with infrastructure not directly related to its operational needs.	Visit ReSPA and discuss operations	SEECCEL management staff	December 2013
			Do not approve investment that are not well justified and which sustainability is uncertain.	EC Services DG ELARG, Unit E.4	When reviewing the application for funding of SEECCEL
6	The Infrastructure Project Facility is well tailored to being centrally contracted because it leverages funds from other donors, allows centralised selection of projects for funding and management information systems and enables close and direct communication with potential financing through the WBIF. However, centralisation of the advisory teams and the limited involvement of national institutions make it difficult to engender national ownership. Although it increases management demands, an option to increase ownership would be to have several contractors operating in parallel in several countries.	Consider possibility contractors for project preparation to be limited to two countries to enable them to focus on the specific local needs.	Assess advantages and disadvantages of the two approaches in order to decide whether to continue the current practice with one TA contractor serving all countries or to move to more decentralised approach with several contractors supporting not more than 2 countries.	EC Services DG ELARG, Unit E.4	Before deciding on the next TA contracts

N	Conclusion	Recommendation	Action	By	Indicative Deadline
7	Assignments in public finance management have little EU identity as they were implemented by the World Bank, limited national ownership and little regional perspective. PEFA assessments could form a useful basis for the introduction of the sector wide approach at a national level and for regional comparison and collaboration in the sector; however they are only undertaken every three years.	Much of the content of the PFM, including the PEFA assessments specifically, should be continued under national IPA programmes.	Do not continue the support in Public Finance Management through IPA MBP.	EC Services DG ELARG, Unit E.4	Next programming round
8	Whilst programming is supported by technical elements of the Commission Services who are also present on steering committees for individual projects, implementation is the responsibility of principally non technical administrative staff.	The involvement of technical DGs in a more formal role in project oversight, including commenting on outputs and making assessments of the regional and technical contribution of the assistance to wider objectives would improve impact. Greater use could be made of technical capacity in EUDs.	Formally include the relevant technical DGs and EU Delegations to systemically assess the achievement of the objectives of the assistance after completion of the interventions.	EC Services DG ELARG, Unit E.4	Continuously
9	Joint management through implementation agreements has proved effective but impact would be enhanced by a greater level of monitoring.	Technical partners under implementation agreements (for example Eurostat) have the competence and oversight to be able to make assessments of the results and actual (or likely) impact of the assistance, improving transparency and enabling corrective actions to be taken to improve impact.	In the implementation/administration agreements to the partners include a request the partners to assess the achievement of the objectives of the assistance after completion of the interventions.	EC Services DG ELARG, Unit E.4	Continuously
10	The MBP should focus on issues that really require a regional perspective. Respondents to the survey in this report suggest regional infrastructure, law enforcement and organised crime fighting, customs, migration and environment.	The Commission Services are recommended to develop more rigorous selection criteria to focus the MBP on sectors with clear need for a regional approach.	Develop selection criteria to assess whether the intervention qualifies to be supported under MBP.	EC Services DG ELARG, Unit E.4	October 2013

N	Conclusion	Recommendation	Action	By	Indicative Deadline
11	Stakeholders have highlighted a number of areas (including minority issues, cultural heritage, history teaching and acquis related issues) covered by the MBP that they consider as not effective, suggesting that regional priorities are different to those of the Commission Services. However, these issues remain important.	The Commission Services need to improve communication with national stakeholders on why they would wish to fund these more contentious areas (for example, the need to address Copenhagen Criteria).	Organise discussion with the NIPACs on the areas that should be supported under IPA MBP.	EC Services DG ELARG, Unit E.4	September 2013

# Annexes

Annex 1 Evaluation matrix

Annex 2 List of interviews – approached people

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Annex 4 The evaluation methodology

Annex 5 Regional and horizontal projects MBP 2007-2011

Annex 6 Online questionnaire dataset



# Annex 1 Evaluation matrix

## The Evaluation Matrix

The evaluation matrix below has been developed on the basis of the different MIPDs for MBP together with project fiches and other documentation on the projects the evaluation focus on (Table 0.1). For most of the selected projects the relevant MIPD(s) specifies the objectives. Nevertheless no indicators on the objectives are specified by the MIPDs (nor in the project fiches or monitoring reports of the projects). The indicators in the table below are derived from the expected results formulated for the projects in the MIPDs and/or the project documents (between brackets the relevant projects are mentioned).

It will be clear that a quantification of indicators on the objectives has been lacking for the MBP. In this evaluation the analysis had to be limited to a qualitative interpretation of results achieved.

**Table 0.1 Evaluation matrix for MBP**

MIPD objectives	Baseline in 2007/2008 (Derived from MIPD2007-09)	Indicators defined from MIPD Objectives	Progress of indicators	MBP/IPA Contribution		
				None	Some	High
<b>Institution building</b>						
Overarching objective: Increased ability to assume the obligations of Membership and approximation to European Standards	<ul style="list-style-type: none"> <li>Progress is made, but uneven and much remains to be done. The Western Balkans have to focus increasingly on the reforms needed to approach European standards.</li> </ul>	<ul style="list-style-type: none"> <li>Greater competence and awareness among Beneficiaries' officials on how to implement EU acquis;</li> </ul>	Progress made in all areas of the evaluated IPA MBP assistance. IPA MBP contribution is mainly the areas of statistics and quality infrastructure		X	
	<ul style="list-style-type: none"> <li>Further improvement needed in data collection by the National Statistical Institutes, approximation with EU acquis.</li> </ul>	<ul style="list-style-type: none"> <li>Improved quality of statistical data (Statistics)</li> </ul>	Progress made in all statistical areas. IPA MBP contribution particularly in: price statistics, national accounts, agricultural statistics, structural business statistics.		X	
		<ul style="list-style-type: none"> <li>Functioning, sustainable cooperation network between quality infrastructure institutions the beneficiaries (Quality infrastructure)</li> </ul>	Network between quality infrastructure institutions established. Sustainability of some contacts and links after the end of the assistance is likely but not of the network as such.			X
	<ul style="list-style-type: none"> <li>Short-term reforms needed</li> </ul>	<ul style="list-style-type: none"> <li>Functioning Infrastructure for</li> </ul>	The tools have been developed and			X

MIPD objectives	Baseline in 2007/2008 (Derived from MIPD2007-09)	Indicators defined from MIPD Objectives	Progress of indicators	MBP/IPA Contribution		
				None	Some	High
	in the public administration and personnel policy as necessary to ensure greater efficiency, accountability and transparency.	regional cooperation within the public procurement community in all participating beneficiary countries established, including common tools and training materials, network of experts certified according to regionally recognized rules. (Public procurement)	trainers trained and certified. However, there are concerns that public procurement training will be delivered after the end of the assistance.			
		<ul style="list-style-type: none"> <li>Functioning platform for systematic improvement of public financial management across the Western Balkans through coordinated action by donors, using a common diagnostic and analytical framework.(Public Finance Management)</li> </ul>	A platform for systematic improvement of public financial management across the Western Balkans hardly exists. The assistance is largely of national importance with limited exchange of information and experience.		X	
		<ul style="list-style-type: none"> <li>Enhanced ability of the beneficiaries to effectively design and develop programmes and projects; enable the implementation of a number of accession-related actions of various public/private actors in order to meet specific and urgent needs in the beneficiaries; support the beneficiaries' participation in activities for the exchange of information, networking, workshops, conferences, study visits; (Strengthen EU Integration)*</li> </ul>	Constant assistance provided and tangible, however, short term results available in various areas.		X	
<b>Infrastructure investment</b>						
Support to preparation of projects that may be	<ul style="list-style-type: none"> <li>With respect to the Western Balkans, the compact nature</li> </ul>	<ul style="list-style-type: none"> <li>Pre-feasibility studies, feasibility studies and financial affordability analysis, completed</li> </ul>	Constant progress available strengthened after the establishment of the			X

MIPD objectives	Baseline in 2007/2008 (Derived from MIPD2007-09)	Indicators defined from MIPD Objectives	Progress of indicators	MBP/IPA Contribution		
				None	Some	High
financed by grants and/or loans provided by the beneficiary countries, the IFIs, IPA resources and/or other sponsors and donors.	of infrastructure in the fields of transport and energy contrasts with the disparate authorities that are involved in planning and obtaining investment for the refurbishment of existing infrastructural networks, or for the building of new networks or network components.	design, budget and financing plans, and preparation work for tender process, for a selected number of investment projects in energy, transport, environment and social infrastructure. (Infrastructure Project facility)	WBIF.			
<b>Regional organisations</b>						
Overarching objective: Support operation of regional cooperation structures (07-09)	<ul style="list-style-type: none"> <li>The Regional Table decided to establish a Regional Cooperation Council (RCC) to take over the responsibilities of the Regional Table and the Working Tables of the Stability Pact by early2008.</li> </ul>	<ul style="list-style-type: none"> <li>Full functioning of SEE Cooperation process and regional cooperation council (RCC)</li> <li>Increased ownership by beneficiaries of regional cooperation structures (RCC)</li> <li>Enhanced cooperation between SEE countries and territories in areas requiring a regional approach (RCC)</li> </ul>	Some progress, still away from the desired level of effectiveness and planned full functioning of RCC. However ownership is increasing and cooperation is enhancing.			X
Boosting regional trade	<ul style="list-style-type: none"> <li>Intraregional trade is still lower than its potential and in some cases implementation of the bilateral agreements has not been satisfactory.</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of regional trade policy (CEFTA Agreement)</li> </ul>	Good progress. Liberalisation of the trade of agricultural products; Dynamics of the intra-regional trade monitored. Negotiations on liberalisation of trade in services started;			X
Strengthening capacity of small and medium businesses	<ul style="list-style-type: none"> <li>Entrepreneurship needs to be improved</li> </ul>	<ul style="list-style-type: none"> <li>Improved implementation of the Small Business Act for Europe using the experience and the instruments developed in the application of the European Charter for</li> </ul>	Some progress. Pilot implementation of entrepreneurial learning in schools and faculties; Basis established. Further work needed.			X

MIPD objectives	Baseline in 2007/2008 (Derived from MIPD2007-09)	Indicators defined from MIPD Objectives	Progress of indicators	MBP/IPA Contribution		
				None	Some	High
		Small Enterprises, in particular the elements of entrepreneurship and education and improved skills for enterprises (REL)*				
Strengthening administrative capacity as required by the European integration process and to develop human resources in line with the principles of the European Administrative Space	<ul style="list-style-type: none"> <li>Lack of administrative capacity and qualifications</li> </ul>	<ul style="list-style-type: none"> <li>Strengthened capacities of public administrators to implement EU policy and regulations (ReSPA)</li> <li>Improved qualifications of public servants (ReSPA)</li> <li>Developed networks of cooperation and exchange of experience and best practices (ReSPA)</li> </ul>	Almost no tangible contribution of ReSPA operation on the indicated objectives. However, some progress with this in future is likely following the improved operation of ReSPA.		X	

Source: MIPD and project fiches

## Annex 2 List of interviews – approached people

### People interviewed

The people below have been interviewed to get good insight in the progress of the sample projects and to discuss the added value of multi beneficiary programmes.

**Table 0.2 People interviewed**

Project	Name	Organisation	Country
General	Odoardo Como	DG ELARG, A3 Head of sector	Belgium
General	Gabriela Kohler-Raue	DG ELARG, D3 Head of Unit	Belgium
General	Nadejda Mecheva	DG ELARG, D3	Belgium
Private Sector Development	Bo Caperman	DG ELARG, D3 Task Manager	Belgium
Regional Entrepreneur Learning	Efka Heder	SEECEL	Croatia
Regional Entrepreneur Learning	Maja Ljubić	SEECEL	Croatia
Regional Entrepreneur Learning	Sandra Rončević	SEECEL	Croatia
Respa, Public Procurement	Patricia Perez-Gomez	DG ELARG, D3 Task Manager	Belgium
Public Procurement project	Emanuela Latini	ITC-ILO	
RCC	Kjartan Björnsson	DG ELARG, D3 Task Manager	Belgium
RCC	Stanislav Daskalov	RCC Brussels	Belgium
RCC	Lidija Topić	RCC Brussels	Belgium
Public Finance	Veronique Verbruggen	DG ELARG, D3 Task Manager	Belgium
Public Finance Management	Lewis Hawke	The World Bank, MSN MC7-705	USA
CEFTA	Ergeroz Umut	CEFTA Secretariat Brussels	Belgium
Statistics	Torbiörn Carlquist	DG Eurostat	Luxembourg
Statistics	Claudia Jonker	DG Eurostat, Head of Unit	Luxembourg
Statistics	Ferenc Gálik	DG Eurostat, desk officer for Turkey and Cyprus	Luxembourg
Statistics	Marius Andersen	DG Eurostat, desk officer for Kosovo	Luxembourg
Statistics	Judita Horvátrová	DG Eurostat	Luxembourg
Statistics	Isabelle Vangon,	DG Eurostat, E6	Luxembourg
Statistics	Tomasz Urbanski	DG Eurostat, desk officer for Croatia and FYROM	Luxembourg

## People who responded to the web-based questionnaire

**Table 0.3 People approached through web-based questionnaire**

Project	Name	Organisation	Country
CEFTA	ArijanaNikolicVucinic	Ministry of Economy	Montenegro
RCC	KjartanBjornsson	DG ELARG, Task Manager	Belgium
Quality Infrastructure	LadislavaČelar	Member of Co-ordination Committee	Croatia
All projects	ShashaDemush	NIPAC	Kosovo
ReSPA	JadrankaDjurkovic	Human Resources Management Authority	Montenegro
Quality Infrastructure	MiodragDugandžija	Member of Co-ordination Committee	Serbia
IPF	VassilisEvmolpidis	COWI	Serbia
Quality Infrastructure	HafizGara	Member of Co-ordination Committee	Kosovo
IPF	AlushGrosha	Country manager	Kosovo
Public Finance Management	LewisHawke	World Bank	USA
IPF	AgronHetoja	Country manager	Albania
Statistics	JelenaMarkovic	National Statistical Office	Montenegro
Quality Infrastructure	NatalijaJovičićZarić	Accreditation Board of Serbia	Serbia
Statistics	SabineLange	GOPA	Germany
Quality Infrastructure	RankoNikolić	Accreditation Body of Montenegro (ATCG)	Montenegro
Quality Infrastructure	DavidNoris	CEN - Team Leader	Serbia
Statistics	ÓlafurThordarson	National Statistical Office	Iceland
ReSPA, Public Procurement	PatriciaPerez-Gomez	DG ELARG, Task Manager	Belgium
CEFTA	PranveraKastrati	Director for Trade Policy Ministry of Economy, Trade and Energy	Albania
Statistics	SennurOnur	National Statistical Office	Turkey
Statistics	SlavkoKapuran	National Statistical Office	Serbia
Quality Infrastructure	TeodoraTasevska	Accreditation Institute of the Republic of Macedonia (IARM)	FYROM
IPF	SvjetlanaVukmirovic	Country manager	Serbia
Statistics	BerndWild	DG ELARG, Task Manager	Belgium
CEFTA	Zada Muminović	Ministry of Foreign Trade and Economic Relations	Bosnia Herzegovina
All contracts		NIPAC	Bosnia Herzegovina
All contracts	DraganTilev	NIPAC	FYROM
Public Procurement	George Jadoun	ITC-ILO	Italy
All contracts	MajaHandjiiska	NIPAC	FYROM
All contracts	Marko Zabojec	NIPAC	Croatia
All contracts	M. Jankovic	NIPAC	Serbia
All contracts	Naim Cope	NIPAC	Albania
All contracts	NevenaMarilovic	NIPAC	Bosnia& Herzegovina
All contracts	O. Miric	NIPAC	Serbia
All contracts	TomislavBelovari	NIPAC	Croatia

### People answering to the questions over email or through phone/skype interview

To obtain feedback on the added value and functioning of the MBP the following people have been approached:

- All Head of operations from the Delegations of the European Union in the IPA countries;
- All 9 NIPACs;
- The geographical units of the IPA countries at DG ELARG;
- Contractors;
- Regional Organisations.

The people below reacted or have been interviewed.

**Table 0.4 People answering to email or with whom phone interview was held (in which case \*)**

Position	Name	Organisation	Country
NIPAC	Nevenka Savic, Midhat Dzemic	Director of Directorate for European Integration	Bosnia-Herzegovina
NIPAC	Matija Derk, Krešimir Jendričko	Assistant Minister and National IPA Coordinator, Ministry of Regional Development and EU Funds	Croatia
NIPAC	Thora Magnúsdóttir*, Kristjan Stefansson, Thorsteinn Björnsson	Embassy of Iceland in Brussels	Iceland
NIPAC	Demush Shasha, Florim Canolli	Secretary-General, Ministry of European Integration	Kosovo
NIPAC	Teuta Terifi, Orhideja Kaljosevska, Maja Pinjo, Zuca Zmejkovska, Biljana Butlevska, Evgenija Kirkovski	Deputy Prime Minister for European Affairs	FYROM
NIPAC	Milan Pajević, Ognjen Mirić, Ana Ilić, Milena Radomirović, Marija Janković	Director of the Serbian European Integration Office	Serbia
NIPAC	Haluk Ilıcak, Sonay Kanber, Sureyya Suner	Chief of Cabinet to the Undersecretary, Ministry for EU Affairs	Turkey
Delegation of EU	Luigi Brusa, Claus Lech, Francois Begeot	Delegation of EU	Albania
Delegation of EU	Normela Hodžić-Zijadić*, Holger Schroeder*	Delegation of EU	Bosnia-Herzegovina
Delegation of EU	Vedrana Ligutić, Richard Masa, Luigi Barile, Paolo Berizzi, Sandro Ciganović	Delegation of EU	Croatia
Delegation of EU	Aferdita Tahiri, Melvin Asin, Christof Stock, Wilfried De Geest, Aida Xhemaili-Rexhepi	Delegation of EU	Kosovo
Delegation of EU	Alessandro Angius, Lukas Melka, Martin Klaucke, Ingrid Sager	Delegation of EU	Macedonia
Delegation of EU	Andre Lys*, Pierre-Yves Bellot*, Dawn Adie-Baird	Delegation of EU	Montenegro
Delegation of EU	Martin Kern, Yolanda San-Jose, Jose Gomez, Andrew Headey, Konstantinos Soupilas, Tanja Cincar-Knezevic, Maja Vuckovic-Krcmar,	Delegation of EU	Serbia

Position	Name	Organisation	Country
	Dimitrije Tmusic, Marija Mitic		
Geographical Unit Bxl	Julia Mueller-Hellmann, Michael Aldaya	DG ELARG	Bosnia- Herzegovina
Geographical Unit Bxl	Adrian Nicolae, Celine Faburel	DG ELARG, B1	Croatia- Montenegro
Geographical Unit Bxl	Carola Schmidt, Leonetta Pajer, Aferdita Tahiri	DG ELARG, C3	Kosovo
Geographical Unit Bxl	Nicolas Nachtigall-Marten	DG ELARG, B2	Macedonia
Geographical Unit Bxl	Jean-Marie Moreau	DG ELARG, B3	Turkey
Director	Suad Music	ReSPA	Montenegro
Deputy Team Leader	Emanuela Latini	ITC-ILO	Italy
Project Manager	Ugo Poli	CEI	Italy
Senior Financial Management Specialist	Lewis Hawke	World Bank	USA

## Annex 3 List of documents used

**Table 0.5 List of documents used, obtained or found per project**

Sector	Project	PF	TOR	IR	PR	FR	AR	Other
Institution Building	2007 Statistical Cooperation Programme	v		v	v	v	v	Contract, Newsletters, ROM, webpage
	2008 Statistical Cooperation Programme	v		v	v	v	v	Contract, Newsletters, ROM, webpage
	2009 Statistical Cooperation Programme	v		v	v		v	Contracts, webpage, Newsletters, letters
	2011 Statistical Cooperation Programme	v		v	v		v	Contracts, webpage, Newsletters
	2008 Quality Infrastructure	v		v	v	v	v	
	2011 Quality Infrastructure	v		v	v		v	
	2009 Public Procurement	v		v	v	v	v	Contract, Addenda, ROM, SC minutes
	2010 Public Finance management	v			v		v	SC Minutes
	2010 Strengthen EU Integration	v					v	
	2011 Strengthen EU Integration	v					v	
2012 Strengthen EU Integration	v					v		
Infrastructure Investment	2008 Infrastructure Project Facility	v					v	ROM, webpage
	2010 Infrastructure Project Facility	v		v	v		v	webpage
	2011 Infrastructure Project Facility	v					v	webpage
	2012 WBIF	v						
Regional Organisations	2008 Public Administration School	v		v	v	v	v	ROM
	2009 Public Administration School	v			v		v	ROM
	2012 Public Administration School	v						ROM
	2008 Trade CEFTA	v				v	v	Contract
	2009 Trade CEFTA	v			v	v	v	Contract
	2011 Trade CEFTA	v					v	Webpage and documents uploaded there
	2008 Regional Cooperation Council	v					v	RCC Strategy
	2010 Regional Cooperation Council	v		v	v		v	RCC Self evaluation report, Annual report 2012-2013
	2010 Regional Entrepreneur Learning	v			v		v	ROM, Webpage, Evaluation report,

PF= Project Fiche, PSF = Project Summary Fiche, IR = Inception Report, PR = Progress Report, FR = Final Report, AR = Activity Report, ToR = Terms of Reference, SC- Steering Committee, ROM =Result Oriented Monitoring Reports,

### *Other documents used*

- Sectoral Plans;
- MBP MIPDs;
- Enlargement Strategy;
- MBP Programming Guide, 2012;

- Thematic evaluation of EU pre-accession multi-beneficiary assistance to Western Balkans and Turkey in the fields of environment and disaster risk reduction, May 2011, Ernst & Young at Associates.

## Annex 4 Objectives of the projects in the sample

### IPA projects in the sample and their objectives

Project title	Overall Objective	Purpose:
Institution Building		
Statistical Cooperation Programme	Upgrade and strengthen the statistical systems in the Western Balkan countries and Turkey and to align the methodologies used and practices applied with EU requirements.	Continue upgrading and strengthening the statistical systems in the Beneficiaries, thereby improving the availability, quality, comparability and timeliness of statistical data.
Quality Infrastructure	Facilitate intra-regional trade and the free movement of goods (including harmonisation of legislative framework) with a view to improving the competitiveness of the economy in the region and preparing the Beneficiaries for future accession negotiations with the EU.	Improve the capabilities of ministries and quality infrastructure bodies, needed to comply with the areas of the <i>acquis communautaire</i> , especially in Chapter 1, but also needed in other areas of the <i>acquis</i> (environment, consumer protection, agriculture, customs, etc.) enabling them to offer better services to economic operators, to facilitate trade in the EU and EFTA market, as well as in the markets of the beneficiaries.
Public Procurement	Contribute towards upgrading the operational performance and professionalism of public procurement systems in the Western Balkans and Turkey.	Develop a sustainable procurement training strategy at regional and national levels in the Beneficiaries that is in compliance with EU public procurement legislation and practices and with related national legislation in the Beneficiaries.
Public Finance Management	Achieve better use of resources within countries and improve accountability and transparency of public funds by improving public financial management in Western Balkans economies.	Provide a platform for systematic improvement of public financial management across the Western Balkans through coordinated action by donors, using a common diagnostic and analytical framework (PEFA methodology) to guide intervention and encourage cooperation and dialogue between Beneficiaries.
Strengthen EU Integration	Ensure effective programming and project development as well as implementation of the Multi Beneficiary Programme under the IPA thus contributing to the overall progress of the accession process and increasing the effectiveness and impact of accession oriented projects financed through IPA.	Strengthen the ability of the beneficiaries to effectively design and develop programmes and projects to be submitted for financing under IPA Multi-beneficiary Programmes as well as to enable the implementation of a number of accession-related actions of various public/private actors in order to meet specific and urgent needs in the beneficiaries. Furthermore, to support the beneficiaries' participation in activities for the exchange of information, networking, participation in workshops, conferences, study visits and similar activities and to assist in smaller-scale projects supporting European Integration.
Infrastructure Investment		

Project title	Overall Objective	Purpose:
Infrastructure Project Facility	Contribute to the socio-economic development of the Western Balkan and Turkey through improved infrastructures in transport, environment, and energy and in the social field.	Support preparation and the implementation of investment projects that may be financed by grants and/or loans provided by the Beneficiaries, IPA resources, the IFIs and/or other sponsors/donors.
Regional Organisations		
Public Administration School	Improve regional cooperation in the field of public administration, by strengthening the administrative capacity as required by the European integration process and by developing human resources in line with the principles of the European Administrative Space.	Assist the development of Regional School of Public Administration (ReSPA) and its capacity to deliver professional training, in liaising with the National Schools and Agencies in order to develop coherent and complementary actions for up-grading the professionalism of the civil service and promoting European Integration.
Trade CEFTA	An increase in trade relations and investment between the Beneficiaries	Support the monitoring and implementation of the Central European Free Trade Agreement 2006 (CEFTA) and activities of the South East European Investment Committee.
Regional Cooperation Council	Support regional cooperation.	Provide operating expenditures as part of the co-financing efforts of the Beneficiaries and the International community for the functioning of the RCC Secretariat. This project is also designed to strengthen the operational capacity and capabilities of the RCC Secretariat in accordance with its mandate.
Regional Entrepreneur Learning	Create the foundations for a more developed entrepreneurship culture across the region and foster alignment with the EU in the field of entrepreneurial learning.	Contribute to the implementation of the Small Business Act for Europe using the experience and the instruments developed in the application of the European Charter for Small Enterprises <sup>2</sup> , in particular the elements of entrepreneurship and education and improved skills for enterprises

## Annex 5 Regional and horizontal projects MBP 2007-2011

Regional projects (23) (39%)		Horizontal Projects		
		Establishing harmonised approaches (22) (37%)	Leveraging established instruments (7) (12%)	Facilitating networks (7) (12%)
1	CAFAO (customs & tax)	Intellectual property (IPO)	Impact assessment (MK, CR, TR)	Community Agencies (MK, CR, TR)
2	Customs & tax IT	IPA Monitoring	IBM Strategies	EFSE SME investment (MK, AL)
3	Environmental monitoring	Statistics	Erasmus Mundus external	OHR (BiH)
4	Police co-operation - drugs	Environmental NGOs	Erasmus Mundus W.Balkans/TR	DABLAS
5	Police co-operation – trans border	Nuclear Safety 1	Erasmus Mundus partnerships	ReSPA
6	Sava River Management	Nuclear Safety 2	Infrastructure project facility	SEE joint history project
7	Trade CEFTA	Social security	Tempus	Regional entrepreneur learning
8	Energy community	Quality infrastructure		
9	Customs & Taxation blueprints	Civil society		
10	Witness protection	Refugee Return		
11	Migration & socioeconomics	Social inclusion		
12	Return	Animal Disease Eradication		
13	SIGMA	Public procurement		
14	CBC IB	Civil protection		
15	Support to Ljubljana process	PPF		
16	Electronic data exchange	Youth in Action		
17	Regional Co-operation Council	Crisis response		
18	Union for the Mediterranean	Public Financial Management		
19	Regional Environment Net	Strengthen EU Integration		
20	Prosecutor's Network	Roma Integration		
21	Regional co-operation in justice	Regional strategy for R&D		
22	IFI co-operation	Small business Act		
23	SEE Investment committee			



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