

## ***Evaluation of the Implementation of Regulation 2667/2000 - European Agency for Reconstruction (EAR) – ref. 951652***

### ***Abstract***

*The evaluation finds that the EAR has permitted the European Commission to exercise leadership in effectively implementing programmes and projects in the Western Balkans, and that the Agency has several strengths on which the Commission should build. The Agency has, however, a weaker role in the policy process and dialogue with partners than the de-concentrated delegations in other countries of the region. The Agency has made significant progress in quality assurance of its activities, but needs to prepare itself for the adoption of a more sector-based approach to its planning, monitoring and evaluation*

### **Subject of the evaluation**

Council Regulation 2667/2000 is the legal basis for the European Agency for Reconstruction (EAR), and establishes the EAR's governing arrangements and its mode of functioning, management and reporting. The Agency, whose precursor was the Task Force for Kosovo, is responsible for the implementation of EC assistance under the CARDS programme in Serbia and Montenegro, Kosovo and the former Yugoslav Republic of Macedonia. This assistance covers a wide range of sectors including justice and home affairs, economic and social development, administrative capacity building, environment, customs and infrastructure. The Agency's Headquarters are in Thessaloniki, and its operational centres are in Pristina, Skopje, Podgorica and Belgrade.

### **Evaluation description**

**Purpose:** Council Regulation 2667/2000 specified that no later than 30 June 2004 the Commission should submit to the Council an evaluation report together with a proposal for the future status of the EAR. The evaluation, which covers the period from the adoption of the Regulation until the end of 2003, was also intended to provide useful lessons for the delivery and implementation of assistance to Western Balkan countries in the context of the evolving Stabilisation and Association Process (SAP).

### **Methodology:**

The evaluation was carried out in three phases: (i) Data collection and elaboration of an approach to answering the specific questions posed in the terms of reference, (ii) Field phase for completion of data collection, and structured interviews and workshops with staff in all EAR operational centres and with other partners and stakeholders, and (iii) synthesis of data collected previously to complete the answers to the evaluation questions and prepare the final conclusions and recommendations.

In addition to a main evaluation report, the final documents also contain a historical narrative of the Agency's evolution and activities, and a description of its functioning in line with the provisions of its legal base.

### **Main findings**

- (1) The EAR operates in an administratively sound fashion and is well-managed. Significant responsibility is devolved to Agency staff, who are consequently well-motivated, but at the same time there is a culture of accountability.
- (2) The evolving focus of partnership with Western Balkan countries now requires the EAR to manage change more closely and to retain a closer link with the SAP policy process if it is to ensure that the most relevant interventions and instruments are prepared.
- (3) The EAR has given increasing attention to the quality of its programmes, but needs to adapt itself to sector goals, including through the updating of its evaluation approach.

- (4) The EAR's current functioning does not yet allow an optimal level of involvement from partners in the project cycle.
- (5) The Governing Board of the EAR has had a role in improved donor co-ordination, but has generally played an advisory rather than a governing role.

### **Recommendations**

- (1) The Agency should initiate a yearly donor synergy meeting with the major donors on regional matters, following the example of existing regional co-ordination mechanisms in specific sectors such as energy and transport.
- (2) The Agency should prepare for each country and entity a strategic plan with specific objectives, and a human and financial resources plan, for the capacity building effort required to transfer the management of EU funds to country/entity authorities.
- (3) The Agency should develop a human resources deployment plan for its own staff, reflecting the priorities of the multi-annual indicative programmes, to ensure that programme managers are fully involved as active participants in strategic dialogue with partner authorities.
- (4) The Agency should continue its effort to harmonise project monitoring and evaluation across its centres but should now put greater emphasis in its reporting and evaluation on the progress towards achievement of wider goals, including those articulated in the Country Strategies.
- (5) The regional dimension of assistance provided should be strengthened by the identification of "sector leaders" in the EAR operational centres or in de-concentrated CARDS delegations to promote and co-ordinate sector programmes across the region.
- (6) The EAR Governing Board should hold dedicated programming meetings to allow a clearer feedback from Member States on the Agency's intentions and their coherence with the Country Strategy and MIP priorities.
- (7) Finally, some specific recommendations are made relating to training of Agency staff, particularly to ensure a higher level of knowledge throughout the EAR of the evolving policy context of SAP and Partnerships.

### **Feedback**

- Presentation of findings in the CARDS Committee (Member States) and to the Governing Board of the European Agency for Reconstruction.
- Distribution within the Commission's Services, including delegations and the EAR, the Member States and the European Parliament. The evaluation will also be circulated to CARDS country/entity partners and other major donors in hard copy and/or via the Internet.
- Publication of the reports in full on the internet
- Preparation by July 2004 of a *fiche contradictoire* to discuss implementation of recommendations.

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