

"FICHE CONTRADICTOIRE"

Evaluation of the Implementation of Regulation 2667/2000 (European Agency for Reconstruction)

Recommendations :	Responses of Commission Services :	Follow-up (one year later) :
<p>1. <u>Governing Arrangements</u></p> <p>Specific meetings of the Agency Governing Board should be dedicated to policy matters and the preparation of annual Action Programmes. Sector priorities, project types and co-ordination with other agencies would be discussed at these meetings, to be held in the first quarter of each year. Another dedicated meeting at the end of the year would permit Agency management to present its Action Programmes for discussion by Member States on the basis of the discussions held earlier in the year.</p>	<p>The Agency Regulation clearly establishes the tasks of the Governing board of the Agency. Broadly speaking, the Governing Board has to supervise the sound and efficient administration of the Agency and is consulted on the preparation and monitoring of CARDS annual assistance programmes. Beyond these specific tasks, the Governing Board does not have a policy role.</p> <p>The policy framework for assistance is defined by the Commission in consultation with the Member States in the CARDS Management Committee in accordance with Article 3(1) Council Regulation (EC) No 2667/2000 on the CARDS programme. The Governing Board is kept informed of this strategic framework.</p> <p>The Commission considers that the suggestion to strictly differentiate the content of the 4 annual meetings of the Governing Board is not feasible and could undermine the good functioning of the Agency. Certain financial decisions (e.g. adoption of the revenue and expenditure estimates of the Agency for the following financial year and adoption of the budget for the current year) need to be taken in the first quarter of every year. Also, certain administrative decisions related to staffing and to the functioning of the Agency's operational centres may need attention by the Governing board in the course of the year.</p> <p>However, the Commission, as chair of the Governing Board, has in the board meeting on 30 September 2004 - 1 October 2004 consulted with its Members other possible measures to improve the quality and efficiency of the work of the Governing Board.</p>	<p>In 2005, two of the three Governing Board meetings were extended to two half-days. The 3 meetings were divided into two separate parts, one dealing with the programming and/or implementation of assistance and the other with matters of a more administrative or operational nature.</p> <p>At each Governing Board the Agency presents a specific sector eg. Agriculture or Public Finance, and profiles the work in that sector throughout the four centres.</p> <p>This has enabled the Board to have a fuller view on Agency programming while retaining control over administrative and financial matters.</p>

<p>The number of participants at the “programming” meetings should be limited to 45, which is enough for in-dept discussions of regional issues and strategies. The participants should be senior enough to be able to influence the Agency’s strategy</p>	<p>It was concluded that Board meetings, if necessary, should be extended to two half-days, and divided into two separate parts, one dealing with the programming and/or implementation of assistance and the other with matters of a more administrative or operational nature. This would allow the Board to provide enhanced guidance to the programming while still keeping the necessary control over administrative and financial matters.</p> <p>In relation to programming the Board should be cautious not duplicating the role of the CARDS Committee.</p> <p>The board did not see any reason of limiting the participations to 45. The Board found it useful to allow all relevant members and EAR staff to participate in the meetings. The Board found the level of seniority of its members to be appropriate to its tasks.</p>	
<p><u>2. Relations with stakeholders</u> The Agency should initiate and co-ordinate yearly meetings with major donors on regional matters, involving specialist Directorates General of the Commission in order to improve the cohesion of funding in the region.</p>	<p>The European Commission is overall responsible for the coordination of the assistance efforts made by the Community in the Western Balkans, including the EIB and EU Member States and other IFI’s donors and United Nations Cooperation Programmes as provided by article 1.2 of the CARDS Regulation (Council Regulation No 2666/2000).</p> <p>Practical arrangements for local and regional coordination were agreed with the representatives of the EU Member States at the 5th meeting of the CARDS Committee on 5 October 2001. These guidelines encompass a wide range of initiatives to streamline coordination at national and regional level. The Commission will take the necessary steps to fully apply them.</p> <p>In the regional context, the Stability Pact also plays an important role to complement the regional co-operation element of the Stabilisation and Association Process, supporting the region on its path towards further European integration.</p> <p>The Agency plays a significant role in the on-the-spot coordination of EU MS and other donor, institutions and IFI interventions to ensure that the Agency annual programming and implementation of assistance in the</p>	<p>The Commission continues to maintain close contacts with the Authorities of the beneficiary’s countries in Brussels, and on the spot in the region. Main Commission DGs are more and more involved in programming, EPDs, STMs, drafting of Regular Reports and Partnerships, through ISC, multiservices meetings, missions etc.</p> <p>Debriefings with MS take place in CARDS Committee meetings, bilateral meetings and on the spot EU Head of Missions meetings.</p> <p>Moreover cooperation with MS and other donors is well developed with a number of important and successful events. There is also a close working relationship with the EBRD and an excellent partnership with the EIB. Donor coordination is also carried out by the EC/WB Joint Office: i.e. Donor coordination meeting on regional infrastructure in South East Europe September 21,2005</p> <p>The Agency is closely associated to all developments and regional initiatives to ensure coherence of Community assistance in the region. There are also regular meetings between MS representatives and Agency staff which are hosted throughout the</p>

	<p>countries/territories where the Agency operates is mutually reinforcing and complementary to the Commission's regional coordination role.</p> <p>However, taking into account that the mandate of the Agency does not cover the whole region, the Commission does not consider necessary that the Agency plays an additional role in regional coordination.</p> <p>Nevertheless, the Agency is and will continue to be associated to the regional initiatives to ensure coherence of Community assistance in the region.</p>	Operational Centres
<p><u>3. Ownership and Sustainability</u></p> <p>In line with the recommendation of the CARDS Evaluation, the EAR should prepare for each country/entity a strategic plan with specific objectives, including assessment of human and financial resources needed for each country/entity to manage its own aid resources ministry by ministry.</p>	<p>The Commission sees the value of gradually increasing the participation of the beneficiary authorities in the Western Balkans in the programming of CARDS assistance so as to improve their ownership and increasing its capacity to ensure sound and efficient management of Community assistance in the future.</p> <p>Capacity building of the authorities is essential to safeguard the protection of the Community's financial interests, whenever the countries meet the conditions for decentralised management of the assistance in compliance with the provisions of Article 164 of the Financial Regulation.</p> <p>The Agency will examine ways and means to contribute to the preparation of the beneficiary authorities associating them more closely in the project cycle and providing them with technical assistance for assuming progressively more responsibility in the implementation of Community aid.</p>	<p>The Agency in its Operational Centres works closely with the authorities in the region in order for them to assume more responsibility in the implementation of Community aid.</p> <p>Neighbourhood programmes are designed and implemented by the beneficiary countries with the support of the Commission Services, EAR and technical assistance provided through the CARDS programme. Besides, national programmes complement NP's providing assistance for institutional capacity building of national and local municipal administrations in general. In this respect specific attention is paid to build capacity to plan, coordinate and implement development projects at national, district and local level</p> <p>A Framework Agreement between the Community and Serbia and Montenegro on participation in Community Programmes was signed in November 2004. The Community ratified the Agreement in May 2005, and Serbia and Montenegro did so in July 2005. National Authorities will decide when and in which Community Programme they want to participate.</p>
<p><u>4. Strategic framework and guidelines provided to the Agency</u></p> <p>Rethink the goals, objectives and purposes of the strategic framework instruments which provide guidance to the EU institutions in the region.</p>	<p>The Country Strategy Papers 2000-2006 and the Multi-annual Indicative programmes (MIP) for 2005-2006 currently in preparation by the Commission is part of the Strategic framework required by the CARDS regulation to deliver assistance to the region until the finalisation of the current financial perspective.</p>	<p>The MIP was prepared by the Commission and the various National Authorities. The Agency was kept informed and gave input as required.</p> <p>In the context of programming attention has been paid</p>

	<p>The Commission is keeping the European Agency for Reconstruction together with the EC delegations closely associated to the preparation of the MIP 2005-2006 strategic framework which will be in line with the policy orientations of the new European Partnerships adopted by the General Affairs Council on June 2004.</p>	<p>to clearly linking EC assistance and the European Partnership recommendations, and indeed in Pristina with the Standards for Kosovo, and in Skopje the Ohrid agreement.</p> <p>Action Plans prepared by the Authorities</p>
<p><u>5. Strategic framework: human Resources of the Agency</u></p> <p>The EAR should develop a human resources deployment plan linked to the Multi-annual Indicative Programme (MIP), so as to ensure that programme managers have the skills and knowledge necessary to play an active role in the strategic dialogue with beneficiary countries.</p>	<p>The Commission welcomes the Agency's development of its staff mix towards an institution building oriented profile to support the authorities on its path towards further European integration as outlined in the European Partnerships.</p> <p>The Agency has been continuously adapting profiles of its staff to the programme needs, whereas in the early stages the majority of the programme managers had an engineering background, today, the majority of the Agency's staff has a profile suitable for sector policy and institution building. The Agency will therefore continue responding to the evolving programme.</p>	<p>The Agency publishes vacancies, whether for new posts or in replacement of departing staff, taking into account the specific needs of the CARDS Programme.</p> <p>The Agency adapts its staffing table on a regular basis in line with the changing needs of assistance as outlined in the MIP. Correspondingly, the Agency has recruited more experts with a 'soft assistance' profile, covering issues such as European Integration and Public Finance.</p>
<p><u>6. Monitoring and Evaluation</u></p> <p>Programme and project monitoring and evaluation should be distinguished from higher level policy-type evaluation. The Agency should continue efforts to harmonise monitoring and evaluation across its centres and put greater emphasis in its reporting and evaluation on the progress towards achievement of policy goals in the framework of the Stabilisation and Association Process (SAP). It should also assess aspects of sector and political dialogue and their impact.</p> <p>The Agency's evaluation system should be strengthened in its capacity to carry out country-entity evaluations as well as sector evaluations across several countries or entities.</p>	<p>The Commission welcomes that the Agency has already started to put more emphasis in the monitoring and evaluation of the assistance, both on cross-country/entity and sectoral basis and with more focus with relation to the Stabilisation and Association Process.</p> <p>The Commission considers that sectoral analysis of the progress in the reforms required to prepare the Western Balkans for European approximation within the SAP should be an integral part of the programming and implementation of the CARDS assistance by the Agency.</p> <p>Project monitoring, evaluation and reporting linked to the policy goals are an asset for increasing the coherence of the projects implemented by the Agency and its role in support to achieving the short and mid term objectives of the European Partnerships.</p> <p>The Agency is already carrying sector evaluations across several countries or entities, and may envisage country-entity evaluations.</p>	<p>Monitoring</p> <p>The Agency adopted in Sept. 2004 a Monitoring Action Plan (MAP). With the MAP, EAR has: (i) strengthened and harmonised its monitoring system throughout its Operational Centres; (ii) moved away from traditional implementation monitoring to adopt a results-oriented monitoring focusing and the outcomes and impacts of its activities. With the introduction of new tools (such as a Monitoring Fiche in which PMs, HoC and HoO are invited to comment on monitors' recommendations, and where a follow-up is foreseen), the MAP has also helped to encourage a learning organisation culture within the Agency as lessons are drawn from successes and failures of its projects and so fed into ongoing and future work.</p> <p>Evaluation</p> <p>Of the ten Agency evaluations planned for 2005, 7 are across several countries or entities and 3 programme/project evaluations. This covers sector impact/thematic and policy assessments to traditional programme/project evaluations.</p>

	<p>The Governing Board could play an enhanced role in monitoring the shift to more strategic assessment and reporting better linked to the policy goals.</p>	<p>During 2005 Evaluations have been outsourced, which strengthens the process increases the management of the evaluation process itself and on administration of contracts, supervision and follow-up activities.</p> <p>A synthesis of all the 40 evaluations conducted since 2001 is under preparation and the Evaluation Unit is on track to maintain the capacity of executing around evaluations each year.</p>
<p><u>7. Organisational structure/ Regional Dimension of Assistance</u></p> <p>Increased collaboration between Agency Operational Centres and EC Delegations is needed on policy issues. To strengthen this aspect, senior “sector leaders” should be identified and given the means to ensure effective regional co-ordination within key sectors.</p> <p>The enhanced use of a matrix structure, facilitating the use of specialised staff, is recommended in this case.</p>	<p>The Commission attaches a lot of importance to the collaboration between the Agency and the EC delegations and Headquarters to ensure a coherent implementation of CARDS assistance throughout the region in line with the EU wider policy goals of the Stabilisation and Association process.</p> <p>The Agency continues improving its inter-operational centers cooperation and has set up Sectoral Thematic Groups to exchange best practices within its operational centers.</p> <p>As regards the implementation of a matrix structure, the Agency has already appointed sector leaders who coordinate the Thematic Groups.</p> <p>The Commission is fostering the linkage of the Agency Thematic Groups with the work of the Commission in the same fields, by inviting the Agency to participate in all meetings of sectoral relevance (e.g. JHA Thematic workshop organised by Europe Aid in June 2004, next EuropeAid Seminar on Social Development on 15-17 November 2004) and making sure that the relevant Directorate Generals of the Commission associate the Agency to their initiatives at local or regional level (e.g strategic guidance on transport, energy and environment by the Infrastructures Steering Group).</p> <p>The coordination of the work of Agency with that of the EC delegations is also ensured by the participation of the Director of the Agency at the Meetings of the Commission with the Heads of Delegation of the Western Balkans.</p>	<p>The Agency co-operates in a structured, and often on a daily, basis with colleagues of the EC, the Delegations and with the new EC Liaison Office in Pristina (housed in the same building as the Agency.)</p> <p>The Agency focuses on disbursing, contracting and managing programmes taking a lead from the Commission on policy related matters. Information generated as a result of projects is fed back to the EC through meetings and reporting.</p> <p>The Agency cooperates with EC Delegations and authorities in the field with regards to missions for national and regional programmes.</p> <p>Thematic groups of meetings involving the EAR were held in Brussels on IBM, JHA and Social Development. The Agency ensures that policy developments, covered in for example the European Partnerships, the Standards for Kosovo and the MIP are channeled into new programmes and projects.</p> <p>Director of the Agency is invited to the Commission’s meetings with the Head of Delegations of the Western Balkans.</p>

<p><u>8. Training and employee development</u></p> <p>Increased training in the Agency and adapt it to match the changing role of assistance in the Western Balkans and to ensure induction of new staff in the priorities of both the stabilisation and association process and the EU itself.</p>	<p>The Agency agrees with this remark and will accordingly continue working for the improvement of its in-house training while in addition facilitate the participation of its staff to Commission organised training and seminars. The Agency will also work on the development of induction training for new staff.</p> <p>The Commission is supporting the on the job training of the Agency task managers by inviting them to participate in the meetings of the Subcommittees under the Stabilisation and Association Agreement of FYROM, the meetings of the Enhanced Permanent Dialogue (EPD) in Serbia and Montenegro and the SAp Tracking Mechanism (STM) in Kosovo (under UNSCR1244) in order to ensure the full association of the Agency staff to the policy process.</p>	<p>The Agency has expanded its training including crosscutting issues such as Gender, Ethnic Minorities and the Environment. Training also covers areas such as Finance, Procurement, IT and Administration which support the operational work of the Agency.</p> <p>The Commission is supporting the on the job training of the Agency task managers by inviting them to participate in the meetings of the Subcommittees under the Stabilisation and Association Agreement of FYROM, the meetings of the Enhanced Permanent Dialogue (EPD) in Serbia and Montenegro and the SAp Tracking Mechanism (STM) in Kosovo (under UNSCR1244) in order to ensure the full association of the Agency staff to the policy process.</p> <p>EAR Programme managers and Task Managers have also participated in TAIEX seminars including those held in Skopje, Podgorica and in Brussels on Justice and Home Affairs, Human resources, research, social policy, internal market, economic and financial issues, agriculture trade, industry, customs and taxation</p>
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