

PHARE AND TRANSITION FACILITY INTERIM EVALUATION GUIDE

PART I

Approach, Procedures, Methodology and Reporting

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PREFACE

The purpose of Phare and Transition Facility (TF) Interim Evaluation Scheme is twofold: (1) to provide an independent analysis of the effectiveness of on-going programmes, describing the success of the programmes in achieving their objectives, the performance of the parties involved and the capacity of Slovakia to absorb the *acquis communautaire*; and (2) to disseminate the lessons of experience with a view to improving the implementation of current programmes and the design of future programmes.

The Scheme is essentially a management tool, which provides Phare & TF programme managers with facts on the implementation of on-going programmes and an evaluation of the progress and likelihood of a programme's success in achieving the objectives set. Recommendations are put forward for improving management and delivery, as well as the design of similar future programmes. The reports are also used when an ex-post evaluation is carried out on a particular sector.

The responsibility for interim evaluation functions was decentralised to Slovak authorities in August 2003. External evaluators are contracted by the Office of the Government of the Slovak Republic (OoG) representing the National Aid Co-ordinator (NAC) to carry out interim evaluation. The Aid Co-ordination Unit (ACU) is an executive body of NAC. For management and supervision of evaluation functions, a special Monitoring and Evaluation (M&E) Cell within the ACU has been established performing also quality assurance functions.

The procedure of preparing the evaluation reports is an entirely participatory process, which can only properly function with the active participation of the stakeholders in the management of programmes being reviewed. The evaluators work on the basis of the relevant monitoring data; they also carry out interviews and field visits to evaluate the information contained in the monitoring reports and other sources. Interim Evaluation reports contain management and design recommendations, in line with the accession priorities defined mainly in the Accession Partnership (AP) and National Programme for Adoption of the Acquis (NPAA). The report is certainly a key output of the evaluation, but the participatory process in itself has proved to be a very important stimulus in improving the implementation of a programme.

A follow-up process on recommendations and feedback within the Phare & TF management system completes the evaluation cycle. Once a report is issued, a debriefing meeting is organised by the ACU, where the involved parties agree on the ways and means of applying recommendations made, as well as an appropriate timetable. The evaluation reports together with SMSC and debriefing meetings' minutes are handed over to the JMC, which is responsible for reviewing the progress of all Phare & TF programmes implemented. Based on the evaluation reports, the JMC can propose its own remedial actions to improve the programme management and design of future projects and puts forward measures to facilitate the progress in absorbing the *acquis communautaire*.

The Guide consists of two parts. Part I describes the approach, procedures, methodology and reporting. Part II contains the annotated templates for Interim Evaluation Reports and Country Summary.

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Abbreviations and acronyms

ACU	Aid Co-ordination Unit
AGR	Agriculture
CBC	Cross Border Cooperation
CFCU	Central Finance and Contracting Unit
EC	European Commission
EDIS	Extended Decentralised Implementation System
ENV	Environment
ESC	Economic and Social Cohesion
EUR	European Integration Policy
FIN	Finance
FM	Financing Memorandum
IA	Implementing Agency
IE	Interim Evaluation
IER	Interim Evaluation Report
JHA	Justice and Home Affairs
JMC	Joint Monitoring Committee
M&E	Monitoring and Evaluation
NAC	National Aid Co-ordinator
NAO	National Authorising Officer
NF	National Fund
NUC	Nuclear Safety
OoG	Office of the Government
PIU	Programme Implementation Unit
PAD	Public Administration
PAO	Programme Authorising Officer
POL	Political Criteria
REG	Regional Policy/ Regional Development
SMSC	Sectoral Monitoring Sub-Committee
SME	Small and Medium Enterprises
SOC	Social Development
SPO	Senior Programme Officer
STTS	Short-Term Technical Specialist
TF	Transition Facility
TRA	Transport

CONTEXT AND OBJECTIVES

The overall objective of the Interim Evaluation (IE) Scheme is to help in improving the relevance, effectiveness impact and accountability of Phare pre-accession funds and the Transition Facility (TF). Specifically the purpose of the Scheme is to provide National Aid Co-ordinator (NAC), National Authorising Officer (NAO), Programme Authorising Officers (PAO), assistance beneficiaries (Senior Programme Officers – SPO) and the European Commission (EC) with assessment of the state of implementation of the programmes including their performance, efficiency and sustainability against stated objectives, and lessons learned with a view to improving programme implementation and the design of future programmes.

The Scheme is in line with the Commission's general policy of regular evaluation of all Community expenditure programmes in order to provide the basis for informed decision-making in the planning, programming and implementation cycle. The monitoring and evaluation of activities undertaken within the Phare programme are specified in the *Phare Guidelines 2000-2006*, which cover the implementation of Article 8 of the *Phare Regulation* and the *TF Guide*.

Evaluations are carried out by external contractors operating under the responsibility of the NAC. Evaluations draw on monitoring reports produced also on a decentralised basis under the responsibility of beneficiaries or implementing agencies.

As well as serving as a quality management mechanism and early warning system, prior to decentralisation in 2003, the IE scheme contained provisions for building up local evaluation capacity in Slovakia. These included the establishment of local focal points for evaluation in Slovakia - the Monitoring and Evaluation (M&E) Cell, and training in the design, monitoring and appraisal of programmes and projects.

The development of local evaluation capacity is in line with the overall context of the evaluation requirements of EDIS, the Financial Control chapter (Chapter 28) of the *acquis*, and of the Structural Funds.

Regarding the Guidelines of Extended De-centralised Implementation System (EDIS), they require that the programme/project management capacity of institutions involved in the management of Phare must have in place sufficient capacity in effective operational and financial monitoring as well as evaluation and reporting. Specifically EDIS' internal controls on monitoring and evaluation require regular monitoring and ex-post evaluation activities, appropriate, true and fair level of monitoring and evaluation information, as well as effective participation in Phare monitoring and evaluation system including the Joint Monitoring committee (JMC) structure.

As to Chapter 28, the financial control *acquis* for pre-accession funding and future structural actions requires sufficient ability in the correct use, control, monitoring and evaluation of EU funding.

In the case of the Structural Funds, the relevant regulation requires compulsory ex-ante, mid-term and ex-post evaluation at appropriate points in the life of a programme. However, although

some basic requirements are laid down for each type of evaluation, their methodology is not. The high level of decentralisation of monitoring and evaluation responsibilities to the Member States, in accordance with the principle of subsidiarity, has given rise to widely diversified monitoring and evaluation practices across the EU and a range of "best practices".

1. HOW TO CARRY OUT INTERIM EVALUATION

The IE Scheme covers the review of on-going programmes, projects, actions or measures at sectoral level during their validity period (that is, during the commitment period and until the end of the disbursement period). It is a participatory process, with all the stakeholders involved in the management and implementation of programmes participating in the evaluation: the NAC, the national beneficiaries and bodies¹ in charge of programme/project implementation and/or also the country team at the DG Enlargement. While the evaluation report is certainly a key output of an evaluation, the evaluation process in itself has proved to be a very important stimulus in improving the implementation of projects.

The IE Scheme is based on three organisational principles: (i) an annual evaluation plan; (ii) operational procedures to be applied to each evaluation; and (iii) follow-up of the recommendations.

These organisational principles are detailed below. The role and responsibilities of the stakeholders involved are listed in Annex 2.

A. Annual Evaluation Plan

The Annual Evaluation Plan is a practical planning tool to improve content, scope, timing and resource allocation of the prioritised evaluation activities. The plan including indicative figures of resource allocation for each evaluation activity is worked out in accordance with the priorities set by the NAC. It should be synchronised if possible with Sectoral Monitoring Sub-Committee (SMSC) meetings and the JMC meetings cycle to ensure that reports are delivered at the most appropriate time.

The Evaluator prepares the draft plan after consultation with all the stakeholders. The NAC/Aid Co-ordination Unit (ACU) supports the process by launching and co-ordinating the discussion of the draft. The plan is then endorsed by the JMC (approved by the NAC, National Authorising Officer (NAO) and the EC).

The evaluation plan should, however, be handled with some flexibility, taking into account the changes of priorities likely to emerge during the year. The timing or sequencing of interim evaluations in the annual plan may be modified at the request of any party involved, provided the evaluators and the ACU have agreed accordingly and resources are available to allow for this modification. Interim evaluations on certain themes or sectors may be added to, or removed from, the annual plan with the joint approval between the ACU and the evaluators.

¹ Implementing Authorities, such as Implementing Agencies (IA) and Programme Implementation Units (PIU)

B. Interim Evaluation Cycle

The main steps of the interim evaluation cycle are as follows:

a) Schedule setting and updating monitoring report data

The JMC meets at least twice a year assisted by SMSCs' meetings twice a year. SMSCs are grouped into spring and autumn sessions, thus the monitoring reports have to be drafted in parallel. As the resources of the evaluators are limited, only one or two evaluations can take place at the same time and the evaluations need to be evenly spread over the year. This means that the time between the publication date of the monitoring report and the start of the evaluation could be as long as four months in the worst case. For this reason, the evaluator has to plan for a timely update of the monitoring report.

b) Kick-off meeting

The purpose of the kick-off meeting is to:

- inform which programme elements (projects) are to be evaluated;
- explain the procedures to all the stakeholders involved;
- discuss any specific issues that require further attention;
- consider possible needs for a short-term technical specialist (STTS).

The kick-off meeting, called and chaired by the NAC/ACU, can take place at the SMSC and brings together the Evaluator, the NAC, the relevant implementing bodies, national authorities, and beneficiaries. If there is no conveniently timed SMSC, the ACU will call a separate kick-off meeting regardless of SMSC schedule.

At the meeting (or within 10 working days after the meeting), the participants deliver all relevant information to the evaluator (in particular the Sectoral Monitoring Report(s) as approved by the SMSC) in order to start the evaluation (see list of documentation in Annex 4). M&E Cell ensures that all relevant documents are provided on time. After an internal documentation review, the evaluator will confirm the schedule for the evaluation as agreed during the kick-off meeting. The evaluator has the right to request any additional information at any time during the evaluation.

c) First Draft Interim Evaluation Report

After the kick-off meeting, the evaluator proceeds with the analysis of the information collected, supplementing it with interviews and, where appropriate, reports from the Short-Term Technical Specialist (STTS). On the basis of this analysis, the Evaluator produces a first draft of the interim evaluation report (including a draft of the executive summary). Contractor circulates the first draft for comments simultaneously to all parties involved: NAC, NAO, implementing bodies (IAs and PIUs), DG Enlargement's country team and other relevant national authorities. In addition, the M&E Cell verifies the report's overall compliance with the guidelines, template and procedures.

Written comments must reach the Evaluator within 10 working days of the issue of the first draft. Comments should be specific and enable the Evaluator to modify the text directly.

d) Final Draft Interim Evaluation Report

The revised report is then sent to the M&E Cell together with a grid indicating how the various comments received have been handled. The evaluator makes her/his own judgement as to whether to take comments or modifications into account, or to simply include them as dissenting views in an annex to the Report. The M&E Cell re-reviews the report against the formal requirements of the Guide, and checks in particular whether the comments have been handled properly. After quality control, the ACU endorses (authorises) final draft IE Report by issuing a Quality Assessment Rating Grid.

e) Monitoring of Recommendations

The Evaluator prepares a recommendations table as a stand-alone document to be distributed with the Interim Evaluation Report. The table contains the text of each recommendation and specifies the responsible authority and a deadline for the implementation of the recommendation (see Annex 5). The update to the IE recommendations is included in the relevant project and sectoral monitoring reports. In case of the Country Summary IE Report, the ACU/M&E Cell sends the report to the JMC members.

f) Follow-up of findings

Each interim evaluation is systematically followed up to ensure that its recommendations are taken up.

This follow-up requires the following actions:

An early warning (by the contractor and for the NAC/ACU when issues detected during the course of the evaluation need urgent attention by stakeholders. If the Evaluator finds irregularities or an urgent need for corrective actions, this should be reported immediately to the NAC/ACU. An early warning should be issued as soon as possible but not later than one month after the start of the evaluation, provided it is based on sufficient evidence. This could be done at a working-level meeting or in a written form with the relevant stakeholders.

The dissemination of the results of individual interim evaluations, including debriefing meetings with the relevant stakeholders (see point **h** below) and, where appropriate, thematic or country summary dissemination seminars organised by the NAC/ACU.

A follow-up procedure at the relevant SMSC and the JMC (see point **i** below).

Annual Report on Phare programme implementation issued by the NAC/ACU for the Government.

g) Debriefing meeting, Final Interim Evaluation Report and dissemination of results

Within one month after the start of an evaluation, the Evaluator must be ready to report the evaluation findings.

Once approved by the ACU, the Evaluator sends the Final Draft version of the Report with a cover note and a follow-up table electronically to the same parties as the Draft Report.

The ACU/M&E Cell organises a debriefing meeting within one month after the issue of the Final Draft version of the Report with representatives of the beneficiaries, including the implementing bodies and the evaluators. The meeting should focus on the means and the timing of implementing the recommendations (see agenda template in Annex 6).

Within a month of the debriefing meeting, the ACU/M&E Cell sends the follow-up table signed by the chairperson of the debriefing meeting back to the meeting's participants. The follow-up table describes the actions to be taken by each stakeholder to implement the recommendations. It also describes possible dissenting views of the stakeholders.

After the debriefing meeting, the evaluators adjust the IE Report to the conclusions of the debriefing meeting if the stakeholders agreed so and distribute the Final Version of the IE Report to all stakeholders.

If requested in the terms of reference the Evaluator also prepares a country interim evaluation summary on the ongoing Phare and Transition Facility programmes in that year mainly for the JMC purposes. The country review is based on the executive summaries or sectoral interim evaluation report summaries of the evaluations that have been carried out to date.

If appropriate, a debriefing seminar for a wider audience than the direct stakeholders can be organised on the findings of the IE or the country summary (for example to give the final beneficiaries the opportunity to react and express their opinions).

Basic information on Phare and Transition Facility evaluation function including the IE Reports can be found at the ACU's web site: <http://www.vlada.gov.sk/phare/hodnotenie.html>.

h) SMSC and JMC follow-up mechanism

The update of the agreed recommendations during the debriefing meetings is included by the implementing authorities into a separate sub-chapter of the project MR and by the ACU into a separate sub-chapter of the sectoral MR. If necessary, recommendations fulfilment is further reviewed and discussed during the SMSC meetings.

C. Interim Evaluation and Monitoring Sectoral Reports

A Phare and TF monitoring **sector** represents a cluster of projects related by nature of their objectives. A monitoring sector should usually comprise allocations of PHARE and TF funds of at least 10% of the average total annual allocation to the country. As a rule, this means that there should not be more than 10 monitoring sectors. Where possible, the composition of each monitoring sector should be retained over successive annual Phare and TF programmes.

Each monitoring sector in turn is divided into **components**, each comprising all the measures (projects, actions, sub-programmes and programmes) closely related by nature of their objectives.

The SMSC supervises one monitoring sector divided into one or more sectoral components. The composition and rules of procedure of SMSCs are set by the JMC. The SMSC supervises the follow-up on the recommendations of the interim evaluation for the projects covered by the sector.

For the SMSC and the JMC, the relevant implementing authorities are required to draft a **project monitoring report**, currently three per year. For this purpose, the SMSC or the JMC for the sector concerned sets a cut-off date (currently 31 December, 30 April and 31 August): the status of the various sections or components must be described to the cut-off date.

Project MR serves the ACU for elaboration of **sectoral (component) monitoring report** or **Implementation Status Report** that are forwarded to the SMSC or JMC respectively. The ACU usually consolidates an overall sectoral (component) monitoring report from the project MRs, thus covering the full monitoring sector/ sectoral component. Consequently, the performance of

a monitoring sector (SMSC) might be described in one (or several) monitoring report(s). For practical reasons, closely unconnected components may be included in the monitoring sector, though the SMSC should insist that a sectoral view and perspective for the sector should be developed wherever possible.

The ACU sends a draft sectoral MR for comments to all relevant parties prior to its final distribution to the SMSC members to assure its quality and also for the SMCS not to deal with formal issues of the MR.

For each monitoring sector, the Evaluator applies the five evaluation criteria (**relevance, efficiency, effectiveness, impact and sustainability**) that are linked to the logframes and indicators of achievement defined in the project fiches. Chapter 3 below elaborates further on the methodology of the five evaluation criteria.

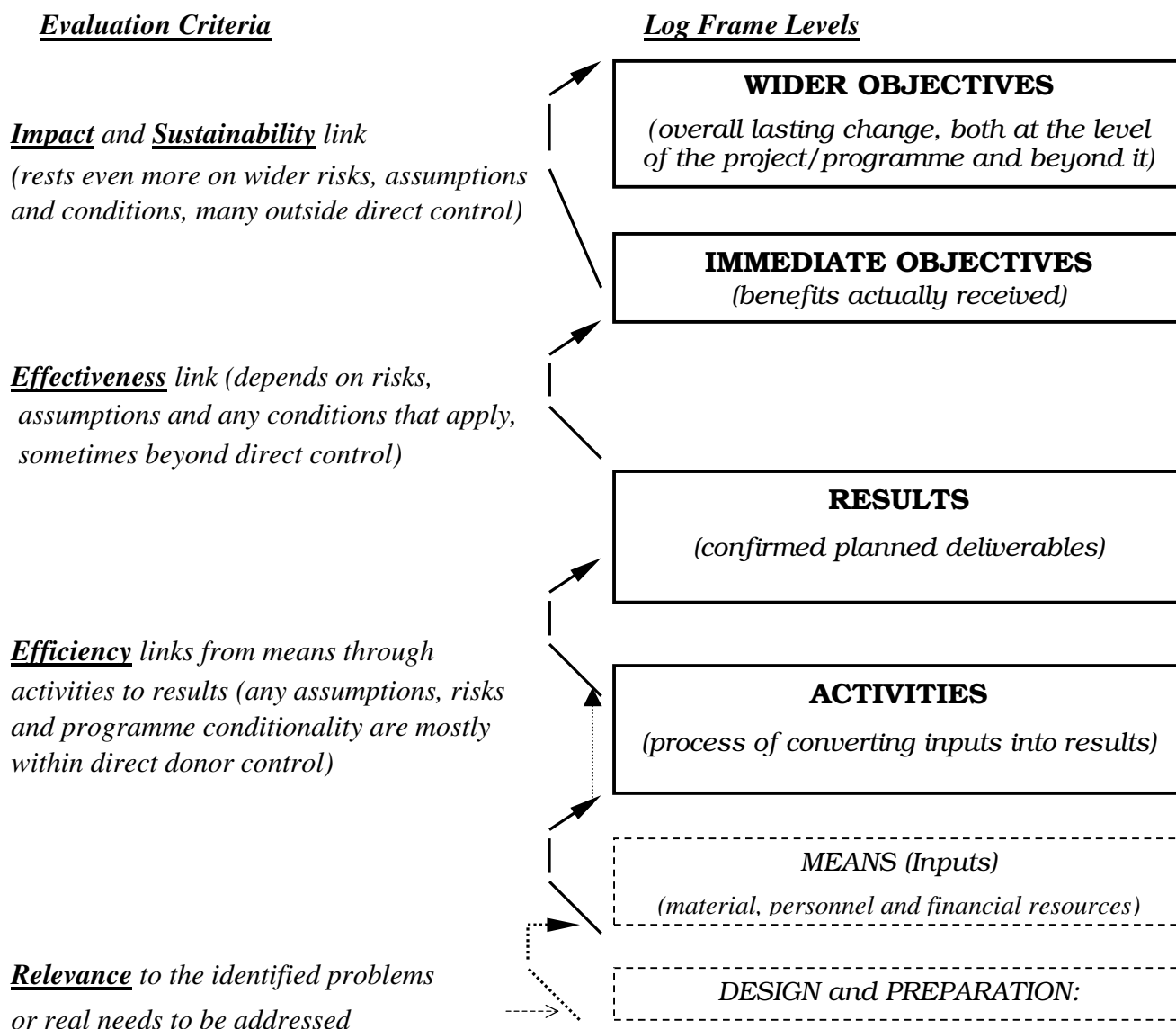
2. METHODOLOGY, FORMAT & PRESENTATION OF IE REPORTING

2.1. METHODOLOGY

The basic concepts and evaluation methodology, applied to the interim evaluation, are closely based on the OECD/DAC evaluation criteria. The methodology is also fully consistent with DG RELEX's/AIDCO's approach. It also reflects the log frame principles as set out in the Commission's Project Cycle Management Manual.

2.1.1. Five Evaluation Criteria

The Phare and TF Interim Evaluation is based on five evaluation criteria: relevance, efficiency, effectiveness, impact and sustainability. The diagram below sets out the main linkages between these **key evaluation criteria** and the key Log Frame elements, and should be studied alongside the subsequent text:



1. Relevance

The relevance of a project relates primarily to its design and concerns the extent to which **its stated objectives correctly address the identified problems or real needs**. It needs to be kept under review throughout the life of the project in case changes occur either in the nature of the very problems originally identified, or in the circumstances - whether physical, political, economic, social, environmental, institutional or policy - in which the project takes place, necessitating a corresponding change of focus.

2. Efficiency

The efficiency criterion concerns how well the various **activities** transformed the available resources into the intended **results** (sometimes referred to as *outputs*), in terms of quantity, quality and timeliness. A key question it asks is “**have things been done right?**” and thereby also addresses value-for-money, that is whether similar results could have been achieved more by other means at lower cost in the same time.

3. Effectiveness

The effectiveness criterion, in the LogFrame terminology, concerns how far the project’s **results** were *used* or their potential benefits were realised - in other words, whether they achieved the project **purpose**. The key question is what difference the project made in practice, as measured by how far the intended beneficiaries really benefited from the products or services it made available.

4. Impact

The term impact, sometimes referred to as *outcome*, denotes the relationship between the project’s purpose and overall objectives, that is the extent to which the benefits received by the target beneficiaries had a wider overall effect on larger numbers of people in the sector or region or in the country as a whole.

5. Sustainability

The fifth and final - and often most important - criterion, sustainability, relates to **whether the positive outcomes of the project at purpose level are likely to continue after external funding ends**, and also whether its longer-term impact on the wider development process can also be sustained at the level of the sector, region or country.

General issues relating to evaluation criteria and design:

The following points should also be borne in mind:

- when drafting the Terms of Reference, the **relative importance** of each of the key evaluation criteria for a given study could be determined, as it is not obvious that all the criteria will invariably be of equal importance;
- certain types of **multi-component programme**, whether sectoral or otherwise, may often more helpfully be represented by **interlocking Log Frames** than by a single Log Frame (thus one component’s *purpose* or even *overall objectives* might become *activities* or *results* for a higher-level programme, e.g., a sector or country programme);
- the possibility of **replicating successful impacts** should be borne in mind, especially if an extension to the project is a realistic possibility.

Annex 8 of Part I of the *IE* Guide elaborates further on the five evaluation criteria.

2.1.2 Standard and in-depth evaluations

A **standard interim evaluation** requires normally not more than 25 to 30 person-days, assuming that a satisfactory monitoring report is available and that effective cooperation with implementing authorities can be ensured. Otherwise the Evaluator will devote an additional 10 person-days to prepare the required information. In the case of well-performing sectors with no major changes, a brief carry-over evaluation will suffice, though at least 10 person-days should be allocated in each case.

An **in-depth evaluation** requires more resources (usually some 50 person-days) and also needs short-term expertise for technical or specialised analysis, further interviews with implementing bodies, beneficiaries and contractors, and possibly additional on-site visits.

The objective of in-depth evaluations is to cover technically or institutionally complex programmes, such as Nuclear Safety, SME Financing and Judicial and Administrative Capacity Reform, and to examine highly problematic or, conversely, highly successful sectors. The analysis should include the identification of good practice, comparative country evidence, and references to thematic and ex-post evaluation reports.

In the annual work plan, a first selection of sectors should be carried out, which will be subject to an in-depth evaluation. However, subsequently the Evaluators, the SMSC, the JMC or the Commission Services might identify further needs for in-depth evaluations, subject to approval by the NAC/ACU.

2.1.3 Performance Ratings

Performance ratings should be issued in two steps.

First, the evaluator gives a numerical rating on each of the five evaluation criteria for each component of the sector and on the overall sector on a scale from -2 to +2:

-2	-1	0	1	2
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Second, the Evaluator converts the numerical overall rating into a qualitative rating. The qualitative overall rating of the sector and its components should be based on the following rating scale:

- « **Highly satisfactory** » The programmes reviewed are expected to achieve or exceed all the objectives set during their lifetime
Most numerical ratings in the range of 1 to +2
- « **Satisfactory** » The programmes reviewed are expected to largely achieve the objectives set during their lifetime
Most numerical ratings in the range of 1
- « **Unsatisfactory** » The programmes reviewed are not expected to achieve most of the objectives set during their lifetime
Most numerical ratings in the range of -1
- « **Highly unsatisfactory** » The programmes reviewed are not expected to achieve any of the objectives set during their lifetime
Most numerical ratings in the range of -2

2.2. *Format, Presentation and Reporting Arrangements*

2.2.1. **Format and presentation**

In general, the main sections of the Interim Evaluation Report are as follows:

- I. **Executive Summary:** a tightly drafted, to the point and freestanding Executive Summary is an essential component. It should be short, no more than five pages. It should focus mainly on the key purpose or issues of the evaluation, outline the main analytical points, and clearly indicate the main conclusions, lessons learned and specific recommendations. Cross-references should be made to the corresponding page or paragraph numbers in the main text that follows.
- II. **Main text:** would start with an introduction describing the sectoral background and scope of evaluation. Fact sheets on a specific sector should contain tables and diagrams in order to help the reader visualise the status of the sector under review. The body or core of the report should follow the five evaluation criteria discussed in Part II, describing the facts and interpreting or analysing them in accordance with the key questions pertinent to each criterion. Boxes could be used to flag important evaluation findings as well as, where appropriate, to highlight cross-country/comparative evidence in the in-depth reports.
- III. **Conclusions and Recommendations:** these should be the subject of a separate final chapter. Wherever possible, for each conclusion, there should be a corresponding recommendation. The key points of the conclusions will vary in nature, but will often cover aspects of the key evaluation criteria.

Recommendations should be carefully targeted to the appropriate audiences at all levels. To ensure that recommendations put forward are achievable and compatible with the framework and environment within which the project or programme is being implemented, they should be checked by the stakeholders involved in programme management and implementation before the report is finalised. This dialogue is not intended to compromise the independence of the advice given, but rather aims to ensure its practical application.

The ultimate value of an evaluation depends on the quality and credibility of the recommendations offered. Recommendations should therefore be as realistic and pragmatic as possible.

Recommendations should be presented in tabular format reflecting the following parameters: sectoral issue, recommendation/action, output, reference number of each recommendation's justification, name/title of addressee and deadline for implementation.

Recommendations from the previous evaluation reports that are still valid should be added separately.

Further details on format and presentation of IE Reports are specified in the Annotated IE Report Template in Part II of the Phare Interim Evaluation Guide.

2.2.2. Reporting and disclosure arrangements

Reporting is targeted mainly to the following bodies:

- a) NAC/ACU
- b) NAO/NF
- c) PAO/IAs
- d) SPOs/PIUs
- e) European Commission
- f) Others, such as Court of Auditors, Supreme Audit Office

The interim evaluation system is made up of the following reporting arrangements:

Interim Evaluation Report: Standard or In-Depth report (as a rule not exceeding 25 pages). Where appropriate, the standard report can be shortened into a brief 5 - 6 page carry over report (for example, when the programme is proceeding satisfactorily without any major changes, and only an update of activities is needed). A report should be issued within three months of the start of the evaluation and could well be done in a much shorter time.

Early Warning: usually conveyed informally and orally during the course of the evaluation process, to inform the stakeholders or the supervising authorities of major issues that require immediate action. It is issued at the earliest possible moment provided it is based upon conclusive evidence.

Monitoring Sector Recommendations Follow-Up Table: the purpose of the table is to help the JMC, SMSC, NAC/ACU, DG Enlargement to follow up and act systematically on the issues and recommendations.

The **Abstract** informs decision-makers and the Member States on progress in implementing the programmes of the sector. It stresses that the interim evaluation reviews work in progress and therefore does not represent the final conclusions of *ex post* evaluation.

Thematic Evaluation Reports: Produced ad hoc, these reports consolidate and synthesise the results of completed Interim Evaluation Reports under a specific theme, such as SMEs, Nuclear Safety, or Twinning. It is therefore important that any Interim Evaluation Report is written in such a way that it can easily be drawn upon to compile a Thematic Evaluation Report: i.e., it should be easy to identify different key themes and to synthesise the findings under different headings.

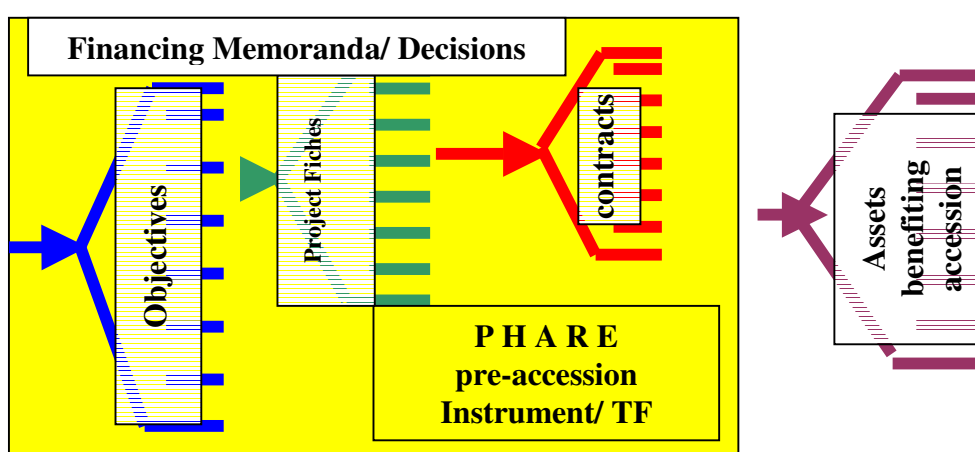
An annual **Country Evaluation Summary** of the ongoing Phare and TF programmes should be prepared for the JMC and serve as inputs of various levels for programming. The Country Evaluation Summary should be based on Interim Evaluation and Thematic reports.

Maintenance of **website databases and information services:** information on evaluation function, evaluation reports will be accessible on the Government's Web site <http://www.vlada.gov.sk/phare/hodnotenie.html>.

The evaluation reports of Phare and TF assistance would normally be disclosed to the public.

Annex 1: Terminology used in the Guide

The Financing Memoranda (FMs)/ Commission's Financing Decisions provide the framework for the implementation of annual Phare/ Transition Facility programmes. In an annex to the FMs/ Decisions projects are described in “*project fiches*” in more detail.



Contracts for the execution of projects are concluded between EU Member State (MS) bodies - acting on behalf of the Implementing Authority itself – and persons or companies doing the actual work, as described in the terms of reference of the contract. Usually a project is covered by one contract but frequently also several contracts are concluded.

Two types of bodies are involved in Phare programme implementation after signature of the FM: implementing agencies and beneficiaries (assistance recipient). The first type deals with the various procedural aspects related to procurement and payment, while the second one deals with the content (drafting of terms of reference, supervision of the contractor’s work during implementation, approval of final reports).

Implementing agencies are identified on an individual project basis in the relevant FM and are usually part or affiliates of MS public administration. Line ministries are also identified on an individual project basis in the relevant FM, but are collectively referred to as “beneficiaries”, since they are the recipients of the assets (either fixed or intangible assets) of a project.

The term “Implementing Authorities” refers to beneficiaries as indicated in FMs. However, under grant schemes, though the FM refers to the beneficiary as the agency in charge of distributing the funds, the final beneficiaries are private organisations specifically selected.

The procedural bodies – the Implementing Agencies – fall under the authority of the National Authorising Officer via Programme Authorising Officer, while overall coordination and responsibility for the content of Phare programmes is the responsibility of the National Aid Coordinator via Senior Programme Officers (the supervision of procedure and content has been split up to avoid conflicts of interest).

For monitoring and evaluating progress in terms of objectives, the implementing authorities are therefore more important, whereas the implementing agencies provide the necessary information on the use and management of funds.

For monitoring and evaluation, the following elements are important:

- *Contracts* (the fact that a contract has been concluded) indicate that physical implementation has started;
- *Disbursement* profiles indicate how the contractors should be paid;
- *Payments* (also frequently referred to as “disbursements” in Phare documents) indicate that the funds have been paid to the contractor upon completion of her/his work. These payments should be shown in an instalment table or, even better, in a diagram of accumulated payments versus milestones. The diagram reflecting disbursement profile versus actual payment indicates whether the project is being implemented within deadline;
- *Assets* eventually show the results of the project after closure. Fixed assets are usually commissioned from the contractor to the recipient. The commissioning protocol makes it possible to evaluate success. In any case, there is for most assets a precise list of material indicators (e.g.: material flows) showing whether the asset is building up according to schedule. Conversely, in the case of intangible assets, it is essential that quantitative performance and achievement indicators should be developed, which makes it possible to evaluate whether the assets have been, or are being, produced according to the specifications and objectives described in the contract.

These five elements, which the implementing authority should focus on in monitoring reports, together with the logframe, provide sufficient information to the evaluators. Further detailed project and/or contract information should not be necessary at sectoral level.

Annex 2: Distribution of responsibilities in interim evaluation

IE Phase	NAC/ ACU	Evaluators	NAO/ NF	SPO/ PIU	PAO/ IA	EC
Annual planning	1. Prepares project fiche and/ or terms of reference for IE. 2. Comments, approves and issues an annual IE Work Plan presented by the evaluators.	1. Draw up a consolidated IE Work Plan in accordance with the terms of reference and IE Guide for approval by the NAC.	1. Comments an annual IE Work Plan presented by the evaluators.	1. Is informed about the annual IE Work Plan.	1. Is informed about the annual IE Work Plan.	1. Comments an annual IE Work Plan presented by the evaluators.
Kick-off meeting	1. Organises and chairs the meeting. 2. Write up the minutes of the meeting.	1. Attend the meeting. 2. Present the exact grid of projects to be evaluated. 3. Present the time schedule for IE. 4. Explain the IE procedure. 5. Explain what information and documents are needed to launch the IE. 6. Inform about the role of short-term technical specialists if any.	1. Attends the meeting.	1. Attends the meeting.	1. Attends the meeting.	-
Pre-IE period	1. Provides all relevant information and documents and checks that all parties have submitted requested information and documents to the evaluators within two weeks after the kick-off meeting.	1. Collect the requested information and documents.	1. Submits all relevant information and documents to the evaluators within two weeks after the kick-off meeting.	1. Submits all relevant information and documents to the evaluators within two weeks after the kick-off meeting. 2. Informs all organisational units within the beneficiary authority involved in the management of Phare projects about the IE.	1. Submits all relevant information and documents to the evaluators within two weeks after the kick-off meeting.	1. Submits all relevant information and documents to the evaluators under their request.
Interim Evaluation	1. Co-operates with the evaluators.	1. Evaluate according to the terms of reference (contract) and IE Guide.	1. Co-operates with the evaluators.	1. Co-operates with the evaluators.	1. Co-operates with the evaluators.	1. Co-operates with the evaluators.
First Draft of IE Report	1. Checks conformity of the first Draft with the template and comments on facts presented in the first Draft within a maximum of 10 working days after the receipt of the report.	1. Write the first Draft and issue it to all parties for comments.	1. Comments on facts presented in the first Draft within a maximum of 10 working days after the receipt of the report.	1. Comments on facts presented in the first Draft within a maximum of 10 working days after the receipt of the report.	1. Comments on facts presented in the first Draft within a maximum of 10 working days after the receipt of the report.	1. Comments on facts presented in the first Draft within a maximum of 10 working days after the receipt of the report.
Final Draft of IE Report	1. Receives Final Draft of the IE Report from the evaluators. 2. Endorses (authorises) Final Draft for the Final Version after providing a Quality Assessment according to the Rating Grid.	1. Collect all comments on the first draft and incorporate these into the report where appropriate and submit it with dissenting views as Final Draft to all relevant stakeholders of the IE	1. Receives Final Draft of the IE Report from the evaluators.	1. Receives Final Draft of the IE Report from the evaluators.	1. Receives Final Draft of the IE Report from the evaluators.	1. Receives Final Draft of the IE Report from the evaluators.

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Debriefing meeting	<ol style="list-style-type: none"> 1. Organises and chairs the meeting within two weeks from the issue of the final draft IE Report. 2. Participates actively in the meeting. 3. Write up the minutes of the meeting and follow-up table. 4. Signs the follow-up table with agreed recommendations and their implementation. 5. Provides the EC with the follow-up tables signed by all relevant stakeholders of the IE. 	<ol style="list-style-type: none"> 1. Participate at the meeting to explain the recommendations and answer relevant questions. 2. Sign the follow-up table with agreed recommendations and their implementation and forward it to the NAC/ ACU. 	<ol style="list-style-type: none"> 1. Participates actively in the meeting. 2. Signs the follow-up table with agreed recommendations and their implementation and forwards it to the NAC/ ACU. 	<ol style="list-style-type: none"> 1. Participates actively in the meeting. 2. Signs the follow-up table with agreed recommendations and their implementation and forwards it to the NAC/ ACU. 	<ol style="list-style-type: none"> 1. Participates actively in the meeting. 2. Signs the follow-up table with agreed recommendations and their implementation and forwards it to the NAC/ ACU. 	-
Country Summary Report	<ol style="list-style-type: none"> 1. Receives and follows-up the Country Summary IE Report. 	<ol style="list-style-type: none"> 1. Presents the Country Summary IE Report to the JMC members according to the terms of reference. 	<ol style="list-style-type: none"> 1. Receives and follows-up the Country Summary IE Report. 	-	<ol style="list-style-type: none"> 1. Receives and follows-up the Country Summary IE Report. 	<ol style="list-style-type: none"> 1. Receives and follows-up the Country Summary IE Report.
Final Version	<ol style="list-style-type: none"> 1. Receives Final Version of the IE Report from the evaluators. 	<ol style="list-style-type: none"> 1. Adjust the report to the conclusions of the debriefing meeting where agreed by the stakeholders. 2. Issue and distribute Final Version to all relevant stakeholders of the IE. 	<ol style="list-style-type: none"> 1. Receives Final Version of the IE Report from the evaluators. 	<ol style="list-style-type: none"> 1. Receives Final Version of the IE Report from the evaluators. 	<ol style="list-style-type: none"> 1. Receives Final Version of the IE Report from the evaluators. 	<ol style="list-style-type: none"> 1. Receives Final Version of the IE Report from the evaluators.
Follow-up	<ol style="list-style-type: none"> 1. Fulfils approved recommendations addressed to NAC/ ACU. 2. Checks fulfilment of all approved recommendations. 3. Provides information concerning the follow-up actions on all recommendations in the sectoral MR. 4. Presents effectiveness and efficiency results of the IE reports in the Implementation Status Report. 5. Submits the Executive Summary of the IE Report to Ministerial Council in order to increase awareness of its findings, conclusions and recommendations. 	<ol style="list-style-type: none"> 1. Records follow-up on approved evaluation recommendations in next IE report. 	<ol style="list-style-type: none"> 1. Fulfils agreed recommendations. 2. Provides the information concerning the follow-up actions on the recommendations addressed to her/ him. 	<ol style="list-style-type: none"> 1. Fulfils agreed recommendations. 2. Provides the information concerning the follow-up actions on the recommendations addressed to her/ him in the project MR. 	<ol style="list-style-type: none"> 1. Fulfils agreed recommendations. 2. Provides the information concerning the follow-up actions on the recommendations addressed to her/ him in the project MR. 	<ol style="list-style-type: none"> 1. Fulfils agreed recommendations addressed to the EC.

Annex 3: The Schedule of Monitoring and Interim Evaluation (indicative)

Step	Weeks at Evaluators	Weeks at others	Elapsed weeks		Actions to be done	Evaluators working days	Additional for in-depth evaluation
			standard	In-depth			
Cut off date for MIE set by SMSC = start date for monitoring and IE report							
1	p	3	3		ACU prepares Sectoral Monitoring Report Evaluator collects and assemble all necessary information about the sector inclusive list of interview partner; set up skeleton of the IE report with all invariable information; interview the executive agencies, task officers, NAC office	10	
2		1	4		Comments and amendment of monitoring report by implementing agencies and NAC; responsible editing agency distributes report and sends copy to evaluators		
3	3		7		The evaluators produce a draft Report. In case of bigger sectors additional 10 days to be included	20	5
3a	1			8	In case of in depth evaluation additional information is collected and introduced into the report; bring in short-term technical experts		10
4	1		8	9	The TL adds (where appropriate) his/her inputs in particular the Executive Summary and reviews the draft.	5	
5	1		9	10	Evaluators perform further quality control in terms of both content and formatting.	1	
6		2	11	12	Evaluators issue the draft to the ACU and Country-Coordinator for comment and instructs the TL to issue the report to local stakeholders. All comments shall be made in writing	1	
Debriefing meeting at the end of step 6 usually 11-12 weeks after cut off date							
7	1		12	13	Evaluators now evaluate and, where appropriate, incorporate these comments; review of the executive summary; the actions, decided at the debriefing session for the implementation of the recommendations, are added to the executive summary	3	
8		0,5	12,5	13,5	The revised draft goes to the ACU for endorsement.		
9	0,5		13	14	Evaluators issue the full report to stakeholders and the Ex. Summary with reference to the Monitoring report to the chair of the Sectoral Monitoring Sub-Committee	1	
					Total person/days	41 (51)	15
Ca 14 weeks after cut off date the IE is completed using 41 to 56 person/days							

ANNEX 4: Documents to be provided

A) To the evaluators

1. List of the programmes/ projects to be evaluated and included in the evaluation report
2. Financing Memoranda and Project Fiches, including Project Fiches' modifications
3. Sectoral Monitoring Report for the corresponding period
4. JMC and SMSC minutes for the relevant period
5. Previous Interim Evaluation report(s) carried out on the programmes being evaluated
6. List of people to be interviewed and indication of dates of their availability
7. Terms of Reference of individual projects
8. Inception reports, contractors' progress reports and, where applicable, final reports
9. Others (ex-ante evaluation reports; audit or control reports, etc.)
10. Financial Status of projects/ contracts (from the Implementing Agencies)

B) By the evaluators

1. Schedule (dates) of the interim evaluation activities:

Kick-off meeting

Delivery of documents by beneficiaries

Start of actual evaluation

Interviews/meetings with beneficiaries

First draft IE report distributed for comments

Draft final version IE report

Debriefing meeting

Final IE report

2. Information about utilisation of the services of Short Term Technical Specialist(s) (STTS).

ANNEX 5: Interim Evaluation Report Follow-up

Report number and title:

Programmes included in the report:

Recommendation	Applied	Responsibility for Follow-up	Deadline	Details of action / Remarks
	Yes/No			

Date:

Signature:

Institution:

ANNEX 6: Agenda for Debriefing Meeting

Attendance:

NAC/ Aid Coordination Unit

PAO/ Implementing Agency

SPO/ PIU (beneficiaries)

NAO/ National Fund

Evaluators

1. Chair of the meeting (ACU)

Introduction of participants in the meeting.

Explanation of the purpose of the meeting, namely:

- Presenting the Report's findings;
- Highlighting the key issues of the Interim Evaluation.
- Reviewing the Report's recommendations and the way in which they will be applied.

2. Evaluators

Brief summary of the Interim Evaluation and the key issues identified during the process.

Presentation of the Conclusions and Recommendations.

3. Discussion on follow-up of recommendations

This discussion should strictly focus on:

- Exploring the most adequate manner of implementing the recommendations and the appropriate timing for doing so;
- If recommendations cannot be implemented, what alternative action would be best to achieve the desired objectives.

4. Conclusion

The chair will summarise the actions proposed by each party on the implementation of the recommendations, draft the minutes and fill in the follow-up table, which shall be signed by all participants/ bodies responsible for implementation of approved recommendations. NAC// ACU collects the signed follow-up tables and forwards them to the Commission Services within one month.

Annex 7: Rating for quality assessment of the Interim Evaluation Report

A. Quality criteria for quality assessment

A system for quality assessment is needed in order to ensure that all evaluation reports come up to quality standards in the field. It is important to stress that it is the contractor's full responsibility to control the quality of all the deliverables included in the contract. The following paragraphs therefore contain a description of the procedures that will be used in order to ensure high quality. The assessment of reports is based on a common set of quality criteria elaborated by an international group of evaluation experts for the European Commission. The criteria are similar to those used for the evaluation. Based on the set of questions the rating is provided for each of the criterion in the grid and total rating (numerical and verbal) indicates the overall quality of the report.

Rating Grid - Quality Assessment of IE Reports

Interim Evaluation No.:

Sector:

Author:

Date:

Criteria	Rate	Remarks
A. General: Does the report design appropriately fit the evaluation?		
B. Sound sectoral overview: to what extent are the sector composition and priorities appropriately described?		
C1. Sound analysis: to what extent are the facts and data adequately analysed?		
C2. Sound analysis: to what extent have the indicators of achievement been adequately considered and have they been used properly where was possible?		
D. Robust Findings in the implementation evaluation: do the Conclusions follow logically from, and are they justified by, the data described in the Sectoral Overview?		
E. Impartial conclusions: does the report provide value judgements based upon the five evaluation criteria of relevance, efficiency, effectiveness, sustainability and impact?		
F. Useful recommendations: to what extent do the Recommendations follow logically from the Conclusions? Are they operational? Do they clearly address the monitoring sector and are they targeted to the different stakeholders?		
G. The executive summary: to what extent is the executive summary a synthesis and does it meet the requirements set out in the template guidelines?		
H. Annexes: to what extent do the Annexes support the analysis in the main text?		
I. Overall style, structure and text design: within the template's framework, to what extent is the text easily readable and accessible to the various categories of readers so that the main messages are easily detectable?		

Taking into account the contextual constraints on the evaluation, the overall quality rating of the report is considered to be:

Date:

Assessors:

Signature:

Date:

Approved:

Signature:

Verbal	Unacceptable	Poor	Sufficient/ adequate	Good	Excellent
Single category	-2	-1	0	1	2
Entire report	<=-15	-14 to -6	-5 to 5	6 to 14	>=15

Annex 8: More on evaluation criteria

As mentioned in # 3.1 of Chapter 3, this Annex provides the reader with a full description of the five evaluation criteria: relevance, efficiency, effectiveness, impact and sustainability.

1. Relevance-Main message

The relevance of a project relates primarily to its design and concerns the extent to which **its stated objectives correctly address the identified problems or real needs**. It needs to be kept under review throughout the life of the project in case changes occur either in the nature of the very problems originally identified, or in the circumstances - whether physical, political, economic, social, environmental, institutional or policy - in which the project takes place, necessitating a corresponding change of focus.

In other words, **relevance concerns the appropriateness of the project design to the problems to be resolved at two points in time: when the project was designed, and at the time of the evaluation**. However, the flexible *handling* of any changes needed to keep a project relevant forms part of the definitions of the other evaluation criteria, given below.

In an evaluation, an analysis of Relevance will therefore systematically focus on the following:

- **identification of real** (as distinct from perceived) **problems or needs**, and of the **correct beneficiaries**, and how well the project's initial design addressed them;
- quality of assessment of **local absorption capacities**;
- quality of assessment of **local implementation capacities**;
- **preparatory activities** undertaken (policy assessments, sector reviews, (pre-)feasibility studies including financial and economic analysis, planning workshops, etc), by whom, how well the findings were incorporated into the final project document, and any obvious omissions;
- appropriateness of **initial consultations with**, and **participation by**, local key stakeholders including the Delegation, national authorities, intended beneficiaries, and other donors (the last-mentioned especially on complementarity aspects) before the design was confirmed and implementation started;
- **complementarity and coherence with related activities undertaken elsewhere** by government or other donors, at the same level or at a higher level, rather than duplication or conflict;
- the quality of the entries in the **assumptions, risks and conditions** column of the LogFrame at the appropriate levels;
- overall **design strengths and weaknesses** including:
 - § quality of the **LogFrame** (or LogFrames if a multi-component programme);
 - § clarity and internal consistency of the stated **overall objectives, purpose and results**;
 - § whether the objectively-verifiable **indicators** of achievement (OVIs) were well-chosen and widely agreed;
 - § realism in choice and quantity of **inputs**;

- § overall *degree of flexibility* and adaptability to facilitate rapid responses to changes in circumstances.

2. Efficiency

The efficiency criterion concerns how well the various **activities** have transformed the available resources into the intended **results** (sometimes referred to as *outputs*), in terms of quantity, quality and timeliness. A key question it asks is “**have things been done right?**” and thereby also addresses value-for-money, e.g., whether similar results could have been achieved better by other means at lower cost within the same amount of time.

An analysis of Efficiency will therefore focus on:

- **the quality of day-to-day management**, for example in:
 - § management of the budget (including whether an inadequate budget was a factor);
 - § management of personnel, information, property, etc;
 - § whether management of **risk** was adequate, i.e. whether flexibility was demonstrated in response to changes in circumstances;
 - § relations/co-ordination with local authorities, institutions, beneficiaries, other donors;
 - § respect for deadlines.
- **costs and value-for-money**: how far the costs of the project were justified by the benefits - whether or not expressed in monetary terms - that they generated², in comparison with similar projects or known alternative approaches, taking account of contextual differences;
- **candidate country contributions** from local institutions and government (e.g. offices, experts, reports, tax exemption, as set out in the LogFrame resource schedule), target beneficiaries and other local parties: were they provided as planned, could re-allocation of responsibilities have improved performance, has communication been good?
- **Commission HQ/Delegation inputs** (e.g. procurement, training, contracting, either direct or *via* consultants/bureaux): key questions as for local/government inputs (above);
- **technical assistance**: how well did it help to provide appropriate solutions and develop local capacities to define and produce results?
- **quality of monitoring**: its existence (or not), accuracy, flexibility and utility; adequacy of baseline information;
- whether the chosen **indicators** of efficiency were suitable and, if not, whether management amended them;
- did any **unplanned results** arise from the activities?

² A comparison broadly known as cost-effectiveness analysis (similar to cost benefit analysis except that the latter applies where benefits are measurable in monetary terms).

3. Effectiveness

The effectiveness criterion, in the LogFrame terminology, concerns how far the project's **results** were *used* or their potential benefits were realised - in other words, whether they achieved the project **purpose**. The key question is what difference the project made in practice, as measured by how far the intended beneficiaries really benefited from the products or services it made available.

The analysis of Effectiveness will therefore focus on:

- **whether the planned benefits have been delivered and received**, as perceived mainly by the key beneficiaries, but also taking account of the views of donor management, the responsible national Government authorities, and other concerned parties (NGOs, business associations etc);
- the appropriateness of the **indicators of benefit** used in the above assessment to measure achievement of the project purpose (this is also relevant to cost-effectiveness analysis as referred to in the footnote on the previous page); this should include a judgement on how promptly and effectively the project management reacted to any changes that occurred following the initial design by amending indicators found no longer to be appropriate;
- in institutional reform projects, **whether behavioural patterns have changed** in the beneficiary organisations or groups at various levels; and how far the changed institutional arrangements and characteristics have produced the planned improvements (e.g. in communications, productivity, ability to generate actions which lead to economic and social development);
- if the **assumptions and risk assessments** at results level turned out to be inadequate or invalid, or **unforeseen external factors** intervened, **how flexibly management adapted** to ensure that the results would still achieve the purpose; and how well it was supported in this by key stakeholders including Government, Commission (HQ and locally), etc.: in summary, “**were the right things done**” to ensure that the potential beneficiaries actually benefited?
- whether the **balance of responsibilities** between the various stakeholders was correct, which accompanying measures were or should have been taken by the partner authorities, and with what consequences;
- how **unplanned results** may have affected the benefits received;
- whether any shortcomings at this level were due to a failure to take account of **cross-cutting or over-arching issues** such as gender, environment and poverty during implementation.

4. Impact

The term impact, sometimes referred to as *outcome*, denotes the relationship between the project's purpose and overall objectives, that is the extent to which the benefits received by the target beneficiaries had a wider overall effect on larger numbers of people in the sector or region or in the country as a whole.

The analysis, which should be both quantitative and qualitative wherever possible, will need to take account of the fact that, at this level, the project will normally be only one of a number of influences contributing to the wider outcome.

At Impact level the analysis examines such aspects as:

- **to what extent the planned overall objectives have been achieved**, and how far that was directly due to the project;

- in institutional reform projects, to what extent **enhanced economic and social development** have resulted from improved institutional capabilities and communications;
- in infrastructure-type projects, to what extent have they also enhanced economic and social development *beyond* the level of their immediate users?
- how flexibly donor management and the Government responded and reacted to unforeseen external shocks;
- if there have been **unplanned impacts**, how strongly/to what extent they have affected the overall impact;
- whether the project's LogFrame **indicators** at this level were suitable and, if not, whether management amended them;
- where appropriate, all **gender-related, environmental and poverty-related impacts** and any lack of overall impact resulting from neglect of these issues;
- whether overall the desired wider impact could have been better achieved otherwise;
- to what extent the economic effects have been spread between economic growth, salaries and wages, foreign exchange, and budget, and to what extent this is related to the achievement of the project's overall objectives.

5. Sustainability

The fifth and final - and often most important - criterion, sustainability, relates to **whether the positive outcomes of the project at purpose level are likely to continue after external funding ends**, and also whether its longer-term impact on the wider development process can also be sustained at the level of the sector, region or country.

An analysis of sustainability will therefore focus on the aspects below. Their relative importance will depend on the nature of the project; it is useful to examine how strongly concern for, or neglect of, one or other of the factors may have affected achievement of a sustainable outcome:

- **ownership of objectives and achievements**, e.g. how far all stakeholders were consulted on the objectives from the outset, and whether they agreed with them and remained in agreement throughout the duration of the project;
- **policy support and the responsibility of the beneficiary institutions**, e.g. how far donor policy and national policy corresponded, and the effects of any policy changes; how far the relevant national, sectoral and budgetary policies and priorities affected the project positively or adversely; the level of support from governmental, public, business and civil society organisations; and whether national bodies to provided resources;
- **institutional capacity**, e.g. the degree of commitment of all parties involved, such as Government (e.g. through policy and budgetary support) and counterpart institutions; the extent to which the project is embedded in local institutional structures; if it involved creating a new institution, how far good relations with existing institutions were established; whether the institution appears likely to be capable of continuing the flow of benefits after the project ends (is it well-led, with adequate and trained staff, sufficient budget and equipment?); whether counterparts were properly prepared for taking over, technically, financially and managerially;
- the **adequacy of the project budget** for its purpose;

- **socio-cultural factors**, e.g. whether the project is in tune with local perceptions of needs and of ways of producing and sharing benefits; whether it respects local power-structures, status systems and beliefs, and if it seeks to change any of those, how well-accepted are the changes both by the target group and by others; how well it was based in any event on an analysis of such factors, including target group/beneficiary participation in design and implementation; and the quality of relations between the external project staff and local communities, notably their leaders;
- **financial sustainability**, e.g. whether the products or services provided were affordable for the intended beneficiaries and remained so after funding ended; whether enough funds were available to cover all costs (including recurrent costs, i.e. operating and maintenance costs), and continue to do so after funding ended; and **economic sustainability**, i.e. how well the benefits (returns) compared to those on similar undertakings once market distortions are eliminated;
- **technical (technology) issues**, e.g. whether (i) the technology, knowledge, process or service provided fits in with existing needs, culture, traditions, skills or knowledge; (ii) alternative technologies were considered, where there was a choice; (iii) the intended beneficiaries were able to adapt to and maintain the technology acquired without further assistance; with minimal national maintenance, operating and replacement costs; using national resources (notably, in creating jobs); and with minimum waste;
- wherever relevant, **cross-cutting issues** such as **gender equity**, **environmental impact** and **good governance**; or more over-arching issues such as **poverty alleviation**, all of which bear on sustainability from the outset of the project.