Value for money: EU programme funding in the field of democracy and rule of law
Value for money of EU programme funding in the field of democracy and rule of law

Abstract
This study explores the extent to which processes are in place to enable the delivery of value for money through EU programme funding in the field of democracy and rule of law. It includes a review of the European Instrument for Democracy and Human Rights and the Instrument for Stability and Peace. It considers current ways of working and the potential for improvement. Analysis is based on interviews with EU programme officials and EU delegations, and related documentary evidence.
This document was requested by the European Parliament's Committee on Budgetary Control. It designated Dr Ingeborg Gräßle, MEP, to follow the study.

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**LINGUISTIC VERSIONS**

Original: EN

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Manuscript completed in June 2017.
This document is available on the Internet at:
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<tr>
<td>AAP</td>
<td>Annual Action Programme</td>
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<tr>
<td>AFET</td>
<td>European Parliament Committee on External Affairs</td>
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<td>bn</td>
<td>Billion</td>
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<tr>
<td>CBSS</td>
<td>Country Based Support Scheme</td>
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<td>CIR</td>
<td>Common Implementing Regulation</td>
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<td>CPA</td>
<td>Country Programmable Aid</td>
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<td>CRIS</td>
<td>Common External Relations Information System</td>
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<td>CRS</td>
<td>OECD Creditor Reporting Scheme</td>
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<td>CSO</td>
<td>Civil society organisation</td>
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<td>CSO-LA</td>
<td>Civil Society Organisations and Local Authorities Thematic Programme</td>
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<tr>
<td>DCI</td>
<td>Development Cooperation Instrument</td>
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<tr>
<td>DEVE</td>
<td>European Parliament Committee on Development</td>
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<tr>
<td>DG DEVCO</td>
<td>Directorate-General for International Cooperation and Development (also known as EuropeAid)</td>
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<tr>
<td>DG NEAR</td>
<td>Directorate-General for Neighbourhood and Enlargement Negotiations</td>
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<tr>
<td>DPCC</td>
<td>Development Partners Coordination Council</td>
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<td>DPG</td>
<td>Development Partner Group</td>
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<tr>
<td>DROI</td>
<td>European Parliament’s Sub-committee on human rights (under AFET)</td>
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<tr>
<td>EAMR</td>
<td>External Assistance Management Report</td>
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<tr>
<td>EC</td>
<td>European Commission</td>
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<tr>
<td>ECA</td>
<td>European Court of Auditors</td>
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<td>ECHO</td>
<td>European Commission's Humanitarian Aid and Civil Protection department</td>
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<td>Acronym</td>
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<tr>
<td>EEAS</td>
<td>European External Action Service</td>
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<td>EIDHR</td>
<td>European Instrument for Democracy and Human Rights</td>
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<td>ENI</td>
<td>European Neighbourhood Instrument</td>
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<td>EP</td>
<td>European Parliament</td>
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<td>EPRR</td>
<td>End-of-project results reporting</td>
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<td>EU</td>
<td>European Union</td>
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<td>FPI</td>
<td>Foreign Policy Instrument</td>
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<td>FTS</td>
<td>Financial Transparency System</td>
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<td>HRD</td>
<td>Human rights defender</td>
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<td>IcSP</td>
<td>Instrument contributing to Stability and Peace</td>
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<td>IfS</td>
<td>Instrument for Stability</td>
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<tr>
<td>IPA / IPA II</td>
<td>Instrument for Pre-Accession Assistance</td>
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<tr>
<td>KRDP</td>
<td>Kyrgyz Republic Development Partners</td>
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<tr>
<td>m</td>
<td>Million</td>
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<tr>
<td>M&amp;E</td>
<td>Monitoring and evaluation</td>
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<tr>
<td>MAP</td>
<td>Multi-Annual Programme</td>
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<td>MEP</td>
<td>Member of the European Parliament</td>
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<td>MFF</td>
<td>Multiannual Financial Framework</td>
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<td>MIP</td>
<td>Multi-annual Indicative Programme</td>
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<td>MS</td>
<td>Member State</td>
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<tr>
<td>NGO</td>
<td>Non-governmental organisation</td>
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<tr>
<td>NSA-LA</td>
<td>Non-State Actors and Local Authorities Thematic Programme</td>
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<tr>
<td>ODA</td>
<td>Official Development Assistance</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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<td>Acronym</td>
<td>Description</td>
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<tr>
<td>OECD-DAC</td>
<td>Organisation for Economic Co-operation and Development’s Development Assistance Committee</td>
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<tr>
<td>PI</td>
<td>Partnership Instrument</td>
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<tr>
<td>PRAG</td>
<td>Practical Guide to Contract Procedures</td>
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<tr>
<td>RoL</td>
<td>Rule of law</td>
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<td>ROM</td>
<td>Results-Oriented Monitoring</td>
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<td>UN</td>
<td>United Nations</td>
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<td>VfM</td>
<td>Value for money</td>
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EXECUTIVE SUMMARY

Background

This report presents the findings of an analytical study prepared by RAND Europe for the Committee of Budgetary Control of the European Parliament (EP) which focuses on European Union (EU) programme funding in the field of democracy and rule of law (RoL). More specifically, the study aims to assess whether and to what extent processes are in place to help deliver value for money (VfM) from relevant programmes. Improved understanding of this will help to identify conclusions and recommendations to further strengthen VfM. In particular, the study considers the degree of coherence, transparency, accountability and effectiveness, and examines administrative expenses.

The approach

The study involved extensive documentary analysis, as well as ten country case studies and interviews with five EU programme staff. The focus is on processes, rather than a cost-benefit analysis (which was agreed to be beyond the remit of this study), as this can identify what is working well and areas for improvement. Similarly, rather than focusing on the wisdom of EU programme objectives, we centre our analysis on how the outcomes and objectives of particular projects and programmes are designed, implemented, reviewed and reported on. In other words, we focus on the effectiveness and efficiency of EU mechanisms to develop strategy and achieve policy aims, rather than providing perfect answers on whether programmes are effective and efficient. We note that other EP committees are involved with reviewing the substantive elements of the European Commission’s (EC) work in this area.

As requested, the study also focuses on two programmes that are limited specifically to democracy and RoL (many other programmes are more general with a wider remit), namely the European Instrument for Democracy and Human Rights (EIDHR) and the Instrument contributing to Stability and Peace (IcSP).

The study adopts a fourfold methodology, beginning with a document review, continuing with programme-level interviews and country case studies (comprising both document review and EU country delegation interview components), and concluding with synthesis and reporting.

Limitations of the study

This is a report arising from an analytical study. Analytical studies are reviews of existing evidence. While this study went beyond this in conducting interviews as described above, neither the resources nor the mandate provided an opportunity for more detailed in-country work (for example, looking at how informal processes of coordination worked), or a forensic examination of costs which would be necessary in a conventional cost-benefit analysis. Furthermore, there was a reliance on the accounts presented to the study team, both in official documents and in interview responses, which arguably reflect a ‘donor’s perspective’. The views of the end users of these interventions were only available to the study team as mediated by EU reporting. However, by drawing together in a balanced way data from across two significant programmes, and in ten case study countries, this report provides the EP with an overview that would otherwise be difficult to obtain and with objective analyses and recommendations to contribute to further debate.
Value for money approach

Securing value for money is necessarily complex in a field where the boundaries between programmes are porous, costs are hard to allocate to specific outcomes, and the value of impacts is calculated differently by various stakeholders.\(^1\) The VfM framework used in this study can be summarised as examining the processes that maximise the chance that VfM will be delivered, and in particular addressing the eight questions identified below in the first column of Table A.

In addition, we identified two key overarching research questions:

1) To what extent can EU programmes in the field of democracy and RoL demonstrate that they deliver value for money?

2) Are programme processes maximising the opportunity for ‘optimal efficiency’?

Evidence

The sources of evidence used can be broken down into two categories, which are outlined below.

Overview of relevant EU programmes

Evidence focused on developing an overview of EU programmes in the field of democracy and RoL, including the flow of funds, decision-making processes, and categories of spend in relation to other funders.

Case studies

Case studies addressing each element of the VfM approach are explored in ten example countries. These are not intended to be necessarily representative of all 139\(^2\) EU delegations and external offices, but they have been selected to provide an adequate range to effectively explore important VfM-related issues.

The case studies are set out in the appendices, with a synthesised summary in the body of the report.

Key observations for each category explored include:

1) Programme variety: The type of work the EU funds is extremely varied in terms of theme, project size and duration, and type of implementing partner (and consequent variation in the way programmes are managed).

2) Procedures for allocating funds: In the EIDHR and IcSP, restricted calls for proposals were identified as the most prevalent award procedure used across all programmes. The average budget of projects was higher for restricted and open calls for proposals than for directly tendered contracts.

3) Monitoring and scrutiny of funds: Clear monitoring and evaluation frameworks are available for the EU’s democracy and RoL at different levels. However, the study team found only limited evidence of lessons being systematically and formally used to improve programme implementation as anticipated by EU policy.\(^3\)

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\(^1\) We understand impact to mean the longer-term achievements of projects and programmes. Impacts are brought about as a result of project activities, which generate specific outputs, which are intended to lead to outcomes (changes or benefits), which finally result in the wider impacts. See University of Wisconsin (2003), Enhancing Program Performance with Logic Models. Accessed online in June 2016: https://fyi.uwex.edu/programdevelopment/filex/2016/03/lmcourseall.pdf . See also Funnell, S. and Rogers, P. (2011) Purposeful Program Theory: Effective Use of Theories of Change and Logic Models (San Francisco, CA: John Wiley & Sons), p.387.


4) **Coordination:** The study team found evidence of coordination at different levels and for different purposes. There was evidence of coordination happening with host governments, other donors, EU Member States, and other stakeholders.

5) **Evidence of the programmes’ impact:** There is evidence of impact in the field of democracy and RoL but there remains a gap between the impacts that should be measured through monitoring and evaluation (M&E) arrangements and the results reported at the national level, owing to perceived security, confidentiality and diplomatic constraints.

**Analysis and recommendations**

There is no simple solution to the problem of ensuring value for money in the field of democracy and RoL. The evidence described in this report provides a depth of knowledge on how the EU funds democracy and RoL work. As explained, the focus of data collection is on activities designed to maximise VfM and their consequences. This evidence is therefore not focused on measuring whether or not specific programmes and projects provide VfM. However, the analysis we have conducted based on this evidence has allowed us to identify key tensions to be managed and trade-offs to be considered by those administering EU funds in this field.

Two of these are especially relevant to achieving VfM. First, there is a trade-off between well-structured ex-ante priorities and responsive flexibility in the light of changing circumstances. On the one hand there are efficiency benefits from having clearly structured priorities allowing resources to be allocated where they will add the most value; on the other hand, by being flexible in response to new demands or opportunities, it is possible to more effectively meet needs and achieve desired impacts. At country level there is very often a context of rapidly changing circumstances and opportunities for collaboration. Equally, there are priorities for European institutions that must also be considered.

Second, there is a tension between legitimate expectations that European entities should be fully transparent and accountable for all that they do, and compelling reasons to respect confidentiality in order to protect partners and foster good relationships with legitimate governments. Again, the accommodation achieved between these tensions may owe more to path dependency than an agreed optimal balance. For instance, while it is understandable that the details of specific projects in the area of human rights are kept confidential, it is less clear why no details are publicised on aspects of M&E and administrative approaches to ensuring VfM. Without ignoring such complexities, certain recommendations clearly emerge from this study and these are summarised in Table A below.
<table>
<thead>
<tr>
<th>Sub-research-questions</th>
<th>Summary of analysis</th>
<th>Recommendations</th>
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<tbody>
<tr>
<td>1. Is there clarity on the objectives of the EU programmes for democracy and rule of law and how they are expected to be secured?</td>
<td>The study found that the EU programmes on democracy and RoL have clear objectives and there is clarity among those implementing the programme on how they are to be secured (albeit this could be further developed).</td>
<td><strong>Recommendation 1.</strong> In order to develop clear routes to impact that are shared at programme/country/project levels, greater use of a ‘theory of change’ approach should be considered to allow stakeholders (including the EP and European citizens) to more clearly understand how EU actions in the field of democracy and RoL have impacts and for whom. <strong>Recommendation 2.</strong> The trade-off between clearly structured priorities and a flexible response at the local level should be explicitly acknowledged and greater clarity achieved about which values, principles and outcomes are non-negotiable and which require flexibility and responsiveness at country level.</td>
</tr>
<tr>
<td>2. Are resource-allocation arrangements appropriate?</td>
<td>Mechanisms for allocating resources (including responding to emerging needs, identifying implementing partners and awarding contracts) are in place. However, it is not clear that there is in place a systematic focus on controlling costs and maximising impacts.</td>
<td><strong>Recommendation 3.</strong> Basic processes for allocating and monitoring resources are in place. However, the study team could find neither the financial information systems nor the impact measurements to support a more sophisticated approach to securing maximum value from available resources. There is no simple solution to this but a variety of approaches should be trialled in a small number of countries, lessons learned, and good practice spread.</td>
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</table>
| 3. Are monitoring and evaluation arrangements appropriate and are they effective, efficient and rigorous? | The EU has made its commitment to M&E clear along with its expectations of European entities. These expectations are understood and acted upon across all delegations studied. However, it was reported that outcomes and impacts are often inherently difficult to identify, let alone measure, and tracing outcomes back to a specific programme can be difficult. The study team was told that often lessons learned from M&E were identified through informal processes. This could not be verified within the scope of the study. | **Recommendation 4.** While monitoring and evaluation systems are adhered to at country level, there should be:  
• Greater consistency in practices across countries to support shared application of lessons; and  
• Clearer conducting of M&E at the programme level (e.g. only on EIDHR).  
**Recommendation 5.** The wider use of theories of change, and more agreement on impact measurement, would strengthen the ability to demonstrate impacts and the value for money achieved. Reporting templates (e.g. for External Assistance Management Reports (EAMRs) and Results-Oriented Monitoring (ROM)) should be adapted to incorporate sections on ‘theory of change’ and ‘value for money’. **Recommendation 6.** M&E is a key mechanism for supporting learning and improvement but getting maximum value |
### Sub-research-questions

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<th>Summary of analysis</th>
<th>Recommendations</th>
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<tr>
<td>Reporting mechanisms are adequate to account for where money was spent and the activities conducted. Even so, there were anxieties about the need for confidentiality and security and this was said to limit what should be reported. However, reporting mechanisms are insufficient for supporting ongoing improvements in value for money.</td>
<td>from M&amp;E requires further investment in structured learning and formal processes to ensure lessons are applied. For instance, further transparency on how evaluation findings are incorporated in future programming decisions could be considered.</td>
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<tr>
<th>Recommendation 7. Develop a strategy for further strengthening accountability and transparency by:</th>
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<td>• Acknowledging and addressing the tension between ensuring 'upwards' accountability while maintaining appropriate 'outwards' confidentiality, and clarifying the extent to which VfM can and should be accounted for – this would need to be done jointly by the EC and EP to be well informed.</td>
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<tr>
<td>• Developing a register of M&amp;E reports, which can be searched by the public, with the possibility of increased access for the EP to sensitive information.</td>
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<td>• Making available greater detail at the level of individual projects, including award procedure and the breakdown of costs. For instance, more detail can be provided on indirect costs (to explain how the 7% Practical Guide to Contract Procedures (PRAG) cap is universally maximised).</td>
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<td>• Being transparent about how programming decisions are arrived at (see also recommendation 6). For instance, ensure draft Multi-annual Indicative Programmes (MIPs) of instruments are shared in advance of meetings with relevant committees; ensure draft Annual Actions Programmes (AAPs) are shared with committees at least one month in advance of meetings, and allow time for feedback to be taken on board.</td>
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**Recommendation 8. Integrate value for money data into reporting mechanisms and use these as a basis for ongoing improvements in value for money.**
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<th>Sub-research-questions</th>
<th>Summary of analysis</th>
<th>Recommendations</th>
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<tr>
<td>5. Are lesson-learning arrangements appropriate?</td>
<td>In every interview with delegations, the study team was told of lessons being learned. Interviewees generally linked the trigger for learning to M&amp;E. <strong>The context for such lessons was often informal (rather than organised learning events).</strong> However, AAP and Multi-Annual Programme (MAP) planning were also identified as points where lessons were applied.</td>
<td><strong>Recommendation 9.</strong> Consider how, at country level, to create time to capture the key lessons identified through monitoring and evaluation and other activities, and how to ensure that these lessons are shared across countries.</td>
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</table>
| 6. Are mechanisms appropriate to ensure effective interventions and are impact measurement mechanisms appropriate? | The measurement of impact was interpreted differently by different interviewees. For example, processes (such as meetings with relevant ministers) were described as outcomes in one country but not in others. Furthermore, to develop more effective mechanisms to ensure effective interventions would require a stronger analysis of the strengths and weaknesses of existing routes to impact. | **Recommendation 10.** Impact measurement is varied and ad hoc, limiting a clear understanding of the best routes to impact. **Good practice in defining and assessing impact needs to be agreed and shared across countries.**

**Recommendation 11.** Evidence of impact: Attempting to attribute causality to individual interventions is often unrevealing. Instead of seeking to identify measurable impacts it might be more useful to assess the contribution made – often through narratives in project reporting or ‘impact case studies’, presenting a narrative of how EU work has had an impact. |
<p>| 7. Are coordination mechanisms appropriate and are they effective, efficient and rigorous? For instance, how well do the programmes coordinate with each other and with other programmes? | Programmes are developed within frameworks provided by annual and multi-annual plans and reflect the high-level priorities of the EU. We did not find evidence of transparent and accountable decision making in coordinated programming decisions. At the implementation level, the study team was told that coordination across EU programmes and with non-EU programmes tends to take place through both formal meetings and informal gatherings. Explicit requirements to collaborate through the awarding of contracts were less apparent. | <strong>Recommendation 12.</strong> Alignment with EU priorities should continue to be managed through cycles of multi-annual and annual planning. In addition, <strong>coordination across programmes (both EU and non-EU) should be more formally addressed.</strong> This can be done first through greater transparency on how programming decisions arrived at in meetings between the European External Action Service (EEAS) and the EC, as well as clearer responsibility for strategy development. Second, it can be done through the process of awarding contracts to implementing partners (i.e. where appropriate implementing partners should be obliged to demonstrate that they coordinate with other agencies). Third, delegations should be encouraged to implement a contextualised approach within a guiding framework, demonstrating that they have given consideration to a set of coordination mechanisms developed by headquarters and based on cross-delegation lesson learning. <strong>Homogeneity of programmes should be avoided and there</strong> |</p>
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<th>Recommendations</th>
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<td>are benefits in encouraging diverse and innovative approaches, such that overlapping or non-aligned programmes may often be a helpful part of a portfolio of work. Local formal and informal meetings should remain an important part of how intelligence is shared and programmes coordinated.</td>
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<tr>
<td>8. Are frameworks for managing administrative expenses appropriate?</td>
<td>Compared with non-EU international programmes, the reported administrative costs are appropriate. The study was unable to identify exactly how ‘indirect costs’ were allocated but noted that, given variations in administrative complexity, there was a surprising uniformity in the proportion of the budget allocated to ‘indirect costs’ (7%).</td>
<td>Recommendation 13. There is a need for further research to explore more fully what is contained under the heading ‘indirect costs’ in project budgets, and in particular look at whether in practice the actual budget spent on indirect costs matches the 7% PRAG limit figure widely claimed.</td>
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PREFACE

In December 2015, the Committee of Budgetary Control of the European Parliament commissioned RAND Europe to undertake an analytical study of the European Union’s programme funding in the field of democracy and rule of law. RAND Europe's review involved extensive documentary analysis, as well as ten country case studies and interviews with EU programme staff. This document provides a final report on findings from our work.

RAND Europe is an independent not-for-profit policy research organisation that aims to improve policy and decision making in the public interest through research and analysis. This report has been peer reviewed in accordance with RAND’s quality assurance standards. For more information about RAND Europe or this document, please contact:

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ACKNOWLEDGEMENTS

The authors would like to thank the European Parliament’s Policy Department for Budgetary Affairs as well as the different parts of the European Commission consulted for their continued project support.

We would like to reserve special mention for Professor Milja Kurki (Aberystwyth University) for her role as expert and her valuable inputs, as well as Dr Joachim Krapels and Dan Jenkins (RAND Europe) for their review of the document and constructive comments in their role of providing Quality Assurance on this study.

Any remaining errors and all opinions are the sole responsibility of the authors.
1. INTRODUCTION AND CONTEXT

1.1 Background to the study

The EU’s guiding principles include:

Democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter and international law.⁴

EU foreign policy emphasises the importance of these principles, with a particular focus on democracy and the rule of law (RoL).⁵

Following a number of European Court of Auditors (ECA) reports on the field of democracy and RoL, the European Parliament (EP) set out its position on this area in its 2015 resolution on the Annual Report on Human Rights and Democracy in the World 2013 and the EU’s policy on the matter.⁶ The resolution provided that the EP:

2. [...] emphasises the importance of effective, consistent and coherent implementation of the EU’s human rights policy, in line with the clear obligations laid down in Article 21 TEU and in the EU Strategic Framework on Human Rights and Democracy;

8. Encourages the EU to ensure that there is a synergy between the opportunities for support afforded by the Instrument for Stability, the European Instrument for Democracy and Human Rights (EIDHR) and the European Endowment for Democracy;

29. Calls on the EEAS to reinforce the management, control and accountability of EU funds for the defence of human rights;

32. Commends the EEAS for its successful completion of the first cycle of human rights country strategies, [...] considers regrettable, however, the continued lack of transparency regarding the content of the country strategies, in particular the failure properly to inform Parliament, and calls, once again, for the public disclosure of, at least, the key priorities of each country strategy, and for Parliament to have access to the strategies, in an appropriate setting, so as to allow a proper degree of scrutiny; encourages the EEAS to adopt indicators with which to evaluate their efficacy, and to treat the country sections of the Annual Report on Human Rights and Democracy in the World more explicitly as constituting implementation reports on the country strategies;

48. [...] encourages the development of both policy and operational tools to be applied in priority countries in order to integrate human rights and democracy support measures, including conflict prevention measures and mediation, into the EU approach in a coherent, flexible and credible manner.

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The EP’s Committee on Budgetary Control (the Committee) has commissioned RAND Europe to undertake an analytical study of these issues for EU programme funding in the field of democracy and RoL, and in particular to explore those surrounding ‘coherence, transparency, accountability and effectiveness, and to examine their administrative expenses’. In addition, the Committee showed an interest in the VfM of the EIDHR and the IcSP.

1.2 Study aims

Against this background, the aim of this study is to assess the VfM of the EU’s democracy and RoL programmes (its formal definition and scope as an analytical study is outlined in chapter 2). The rationale is that improved understanding of this will help draw conclusions and develop recommendations on the VfM of EU funding in the field of democracy and RoL. In particular, the study is designed to look at their degree of coherence, transparency, accountability and effectiveness, and to examine their administrative expenses. More specifically, the study’s aim has been:

*to examine the EU programmes on funding democracy and rule of law (EIDHR as well as IcSP), to assess their value for money: their degree of coherence, transparency, accountability and effectiveness, and to examine their administrative expenses. It should draw conclusions and come up with recommendations.*

The Committee’s particular interest in the EIDHR and IcSP has a methodological rationale, given that the scope of both programmes largely overlaps with the field of democracy and RoL. Other programmes that fund democracy and RoL work (described in chapter 3) also focus on other related areas, such as poverty reduction, food aid or economic support. The EIDHR and IcSP are selected for this study’s focus as they are the ones specifically engaged in the theme of democracy and RoL (albeit the IcSP’s main focus is on assisting countries with conflict prevention, crisis preparedness and pre- and post-crisis responses).

1.3 Value for money of democracy and rule of law programmes

At the outset, it is important to discuss briefly what we mean by VfM. We employ VfM analysis to consider the outcomes of interventions in relation to their inputs, and it is not synonymous with preferring the least costly intervention. Therefore, we are not only interested in understanding the financial value of support, but also how efficiently, effectively and rigorously it is provided. We define these as follows:

1) **Efficiency** comprises three complementary conceptualisations: ‘minimising the resources used for particular outcomes’ (technical efficiency); ‘minimising the possibility of any individual being worse off’ (allocative efficiency); and ‘the maximisation of... outcome for a given cost, or the minimisation of cost for a given outcome’ (productive efficiency). In this study we do not consider these different terms separately, but rather look broadly at processes to determine whether they have these in mind.

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7 RAND Europe is a public policy research institute based in Cambridge, UK (rand.org/randeuurope).
8 We understand RoL to ‘include legality, which implies a transparent, accountable, democratic and pluralistic process for enacting laws; legal certainty; prohibition of arbitrariness of the executive powers; independent and impartial courts; effective judicial review including respect for fundamental rights; and equality before the law’ (Poptcheva, 2016).
9 Terms of Reference, p.3.
10 Ibid.
2) **Effectiveness** looks at whether an intervention’s outputs lead to its desired outcomes. Importantly, VfM is not concerned only with costs but, rather refers to delivering the best outcomes in relation to inputs.13

3) **Rigour** concerns being careful and strict in application.14

We consider these different aspects of VfM to the extent we are able to do so, given that the study’s remit does not expand to considering all the facts available to EU programming staff when developing strategies. For instance, the type of data we collected did not always allow us to clarify differences between how ‘efficiency’ and ‘effectiveness’ are measured. As such, we have focused on the extent to which programme processes lend themselves to ensuring ‘optimal efficiency’ (i.e. delivering the best value for the lowest cost possible), which is our working definition of VfM. We will review these processes to develop knowledge as to the extent to which mechanisms associated with the programme deliver and demonstrate VfM. This will include how well the programmes support monitoring, learning, appraisal and adaptation to deliver improved VfM. However, we do not in this study purport to provide perfect answers on whether EU programmes in this field are efficient, effective and rigorous.

We acknowledge that there are limitations to a VfM approach that focuses on processes. In particular, even when processes are in place to ensure efficiency, effectiveness and rigour, the programmes might still not be efficient, effective and rigorous. For instance, this may be because the objectives are not well designed or are misconceived. This can be reviewed by collecting data on impact, which is outside the scope of the current study. As such, our conclusions cannot provide certainty that a programme was effective or efficient, although they can suggest ways in which programmes can improve their chances of achieving ‘optimal efficiency’.

When reviewing processes, we consider appropriate mechanisms to support ‘optimal efficiency’ to be in place where the following occurs:

- Decisions on the allocation of resources are based on clear objectives and a coherent strategy (albeit allowing for flexibility – see chapter 6).
- Individual EU programmes are well coordinated with each other and with those of other organisations so that duplication and overlap are either avoided or (if intentional) are acknowledged.
- There is robust evidence that funded activity is meeting the objectives of promoting democracy and RoL in non-EU countries, and that beneficiary organisations are being assisted to be sustainable.
- Programmes are run efficiently with administrative costs kept to a minimum.
- There is evidence of monitoring, reporting and scrutiny of funded activity, so that programmes are (and are seen to be) accountable and transparent, and are open to scrutiny and challenge.
- There is evidence that lessons are learned and then applied.

We will consider how far and how well processes have been put in place to deliver each of these elements, adopting the lenses of the different types of efficiency as appropriate.

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We acknowledge that there is a risk that some of these points can be in tension with each other. For instance, undue levels of monitoring information may make projects costly and inflexible. However, we suggest that there are optimal levels of administrative components to programmes and projects that should be strived for. In this study, we consider the extent to which the administrative processes in place are close to or meet these levels.

1.4 Specific value for money issues for exploration

As outlined above, the effectiveness of EU democracy and RoL programmes has been considered by the EP and the ECA in recent years. They have drawn a number of conclusions and made recommendations vis-à-vis EU programme funding in the field of democracy and RoL. The ECA identified the following weaknesses:15

- Coordination of the EIDHR with other EU actions was poor;
- Documentation lacked rigour;
- Project designs were not improved even when weaknesses were identified; and
- Systems for measuring impacts were weak.

At the same time, the ECA has found evidence that the EC appropriately established human rights priorities for each partner country, and was able to use the demand-driven approach to ensure that projects were implemented by motivated civil society organisations (CSOs) with good expertise.16 Activities are carried out as planned, programmes are generally cost-effective and results appeared sustainable. Other research has also been positive about the flexibility and responsiveness of the approach of supporting CSOs.17

The EP’s perspective on this is shown by its 2015 resolution (presented above). In addition, it has highlighted its priorities during negotiations for EIDHR’s 2014–2020 strategy. These were: to enhance effectiveness, to improve transparency and accountability through closer scrutiny by the EP, to underline the importance of consulting with civil society, and to mainstream human rights and democracy across all funding instruments.18

Based on this context, as well as our understanding of VfM outlined above, we designed a VfM framework to explore how the EU funds democracy and RoL. The VfM framework is focused principally on the effectiveness, efficiency and rigour of programmes’ and projects’:

- Coordination;
- Design and feedback loops;
- Monitoring and evaluation; and
- Reporting on progress and impact.

Based on the above, we have identified two key research questions:

- To what extent can EU programmes in the field of democracy and RoL demonstrate that they deliver value for money?

15 As an example, in 2015, an ECA special report on the fight against torture and the abolition of the death penalty concluded that EIDHR support was only partially effective. See European Court of Auditors (2015), EU support for the fight against torture and the abolition of the death penalty, SR No9/2015. Accessed online in May 2016: http://www.eca.europa.eu/en/Pages/DocItem.aspx?did=32568
16 European Parliamentary Research Service (2015), Special report of the European Court of Auditors: A rolling check list of recent findings, p.5.
• Are programme processes maximising the opportunity for ‘optimal efficiency’?

We have developed a framework of sub-research-questions and criteria for assessing VfM in the current study, which we present in Table 1.

Table 1: Framework of questions and criteria for assessing value for money

<table>
<thead>
<tr>
<th>Sub-research-questions</th>
<th>Criteria for assessing value for money (i.e. what we would expect to see).</th>
</tr>
</thead>
</table>
| 1. Is there clarity on the objectives of the EU programmes for democracy and rule of law and how they are expected to be secured? | • Clear objectives for each of the programmes  
• Clarity about the theory or theories of change  
• Clear communication of the availability of funding opportunities (to ensure that there is a good response to calls for proposals) |
| 2. Are resource-allocation arrangements appropriate? | • Decisions on the allocation of resources are based on clear objectives and a coherent strategy  
• Award procedures used are appropriate to their contexts |
| 3. Are monitoring and evaluation arrangements appropriate and are they effective, efficient and rigorous? | • Appropriate monitoring, evaluation and feedback arrangements, taking account of circumstances and desire to keep costs down  
• There is evidence of monitoring, reporting and scrutiny of funded activity, so that programmes are (and are seen to be) accountable and transparent, and are open to scrutiny and challenge |
| 4. Are reporting mechanisms and data sources appropriate? This relates to how accountable and transparent the programmes are. | • Instances of communication of programme performance  
• Information – either publicly accessible or otherwise – relating to how programme funds are administered |
| 5. Are lesson-learning arrangements appropriate? | • Evidence of implementation of lessons from monitoring, evaluation and feedback recommendations  
• There is evidence that lessons are learned and then used |
| 6. Are mechanisms appropriate to ensure effective interventions and are impact measurement mechanisms appropriate? | • There is robust evidence that funded activity is aligned with the objectives of promoting democracy and rule of law, and that beneficiary organisations are being assisted to be sustainable  
• Sufficient options to ensure competition for funding and thus avoid the need to fund projects regardless of quality  
• Evidence of flexibility in being able to respond to unforeseen circumstances |
| 7. Are coordination mechanisms appropriate and are they effective, efficient and rigorous? For instance, how well do the programmes coordinate with each other and with other programmes? | • Individual EU programmes are well coordinated with each other, and with those of other organisations so that duplication and overlap is either avoided or (if intentional) is acknowledged  
• Awareness within programmes of the objectives and activities of other initiatives  
• Formal and informal mechanisms for coordination |
| 8. Are frameworks for managing administrative expenses appropriate? | • Evidence of how administrative expenses are aligned with the programmes’ objectives  
• Programmes are run efficiently with administrative costs kept to a minimum |
1.5 Note on confidentiality

We are conscious that the field of democracy and RoL is one in which there is at times a need for confidentiality for security reasons, and that this has an impact on the availability of information relevant for a VfM analysis. While accepting this, our view is that although this need clearly establishes important constraints, there is also an onus on those running the programmes to find appropriate ways to aggregate and manage data to not only protect confidentiality but also to provide for accountability and strengthen learning. We consider this in more detail in section 6.2, but at this point would note that there is a risk of holding information as confidential because ‘that is the way it is conventionally done’ (or, more technically through ‘path dependency’) rather than an agreed optimal balance.

With this in mind, we have invested time with representatives of EU bodies responsible for programmes under discussion, to identify ways they can provide details on the VfM-relevant mechanisms they use. At times we were able to obtain data that we have redacted or summarised in the current report, and at other times we have focused on processes rather than substantive content. We are grateful to those with whom we have dealt for the patience and understanding they have shown in this process.

1.6 Structure of this report

The remainder of this report presents the methodology (chapter 2), two chapters outlining results (chapter 3 presenting a background of EU programmes in the field of democracy and RoL, chapter 4 presenting specific administrative aspects of VfM, chapter 5 presenting data from the case studies), an analysis chapter (chapter 6) and finally our recommendations (chapter 7).

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19 At the general level, see Article 21.4 of the Rules of Application of the EU Financial Regulation. For an example of this applied in a specific instrument, see the Recital 18 of the Regulation establishing the European Instrument for Democracy and Human Rights.
2. METHODOLOGY

2.1 Overview of approach

In designing this study’s methodology we were mindful of the need to develop judgements on the issues for exploration identified in chapter 1. The evidence available to form such judgements was constrained from the outset, given the EP’s request for this to be an analytical study. Analytical studies are classified as studies that collect all relevant information already available on a subject in a comprehensive manner and present it intelligibly. This contrasts with a ‘research study’, which is likely to involve gathering independent data, including undertaking interviews.

Eventually, in developing our methodology together with the EP, both at proposal and inception phases, we considered it necessary to gather original data via interviews in order to appropriately assess the VfM of EU programmes funding democracy and RoL, both at programme and country levels. The reason for this was our expectation that there would be important tacit knowledge at programme and country levels which would add to the knowledge gleaned from available documents. Through these interviews we are able to better understand such tacit knowledge held by key informants and make this knowledge more systematically available for the first time, albeit from a limited number of sources. Our approach included efforts to understand how, in their own words, interviewees interpreted and described the formal system, and to do so ourselves by describing our provisional understanding of these systems and invite comment. Interviews as a data collection method are particularly appropriate in this case, given that we do not know all the possible answers which delegations may be able to provide. As such, semi-structured interviews make it possible to explore the background, reasoning and mindset of those at the heart of process design and implementation.

We reasoned that collecting data from EU delegations and headquarters was of particular importance, given the focus of the current study on processes and whether these help to provide VfM. EU delegations and their counterparts at headquarters are the parties most able to describe and comment on different aspects of processes in practice.

As such, we agreed a fourfold methodology at the inception meeting, beginning with a document review, continuing with programme-level interviews and country case studies (comprising both document review and EU country delegation interview components), and concluding with synthesis and reporting. The data-gathering elements of the methodology were document and data review, programme-level interviews, and case studies (comprising both document review and interviews).

2.2 Note on scope

Democracy and RoL represent cross-cutting themes of the EU’s external funding. The EU instruments described in this study might address these themes directly, indirectly, or partially (where they address issues that relate only remotely to the support of democracy and RoL, or address other issues in greater detail compared to democracy and RoL). This is also the case for the IcSP and EIDHR, whose actions are not limited to democracy and RoL but involve the protection and promotion of human rights, prevention of conflicts, and international security and stability. In each of the case studies we set out tables summarising the EU’s financial aid in the field of democracy and RoL, distinguishing the

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20 This was specified in the ‘Global terms of reference for the multiples framework service contract’ (IP/D/ALL/FWC/2015–001).

contribution of each instrument. We have ignored, for the most part, EU funding that despite being relevant for democracy and RoL was, we considered, within a grey area not clearly or primarily covered by these. As a consequence, the total EU funding under each instrument might not correspond to the total funds allocated by that instrument.

Projects were therefore included or excluded on the basis of the study team’s discretionary criteria concerning whether they were fully or only partially relevant for democracy and RoL. The working definition of the discretionary criteria was ‘whether or not the projects had among their objectives or their actions specific references to democracy and RoL’. For instance, we did not include projects and humanitarian aid programmes, such as a Humanitarian Aid and Civil Protection department (ECHO) payment to a United Nations (UN) agency for ‘Strengthening Humanitarian Coordination and Advocacy in Yemen’. Where subject matter has seemed to be a borderline case for inclusion, we explain in the case studies the reason for inclusion (e.g. the Turkey case study includes projects supporting refugees, which in the context we considered to be relevant to RoL). Another example is projects supporting CSOs: we included these projects only when they supported democratic civil society or democratic participation, or were empowering civil society in general. On the other hand, we did not include projects addressing civil society support related to socioeconomic wellbeing, addressing poverty, or addressing the rights of specific categories of minorities or vulnerable groups. Similarly, with regard to the projects addressing migrants, refugees or media, we included these projects only when they had among their objectives specific reference to democracy and RoL.

2.3 Document review

To guide the review of current documentation on how the EU funds work in the field of democracy and RoL, and to avoid this being a purely descriptive exercise, we adopted a brief and light version of a realist review of the existing research, including that identified in Annex 2 of the Terms of Reference and in the EP Briefing on the EIDHR. The question asked during this review is not ‘Does it work?’, but rather ‘How does it work, for whom and in what circumstances?’ This task sought to identify the following:

- The expected chain of results of the intervention (programme theory) – whether this has changed over time, and whether it has developed different aims.
- The reported (favourable and unfavourable) VfM of the interventions – at what levels (individual, organisational, societal and so on) value is created.
- What contexts appear to support the delivery of VfM.

We have reviewed documentation relating to EU programmes in the field of democracy and RoL, and in particular the EIDHR and IcSP, to understand further how these operate and what progress they have made vis-à-vis the programmes’ stated objectives (see above for discussion of the contested conceptualisation of these). We have used open-access sources (using Google) and also requested relevant documentation from EU programme-level interviewees. When using Google, we focused on obtaining information on the EIDHR and IcSP so as to address the focus of the Committee. We principally searched for documentation outlining how programmes are designed, how funds are allocated, and how moneys flow in practice. The documentation we identified was almost exclusively produced by EU institutions. We acknowledge that this may raise queries around bias of

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22 http://ec.europa.eu/echo/node/2190
documentation, and we address this in the section on data limitations, as well as taking it into account in our chapter on recommendations.

With regard to strategy and outcomes we have aimed to review records relating to the following: implementation decisions, applications, evaluations and allocations, and information on unsuccessful applications. We have explored, for example, how funding decisions are made in the different annual budgets for the programmes, how calls for proposals are designed, how procurement decisions are made, and how priorities are determined.

As part of this work we have reviewed data on the different costs associated with the programmes. We have collected any information available on administrative data in order to better understand the governance structure of the programmes. We have also conducted comparisons with other non-EU programmes. We have explored the possibility of reviewing evaluations and/or reviews, although in practice we have found that (perhaps because of their sensitive nature) available project material is limited.

Our review has included the following types of documents:

- **Secondary data**
  - EU MIPs and AAPs
  - Websites of EU departments and webpages on relevant instruments
  - Online guidance on practice, such as the EC’s PRAG.\(^{25}\)

- **Primary data**
  - Data on project implementation provided by delegations.

### 2.4 Interviews with EU programme staff

To complement our understanding of the programmes obtained through document review, we undertook five key informant interviews with EU programme-level staff, as described in Table 2. These include officials in charge of the EIDHR and IcSP to help with our understanding of how those programmes work, and officials in charge of wider programming in the field of democracy and RoL. The latter interviews were focused on understanding how programmes are designed and amended to take account of results and M&E information, as well as wider contextual developments.

#### Table 2: Interviews conducted with EU programme staff

<table>
<thead>
<tr>
<th>Institution/Unit</th>
<th>Role</th>
<th>Subject of interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directorate-General for International Cooperation and Development</td>
<td>Head of Unit and Deputy Head of Unit</td>
<td>European Instrument for Democracy and Human Rights</td>
</tr>
<tr>
<td>Service for Foreign Policy Instruments</td>
<td>Head of Unit</td>
<td>Instrument contributing to Stability and Peace</td>
</tr>
<tr>
<td>European External Action Service</td>
<td>Head of Division</td>
<td>Programming Annual Action Plans</td>
</tr>
<tr>
<td>European External Action Service</td>
<td>Various programming officials</td>
<td>Programming of Multi-Annual Framework and European Instrument for Democracy and Human Rights</td>
</tr>
</tbody>
</table>

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Given the modest number of programme-level interviews planned, we did not anticipate that they would be a significant source of data on which to base our analysis, but rather that they would provide a useful additional source and an opportunity to iterate findings. However, we found the interviews with EU programme staff to be helpful in verifying our understanding of programmes (e.g. the overview of programmes in chapter 3) and in understanding the mechanisms mentioned in case studies. In addition, these interviews have helped to shed a measure of light on the difficulties of taking actions and decisions in complex and unpredictable contexts.

Interviews were semi-structured, following a standardised protocol developed in advance by the research team in the interest of comparability, but allowing for unique discussions to capture any context-specific views and insights. We provide an example of the interview protocol for these interviews in Appendix B. Areas for discussion have included:

- Consideration of the complementarity and synergy between EU instruments;
- Monitoring of results;
- Sustainability of beneficiary organisations;
- Lessons learnt from EAMRs and the extent to which these are acted upon;
- Addressing ECA reports;
- Scrutiny of the EP and ECA; and
- How delay and overspend are addressed.

2.5 Case studies

The bulk of our study\(^{26}\) was taken up by ten case studies which assessed the results of EU programme implementation in countries with different situations. The purpose of each case study was to:

- Identify the extent to which implementation and delivery, as described in programme strategic documentation (as laid out in MIPs and AAPs), are matched by the evidence of what happens in practice; and
- Identify what is known about the costs and consequences of these programmes.

**Case study selection**

The Committee’s Terms of Reference explained that ‘ideally, the case studies should include countries in different situations’, giving the examples of EIDHR beneficiaries in difficult situations, countries in fragile and/or post-conflict situations, and countries benefiting from funding other than from the EIDHR and IcSP (e.g. the Instrument for Pre-Accession (IPA/IPA II)). This essentially involved achieving a spread of case studies from different countries receiving funding in the field of democracy and RoL (there are 139\(^{27}\) countries with EU delegations and external offices). In order to do this, we referred to the key overview document *Implementing Decision on the adoption of a special measure for the financing of the Work Programme 2014 for EIDHR*. We also reviewed the data points shown in Table 3 on EU delegation websites, ensured that no more than three case studies were selected for each continent, and discussed selection criteria with our contact at the Committee. The selected case studies are set out in Table 3.

\(^{26}\) i.e. in addition to document review and the limited number of EU programme interviews.

Table 3: Case study countries with overview data points

<table>
<thead>
<tr>
<th>Countries</th>
<th>Location</th>
<th>Programmes</th>
<th>Fragile/post-conflict</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bosnia-Herzegovina</td>
<td>Europe</td>
<td>EIDHR, IcSP, IPA</td>
<td>X</td>
</tr>
<tr>
<td>Egypt</td>
<td>European neighbourhood (neighbours to the south and east of Europe)</td>
<td>EIDHR, ENI, ENPI</td>
<td></td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>Asia &amp; Central Asia and Pacific</td>
<td>EIDHR, IcSP, DCI</td>
<td></td>
</tr>
<tr>
<td>Liberia</td>
<td>Africa</td>
<td>EIDHR, IcSP, EDF, DCI</td>
<td>X</td>
</tr>
<tr>
<td>Myanmar</td>
<td>Asia &amp; Central Asia and Pacific</td>
<td>EIDHR, IcSP,* DCI</td>
<td></td>
</tr>
<tr>
<td>Nicaragua</td>
<td>Central and Latin America</td>
<td>EIDHR, IcSP, DCI</td>
<td></td>
</tr>
<tr>
<td>Somalia</td>
<td>Africa</td>
<td>EIDHR, IcSP, EDF</td>
<td>X</td>
</tr>
<tr>
<td>Turkey</td>
<td>Western Balkans and Candidate countries</td>
<td>EIDHR, IPA II</td>
<td></td>
</tr>
<tr>
<td>Yemen</td>
<td>Asia &amp; Central Asia and Pacific</td>
<td>EIDHR, IcSP, DCI</td>
<td>X</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>Africa</td>
<td>EIDHR, IcSP, EDF</td>
<td></td>
</tr>
</tbody>
</table>

* Under negotiation

Sources: Annex 1 of the Commission Implementing Decision on the adoption of a special measure for the financing of the Work Programme 2014 for EIDHR; case study analysis was used to update the Programmes column.

Case study approach

Each case study sought to explore key areas as outlined in the Terms of Reference by exploring the themes represented by the sub-research-questions set out above. Each case study has two data collection components: 1) document review, and 2) key informant interviews.

Document review

As a first step, we conducted a review of the following:
- Funding strategies or other equivalent EU documents relating to the country
- Data on project topics and budgets
- Research or evaluations on projects funded
- Monitoring information.

Data on the characteristics of individual projects were provided by the EU delegation in the given case study country, typically in the form of an extraction from a central management/reporting system. We processed the data files we received by standardising the format of available information and by categorising the data in several variables of interest. For the purposes of our analysis, we produced descriptive statistical indicators in the following areas (data permitting):
- Total project size and size of EU contribution
- Project status (e.g. completed/ongoing)
- Project focus area and geographical coverage (developed in an internal workshop)
• Administrative costs as a share of total budget and of EU contribution
• Project award procedure
• Project duration
• Project grantee.

In the event of missing data and/or additional questions, we followed up with the relevant delegation to obtain the required clarification.

As for the wider document review described in section 2.3, we reviewed open-access documents through Google searching, focusing where possible on material produced by EU institutions. For summaries of projects we referred to EU delegation websites, and identified EU sources (e.g. for the EIDHR we referred to published compendiums and for the IcSP we referred to the Insight on Conflict website contracted by IcSP to publish their data). We adopted a consistent approach of basic key search terms, including:
  a. ‘eidhr/icsp’ (or full name) plus ‘[country name]’
  b. ‘eidhr/icsp strategy’ (or full name) plus ‘[country name]’
  c. ‘eidhr/icsp fund’ (or full name) plus ‘[country name]’
  d. Subsequent ‘snowballing’.

Key informant interviews

To further develop our understanding of EU funding of democracy and RoL in each case study country, we conducted primary data collection. We conducted interviews with representatives of each country delegation, and obtained documentary material following interviews. The EC provided us with contact details of a responsible official at each of the ten country delegations, and we subsequently interviewed them or an alternative contact by telephone. Table 4 shows the list of case study interviews conducted.

Table 4: Overview of case study interviews

<table>
<thead>
<tr>
<th>EU delegation country</th>
<th>Date of interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bosnia-Herzegovina</td>
<td>07-Mar-16</td>
</tr>
<tr>
<td>Egypt</td>
<td>21-Mar-16</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>17-Mar-16</td>
</tr>
<tr>
<td>Liberia</td>
<td>18-Mar-16</td>
</tr>
<tr>
<td>Myanmar</td>
<td>08-Mar-16</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>04-Mar-16</td>
</tr>
<tr>
<td>Somalia</td>
<td>18-Mar-16</td>
</tr>
<tr>
<td>Turkey</td>
<td>08-Mar-16</td>
</tr>
<tr>
<td>Yemen</td>
<td>04-Mar-16</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>11-Mar-16</td>
</tr>
</tbody>
</table>

These interviews helped us to gain insight into the contribution of EU programmes in each of the case study countries. All interviews were semi-structured, which provided a flexible approach, allowing
respondents to offer their own perspective and raise those issues that are most salient to them. At the same time, the interviews retained an overall structure that ensured responses could be compared in the subsequent phase of the study. We set out the interview protocol in Appendix B. The protocol shows how interviews covered key themes and questions, but we would note that there was scope for interviewees to expand on core points and for interviewers and interviewees to pursue specific points in detail and at some length (the specified time limit for each interview was one hour).

2.6 Reiteration

We asked our contacts at the EC and delegations to review the respective results developed through our research with them. This was a useful exercise, as it provided an opportunity for developing accuracy of facts and figures with those best placed to comment on them.

2.7 Synthesis and reporting

Data collected from all research strands was synthesised by the research team using:

1) A desk-based exercise to aggregate tables from each case study, and to categorise and then aggregate narratives about sections that did not have tables (e.g. section on ‘Evidence of the programmes’ impact’).
2) Two internal workshops to develop the study team’s findings on each sub-research-question, conceptualise the ‘tensions’ outlined in chapter 6, and develop recommendations based on analysis.

Findings are presented in subsequent chapters. Each country case study was written up, and conclusions and recommendations drawn from the overall evidence base. We have drawn conclusions on the overall VfM secured from the programmes insofar as it is possible from the evidence available. Our judgements have taken account of the elements of VfM identified earlier in this report. The case studies are set out in full in Appendix A.

2.8 Data limitations

Limitations of the data gathered in the case studies pertain firstly to the inherent limitations of each data collection method, and secondly to the study’s resource constraints. For instance, for each case study we conducted just one interview with delegation staff. There is a risk of a restricted institutional memory (as different interviewees had spent different lengths of time with the delegation), as well as a possibility of selection bias, with regard to available data. As this is an analytical study (see above), we were limited in the extent to which we could address these. We have used interviews to explore the inevitable differences between policy and practice. However, we acknowledge that is not a fully fledged piece of primary research, and that further resources would help to strengthen the detail of our initial and final findings. For instance, further research could be conducted to strengthen findings by further consulting with EC personnel in charge of programme design and implementation, as well as with beneficiaries and implementing partners.

In addition, the literature review for the programme overviews mostly identified documentation produced by EU institutions. This raises the possibility that the descriptions of how the programmes work were biased, as it is arguably in the interests of EU institutions to give a positive description of their work. We address this in the chapter on recommendations.
3. BACKGROUND OF EU PROGRAMMES IN THE FIELD OF DEMOCRACY AND RULE OF LAW

In this chapter we provide an overview of EU programmes in the field of democracy and RoL. We outline the background framework, before presenting results in the next two chapters. Details are based on document review and on interviews and follow-ups conducted with EU programme representatives.

As explained in the previous chapter, we focused our review on two instruments, the EIDHR and IcSP. We therefore present these within the wider relevant EU programme context, in sections 3.1–3.4 below.

3.1 Background to the programmes

The EU's external funding instruments are key ways of providing financial support to third countries in the field of democracy and RoL. Many of today's security threats are internationally interconnected and complex. Conflicts are often linked to state fragility and exacerbated by poverty and weak governance, which is likely to cause spillover effects within a wider region. An example is the current Syrian refugee crisis, which is directly affecting Europe. The transition from crisis towards stability requires the strengthening of the capacities of the EU and its partners to facilitate rapid interventions that can contribute to fostering sustainable peace. Responding to these challenges in an effective way requires collective effort based on strong partnerships with other countries. In the face of such challenges, cooperation among states at international level can help to combat threats to human rights and democracy.28

With this in mind, the EC has established a number of programmes to support democracy, RoL and respect for the universality and indivisibility of human rights and fundamental freedoms. Two programmes of relevance are the EIDHR and IcSP, and these are usually implemented in each country alongside other relevant thematic and geographic programmes (e.g. the European Development Fund that covers Africa, the Caribbean and Pacific countries29).

3.2 Position of the EIDHR and IcSP within the EU’s portfolio of external financing instruments and wider financing in the area of democracy and rule of law

The EIDHR and IcSP belong to a set of EU external financing instruments, and in order to make inferences and draw findings about their VfM, it is important to understand their position vis-à-vis these other instruments and key EU institutions.

At the outset, it is useful to set out the key EU actors engaged in democracy and RoL work, which we show in Figure 1. Democracy and RoL represent cross-cutting themes, involving a variety of EU actors. Two Directorates-General are primarily responsible at the EC level. The Directorate-General for International Cooperation and Development (DG DEVCO) is responsible for designing and implementing the EU's international cooperation and development policy. It delivers external aid in order to – among other objectives – promote democracy, RoL, good governance and respect of

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29 https://ec.europa.eu/europeaid/funding/funding-instruments-programming/funding-instruments/european-development-fund_en
human rights. The Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR) is responsible for progressing the EU’s neighbourhood and enlargement policies. It supports reform and democratic consolidation, strengthens prosperity, stability and security around Europe, and helps to promote EU values. DG DEVCO and DG NEAR work closely together and with other EC services responsible for implementing the EU’s external actions. Among these EC services, the service for Foreign Policy Instruments (FPIs) is responsible for specific operational expenditures in the area of EU external actions. Its core task is to run a number of EU foreign policy actions and manage operations.

Development cooperation is conducted by the DGs within the framework of the EU’s external action, as developed by the EEAS. The EEAS is the EU’s diplomatic service, working to ensure the consistency and coordination of the EU’s external actions, as well as preparing and implementing policies. It cooperates with the EC on many issues, particularly when it comes to the EU’s assistance to developing countries, though it is structurally and financially independent from the Commission. The EEAS is also responsible for running EU delegations and offices operating around the world and representing the EU. The EU delegations play a key role in presenting, explaining and implementing the EU’s foreign policies and programmes; delegation staff come from a variety of EEAS and EC departments, as well as drawn from local populations.

Figure 1: EU institutions engaged in democracy and rule of law

Much of the EU’s overall approach to external financing – and which instruments are used in implementing this approach – was agreed in December 2013 as part of the 2014–2020 Multiannual Financial Framework (MFF). The MFF provides that the external financing instruments are the EU’s...
main channel for the provision of financial support to third countries. While there are differences among individual instruments for external financing, they are all intended to support four overarching EU policy priorities: enlargement, neighbourhood, cooperation with strategic partners, and development cooperation.\(^{38}\) Overall, there are nine financing instruments which, along with their available funding, are summarised in Table 5. Reflecting the wide portfolio of policy priorities, not all of these instruments have the support for democracy and RoL as part of their objective.\(^{39}\) Those that do are italicised.

### Table 5: Overview of EU’s external financing mechanisms

<table>
<thead>
<tr>
<th>Instrument (Note: instruments with objectives of democracy and rule of law are italicised)</th>
<th>2014–2020 funding (in millions EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instrument for Pre-accession Assistance (IPA)</td>
<td>11,699</td>
</tr>
<tr>
<td>European Neighbourhood Instrument (ENI)</td>
<td>15,433</td>
</tr>
<tr>
<td>Development Cooperation Instrument (DCI)</td>
<td>19,662</td>
</tr>
<tr>
<td>Partnership Instrument (PI)</td>
<td>955</td>
</tr>
<tr>
<td>Instrument contributing to Stability and Peace (IcSP)</td>
<td>2,329</td>
</tr>
<tr>
<td>European Instrument for Democracy &amp; Human Rights (EIDHR)</td>
<td>1,333</td>
</tr>
<tr>
<td>Instrument for Nuclear Safety Cooperation (INSC)</td>
<td>225</td>
</tr>
<tr>
<td>Instrument for Greenland (IfG)</td>
<td>217</td>
</tr>
<tr>
<td>European Development Fund (EDF)</td>
<td>30,500(^{a})</td>
</tr>
</tbody>
</table>

\(^{a}\) The European Development Fund is not formally part of the overall budget for the external financing instruments.

**Source:** EC (n.d.)

In terms of which instruments are run by which EU institution, it is necessary to clarify that the EC and EEAS work alongside each other in designing and implementing all instruments. Within the EC, different departments are responsible for different instruments, and this is shown in Figure 2. DG DEVCO is responsible for the implementation of the DCI (including CSO-LA\(^{40}\) and NSA-LA\(^{41}\)), EDF, EIDHR and IcSP.\(^{42}\) With regard to the thematic instruments (such as the EIDHR and IcSP), DG DEVCO has the leading role, including on programming,\(^{43}\) and the EEAS is consulted at each step of the process. By contrast, the EEAS leads in programming for the EU Budget’s DCI and EDF, although both remain under the responsibility of the EC.\(^{44}\) Regarding the IcSP, the service for FPIs has a key role in


\(^{40}\) Civil Society Organisations and Local Authorities Thematic Programme

\(^{41}\) Non-State Actors and Local Authorities Thematic Programme

\(^{42}\) European Commission website (n.d.), *Funding instruments*. Accessed online in April 2016: [https://ec.europa.eu/europeaid/funding/funding-instruments-programming/funding-instruments_en](https://ec.europa.eu/europeaid/funding/funding-instruments-programming/funding-instruments_en)


managing a significant part of its funding (see section 3.4 below),\(^{45}\) in addition to managing Objective 4 of the EIDHR. DG NEAR is responsible for managing the IPA\(^{46}\) and ENI.\(^{47}\) As with all other instruments, the EEAS contributes to the programming and management cycle of the ENI and IPA.\(^{48}\)

**Figure 2: EC institutions’ responsibility for different democracy and rule of law instruments**

To support the implementation of the instruments, the EU has adopted Regulation (236/2014),\(^{49}\) providing the common implementing rules for the provision of financial assistance within the external instruments framework.\(^{50}\) These rules and procedures are intended to ensure improved complementarity and coherence across the entire portfolio of instruments. In addition, the rules include provisions covering the instruments’ monitoring and impact assessment, visibility and collaboration with CSOs.\(^{51}\)

As highlighted above, five of the external instruments include the promotion of democracy and RoL among their objectives. Among these five instruments, several clear distinctions can be identified. With respect to their objectives, the EIDHR is the EU’s main tool specifically dedicated to the promotion of democracy and RoL.\(^{52}\) Within the other four instruments, the promotion of democracy and RoL is envisaged as part of their broader remit. As mentioned above, IcSP is primarily intended to

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\(^{50}\) The implementation of the EDF is guided by a different, yet similar set of rules.


assist countries with conflict prevention, crisis preparedness, and pre- and post-crisis responses. \(^{53}\) Within this objective, the promotion of democracy and good governance should be incorporated where possible. Similarly, the IPA provides support to candidate and potential candidate countries to undertake reforms in line with EU policies and rules. \(^{54}\) As part of this process, RoL is the primary focus area and encompasses areas such as public administration reform and the fight against corruption and organised crime. The European Neighbourhood Instrument (ENI) is a tool intended to assist the implementation of the European Neighbourhood Policy. \(^{55}\) The instrument promotes political and economic cooperation between the EU and its neighbouring countries, part of which consists of the development of democratic structures. It also funds the European Endowment for Democracy. \(^{56}\) Finally, the DCI is primarily aimed at reducing poverty in third countries and, as part of this effort, aims to promote RoL and democracy. \(^{57}\)

There are notable differences in the geographical remit of the five instruments. The EIDHR and IcSP have a global scope and activities in any third county are eligible for their funding. By contrast, and given their respective missions, the IPA works in candidate and potential candidate countries (i.e. Western Balkans, Iceland and Turkey), the ENI covers countries to Europe’s south and east, and the DCI covers developing countries in Asia, Africa and Latin America.

In addition, the EIDHR and IcSP differ from the rest of the group in the size of their budgets. The budgets of the EIDHR and IcSP are EUR 1.3 and EUR 2.3 billion respectively, while the funds available for each of the three other instruments exceed EUR 10 billion each.

Table 6 provides a summary of each of these instruments’ characteristics.

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56 European Endowment for Democracy website. Accessed online in June 2016: [https://www.democracyendowment.eu/](https://www.democracyendowment.eu/)

### Table 6: Selected characteristics of the EU’s external financing programmes with direct relevance to democracy and rule of law

<table>
<thead>
<tr>
<th>Instrument</th>
<th>EIDHR</th>
<th>IcSP</th>
<th>IPA</th>
<th>ENI</th>
<th>DCI</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014–2020 funding (EUR)</td>
<td>1.3 billion</td>
<td>2.3 billion</td>
<td>11.7 billion</td>
<td>15.4 billion</td>
<td>19.7 billion</td>
</tr>
<tr>
<td><strong>Scope</strong></td>
<td>Global</td>
<td>Global</td>
<td>Candidate and potential candidate countries</td>
<td>ENP countries</td>
<td>Developing countries in Asia, Africa and Latin America</td>
</tr>
<tr>
<td><strong>Objective</strong></td>
<td>Promotion of human rights and democracy in third countries</td>
<td>Support to EU activities related to conflict prevention and crisis prevention and management</td>
<td>Support to EU’s Enlargement Policy</td>
<td>Support to EU’s Neighbourhood Policy</td>
<td>Eradication of poverty</td>
</tr>
</tbody>
</table>

Finally, it is important to acknowledge that the EU is not the only party with programmes in the field of democracy and RoL. As such, EC programming and strategy development must inevitably consider other work being done when designing programmes. Figure 3 shows at a basic level an overview of EU democracy and RoL programmes and their positioning within the wider funding landscape. The wider funding landscape, and how the EU engages with it, is more specifically described in subsequent chapters.

**Figure 3: EU democracy and rule of law programmes and their positioning within the wider funding landscape**

Appendix E sets out in more detail programme-specific overviews on the EIDHR and IcSP, focusing on their processes for decision making and funding.
4. RESULTS PART 1: SPECIFIC ADMINISTRATIVE ASPECTS OF EU PROGRAMMING RELEVANT FOR VFM ANALYSIS

In this chapter we outline three administrative aspects of the way in which EU programmes are funded. This will help us to explore criteria for assessing the sub-research-questions.

4.1 Accounting for value for money and efficiency

We examined both the EIDHR and the IcSP to identify whether relevant programming and planning documentation shows specific consideration of VfM or efficiency.

For the EIDHR, while its multi-annual programming documents have limited information on VfM and efficiency, the annual plans provide a degree of detail on this. For the IcSP, relevant documentation showed recognition of efficiency but provided limited information on the specifics of how it is ensured in practice.

EIDHR documentation

The EIDHR MIP for 2014–2017\(^58\) does not specifically address VfM or efficiency. However, looking at the implementing regulations referred to therein, we found the following references to efficiency:

- The EIDHR Regulation sets out the importance of implementing by seeking ‘the most efficient use of available resources in order to optimise the impact of its external action’.\(^59\) However, it does not specify how this should be done in practice, and we have not found specific examples of how this is done aside from being told by interviewees about meetings taking place at headquarters to agree programming decisions.\(^60\)

- The Financial Regulation on the EU budget specifies that ‘Contracts shall be awarded by the automatic award procedure or by the best-value-for-money procedure’.\(^61\) It also outlines a set of general principles, which include efficiency (articles 6 and 30), but there is nothing specifically stated about how VfM is to be achieved in terms of programming decisions.

- The Common Implementing Regulation (CIR) also outlines the importance of allocating contracts in a manner that delivers VfM. In terms of wider planning, it provides that the EC ‘shall examine the progress made in implementing the measures of the Union’s external financial assistance and… submit to the EP and to the Council an annual report on the achievement of the objectives of each Regulation by means of indicators, measuring the results delivered and the efficiency of the relevant Instrument’.\(^62\) It is unclear whether the EC’s Annual Report for 2015 on the EU’s development and external assistance policies\(^63\) is intended to be such a requested report (in addition, while it is a 2015 report, it refers to work

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\(^60\) Interview with EU programming officer.


done in 2014). If the 2015 Annual Report is in fact intended to be this requested report, then we would comment that it appears to have limited consideration of efficiency. The data provided include an overview of work and financial progress, but there is no analysis that uses the data to explain the efficiency or VfM of the relevant instruments.

The EIDHR’s latest Multi-Annual Action Programme makes no mention of VfM or efficiency in terms of general approach to programming, although it refers to allocating in an efficient manner. Likewise, the EIDHR AAP for 2015 refers to generating results that are efficient, but does not specify how efficiency is to be achieved or how it could be measured. However, the AAP does outline the following details on efficiency:

- An (albeit limited) example of what it describes as an efficient measure, namely a request from the United Nations Human Rights Office of the High Commissioner to ‘provide funds that are either lightly earmarked or not assigned to a particular activity’, so as to allow streamlining of budgets.

- An overview of how this instrument’s support measures to existing EU programmes are intended to reinforce efficiency. This includes detail specifying that improved quality and efficiency of implementation is to be achieved through ‘need assessments, preparation of calls and guidelines, follow-up of projects, monitoring, audit and evaluation activities’.

**IcSP documentation**

For the IcSP, while there is no specific mention of VfM, there are elements of programming documentation that at least demonstrate recognition of the importance of addressing efficiency. The regulation establishing the IcSP outlines a key aim of increasing both ‘the efficiency and coherence of the Union’s actions’, and states that the EU:

> [...] should seek the most efficient use of available resources in order to optimise the impact of its external action. That should be achieved through coherence and complementarity between the Union’s instruments for external action, as well as the creation of synergies between this instrument, other Union instruments for financing external action and other policies of the Union.

There are examples of how this is translated into programming documentation, for instance in the IcSP MIP for 2014–2017, where it is stated that:

> To enhance efficiency, effectiveness and impact of IcSP assistance, as well as to facilitate the management of this Instrument, not all priorities will be targeted every year. Thus, instead of

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smaller allocations each year for a given priority, a larger allocation every two or three years has generally been preferred.\textsuperscript{69}

In addition, some of the objectives specified in the same MIP refer to the need for projects to be efficient.\textsuperscript{70}

The IcSP AAP for 2016 makes limited references to efficiency, although not to VfM. Efficiency is mentioned occasionally under some of the actions outlined in the AAP, for instance requiring staff working on particular projects to work and use resources efficiently.\textsuperscript{71} Another of the AAP 2016 actions, European Resources for Mediation Support (ERMES) II, has been recognised by other international organisations as being a ‘cost efficient model of providing short-term external mediation (sic) support expertise’.\textsuperscript{72}

**Regulations governing European Parliament scrutiny**

The 2014–2020 external financial instruments have been negotiated by the EP, the EC and the European Council in the framework of trilogies (meetings of teams from the three institutions). Among the EP’s key goals when entering the negotiations were to increase the scope of its scrutiny and improve EC transparency and accountability.\textsuperscript{73}

The length of the negotiations was largely due to difficulties with agreeing the incorporation of delegated acts.\textsuperscript{74} During the negotiations the EP asked that all multi-annual strategy papers and multiannual indicative programmes containing the instruments’ political orientations and financial allocations should be treated as delegated acts.\textsuperscript{75} The EC, for its part, proposed that these papers and programmes be adopted according to the comitology procedure, which provides the EP only very limited scrutiny and decision rights (i.e. no veto power as in delegated acts).

The outcome of the negotiations is a compromise around two elements. First, the regulations establishing the EIDHR, IPA II, DCI, and PI include annexes that list objectives and priorities for each of these instruments; these annexes can be amended by the EC at any time through delegated acts and a compulsory review of the annexes will take place at mid-term (2017).\textsuperscript{76} Second, the regulations establishing the EIDHR, IcSP, IPA II, DCI, and PI introduce a strategic dialogue between the EC and the EP prior to programming, in preparing the mid-term review and before any substantial revision of the programming documents.\textsuperscript{77} Accordingly, the measures taken by the EC should take into consideration


\textsuperscript{74} Introduced by the Lisbon Treaty, delegated acts are used to change or supplement existing legislation. They are a way for the EP and the European Council to authorise the EC to revise non-essential parts of legislation, for example by adding an annex. With delegated acts the European Parliament can exercise its veto right (within specific deadlines).


\textsuperscript{76} See: EU Regulation No 235/2014 establishing EIDHR, EU Regulation No 231/2014 establishing IPA II, EU Regulation No 233/2014 establishing DCI, EU Regulation No 234/2014 establishing PI.

\textsuperscript{77} See the Declaration by the European Commission on the strategic dialogue with the European Parliament attached to: EU Regulation No 235/2014 establishing EIDHR, EU Regulation No 235/2014 establishing IcSP, EU Regulation No 231/2014 establishing IPA II, EU Regulation No 233/2014 establishing DCI, EU Regulation No 234/2014 establishing PI.
the views of the EP. The EC, if invited by the EP, will have to explain where the EP’s observations have been taken into consideration in the programming documents and any other follow-up to the strategic dialogue. 

Although the compromise does not entirely fulfil the EP’s initial goals, it has been seen as a positive outcome.

Based on this compromise, under each instrument or programme regulation, the EC and the EEAS should, as appropriate, hold regular and frequent exchanges of views and information with the EP. In addition, the EP should be given access to documents in order that it may exercise its right of scrutiny under Regulation (EU) No 182/2011 of the EP and the European Council in an informed manner.

With specific regards to reporting, the EU Regulation laying down common rules and procedures for the implementation of the Union’s instruments specifies that the EC shall send its evaluation reports to the EP and shall also submit an annual report on the achievement of the objectives of each regulation by means of indicators, measuring the results delivered and the efficiency of the relevant instrument. In the specific case of adoption of an exceptional assistance measure envisaged by the IcSP, the EC shall report to the EP, giving an overview of the nature, context and rationale of the measure adopted. Lastly, no later than 31 December 2017, a mid-term review report shall be submitted by the EC on the implementation of each instrument.

**European Parliament scrutiny in practice**

Within the EP, the Budgetary Control committee and the Directorate-General for External Policies of the Union, together with the Committees of External Affairs (AFET), its sub-committee on human rights (DROI), and the Committee on Development (DEVE), scrutinise the work of DG DEVCO and external delegations.

Based on consultation with representatives of AFET and DROI, we understand that those in charge of the different instruments do report to relevant EP committees, in line with the requirements outlined in the above section. External financing instruments (EIDHR, IPA, IcSP, PI and ENI) report to AFET, while the DCI reports to DEVE. AFET has a specific working group dedicated to external financing instruments, with different MEPs in charge of different instruments. The working group meets to discuss thematic or country issues, and the relevant instrument provides information about project budgets, type of work done, and inter-instrument complementarity. In these meetings, inputs from interested parties (e.g. EEAS, FPI, DG DEVCO and DG NEAR) are discussed. The meetings are designed to scrutinise instrument implementation, focusing on the use of allocated funds, their synergies and their relevance in the field.

For the EIDHR, DG DEVCO makes itself available, on an ongoing basis and depending on request, to attend DROI meetings, in addition to the regular working group meetings. There is also a yearly meeting between DG DEVCO, the EIDHR working group MEPs and the DROI Secretariat, to discuss behind closed doors all confidential projects (i.e. those EIDHR grants that have not been made public.

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78 Ibid.
83 This section is based on email exchanges with representatives of AFET and DROI that took place in January 2017.
due to concerns related to the security of the grant recipients). Finally, DG DEVCO assists DROI to prepare for missions outside the EU or field visits by the MEPs by sending DROI Secretariat the list of ongoing EIDHR projects in the country concerned.

Despite these meetings taking place, we have not identified information on external financing instruments specifically providing EP committees with input on VfM or efficiency of relevant programmes and instruments.

In addition to reporting, the compromise outlined in the above section indicates that EP committees should have a degree of input into programming decisions. Our exchanges with the representatives of AFET and DROI indicated that those in charge of the different instruments consult with relevant EP committees as part of their programme development. At the beginning of each MIP cycle, they make themselves available for a strategic dialogue meeting with the respective commissioner. However, only the EIDHR provided a full draft MIP in advance of the 2014 strategic dialogue meeting.

For the AAPs, draft plans are shared with relevant committees (e.g. the EIDHR one is shared with DROI). The committees review these and each committee chair provides DG DEVCO with feedback, which is coordinated with the different political groups of the EP (with the exception of the election observation part, which is reviewed by the Democracy Support and Election Coordination Group).

However, information received from a representative of one committee indicated two key issues with this consultation:

1) The process is extremely time-pressured, as committees only have two to three weeks to provide input in advance of meetings. In turn, also due to time constrains related to the timetables of the meetings of committees composed by Member States and chaired by the Commission, DG DEVCO do not themselves have the time to take on board the committees’ feedback. In anticipation of this, the committees try to provide guidance in advance of the consultation.

2) For the 2016 and 2017 AAPs, DG DEVCO submitted a biennial programme instead of an annual one. This limited flexibility, and the EP has requested that DG DEVCO revert to an annual programme from 2018 onward.

### 4.2 Grant award procedures and coordination

#### Grant award procedures

The Common Implementing Regulation on the financing of external actions outlines the importance of allocation in an efficient manner, specifying that the EU ‘should seek the most efficient use of available resources in order to optimise the impact of its external action’, as well as requiring that the EC ‘use the most effective and efficient implementation methods’.

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84 Information received from representative of DROI.
85 Information received from representative of DROI.
In practice, the IcSP set-up is one where the majority of its work is done under expedited procedures (see section 3). For the EIDHR, its current MAP provides that:

CBSS [Country Based Support Scheme] implementation should be done using to the maximum extent existing flexibilities as well as use pragmatic modalities such as re-granting, program approaches, use of suspensive clause in duly justified cases (as inter alia the need to make efficient use of procedures, biannual rhythm of calls and allocations, pooling of funds, targeted project, direct grant and or follow-up grants.

As such, it stresses efficient approaches to allocation of funds.

Looking at the totality of grant awards on which we received information, we identified a number of different types of awards procedure under which grants are administered. Grants are typically awarded on the basis of calls for proposals, which can take two forms – open or restricted. Restricted calls are generally the default modality and involve a two-step process. All applicants may express their interest through a concept note but only shortlisted candidates are subsequently invited to submit a full proposal. In open calls, which are rarer, all bidders submit a full proposal. The decision to launch an open call needs to be justified by factors such as limited budget available, small number of bids expected, or organisational constraints. In exceptional circumstances, a direct award can be made, provided this is accompanied by a negotiation report explaining the selection process and reasons for the award decision. These three types of awards are summarised in Table 7 below.

Table 7: Brief summary of main grant award procedures

<table>
<thead>
<tr>
<th>Award type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open call for proposal</td>
<td>- One-step process open to anybody</td>
</tr>
<tr>
<td></td>
<td>- Needs a justification for why a restricted call is not launched</td>
</tr>
<tr>
<td>Restricted call for proposal</td>
<td>- Two-step process</td>
</tr>
<tr>
<td></td>
<td>- Concept note submitted by all applicants</td>
</tr>
<tr>
<td></td>
<td>- Shortlisted bidders invited to submit full proposal</td>
</tr>
<tr>
<td>Direct award</td>
<td>- To be used only under exceptional circumstances</td>
</tr>
<tr>
<td></td>
<td>- Needs to be accompanied by a negotiation report</td>
</tr>
</tbody>
</table>

Source: PRAG 6.4

Coordination

We also examined what programming documentation for EIDHR and IcSP say about coordination. The EIDHR MIP for 2014–2017 outlines complementarity between the EIDHR and EU geographical and thematic programming. It emphasises the importance of this and confirms that it happens, but stops short of explaining how it should happen. We did identify examples of how this happens – for example, the inclusion of the EIDHR in an annual seminar in Brussels considering different aspects of the EIDHR, CSO-LA and Rights & Democracy Focal Points in delegations. The February 2016 seminar considered lesson learning from previous years, as well as complementarity between the EIDHR and CSO-LA. That said, the EIDHR MIP for 2014–2017 does not outline coordination with non-EU programmes.

90 Seminar agenda shared by EU programme-level interviewee.
For the IcSP, the Thematic Strategy Paper 2014–2020 and MIP 2014–2017 explicitly acknowledge the importance of complementarity to achieving efficiency. Complementarity is described as needing to be done both within EU programmes and with non-EU programmes. The IcSP AAP for 2016 also refers to the importance of complementarity with other EU programmes when describing a number of actions.

4.3 Monitoring and evaluation

DG DEVCO, together with DG NEAR, are responsible for the regular evaluation of EIDHR and IcSP, including reviews of projects, programmes, strategies, aid modalities, and relevant financing instruments. Within DG DEVCO, the Evaluation Unit in headquarters conducts strategic evaluations (thematic, regional, sector-wide, aid modalities and financing instruments) while delegations (and DEVCO headquarters’ thematic units) conduct project and programme evaluations at country level. However, there is evidence that the ‘uptake chain’ has too many weak points and missing elements to allow lessons learnt from evaluations to be absorbed in a systematic, structured and effective way into policy and practice. Moreover, the ECA has found that DG DEVCO’s evaluation and ROM systems are not sufficiently reliable, do not sufficiently ensure that relevant and robust findings are produced, and do not ensure that maximum use is made of findings.

In light of these concerns, DG DEVCO has taken steps to upgrade the role and practice of evaluation in its activities with a view to improving the evidence base of its actions and encouraging a learning culture. In 2014 it adopted the Evaluation Policy which underlines the importance of the ‘evaluation first’ principle. In addition, over the last two years DG DEVCO undertook a number of concrete initiatives to promote a stronger, higher-quality evaluation culture. In 2014, the Evaluation Correspondents Network was set up to coordinate the evaluation work in the services/delegations and act as a reference point. In 2015, the Monitoring and Evaluation Plan was developed to facilitate the planning and reporting of M&E activities in headquarters and delegations. The Monitoring and Evaluation Plan is a mandatory and integral part of the annual EAMRs. In 2016, the e-Evaluation Tool and Library was launched as a new information-management tool for project and programme evaluations by DG DEVCO and DG NEAR.

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These commitments are in line with the EIDHR’s Common Implementing Regulation for 2015, which states:

_The results of the Union’s external action and the efficiency of a particular Instrument should be monitored and assessed on the basis of pre-defined, clear, transparent and, where appropriate, country-specific and measurable indicators, adapted to the specificities and objectives of the Instrument concerned._\(^{100}\)

The Common Implementing Regulation also provides for a mid-term review and evaluation of instruments, including the EIDHR, to occur by the end of 2017 (focusing on objectives achieved and efficiency),\(^{101}\) which has been followed up in the EIDHR MIP 2014–2017.\(^{102}\) We understand from DG DEVCO that this is on track to be delivered in 2017.\(^{103}\)

By comparison, the IcSP was evaluated for the period 2007–2013,\(^ {104}\) and there is a further evaluation scheduled to complete in 2017.\(^{105}\) That said, the IcSP AAP for 2016 provides some specific efficiency indicators for at least one of its actions:

_Civilian experts report that they are better able to understand their role within a mission and how best to use their position to contribute to fulfilling the mission mandate as a result of taking part in an ENTRi training course._\(^ {106}\)

It is worth noting that this indicator is arguably more focused on effectiveness than efficiency.

### 4.4 How programming decisions are arrived at

The mechanisms in place to design programmes and develop strategy did not appear to be straightforward, although it is clear that this does not prevent decisions being taken in practice. There are officials who are responsible for programming, both at the EC and at the EEAS. In our interviews with some of these officials, they described how evidence from delegation reporting, as well as from M&E, is used to design plans (e.g. MAPs and AAPs). This is then reviewed and adapted by relevant countries’ geographic desk officers. The geographic desk officer we interviewed explained that MAPs and AAPs are arrived at in meetings, annual reviews of EAMRs, and ongoing input by each geographic desk officer. Beyond that, we did not identify a formal process, or specific documentation or formal mechanisms outlining how MAPs and AAPs are developed (e.g. how these documents’ Lessons Learned section is developed, and how evidence from the field is synthesised and used).

That said, we identified two instances of lesson-learning taking place under the EIDHR:

- The EIDHR is included in the abovementioned annual seminar in Brussels, considering lesson learning for EIDHR, CSO-LA and Rights & Democracy Focal Points in delegations.\(^ {107}\)

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\(^{103}\) Committee for Budgetary Control meeting on 5 December 2016.


\(^{107}\) Seminar agenda shared by EU programme level interviewee.
• The EIDHR MIP for 2014–2017 states that lessons should be taken from evaluations, reviews and a previous impact assessment.  

4.5 Breakdown of spend by type and cost of administering the programmes

The Committee has shown particular interest in administrative spending. As such, we explored this both as part of our case studies and through desk research comparison analysis. Our document review has not uncovered a systematic and/or prescriptive guide to administrative costs and other budget components, beyond the following:

1) **Rule for grants to civil society actors under IcSP according to its 2014 AAP:** ‘A maximum of 3% of this amount to be divided between the selected EU delegations may be dedicated to support measures accompanying the implementation of this Action, in particular activities related to the launch and management of the subdelegated Call for Proposals, such as publication of the Calls, information sessions for potential bidders, monitoring missions, use of external evaluators, training sessions for civil society actors, etc.’

2) **PRAG provisions for action grants, stating that eligible indirect costs do not exceed 7% of total eligible direct costs:** Article 3 of Special Conditions for Grants (Annex E3h1).

In examining administrative costs, it is important to recognise that these can be incurred at different levels. At a minimum, two different types of administrative costs applicable to the EIDHR and IcSP can be identified. One type is administrative costs incurred as part of individual projects funded by the instruments. The other type is administrative costs associated with the running and management of the instruments themselves. We will briefly discuss each in turn below.

While data on the breakdown of costs at the level of individual projects are not available through open-access sources, several EU delegations to our case study countries shared available budget breakdowns for projects executed in their respective countries. According to these data, funded projects invariably conform to the 7% cap on indirect costs described above, with the large majority of projects availing themselves of the maximum allowable amount. Based on the available data, there does not appear to be any systematic difference in indirect costs across various variables of interest, including countries, grantee types, project focus areas, or award procedure. Detailed analysis of available data on indirect costs is presented in individual case studies. As an external benchmark, it is worth mentioning caps on grantees’ indirect costs set by other international donors. For instance, the Gates Foundation enables non-governmental organisation (NGO) grantees to claim indirect costs at

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111 The volume of indirect costs was calculated as the share of all other project costs (where project budgets allowed this type of disaggregation), based on costs reported by individual delegations. In other words, if \( i \) denotes indirect costs and \( t \) denotes total budget, the volume of indirect costs as a share of all other costs is \( i/(t-i) \). Actual values are reported in the relevant case study annexes.

112 Please note that the 7% cap refers to indirect costs, i.e. costs not eligible as direct. In addition to administrative expenses, this may include other types of costs. However, we note that in an instance where detailed budget breakdowns were provided by delegations, this budgetary item was referred to as administrative costs in the material obtained from the delegation.
15% of total project costs. Similarly, Goggins, Gregory and Howard (2009) noted that the average indirect cost allowance set by foundation donors tends to range from 10 to 15 percent, with some degree of variation across organisations.

Turning to the programme level, we examined administrative costs associated with the management of the EIDHR and IcSP. These are available from the EU’s General Budget as summarised by Table 8 below. We contrast these costs for years 2014–2016 with the total spend of both instruments. For the EIDHR, in the absence of annual figures, we use the total allocation in its 2014–2017 MIP and assume an equal spend in each of its four years. For IcSP we use the budget line 19 02 – ‘Instrument contributing to Stability and Peace – Crisis response, conflict prevention, peace-building and crisis preparedness’. Using this approach, we arrive at administrative costs of 5.8% for the EIDHR (2014–2016 cumulative) and 3.8%–4.6% for IcSP. It is important to keep in mind that these values are indicative at best, since they are based in part on future spending projections. In addition, due to the multi-year nature of many projects and activities funded by the instruments, it may not be appropriate to consider administrative costs on an annualised basis. Since programme spending may fluctuate considerably in reflection of projects’ varying stages of implementation, this could lead to substantial distortions. However, in the absence of finalised data covering the instruments’ entire duration, this approach remains the only option for arriving at some form of an indication of administrative costs.

Table 8: Administrative costs associated with the management of the EIDHR and IcSP

<table>
<thead>
<tr>
<th>Budget line</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>EIDHR</td>
<td>Democracy and Human Rights (EIDHR) – Expenditure on administrative management related to EOMs</td>
</tr>
<tr>
<td>19 01 04 03</td>
<td>Support expenditure for the European Instrument for Democracy and Human Rights (EIDHR)</td>
</tr>
<tr>
<td>IcSP</td>
<td>Instrument contributing to Stability and Peace (IcSP) – Expenditure on administrative management</td>
</tr>
<tr>
<td>19 01 04 01</td>
<td>Support expenditure for the Instrument contributing to Stability and Peace (IcSP)</td>
</tr>
</tbody>
</table>

113 BMGF’s indirect cost rates are lower for other types of organisations. For instance, US universities and colleges are subject to a 10% indirect cost rate while government agencies, for-profit organisations and other private foundations are not eligible for any indirect cost reimbursement. BMGF (2012), Indirect Cost Policy for Project Grants and Contracts for Applicant Organizations. Accessed online in June 2016: https://docs.gatesfoundation.org/documents/indirect_cost_policy.pdf


116 The appropriateness of using these budget lines for the calculation of the programmes’ administrative costs was confirmed in an email conversation with an EC representative. They represent specifically dedicated budget lines intended to cover the costs of running the two programmes.

117 2014 = Outturn, 2015 = Appropriations, 2016 = Budget


To obtain a more general perspective on the EU’s policy and practice on different budget components, we considered an international comparison to be beneficial for our analysis. This can provide a wider perspective on what is a reasonable level of spend on components such as administrative costs of individual donors.

One source of potential benchmarks for administrative costs is the Organisation for Economic Co-operation and Development (OECD) Creditor Reporting Scheme (CRS).120 The database collects data on bilateral and multilateral aid at the project and programme levels, as reported by donors using a standardised questionnaire.121 The CRS disaggregates aid flows by sector, which enables a clear identification of administrative costs, although these are not themselves disaggregated by sector. The data are reported annually, which enables a simple trend analysis, although this is limited by data availability constraints.

Tables A and B in Appendix C present data on donor administrative costs as a share of total Official Development Assistance (ODA) for all OECD Development Assistance Committee (OECD-DAC) countries, and a small number of multilateral donors with available data. The analysis is based on data reported in constant USD dollars with all developing countries combined as recipients. Table A presents data on commitments while Table B presents data on disbursements. Disbursement data are preferable in that they represent information on payments actually executed; however, they are notably patchier than data on commitments and therefore both are presented below.

The average level of donor administrative costs in commitments data is 5.0% for G7 countries and 4.75% for DAC EU Member States (MS). The value reported for all EU institutions combined (4.4%) is somewhat lower than these averages. Disbursement data yield slightly higher figures, with 6.5% for G7 countries and 5.9% for DAC EU MS. As above, the value for EU institutions (5.0%) is somewhat lower than these averages. Table 9 shows these comparative figures.

Table 9: Comparison of selected administrative costs

<table>
<thead>
<tr>
<th>Programme/donor</th>
<th>Administrative costs as a share of total costs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Countries</strong></td>
<td></td>
</tr>
<tr>
<td>All EU institutions</td>
<td>4.4% 5.0%</td>
</tr>
<tr>
<td>G7 countries</td>
<td>5.0% 6.5%</td>
</tr>
<tr>
<td>All DAC EU Member States</td>
<td>4.75% 5.9%</td>
</tr>
<tr>
<td>EIDHR</td>
<td>5.8% (2014–2016 cumulative)</td>
</tr>
</tbody>
</table>

Several caveats and limitations should be noted. First, the values presented here may be only loosely comparable to those recorded by the EIDHR and IcSP since they aggregate all aid activity across all sectors and countries. Second, using all ODA as a denominator in the calculation of administrative costs may not be appropriate. For instance, Easterly and Putfze look at the entirety of official

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development financing (operationalised as ODA plus non-concessional loans).\textsuperscript{122} By contrast, Carlsson et al. argue that Country Programmable Aid (CPA)\textsuperscript{123} would be a more precise basis.\textsuperscript{124} However, CRS data on administrative costs are not disaggregated by activity or sector, which would render the use of alternative denominators problematic.\textsuperscript{125} In addition, the recording of donor administrative costs remains the responsibility of each individual donor and as Carlsson et al. point out, ‘There is no consensus on what constitutes overhead or administrative costs’.\textsuperscript{126} This raises a host of challenges, not least being able to make a distinction between ODA programme costs and administrative costs.

However, in the absence of a superior alternative, we turn to the CRS dataset as the best available systematic source of aid-related budgetary indicators at the donor level. In addition, the relevance of the indicators below is supported by the EC press release introducing the latest proposal on external action instruments, which used overall administrative costs as a benchmark.\textsuperscript{127}

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\textsuperscript{123} Country Programmable Aid is defined as total ODA minus items that i) are unpredictable in nature (e.g. debt relief, humanitarian aid), ii) do not entail cross-border flows (e.g. administrative costs), iii) are not part of co-operation agreements between governments, and iv) are not country-programmable by donors (Benn et al. 2010).


\textsuperscript{125} One underlying reasons is that, as Bigsten et al. (2011) discuss, administrative costs are likely to vary substantially depending on the aid activity in questions.

\textsuperscript{126} Ibid., p.10.

5. RESULTS PART 2: OVERVIEW OF CASE STUDIES

The case studies consider EU programme funding in the field of democracy and RoL in ten countries. In this chapter we provide a brief synthesised description of the case studies, before going into more details when presenting our analysis and findings in the next chapter. This chapter follows the same structure as the case studies, namely:

- Section 5.1: Country contexts
- Section 5.2: Programme spending in country
- Section 5.3: Allocation of funds
- Section 5.4: Monitoring and scrutiny of funds
- Section 5.5: Coordination
- Section 5.6: Evidence of the programmes’ impact

5.1 Country contexts

The case studies’ narrative of each context matches the key selection requirement of ‘variety’ (i.e. the Committee’s Terms of Reference request for them to be ‘countries in different situations’). For instance, while in Yemen a conflict is ongoing, in Bosnia and Herzegovina the situation is post-conflict, and in others, such as Somalia, there is concern about imminent conflict. Table 10 presents an overview of the case studies’ sections on country contexts.

Table 10: Country contexts in the ten case studies

<table>
<thead>
<tr>
<th>Country</th>
<th>Country context</th>
</tr>
</thead>
</table>
| Bosnia and Herzegovina | - Post-conflict  
|                   | - Challenges for government implementation of human rights and judicial reform  
|                   | - The EU is the biggest donor  
|                   | - EU focus is to implement reforms                                 |
| Egypt            | - Recent instability: since 2010 the country’s leadership has changed and governments have struggled to assert calm  
|                   | - Socioeconomic difficulties  
|                   | - Egypt’s relationship with the EU is largely administered through its membership of the ENP framework  
|                   | - Non-governmental organisations require government authorisation  |
| Kyrgyzstan       | - Revolution in April 2010  
|                   | - EU has cooperated with Kyrgyzstan since the latter’s independence in 1991  
|                   | - Multiple challenges, including old clan structures being used instead of governmental judicial system, and widespread corruption |

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<table>
<thead>
<tr>
<th>Country</th>
<th>Country context</th>
</tr>
</thead>
</table>
| Liberia | - One of the most fragile states in Western Africa, with two civil wars in the past 25 years  
- One of the poorest countries in the world  
- Despite administrative developments, challenges to the government’s ability to deliver services include the Ebola outbreak  
- EU support is aligned with Liberia’s poverty reduction strategy (Agenda for Transformation) |
| Myanmar | - Following 50 years of authoritarian military rule, Myanmar is embarking upon a significant democratic transition and reform process  
- EU set up its Delegation to Myanmar in Yangon in September 2013, beginning a new chapter in the bilateral relations  
- The overall objective of the EU strategy is to support peace, security and stability in the country, whilst promoting inclusive growth and sustainable development |
| Nicaragua | - The political situation has seen a weakening of opposition, decreasing quality of political debate, and strengthening of the executive  
- Concerns about gaps in access to justice among the general public, about the accountability of relevant authorities and about the rate of successful case resolution of human rights violations  
- EU’s objectives in the domain of human rights and democracy include strengthening national frameworks surrounding gender-based violence, encouraging a free civil society that is active in promoting and protecting human rights, strengthening RoL, and promoting the rights of the most vulnerable groups through development cooperation |
| Somalia | - Long-running armed conflict has led to displacement of hundreds of thousands of people and death of numerous civilians; the Islamist armed group Al-Shabaab still operates in large parts of the country  
- Recurrent humanitarian crisis which includes prolonged droughts and outbreaks of diseases  
- Despite policy efforts from the Somali government, insecurity and political instability block the progress of justice and security sector reforms  
- A large part of Somali territory, Somaliland, declared independence in 1991, but has not received official recognition from a single foreign government  
- EU support focuses on politics, security, justice, and economic foundations |
| Turkey | - Challenges include the Syrian refugee crisis  
- Alleged human rights violations, such as Turkish prosecutors and courts having used terrorism laws to prosecute Kurdish political activists, human rights defenders, students and journalists  
- EU support centres on RoL, migration management and refugee assistance, human rights and fundamental rights violations and civil society |
<table>
<thead>
<tr>
<th>Country</th>
<th>Country context</th>
</tr>
</thead>
</table>
| Yemen     | - Currently in conflict, with key challenge of the security situation  
- EU programmes work alongside wider processes, such as the 2014 National Dialogue Conference\(^{131}\)  
- UN agencies have taken over from NGOs as the principal implementing partner |
| Zimbabwe  | - Recent human rights situation has been stable but fragile.\(^{132}\)  
- EU had adopted a set of ‘appropriate measures’,\(^{133}\) under which European funds were no longer channelled through the Zimbabwean government, but these were suspended in 2012, following the settlement of a Government of National Unity and then expired in 2014  
- In the period 2008–2013, support to good governance, human rights, and democratisation was a pillar of EU development cooperation\(^{134}\)  
- Looking ahead, the strategic objective of the EU’s development cooperation with Zimbabwe is to reduce poverty and to support peace and stability |

### 5.2 Programme spending

We have synthesised data from the case studies about programmes and projects funded in the ten countries, to allow exploration of themes and points across the case studies in the next chapter. We acknowledge that these are not representative of all 139\(^{135}\) EU delegations and external offices (see our note in the methodology chapter – section 2.1). In particular, variance due to the use of different data sources, missing data and the presence of outlier project might influence the synthesised results. However, the results most likely indicate potential points and issues which are relevant for the wider set of delegations, and which further research could explore (see chapter 6).

We present the data in Tables 11 and 12. The tables summarise features of EIDHR and IcSP/IfS programme spending in the ten case studies in the period 2008 to date. Despite the variety of programmes and projects, and the inconsistent access to data we encountered, we have been able to draw comparable information in these tables and describe some elements of interest as follows:

1. Projects numbers, thematic areas, budget size and duration are varied, reflecting the different contexts and EU theme focuses outlined in section 5.1.
2. The most frequent project thematic areas were ‘Supporting civil society’, ‘Supporting access to justice’, and ‘Support for human rights’.
3. The highest amount of spend for the EIDHR was EUR 12.5m in Bosnia and Herzegovina, while for the IfS/IcSP was EUR 27.3m in Myanmar.
4. The EU average contribution on EIDHR projects is approximately 91%, while on IcSP projects is approximately 81%.
5. The most common ‘main beneficiary’ category, calculated by the amount received in each country, was ‘local NGOs’ for the EIDHR and ‘Intergovernmental Organisations’ for the IcSP/IfS.

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On average, the EIDHR funded a higher number of projects than the IfS/IcSP; however, these projects had a smaller average budget.

6) The duration of EIDHR and IfS/IcSP projects tended to be similar in length (average duration of 24.2 months for EIDHR projects and 26.5 months for IfS/IcSP projects).

7) Bosnia and Herzegovina had the highest number of projects (72) and Liberia had the lowest (10).

Finally, we note that the figures under ‘Number of projects’ should be read as including (in some instances) individual contracts, for items such as IT software. This is a limitation of the data obtained.

**Table 11: Summary of EIDHR spending**

<table>
<thead>
<tr>
<th>Country</th>
<th>Main thematic areas</th>
<th>Funding (EUR million)/EU contribution</th>
<th>Number of projects</th>
<th>Average duration</th>
<th>Main beneficiary (by amount)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bosnia and Herzegovina</td>
<td>Supporting civil society; Supporting access to justice</td>
<td>12.5 / NA</td>
<td>72</td>
<td>26 months</td>
<td>Local NGOs</td>
</tr>
<tr>
<td>Egypt</td>
<td>Human rights and minority rights; Capacity building for civil society</td>
<td>5.1 / NA</td>
<td>32</td>
<td>14 months</td>
<td>Local NGOs</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>Institution Strengthening; Supporting civil society</td>
<td>4.2 / 97%</td>
<td>22</td>
<td>NA</td>
<td>Local NGOs</td>
</tr>
<tr>
<td>Liberia</td>
<td>Supporting access to justice; Human rights and minority rights</td>
<td>2.2 / 86%</td>
<td>8</td>
<td>25 months</td>
<td>International NGOs</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>Access to Justice; Human rights</td>
<td>11.3 / NA</td>
<td>35</td>
<td>45 months</td>
<td>International NGOs</td>
</tr>
<tr>
<td>Somalia</td>
<td>Peace, stability; Good governance</td>
<td>5.6 / NA</td>
<td>9</td>
<td>24 months</td>
<td>International NGOs</td>
</tr>
<tr>
<td>Turkey</td>
<td>Supporting access to justice; Supporting civil society</td>
<td>3.4 / 84%</td>
<td>25</td>
<td>20 months</td>
<td>Local NGOs</td>
</tr>
<tr>
<td>Yemen</td>
<td>Institution strengthening; Electoral process</td>
<td>6.1 / NA</td>
<td>33</td>
<td>20 months</td>
<td>Local NGOs</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>Supporting civil society; Supporting access to justice</td>
<td>3.0 / 100%</td>
<td>20</td>
<td>NA</td>
<td>Local NGOs</td>
</tr>
<tr>
<td>Myanmar</td>
<td>Supporting access to justice; Human rights</td>
<td>8.5 90%</td>
<td>24</td>
<td>NA</td>
<td>International and local NGOs</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>Supporting access to justice; Human rights</td>
<td><strong>61.9 / 91%</strong></td>
<td><strong>280</strong></td>
<td>24 months</td>
<td>Local NGOs</td>
</tr>
</tbody>
</table>
Table 12: Summary of IfS/IcSP programme spending

<table>
<thead>
<tr>
<th>Country</th>
<th>Main thematic areas</th>
<th>Funding (EUR million)/EU contribution</th>
<th>Number of projects</th>
<th>Average duration</th>
<th>Main beneficiary (by amount)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bosnia and Herzegovina</td>
<td>Peace and security; Support for human rights</td>
<td>2.2 / NA</td>
<td>2</td>
<td>39 months</td>
<td>Local NGOs</td>
</tr>
<tr>
<td>Egypt</td>
<td>Peace and security</td>
<td>4.4 / NA</td>
<td>2</td>
<td>NA</td>
<td>Local NGOs</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>Peace and security; Electoral process</td>
<td>7.5 / 48%</td>
<td>9</td>
<td>NA</td>
<td>Intergovernm. Organisations</td>
</tr>
<tr>
<td>Liberia</td>
<td>Supporting civil society</td>
<td>0.7 / 80%</td>
<td>2</td>
<td>26 months</td>
<td>International NGO</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>Access to Justice; Human rights</td>
<td>12.8 / NA</td>
<td>8</td>
<td>45 months</td>
<td>Intergovernm. Organisations</td>
</tr>
<tr>
<td>Somalia</td>
<td>Governance &amp; Justice; Development</td>
<td>2.3 / NA</td>
<td>3</td>
<td>18 months</td>
<td>Intergovernm. Organisations</td>
</tr>
<tr>
<td>Turkey</td>
<td>Peace and security; Human and minority rights</td>
<td>6.7 / 100%</td>
<td>6</td>
<td>9 months</td>
<td>Intergovernm. Organisations</td>
</tr>
<tr>
<td>Yemen</td>
<td>Building and Consolidating National Capacities for Conflict Prevention</td>
<td>NA / NA</td>
<td>6</td>
<td>22 months</td>
<td>Intergovernm. Organisations</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>Peace and security; Electoral process</td>
<td>7.3 / 75%</td>
<td>21</td>
<td>NA</td>
<td>Local NGOs</td>
</tr>
<tr>
<td>Myanmar</td>
<td>Peace and security; Institution Strengthening</td>
<td>27.3 / 100%</td>
<td>18</td>
<td>NA</td>
<td>Intergovernm. Organisations</td>
</tr>
<tr>
<td><strong>Total / average / most commonly featuring</strong></td>
<td><strong>Peace and security</strong></td>
<td><strong>69.7 / 81%</strong></td>
<td><strong>77</strong></td>
<td><strong>26 months</strong></td>
<td><strong>Intergovernm. Organisations</strong></td>
</tr>
</tbody>
</table>

While our main approach in this section has been to research project spend, we have also considered the extent to which data on these is publicly available, which is relevant for assessing accountability, effectiveness and rigour. The above data was made available to us, but there were two occasions when we found some projects were marked as confidential or not available for sharing (we acknowledge above the seemingly valid reasons for this).
5.3 Allocation of funds

Table 13 presents a summary of the allocation of funds for the EIDHR and IcSP/IIF. For the EIDHR, the most common award procedure used across all projects identified was restricted calls for proposals.136

Table 13: Summary of allocation of funds for EIDHR and IcSP/IIF in case studies

<table>
<thead>
<tr>
<th>Country</th>
<th>EIDHR allocation of funds</th>
<th>IfS/IcSP allocation of funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bosnia and Herzegovina</td>
<td>Call for proposals</td>
<td>NA</td>
</tr>
<tr>
<td>Egypt</td>
<td>Restricted calls for proposals</td>
<td>NA</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>Restricted calls for proposals</td>
<td>Financial agreement</td>
</tr>
<tr>
<td>Liberia</td>
<td>Open calls for proposal</td>
<td>Open calls for proposal</td>
</tr>
<tr>
<td>Myanmar</td>
<td>Calls for proposal</td>
<td>Negotiated procedure</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>Restricted calls for proposals</td>
<td>Restricted calls for proposals</td>
</tr>
<tr>
<td>Somalia</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Turkey</td>
<td>Calls for proposals</td>
<td>NA</td>
</tr>
<tr>
<td>Yemen</td>
<td>Restricted calls for proposals</td>
<td>NA</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>Negotiated procedure</td>
<td>Negotiated procedure</td>
</tr>
</tbody>
</table>

For the two countries where more in-depth data was made available (see Table 14), we note that the total funding allocated through open calls for proposals is higher than the funding allocated via restricted calls for proposals. For the IcSP, calls for proposals and the negotiated procedure were both commonly mentioned (no detailed data were available for the IcSP).137

The fact that only two of the ten delegations were able to easily provide information on award procedures is relevant for assessing accountability, effectiveness and rigour.

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136 Based on interviews with all ten delegations.
137 Interviews with the EU delegations.
Table 14: Data on award procedure in Nicaragua and Yemen

<table>
<thead>
<tr>
<th></th>
<th>EIDHR</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Open calls for proposals</td>
<td>Restricted calls for proposals</td>
<td>Other</td>
<td></td>
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<tr>
<td></td>
<td>Number of projects</td>
<td>Total value (EUR million)</td>
<td>Number of projects</td>
<td>Total value (EUR million)</td>
<td>Number of projects</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>15</td>
<td>6.1</td>
<td>16</td>
<td>5.0</td>
<td>4</td>
</tr>
<tr>
<td>Yemen</td>
<td>19</td>
<td>3.5</td>
<td>2</td>
<td>12.5</td>
<td>4</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th></th>
<th>Open calls for proposals</th>
<th>Restricted calls for proposals</th>
<th>Other</th>
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<tbody>
<tr>
<td></td>
<td>Number of projects</td>
<td>Total value (EUR million)</td>
<td>Number of projects</td>
<td>Total value (EUR million)</td>
<td>Number of projects</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>2</td>
<td>1.3</td>
<td>4</td>
<td>1.8</td>
<td>2</td>
</tr>
</tbody>
</table>

The country context plays a key role in the type of procedure used. We identified at least two occasions where a crisis situation in a country meant grants were awarded through the negotiated procedure and without calls for proposals (in Myanmar and Zimbabwe). This can allow delegations the freedom to act quickly and incisively in complex situations, although this clearly precludes an open competitive bid and so comes at the cost of fair competition.

5.4 Monitoring and scrutiny of funds

The EU’s democracy and RoL work has clear M&E frameworks at different levels (see Table 15 for the different frameworks), following clear guidelines. All the delegations described submitting EAMRs and hosting ROM missions (both detailed below), as well as conducting ongoing monitoring. There was more variety (and no clear numbers provided) around how ad hoc evaluations were commissioned from external parties, and how evaluations of project portfolios were decided on (e.g. thematic or regional).

We saw limited evidence of the systematic use of evaluations for learning and improving the implementation of programmes in line with EU policy, other than informal processes. That said, we understand this happens primarily in meetings at headquarters, for instance through reviewing ROM reports.

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Table 15: M&E frameworks

<table>
<thead>
<tr>
<th>M&amp;E tool</th>
<th>Level</th>
</tr>
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<tbody>
<tr>
<td>EAMR</td>
<td>Programmes and projects</td>
</tr>
<tr>
<td>ROM</td>
<td>Programmes and projects</td>
</tr>
<tr>
<td>Ad hoc evaluations</td>
<td>Programmes</td>
</tr>
<tr>
<td>Reviews relating to AAP</td>
<td>Programmes</td>
</tr>
<tr>
<td>Implementer evaluations, including final project evaluations (incorporating lessons learned)</td>
<td>Programmes</td>
</tr>
<tr>
<td>Delegation evaluations (described as ‘monitoring on the ground’)</td>
<td>Projects</td>
</tr>
</tbody>
</table>

A key tool for tracking EU work at a level higher than projects is the EAMR system. An EAMR is a mandatory document that is produced by every EU delegation and is intended for the EC’s headquarters. EAMRs have an annex called the M&E Plan, which considers all ongoing projects in the delegation. In the M&E Plan, each project manager needs to specify which M&E activities will be conducted throughout the year. The delegation staff use this to plan the project monitoring visits and evaluation activities. For the former, each project manager on his/her return from a monitoring visit fills in a detailed monitoring template outlining the key findings from the visit on the technical, financial and logistical management of the project, as well as recommendations on possible actions to improve the project performance. For the latter, the delegation refers to the EU Evaluation Policy and the Guidelines disseminated by DG DEVCO for delegations and headquarters to draft Terms of Reference (ToR) for intermediate, final and ex-post project/programme evaluations. Each project manager assesses the compliance of the ToR for evaluations drafted by the implementing partners with these two documents, and is consulted in the evaluation process.

However, we found little evidence of M&E tools limited to a single programme (e.g. only to the EIDHR), with evaluation reports tending to be irregular or on cross-cutting topics. We also did not find evidence of an explicit reference to a logical framework approach at the programme level.

That said, at the project level, we found evidence of logical framework approaches, in terms of those developed by grantees. Project level M&E is carried out by different parties. Project implementers conduct final evaluations,140 delegations conduct ongoing monitoring through communications and visits, and headquarters conduct ROM missions.

Another tool mentioned by all the delegations we interviewed is ROM missions. ROM missions are reviews of EU funded external interventions conducted by independent experts through regular onsite assessments of projects and programmes in all EU partner countries.141 They provide a brief snapshot of the implementation of an intervention at a given moment, serving not only as a support tool for project management but also can help to provide information to stakeholders about the performance of a specific intervention.142 The ROM system includes two types of monitoring:

- ROM reviews on ongoing projects and programmes; and

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140 See Myanmar case study, Appendix A.
• ROM support to end-of-project results reporting (EPRR) - the EPRR assists delegations and headquarters to report on results achieved; such aggregated results feed into the Annual Report of DG DEVCO.

The ROM report provides key project information, but additionally outlines the project’s intervention logic, as well as sections on relevance, efficiency, effectiveness and sustainability (see figure 4). It then provides conclusions and recommendations, and finally a section showing the EC’s response to these, as well as a follow-up plan.

From our interviews with delegations, it appears ROM missions are selected at headquarters. They are not done for every project, and it was not clear exactly how projects or themes are decided upon. In addition, the ROM is not used for every instrument. For example, the IcSP interview explained that their experience of ROM was that its benefits were not significant when compared to the costs (which included having to spend a significant amount of time explaining projects to consultants). Instead, the IcSP contracted an external monitor for a certain amount of time (visiting projects on two or three occasions during their lifecycle). That contract has now expired, although the FPI used the contract experience to develop their own manual of indicators and internal reporting.
In terms of data sources used by delegations to provide us with data, the principal one was described as being Common External Relations Information System (CRIS). As outlined in the report of the European Court of Auditors on CRIS, this system is the information-management framework put in place by the EC to support the management of external actions. This system’s functions have been continually extended since it became operational in 2002. It has now become the main reference information system for management, reporting and documentation of external actions, financed both

by the EU general budget and by the European Development Funds. CRIS enables all Commission staff involved in external action management, both at headquarters and in EU delegations, to work on a common database. It provides data concerning the different phases of management, from programming to preparation and monitoring, covering both operational and financial aspects of the actions concerned. It also feeds financial data into the Commission's accounting system ABAC.\textsuperscript{144}

While our main approach in researching M&E has been to query what processes are used and by whom, we have also considered the extent to which M&E processes and results are publicly available, which is relevant for accountability, effectiveness and rigour. ROM reports, EAMRs and CRIS are not available for the public to view, although Members of the European Parliament (MEPs) do have access to these. Some evaluation reports are accessible online.\textsuperscript{145}

5.5 Coordination

We understand coordination to mean:

activities of two or more development partners that are intended to mobilise aid resources or to harmonise their policies, programmes, procedures and practices so as to maximise the development effectiveness of aid resources.\textsuperscript{146}

Coordination happens at different levels and for different purposes. Whereas headquarters interviewees described being in charge of coordinating between EU programmes, the case study data focused on coordination with other players in the field of democracy and RoL. Table 16 outlines how this is done in the ten case study countries, and this can be summarised as entailing coordination with the following:

- **Host governments**: Work to ensure the EU works within various regulations (e.g. Egypt’s NGO law 2002 – see case study in Appendix A).
- **Other donors**: We found there are existing donor coordination structures in a number of the countries, such as sector working groups. Discussions in these fora can help to develop synergies, divide labour, and deliver a common working structure.
- **EU MS**: For instance, as part of the Joint Programming and through the EU Development Counsellors’ monthly meetings.
- **Other stakeholders**: Consultations with other players take place in order to define the priorities of future calls for proposals, develop programmes, and hold project-specific discussions.

Further, the examples in Table 16 describe a variety of approaches to coordination; for instance, some coordinate exclusively through formal mechanisms, while others only coordinate on an ad hoc basis. Although not consistent, the varied approaches to coordination may be a product of different delegations showing flexibility to their host environments’ previous coordination mechanisms.


Table 16: Coordination examples from delegations

<table>
<thead>
<tr>
<th>Country</th>
<th>Coordination examples from delegations</th>
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</table>
| Bosnia and Herzegovina (BiH) | Coordination is done on an ad hoc basis, integrated with coordination mechanisms run by the BiH government. For example:  
- IcSP/IfS: for the ‘Explode’ project, the strategic committee meets regularly under the chairmanship of the Minister of Defence and includes all stakeholders, in addition to EU Delegation, EU Special Representative and the European Union Force (EUFOR). The project then has a mechanism for management that is based on a steering board, where the EU Delegation meets with all the key actors to review and steer the implementation of the project.  
- The Delegation uses EIDHR tender opportunities to develop relationships with NGOs that are not well known. It also organises EIDHR-funded awareness meetings with civil society. |
| Egypt                    | The main coordination framework in which the Delegation participates is the UN-led Development Partner Group (DPG). The DPG is composed of donors and implementing partners, including mainly international NGOs, that together form the landscape of assistance in Egypt. They are divided into 12 different working groups on different sectors, and there is a general meeting at the plenary level every month. These meetings are the fora for coordinating exchange between development partners. In each DPG working group (e.g. the Democratic Governance Group), on top of the formal exercise, the Delegation is in regular contact with EU Member States’ embassies and implementing agencies, and coordinates the EU Development Councillors group, which generally meets on a monthly basis. |
| Kyrgyzstan              | The Delegation described a variety of coordination mechanisms:  
- Ongoing policy dialogue with the Kyrgyz authorities and international donors.  
- EU is currently co-chair of the Development Partners Coordination Council (DPCC), aimed at improving multi-directional flow of relevant information among donors, government agencies and civil society institutions. The EU engages on the RoL and human rights working group and the election coordination group.  
- For the DCI, complementarity is ensured at MIP level, entailing meetings and discussions with other donors, such as the UN, World Bank, OECD and country donors.  
- The Kyrgyz authorities maintain coordination of donors’ programmes and projects through the National Coordination Unit under the oversight of the Ministry of Justice.  
- The EU is one of the members of the Kyrgyz Republic Development Partners (KRDP), ‘a process of donors who want to go further in coordinating and |

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147 EU delegation to BiH interviewee.  
150 Interview with the EU delegation to Kyrgyzstan.  
Country | Coordination examples from delegations
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aligning their aid on the government’s priorities.\(^{152}\)
- Coordination takes place informally on the ground, including frequent meetings and discussions with the other donors and stakeholders, with the aim of being as effective as possible.

Liberia

The Delegation described a variety of coordination mechanisms:
- EIDHR: complies with the responsibility of EU delegations to ensure the ‘complementarity and synergies’ across EU instruments.\(^{153}\)
- IcSP: complies with the 2015 programme for the IcSP, which calls for ensuring ‘complementarity and cross-fertilisation with other relevant activities under implementation at country level and in particular those funded by the EU’.\(^{154}\)
- When formulating the focus of the programme portfolios, the delegation looks at complementarity with other ongoing efforts, including a examining the availability and activities of other funding instruments, including a consideration of other donors’ activities and of existing donor coordination mechanisms. Relevant country representatives are involved in this decision process from an early stage.
- Coordination between all EU projects. For example, in the latest EIDHR call for proposals, the delegation convened all project officers for an internal brainstorm about future areas of focus.

Myanmar

The Delegation described a variety of coordination mechanisms:
- Donor coordination is guided by the Nay Pyi Taw Accord Action Plan for Effective Development Cooperation,\(^{155}\) which sets out how the government and development partners will work together to support the country; coordination relies on different structures, including thematic fora, working groups, support groups and committees.
- General coordination among EU Member States is carried out using a number of structures such as the EU Development Counsellors, which meets monthly.
- Coordination with other stakeholders happens by defining the priorities of future calls for proposals, setting new programme pipelines, and communicating on a variety of issues throughout the lifecycle of the project. For the EIDHR and CSO-LA, consultations with stakeholders, human rights defenders (HRDs), other donors, relevant partners, and headquarters, are regularly held. In the case of the IcSP, coordination aims both to avoid duplication and double spending, and to identify synergies.

<table>
<thead>
<tr>
<th>Country</th>
<th>Coordination examples from delegations</th>
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| Nicaragua | - The Delegation focused on coordination with civil society actors, describing its 2014 roadmap document for developing this. The roadmap is a result of consultations with partner organisations, providing an overview of the voluntary sector and its activities. Coordination activities under this typically take the form of regular meetings and discussions about the situation in the country. In addition, the EU delegation hosts periodic workshops for NGO partners that focus on particular thematic or technical issues (not tied to any funding instrument).  
  - Coordination across individual projects and broader programmes is relatively limited, as firstly, the implementation of individual projects is seen as the responsibility of funded organisations, and secondly, in the area of human rights there are often confidentiality considerations, which make organisations reluctant to share information.156 |
| Somalia  | - The Delegation engages in working groups as a useful coordination mechanism when working with government and other donors (e.g. Working Groups on Peace and State-building). In addition, political and development counsellors meetings about the use of existing structures at the government or intergovernmental level under the Somali ‘compact’ are a periodic coordination mechanism with EU MS.  
  - In addition, for the IcSP the Delegation approaches actors informally for coordination and consultation purposes. The IcSP updates its network’s EU MS at the Political and Development Council’s meeting. Before a new IcSP project is proposed, the MS are always briefed. |
| Turkey   | The Delegation described a variety of coordination mechanisms:  
  - Turkey coordinates with the EU and other donors separately, rather than in multilateral fora.157  
  - The EU delegation to Turkey meets with United Nations High Commissioner for Refugees (UNHCR) to coordinate refugee-related assistance, and these meetings include the United States and other donors.  
  - For the IPA, experienced sector managers coordinate with wider teams of experts when conducting monitoring visits.  
  - For IcSP projects assisting with the refugee situation, there are case-by-case coordination set-ups. The head of delegation regularly meets with MS to discuss EU financial assistance, and there are monthly refugee contact groups.  
  - EIDHR work is similarly coordinated with MS (e.g. in human rights contact groups), as well as with civil society organisations (e.g. through information-sharing meetings). |
| Yemen    | With regard to EIDHR coordination, the delegation explained they assign an EIDHR focal point who is responsible for developing an overview of work in the field of democracy and RoL. In terms of coordination documents, the Delegation uses country-specific ‘structuring documents’ for different themes (e.g. a human rights country strategy). |

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156 Other thematic funding programmes typically have this requirement.  
157 EU delegation to Turkey interviewee.
Zimbabwe

The Delegation is trying to have a comprehensive strategy and ensure complementarity between programmes and between projects. When planning a new project, discussions with CSOs, EU MS and other donors are held to identify priorities, avoid duplication, and ensure complementarity. Coordination with non-EU programmes is straightforward because of the limited number of other donors, stakeholders and CSOs present in the country. A specific forum called the Human Rights and Governance Donors Group allows for regular contact between the delegation, EU MS, and country development departments (including the USA, Australia and Japan).

5.6 Evidence of the programmes’ impact

We explored both the extent to which we found evidence of impact and the processes for capturing that evidence. The measurement of impact was an area interpreted differently by different interviewees. A number of delegation interviewees explained that in their understanding, the achievement of project results in itself represents impact. Our definition of impact is different from this, and we explained this to delegations. We understand impact to mean the longer-term achievements of projects and programmes. Impacts are brought about as a result of project activities, which generate specific outputs, which are intended to lead to outcomes (changes or benefits), which finally result in the wider impacts.¹⁵⁸

M&E is the main way in which the EU captures the impact of its work in the field of democracy and RoL. Examples of this are:

1) The final evaluations of projects assess the overall project results. While that does not necessarily capture impact (which might only be generated in the longer term), such results can indicate that a pathway to impact has begun, by referring to a logical framework.

2) ROM missions similarly look at results vis-à-vis an intervention logic, with dedicated sections in the ROM report template for both.

3) EAMRs describe annual results of EU delegations across different programmes and projects.

4) Different types of thematic reporting frameworks ensure EU delegations keep headquarters up to date on impact of their work. For instance, EU delegations around the world report back annually on the implementation of the Human Rights and Democracy Country Strategy.

5) Other ways in which impact is captured include reports from implementing partners, the feedback of people on the ground, and the observations of civil society are indications in support of the attainment of tangible outcomes (see examples in the Myanmar case study, Appendix A).

While these examples show the EU captures programmes’ impact, there is limited publicly available evidence from these reports. Certain examples include ‘showcase’ information on IcSP projects presented through Insight on Conflict,¹⁵⁹ or EIDHR ‘Success Stories’ presented on delegation


We did not find open-access examples M&E reporting beyond these infrequent examples. As such, we are unable to comment on key characteristics of impact assessment, such as the frequency of data collection, and whether a methodology had been applied to address the question of particular projects’ attribution or contribution to particular impacts. Further review of data quality in reports pertaining to impact should be considered.

6. ANALYSIS AND CONCLUSIONS

In this chapter, we draw lessons from the results presented in the previous two chapters. We begin with a note on scope, before outlining cross-cutting findings (tensions) and then discussing findings on the research questions and sub-research-questions. Recommendations based on this chapter’s findings are presented in chapter 7.

6.1 Note on scope

As outlined in the introduction, we do not aim in this study to form a judgement on the correctness of policy and strategy, or comment on the wisdom of different EU programme objectives. We acknowledge that there are contested constructs of what are positive outcomes in the area of democracy and RoL (e.g. what is ‘good democracy’ and how to achieve it). It is clear that there are different ways of looking at impact in the area of democracy and RoL. While the very framing of objectives in the field of democracy and RoL can and arguably should be problematised, from our perspective it is simply important to note that anticipating what is effective practice can be a challenge, and as such it is important to rely on mechanisms such as M&E to understand the impact that interventions are having.

Rather than focusing on this clearly important area (i.e. the wisdom of EU programme objectives), we centre our analysis on how the outcomes and objectives of particular projects and programmes are designed, implemented, reviewed and reported on. In other words, we focus on the effectiveness and efficiency of EU mechanisms for developing strategy and achieving policy aims.

Likewise, in addition to uncertainty over what is right or wrong (and who decides this), we note the inherent difficulties in democracy and RoL work due to a complex environment, both in terms of practical and security challenges.

6.2 Tensions

While our focus has been on answering the research and sub-research-questions, we wanted to outline at the outset of this analysis chapter a key cross-cutting finding relating to the context in which democracy and RoL work takes place. Our research has indicated that in implementing democracy and RoL initiatives, the EU must strike a balance between different imperatives, such as flexibility and structure, or accountability and confidentiality, between which lie tensions. These tensions can be used as lenses to understand the extent to which processes are providing the best opportunity for achieving ‘optimal efficiency’. In particular, we have found the following tensions to be of particular significance:

- Tension between structure and flexibility
- Tension between accountability and confidentiality.

We have found these tensions a helpful aid in our analysis. As such, we take the following section to present them, after which we will cross-refer to them.

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161 The ‘realist review’ of documentation has fed into the findings presented in this chapter, and is presented in Appendix D.
**Tension between structure and flexibility**

We identified two key instances of potentially conflicting arguments for the benefits of structure and flexibility:

1) **Approaches to achieving democracy and RoL**

   We acknowledge the importance of a variety of approaches to promoting democracy and RoL. Empowering different political players within a country can help to promote these values, and as such flexibility in policy and practice can be an asset.\(^{163}\) Such flexibility can also help to address the tendency for unpredictability in this field, where it is not always possible to predict results.\(^{164}\) We therefore recognise the need for flexibility and adaptability in the face of changing circumstances. The evidence on project spend (section 5.2) showed the variety of thematic focus, project size, and perhaps most importantly the different types of grantees. This shows that the EU is aware of the need to take different approaches to achieving democracy and RoL – from funding government’s electoral reforms to funding civil societies who may be criticising the same government. At the same time, the findings indicate an emphasis on coordination between EU programmes, particularly at headquarters level (section 5.5). The risk of a coordinated approach is that it will press for a consistency of approaches, which may not be the best way to achieve aims in the field of democracy and RoL. As such, there is a tension – and an associated balance to strike – between a flexible approach and a coherent one. It is important to strive for this balance in both design and implementation of democracy and RoL projects and programmes.

2) **Programme processes**

   A structured approach can have benefits but may also have problems associated with bureaucracy. For example, the Myanmar delegation interviewee mentioned conducting a specific type of ‘preventive systems audit’ prior to selecting implementing partners (before assigning a project to local NGOs, a system audit is put in place in order to verify if the NGO has the ability and structure to administer the project). Other delegations may benefit from this, which could make a case for requiring all delegations to perform such audits. However, we have also heard a counter-argument that this type of audit is not necessary in all contexts, and that it is particularly important in the current example because the reality on the ground is that local NGOs are often not well enough developed to sustain the administrative burden of EU-funded projects.

   Another administrative element of relevance in the current study is M&E. We acknowledge that M&E frameworks have in the past been rigid and inflexible. However, as explained, the use of logical frameworks can allow for a flexible, strategic and political approach. As outlined in section 5.4, there are certain processes that are followed consistently, such as EAMRs being submitted in all ten case studies. However, we have found a high degree of divergence between delegations’ experiences with other elements of M&E (albeit the M&E system is experiencing a recent restructuring – see section 4.3). ROMs for specific projects do not happen uniformly, and the rationale for selecting which projects to put through ROM is not transparent. There is arguably a tension between the pros and cons of making ROM a

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requirement in every project – a possible benefit being the potential for improved lesson learning, and a possible drawback being that it can also hinder project delivery if it takes too long to do.

One possible way to resolve this tension is to conceive of the concept of ‘coherence’ as something that can embrace both structure and flexibility. Such a conceptualisation of coherence can mediate between consistency and purposeful inconsistency, and between formulated and flexible bureaucracy. We are not in a position in this study to make suggestions on how the EU should find this balance, but rather suggest that it should acknowledge this tension and address it head-on.

**Tension between transparency/accountability and confidentiality**

Working on topics of a sensitive nature requires balancing the competing importance of accountability and confidentiality. For instance, confidentiality is specified as a key EIDHR operating principle. At the same time, as European institutions, the EC and EEAS should clearly be held to account for their work in implementing democracy and RoL programmes.

Given the sensitive nature of much of democracy and RoL programmes, it is not appropriate for the EC and EEAS to make all programme details available to the EU public. Revealing some relevant material could endanger beneficiaries, implementers and programme staff. In this study, we have considered how the EC and EEAS manage this tension.

While we obtained a significant amount of data from delegations during interviews and follow-ups, there was a dearth of information available on how VfM and efficiency are specifically implemented (see section 4.1) and information from M&E activities (see section 5.4). In addition, only two out of the ten delegations were able to easily provide information on allocation procedures (see section 5.3). We also noted that there were certain confidential projects about which we were not able to access details (see section 1.5 and 5.2).

We acknowledge that accountability does not necessarily have to be to the general public, and perhaps the way to achieve a balance on this tension is to make clearer to the EU public the way in which the EU is accountable – showing accountability in publicly available sources where possible, and where this is not possible, showing accountability to the EP. As outlined in section 4.1, we understand the EC is accountable to EP committees, but did not identify the type of information provided and whether there is specific accounting on VfM and efficiency. While EAMRs and ROMs are available for the EP to review, the extent to which their conclusions on these are taken into account by programmes is unclear.

We considered what would be the correct indicator for suitable management that would demonstrate maximising the potential for optimal efficiency, and concluded that this relates to the EU demonstrating that it has suitable mechanisms in place to ensure the four VfM issues are well executed. Again, it is important to be upfront about the need to balance the trade-offs of transparency/accountability and confidentiality, and it may be that the EU can develop a strategy on

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166 As called for in the ECA 2015 resolution’s paragraph 29 – see chapter 1.

167 This can also be explained by the term of ‘polarity management’ – entailing maximising the upside and minimising the downside. See Johnson, B. (1992), *Polarity management: Identifying and managing unsolvable problems*. Human Resource Development.
this. We also suggest practical examples of how to strike such a balance in the recommendations below (chapter 7).

### 6.3 Findings on research questions and sub-research-questions

As outlined in chapter 1, the VfM framework we have designed to explore how the EU funds democracy and RoL identified two research questions and eight sub-research-questions. We presented results both by describing funding arrangements (chapter 3) and by describing the specific aspects of VfM analysis that guided our case studies (including M&E, coordination and evidence of the programmes’ impact).

In this chapter, we return to the research questions and sub-research-questions to guide our analysis of the results. The two research questions were as follows:

1) To what extent can EU programmes in the field of democracy and rule of law demonstrate that they deliver VfM?

2) Are programme processes maximising the opportunity for ‘optimal efficiency’?

The rest of this chapter presents analysis and conclusions on the eight sub-research-questions, which feed into an overall conclusion.

#### i) Is there clarity on the objectives of the EU programmes for democracy and rule of law and how they are expected to be secured?

<table>
<thead>
<tr>
<th>Criteria for assessment (what we would expect to see)</th>
<th>Summary of relevant evidence</th>
<th>Location of evidence</th>
</tr>
</thead>
</table>
| Clear objectives for each of the programmes          | - Mechanisms are in place to design programmes and develop strategy did not come across to us as being straightforward.  
- MAPs and AAPs are arrived at in meetings, and based on annual reviews of EAMRs, evidence from delegation reporting and ongoing input by geographic desk officers.  
- Beyond that, we did not identify a formal process or specific documentation or formal mechanisms outlining how MAPs and AAPs are developed. | Sections 3.2 and 4.4 |
| Clarity about the theory or theories of change        | - No evidence was identified of an explicit reference to a theory of change or logical framework approach at the programme level.  
- There was evidence of logical framework approaches at project levels, principally those developed by grantees in line with terms of reference requirements. | Section 5.4 |
| Clear communication of the availability of funding opportunities (to ensure that there is a good response to calls for proposals) | - The majority of tendering (albeit based on limited evidence) appears to be done via open calls for proposals, which are advertised publicly.  
- EIDHR regulations specifically require advertising of opportunities. | Sections 4.2 and 5.3 Appendix E |
We have found that the EU programmes on democracy and RoL have clear objectives and there is a reasonable degree of clarity on how those objectives are expected to be secured (albeit this could be improved).

The EC implements a top-down approach to designing and developing its objectives, which begins at a strategy-development level and then flows down to the programming and implementation levels. At the strategy-development level, the EU regulations establishing the funding instruments clearly specify the scope and objectives for each instrument. At the programming level, the multiannual and annual programming prepared and implemented by the EC are the key factors in providing more targeted objectives, with focuses on thematic,\textsuperscript{168} regional,\textsuperscript{169} or country objectives.\textsuperscript{170} They define more specific objectives, as well as describing the framework that links the programme actions to the objectives. Finally, at the country level, calls for proposals and awards of grants allow the pursuit of specific objectives.

In terms of clarity about theory/theories of change, we have found that while not specifically spelled out in the language of a ‘theory of change’ or an ‘expected chain of results’, there are intervention logics both in EU-level programming (as identified in the multiannual and annual programming) and in the projects tendered (see section 5.4). We describe this in more detail in Appendix D.

One consideration to note in terms of formulating and measuring objectives is that this area democracy and RoL is a particularly ‘tricky’ one. Firstly, there is the problem of attribution, as there are multiple factors affecting changes in this field.\textsuperscript{171} Secondly, there is no one agreed-upon way of measuring democracy, perhaps because of its nature as a concept with different meanings to different people. That can make it hard to formulate clear pathways to securing democracy. One way to address both of these issues is to develop clear theories of change, breaking down the steps from activities to wider impacts. We have seen how projects describe an intervention logic, a similar concept, in their ROM reports, but have not explored the employment of theories of change in greater detail.

In terms of communicating its funding opportunities, this occurs most obviously when delegations conduct open or restricted tenders. Delegation staff are engaged to maximise outreach, and to generate what interviewees described as a sufficient response (see sections 4.2 and 5.3, as well as Appendix E).


\textsuperscript{171} Better Evaluation website section on causal attribution, accessed in June 2016: \url{http://betterevaluation.org/plan/understandcauses/check_results_match_theory}
ii) Are resource-allocation arrangements appropriate?

<table>
<thead>
<tr>
<th>Criteria for assessment (what we would expect to see)</th>
<th>Summary of relevant evidence</th>
<th>Location of evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decisions on the allocation of resources are based on clear objectives and a coherent strategy</td>
<td>- Mechanisms in place to design programmes and develop strategy did not come across to us as being straightforward. - MAPs and AAPs are arrived at in meetings, and based on annual reviews of EAMRs, evidence from delegation reporting and ongoing input by geographic desk officers. - Beyond that, we did not identify a formal process or specific documentation or formal mechanisms outlining how MAPs and AAPs are developed.</td>
<td>Sections 4.1 and 4.4</td>
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<tr>
<td>Award procedures used are appropriate to their contexts</td>
<td>- The majority of tendering (albeit based on limited evidence) appears to be done via open calls for proposals, which are publicly advertised. - The most prevalent award procedure used across all projects identified was restricted calls for proposals. - There were at least two occasions where a crisis situation in a country meant grants were awarded through the negotiated procedure and without calls for proposals. This can allow delegations the freedom to act quickly and incisively in complex situations, although this clearly precludes an open competitive bid. - PRAG guidance outlines the following: • The decision to tender through an open call (under which bidders submit a full proposal) is taken more rarely, and needs to be justified by factors such as limited budget available, small number of bids expected, or organisational constraints. • In exceptional circumstances, a direct award can be made, provided this is accompanied by a negotiation report explaining the selection process and reasons for the award decision.</td>
<td>Sections 4.2 and 5.3</td>
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While we found significant guidance on this (e.g. PRAG), there was less information on how this guidance is implemented. While resource-allocation arrangements appear to be run well in terms of clear responsibility, we found there is limited clarity on processes for tailoring award procedures to contexts. There is also less clarity on the nature of decisions on how to spend money.

Considering the programming processes, the responsibility for different programmes is relatively clear (see Figure 2 in chapter 3), but the processes are less so (see section 4.4). We were unable to obtain a clear picture of how MAPs and AAPs are arrived at, beyond meetings, annual reviews of EAMRs, and ongoing input by geographic desk officers. As such, we are unable to make an informed judgement of whether decisionmaking processes maximise ‘optimal efficiency’, but we would posit that a clearer process showing greater accountability for how programming is carried out might help to foster improved decision making.

Actions undertaken to implement both the IcSP and the EIDHR show contextual awareness. For instance, each of the EIDHR’s five objectives has a different constellation of actions delivering it (see Appendix E), from objective 1’s numerous delivery mechanisms to objective 4’s single one. At the level of analysis conducted in this study, the actions appeared to be contextualised, although we only
base this on the fact that EIDHR programmes showed a variety of traits (e.g. size, implementing partner, thematic area – see sections 5.1 and 5.2).

In terms of choice of award procedures, this also appears to be done in a contextualised manner. Delegations make use of procedures other than those based on calls for proposals (both direct awards and other) where the context warrants this (sections 4.2 and 5.3), and that can be seen as demonstrating an element of flexibility in the system. However, again, the data collected does not allow us to make a robust conclusion on this, and there could be other reasons for the variety of procedures used (e.g. using the easiest one from a practicality point of view).

The fact that the default award procedure is the restricted procedure, and that the average project budget was higher for restricted and open calls for proposals than for directly tendered contracts, makes sense from a VfM perspective. This is because tendering higher amounts more competitively can help to ensure that the EU is not spending more than it needs to, by generating market conditions that foster competitive pricing. This approach (of having the default award procedure) also helps increase the probability of working with the best supplier because it allows the ‘casting of a wider web’. Finally, the calls for proposals procedure considers proposals not just on the basis of whether they are the cheapest, but also based on the substantive value shown. This means that this procedure contributes to ensuring good VfM, as both price and quality are relevant for ensuring optimal efficiency.

Another indication of how award funding shows appropriate contextualisation is the manner in which different programmes work with different stakeholders. For instance, while the EIDHR provides relatively small funding opportunities to relatively small organisations (principally CSOs), other programmes like the DCI tend to provide larger project budgets to institutional actors.

**iii) Are monitoring and evaluation arrangements appropriate and are they effective, efficient and rigorous?**

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<th>Criteria for assessment (what we would expect to see)</th>
<th>Summary of relevant evidence</th>
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| Appropriate monitoring, evaluation and feedback arrangements, taking account of circumstances and desire to keep costs down | - We identified six types of M&E being used by different organisations. We acknowledge the M&E system is undergoing a restructuring process.  
- A (limited) review of reporting template (for ROM reports) indicated a good design.  
- We did not find specific cases of VfM analysis having been conducted in the field of democracy and RoL. However, reporting to EP committees describes efficiency measures to some extent. | Sections 4.1, 4.3, 5.1 and 5.4 |
| There is evidence of monitoring, reporting and scrutiny of funded activity, so that programmes are (and are seen to be) accountable and transparent, and are open to scrutiny and challenge. | - There is consistency in use of some of these (e.g. EAMRs and ongoing monitoring), but less with others (e.g. programme-level evaluations and ROM). | Section 5.4 |
We have identified six different M&E mechanisms that the EU employs (section 5.4), although we acknowledge that the M&E system is undergoing a process of restructuring (see section 4.3). All delegation interviewees mentioned doing at least the following:

- Regular follow-ups with projects
- Accommodating programme-level ROM missions

In terms of the content of M&E documentation, from a review of the ROM report template (section 5.4), while we did not assess the content of ROM reports given the scope of the current study (see chapter 6 for a recommendation on this), we can comment that its structure and content reflect good evaluation practices, including sections for intervention logics and allowing for responses and follow-ups. It also has sections that match those of the OECD-DAC criteria (e.g., relevance, efficiency and effectiveness). It was outside the scope of this study to review M&E data in detail. As such, we have not in fact been able to truly answer the question of whether or not actual M&E is performed in an effective, efficient and rigorous manner. A full assessment was outside the scope and confines of this study as outlined in the introduction.

However, while there are substantial M&E mechanisms in place, we identified areas where processes may not currently be maximising the likelihood of optimum efficiency:

1) **Inconsistencies in administering M&E mechanisms**

There are elements of M&E that appear to be done on an ad hoc basis. At the programme level, it is clear that delegations report annually in the EAMRs, but in addition there are ad hoc evaluations. For instance, in Nicaragua an additional M&E contract is currently being launched in the form of an evaluation of the use of the EIDHR in Nicaragua over the past ten years. While this would no doubt provide useful information, the risk of relying on country delegations to take the initiative to tender such M&E contracts is that some will not consider it.

We stress that we have not seen any evidence to suggest delegations are not effectively discharging the responsibility to appropriately tender evaluations. Variance across countries is not in itself a weakness from a VfM perspective, as there is a great value in showing flexibility and contextualising processes to country scenarios.

2) **Accountability and transparency**

We found very little by way of publicly available M&E reporting, or information about how M&E is conducted. For instance, it is unclear how headquarters selects projects for ROM missions, or exactly which programmes can be considered for these (the references to ROM we found in relation to the IcSP were not project-based). However, we acknowledge that some of this is understandable given confidentiality and security issues. For instance, EP committees are provided with reports and consulted about programming decisions and efficiency measures (see section 4.1).

3) **Identity of evaluator**

Regarding the conduct of final evaluations by project implementers, the lack of an independent party conducting evaluations can mean that evaluation information is biased. That said, this has to be balanced against the opportunity cost of procuring independent evaluations. In addition, it is important to note that when it comes to how objectives are

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173 The terms of reference for this evaluation are not yet available.
175 See Myanmar case study, Appendix A.
secured, some delegations described aspects of project implementation and M&E as being the responsibility of implementing partners. While such remarks are perhaps understandable, our perspective is that this misinterprets the procurement relationship. Accountability cannot be outsourced. The EU is responsible for strategy development and when outsourcing work, it continues to hold the principal’s role and with it the principal responsibility. This understanding is key from a VfM perspective, as it is important to clarify who is accountable for administering the work under review.

iv) Are reporting mechanisms and data sources appropriate? This relates to how accountable and transparent the programmes are.

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<th>Criteria for assessment (what we would expect to see)</th>
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<tr>
<td>Instances of communication of programme performance</td>
<td>- EAMRs are a key tool for tracking EU work at a level higher than projects. EAMRs have an annex called the M&amp;E Plan, which considers all ongoing projects in the delegation. Evaluation reports tend to be irregular or on cross-cutting topics. Different types of thematic reporting frameworks ensure EU delegations keep headquarters up to date on impact of their work.</td>
<td>Sections 5.4 and 5.6</td>
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<tr>
<td>Information – either publicly accessible or otherwise – relating to how programme funds are administered</td>
<td>- We identified only limited evidence of a VfM-specific analysis of EU work in this field. - We did not find evidence of explicit reference to a logical framework approach at the programme level. - The ROM report provides key project information, but in addition outlines the project’s intervention logic, as well as sections on relevance, efficiency, effectiveness and sustainability. - See above finding on VfM-specific reporting.</td>
<td>Sections 4.1 and 5.4</td>
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We have found evidence that reporting mechanisms are present and are followed, but do not appear to be appropriate and are not specifically VfM-focused. In terms of data quality, we have found a number of sources used for communicating information publicly, some of which are complementary, but there are areas where this can be developed to provide a higher level of quality.

Specific VfM/M&E reporting

Reporting back to EC headquarters on M&E appears to be done primarily via EAMRs (which are completed by all delegations on an annual basis). The EAMR is a mandatory document that is produced by every EU delegation and is intended for EC headquarters, principally DG DEVCO.

We found no evidence of reporting to EC headquarters that was specifically dedicated to VfM. In addition, while we understand that M&E reports are at times confidential, we have not had access to them in this study, so cannot comment on their quality. It is unclear to what extent the EP has access to these, although as outlined in the above finding, the EC reports to and consults with EP committees to some extent, for instance on efficiency measures (see section 4.1).

In terms of communicating programme performance, see sub-research-question (vi) below.

Data source quality

We have not seen anything to make us doubt the accuracy of figures for particular projects. However, finding information about projects and finding the type of information one is seeking can be a
challenge. There is a variety of data sources on projects in the field of democracy and RoL, with different scopes (i.e. time coverage, types of procedure). Different delegations commented that the data in the Financial Transparency System (FTS) does not cover all information, and is limited by the fact that it does not include information on indirectly funded projects. In addition, FTS data is not up to date (while the website specifies that ‘data for any given year is not published until the following year’, the most recent year for which data is currently available is 2014). FTS data is also limited to project titles and financial information, so it is difficult to ascertain the nature of the projects. For instance, the information available from this resource does include project and implementer names that suggest these projects have a commercial nature, but it is difficult to ascertain this exactly.

More in-depth information is presented in the Insight on Conflict resource which, with the assistance of the EC, maps EU-funded peacebuilding projects around the world. The mapping report features projects that are currently active, or ended less than 12 months ago, and the information is updated every quarter. As such, it provides information of interest about the content of programmes, albeit not those described in the FTS. For instance, it describes a (recently closed) project in Egypt called ‘Policy Advice for Democratic Transition’, with a value of EUR 500,000, providing a brief description about it.

Lastly, data supplied by delegations on request was not always consistent in scope. Different delegations had different levels of understanding of how to use the CRIS system. For instance, only five were able to use CRIS to provide data on indirect costs or proportion of EU contribution. In addition to this, we encountered differing levels of willingness to provide data from the different delegations (lack of time and the quality of internet connection were flagged as reasonable issues). Those who were not able to do so were in essence less able to show accountability.

v) Are lesson-learning arrangements appropriate?

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<th>Summary of relevant evidence</th>
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<tr>
<td>Evidence of lessons from monitoring, evaluation and feedback recommendations</td>
<td>- Lesson learning occurs principally in M&amp;E activities, such as final evaluation reports of projects.</td>
<td>Section 5.4</td>
</tr>
<tr>
<td>There is evidence that lessons are learned and then used.</td>
<td>- Programming staff at headquarters refer to EAMRs and ROMs to identify lessons. - Meetings associated with developing AAP and MAP are undertaken with the aim of learning lessons. - There was only a limited level of evidence and clarity of process around the above two points.</td>
<td>Sections 4.3 and 4.4</td>
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M&E lies at the heart of the lesson-learning process, but there are also more informal mechanisms, such as meetings associated with developing AAPs and MAPs. We found less by way of mechanisms exclusively designed for lesson learning. As such, we conclude that more could be done to make lesson-learning arrangements appropriate, which includes making them ‘be seen’ to be appropriate.

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178 Ibid.
Similar to the diversity of approaches to conducting ongoing monitoring, delegations gave differing answers to the question of ‘How do you incorporate lessons learned into future strategy?’ Delegation interviewees more easily identified monitoring arrangements than examples of lesson-learning mechanisms or how lessons have been learned. For example, in Turkey, the delegation explained that they pay particular attention to any negative results from previous monitoring reports or evaluations, exploring any ways of addressing them in future work.

It was encouraging that even in contexts of extreme fragility there was at least some evidence of learning. For example, in Somalia, the ROM conducted for the 2014 stipends programme was useful in making it possible to determine and define additional conditions that needed to be linked to the programme’s renewal in 2016. The delegation explained that they took on board the recommendations of experts outlined in the ROM report.
vi) Are mechanisms appropriate to ensure effective interventions and are impact measurement mechanisms appropriate?

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<tr>
<td>There is robust evidence that funded activity is aligned with the objectives of promoting democracy and RoL, and that beneficiary organisations are being assisted to be sustainable</td>
<td>- There was limited evidence to suggest objectives are aligned, as we did not review in detail all activities. However, processes are aimed at ensuring this. - ROM reports include a section on sustainability of beneficiaries. - We found examples of capacity building at the programme level (thematic area in Egypt funding) and sustainability (a focus in the Liberia EC programme).</td>
<td>Sections 4.1, 4.4, 5.2, 5.4, Appendix A.</td>
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<tr>
<td>Sufficient options to ensure competition for funding and thus avoid the need to fund projects regardless of quality</td>
<td>- See point (ii) above.</td>
<td>Sections 4.2 and 5.3</td>
</tr>
<tr>
<td>Processes require that proposals supported have convincing rationale and supporting evidence justifying investment</td>
<td>- Project proposals are required to have a logical framework.</td>
<td>Sections 5.4 and 5.6</td>
</tr>
<tr>
<td>Evidence of flexibility in being able to respond to unforeseen circumstances</td>
<td>- Award procedures are available that are quicker to use or adapt to different environmental contexts.</td>
<td>Sections 4.2, 4.4 and 5.3</td>
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We found only limited evidence of mechanisms to measure impact. Part of the reason for this is that M&E frameworks end at project end. As an example, the Kyrgyzstan delegation implements a project in support of the country’s Constitutional Chamber. Rather than conceiving of impact as the Chamber ‘working properly’, we suggest that a clearer way of demonstrating project impact would be to develop mechanisms for capturing ways in which the quality of work has improved and how this has helped to meet the wider objectives of the instrument funding the project.

We were told that activity is aligned with objectives at the different levels, from AAPs and MAPs being aligned with wider European strategy to projects being aligned with MAPs (see section 4.4, 5.2 and point (i) above). However, we did not see robust evidence of how this is ensured. There are examples of how the EU ensures that interventions are reviewed for effectiveness. At the programme level, AAPs are perhaps the clearest sign of this, as they represent an annual review of how programmes are meeting the objectives outlined in the MAPs. However, much of the programming mechanism appears to be administered in meetings whose minutes are not openly published. While these are undoubtedly important, there may be other ways in which strategy development can be done, perhaps through more formal mechanisms.

Likewise, at the project level, ongoing M&E (and in some cases ROM missions) is conducted to review the degree of effectiveness of projects. However, there is less clear use of theories of change and intervention logics. The latter are mentioned in ROM reports, but that appears to be the extent of this wider impact. We have not reviewed specific project proposals to find out whether they are aligned specifically to the objectives outlined in the MAPs and AAPs. However, delegations explained that...
their terms of reference require tenderers to provide clear logical frameworks that explain how their projects are aligned with the emphasis requested (sections 5.4 and 5.6).

We have found evidence of a focus on sustainability, which can help with effectiveness (assuming objectives were appropriate at the design stage, and that the environmental context has not changed so as to make them unsuitable). At the programme level, capacity building and a focus on sustained impacts is an integral part of strategy. On the ground, it is clear that the EU supports local organisations to develop capacity for engaging administratively with programme procurement, as exemplified by one delegation’s provision of training sessions for civil society. Another example is the openness to considering consortium/sub-contracting bids, which means that smaller local NGOs can ‘learn the ropes’ as a minor consortium partner/sub-contractor with an international NGO in early projects, but eventually learn how to address procurement requirements and bid in their own right (see Kyrgyzstan case study). This type of ongoing engagement can enable local NGOs to capitalise on opportunities as they arise. For instance, in Somalia, two local NGOs have been contracted since eligibility criteria were modified, one under the NSA-LA and one under the EIDHR.

The emphasis on capacity building can help grantees explore non-EU funding, and therefore mitigate over-reliance on the EU in the longer term. However, we found only intermittent examples of capacity building focusing on this. A number of interviewees explained that their focus was on the current project. Whereas sustainability may be considered when selecting projects, whether projects provide sustainability opportunities for the implementing grantee or beneficiaries once they have begun did not appear to be a clear focus.

Another aspect of the data we collected that is relevant for sustainability has been the proportion of projects funded by the EU. The average proportion funded was approximately 85%. As such, the EU tends to be the majority funder of projects it funds. We did not identify data on the type of parties that make up the rest of each project’s budget. There may be room for exploring whether EU contribution levels can be reviewed. For instance, the EU might consider a year-on-year reduction in contributions to multi-year projects in order to encourage grantees to find alternative funding during projects. Clearly, this would have to be balanced with the additional administrative burden on grantees of seeking alternative funding.

In terms of ensuring sufficient competition, we have outlined in point (ii) above (sub-research-question on resource-allocation arrangements) how delegations publicise tenders, and have a default position of using open/restricted award procedures. It is clear that the delegations procure work from the marketplace in host countries where possible, and in some programmes this is a priority (e.g. the EIDHR’s emphasis on funding CSOs). During interviews with delegation representatives, we were told that the level of competition was generally high, although there are instances of limited administrative capacity (sections 4.2 and 5.3).

Finally, we have seen evidence of flexibility. At the programme level, this is best evidenced by the existence of the IcSP, whose article 3 means it aims at meeting short-term developments in particular, without the need for a protracted planning phase (see chapter 3). For other instruments, such as the EIDHR, the AAPs’ annual review of MAPs show an awareness of the need for ongoing review and adaptation of longer-term plans, perhaps to address matters identified in EAMRs (see above). At the project level, things are more rigid, although we were told about amendment of project plans.

180 As explained in chapter 5, the data on this was only made available from five delegations and our analysis included only projects directly relevant to democracy and RoL. The aggregate data might differ from the figure presented here.
Delegation officials appear to be able to respond to unforeseen circumstances. This was demonstrated by interviewees mentioning that projects funded adjust to contexts, within an adaptable set of objectives. However, there is a risk that the very model of funding projects can undermine dialogue and civil society building, as it limits entrepreneurialism as CSOs target pre-formulated terms of reference.

**vii) Are coordination mechanisms appropriate and are they effective, efficient and rigorous?**

For instance, how well do the programmes coordinate with each other and with other programmes?

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<th>Criteria for assessment (what we would expect to see)</th>
<th>Summary of relevant evidence</th>
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<tr>
<td>Individual EU programmes are well coordinated with each other, and with those of other organisations so that duplication and overlap is either avoided or (if intentional) is acknowledged</td>
<td>- We found limited evidence of this, but programme officials explained that this happens.</td>
<td>Sections 4.2, 4.4 and 5.5</td>
</tr>
<tr>
<td>Awareness within programmes of the objectives and activities of other initiatives</td>
<td>- Interviewees described a plethora of different actors in the field of democracy and RoL in their countries.</td>
<td>Appendix A</td>
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</table>
| Formal and informal mechanisms for coordination | - We found a variety of formal and informal mechanisms. - Examples of mechanisms include:  
   - *With host governments*  
   - *With other donors*  
   - *With EU MS*  
   - *With other stakeholders.* | Section 5.5 |

On the whole, coordination mechanisms appear to be appropriate and effective for coordination with non-EU parties, but less evidence of this was available in relation to coordination within the EU. For the latter, we understand that the variety of formal and informal mechanisms was not necessarily a barrier to effective coordination, and may be a result of necessary contextualising to different host-country systems. We found less evidence of coordination mechanisms’ efficiency and rigour, relying on input from delegation interviewees who said that they avoid duplication and explore all opportunities for coordinating with non-EU parties. We discuss study findings on this topic by considering in turn intra-EU coordination and EU coordination with non-EU parties.

**Coordination within the EU**

We note previous criticisms of a lack of coordination between the EEAS and the EC. At delegation level this is not an obvious problem as delegations follow the AAPs and MAP, communicating back to headquarters. However, at headquarters the division of labour is not entirely clear. The officials we

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interviewed, although limited in number, described how representatives of the EEAS and DG DEVCO meet to discuss strategy. However, these meetings are not reported externally, so we were unable to identify how different decisions and actions are arrived at (see sections 4.2, 4.4 and 5.5).

As discussed in the section above on tensions, there is a balance to be struck between formal process and flexibility. When it comes to intra-EU coordination, we suggest that it is essential to have clear responsibility for strategy development. We accept that there are benefits to including multiple interested stakeholders in the process, but the way in which these interactions take place lacks a publicly available reporting trail, and this impinges on accountability.

**Coordination with non-EU parties**

A plethora of non-EU actors are involved in the field of democracy and RoL in countries, from local government to civil society to other donors (including intergovernmental, EU MS and other countries). We have not found evidence indicating whether the EU has a policy of leading this or whether it is primarily aiming to fit in with other (perhaps UN-led) coordination efforts.

Annual and multiannual plans deal directly with several aspects of coordination. For instance, the EIDHR MIP 2014–2017 has a specific section on programming principles and complementarity, which aims at ‘ensuring coherence and synergy between the EIDHR and geographic and other thematic instruments’. Similarly, the AAPs for EIDHR and IcSP have a section on complementarity, synergy and donor coordination, according to which the EU delegations are expected to ensure complementarity and cross-fertilisation with other relevant country activities. Finally, at a country level, the AAPs and MAPs both provide specific details on the donor coordination and policy dialogue mechanisms.

In practice, MAPs and AAPs’ specifications on coordination are implemented through a variety of groups and fora (section 5.5). This appears to happen in an ad hoc manner, depending on context. We did not identify a list of coordination mechanisms that should be considered. The contextualised approach is undoubtedly valuable, particularly in the area of democracy. However, we suggest that to maximise VfM it is important to at least consider a variety of different mechanisms, some of which may have been identified by colleagues facing similar contexts.

The EU delegations do play an important role in fostering formal and informal mechanisms for coordination. Consultation with all the relevant stakeholders in the areas of democracy and RoL, ahead of both taking programming decisions and publishing calls for proposals, is a good and widespread practice. The issue of coordination is particularly relevant with regard to the IcSP, given that some of its aims are to strengthen host governments’ democratic institutions.

When it comes to coordinating with non-EU actors in the field on design and implementation, different delegations take different approaches. In most cases there is no pre-established scheme for organising coordination, and we identified a heavy reliance on informal mechanisms, which has both benefits and disadvantages.

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One benefit of such informality is that delegations can explore the context and develop good working relationships with partners who are unique to host countries. One way in which this can be done is demonstrated by the EU Delegation to Zimbabwe, which uses a specific forum called the Human Rights and Governance Donors Group to take part in regular contact with country development departments (including the USA, Australia, Japan and EU MS). The interviewee from the Zimbabwe delegation explained that coordination with non-EU programmes is perhaps more straightforward in Zimbabwe than elsewhere because of the limited number of other donors, stakeholders and CSOs present in the country. Other delegation representatives explained that the donor coordination structures they engage in (often taking the shape of sector working groups) allow for effective discussions that can help to develop synergies, divide labour, and deliver a common working structure. As such, they can help to deliver efficiency.

However, it must be acknowledged that the coordination of actions with other stakeholders in the field has appeared to be a particularly unsystematic area, in which a consistent approach – even if only comprising training and/or guidance – may benefit delegations, who may be eager to learn lessons from colleagues in other delegations. That said, we acknowledge that the coherence of a coordinated response can also have drawbacks (see section above on tensions).

**viii) Are frameworks for managing administrative expenses appropriate?**

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| Programmes are run efficiently with administrative costs kept to a minimum | - Data – which is restricted to a limited review of indirect spend data – suggests that the EU allocates less for administrative costs than other donors.  
- Reported figures suggest an EU cap on indirect costs (which can be interpreted as administrative costs) of 7%.  
- Reported figures indicate that this is complied with, but no evidence was gathered on actual behaviours. | Section 4.5 |

In so far as it is possible to comment on this area given data and methodological limitations outlined above, it appears that programmes’ administrative costs are kept at a low level. This is apparent at both the programme and project levels. At the programme level, the costs of running the instruments we have focused on – the EIDHR and IcSP – do not seem to diverge substantially from costs the EU incurs when administering development assistance through other mechanisms. In turn, overall EU ODA administrative costs tend to be on the lower end of the range of costs expended by international donors. At the project level, grantees need to, and invariably do, conform with PRAG guidelines limiting their indirect costs to 7% of all other allowable direct costs. Again, based on limited evidence this ratio appears to compare favourably with that observed in other contexts, suggesting that the EIDHR and IcSP are reasonably successful in keeping their administrative costs to a minimum.

However, the data – which suggests that programmes almost invariably avail themselves of the maximum allowable amount – arguably calls into question whether the 7% figure is not so much a cap as a target. Admittedly, this is speculation on our part. However, this arguably also raises the possibility that the consistent use of the 7% figure is indicative of creative accounting on the part of grantees to ensure compliance with EU requirements, while in reality either more or less is spent. Given that different projects and programmes have varying degrees of administrative complexity, it would be surprising if they all shared a very similar administrative cost. The fact that this is relatively
low in comparison with other funders (see section 3.5), and the absence of any indication that other funders’ programmes are administratively more complex, supports at least the possibility that the 7% figure is not adhered to in practice and that as such is an artifice of data presentation rather than a reflection of what happens in practice. While that may or may not be the case, it certainly raises a question mark about whether the 7% cap has any real effect on the behaviour of grantees. It may also mean that certain grantees may be deterred from applying for particular opportunities if they find that this compares unfavourably with other funders’ allowance for indirect or administrative costs. It is unclear what could realistically be done about this, as additional scrutiny of proposals may entail extra costs that outweigh any savings.

Overall conclusion: answering the two research questions:

1) To what extent can EU programmes in the field of democracy and rule of law demonstrate that they deliver VfM?

2) Are programme processes maximising the opportunity for ‘optimal efficiency’?

On the whole, perhaps inevitably, we have found that the answer to both of the key research questions was neither a clear ‘yes’ or ‘no’. We have found that a) the EU’s democracy and RoL programmes demonstrate that they deliver VfM to a degree, although they could improve in this; and b) programme processes provide good opportunities for ‘optimal efficiency’, but could also be improved further.
7. RECOMMENDATIONS

Based on the evidence collected for this study and analyses related to the research questions, we have identified a number of recommendations. We see addressing these, and achieving improved VfM arrangements, as a shared responsibility cutting across European institutions (as emphasised under the accountability recommendations below).

Securing VfM is necessarily complex in a field where the boundaries between programmes are porous, costs are hard to allocate to specific outcomes, and the value of impacts is calculated differently by different stakeholders. The authors acknowledge the ethical and methodological challenges to measuring, for example, the value of democracy, peace or stability (and indeed the value of human life) but insist on the importance of establishing systems to ensure that limited resources are used to achieve the greatest good. At the very least this requires a transparent account of how resources were allocated and the reasons for this. Rather than being a reason for avoiding the issue of VfM, this field’s complexity is all the more reason to put in place mechanisms to maximise the chance that administrative processes will be efficient, activities coordinated, lessons learned and applied, and that impacts will be as great as possible given the resources available.

Not only is it important to ensure programmes and instruments are implemented in a manner that produces VfM, it is also important to demonstrate that this is the case. It is fully recognised that considerations of confidentiality and safety may conflict with demonstrating VfM, and as such there are aspects of our recommendations that seek to address the abovementioned tension between accountability and confidentiality. However, while it is understandable that the details of specific projects in the area of human rights are kept confidential, it is less clear why no details are published on aspects of M&E systems and administrative approaches to ensuring VfM.

Our recommendations are organised under the study’s eight research questions, as outlined in Table 17.

Table 17: Table of recommendations, organised under the sub-research-questions

<table>
<thead>
<tr>
<th>• Is there clarity on the objectives of the EU programmes for democracy and rule of law and how they are expected to be secured?</th>
</tr>
</thead>
<tbody>
<tr>
<td>o <strong>Recommendation 1.</strong> In order to develop clear routes to impact that are shared at programme/country/project levels, greater use of a ‘theory of change’ approach should be considered to allow stakeholders (including the EP and European citizens) to more clearly understand how EU actions in the field of democracy and RoL have impact and for whom. More specifically:</td>
</tr>
<tr>
<td>• The language of theory of change and logic models should be used at the programme level. This can help to guide thinking and approaches to reaching and reviewing programme goals.</td>
</tr>
<tr>
<td>• The theory of change for projects is developed by grantees as part of their proposals. The EU could take a greater role in this, providing increased guidance and support in developing projects that meet its objectives. That said, theory of change approaches, once they had been determined, were evident in ongoing monitoring documents, such as ROM reports.</td>
</tr>
<tr>
<td><em>Note: see our understanding of ‘impact’ in section 5.6.</em></td>
</tr>
<tr>
<td>o <strong>Recommendation 2.</strong> The tension between clearly structured priorities and a flexible response at the local level should be explicitly acknowledged, and greater clarity achieved about which values, principles and outcomes are non-negotiable and which require flexibility and responsiveness at country level.</td>
</tr>
</tbody>
</table>
• **Are resource-allocation arrangements appropriate?**
  o **Recommendation 3.** Basic processes for allocating and monitoring resources are in place. However, the study team could find neither the financial information systems nor the impact measurements to support a more sophisticated approach to securing maximum value from available resources. There is no simple solution to this but a variety of approaches should be trialled in a small number of countries, lessons learned, and good practice spread.

• **Are monitoring and evaluation arrangements appropriate and are they effective, efficient and rigorous?**
  o **Recommendation 4.** While M&E systems are adhered to at country level, there should be:
    - Greater consistency in practices across countries to support shared application of lessons; and
    - Clearer conducting of M&E at the programme level (e.g. only on the EIDHR).
  o **Recommendation 5.** Wider use of theories of change and more agreement on impact measurement would strengthen the ability to demonstrate impacts and the value for money achieved. Reporting templates (e.g. for ROM and EAMRs) should be adapted to incorporate sections on ‘theory of change’ and ‘value for money’.
  o **Recommendation 6.** M&E is a key mechanism for supporting learning and improvement, but getting maximum value from this requires further investment in structured learning and formal processes to ensure lessons are applied. For instance, further transparency on how evaluation findings are incorporated in future programming decisions could be considered.

• **Are reporting mechanisms and data sources appropriate? This relates to how accountable and transparent the programmes are.**
  o **Recommendation 7.** Develop a strategy for further strengthening accountability and transparency by:
    - Acknowledging and addressing the tension between ensuring ‘upward’ accountability while maintaining appropriate ‘outward’ confidentiality, and clarifying the extent to which VfM can and should be accounted for – to be well informed, this would need to be done jointly by the EC and EP.
    - Developing a register of M&E reports, which can be searched by the public, with the possibility of increased access for the EP to sensitive information.
    - Making available greater detail at the level of individual projects, including award procedure and breakdown of costs. For instance, more detail could be provided on indirect costs (to explain how 7% PRAG cap is universally maximised).
    - Being transparent about how programming decisions are arrived at (see also recommendation 6). For instance, ensure draft MIPs of instruments are shared in advance of meetings with relevant committees, ensure draft AAPs are shared with committees at least one month in advance of meetings, and allow time for feedback to be taken on board.
  o **Recommendation 8.** Integrate VfM data into reporting mechanisms and use these as a basis for ongoing improvements in VfM.

• **Are lesson-learning arrangements appropriate?**
  o **Recommendation 9.** Consider how, at country level, to create time to capture the key lessons identified through M&E and other activities, and how to ensure that these lessons are shared across countries.

• **Are mechanisms appropriate to ensure effective interventions and are impact measurement mechanisms appropriate?**
Recommendation 10. Impact measurement is varied and ad hoc, limiting a clear understanding of the best routes to impact. Good practice in defining and assessing impact needs to be agreed and shared across countries.

Recommendation 11. Regarding evidence of impact, attempting to attribute causality to individual interventions is often unrevealing. Instead of seeking to identify measurable impacts it might be more useful to assess the contribution made – often through narratives in project reporting or ‘impact case studies’, presenting a narrative of how EU work has had an impact.

• **Are coordination mechanisms appropriate and are they effective, efficient and rigorous? For instance, how well do the programmes coordinate with each other and with other programmes?**

  Recommendation 12. Alignment with EU priorities should continue to be managed through cycles of multi-annual and annual planning. In addition, coordination across programmes (both EU and non-EU) should be more formally addressed. This can be done through greater transparency on how programming decisions are arrived at in meetings between the EEAS and the EC, as well as clearer responsibility for strategy development. It can also be done through the process of awarding contracts to implementing partners (i.e. where appropriate, implementing partners should be obliged to demonstrate that they coordinate with other agencies). In addition, delegations should be encouraged to implement a contextualised approach but within a guiding framework, demonstrating that they have given consideration to coordination mechanisms developed by headquarters and based on cross-delegation lesson learning. Homogeneity of programmes should be avoided and there are benefits in encouraging diverse and innovative approaches, meaning that overlapping or non-aligned programmes may often be a helpful part of a portfolio of work. Local formal and informal meetings should remain an important part of how intelligence is shared and programmes coordinated.

• **Are frameworks for managing administrative expenses appropriate?**

  Recommendation 13. There is a need for further research to explore more fully what is contained under the heading ‘indirect costs’ in project budgets, and in particular to look at whether in practice the actual budget spent on indirect costs matches the 7% PRAG limit figure, as is widely claimed.

**Further research**

In addition to the recommendations above, we suggest that further research in the following areas might prove fruitful:

1) Conduct a detailed VfM study: the current study has suggested areas for exploration, but is not a full VfM study which would have required resources and a mandate to interrogate financial data in more detail.\(^{185}\) In order to provide more definite VfM findings, including more cost and possible savings data, a type of analysis more akin to a cost-consequence analysis should be conducted.

2) Conduct a follow-up study in 12 months to consider whether things have changed subsequent to or as a result of these recommendations. When doing this, address some of the current study’s data limitations (see section 2.8), for instance by providing resources for

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\(^{185}\) As previously explained, this is firstly because of the number of case studies meaning they were never meant to be statistically representative of all EU work in the field of democracy and RoL, and secondly because we focused on processes rather than actual inputs and outputs.
additional data collection (e.g. interviewing a higher number of EU staff, or interviewing implementing partners who can comment not only on the specific VfM they provide, but also on what the EU is like to work with).

3) Report analysis: conduct a quantitative analysis of EAMRs across a number of years in order to elicit data on the work of delegations across time. Consider other reports that could be analysed, such as ROM (although we suspect these are analysed internally), in order to review the quality of data they incorporate.

4) Explore more fully what is contained under the heading ‘indirect costs’ in project budgets, and in particular look at whether in practice the budget spent on indirect costs matches the 7% PRAG limit figure, as is widely claimed. This might require obtaining confidential testimony from grantees.
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ANNEX A: CASE STUDIES

Case study: Bosnia and Herzegovina

Summary and key findings
This case study discusses European Union (EU) programme funding in the field of democracy and rule of law (RoL) in Bosnia and Herzegovina. The case study starts with a narrative of the country context in which EU-funded projects operate and an outline of associated challenges. Subsequently, we provide an overview of projects funded in Bosnia and Herzegovina under the European Instrument for Democracy and Human Rights (EIDHR) and Instrument for Stability (IfS) and its successor the Instrument contributing to Stability and Peace (IcSP). Finally, the case study provides additional details on the allocation of funds, on the monitoring and evaluation of funded projects, on their coordination and on mechanisms for capturing data on their impact.

KEY POINTS

- Relevant European Union programmes cover post-war instability and human rights
- EUR 12,522,817 total funding since 2008 by the European Instrument for Democracy and Human Rights
- EUR 2,187,447 total funding since 2013 by the Instrument contributing to Stability and Peace
- Allocation of funds by the European Instrument for Democracy and Human Rights is managed through calls for proposals and grants, and by the Instrument contributing to Stability and Peace on an as-needed basis
- Several layers of project monitoring in place
- Coordination is well organised through calls for proposals and awareness meetings
- Impact measurement is an integral part of every project

Background to the country and the challenges faced
EU programme funding in the field of democracy and RoL in Bosnia and Herzegovina (hereafter referred to as BiH, short for the native name of Bosna i Hercegovina) takes place in a context of the difficulties of the Bosnian government to implement a 2009 European Court of Human Rights ruling ordering the country to amend its constitution to eliminate ethnic discrimination. In the domain of the judicial system and human rights, the right of return for refugees and displaced person has not been secured throughout the territory of BiH and people who return to the country often suffer from discrimination with regards to their civil, social and political rights. In light of these challenges, the fundamental priority for the European Commission (EC) in BiH is to help create a democratically stable country.\(^\text{186}\)

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The EU is the biggest donor, financing more than EUR 3.2 billion between 1991–2013 in fields ranging from post-conflict reconstruction to RoL, public administration reform, demining and ammunition destruction, civil society, cross-border cooperation, and others. The EU delegation in BiH sits with the DG Neighbourhood and Enlargement Negotiations (DG NEAR), because geographically they are part of the Western Balkans and BiH is in the process of European integration.187

The aim of this EU financial and technical assistance, first through programmes such as the Programme of Community aid to the countries of Central and Eastern Europe (PHARE) and Humanitarian and Emergency Aid Obnova (Reconstruction) and now through the Instrument for Pre-Accession (IPA) and the European Instrument for Democracy and Human Rights (EIDHR), is to help BiH to implement reforms in these key areas. The EU sees this as crucial for the country’s European integration process and equally important for the overall benefit of BiH citizens and their quality of life. The assistance is implemented through numerous projects, from large infrastructure projects to small grants, through processes of programming, contracting and grant awarding.188

Programme spending in country

In this section we use data provided by the EU delegation to BiH as our authoritative source of information, though we acknowledge the existence of other information sources that could be brought to bear on this analysis. Regrettably, observed differences across various data sources (both differences between types of categories used, and between numbers relating to the same categories) do not allow for a straightforward consolidation of information. Table A provides a summary of all relevant projects along with their main characteristics.

The principal democracy and RoL programmes active in BiH are EIDHR, IcSP and IPA. BiH is one of the target countries for support under the EIDHR, through which civil society active in the area of human rights and democracy will be assisted. This support complements support for civil society active in the social area which has already been programmed. In the EC Country Strategy Paper, it is asserted that the freedom to exercise constitutionally guaranteed rights, including the right to return, is essential to the underpinning of democracy in BiH.189

According to the information provided by the EU Delegation in BiH, there have been 72 EIDHR funding activities in BiH since 2008. Of these, 59 have been closed or finished (in the data provided by the delegation these two terms have been used interchangeably) and 13 are still ongoing (see table A). The overall EIDHR funding for projects covering BiH since 2008 amounts to EUR 12,522,817 (this is based on contracted figures). Of these 72 projects carried out in BiH, 61 projects were implemented by a non-governmental organisation (NGO) based in BiH with the next largest group of contracted parties represented by international NGOs, mostly based in the EU. Additionally, a small number of projects were executed by academic institutions. In terms of project size, the average budget of an EIDHR project in BiH is approximately EUR 174,000. However, this varies substantially across contracted parties. Regrettably, no data are available on the breakdown of costs at the level of individual projects. As a result, it is impossible to compare indicators such as administrative costs across various grantees and subject areas.

187 Ibid.
188 Delegation of the European Union to Bosnia and Herzegovina, EU Funding in Bosnia and Herzegovina. Accessed online in April 2016: http://projects.europa.ba/About
In BiH, IcSP mostly supports the destruction of unstable and dangerous ammunition, and youth peace advocates. According to the information provided by the EU Delegation in BiH, there have been two IcSP funding activities in BiH since 2013. Of these two, one has been closed and the remaining one is currently on-going. The total volume of IcSP spending for BiH is EUR 2,187,447. One of the two IcSP-funded projects in BiH is carried out by a non-governmental organisation located in Tuzla. The other project is implemented by an intergovernmental organisation (CARE International). As with EIDHR-funded projects, data are not available on any project-level indicators, thereby precluding analyses such as a comparison of administrative costs across the project portfolio.

Table A: Summary of democracy and rule of law projects in Bosnia and Herzegovina since 2008

<table>
<thead>
<tr>
<th>Instrument/programme</th>
<th>EU contribution EUR/Percentage of total expenditure</th>
<th>Number of projects (completed/ongoing)</th>
<th>Number of cancelled projects</th>
<th>Thematic area(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IcSP</td>
<td>EUR 4.7187,447 / data on total budget not available</td>
<td>2</td>
<td>Not specified</td>
<td>Peace and security; Support for human rights</td>
</tr>
<tr>
<td>EIDHR</td>
<td>EUR 12,522,818 / data on total budget not available</td>
<td>72</td>
<td>Not specified</td>
<td>Supporting civil society; Supporting access to justice; Human rights and minority rights; Peace and security; Other.</td>
</tr>
</tbody>
</table>

Source: data provided by the EU delegation to BiH

EIDHR

We have identified 72 EIDHR projects in the area of democracy and RoL funded since 2008; their main characteristics are presented in Table B below, broken down by the type of grantee.

Table B: Overview of EIDHR-funded projects in Bosnia and Herzegovina by grantee since 2008

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Value / EUR</th>
<th>Average length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bosnian NGO</td>
<td>61</td>
<td>8,530,409</td>
<td>26 months</td>
</tr>
<tr>
<td>International organisation</td>
<td>9</td>
<td>1,431,597</td>
<td>27 months</td>
</tr>
<tr>
<td>Academic institution</td>
<td>2</td>
<td>2,560,811</td>
<td>29 months</td>
</tr>
<tr>
<td><strong>Total/average</strong></td>
<td><strong>72</strong></td>
<td><strong>12,522,818</strong></td>
<td><strong>26 months</strong></td>
</tr>
</tbody>
</table>

Source: data provided by the EU delegation to BiH

IcSP

As with EIDHR, we acknowledge the existence of alternative sources of data, all of which contain slightly different information. According to the information we found, we identified two projects funded by IcSP since 2008. One project was awarded to a Bosnian NGO and one to an intergovernmental organisation.

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190 Some projects funded by the EU also receive funding from other sources.
Table C: Overview of IcSP/IfS-funded projects in Bosnia and Herzegovina by grantee since 2008

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Value / EUR</th>
<th>Average length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bosnian NGO</td>
<td>1</td>
<td>1,702,447</td>
<td>39 months</td>
</tr>
<tr>
<td>International NGO</td>
<td>1</td>
<td>485,000</td>
<td>39 months</td>
</tr>
<tr>
<td><strong>Total/average</strong></td>
<td><strong>2</strong></td>
<td><strong>2,187,447</strong></td>
<td><strong>39 months</strong></td>
</tr>
</tbody>
</table>

Source: data provided by the EU delegation to BiH

Allocation of funds

The delegation manages the allocation of funds for projects funded by EIDHR, IfS, and IPA. At headquarters, the IPA is managed by DG NEAR, the EIDHR is managed by DEVCO and IfS is managed by the Foreign Policy Instrument (FPI). We note that IfS has now changed to IcSP, but in BiH no projects have been released since IfS – as such, we use the term of IfS in this case study, at times to refer to its new incarnation as IcSP.

The EIDHR is implemented through grants. Around EUR 1.2 million has been allocated every year for the direct support to civil society organisations (CSOs) through the calls for proposals launched by the EU Delegation to BiH. In addition, CSOs are also eligible to apply for calls for proposals launched through the worldwide component of this programme. The selection of those projects is done directly by the EU’s Directorate-General for International Cooperation and Development (DG DEVCO) headquarters in Brussels. The calls for proposals have a standardised EU procurement procedure. In terms of predictability, the calls for proposals have offered the delegation the possibility to know and plan in advance, in the knowledge that there will be a EUR 1.2 million yearly budget for EIDHR in BiH.

In terms of process, the EIDHR instrument launches calls for proposals by first publishing the call for concept notes; based on that it selects a shortlist of proposals; it then asks tenderers to submit a full proposal, which in turn it fully evaluates; finally, following selection of winning tender grant contracts are signed.

By contrast, IfS is different and more ad hoc. There is no pre-planned budget allocated for BiH and there is no continuous support. Instead, it is based on very specific needs that derive from dialogue with colleagues in Brussels in the FPI, which is a separate service from DG NEAR. IfS is managed differently, because it is a flexible instrument that is aimed at immediate response to emergencies. The procedure in terms of design and implementation is much faster and more ad hoc. Typically, it is in the EC’s discretion, and this has been the case with the two ongoing projects. One is in the field of ammunition disposal (‘Explode’) for the disposal of remnants of war. It has been running for a number of years (37 months overall duration) with a budget of EUR 4.6 million. The United Nations Development Programme (UNDP) is the implementing partner. The other is in the field of support to women who have been victims of torture and crimes with a budget of EUR 1.7 million. This is implemented through a small consortium of NGOs that cover the majority of the country to ensure the right ethnic balance (a key issue in BiH). ‘Vive Zene’ is the lead partner and coordinator of the consortium.

There is also a facility financed by IPA, the Civil Society Facility, which is specifically for the Western Balkans and Turkey. The money from IPA is used to finance civil society activities, which is managed in

an independent way without signing an agreement with beneficiaries. The BiH delegation coordinates project design with DG NEAR, taking into account the EU Human Rights Guidelines\(^{192}\) in addition to their own guidelines for civil society, which ensures that their work complements the other instruments mentioned above.\(^{193}\)

### Monitoring and scrutiny of funds

In terms of the monitoring of funds, the delegation interviewee explained that there are several layers of project monitoring in place. We did not fully clarify the extent to which these are performed for each project.

In the case of Explode, over the course of the project the EU delegation is in contact with all implementing partners and visits each site during implementation. The project manager monitors the project on a daily basis, and there is a regular steering board meeting with the key actors where they discuss the progress of the implementation and the problems to consequently come up with corrective actions. In the case of the Explode project, the delegation visited the ammunition storages with colleagues from UNDP and the project manager has visited each site individually. The delegation also has field visits to weapons storage sites, notably at the occasion of visits from parliamentary groups or colleagues from DG NEAR.

In terms of other types of monitoring and evaluation, standalone evaluations are also commissioned as deemed appropriate. For example, an evaluation was launched to cover projects in the fields of mine action and ammunition disposal. Additionally, the EC has its own monitoring tool – Results-Oriented Monitoring (ROM) – which looks annually at a selection of on-going projects and scores them in a structured and comparable way. Normally, when there is already an evaluation taking place, they do not launch ROM in the same period.

These monitoring tools are reflected on and used in different ways. Monitoring and reviews conducted over the course of the projects are a source of feedback that can be used to inform the steer of current projects. By contrast, formal evaluations feed into more formal thinking about strategy and future calls for proposals. In terms of reporting, because of the different instruments, in the past they had three separate ways of reporting. For EIDHR they used the DG DEVCO system for reporting, which is the External Assistance Management Report system (EAMR). This was provided on a yearly basis and on a web-based platform where the delegation had to encode their reports on a web-based application (including data and statistics), specifically only for EIDHR.

The interviewee from the EU delegation in BiH explained that for IfS there is a separate set of reporting. There are two main types of reporting: one is the report provided by the delegation’s authorising officers, provided every six months. This is very much about the implementation in terms of expenditure, corrected measures and also suggestions for the future. The second type of reporting involves the production of regular progress reports according to a particular template from IfS, done on a six-monthly basis. The timing of such reports has been recently reduced to once a year.

All evaluations are published online. After the draft report is produced, a dissemination session is organised with key stakeholders, including all main donors, to share the draft report and to incorporate comments and feedback in the final report. The evaluation of mine action and ammunition disposal projects has been very useful to identify the key issues to be addressed, to

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\(^{193}\) EU delegation to BiH interviewee.
ensure that future EU activities will allow sustainable delivery of the mine action strategy (including legal framework, funding, and lack of trust). It also provided important elements to support the preparation of a new project in the field of ammunition disposal. The BiH delegation interviewee commented that this evaluation has been a very inclusive and transparent process.

**Coordination**

The BiH delegation interviewee used the ‘Explode’ project to illustrate the coordination of the use of different instruments in terms of design and planning.

The interviewee explained that both instruments fall under the same section within the delegation, which helps to ensure good complementarity. In terms of coordination, the basis comes from the specificities of the two instruments. For EIDHR there is a stable allocation of funding which they use to map interventions from the field which normally has projects with a budget of EUR 100,000–EUR 300,000. They always try to keep it as open and as broad as possible in terms of possible applications and proposals. For them, EIDHR is a way to reach new innovative ideas from NGOs that might not be very well known. The fact that civil society is aware that EIDHR publishes a call for proposals every year allows them to propose new ideas, to discuss these well in advance and to make partnerships. For instance, the last call for proposals led to EIDHR signing five grants in five different sectors; that is, integration of minorities such as Roma, youth activities, access to water, tobacco control, governance and de-politicisation of public administration. It was identified as a good example of how well known EIDHR calls for proposals are. To make sure they have the best reach, EIDHR organises awareness meetings with civil society. The last one was in January 2016, for which CSOs in the field of democracy and human rights were invited. During this meeting EIDHR explained what their plans are and what they have been doing so that everyone has a good understanding of what could be done or proposed. However, EIDHR leaves the options open and bases the call of proposals on the EC decision. For the future, the biggest change is that they have merged the budgets for 2016 and 2017 to have one single call which will result in a call for EUR 1.8 million.

Concerning IfS, the BiH delegation interviewee explained that it is the other way round. Once a threatening issue has been identified, the delegation starts to design the project together with the implementing partner or with those who have a privileged position in tackling the problem. In the case of Explode, the implementing partner was UNDP because of historic reasons (principally, due to their significant presence in BiH after the war). In addition, the UNDP has an expertise in the field, so they co-designed the proposal together with the BiH delegation. In addition, UNDP also worked together with the Ministry of Defence, representatives of BiH Armed Forces, and the Organization for Security and Co-operation in Europe (OSCE) Mission to BiH. The BiH delegation shared the plan with these stakeholders, as they were also donors and have a monitoring role. The above shows that for IfS/IcSP, coordination occurs, but it is ad hoc, following the manner in which IfS responds to emerging and threatening issues.

There is a coordination mechanism for everything BiH does in the area of security and defence, and the delegation integrates with this. The strategic committee meets regularly under the chairmanship of the Minister of Defence and includes all stakeholders, in addition to EU Delegation, EU Special Representative and the European Union Force (EUFOR). Subsequently, there is also a mechanism for managing the Explode project, based on a steering board, where the EU Delegation meets with all the key actors to review and steer the implementation of the project.\(^\text{194}\)

\(^{194}\) EU delegation to BiH interviewee.
Evidence of the impact of the project

Currently, the data that are available on the impact of the EU-funded democracy and RoL projects in BiH is limited to the Explode project. The key outcomes of this project include the disposal of over military stockpiles.\textsuperscript{195} Hence, the impact of this project is the disposal of a large amount of ammunition in order to ensure a safe environment for inhabitants.

Related to the projects’ impact are also considerations surrounding their long-term sustainability. The ability of projects to continue work and/or achieve sustained positive outcomes beyond the end of the project is one of the criteria at the selection stage. As such, less experienced NGOs are, for instance, recommended to team up in a consortium with more experienced NGOs. Alternatively, a larger NGO can be contracted and sub-grant smaller NGOs, so that they can reach those NGOs that do not have the resources to submit an application on their own. In addition, it is part of the eligibility criteria that there should always be a local NGO involved, and that there are participants from different ethnic groups (see above on the importance of this). When deciding on who will be the implementing partner, the track record of the tenderer is reviewed with respect to their capacity and the extent to which they have previously achieved sustained impact. Finally, at the end of each grant or project there is a transfer of assets phase where purchased equipment is handed over to beneficiaries.\textsuperscript{196} We did not identify data on how often projects continue after the end date or additional aspects of sustainability of work beyond project ends.

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\textsuperscript{195} EU delegation to BiH interviewee.
\textsuperscript{196} Ibid.
Case study: Egypt

Summary and key findings

This case study discusses European Union (EU) programme funding in the field of democracy and rule of law (RoL) in Egypt. It begins with a narrative of the country context in which EU-funded projects operate and of the associated challenges in these sectors. Subsequently, it provides an overview of projects funded in Egypt under instruments including the European Neighbourhood Instrument (ENI), the European Instrument for Democracy and Human Rights (EIDHR), and the Instrument contributing to Stability and Peace (IcSP). Finally, the case study provides details on the allocation of funds, on the monitoring and evaluation of funded projects, on their coordination and on mechanisms for capturing data on their impact.

**KEY POINTS**

- The majority of funding for democracy and rule of law since 2008 has been provided by the European Neighbourhood Instrument
- The European Instrument for Democracy and Human Rights funds a higher number of smaller projects in comparison to the European Neighbourhood Instrument
- There is a small number of projects funded by the Instrument contributing to Stability and Peace, although there are discrepancies between different sources of data on this
- The Delegation undertakes monitoring of projects and contracts external consultants to conduct theme-based evaluations and mid-term and final evaluations of projects
- Coordination occurs both informally, and under a mechanism called the Development Partners Group

**Background to the country and the challenges faced**

Work on democracy and RoL in Egypt takes place in a challenging environment. Aside from socio-economic difficulties, since 2010 the country’s leadership has changed and governments have struggled to assert calm. As part of the ‘Arab Spring’, Egyptian opposition groups ousted long-serving President Hosni Mubarak, after which the military assumed national leadership, pending the elected Muslim Brotherhood’s Mohammed Morsi forming a parliament. Before this could take place, in 2013 violent protests led to the Egyptian Armed Forces intervening and removing Morsi from power. Following an interim presidency, Abdel Fattah El Sisi was elected in 2014, and in 2015 Egypt elected a first parliament since 2012.197

Egypt’s relationship with the EU is largely administered through its membership of the European Neighbourhood Policy framework (ENP).198 Through ENP, the EU has established a privileged partnership with its closest neighbours.

Non-governmental organisations (NGOs) need the government’s inputs – both for their organisation’s registration and their particular project authorisation (where funded by a foreign body).199 In terms of

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registration, there are organisations that have found it a challenge to obtain the go-ahead from the Government, with an example being Oxfam’s inability to obtain registration in over seven years. As for authorisation to implement projects and access EU funds in their account, this is a separate process, which again can represent challenges.

**Programme spending in country**

EU funding of democracy and RoL work in Egypt is done either bilaterally, in coordination with the government and under the umbrella of a Financing Agreement signed by EU and GoE, or by contracting with civil society organisations. Bilateral funding is principally made available under ENP’s funding instrument – the current one being ENI, having replaced the European Neighbourhood and Partnership Instrument (ENPI) in 2014. The EU also provides bilateral funding through IcSP. Support to civil society actions in the field of democracy and RoL is mainly provided through EIDHR.

In this section we use data provided by the EU delegation to Egypt as the authoritative source of information, although we acknowledge the existence of other information sources that could be brought to bear on this analysis. Regrettably, observed discrepancies across various data sources do not allow for a straightforward consolidation of information (both differences between types of categories used, and between numbers relating to the same categories). We point to some of these discrepancies below.

Table A provides a summary of all currently ongoing projects in the area of democracy and RoL in Egypt. While the number of ENI projects in this area is approximately half that of EIDHR projects, this instrument has a considerably higher total contribution from the EU, tending to fund much larger projects (see sections below). This can be explained by the focus areas for ENI projects including wider institution strengthening, which can require funding on a larger scale than smaller projects run by single NGOs. This makes sense, given the management and implementation capacities of civil society organisations (CSOs) – both local and international NGOs – are limited compared to governmental institutions' capacity for absorbing funds and project loads under bilateral cooperation.

In terms of budget components for all EU-funded projects, the data we have seen confirms the delegation complies with the EU’s regulatory framework’s cap on indirect (administrative) costs – set at 7% of total eligible direct costs.

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201 e.g. the Financial Transparency System and the EU Delegation to Egypt webpage (2016). For the former, we note that this system includes only projects where beneficiaries are paid directly by the European Commission. This may leave out of its scope projects where the final disbursement of funds is done by another partner donor agency, to which the EC makes a contribution (EC, 2015b). For the latter, while useful and descriptive, it did not make it clear which funding streams are relevant for each project.

Table A. Summary of democracy and rule of law projects in Egypt since 2008

<table>
<thead>
<tr>
<th>Instrument/ programme</th>
<th>Total EU contribution</th>
<th>Number of projects (completed / ongoing)</th>
<th>Thematic area(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EIDHR</td>
<td>5,049,386</td>
<td>32 (17 / 15)</td>
<td>Women’s rights and gender equality; Electoral process; Youth and adolescents; Child rights; rights of people living with disabilities; Human rights and minority rights; capacity building for civil society;</td>
</tr>
<tr>
<td>ENI/ENPI</td>
<td>44,956,000</td>
<td>17 (3 / 14)</td>
<td>Institution strengthening; public administration reform and local development; supporting access to justice and justice reform; Combatting corruption; Human rights; women empowerment and gender equality; Child protection;; Support to civil society organisations;</td>
</tr>
<tr>
<td>IcSP</td>
<td>4,430,000</td>
<td>2 (1 / 1)</td>
<td>Peace and security</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>54,435,386</strong></td>
<td><strong>51 (21 / 30)</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Source:** data provided by the EU delegation to Egypt

The following sections consider EIDHR, IcSP and ENI projects in more detail.

**EIDHR**

New Country Based Support Scheme (CBSS) commitments under EIDHR in the field of democracy and RoL in Egypt comprised EUR 1.5 million in both 2014 and 2015. In addition, Egypt benefits from global and regional EIDHR calls, which are administered at the EC’s headquarters. Since 2008, 48 EIDHR CBSS projects have been funded, in addition to others administered at headquarters. Table B outlines the 32 EIDHR projects about which the delegation was able to provide information.

The majority of the 32 projects were awarded to local NGOs, despite the difficulties outlined about funding CSOs in Egypt. Projects run by international NGOs were approximately a third higher in value than those run by local NGOs. The delegation interviewee explained that out of the 32, 29 are still open, and three are currently suspended.

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203 Note: this table excludes information the delegation provided on projects that have not yet begun, for consistency with other case studies.

204 This figure also includes contracts for supplies such as IT software. It represents projects funded under seven ENPI Financing Agreements, six of which are ongoing.


206 We use the term ‘NGO’ to also include civil society organisations, and/or organisations not covered by the 2002 NGO law (Law on Associations and Community Foundations (Law 84 of 2002) and the Implementing Regulation for Law 84 of 2002 (Ministry of Social Affairs [Now Ministry of Social Solidarity and Justice] Decree 178 of 2002).
Table B: Overview of EIDHR-funded projects in Egypt by grantee since 2008

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Average value / EUR</th>
<th>Average length(^{207})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local NGOs(^{208})</td>
<td>23</td>
<td>140,263 1 year 2 months</td>
<td></td>
</tr>
<tr>
<td>International NGOs</td>
<td>9</td>
<td>202,594 1 year</td>
<td></td>
</tr>
<tr>
<td><strong>Total/average</strong></td>
<td><strong>32</strong></td>
<td><strong>157,793</strong> 1 year 2 months</td>
<td></td>
</tr>
</tbody>
</table>

Source: data provided by the EU delegation to Egypt

IcSP

We were unable to obtain similar data for IcSP projects, with the limited information available from the delegation on the two current projects being that the ongoing one is valued at EUR 2,500,000 (‘Strengthening the capability in the League of Arab States Secretariat and its Member States to provide early warning and effective responses to impending regional crises, conflicts and post conflict situations (LAS Phase II)’) and the closed one is valued at EUR 1,930,000 (‘Strengthening crisis response capacities of the League of Arab States, LAS phase I’). There have been previous IcSP/IfS projects, with the Financial Transparency System’s online database indicating that these instruments funded the projects shown in Table C. However, the Financial Transparency System does not currently present data on projects begun from 2015 onwards and also is limited to the project titles and financial information, so it is difficult to ascertain the nature of the projects. For instance, the information available from this resource referring to project and implementer names indicated these related to small consultancy services.

Finally, more in depth information is presented in the Insight on Conflict resource, although that is limited to the last 12 months. As such, it provides information of interest about the content of programmes, albeit not those described in the Financial Transparency System. For instance, it describes a (recently closed) project called ‘Policy Advice for Democratic Transition’, with a value of EUR 500,000, providing a brief description about it.

Table C: IcSP/IfS projects outlined in the Financial Transparency System

<table>
<thead>
<tr>
<th>Year</th>
<th>Project name</th>
<th>Implementer</th>
<th>Total amount (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>Media Monitoring Project in Egypt</td>
<td>Ipsos Egypt for consultancy services SAE</td>
<td>62,000.00</td>
</tr>
<tr>
<td>2011</td>
<td>Visegrad Seminar: transition</td>
<td>Travel company of Egypt-Travco joint stock</td>
<td>4,935.00</td>
</tr>
<tr>
<td>2011</td>
<td>Visegrad Seminar: transition</td>
<td>International company for touristic investment joint stock company, Conrad Cairo hotel</td>
<td>1,680.00</td>
</tr>
<tr>
<td>2012</td>
<td>Media Monitoring Project in Egypt</td>
<td>Ipsos Egypt for consultancy services SAE</td>
<td>27,234.00</td>
</tr>
</tbody>
</table>

Source: Financial Transparency System

\(^{207}\) Only completed projects included. Data on expected end dates of ongoing projects not available.

\(^{208}\) Including also civil society organisations not registered as NGOs under the provisions of the Law on Associations and Community Foundations (Law 84 of 2002) and the Implementing Regulation for Law 84 of 2002 (Ministry of Social Affairs [Now Ministry of Social Solidarity and Justice] Decree 178 of 2002).
ENI and other instruments

ENI/ENPI ‘is the main financial mechanism of technical and financial cooperation with Egypt.’209 One of its three main priorities is to provide ‘support to political reform and good governance’. It has a significantly higher total budget in comparison to EIDHR and IcSP, with an overall budget allocation for bilateral EU assistance to Egypt under ENPI for 2011–2013 of EUR 449.29 million,210 albeit not restricted to democracy and RoL work.

The current study identified ongoing ENPI projects in the field of democracy and RoL in Egypt with a total budget of almost EUR 63 million.

Other instruments also finance projects in the field of democracy and RoL, for instance the instrument for Development Cooperation’s (DCI) Civil Society Organisations and Local Authorities (CSO-LA) programme.211

Contracting and implementation challenges

The EU delegation to Egypt’s calls for proposals generate significant marketplace competition and genuine interest. A greater challenge than generating interest is, as outlined above, the Egyptian government’s restrictions on CSO’s operations. The government restrictions do allow some organisations to benefit, such as civil companies or law firms, albeit in 2014 the authorities set a deadline for registration of any organisations ‘doing NGO work’ under the NGO law.

Allocation of funds

All EIDHR contracts have been awarded through restricted calls for proposals212 targeting a number of priority areas that are set at headquarters level in consultation with the delegation. These priorities are determined at global level and are further broken down for the Country-Based Scheme at country level to reflect the local needs, relying on the delegations’ knowledge of human rights, consultations with civil society and different actors (e.g. human rights defenders and donors). Calls for proposal can be global in nature, and open to anyone, or are published for a specific allocation to a country (CBSS). Typically, the delegation administers those calls for proposals on democracy and RoL in Egypt which fall under the CBSS, while global and regional call are managed by headquarters.

Allocation under all grant contracts (e.g. ENI) is varied, and includes both restricted tenders and open calls for proposals. Finally, for IcSP, information on allocation was only available for the current project (not the closed one), whose award procedure was a direct one.

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210 Ibid.
211 Welcomeurope website, accessed online in May 2016: http://www.welcomeurope.com/european-funds/dci-instrument-development-cooperation-civil-society-organisations-local-authorities-cso-la-9311831.html#tab=onglet_details
212 EIDHR website. Accessed online in May 2016: http://www.eidhr.eu/
Monitoring and scrutiny of funds

The EU delegation to Egypt regularly follows each project, conducting site visits at least once a year and tries to visit the project every time a report is submitted. Where a report is submitted that is linked to a payment, the delegation aims wherever possible (i.e. where staff constraints allow) to employ a joint monitoring mission, meaning both an operational and a financial manager visit the project.

A delegation representative explained that when conducting monitoring and evaluation they follow the PCM Guidelines.

Finally, as for all delegations, the delegation reports on its activities to headquarters on an annual basis, using the system of External Action Monitoring Reports (EAMRs).

Coordination

The main coordination framework the delegation participates in is the United Nations-led Development Partner Group (DPG). The DPG is composed of donors and implementing partners, including mainly international NGOs, that together form the landscape of assistance in Egypt. They are divided into 12 different working groups on different sectors, and there is a general meeting at the plenary level every month. These meetings are the fora of coordinating exchange between development partners. In each DPG working group (e.g. the Democratic Governance Group), on top of the formal exercise, the delegation is in regular contact with EU Member States embassies and implementing agencies, and coordinates the EU Development Councillors group, which meets generally on a monthly basis.

Evidence of the programmes’ impact

The delegation interviewee explained that they ascertain programme impact by following grantees closely. On a project level, results are ascertained through monitoring and evaluation, looking at what has been achieved in terms of results, as well as the challenges facing grantees (see above).

To ensure sustainability, the interviewee explained there is a sense of joint ownership in the way projects are implemented. With this perspective, the delegation organises capacity-building training for Civil Society Organisations.

References


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Case study: Kyrgyzstan

Summary and key lessons

This case study discusses European Union (EU) programme funding in the field of democracy and rule of law (RoL) in Kyrgyzstan. It begins with a narrative of the country context in which EU-funded projects operate and of the associated challenges in these sectors. Subsequently, we provide an overview of projects funded in Kyrgyzstan under Development Cooperation Instrument (DCI), European Instrument for Democracy and Human Rights (EIDHR), Instrument Contributing to Stability and Peace (IcSP), and Instrument for Stability (IfS). Finally, the case study provides details on the allocation of funds, on the monitoring and evaluation of funded projects, on their coordination and on mechanisms for capturing data on their impact.

KEY POINTS

- In Kyrgyzstan the European Union is committed to continue its support for consolidating democracy, strengthening the rule of law and implementing judiciary reforms
- Rule of law is a focal sector in the 2014-2020 Multiannual Indicative Programme for Kyrgyzstan
- The Development Cooperation Instrument will provide around EUR 50 million for the promotion of the respect of rule of law over the period 2013–2020
- The European Instrument for Democracy and Human Rights focuses on human rights
- The Instrument for Stability and the Instrument Contributing to Stability and Peace programmes focus on institution strengthening, supporting access to justice, and the electoral process
- Local NGOs have limited institutional capacity to fully exploit European Union funding, and often act together with international NGOs
- Monitoring, scrutiny, and evaluation follow standard EU practices
- Donors’ coordination is streamlined via the Kyrgyzstan Development Partners Coordination Council’s working group on rule of law and human rights

Background to the country and the challenges faced

The EU has cooperated with Kyrgyzstan since the latter’s independence in 1991.214 The principal document laying down the basis to this partnership is the Partnership and Cooperation Agreement (PCA),215 signed in 1995 and effective from 1999. At the regional level, Kyrgyzstan is one of the countries supported under the EU Strategy for Central Asia.216

In the early years of cooperation, EU support focused on trade and investment, but since 2002 a number of additional issues have been included, such as regional security, RoL, as well as human

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215 Official Journal of the European Communities (1999), Partnership and Cooperation Agreement establishing a partnership between the European Communities and their Member States, of the one part, and the Kyrgyz Republic, of the other part.
The new Kyrgyz Government, which came to power after the April 2010 revolution, has placed the strengthening of RoL, including promotion of transparency, accountability and the fight against corruption, at the top of its agenda. For the period 2014-2020, the overriding objective for the EU is to support the consolidation of democracy in Kyrgyzstan, while helping the country to reduce poverty and achieve sustainable development, as well as supporting national security, reconciliation and cohesion.

There are multiple challenges for work focused on democratic governance, RoL, and the judiciary in Kyrgyzstan. With respect to the political situation, old clan structures are still widespread, and the present government has limited influence over the mayors and municipal councils in the south of the country. In addition, electoral assistance is highly political and the EU strives not to be seen as favouring particular groups, organisations or parties. Corruption is widespread, both in the public and private sectors, and poses a significant challenge to the effective functioning of government and business in Kyrgyzstan. In the domain of the judicial system, Kyrgyzstan is going through a process of legislative changes to implement planned judicial reform, whose main objective is to establish an independent, efficient, and transparent judiciary system. With regards to stability and peace, tensions continue between ethnic Kyrgyz and Uzbeks in the southern part of the country, and in the southern borders between armed forces from Kyrgyzstan and neighbouring Uzbekistan and Tajikistan. Lastly, the European Commission (EC) has raised questions about the nature of allocation of the state’s budget and the implementation of EU support. Specifically, the EC’s Multi-annual Indicative Programme outlines that implementation depends on ‘further commitment by the Kyrgyz authorities to apply the Rule of Law, and specifically progress with reforms in the police, prosecution, judiciary and penitentiary sectors’.

In light of these challenges, the EU’s strategy aims to improve justice and RoL by strengthening the capacity of institutions to deliver, and strengthening the capacity of citizens to uphold their rights, while ensuring the accountability and oversight of the state. Over the period 2014-2020, specific objectives of the EU’s actions will be to modernise and democratise the legislative process, enhance the prosecutorial and judicial processes, improve efficiency and transparency of the election system, improve competence of the Parliament, and increase the level of respect for democratic principles. Relevant cross-cutting objectives are a human rights-based approach, the promotion of gender equality, and the fight against corruption.

Programme spending in country

Within the framework of the PCA, the EU is providing financial assistance to Kyrgyzstan through a set of different instruments. The most financially significant of these is DCI. Under the DCI Indicative Programme 2011–2013, in September 2013 a EUR 13.5 million financing agreement on promotion of the respect of RoL in Kyrgyzstan was signed between the EU and Kyrgyzstan. The overall objective of this programme is to assist in strengthening the respect of the RoL by promoting transparency,

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220 Ibid.
221 Ibid.
222 Ibid.
223 Ibid.
224 Delegation of the European Union to the Kyrgyz Republic (2014), Rule of Law – Civil Society and Media, Guidelines for grant applicants, Restricted Call for Proposals.
accountability and anti-corruption measures. Under this agreement, the EU financed a consortium\textsuperscript{225} of EU member states’ public organisations that are tasked with enhancing oversight mechanisms, two calls for proposals\textsuperscript{226} aimed at strengthening civil society organisations’ and the media’s capacity and a Council of Europe action to fight corruption. The DCI funding to Kyrgyzstan has continued in the framework of the DCI’s Multiannual Indicative Programme 2014-2020 for Kyrgyzstan.\textsuperscript{227} The RoL is a focal sector of the Multiannual Indicative Programme and EUR 37.7 million has been committed for this period, with the objectives of improving justice and RoL, strengthening the capacity of institutions to deliver and the capacity of citizens to claim their rights, and reforming the electoral system. For the latter objective, the DCI Annual Action Programme (AAP) 2015\textsuperscript{228} committed EUR 11 million to budget support, around EUR 1 million – through calls for proposals – to enable civil society to participate in the electoral reform process, and EUR 0.7 million to the Council of Europe for assisting the national counterparts with the implementation of the electoral reform.

Together with country-targeted programmes, Kyrgyzstan is one of the five countries supported by the EU-Central Asia strategy financed by DCI. The Multiannual Indicative Programme 2014-2020 for regional central Asia,\textsuperscript{229} and the 2015 Council conclusions on the EU Strategy for Central Asia,\textsuperscript{230} emphasises the fundamental importance of democratisation, respect for human rights and the RoL, and socio-economic development, as essential elements of the strategy.

In addition to the EU bilateral and regional support under the DCI, Kyrgyzstan benefits from assistance through various EU thematic instruments in the field of democracy and RoL.

The main objectives of the EIDHR supported projects have been:\textsuperscript{231} to foster the setting up and development of democratic institutions, to strengthen judicial and non-judicial human rights protection mechanisms, such as the ombudsman institution, provide training in human rights monitoring, promote media independence, support the abolition of the death penalty, enhance women’s rights and the rights of vulnerable groups such as children and veterans and help to develop and enhance civil society participation in political decision making. EIDHR, throughout its AAPs for 2014 and 2015, allocated to the EU delegation to Kyrgyzstan EUR 1 million and EUR 0.8 million respectively. These funds are managed directly by the delegation through calls for proposals targeting local civil society, with the objective of providing support to human rights and democracy. In March 2015 the delegation launched a call for proposals\textsuperscript{232} for EUR 1.6 million focusing on: i) preventing torture, ill-treatment and other cruel, inhuman and degrading treatment or punishment;
and ii) promoting freedom of association, assembly and expression and fight against discrimination. The purpose of the call for proposal is to allocate two grant contracts of up to EUR 0.8 and EUR 0.85 million respectively for both priority areas, while 40–45% of the allocated funds shall be re-granted to local non-governmental organisations (NGOs) based on a subsequent local call for proposals.\textsuperscript{233}

Kyrgyzstan received funding under IfS, in several thematic areas as, including legal and judicial development, civilian peacebuilding, conflict prevention and reconciliation following ethnic violence.\textsuperscript{234} As part of the 2015 AAP for the IfS’ successor, IcSP, EUR 2 million is budgeted for ‘support to in-country civil society actors in conflict prevention, peace-building and crisis preparedness’ in Kyrgyzstan.\textsuperscript{235} To implement this action, the Kyrgyzstan delegation to the EU is expected to launch a call for proposals. However, to the best of the knowledge of the study team, such call for proposals has not been published yet.

Table A below summarises EU financial support for projects in Kyrgyzstan since 2008, in the field of democracy and RoL. It does not aim to be a complete and exhaustive overview, but rather an indication of the majority of funding. Some projects might have been included or excluded because they were only partially relevant for democracy and RoL, on the base of the study team’s discretionary criteria. Moreover, it draws information from different sources that are not always consistent, especially regarding the timeframe considered. As discussed above, the majority of funding is provided under DCI with the objective of promoting legal and judicial development in the country. EIDHR, IfS, and IcSP assistance focused – among others – on supporting access to justice and institutions strengthening, as well as financing a large number of relatively small projects (compared with DCI projects). In the case of IfS and IcSP, some projects were funded completely by the EU (e.g. a EUR 1.2 million project to provide ‘support to operationalization of the Constitutional Chamber of the Supreme Court in the Kyrgyz Republic’), while other projects have been co-financed with other donors (e.g. the EUR 7 million project ‘Kyrgyz Republic Election Support’).\textsuperscript{236}.

\textsuperscript{233} The project on prevention of torture is the only one of these that has already commenced.


Value for money: EU programme funding in the field of democracy and rule of law

Table A: Summary of democracy and rule of law projects in Kyrgyzstan since 2008

<table>
<thead>
<tr>
<th>Instrument/programme</th>
<th>EU contribution EUR/Percentage of total expenditure</th>
<th>Number of projects (completed/ongoing)</th>
<th>Number of cancelled projects</th>
<th>Thematic areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Cooperation Instrument</td>
<td>11,246,184 /96%</td>
<td>6</td>
<td>NA</td>
<td>Supporting access to justice, human rights and minority rights; Electoral process; Media</td>
</tr>
<tr>
<td>European Instrument for Democracy and Human Rights</td>
<td>4,193,817 /97%</td>
<td>22</td>
<td>1</td>
<td>Institution Strengthening; Supporting civil society; Supporting access to justice, human rights and minority rights; Media</td>
</tr>
<tr>
<td>Instrument for Stability and Instrument contributing to Stability and Peace</td>
<td>7,475,901 /48%</td>
<td>9</td>
<td>NA</td>
<td>Peace and security; Electoral process; Women rights and gender issues; Institution Strengthening</td>
</tr>
</tbody>
</table>

Source: European Union delegation to Kyrgyzstan website; EU Financial Transparency System; European Commission International Cooperation and Development website; EU transparency register; Insight on Conflict website.

Tables B and C provide a summary of the projects by grantee for EIDHR, IfS and IcSP. While in the case of EIDHR, local and international NGOs appear to be the main beneficiaries of the funding, in the case of IfS and IcSP, intergovernmental organisation are the main recipients. In particular, two agencies of the United Nations (UN) and the Organisation for Security and Co-operation in Europe, alone receive around 80% of the IcSP and IfS funding.

Table B: Breakdown of EIDHR-funded projects in Kyrgyzstan by grantee since 2008

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Value / EUR</th>
<th>Average length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intergovernmental organisation (1)</td>
<td>1</td>
<td>299,931</td>
<td>Not Available</td>
</tr>
<tr>
<td>International NGO (9)</td>
<td>11</td>
<td>1,717,425</td>
<td>Not Available</td>
</tr>
<tr>
<td>Local NGO (11)</td>
<td>13</td>
<td>1,733,358</td>
<td>Not Available</td>
</tr>
<tr>
<td>Other (2)</td>
<td>4</td>
<td>443,102</td>
<td>Not Available</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>29</strong></td>
<td><strong>4,193,817</strong></td>
<td><strong>Not applicable</strong></td>
</tr>
</tbody>
</table>

Source: European Union delegation to Kyrgyzstan website; EU Financial Transparency System; European Commission International Cooperation and Development website

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237 Some projects funded by the EU also receive funding from other sources.
Table C: Breakdown of IcSP/IfS-funded projects in Kyrgyzstan by grantee since 2008\textsuperscript{238}

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Value / EUR</th>
<th>Average length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intergovernmental organisation (5)</td>
<td>6</td>
<td>6,779,918 EUR</td>
<td>Not Available</td>
</tr>
<tr>
<td>Other (3)</td>
<td>3</td>
<td>795,983 EUR</td>
<td>Not Available</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9</strong></td>
<td><strong>7,475,901 EUR</strong></td>
<td><strong>Not applicable</strong></td>
</tr>
</tbody>
</table>

*Source:* European Union delegation to Kyrgyzstan website; EU Financial Transparency System; European Commission International Cooperation and Development website; Insight on Conflict website

**Allocation of funds**

Based on available information, it has not been possible to provide a breakdown of EIDHR, IfS and IcSP projects by award procedure type (e.g. whether they are allocated through open calls for proposals or restricted procedures). However, the interview conducted with the representative of the EU delegation to Kyrgyzstan has enabled us to obtain some general information on the allocation of funds. EIDHR funding is typically allocated through restricted call for proposals following a two-step approach: applicants initially submit a concept note and later on a full proposal (for those applicants that pass the phase of concept notes' evaluation). With regards to the DCI, the Multiannual Indicative Programme provides the guidelines for the allocation of funds; it contains the strategic objectives, the choice of focal sectors to support, a risk assessment, the expected results, and an indicative financial overview. The AAPs implementing the Multiannual Indicative Programme guidelines describe in more detail its objectives and activities, aid and implementation modalities, performance monitoring, reporting, and evaluation. The interviewee explained that the delegation is involved in all the phases that lead to the adoption of each AAP, including the signature of the corresponding financing agreement with the relevant Kyrgyz authorities.

In the case of EIDHR, the priorities are selected on the basis of the EU’s human rights strategy on Kyrgyzstan (this is a confidential document). The priorities are then implemented via restricted calls for proposals. IfS and IcSP are specific subsidiary instruments, used only when the funds from other instruments are not available, in response to a situation of emergency or where it is easier to fund without the involvement of the local government. In the case of Kyrgyzstan, these funds were mobilised, among others, for election support and human rights protection in the aftermath of 2010 turbulent events\textsuperscript{239} as well as support to the operationalisation of the Constitutional Chamber of the Supreme Court. In order for the EU action to be as timely and effective as possible, IfS and IcSP funds have been mainly allocated to intergovernmental organisations via a financial agreement.

In terms of marketplace competition, the interviewee explained their calls for proposals generate a sufficient number of responses, although at times their quality cannot be considered satisfactory. The EU delegation to Kyrgyzstan has to reject proposals on a few cases because the applicant did not correctly understand the guidelines, or did not meet the minimum requirements. The interviewee

\textsuperscript{238} Note: the projects in these tables are limited to those in the field of democracy and rule of law.

reported that to date, because of the grant sizes being either medium or large, the tendency has been to finance a limited number of high-quality and low-risk tenders. As a consequence, local NGOs have been disadvantaged in the selection procedure, as they are usually small in size, they lack experience and managing capacity of substantial budgets; moreover, they would have to bear high risks for their survival in the case of an unsuccessful audit. One solution has been to re-grant part of the funds to local NGOs. 

**Monitoring and scrutiny of funds**

For DCI and EIDHR, the EU delegation to Kyrgyzstan reports to the Directorate General for Development and Cooperation using the External Assistance Management Reports (EAMRs); this is a highly detailed standard report, which outlines annual data on funding, results, and any concerns from financial and operational points of view.

In the case of DCI, the AAPs identify the body responsible for performance monitoring and reporting, for example a local authority, and their modalities. When the EC considers an action to be of particular importance, or when specified in the Financing Agreement, it can carry out mid-term and/or final evaluation via independent consultants, and undertake annual assessments of compliance with the general conditions forecasted in the AAP. With regards to auditing, the EC may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

The EU Delegation to Kyrgyzstan conducts a risk assessment of each individual project and on the basis of such assessment, internal or external monitoring might be organised. Results-Oriented Monitoring (ROM) missions are regularly planned; ROM missions are review of EU funded external interventions conducted by independent experts through regular onsite assessments of projects and programmes in all EU partner countries. ROM (managed by DG DEVCO) is not used for IfS and IcSP projects.

For IcSP and IfS, the interviewee noted that some projects have mid-term evaluations and all have an end-of-project evaluation. The interviewee did not identify any examples of how information from monitoring and evaluation was used. At a programme level, for IfS and IcSP the EU delegation to Kyrgyzstan has to report to the service for Foreign Policy Instruments through two different reports: a staff delegate authorising officer report that focuses on the administrative side of the projects, and an annual report that presents a short general overview on the implementation of the programme. In addition to this reporting, the interviewee explained that the EU delegation to Kyrgyzstan tries to organise its own monitoring, through project visits and dialogues with stakeholders.

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240 Interview with the EU delegation to Kyrgyzstan.
241 Interview with the EU delegation to Kyrgyzstan.
244 Interview with the EU delegation to Kyrgyzstan.
246 Working alongside the European External Action Service, the service for Foreign Policy Instruments (FPI) is responsible for operational expenditures in the crucial area of EU external action. Specifically, the FPI is responsible for the execution of operations in the following areas: Common Foreign and Security Policy; The Instrument contributing to Stability and Peace (IcSP); The Instrument for Cooperation with Industrialised Countries; and Election Observation Missions. European Commission website (n.d.), section on the Service for Foreign Policy Instrument. Accessed online in April 2016: [http://ec.europa.eu/dgs/fpi/index_en.htm](http://ec.europa.eu/dgs/fpi/index_en.htm)
Coordination

The delegation interviewee gave the following overview of how coordination occurs. The EU has an ongoing policy dialogue with the Kyrgyz authorities and international donors. The delegation interviewee explained that while coordination takes place, it is not done in a structured way that follows a pre-established scheme. There are different levels of coordination, and the overall objective is to avoid duplication and create synergies.

A key forum for coordinating donors’ work in Kyrgyzstan is Development Partners Coordination Council, which was established with the purpose of improving multi-directional flow of relevant information among donors, government agencies and civil society institutions. The EU is a current co-chair of DPPC, meeting on a monthly basis to assist the government in drawing up medium- and long-term development plans. The forum is organised in working groups. A working group on RoL and human rights meets on monthly basis in order to determine the main challenges, measures and means of coordination of interventions in the justice sector; the results were then adopted at the high level donors’ conference in Bishkek in July 2013. Currently, for the electoral assistance support financed by the 2015 DCI AAP, coordination is performed in the election coordination group. While this is not a formal working group, discussions are under way to establish it as a formal one under DPPC. The EU delegation to Kyrgyzstan interviewee reported that some of the working groups are functioning very well, while others are less effective.

For DCI, complementarity is ensured at Multiannual Indicative Programme level; during the identification and formulation phase of the programme, meetings and discussions are held with other donors, such as the UN, World Bank, Organisation for Economic Co-operation and Development (OECD), and country donors. In the Multiannual Indicative Programme, the EC reports a matrix of donors, together with the lesson learnt. As the interviewee explained, the other donors follow a similar process when planning a programme. The Kyrgyz authorities maintain coordination of donors’ programmes and projects through the National Coordination Unit under the oversight of the Ministry of Justice.

In addition to all of these mechanisms, the EU is also one of the members of the Kyrgyz Republic Development Partners (KRDP) – ‘a process of donors who want to go further in coordinating and aligning their aid on the government’s priorities’.

Lastly, the interviewee noted that coordination also takes place more informally on the ground. The delegation explained it has frequent meeting and discussions with the other donors and stakeholders, with the aim of being as effective as possible.

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251 Interview with the EU delegation to Kyrgyzstan.

Evidence of the programmes’ impact

With regards to the possibility of measuring evidence of the impact of the projects, the EU delegation to Kyrgyzstan interviewee explained their perspective that the completion of a project can be seen as representing in many cases its impact. As an example, the interviewee mentioned the EU project in support of the Constitutional Chamber: the fact that the quality of the Chamber’s work has improved (or in the words of the interviewee, ‘is effective and working professionally’) shows that the project had an impact. Evaluation and impact studies are also tendered frequently. These are mostly based on interviews with the direct beneficiaries of the project, thereby generating data on project impacts.

In addition, the EU delegation to Kyrgyzstan implements a Logical Framework Approach (LFA) across all projects. The LFA is an analytical process, which incorporates an impact measurement component. The LFA comprises a set of tools used to support project planning and management; it provides interlocking concepts which are used as part of an iterative process to aid structured and systematic analysis of a project or programme idea. To measure the impact of a project during its implementation, at the beginning of the project a baseline study is conducted; on this basis and at regular intervals, the ongoing results are compared against the baseline study to verify progress. Specific numerical and quantitative indicators are used. At the final stage, the results of the projects and feedback are shared with EC headquarters, other donors, and the relevant authorities.

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254 Interview with the EU delegation to Kyrgyzstan
255 Indeed, the EC generally requires the application of the LFA at the various stages of the project management cycle. See European Commission (2004), Aid Delivery Methods- Volume 1 Project Cycle Management Guidelines.
256 Interview with the EU delegation to Kyrgyzstan


• European Commission (2015), *Annex 1 of the Commission Implementing Decision on the Action Document for a Sector Reform Contract on Strengthening Democracy through Electoral Reform*


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Case study: Liberia

Summary and key lessons

This case study discusses European Union (EU) programme funding in the field of democracy and rule of law (RoL) in Liberia. First, the case study presents a narrative of the country context in which EU-funded projects are set and of the associated challenges in the programme areas. Next, an overview of projects funded in Liberia under the EU’s external instruments is provided, along with the main characteristics of funded projects. Subsequently, the case study provides additional details on the following areas: the allocation of funds, the monitoring and evaluation of funded projects, their coordination and mechanisms for capturing data on their impact.

KEY POINTS

- The situation in Liberia marked by concerns about the effectiveness and sustainability of ongoing recovery and rebuilding in the aftermath of two civil wars
- Interventions by the European Development Fund (EDF), Development Cooperation Instrument (DCI), Instrument Contributing to Stability and Peace (IcSP) and European Instrument for Democracy and Human Rights (EIDHR), with varying levels of focus on democracy and rule of law
- EUR 82 million total funding since 2008 by EDF, EUR 1.1 million total funding since 2008 by DCI, 0.7 million total funding since 2008 by IcSP, and EUR 2.2 million total funding since 2008 by EIDHR
- Process of fund allocation dependant on the financing instrument in question Several layers of project monitoring and evaluation in place
- Mechanisms to coordinate activities across sectors, actors and funding instruments are in place
- Impact measurement is integral part of every funded project
- No formal sustainability mechanism established for NGOs, although informal platforms exist or are being developed

Background to the country and the challenges faced

As the European Commission’s (EC) National Indicative Programme for Liberia points out, Liberia is ‘one of the most fragile states in Western Africa which for years exported violence and conflicts’. In the past twenty-five years the country underwent two devastating civil wars (1989–1996 and 1999–2003), leaving Liberia at their conclusion as one of the poorest countries in the world, with unemployment estimated at 86% and a per capita gross domestic product (GDP) of $135.

The current indicative programme concludes that since the end of the civil war, Liberia has made good progress in establishing a functioning system of administration, although numerous weaknesses and challenges persist. Recently, Liberia was one of the worst affected countries during...
the Ebola outbreak and although the Ebola epidemic did not result in any worsening of the security situation, it did expose existing gaps in and limits to the government’s ability to deliver services, thereby jeopardising the social fabric in the country. In this context, of particular concern is the departure of the United Nations Mission in Liberia (UNMIL), currently scheduled to be withdrawn at the end of June 2016, and the ensuing assumption of full responsibility for security in the country by Liberian authorities.260 This is in advance of the next presidential election to be held in 2017, which has been billed by observers as a potential risk to stability and security in the country.261

In the face of the challenges above, Liberia is currently implementing its second poverty reduction strategy called Agenda for Transformation (AfT). Following the EU and EU Member States’ assessment of the AfT, the EU’s assistance is aligned with its objectives and focuses on the following sectors:262

- Good Governance (subsuming human rights and RoL)
- Energy
- Education
- Agriculture

Specifically with respect to the Good Governance focus area, the country indicative programme notes several persistent challenges. Firstly, some underlying causes of the previous civil wars have not been fully addressed, posing a challenge to successful reconciliation. Secondly, large parts of the population encounter difficulties accessing public institutions dealing with governance and justice. Furthermore, these relevant public institutions continue to be weak. Thirdly, adherence to due process of law is far from universal, with reported occurrences of human rights violations, arbitrary decisions by relevant authorities and extrajudicial violence and killings. There has been some good progress in the area of civil sector reform, particularly concerning public finance management; however, decentralisation has been delayed and more ‘needs to be achieved in the fight against corruption and in improving transparency and accountability’.263

The 2014 EU Report on Human Rights took note of the challenges listed above and stated that the EU’s objectives in the domain of human rights and democracy in Liberia were ‘the abolition of the death penalty, increasing awareness of and respect for women’s rights and children’s rights, and the provision of support to civil society for promoting human rights.’264

**Programme spending in country**

In this section we use data provided by the EU delegation to Liberia as our authoritative source of information, though we acknowledge the existence of other information sources that could be brought to bear on this analysis. Regrettably, observed differences across various data sources (both differences between types of categories used, and between numbers relating to the same categories) do not allow for a straightforward consolidation of information. Therefore, alternative sources are only

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briefly acknowledged in each instrument-specific section while the presented analysis draws on data provided by the EU delegation to Liberia.

According to information provided by the delegation, activities in the area of democracy and RoL are funded by four EU external instruments – the Development Cooperation Instrument (DCI), the European Development Fund (EDF), the European Instrument for Democracy and Human Rights (EIDHR), and the Instrument for Stability (IfS) (now replaced by the Instrument Contributing to Stability and Peace (IcSP)). Table A provides a summary of all relevant projects along with their main characteristics. The overwhelming majority of funding in this area is provided under the EDF and is dominated by a EUR 65 million state-building contract with the Government of Liberia as the beneficiary. While this general budget support contract includes funding for activities focusing on democracy and rule of law, available data are not sector-earmarked and do not allow for a clear identification of how big a share of the overall budget is dedicated to these activities.265

With the exception of DCI, EU-funded projects attract co-funding from other sources, although EU contributions account for the majority of the overall project budgets.

Table A: Summary of democracy and rule of law projects in Liberia since 2008

<table>
<thead>
<tr>
<th>Instrument/ programme</th>
<th>EU contribution EUR / Percentage of total expenditure266</th>
<th>Number of projects (completed/ongoing)</th>
<th>Number of cancelled projects</th>
<th>Thematic area(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>EIDHR</td>
<td>2,178,497 / 86%</td>
<td>8 (1 / 7)267</td>
<td>Data not available</td>
<td>Supporting access to justice; Human rights and minority rights; Supporting civil society; Women rights and gender issues; Peace and security</td>
</tr>
<tr>
<td>IFS</td>
<td>671,774 / 80%</td>
<td>2 (0 / 2)</td>
<td>Data not available</td>
<td>Supporting civil society</td>
</tr>
<tr>
<td>EDF</td>
<td>82,175,019/ 78%</td>
<td>4 (2 / 2)</td>
<td>Data not available</td>
<td>Electoral process; Institution strengthening; Peace and security</td>
</tr>
<tr>
<td>DCI</td>
<td>1,101,977 / 100%</td>
<td>2 (2 / 0)</td>
<td>Data not available</td>
<td>Supporting access to justice, human rights and minority rights; Women rights and gender issues</td>
</tr>
<tr>
<td>Total</td>
<td>86,127,267 / average of 89%</td>
<td>16 (5 / 11)</td>
<td>Data not available</td>
<td>Data not available</td>
</tr>
</tbody>
</table>

Note: Size of EU contribution as a share of overall budget weighted by project size

Source: data provided by the EU delegation to Liberia

265 A delegation interviewee estimated that justice and security objectives may approximately amount up to a third of the total project.
266 Some projects funded by the EU also receive funding from other sources.
267 Two of the ongoing projects have completed their activities and are awaiting formal closure in the information system.
EIDHR

The EU delegation to Liberia identified eight projects in the area of democracy and RoL funded since 2008 (one completed and seven ongoing); their main characteristics are presented in Table B below. While the objective of the table is to provide an overview broken down by the type of grantee, we note that all EIDHR-funded projects were awarded to one type of organisation, international non-governmental organisations (NGOs) with offices in Liberia. Most international organisations also included local NGOs as co-applicants or partners.

The average size of EIDHR-funded projects is slightly in excess of EUR 300,000 (on average the EU contribution covers 87% of the overall budget). In line with the Practical Guide to Contract Procedures for EU External Actions (PRAG) prescription, administrative costs never exceed 7% of the allowable direct costs. For five EIDHR-funded projects administrative costs amount precisely to the allowed maximum.

Table B: Overview of EIDHR-funded projects in Liberia by grantee since 2008

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Average value / EUR</th>
<th>Average length</th>
<th>Administrative costs as a share of all other costs 272 (average)</th>
</tr>
</thead>
<tbody>
<tr>
<td>International NGOs</td>
<td>8</td>
<td>315,842</td>
<td>2 years 1 month</td>
<td>6.68%</td>
</tr>
<tr>
<td>Total/average</td>
<td>8</td>
<td>315,842</td>
<td>2 years 1 month</td>
<td>6.68%</td>
</tr>
</tbody>
</table>

Source: data provided by the EU delegation to Liberia

IcSP / IfS

As with EIDHR, we acknowledge the existence of alternative sources of data, all of which contain slightly different information. Also as above, in the following analysis we use the data provided by the delegation to Liberia as the basis for our analysis. According to information provided by the EU delegation to Liberia, there have been two projects funded by the IfS since 2008, both of them still ongoing (summarised in Table C below). One project was awarded to an international NGO and the

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268 In terms of alternative data sources, the EU Financial Transparency System lists four EIDHR projects in Nicaragua for the period 2007–2014; however, we note that this system includes only projects where beneficiaries are paid directly by the EC. This may leave out of its scope projects where the final disbursement of funds is done by another partner donor agency, to which the EC makes a contribution (EC, 2015b). The EIDHR compendium for 2007–2010 lists six projects pertaining to Nicaragua (EC, 2011).

269 The other possibilities in our categorisation include local NGOs and intergovernmental organisations.


271 For two projects administrative costs amount to 7% of all other costs when using the EU contribution as a denominator. Since these two projects are also supported by contributions from other sources, the volume of administrative costs as a share of all other is lower than 7%, i.e. well within the PRAG guidelines. Data provided by the delegation do not provide a budget breakdown for one (closed) EIDHR-funded project.

272 Administrative costs are expressed as a share of all other costs in line with PRAG instructions, which cap administrative (indirect) costs at 7% of all eligible direct costs.

273 In terms of alternative data sources, the EU Financial Transparency System lists two IfS projects in Nicaragua for the period 2007–2014; however, we note that this system includes only projects where beneficiaries are paid directly by the European Commission (EC). This may leave out of its scope projects where the final disbursement of funds is done by another partner donor agency, to which the EC makes a contribution (EC, 2015b). The Insight on Conflict website, contracted by IcSP to provide data about its projects, lists four projects (two single country and two multi-country) covering Liberia (Insight on Conflict, n.d.).
other to a Liberia-based NGO. The two projects are broadly similar in their length and administrative costs, although one of the projects claims all allowable indirect costs and the other does not. They differ in size, with the project implemented by the international NGO being approximately double the size of the one carried out by the Liberian organisation.

Table C: Overview of IcSP/IcS-funded projects in Liberia by grantee since 2008

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Average Value / EUR</th>
<th>Average length</th>
<th>Administrative costs as a share of all other costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>International NGO</td>
<td>1</td>
<td>562,500</td>
<td>2 years</td>
<td>7.00%</td>
</tr>
<tr>
<td>Liberian NGO</td>
<td>1</td>
<td>277,218</td>
<td>2 years 4 months</td>
<td>6.14%</td>
</tr>
<tr>
<td>Total</td>
<td>2</td>
<td>419,859</td>
<td>2 years 2 months</td>
<td>6.57%</td>
</tr>
</tbody>
</table>

Source: data provided by the EU delegation to Liberia

Allocation of funds

At the general level, the implementation of EU financial instruments is guided by their respective (multi)annual action programmes. These programmes, however, shed little light on the actual execution on the ground. Therefore, this and the subsequent sections are based primarily on communication with the EU delegation to Liberia, complemented by a review of pertinent official documentation.

According to the delegation interviewee, the process of fund allocation depends on the instrument in question. For EDF, the multi-annual indicative programme identifies areas and interventions to cover by the instrument. The subsequent formulation of detailed priorities is done either by the delegation staff or by external consultants, depending on whether the delegation staff have sufficient in-house expertise in a given area.

The allocation of funds for EIDHR is guided by the country's strategy paper, which provides the framework for overall objectives in the area. This is then incorporated in the terms of reference for EIDHR calls for proposals.

With respect to IcS/IcSP, the interviewee could not comment on the circumstances of the selection of past projects and limited their observations to noting that the delegation would normally have a good idea of issues to be covered based on its country presence and engagement in the sector.

274 Administrative costs are expressed as a share of all other costs in line with PRAG instructions, which cap administrative (indirect) costs at 7% of all eligible direct costs.
The information above is supported by administrative data provided by the EU delegation. The data indicate that all EIDHR and IcSP projects (for which there are details available on their award procedure) were selected on the basis of open calls for proposal. Reflecting on the competitiveness of calls for proposals, the delegation interviewee felt that invitations to tender have attracted an acceptable number of proposals. However, tenderers’ submissions have not always been of sufficient technical quality and applicants have not always been able to meet administrative requirements. As a result, the main limiting factor to the calls for proposals’ competitiveness has been a lack of capacity on the part of potential grantees. For future actions, the delegation is implementing early information and capacity-building activities for potential grantees as a way to try to prevent this shortcoming.

Monitoring and scrutiny of funds

As with other areas covered by the case study, broad principles for monitoring and evaluation (M&E) are laid out in the programmatic documents pertaining to the financing instruments. The EIDHR multiannual programme\(^{278}\) calls for regular progress assessments according to pre-defined indicators and for a consolidated evaluation system to be put in place. Similarly, the IcSP annual programme\(^{279}\) envisages the use of logical frameworks and their indicators for projects’ progress monitoring and assumes beneficiaries will be the primary responsible party for any evaluation activities. In practical terms, M&E arrangements depend on the modality of the project in question.\(^{280}\) With respect to monitoring, most projects incorporate their own M&E frameworks that are implemented by the grantee. In addition, the delegation can put in place its own monitoring arrangements at the level of individual projects. The decision to do so depends on delegation staff availability and perceived need for additional monitoring arrangements. At the programme level, the delegation utilises Results-Oriented Monitoring (ROM),\(^{281}\) which looks at a cross-section of funded projects utilising a set of standardised indicators.

Evaluation arrangements also vary across projects. As discussed above, some projects have mandatory evaluations conducted by grant beneficiaries, while in other cases the delegation attempts to perform a final evaluation on their own. For mid-term evaluations, ROM can be used as a source of data as well. The EU delegation to Liberia maintains a M&E tracker file, which helps ensure adherence to agreed M&E plans and timely completion of pertinent activities.

We were told that results from M&E activities are used in two ways. First, they feed into ongoing project and grant management by identifying room for improvement and areas in need of adjustment, such as amendments to projects’ logframes. Second, evaluation data are taken into consideration when designing future programmes/projects. However, as the interviewee stressed, strategy development is primarily a headquarters-led process, although it builds on data provided by individual delegations.

Reporting to headquarters primarily takes the form of an annual External Assistance Management Report (EAMR), which summarises the M&E activities undertaken by the delegation. The EAMR also

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\(^{280}\) Interviewee from the EU delegation to Liberia.

identifies any critical issues in case these warranted a follow-up by headquarters. In addition to EAMRs, other less formal channels of communication exist that allow for continuous reporting. The delegation is in continuous contact with headquarters all year round and heads of delegations hold regular high-level discussions with relevant heads of unit in the Directorate-General for International Cooperation and Development (DG DEVCO).

**Coordination**

The delegation interviewee gave the following overview of how coordination occurs. As the current Multiannual Action Programme for the EIDHR states, it is the responsibility of EU delegations to ensure the ‘complementarity and synergies’ across EU instruments. A similar responsibility for the delegation is outlined in the 2015 programme for the IcSP, which calls for ensuring ‘complementarity and cross-fertilisation with other relevant activities under implementation at country level and in particular those funded by the EU’.

According to the delegation interviewee, practical coordination arrangements depend on the topic and project size in question, although some broad coordination principles can be identified.

Typically, the operational staff of the delegation takes the lead in formulating the focus of the programme portfolio and works with the political section and the head of delegation in deciding on a concrete course of action. For instance, in the latest EIDHR call for proposal, the delegation convened all project officers for an internal brainstorm about future areas of focus.

As part of this process, the delegation looks at complementarity with other ongoing efforts, including a consideration of whether elements of other projects can be enhanced by future grants. The delegation pays attention to guiding documents, which include relevant country reports, United Nations reports and sectoral reports. In addition, it examines the availability and activities of other funding instruments, in order to determine whether there may be a more suitable avenue to achieve the goal in question. This includes a consideration of other donors’ activities and of existing donor coordination mechanisms. Relevant country representatives are involved in this decision process from early on.

**Evidence of the programmes’ impact**

The main vehicle to capture the impact of projects funded by the EU instruments are final evaluations, discussed above in the section on M&E arrangements. As an example of final project evaluations and the type of data collected, the delegation shared with the research team a report on the project ‘Strengthening civil society’s voice in national reconciliation and dealing with the past,’ running from May 2012 to February 2015. The evaluation assesses the project utilising three evaluation criteria: effectiveness, relevance and efficiency. The section on effectiveness is structured by the project’s objectives (both general and specific) and follows up on the project’s expected results in its assessment. The section on relevance comments on the project’s alignment with key strategy

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documents and how its relevance may have changed in light of external developments (in this context the Ebola outbreak). Finally, the section on efficiency assesses two components: value for money and project management.

Related to the projects’ impacts are considerations surrounding their sustainability. Currently, the EU delegation to Liberia does not have a formal system in place to support grantees beyond the end of project grants. However, several activities and plans are in place, which contribute to this objective. First, although this process was interrupted during the Ebola crisis, the delegation is working on re-establishing a regular series of meetings with civil society organisations, aiming to discuss the situation and challenges in the country (‘Structured dialogue with civil society’). With these dialogues in place, communication with civil society organisations would not end at the completion of a grant. Second, the delegation is looking to improve donor coordination with respect to supporting civil society, ideally resulting in a more structured dialogue between the body of donors in Liberia and representatives of civil society. This objective is in line with the annual programmes for both EIDHR and IcSP, which stress the desirability of consultative platforms to engage with civil society organisations. Finally, the interviewee noted that capacity building is already an integral part of the indicative programme for EU funding, which should also contribute to sustained impacts.

References


285 These were highlighted by the delegation interviewee.


Case study: Myanmar

Summary and key lessons

This case study discusses European Union (EU) programme funding in the field of democracy and rule of law (RoL) in Myanmar. The case study starts by a narrative of the country context in which EU-funded projects operate and of the associated challenges in the programme areas. Subsequently, an overview of projects funded in Myanmar under the Development Cooperation Instrument (DCI), the European Instrument for Democracy and Human Rights (EIDHR), the Instrument contributing to Stability and Peace (IcSP) and its predecessor, the Instrument for Stability (IfS), and other EU instruments, is offered. Finally, the case study provides additional details on the allocation of funds, on the monitoring and evaluation of funded projects, on their coordination and on mechanisms for capturing data on their impact.

KEY POINTS

- Transition to democracy after 50 years of authoritarian military rule
- Second largest European Commission bilateral development cooperation envelope in Asia
- EUR 96 million for governance, rule of law, and state capacity-building under the Development Cooperation Instrument over the period 2014-2020
- Interventions by the European Instrument for Democracy and Human Rights, the Instrument for Stability / Instrument contributing to Stability and Peace, the Civil Society Organisations and Local Authorities programme, the Non-State Actors and Local Authorities programme, and the Investing in People programmes
- The presence of politically sensitive issues, the capacity constraint of local NGOs, and the persistence of armed conflicts, are factors that have a bearing on the award of funds
- Internal and external monitoring, as well as a preventive systems audit, are in place
- Coordination relies on several levels of consultation; it aims to avoid duplications in spending and to create synergies
- Measuring the concrete impact of projects is challenging, both due to general issues in this area of assistance, and to the nature of Myanmar as a complex country that has undergone rapid transformation in recent years

Background to the country and the challenges faced

Following 50 years of authoritarian military rule, Myanmar is embarking upon a significant transition which is evolving at a rapid pace. The EU has taken the lead in providing support for Myanmar's democratic transition and reform process; restrictive measures imposed on the government were suspended in 2013, and the opening of a fully-fledged EU Delegation to Myanmar in Yangon in September 2013 began a new chapter in the bilateral relations between the European Union and the Republic of the Union of Myanmar. The overall objective of the EU strategy (as outlined in the
Multiannual Indicative Programme\(^{288}\) is rooted in the desire to support peace, security and stability in the country, whilst promoting inclusive growth and sustainable development through the on-going reform process.

Five decades of dictatorship have eroded state institutions and undermined citizens’ confidence in the state’s capacity to deliver services for its people. The current challenges are therefore: developing a strong state capacity; supporting governance and RoL; and promoting democratisation.\(^{289}\) To reach such ambitious objectives, specific issues need to be addressed: reforming the public administration, establishing an accessible and independent justice system, strengthening transparency and accountability, giving capacity development support to the civil service, improving public finance management and statistical capacity, reinforcing the media, developing the capacity of civil society, and assisting the government with aid transparency, coordination and the aid effectiveness agenda.

Major issues of concern remain in the area of human rights. While significant gains have been made in many fields, including media freedom, freedom of association and assembly, labour rights, and the release of political prisoners, current concerns\(^{290}\) still pertain to the freedom of expression, hate speech, economic, social and cultural rights, land rights, human rights of migrants and internally displaced persons (IDPs), and non-discrimination.

Support to peacebuilding continues to be a priority since the sustainability of the democratic and economic transition is strongly contingent on national reconciliation;\(^{291}\) according to the, ‘while important progress has been made since 2011, the situation in ethnic states remains fluid’.\(^{292}\) In October 2015, a Nationwide Ceasefire Agreement (NCA) between the Government of the Republic of the Union of Myanmar and Ethnic Armed Organisations was signed in the EU’s presence.\(^{293}\) Since not all ethnic armed organisations have signed the NCA, the EU and its Member States continue to closely follow the peace process and to engage in an inclusive political dialogue. Other areas of concern in the area of peacebuilding support are ongoing inter-communal tensions between different communities, the recruitment of child soldiers and the many regions in Myanmar that remain covered in land mines and other unexploded ordnance.

**Programme spending in country**

Myanmar is benefitting from the second largest bilateral development cooperation envelope in Asia, under the DCI. The DCI’s MIP 2014-2020\(^{294}\) focuses on, among others, good governance, RoL, and peacebuilding support. Such priorities were addressed and pursued by the DCI Annual Action


\(^{292}\) Ibid.


Programmes for 2014 and 2015. For governance, RoL, and state capacity-building, the MIP budgeted an indicative amount of EUR 96 million, with the overall objective to support the Myanmar Government’s democratic and institutional reform agenda. As at the beginning of 2016, a substantial part (around 70 of the 96 million) has already been committed:

- EUR 8 million to support electoral process and democratic reform process;
- EUR 20 million in the field of access to justice and RoL;
- EUR 13 million for capacity building and institutions strengthening;
- EUR 30 million are committed for a project to support the reform of Myanmar police.

The EU draws on a range of tools to promote human rights and democracy objectives in Myanmar. Democratic values and a human-rights-based approach to development are mainstreamed in all development programmes. In addition to EU bilateral support, Myanmar benefits from assistance through various EU thematic and regional instruments in the field of democracy and RoL.

Since the launch of EIDHR in 2005, Myanmar has benefitted from funding allocated through global and in-country calls for proposals, as well as targeted actions. Overall, approximately 30 actions targeting Myanmar have been funded since (with a value of approximately EUR 11.5 million). The nature of the actions funded under this instrument has shifted as the country gradually opened and embarked on the process of reform. Initially, EIDHR funded projects focused primarily on documenting human rights abuses and raising awareness of peoples' fundamental rights and freedoms. More recently, the EU has been able to fund projects that support civil society actors, including communities and their human rights defenders, to work closely with state authorities in helping the country comply better with the international human rights legal framework. Current ongoing projects, amounting to approximately EUR 3.8 million, assist human rights defenders, civil society work promoting human rights, existing civil society networks and resource centres, as well as legal advisory networks and legal professionals that work to promote and protect the rule of law and human rights at the community level. EIDHR projects work closely with the Parliaments, National Election and Human Rights Commissions, and the media. EIDHR, throughout its annual action plans for 2014 and 2015, allocated to the EU delegation to Myanmar EUR 1 million and EUR 0.8 million respectively. These funds are managed directly by the delegations through calls for proposal targeting local civil society, with the objective of providing support to HRDs and consolidating democracy in Myanmar. Proposed allocations for 2016 and 2017 are EUR 0.8 million and EUR 1 million respectively.

The programme Civil Society Organisations and Local Authorities (CSO-LA), and its predecessor the Non-State Actors and Local Authorities programme (NSA-LA), made available to civil society

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297 Specific Objective are 1) Policy-making capacity of government institutions is increased and public administration is more efficient, accountable and responsive to citizen's needs; 2) Legal and institutional capacity of justice sector and law enforcement agencies is strengthened and access to independent, impartial and transparent justice and legal aid is improved; 3) Preventive, balanced and professional approach by law enforcement agencies, based on international practices and respect for human rights; 4) More credible, transparent and inclusive elections and increased participation, transparency and accountability of the democratic process; 5) Decent work and respect of labour standards is promoted, including by government institutions and workers' and employers' organisations.

organisations (CSOs) through calls for proposal, EUR 3.7 million in 2015 and EUR 4.8 million in 2014. The objective of these calls is to strengthen the capacity of CSOs in Myanmar and to enhance their participation in Myanmar’s public policies and programmes as a pre-condition for an equitable, open and democratic society.

While CSO-LA and EIDHR, are used in complementarity with the bilateral DCI funds, the IcSP, and its predecessor the IFS are subsidiary instruments used only in ‘emergency’ cases, or if the other instruments are not available. Over the period 2009 – 2016, more than EUR 24 million have been spent in Myanmar under IFS and IcSP. On a general level, two phases can be distinguished in the use of these two instruments in Myanmar over this period. During the first phase, prior to the 2012 by-elections, the projects were designed to support independent media (especially in the ethnic minorities areas), to give support to political parties, and general support to the actors involved in the democratisations process. After the by-elections, a new phase began and IFS (and subsequently IcSP) developed to support and work cooperatively directly with the government, to support the peace process, the reform of the police force, and to address human rights such as labour rights and right of child soldiers. More recently, IcSP has been focusing on projects relating to human rights and/or peace security that are not addressed by other instruments; for example, a project that is about to start under IcSP umbrella is on human trafficking and irregular migration.

In addition to the thematic instruments, at the invitation of the Union Election Commission of the Republic of the Union of Myanmar to observe the 2015 general elections, the European Union has deployed an Election Observation Mission (EU EOM). The EU EOM delivered a comprehensive long-term assessment on the entire electoral process, including voter registration, the campaign, the election administration, election day, and the resolution of election disputes. This was the first time that the European Union observed elections in Myanmar. The EU EOM underscores the EU’s support for Myanmar’s democratic transition and its commitment to supporting credible, transparent and inclusive elections in the country. The EU was also the first donor to provide technical assistance to the Union Election Commission through EIDHR (in February 2013), with the aim of supporting the preparations for the general elections in November 2015. This support was continued through the DCI bilateral governance envelope and is currently ongoing through the STEP Democracy programme. Myanmar is also eligible for regional programmes, including those implemented through the Association of Southeast Asian Nations (ASEAN).

Table A below summarises the EU financial aid in Myanmar since 2008 in the field of democracy and RoL. It does not aim to be a complete and exhaustive overview. Some projects might have been included or excluded because they were only partially relevant for democracy and RoL, on the base of the study team’s discretionary criteria (see the final report’s Methodology chapter). Moreover, it draws information from different sources that are not always consistent, for instance regarding the number of projects (this was principally due to being provided with project lists for different timeframes). Lastly, human rights and RoL are very sensitive issues in Myanmar. As such, it is not always appropriate or possible for EU funded projects to address them in a direct and public way; as a
consequence, the information on such projects is sometimes limited, not publicly available, and not available for dissemination.

The overwhelming majority of funding in the area of democracy and RoL is provided under DCI. The most relevant project (EUR 20 million) is implemented by the British Council and aims to contribute to the development of the RoL, by improving access to justice and legal aid for the poor and vulnerable, and developing legal capacity of justice sector professionals. The DCI’s interventions have a variety of focal and thematic areas. The two thematic areas with the most funding are the promotion of civilian peacebuilding, and conflict prevention and resolution. With regards to the thematic instruments EU funds have been financing numerous projects in different thematic areas such as supporting civil society, institution strengthening, and supporting civil society. Bearing in mind the data caveats explained above, EU-funded projects in Myanmar have a low rate of co-financing, perhaps due to the low financial capacity of local CSOs.

### Table A: Summary of democracy and rule of law projects in Myanmar since 2008

<table>
<thead>
<tr>
<th>Instrument/programme</th>
<th>EU contribution EUR / Percentage of total expenditure</th>
<th>Number of projects (completed/ongoing)</th>
<th>Number of cancelled projects</th>
<th>Thematic area(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Cooperation Instrument</td>
<td>81,814,576 / 95%</td>
<td>1/13</td>
<td>NA</td>
<td>Institution Strengthening; Electoral process; Peace and security; Supporting access to justice, human rights and minority rights</td>
</tr>
<tr>
<td>European Instrument for Democracy and Human Rights</td>
<td>8,500,000 / 90%</td>
<td>17/7</td>
<td>NA</td>
<td>Supporting access to justice, human rights; human rights defenders Supporting civil society; Media</td>
</tr>
<tr>
<td>Instrument contributing to Stability and Peace, Instrument for Stability</td>
<td>27,327,228 / 100%</td>
<td>17/1</td>
<td>NA</td>
<td>Peace and security; Institution Strengthening; Media; Migration</td>
</tr>
<tr>
<td>Civil Society Organisations and Local Authorities, Non-State Actors and Local Authorities</td>
<td>29,700,000 / 76%</td>
<td>39/18</td>
<td>1</td>
<td>Support to civil society and local authorities; capacity building of civil society organisations; institution strengthening</td>
</tr>
</tbody>
</table>

**Source:** European Union delegation to Myanmar website; EU Financial Transparency System; European Commission International Cooperation and Development website; EU transparency register; Insight on Conflict website; data provided by the EU delegation to Myanmar.

Table B and C below provide a breakdown of EIDHR, IcSP and IfS-funded projects. In the case of EIDHR the main beneficiaries are local and international non-governmental organisations (NGOs), and the projects financed with an average medium budget approximately EUR 0.3 million. In the case of IfS and IcSP, the largest part of EU funding is managed by intergovernmental organisations (for instance,

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303 Some projects funded by the EU also receive funding from other sources.
in the past the International Management Group has managed approximately EUR 17.6 million on three different projects which have now been completed. Under IcSP, the EU Delegation was, at the time of drafting this report, negotiating with the International Organisation for Migration (IOM) a EUR 2 million project to address irregular migration in the state of Northern Rakhine.

Table B: Breakdown of EIDHR-funded projects in Myanmar by grantee since 2008

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Value / EUR</th>
<th>Average length</th>
</tr>
</thead>
<tbody>
<tr>
<td>International and local NGO (22)</td>
<td>22</td>
<td>9,064,000</td>
<td>Not Available</td>
</tr>
<tr>
<td>EU Member State Agency (1)</td>
<td>2</td>
<td>380,000</td>
<td>22 months</td>
</tr>
<tr>
<td>Consultancy company</td>
<td>3</td>
<td>520,000</td>
<td>8 months</td>
</tr>
<tr>
<td>Intergovernmental organisation (3)</td>
<td>3</td>
<td>1,536,000</td>
<td>27 months</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>30</strong></td>
<td><strong>11,500,000</strong></td>
<td><strong>Not applicable</strong></td>
</tr>
</tbody>
</table>

Source: European Union delegation to Myanmar website; EU Financial Transparency System; European Commission International Cooperation and Development website; EU transparency register; Insight on Conflict website; data provided by the EU delegation in to Myanmar

Table C: Breakdown of IcSP/IfS-funded projects in Myanmar by grantee since 2008

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Value / EUR</th>
<th>Average length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intergovernmental organisation (3)</td>
<td>5</td>
<td>18,946,000</td>
<td>1 year 3 months</td>
</tr>
<tr>
<td>International NGO (6)</td>
<td>9</td>
<td>6,481,228</td>
<td>1 year 2 months</td>
</tr>
<tr>
<td>Local NGO (3)</td>
<td>3</td>
<td>1,900,000</td>
<td>Not Available</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>17</strong></td>
<td><strong>27,327,228</strong></td>
<td><strong>Not applicable</strong></td>
</tr>
</tbody>
</table>

Source: European Union delegation to Myanmar website; EU Financial Transparency System; European Commission International Cooperation and Development website; EU transparency register; Insight on Conflict website; data provided by the EU delegation in to Myanmar

Allocation of funds

The interview conducted with the representative of the EU delegation to Myanmar has enabled us to obtain some general information on the allocation of funds. Three specific factors continue to influence the allocation of EU funds in Myanmar. Firstly, because some regions in Myanmar are still affected by armed conflicts, the EU delegation to Myanmar has larger flexibility in contracting and can always opt for the negotiated procedure, negotiating directly with suppliers in order to award a contract. Whilst this happens in a limited number of cases only, this flexibility has been granted by the Crisis Declaration, which is in force for the regions of Myanmar affected by armed conflict. The situation is reassessed on an annual basis, and the Delegation determines whether the Crisis

304 The International Management Group (IMG) is an intergovernmental organisation established through an intergovernmental agreement signed by 16 States, dedicated to the facilitation and management of various development efforts. Accessed online in June 2016: http://www.img-int.org/Central/Public08/Default.aspx
305 Interview conducted with the EU delegation to Myanmar.
Declaration should be renewed. All IfS and IcSP projects have been contracted through the negotiated procedure.\[306\\]

Secondly, Myanmar is emerging from fifty years of authoritarian military rule, when external funding and cooperation were very rare. Therefore local NGOs are usually very small in size, they lack experience and managing capacity of substantial budgets. As consequence, while developing the capacity of local NGOs, the EU delegation to Myanmar tends to work with larger organisations, and take advantage of the sub-granting schemes. In addition, they try to pool funds and launch calls for proposal multiannual instead of annually, as in the case of EIDHR.

The last important factor to take into consideration is that, as mentioned above, the areas of democratisation, RoL, human rights, security and stability are still very politically sensitive issues within the country. That means that the information regarding a limited number of confidential projects is not publicly available. Equally, in limited cases the decision may be taken to opt for a direct award procedure rather than a call for proposals, depending on the sensitivity of the activity, the urgency, and other factors. As an example, EIDHR calls for proposals have been launched since 2009, but at first were using a different headline name, so as not to attract unwanted attention. Similarly, many projects were instead tendered as ‘governance support’ while addressing human rights issues.

The decisionmaking procedures and the allocation of funds under the EU funding instruments are designed to take into consideration the abovementioned peculiarities and needs of Myanmar.

Considering allocation of funds under EIDHR, this instrument is centrally managed by the European Commission (EC) at headquarters, and part of the budget is annually allocated to the EU delegations to launch calls for proposals. The average allocation to the EU delegation to Myanmar is EUR 0.9million per year. Because of the capacity constraints of civil society, and in order to avoid launching several parallel calls (e.g. with the CSO/LA), the EU delegation to Myanmar decided to launch these calls biannually. Biannual calls give the delegation more time for consultations and as well make easier their management; as a matter of fact, the EU delegation to Myanmar has the second largest portfolio in Asia but a relatively small team on ground. After a consultation phase, the guidelines are drafted, shared internally and then published; first concept notes are requested, and only at a second stage the full application. In terms of the size of the grants awarded, the interviewee revealed the intention of the EU delegation to Myanmar in agreement with headquarters to increase the grant amounts for particular contracts in the near future. In the case of CSO-LA the allocation of funds follows the same process of EIDHR, but larger grants are usually offered because of the larger budget available and because CSO-LA primarily funds the capacity building of CSOs, which is generally more resource intensive compared to some of the activities funded by the EIDHR.

IcSP is a subsidiary instrument and the allocation of funds is not decided in advance but it rather answers to specific and imminent needs. The EU delegation to Myanmar then tries to deploy IcSP funds to address gap areas not covered by other projects, or by other calls for proposal. Only when a pressing need is perceived, the EU delegation to Myanmar will be active in promoting the use of funds of IcSP. In order to identify such needs, consultations are held, internally in the delegation, with member states, with local and international NGOs, and with experts. In the areas of hate speech and interfaith dialogue, the EU delegation to Myanmar established a specific framework contract for experts to validate its analyses of the situation.

According to the delegation interviewee, calls for proposal (i.e. under EIDHR and CSO/LA as described above) generate sufficient responses to allow for competition and choice in funding. CSOs are usually

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306 Interview conducted with the EU delegation to Myanmar.
well aware of the coming calls, thanks to the previous consultations. In addition to the traditional communication channels, Facebook is a crucial instrument to reach the local actors in Myanmar. Some networks also help the EU delegation to Myanmar to facilitate its outreach. Natural selection in term of applicants often happens: because of the small size of some local NGOs and their limited managing capacities, the main funds recipients are very often intergovernmental organisations and international NGOs.

**Monitoring and scrutiny of funds**

There are different levels of monitoring and evaluation (M&E). Annually, all delegations – together with DG DEVCO headquarters – prepare the External Assistance Monitoring Report (EAMR), which includes the full portfolio of the Delegation’s projects in the reporting period, and provides the framework for M&E. The technical and financial performance of each project is assessed by the respective project manager, and when a project falls below the minimum standards, it is automatically included in the Results-Oriented Monitoring (ROM) review, which is an independent external monitoring. ROM support missions take place to provide assistance to Delegations and headquarters’ operational units, with a view to report on results, on the basis of the EU International Cooperation and Development results framework indicators. For more on ROM, see the main body of the report.

In addition to ROM, the interviewee described the importance of the EAMR’s annex called the M&E Plan (further described in the final report), which considers all ongoing projects in the Delegation. When drafting the M&E Plan’s recommendations for improving project performance, the Delegation refers to the EU Evaluation Policy and the Guidelines disseminated by DG DEVCO for delegations and headquarters to draft Terms of Reference (ToR) for intermediate, final and ex-post project/programme evaluations. Each project manager assesses the compliance of the ToR for evaluations drafted by the implementing partners with these two documents, and is consulted in the evaluation process.

Lastly, the interviewee explained that monitoring also takes place on the ground. The EU delegation to Myanmar works directly in the field, conducting assessments and holding dialogues with relevant actors. The outcome of the monitoring is used to correct identified points for improvement.

The reality on the ground in Myanmar is that NGOs are often not well enough developed to sustain the administrative burden of EU funded projects. Therefore, in addition to M&E, before awarding projects, a ‘preventive’ system audit is sometimes put in place, in order to verify if the NGO has the ability and structure to administrate the project. The preventive audit can also contribute to ensuring NGOs do not present ineligible expenditures. Similarly, in the case of calls for proposals, NGOs need to provide detailed information in order for the Delegation to assess the capacity of the applicants to carry out and complete the project. Lastly, under the competitive selection procedure, the last check before a contract award is the eligibility check; this check includes the assessment of the financial capacity of the applicant.

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308 Ibid.
Coordination

Coordination happens at different levels, with several actors, and for different purposes. Donor coordination in Myanmar is guided by the Nay Pyi Taw Accord Action Plan for Effective Development Cooperation agreed in January 2013. The Action Plan sets out how the government and development partners will work together to support the country, building on experiences and lessons learned from elsewhere. In this framework, coordination relies on different structures: the Myanmar Development Cooperation Forum, the Foreign Economic Relations Development Partners Working Committee, Sector Working Groups (among others: the Public Administration Reform Process Cross-Sector Working Group, an informal Development Partners Governance Reforms Working Group, the Democratic Institutions and Processes Sub-working Group, the Peace Donor Support Group), and the Development Partners Group. These donor coordination structures guide the division of labour, and foster the creation of synergies.

Like other countries, general coordination amongst EU Member States is carried out using a number of structures such as the EU Development Counsellors, which meets monthly. Coordination amongst EU Members Sates is outlined in the ‘Joint EU Development Partners’ Transitional Strategy for Myanmar for 2014-2016’, launched with the Government of Myanmar in November 2014. This single framework guides the European Development Partners in their assistance to Myanmar, and represents the EU’s and its Member States’ commitment to aid effectiveness. The interviewee explained that coordination with other stakeholders happens by defining the priorities of future calls for proposals, setting new programme pipelines, and communicating on a variety of issues throughout the lifecycle of the project.

The interviewee also explained that what they call ‘consultation’ is another type of coordination. The EU delegation to Myanmar consults with all the relevant stakeholders in the areas of democracy and RoL, ahead of taking any programming decisions and ahead of publishing calls for proposals. In the case of EIDHR and CSO-LA, consultations with stakeholders, HRDs, other donors, relevant partners, and headquarters, are regularly held; there are also specific sector working groups that bring together donors, local actors and stakeholders. In the case of IcSP, coordination has a twofold scope: it aims to avoid duplication and double spending, but it also helps to identify synergies. For example, on one hand the local delegation tries to avoid two similar projects addressing the same village; on the other hand they look on how to combine the two projects to achieve a greater outcome. Coordination usually relies on researchers on the ground and consultations. Before designing a project, the EU delegation to Myanmar carries out analyses of other related projects and investigates if other stakeholders have interests in the same issues and/or if they are planning to start any project.

The interviewee explained that while coordination takes place at all levels, this does not always follow a pre-determined pattern. Lastly, the delegation tries to be as inclusive as possible in coordinating its actions.

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Evidence of the programmes’ impact

Democratisation and promotion of RoL are both long-term processes that are difficult to assess in the short term. Finding evidence of the impact of projects is therefore challenging. Such challenges are even bigger in a country like Myanmar, that is undergoing a very dynamic transition process to democracy after 50 years of authoritarian military rule. Moreover, the EU has substantially stepped up its governance, democracy, RoL, and human rights support in Myanmar in the last two years. The interviewee explained that it is therefore too early to assess the impact of that support, as many EU funded projects are still ongoing and this type of impact can take longer to achieve. In addition, there is the problem of attribution. Outcomes are often visible but it is difficult to link a specific project to its desired outcome because several projects, donors, and partners are involved in similar activities, aiming at general and shared goals. In a complex and ever changing environment, this attribution is even more difficult.

Despite these challenges, the interview with the EU delegation to Myanmar provided this study with useful insights on how to measure and assess the evidence of projects and impact of programmes. On a project level, to assess the immediate impact of the EU in the area of democracy and RoL one can refer to the final evaluation of projects, that report the end-of-project results, and which are designed with a view to having wider impacts. At EU strategy level, the EU delegation reports back annually on the implementation of its Human Rights and Democracy Country Strategy: this is another way of assessing whether actions and projects in the field contributed to meet the aims of the strategy. Lastly, the reports from implementing partners, the feedback of people on the ground, and the observations of civil society are indications in support of the attainment of tangible outcomes.

The interviewee from the EU delegation to Myanmar explained that they are trying to be outcome oriented, in the sense of looking at which activities they can effectively implement. As such, they have put in place a theory of change to link the projects to a broader process or desired outcome. This should help to fulfil the need to look at impact over time and not in the immediate term.

References


Value for money: EU programme funding in the field of democracy and rule of law

Case study: Nicaragua

Summary and key lessons

This case study discusses European Union (EU) programme funding in the field of democracy and rule of law (RoL) in Nicaragua. The case study starts by a narrative of the country context in which EU-funded projects operate and of the associated challenges in the programme areas. Subsequently, an overview of projects funded in Nicaragua under the European Instrument for Democracy and Human Rights (EIDHR), Instrument Contributing to Stability and Peace (IcSP) and other EU instruments is offered. Finally, the case study provides additional details on the allocation of funds, on the monitoring and evaluation of funded projects, on their coordination and on mechanisms for capturing data on their impact.

KEY POINTS

- Issues the EU delegation to Nicaragua focus on include access to justice and lack of respect for human rights and gender equality
- EU interventions in the field of democracy and rule of law include the Instrument Contributing to Stability and Peace and the European Instrument for Democracy and Human Rights
- EUR 12.8 million total funding since 2007 by the Instrument Contributing to Stability and Peace
- EUR 11.3 million total funding since 2007 by European Instrument for Democracy and Human Rights
- Allocation of funds focused on issues of inclusion
- Several layers of project monitoring in place
- Impact measurement is integral part of every funded project

Background to the country and the challenges faced

The context of EU programme funding in the field of democracy and rule of law in Nicaragua is comprehensively set out in the country analysis presented in the European External Action Service’s (EEAS) Country Strategy Paper on Nicaragua. With respect to the political situation, the country paper observed a weakening of political opposition and decreasing quality of political debate in the aftermath of the 2011 presidential and parliamentary elections and the 2012 municipal elections. Concomitantly, the powers of the executive have been gradually strengthened, primarily through the January 2014 constitutional reform, which, among other measures, removed presidential term limits. As a result, the strategy paper noted questions about the integrity of electoral processes, the separation of powers and the relationship between the government and the ruling FSLN party.

In the domain of the judicial system and human rights, the necessary legal and institutional framework appears to be largely in place. However, deficiencies in its implementation give rise to

concerns about gaps in access to justice among the general public, about the accountability of relevant authorities and about the rate of successful case resolution of human rights violations.\footnote{312}

Similarly, while the government introduced a dedicated legal framework to fight violence against women and taken steps to promote gender equality, the EEAS’s Country Strategy Paper on Nicaragua cites a lack of respect for women’s rights and persisting gender gaps as a key human rights issue and one of the country’s major obstacles to economic development.\footnote{313}

Nicaragua also finds itself straddling major drug trafficking routes from producer to consumer countries, which fuels the activities of international criminal networks. Crime rates have been on the rise in the region and popular surveys indicate an increasing concern about gang violence among the population, although the EEAS country paper notes that gang activity in Nicaragua remains limited in comparison with its northern neighbours.

In light of these challenges, according to the 2014 EU Report on Human Rights, the EU’s objectives in the domain of human rights and democracy in Nicaragua are:

\begin{quote}
\textit{to strengthen the national framework for tackling gender-based violence; to encourage a free civil society active in promoting and protecting human rights and able to engage in policy discussions on the national development agenda; to support efforts to strengthen the rule of law (transparency, efficiency, accountability); to promote the social, education and health rights of the most vulnerable groups through development cooperation; and to support initiatives for capacity building and increasing social awareness among young people.}\footnote{314}
\end{quote}

\textbf{Programme spending in country}

\textbf{EIDHR}

In the following section we use data provided by the Nicaragua delegation as the authoritative source of information for this section, although we acknowledge the existence of other information sources that could be brought to bear on this analysis. Regrettably, observed differences across various data sources do not allow for a straightforward consolidation of information (both differences between types of categories used, and between numbers relating to the same categories). Therefore, alternative sources are mentioned only briefly here:

1. The EU Financial Transparency System lists 32 EIDHR projects in Nicaragua for the period 2007–2014; however, we note that this system includes only projects where beneficiaries are paid directly by the European Commission (EC). This may leave out of its scope projects where the final disbursement of funds is done by another partner donor agency, to which the EC makes a contribution.\footnote{315}

2. The EIDHR compendium for 2007–2010 lists 20 projects pertaining to Nicaragua.\footnote{316}

3. An EIDHR overview of projects for 2000–2006 lists seven projects pertaining to Nicaragua.\footnote{317}


\footnote{313} Ibid


According to information provided by the EU Delegation in Nicaragua, there have been 35 EIDHR funding activities in Nicaragua since 2008 (see Table A). Of these, three have been cancelled, 21 have been completed and 11 are still ongoing. In addition to Nicaragua, four of the projects covered activities in other Latin American countries. Based on detailed project-level budget data provided by the delegation on a sample of six projects, the size of the EU contribution as a share of total project budgets ranges between 75% and 95%. According to a delegation interviewee, this is a typical range, with projects with strong human rights components closer to the upper limit of the range. The range for EU contribution needs to be advertised in the relevant call for proposal.

Table A: Summary of EIDHR projects funding activities in Nicaragua since 2008

<table>
<thead>
<tr>
<th>Project status</th>
<th>Number of projects (completed / ongoing / cancelled)</th>
<th>Total value / EUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cross-country</td>
<td>4 (1 / 3 / 0)</td>
<td>4,057,547 Cross-country</td>
</tr>
<tr>
<td>Nicaragua only</td>
<td>31 (20 / 8 / 3)</td>
<td>7,241,569 Nicaragua only</td>
</tr>
<tr>
<td>Total</td>
<td>35 (21 / 11 / 3)</td>
<td>11,299,116 Total</td>
</tr>
</tbody>
</table>

Source: data provided by the EU delegation in Nicaragua

Of the 32 projects carried out in Nicaragua, approximately half were implemented by a non-governmental organisation (NGO) based in Nicaragua, with the next largest group of contracted parties represented by international NGOs, mostly based in the EU. A small number of projects were executed by academic institutions (based either in Nicaragua or in other Latin American countries), by a Latin American NGO and by an intergovernmental organisation.

In terms of project size, the average budget of an EIDHR project funding work in Nicaragua is approximately EUR 350,000. However, this varies substantially across contracted parties. Projects led by international NGOs and intergovernmental organisations on average exceed EUR 500,000, while projects implemented by local organisations are typically considerably smaller. This difference is a product of the maximum project size established in each call. Each call also establishes whether applicants can be local or not, or if different types of organisations have to apply together. Typically, global calls for proposals generate projects of a bigger size. This difference is also reflected in differences in project duration (projects led by local organisations tend to be shorter).

Regrettably, no data are available on the breakdown of costs at the level of individual projects. As a result, it is impossible to compare indicators such as administrative costs (for instance across various grantees and subject areas). However, as discussed in greater detail below, there is a cap on indirect costs set at 7% of total eligible direct costs. In a sample of project budgets provided by the EU delegation, all listed projects had their administrative costs set at this maximum allowable level.

318 We note that the EU Delegation in Nicaragua is also a delegation to Central America and deals with bilateral cooperation in Nicaragua, Costa Rica and Panama and the region more widely through the Central American Integration System. As such, there are also EIDHR projects managed by the delegation in Nicaragua that do not involve activities in Nicaragua. Since 2008, there have been 22 projects (including two cancelled ones) funding activities in other Central American Countries, predominantly Costa Rica and Panama. Please note some projects discussed in this case study also cover activities in South American countries, therefore the term ‘Latin America’ is used.
319 The projected volume of the cancelled projects (EUR 377,390) is not included in the total.
### Table B: Breakdown of EIDHR-funded projects in Nicaragua by grantee since 2008

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Value / EUR</th>
<th>Average length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nicaraguan NGO</td>
<td>15</td>
<td>211,533</td>
<td>3 years 5 months</td>
</tr>
<tr>
<td>Other Latin American NGO</td>
<td>2</td>
<td>150,142</td>
<td>2 years</td>
</tr>
<tr>
<td>International NGO</td>
<td>12</td>
<td>572,061</td>
<td>4 years 2 months</td>
</tr>
<tr>
<td>Nicaraguan academic institution</td>
<td>1</td>
<td>186,138</td>
<td>5 years 3 months</td>
</tr>
<tr>
<td>Other Latin American academic institution</td>
<td>1</td>
<td>179,550</td>
<td>3 years 11 months</td>
</tr>
<tr>
<td>Intergovernmental organisation</td>
<td>1</td>
<td>595,421</td>
<td>4 years 2 months</td>
</tr>
<tr>
<td>Total</td>
<td>32</td>
<td>353,097</td>
<td>3 years 9 months</td>
</tr>
</tbody>
</table>

**Source:** data provided by the EU delegation in Nicaragua

Overall, EIDHR funding for projects covering Nicaragua since 2008 amounts to EUR 11.3 million, although not all of the funds have been disbursed yet as some projects are still on-going. The delegation interviewee noted that the overall funding available for democracy and rule of law in Nicaragua is relatively small, set at $800,000 per year under the current financial envelope, although it is still substantially higher than that for the other countries covered by the delegation – Costa Rica and Panama.321

### IcSP

According to information provided by the EU Delegation in Nicaragua, there have been eight IcSP projects in Nicaragua since 2008 (see Table C).322 Of these, one has been closed and the remaining seven are currently on-going. In addition to Nicaragua, six of the projects cover other countries in the Central American region as well.323 The total volume of IcSP spending for Nicaragua is EUR 12.8 million.

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321 The annual funding for Costa Rica and Panama is $150,000 each, reflecting the fewer perceived needs and limited capacity of the delegation to manage funding from Nicaragua.

322 Similarly to EIDHR, there are alternative sources for information on IcSP projects. The Insight on Conflict website, contracted by IcSP to provide data about its projects, lists six regional projects covering Nicaragua (Insight on Conflict n.d.).

323 As above, given the wider regional portfolio of the EU delegation in Nicaragua, the mission is also responsible for managing projects not covering Nicaragua. Since 2008, there has been one cancelled and one currently ongoing IcSP-funded project in Honduras.
Table C: Summary of IcSP projects funding activities in Nicaragua since 2008

<table>
<thead>
<tr>
<th>Area covered</th>
<th>Number of projects</th>
<th>Total value / EUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central America Region</td>
<td>6</td>
<td>4,897,280</td>
</tr>
<tr>
<td>Nicaragua only</td>
<td>2</td>
<td>7,889,215</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8</strong></td>
<td><strong>12,786,495</strong></td>
</tr>
</tbody>
</table>

Source: data provided by the EU delegation in Nicaragua

The majority of IcSP-funded projects in Nicaragua are carried out by NGOs. Of these, one is based in Nicaragua, in two cases the grantee is based in another Latin American country and three NGO grantees are based in Europe. The remaining projects are implemented by an intergovernmental organisation. Projects led by intergovernmental organisations are much larger than those implemented by NGOs, although there does not appear to be notable differences in project lengths. As with EIDHR-funded projects, data are not available on any project-level indicators, thereby ruling out analyses such as a comparison of administrative costs across the project portfolio.

Table D: Breakdown of IcSP/IfS-funded projects in Nicaragua by grantee since 2008

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Average Value / EUR</th>
<th>Average length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nicaraguan NGO</td>
<td>1</td>
<td>440,0003 years 7 months</td>
<td></td>
</tr>
<tr>
<td>Other Latin American NGO</td>
<td>2</td>
<td>549,1353 years 9 months</td>
<td></td>
</tr>
<tr>
<td>International NGO</td>
<td>3</td>
<td>499,4153 years 9 months</td>
<td></td>
</tr>
<tr>
<td>Intergovernmental organisation</td>
<td>2</td>
<td>4,874,9913 years 10 months</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8</strong></td>
<td><strong>1,598,3123 years 9 months</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: data provided by the EU delegation in Nicaragua

Non-EU work in the area of democracy and rule of law

In addition to the European Union, other international actors are active in the areas of democracy and rule of law in Nicaragua, addressing topics similar to those covered by EIDHR and IcSP. The United National Development Programme (UNDP) lists one currently on-going project on democratic governance focusing on institutional capacity of the Nicaraguan Parliament (with a size of approximately $500,000) and one recently completed project on access to justice of victims of gender violence (with a budget of $2.1million).324 The United States Agency for International Development (USAID) lists two ongoing projects in the area of civil society capacity building (with an average size of $4.2million) and three recently completed projects in the area of governance (with an average budget of $13.5million).325 The Swiss Agency for Development and Cooperation is also active in the country; however, disaggregated information on its projects is not available from its website.326

Allocation of funds

At the general level, the implementation of both EIDHR and IcSP is guided by their respective (multi)annual action programmes. These programmes, however, do not provide full details on which award procedures are used to contract work to grantees (e.g. open or restricted calls for proposals). Therefore, this and the subsequent sections are based primarily on communication with the EU delegation in Nicaragua, complemented by a review of pertinent official documentation. EIDHR funding decisions are made in parallel with decisions about bilateral development assistance. As such, EIDHR funding is intended to complement bilateral cooperation and focus on areas not covered by bilateral assistance. Unlike bilateral assistance, which is agreed with the recipient government, EIDHR prioritisation is not discussed with the government of Nicaragua.

As the delegation interviewee explained, the choice of priority areas are a result of a strategic analysis of where EU funds are likely to have the most impact. Accordingly, a decision was made to focus on issues related to inclusion (indigenous groups, youth, and people with disabilities) and on gender issues, namely gender equality and the fight against gender violence. The recent calls for proposals have reflected this focus.

Specific calls for proposals typically specify what the issue at hand is that should be tackled, but do not prescribe in terms of how this should be done. In response, partners (typically NGOs) are invited to suggest an intervention logic and methodology to reach their objectives.

The project selection procedure is usually a two-stage process. All interested parties are invited to submit a five-page concept note. Shortlisted applicants are subsequently invited to prepare a full proposal. The selection procedure follows the Practical Guide document (PRAG), established for all EU external assistance calls for proposals. As such, proposals utilise a standardised form and are evaluated against a standard set of criteria, although the call for proposals establishes issues that must be addressed by all applicants.

With respect to competitiveness, Table F and Table G present a breakdown of projects for the EIDHR and IcSP by the award procedure used. EIDHR calls for proposals were broadly evenly split between open and restricted procedures, with the average project commissioned through an open procedure slightly larger than those selected through a restricted procedure. For IcSP, restricted procedure accounts for half of all projects, though we note the overall small size of the sample. Both instances falling under the ‘other’ category were awards to intergovernmental organisations –UNDP and Central American Integration System (SICA).

Commenting on the grants’ competitiveness, the delegation interviewee felt that calls for proposals in Nicaragua were very well subscribed, testifying to the strength and vibrancy of the civil sector in the country. By contrast, the situation in Panama, a country also falling under the purview of the Nicaragua delegation, is much less active.


330 A call for proposals is currently open in Panama. The number of applying organisations will serve shed most recent light on the state of civil sector in the country.
### Table E: Breakdown of EIDHR projects in Nicaragua since 2008 by award procedure type

<table>
<thead>
<tr>
<th>Award procedure</th>
<th>Number of projects</th>
<th>Average budget (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open</td>
<td>14</td>
<td>413,248</td>
</tr>
<tr>
<td>Restricted</td>
<td>15</td>
<td>325,882</td>
</tr>
<tr>
<td>Other&lt;sup&gt;331&lt;/sup&gt;</td>
<td>2</td>
<td>208,474</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>32</strong></td>
<td><strong>353,097</strong></td>
</tr>
</tbody>
</table>

*Source:* data provided by the EU delegation in Nicaragua

### Table F: Breakdown of IcSP/IfS-funded projects in Nicaragua by grantee since 2008

<table>
<thead>
<tr>
<th>Award procedure</th>
<th>Number of projects</th>
<th>Average budget (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Open</td>
<td>2</td>
<td>629,505</td>
</tr>
<tr>
<td>Restricted</td>
<td>4</td>
<td>444,376</td>
</tr>
<tr>
<td>Other&lt;sup&gt;332&lt;/sup&gt;</td>
<td>2</td>
<td>4,874,991</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>8</strong></td>
<td><strong>1,598,312</strong></td>
</tr>
</tbody>
</table>

*Source:* data provided by the EU delegation in Nicaragua

### Monitoring and scrutiny of funds

According to the delegation interviewee, there are several layers of project monitoring in place. Over the course of the projects, the EU delegation is in contact with all implementing partners and visits each project at least once a year. In addition, the EC has its own monitoring tool – Results-Oriented-Monitoring (ROM)<sup>333</sup> – which looks annually at a selection of on-going projects and scores them in a structured and comparable way. At the completion of individual projects, a final evaluation is conducted by implementing partners. This is made compulsory by the EC but the Nicaragua delegation routinely requests it. Finally, an additional level of monitoring is currently being launched in the form of an evaluation of the use of EIDHR in Nicaragua over the past 10 years.<sup>334</sup>

These monitoring tools are reflected on and used in different ways. Monitoring and reviews conducted over the course of the projects (i.e. regular contact by the Delegation and ROM) are a source of quick feedback that can be used to inform the steer of current projects. By contrast, formal evaluations feed into more structured thinking about strategy and future calls for proposals. This process informs two documents. The first is an annual assessment of the local human rights strategy (reported to the EC) and the second is an annual External Assistance Management Report (EAMR). The EAMR is a mandatory document that is produced by every EU Delegation and is intended for the EC’s headquarters.

<sup>331</sup> The ‘other’ category includes the following modalities: 1) Bodies identified by a basic act as beneficiaries – Art. 168.1d IR; 2) Single tender – External Actions, 3) Procedure with a single offer below EUR 20,000 (Art. 265.1 RAP)

<sup>332</sup> The ‘other’ category includes the following modalities: Bodies with a ‘de jure or de facto’ monopoly – Art. 168. 1c IR and ‘Non applicable.’


<sup>334</sup> The terms of reference for this evaluation are not available yet.
Financial reporting is done by grantees themselves on an annual basis and in accordance with a budget agreed in the project contract. Administration costs are capped at 7% of the overall total eligible direct costs per the PRAG guidelines and any post-contract modifications to the project budget must be signed off by the delegation. All projects are required to have their accounts verified by an audit firm in order to request payments. At the end of the project, the grantee is obliged to account for all spending; any discrepancies with original agreed spending plans may be recovered by the delegation.

**Coordination**

The delegation interviewee gave the following overview of how coordination occurs. They explained that coordination across individual projects and broader programmes is relatively limited for two principal reasons. First, the implementation of individual projects is the responsibility of funded organisations. Second, in the area of human rights there are often confidentiality concerns and considerations, which make organisations reluctant to share information. This is also reflected in a specific EIDHR provision which releases grantees from the obligation to make their activities public.

More broadly, the Nicaragua delegation developed a roadmap document in 2014 to guide its engagement with civil society actors. The roadmap is a result of consultations with partner organisations, providing an overview of the voluntary sector and its activities and outlining actions to be taken by the delegation. These typically take the form of regular meetings and discussions about the situation in the country. In addition, the EU delegation hosts periodic workshops for NGO partners that focus on particular thematic or technical issues. However, we stress that these activities are not democracy and rule of law-specific and are not necessarily tied to any funding instrument.

**Evidence of the impact of the project**

Measurement of impact is considered from the outset of each project. In the design phase, grantees need to develop indicators for their projects that are measureable and can provide an indication of change. For each project a baseline is established either at the proposal stage or is calibrated as the first activity in the funded project. Throughout the course of the project, following up on the agreed indicators is part of regular monitoring by the delegation and of the ROM process described above.

Related to the projects’ impact are considerations surrounding their long-term sustainability. The ability of implementing partners to continue work and/or achieve sustained positive outcomes beyond the span of the project is one of the criteria at the selection stage. Subsequently, sustainability considerations are also part of regular monitoring throughout projects’ duration. Ultimately, however, the delegation interviewee noted that the primary concern is a successful execution of a contracted project and the onus is predominantly on the grantee to ensure the longer term sustainability. The delegation is fully aware that in some cases these efforts are not successful.

Currently, no data are available on the impact of the EU-funded democracy and rule of law projects in Nicaragua. However, as noted above, an evaluation of EIDHR funding in the country in the past 10 years is expected to be launched shortly.

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335 As specified under Annex E3h1 para 3 of PRAG (EC, 2016b).
336 Other thematic funding programmes typically have this requirement.
337 A more operational version of the document is currently under development.
References

• Swiss Federal Administration (2015) *Suiza y Nicaragua: Gobernabilidad inclusiva*. Accessed online in March 2016: 

  http://www.ni.undp.org/content/nicaragua/es/home/operations/projects/overview/

Case study: Somalia

Summary and key findings

This case study discusses EU programme funding in the field of democracy and rule of law (RoL) in Somalia. The case study starts with a narrative of the country context in which EU-funded projects operate and an outline of associated challenges. Subsequently, we provide an overview of projects funded in Somalia under the European Instrument for Democracy and Human Rights (EIDHR), the Instrument for Stability and its successor the Instrument contributing to Stability and Peace (IFS/IcSP). Finally, the case study provides additional details on the allocation of funds, on the monitoring and evaluation of funded projects, on their coordination and on mechanisms for capturing data on their impact.

KEY POINTS

- Relevant EU programmes cover armed conflict and human rights
- Interventions by the European Development Fund, the Instrument contributing to Stability and Peace and the European Instrument for Democracy and Human Rights
- EUR 2,481,403 total funding since 2012 by the European Instrument for Democracy and Human Rights
- EUR 2,928,710 total funding since 2013 by the Instrument contributing to Stability and Peace
- Allocation of funds by the European Instrument for Democracy and Human Rights is managed through global grant schemes and country-based support schemes
- Several layers of project monitoring in place
- Coordination is organised on the basis of liaison with the EU and other donors
- Impact measurement is an integral part of every project

Background to the country and the challenges faced

European Union (EU) programme funding in the field of democracy and RoL in Somalia takes place in a context of a long-running armed conflict that has led to displacement of hundreds of thousands of people and death of numerous civilians, as well as a recurrent humanitarian crisis which includes prolonged droughts; outbreaks of diseases. Despite policy efforts from the Somali government, insecurity and political instability puts a barrier to the progress of justice and security sector reforms. The Islamist armed group Al-Shabaab still operates in large parts of the country (for a number of years they took over the vast majority of government-controlled territory, including Mogadishu) from which it regularly targets AMISOM forces, Somali civilians, elements of the SNA/SPF and international partners through a variety of attacks. Displaced populations are vulnerable to sexual violence and forced evictions. Government security forces, African Union troops, and allied militias have been responsible for attacks, sexual violence and arbitrary arrests and detention. Restrictions on access to aid organisations have exacerbated the humanitarian crisis. Moreover, it needs to be recognised that Somalia’s territory and governance structure is still under construction: from the formation of the Federal Government in 2012, the new constitution, the new federal architecture. A large part of

Somali territory, Somaliland, declared independence in 1991, but has not received official recognition from a single foreign government.

**Programme spending in country**

In this section we use data provided by the EU delegation to Somalia and the Insight on Conflict website as the authoritative source of information, though we acknowledge the existence of other information sources that could be brought to bear on this analysis. Regrettably, observed differences across various data sources (both differences between types of categories used, and between numbers relating to the same categories) do not allow for a straightforward consolidation of information, albeit they do not lead us to question the total value of projects. Table A provides a summary of all relevant projects along with their main characteristics.

Table A provides a summary of projects funded through IcSP and EIDHR, along with their main characteristics. The specific challenges addressed through the funded projects are stability and peace in the conflict zones, as well as governance, justice and protection. However, many actions in the area of democracy and RoL are funded through other EU channels, though they do not represent an exhaustive account of the projects managed by the EU Delegation to Somalia relevant to democracy and RoL, notably: a) the European Development Fund (EDF) (elections, constitution, parliament, access to justice and support to the judiciary, support to the police, etc.); the Non-State Actors and Local Authorities thematic fund (NSA-LA) (support of civil society organisations participation in democratic processes); and the EU Emergency Trust Fund on addressing the root causes of irregular migration (increase of the delivery of access to justice to the local population and institutional capacity to manage mixed migration).340

**Table A: Summary of democracy and rule of law projects in Somalia since 2012**

<table>
<thead>
<tr>
<th>Instrument/programme</th>
<th>EU contribution EUR / Percentage of total expenditure</th>
<th>Number of projects (completed/ongoing)</th>
<th>Number of cancelled projects</th>
<th>Thematic area(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IcSP</td>
<td>2,928,710 / data on total budget not available</td>
<td>3</td>
<td>Not specified</td>
<td>Governance &amp; Transitional Justice; Development; Fragility and conflict</td>
</tr>
<tr>
<td>EIDHR</td>
<td>5,563,803 / data on total budget not available</td>
<td>9</td>
<td>Not specified</td>
<td>Peace; stability; Good governance; Support for human rights; Youth</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,410,113 / data on total budget not available</td>
<td>12</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


340 EU delegation to Somalia interviewees.
341 Some projects funded by the EU also receive funding from other sources.
Value for money: EU programme funding in the field of democracy and rule of law

**EIDHR**

We have identified nine projects (all now closed) in the area of democracy and RoL funded since 2012; their main characteristics are presented in Table B below, broken down by the type of grantee.

**Table B: Overview of EIDHR-funded projects in Somalia by grantee since 2012**

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Value / EUR</th>
<th>Average length</th>
</tr>
</thead>
<tbody>
<tr>
<td>International NGO (2)</td>
<td>2</td>
<td>981,403</td>
<td>2–3 years</td>
</tr>
<tr>
<td>Intergovernmental organisation (3)</td>
<td>3</td>
<td>1,500,000</td>
<td>1–3 years</td>
</tr>
<tr>
<td><strong>Total/average</strong></td>
<td><strong>5</strong></td>
<td><strong>2,481,403</strong></td>
<td><strong>1–3 years</strong></td>
</tr>
</tbody>
</table>


In January 2016, four new EIDHR actions were launched for a total of 3,082,400 euros.

**Table C: Overview of EIDHR-funded projects in Somalia by grantee since 2016**

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Value / EUR</th>
<th>Duration of action</th>
</tr>
</thead>
<tbody>
<tr>
<td>International NGO</td>
<td>3</td>
<td>2,382,400</td>
<td>2–3 years</td>
</tr>
<tr>
<td>Somali NGO</td>
<td>1</td>
<td>700,000</td>
<td>2–3 years</td>
</tr>
<tr>
<td><strong>Total/average</strong></td>
<td><strong>4</strong></td>
<td><strong>3,082,400</strong></td>
<td><strong>2–3 years</strong></td>
</tr>
</tbody>
</table>

**IcSP**

As with EIDHR, we acknowledge the existence of alternative sources of data, all of which contain slightly different information. According to the information we found, we identified three projects funded by IcSP since 2013. Two projects were awarded to an international organisation and one project to a UK limited company owned by a non-profit making foundation.

**Table D: Overview of IcSP/IfS-funded projects in Somalia by grantee since 2013**

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Value / EUR</th>
<th>Average length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intergovernmental organisation</td>
<td>2</td>
<td>2,186,870</td>
<td>1–2 years</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
<td>741,840</td>
<td>1.5 years</td>
</tr>
<tr>
<td><strong>Total/average</strong></td>
<td><strong>3</strong></td>
<td><strong>2,928,710</strong></td>
<td><strong>1–2 years</strong></td>
</tr>
</tbody>
</table>

**Source:** data provided by Insight on Conflict. Accessed online in April 2016: [http://www.insightonconflict.org/icsp/?f=SOM](http://www.insightonconflict.org/icsp/?f=SOM).

We have not been able to obtain data on the type of award procedure for different programmes, in the detail necessary for the breakdown of projects in an overview table form.
**Allocation of funds**

EU funding for Somalia is disbursed through EDF, IcSP and EIDHR in different ways.

Concerning EDF, the starting premise is the National Indicative Programme (NIP), which identifies the main sectors of intervention. The EU delegation to Somalia interviewees explained that the framework under which the delegation is working is the New Deal Compact for Somalia. The framework of the new deal compact was designed more than three years ago by fragile states (including South Sudan, Central African Republic, Afghanistan, East Timor and Somalia) in an attempt to better coordinate the international partners’ input into these countries. The Somali Compact, for which the EU was the lead supporter, outlines several mutual accountability principles and identifies five universal peace and state-building goals. Within each of these goals Somalia and the International community articulated strategic objectives for a period of three years and each year specific milestones that will help them achieve the strategic objectives. Based on the New Deal Compact, five thematic working groups focusing on politics, security, justice, economic foundations, revenues and services were established. The specific thematic EDF programmes need to fit in within one of these five thematic groups.

In terms of democracy and RoL, the EDF aims to achieve the overall strategic objective that was set out in the new deal compact. Within this framework there are EU funded actions aimed at rebuilding the justice chain, addressing issues such as access to justice (state and non-state), judicial and corrections reform, anti-corruption, police support, etc. Similarly, the EU has been funding programmes geared to support the strengthening of democratic institutions, including the functioning of federal and regional assemblies, the reforming of the constitution, the conduct of elections, etc. All programmes are linked to agreed plans or strategies that the government has put forward and has international partners support.342

IcSP is different as the majority of its funding is not programmable, but reactive to emerging needs. Firstly, there is a dialogue between the government and the EU, led by the head of delegation. Secondly, there is in-house consultation with other colleagues working in the EU who are interested in a sector dialogue or have ongoing projects and are looking for synergies in-house. Thirdly, there is consultation with EU member states (MS) to understand their approach and the type of projects they are funding. Fourthly, there is consultation with other key actors, depending on the subject. One of the final steps is the consultation with the implementing partner.343

Furthermore, with respect to EIDHR, the EU delegation to Somalia interviewees explained that the delegation uses a number of human rights guidelines344, (e.g. death penalty and human rights defenders) as well as the Action Plan on Human Rights and Democracy 2015-2019 to guide their engagement with the government and to coordinate their efforts with MS responding to specific issues, including the arbitrary arrests of journalists or human rights defenders, the continued usage of the death penalty in Somalia and Somaliland (heavy reaction from the international community ensued). A concrete example of how the EU Delegation is able to act was that the EIDHR emergency fund was mobilised, which allowed the EU to facilitate a leading human rights defender who had been detained in Somaliland go to the Netherlands for rest and recovery. The facilitation allowed him to rest and recover, but also to attend some workshops and meetings with officials at EU institution and the Dutch government. This represents a direct link between the EU’s political reach-outs to

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342 EU delegation to Somalia interviewees.
343 Ibid.
Somaliland authorities complaining on his arbitrary detention and the practical usage of EIDHR to get him out to recover from what he had been through.345

The EU delegation to Somalia is currently in the process of developing a new human rights strategy for the period 2016–2020.

Monitoring and scrutiny of funds

The delegation interviewees explained that there are several layers of project monitoring in place. The EU delegation is based in Nairobi and it has missions to Somalia on a weekly basis, where representatives meet both government counterparts and implementing partners. The delegation participates actively in project board and steering committees. However, the factual monitoring of project sites is challenging, due to the prevailing security situation. As such, the direct monitoring as it happens in other contexts is not possible in Somalia. Instead, the delegation relies heavily on existing monitoring mechanisms such as Results Oriented Monitoring (ROM) for specific insights into the feedback to the implementing partner. In such a way, the delegation can address possible shortcomings.

Moreover, the delegation is in the process of launching a third-party monitoring contract with a firm who will do the monitoring for the delegation based on a detailed Terms of Reference. It is expected that around 80 projects will be monitored in the first year. This will increase the delegation’s capacity to keep track of independent monitoring that they are unable to do directly. This shows how the delegation tries to get as much third party information from the field as possible. The delegation’s discussions with the implementing partner, the beneficiaries and the local government provide a natural opportunity to have issues raised to their attention.346

Additional monitoring opportunities exist. For example in the case of EU support to the Somali police, feedback comes from two sources. Firstly, the EU delegation’s police advisor (seconded Italian carabinieri) who is able to interact on a daily basis with police officials and sees the police in action. This is a useful tool for them to monitor what the police are doing. Secondly, another source of information is the EU’s CSDP mission EUCAP Nestor (focusing on maritime security capacity building) – the mission works closely with the judicial authorities and police counterparts who deal with maritime crime. They provide the delegation with input and feedback based on their observations of the actions on the ground. Furthermore, there is an annual External Action Monitoring Reports exercise. This is a key tool that the whole delegation uses to write an annual report for headquarters on what they were able to achieve throughout the year.347

Similarly to the police projects’ monitoring set-up, on IcSP’s state formation project for the Intergovernmental Authority on Development (IGAD), the project manager gives the delegation first-hand information on progress. IcSP has the same system with the Somalia Stability Fund, where they recruit a programme manager to be embedded in the relevant secretariat so that this person can give first-hand information. The delegation also meets regularly with project managers who can give feedback and updates on the monitoring of the situation, both context- and progress-wise.

The ROM conducted for the EDF-funded 2014 police stipends programme was useful in allowing to determine and define additional conditions that needed to be linked to the programme’s renewal in 2016. Hence, rather than having similar inconsistencies as in the 2014 programme, they have been

345 EU delegation to Somalia interviewees.
346 Ibid.
347 Ibid.
able to take on board recommendations. This programme has more impact and is more effective, not only in terms of paying the stipends to the police officers, but also in increasing the quality of the output of the police force they are providing support to. That is an indicative example of how a previous ROM report has been able to influence a future programme design.

Generally, an evaluation is always done, whether the delegation specifically contracts it or whether it is part of a programme-wide initiative. The delegation looks at the evaluations and recommendations in order to adapt the existing programme that is still running. If there is a follow-up programme, these recommendations are taken into account on a case-by-case basis. However, the delegation interviewees explained that the security situation is so complicated in Somalia that many of the recommendations on monitoring are not feasible at the current time. The initial entry point of the monitoring process is the programme manager’s assessment on the monitoring assessment.348

Coordination

The interviewees explained that coordination of EU programmes depends on the financing instrument in question. It was indicated that Working Group structures are a useful coordination mechanism when working with government and other donors (e.g. Working Groups on Peace and State-building respectively). In addition, political and development counsellors meetings about the use of existing structures at the government or intergovernmental level under the Somali compact are a periodic coordination mechanism with EU MS.

Concerning IcSP, it is usually known who the main interested parties are, from MS to other donors. These actors are approached directly for coordination and consultation purposes, representing similarly informal mechanisms. In addition, IcSP updates its network’s EU MS at the Political and Development Council’s meeting. Before a new IcSP project is proposed, the MS are always briefed. Hence, IcSP has a ‘double-check approach’: directly involved parties are consulted, and wider ones are informed for wider purposes. Moreover, IcSP has regular meetings with MS (either political councils or development councils) who take advantage of those regular meetings to improve upcoming IcSP proposals, but also to update on ongoing proposals.349

Evidence of the programmes’ impact

The delegation interviewees indicated that their monitoring and evaluation has improved over the course of recent years. The way in which impact is currently measured varies across the instruments. Concerning EIDHR, the delegation reviews statistics and final reports. It also reviews the monitoring and evaluation of contracts and programmes. Regarding IcSP, the delegation also has a dialogue with the federal government, the regional or local authorities, and civil society.350

Over the years of support to non-state actor platforms, the EU Delegation to Somalia has sufficiently built the capacity of local NGOs to compete against international NGOs for EIDHR funding.351 In previous years, calls for proposals under EIDHR were open for international NGOs. Somali NGOs could only apply as partners. However, in 2015, the eligibility criteria were modified, allowing Somali NGOs to be lead applicant. As a result, two Somali NGOs were contracted – one under the NSA and one under EIDHR.

348 Ibid.
349 Ibid.
350 Ibid.
351 EU delegation to Somalia interviewees.
Moreover, there is a natural chain of lessons learned within the delegation. In its latest project providing support to civil society and non-state actors’ platforms in Somalia, the delegation has particularly focused on sustainability. It provides the platform beneficiaries with a strategy to make them less dependent on a single source of funding and to increase their capacity to fundraise autonomously. This has led to the platform being able to access funds from other donors, whereas in the last six to eight years the EU was the only provider of funding. This links the lessons learned with the focus on sustainability of beneficiaries. Furthermore, the new governance programme mentioned in section 1.5 includes the lessons learned from previous evaluations and the complementarity with previous or ongoing actions as obligatory parts of the action document. The delegation has a similar breakdown when a new contract is proposed within the broader programming or financing decision.352

References


• Insight on Conflict website. Accessed online in April 2016: http://www.insightonconflict.org/icsp/?f=SOM


352 Ibid.
Case study: Turkey

Summary and key findings

This case study discusses European Union (EU) programme funding in the field of democracy and rule of law (RoL) in Turkey. The case study starts with a narrative of the country context in which EU-funded projects operate and an outline of associated challenges. Subsequently, we provide an overview of projects funded in Turkey under the European Instrument for Democracy and Human Rights (EIDHR) and the Instrument contributing to Stability and Peace (IcSP). Finally, the case study provides additional details on the allocation of funds, on the monitoring and evaluation of funded projects, on their coordination and on mechanisms for capturing data on their impact.

KEY POINTS

- Relevant European Union programmes cover governance reforms, human rights, and Syrian refugee crisis
- Interventions relating to democracy and rule of law are implemented by the Instrument for Pre-Accession Assistance, the Instrument contributing to Stability and Peace and the European Instrument for Democracy and Human Rights
- Since 2008, the European Instrument for Democracy and Human Rights funded projects for a total of EUR 11 million
- The Instrument contributing to Stability and Peace is currently funding a total of EUR 21,738,799 as of 2016
- The EU Trust Fund and Facility for Refugees was established in 2015 to support refugees in Turkey
- Allocation of funds by the European Instrument for Democracy and Human Rights is managed through global grant schemes and country-based support schemes
- There are several layers of project monitoring in place
- Coordination is organised on the basis of liaison with the European Union and other donors
- Impact measurement is an integral part of every project

Background to the country and the challenges faced

Respect for the rule of law is at the core of the accession negotiation process [for Turkey], including in particular the separation of powers, freedom of expression and of the media, human rights and democracy, the fight against corruption and organised crime, good neighbourly relations, freedom of religion, freedom of association and peaceful protest, the rights of minorities, the rights of women, and tackling discrimination against vulnerable groups.353

EU programme funding in the field of democracy and RoL in Turkey takes place in a deteriorating human rights context, the Syrian refugee crisis, and in a complex political context. The EU’s interventions aim to address several challenges. With specific regards to RoL, democracy, human rights and fundamental freedoms, the current challenges include the need for urgent reforms in the

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areas of the judiciary and fundamental rights and of justice, freedom and security. Moreover, EU assistance needs to deal with issues surrounding the freedom of speech, expression and opinion; the excessive use of force by the police against demonstrators during the Gezi Parki 2013 demonstrations, and the related violations of human rights, is a recent example.

Other significant challenges are posed by the following:

- Tensions around the Kurdish peace process and the situation in the southeast of Turkey that has included terrorist attacks.
- The Turkish anti-terrorism law, in particular its broad and general definitions of terrorism, organised crime and propaganda.
- The conduct of special security forces, the and the introduction of security measures affecting the rule of law and human rights.
- The refugee and migration crisis and related episodes (e.g. illegal detention).

Several non-governmental human rights organisations and activists in Turkey were subjected to judicial harassment as a means to sanction their activities; this was particularly the case with members of the Human Rights Association. Human rights defenders fighting against the impunity of enforced disappearances were also targeted. The long curfews declared in entire neighbourhoods or cities in South-Eastern Turkey, the ‘Academics for Peace’ being subjected to both disciplinary and criminal proceedings for a statement calling for an end to violence, and the 1845 criminal proceedings for the offence of insulting the President of the Republic, are all examples of recent potential threats to the full respect of human rights in Turkey.

In the light of the specific challenges described, EU funded projects address RoL, migration management and refugee assistance, human rights and fundamental rights violations and civil society. We have included ‘migration management and refugee assistance’ in the remit of this study since democracy and RoL cover a broad area that has been interpreted by the EU to include strengthening resilience of host communities and facilitating integration of refugees (Article 3(o), Regulation establishing the IcSP). Additional difficulties faced by EU programmes in this area pertain to the security situation, the volatile context of intervention (both internal and external factors), the administrative challenges due to the size of the country, as well as its centralised and politicised public administration system.

354 Ibid
356 Ibid.
359 Ibid.
360 Ibid.
361 Ibid.
Programme spending in country

The EU provides assistance through several channels, notably through the Instrument for Pre-Accession Assistance (IPA), EIDHR and IcSP. The largest amount of EU funding to Turkey is administered through IPA. Since the beginning of the Syrian refugee crisis, additional substantial funding has been allocated to support Turkey; in particular, since 2016, the Facility for Refugees in Turkey is implementing humanitarian and non-humanitarian projects for a total of EUR 3 billion for 2016–2017.

In the following section we use data provided by the EU Delegation to Turkey as the authoritative source of information, although we acknowledge the existence of other information sources that could be brought to bear on this analysis.

The bulk of financial assistance for democracy, fundamental rights and RoL in Turkey is through IPA. Under this instrument, 99% of assistance is managed by the Turkish government through indirect management. The main areas of intervention under IPA have been oriented to the following: enhancing the role of the Supreme Courts in the EU accession process, improving certain areas of the criminal justice system, supporting the reorganisation of civil enforcement offices, developing a training strategy for the Justice Academy, modifying the court expert system, designing judicial ethics, improving relations between media and judiciary, supporting the legal aid system for better access to justice, and increasing freedom of expression. The total EU contribution under IPA amounts to approximately EUR 111 million. The main part of IPA funds is essentially managed by the Turkish Government, under the coordination of Ministry for EU Affairs as the National IPA Coordinator (NIPAC).

By contrast, EIDHR and IcSP are directly managed by the EU Delegation to Turkey, using different approaches and programming cycles (see further details below). EIDHR follows a grant scheme approach through call for proposals. IcSP is largely an emergency and crisis response instrument, which is therefore not programmable in its nature. All IcSP actions have a duration of 18 months as established by the IcSP Regulation. Hence they can be considered as a short- to medium-term response. In 2015, this assessment suggested continuing to support projects that have been initiated by humanitarian aid instruments like the European Commission’s Humanitarian Aid and Civil Protection department (ECHO). These projects include a focus on developing viable multiservice community centres for Syrian refugees. EIDHR projects have taken a slightly different approach, funding specific grant schemes to strengthen civil society in a broad area of human rights and to ensure sustainability of activities. Table A below provides a summary of the EU financial aid by EIDHR and IcSP in Turkey since 2008, in the field of democracy and RoL.

364 EU delegation to Turkey interviewee
Table A: Summary of democracy and rule of law projects in Turkey since 2008

<table>
<thead>
<tr>
<th>Instrument/programme</th>
<th>EU contribution EUR/Percentage of total expenditure</th>
<th>Number of projects (completed/ongoing)</th>
<th>Number of cancelled projects</th>
<th>Thematic area(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IcSP</td>
<td>21,738,799 /100%</td>
<td>5 (0/5)</td>
<td>NA</td>
<td>Migration; Peace and security; Supporting access to justice; Human rights and minority rights; Youth</td>
</tr>
<tr>
<td>EIDHR</td>
<td>10,985,560 /91%*</td>
<td>106 (62/44)</td>
<td>NA</td>
<td>Supporting access to justice; Human rights and minority rights; Migration; Refugees; Civil Society</td>
</tr>
</tbody>
</table>

* The data on EU contribution as a percentage of total expenditure for EIDHR is based only on ongoing projects

**Source:** data provided by the EU delegation to Turkey

**EIDHR**

Since 2008 more than 100 projects have been funded by EIDHR, and as of July 2016 24 projects are ongoing. Their main characteristics are presented in Table B below, broken down by the type of grantee. The majority of EIDHR-funded projects in Turkey are carried out by local NGOs.

Table B: Breakdown of EIDHR-funded projects in Turkey by grantee since 2008

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects (completed + ongoing)</th>
<th>Value / EUR</th>
<th>Average length</th>
</tr>
</thead>
<tbody>
<tr>
<td>International NGO</td>
<td>6</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Local NGO</td>
<td>100</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td><strong>Total/average</strong></td>
<td><strong>106</strong></td>
<td><strong>NA</strong></td>
<td><strong>NA</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Nr of ongoing projects</th>
<th>Value / EUR</th>
<th>Average length</th>
</tr>
</thead>
<tbody>
<tr>
<td>International NGO</td>
<td>3</td>
<td>449,539</td>
<td>21 months</td>
</tr>
<tr>
<td>Local NGO</td>
<td>21</td>
<td>2,975,581</td>
<td>20 months</td>
</tr>
<tr>
<td><strong>Total/average</strong></td>
<td><strong>24</strong></td>
<td><strong>3,275,560</strong></td>
<td><strong>20 months</strong></td>
</tr>
</tbody>
</table>

**Source:** data provided by the EU delegation to Turkey

**IcSP**

Based on information provided by the EU Delegation to Turkey, we identified five ongoing projects funded by IcSP. Three projects were awarded to an international organisation and two projects for the supply of equipment to the Directorate-General for Migration Management (DG MM) (two tenders awarded to a private company/supplier).

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365 Some projects funded by the EU also receive funding from other sources.
Table C: Breakdown of IcSP-funded projects in Turkey by grantee since 2008

<table>
<thead>
<tr>
<th>Contract type</th>
<th>Number of projects</th>
<th>Value / EUR</th>
<th>Average length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intergovernmental / International organisation</td>
<td>3</td>
<td>16,748,299</td>
<td>1 year 6 months</td>
</tr>
<tr>
<td>Private Company/Supplier</td>
<td>2</td>
<td>4,990,500</td>
<td>6 months</td>
</tr>
<tr>
<td><strong>Total/average</strong></td>
<td><strong>5</strong></td>
<td><strong>21,738,799</strong></td>
<td><strong>1 year</strong></td>
</tr>
</tbody>
</table>

**Source:** data provided by the EU delegation to Turkey

**EU Trust Fund**

The EU Trust Fund (EUTF) and Facility for Refugees in Turkey (the Facility) have been the main funding sources supporting refugees in Turkey since 2015. EUTF was established to address the longer-term resilience needs of Syrian refugees in neighbouring countries, as well as supporting host communities and their administrations. So far, more than EUR 5 billion has been mobilised for relief and recovery assistance to Syrians in Syria and to refugees and their host communities in Lebanon, Jordan, Iraq, Turkey and Egypt. Within the first year of operations, EUR 427 million of this has already been adopted and allocated for priority programmes in support of basic education and child protection, training and higher education, better access to healthcare, improved water and waste-water infrastructure, as well as support to resilience, economic opportunities and social inclusion.

The Facility, which became operational in 2016, has a budget of EUR 3 billion for 2016–2017. This is made up of EUR 1 billion from the EU budget, and EUR 2 billion from the EU Member States (MS). All MS have sent in their contribution certificates for the EUR 2 billion they pledged. The Facility is therefore now fully operational.

Funding under the Facility is implemented as either EU humanitarian or non-humanitarian assistance. Under humanitarian assistance, the EC makes available an allocation and invites selected humanitarian organisations to submit proposals for prescribed actions in aid of refugees in Turkey. Under non-humanitarian assistance, the EC has to identify with the Turkish government projects that fit with the Facility objectives and priority areas that it can finance to help refugees. Upon approval by the MS, the EC reserves allocations in the budget as specific commitments, which allow it to sign contracts, in turn triggering disbursements at regular intervals (depending on progress in contract implementation).

**Allocation of funds**

As indicated on the website of the EU Delegation to Turkey, EU funding for a candidate country under IPA is implemented through the following steps:

1) The budgetary decision regarding the amount to be allocated by the EU to the country is taken by MS.

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367 Ibid.

368 Ibid.


370 Ibid.

2) The decision regarding the allocation of funds to national programmes is taken by the EC and the Turkish government.

3) The contracting of funds is the responsibility of the Central Finance and Contracts Unit (CFCU), an agency within the Prime Ministry that is responsible for all financial aspects of the procurement in the context of EU-funded programmes in Turkey under indirect management.

4) The disbursement of funds is the responsibility of the Turkish government.

By contrast, EIDHR projects are allocated either through global grant schemes announced by the Directorate-General for International Cooperation and Development (DG DEVCO) – for which Turkey is eligible – or through Country Based Support Scheme (CBSS) grants specific to Turkey. Under these grants, EIDHR finances projects run by civil society organisations, international non-profit organisations, intergovernmental organisations, or individual human rights defenders (under specific circumstances). In the case of both types of allocation (global and country-based support schemes), the EU delegation to Turkey is the contracting authority.372

According to the delegation interviewee, EIDHR calls for proposals generate a significant response to allow for competition and choice in funding. Given that funds are limited and proposals are generally of good quality, different tenderers and grant applicants are encouraged to work together. They understand that it is in their interest to do so, so as to have maximum access to funds. Since the principal components of IcSP are not programmable, funds are not allocated yearly. If justified by the conditions set in the IcSP Regulation (crisis situation etc.), financing decisions for a maximum budget of EUR 20 million per decision are prepared by the European Commission and adopted.

**Monitoring and scrutiny of funds**

The delegation interviewee explained that there are several layers of project monitoring in place.373 Firstly, there is the delegation’s own ‘on the spot’ monitoring framework, conducted by different sector managers, as part of the delegation’s monitoring action plan. However, due to security concerns, particularly in the South East along the Syrian border and in the Kurdish region, the monitoring missions have had to be cut down. Secondly, there is the Results Oriented Monitoring (ROM) framework, guided by DG DEVCO.374 Thirdly, there are regular reports and evaluations on a sectorial basis. Fourthly, the delegation provides headquarters with External Assistance Management Reports (EAMRs) on a regular basis.375 Fifthly, the delegation has regular visits from the European Parliament. For example, in 2012, its Budgetary Committee visited overseas EIDHR funded projects, and in February 2016 the Committee visited refugees in the South East of Turkey. Sixthly, the European Court of Auditors has audited an EIDHR project in February 2014, which had a positive assessment.376

In addition to reporting specifically related to evaluation and monitoring, there are several other multiple reporting mechanisms. The delegation has to write a bi-monthly financial assistance report, and there is also an internal management information system (MIS) with a timetable of the expected procurement which monitors whether the programme has been implemented on time and whether the activities are implemented as expected. Once the programming execution has finished, there is an

372 EU delegation to Turkey interviewee.
373 EU delegation to Turkey interviewee.
374 Ibid.
376 Ibid.
allocated period for performance audit. For IPA funds, there is dual monitoring, as they are also subject to the Turkish internal audit authority.\(^\text{377}\)

For IcSP, regular monitoring is ensured by reporting requirements and by meetings with implementing partners. Reporting to Headquarters on the implementation of IcSP in Turkey is submitted yearly and also through regular contacts with Headquarters based on particular developments. In terms of lessons learned, the delegation interviewee explained they pay particular attention to any negative results from previous monitoring reports or evaluations, exploring any ways of addressing them in future work.

**Coordination**

The delegation interviewee gave the following overview of how coordination occurs. Given Turkey's size and status as a candidate EU country, it considers itself to have a privileged partnership vis-a-vis the EU. As such, it prefers to coordinate with the EU and other donors separately, rather than in multi-lateral fora.\(^\text{378}\) There is little need for coordination with other non-EU states as besides refugee related funding, non-EU financial assistance is limited. In order to coordinate refugee-related assistance, the EU delegation to Turkey meets regularly with all UN agencies under the coordination of the United Nations High Commissioner for Refugees (UNHCR), plus MS, third countries (including Norway, Switzerland, USA, and Japan), and other donors.

For IPA, experienced sector managers in the EU delegation to Turkey are tasked with coordination. Much of this is integrated with monitoring processes, for instance on projects delivering integrated border management. In ‘on the spot’ monitoring, the sector managers visit the borders together with a wider team of experts, which helps understanding across projects. In addition, coordination is driven by the information provided to the Delegation by the various ministries and the Turkish government.

For IcSP projects assisting with the refugee crisis, there are case-by-case coordination set-ups. The Head of Delegation regularly meets with MS to discuss EU financial assistance, and there are monthly refugee contact groups with MS. EIDHR work is similarly coordinated with MS (e.g. in human rights contact groups), although by its very nature it tends to have an increased engagement with civil society organisations (e.g. through information-sharing meetings). The UN agencies are regularly involved in the coordination meetings on human rights and democracy.

**Evidence of the Programmes’ impact**

The EU Delegation to Turkey works to ensure appropriate visibility of the EU contributions to address the refugee crisis, in a context where the Turkish authorities have indicated that the international community is not providing sufficient support.\(^\text{379}\) It evidences the impact of its work in numerous ways. For instance, it monitors engagements with stakeholders relating to the refugee crisis and tracks the contribution these may have had. Specifically, the delegation interviewee described how, through EU funding, technical assistance has been provided to the legislature, and engagements have taken place with a Turkish parliament committee on relevant law; these engagements led to the adoption of the foreigner’s law,\(^\text{380}\) as well as newly established work permits that give Syrian refugees access to labour markets. Related to this, a MS representative has been working under a twinning agreement

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\(^{377}\) Ibid.

\(^{378}\) Ibid.

\(^{379}\) Ibid.

between EU and Turkey on maritime safety with the Turkish Ministry of Transport, Maritime and Communication on the preparation of legislation to align with the EU acquis.\textsuperscript{381}

In addition to measuring impact, the EU is concerned to effectively communicate its contributions in this area. For instance, under the EUTF it has funded food vouchers in three Syrian refugee camps in Turkey for six months in 2015 for EUR 5 million. The EUTF initial funding in 2016 was continued by the humanitarian ECHO component of the Facility for Refugees in Turkey, with the World Food Programme. On these vouchers, which look and function like credit cards, both the EU and Turkish flags are visible. As such, the impact of the EU funding is demonstrated, showing clear EU support to Turkey. This ensures not only the visibility of the EU’s actions with respect to refugees and beneficiaries, but also in terms of the strategic dialogue with the Turkish government on refugees and migration management.\textsuperscript{382}

In terms of sustainability, there is a tendency to work mainly in IPA with a limited selection of UN agencies as implementing partners, such as the United Nations Development Programme or the International Organization for Migration, and this can limit the potential of procurement effectiveness. The delegation interviewee acknowledged this, and explained that the delegation has been alternative implementers at the end of each programme cycles, with a view to opening up competition in this area.

References


\textsuperscript{381} EU delegation to Turkey interviewee.

\textsuperscript{382} Ibid.
• European Union delegation to Turkey (2016), *Which are the Priorities?* Accessed online in July 2016: [http://avrupa.info.tr/eu-funding-in-turkey/which-are-the-priorities.html](http://avrupa.info.tr/eu-funding-in-turkey/which-are-the-priorities.html).


Case study: Yemen

Summary and key points

This case study discusses European Union (EU) programme funding in the field of democracy and rule of law (RoL) in Yemen. It begins with a narrative of the country context in which EU-funded projects operate and of the associated challenges in these sectors. Subsequently, it provides an overview of projects funded in Yemen under instruments including the European Instrument for Democracy and Human Rights (EIDHR) and the Instrument contributing to Stability and Peace (IcSP) (as well as its predecessor, the Instrument for Stability (IfS)). Finally, the case study provides details on the allocation of funds, on the monitoring and evaluation of funded projects, on their coordination and on mechanisms for capturing data on their impact.

KEY POINTS

- Yemen is a country experiencing ongoing conflict, presenting practical challenges for funded programmes – both in terms of implementation and in monitoring and evaluating ongoing work
- The EU funds democracy and rule of law work through the Development Cooperation Instrument, the European Instrument for Democracy and Human Rights, and the Instrument contributing to Stability and Peace
- Projects funded by the Instrument contributing to Stability and Peace are fewer in number than other programmes’ projects, but have a higher average total budget
- Evidence of different programmes’ impact is compiled on an ad hoc basis, although for the European Instrument for Democracy and Human Rights there is a dedicated Success Stories section in the programme’s website

Background to the country and the challenges faced

Yemen is a country in conflict. Some of its issues can be traced to a lack of integration since the end of British colonial rule in the 1960s. At that time, Yemen split into two states, and although a unified Yemen was created in the 1980s, the level of institutional integration was limited. In 2011, at a time of unrest across the Middle East and North Africa, certain Yemeni groups ‘formed protest movements to demand improvements in human rights, good governance, jobs, and better health and education’.383 These precipitated violent clashes in which 50 protesters were shot by police, leading to President Saleh being removed by the Gulf Cooperation Council. However, in 2014: Open fighting broke out between different armed groups supported by former President Saleh, Houthis leaders from the north, elements of Al Qaeda in the Arabian Peninsula and many others. Alleging Iranian support for the northern-based Houthis, Saudi Arabia launched a bombing campaign in March 2015.384

The Saudi government’s campaign has not fully defeated the Huthis, who control much of western Yemen.385 Some commentators see the conflict as having an increasingly fractured nature, as

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383 Insight on Conflict’s Yemen Conflict Profile. Accessed online in May 2016: http://www.insightonconflict.org/conflicts/yemen/conflict-profile/
384 Ibid.
'motivations for fighting are manifold, contrary to the widespread portrayal of a straightforward pro-Houthi versus pro-Hadi conflict.'

Yemen is currently:

\[\text{in a state of political limbo. The Houthis claim the parliament has been dissolved and replaced by a transitional revolutionary council, headed by Mohammed Ali al-Houthi. But the UN, US and Gulf Co-operation Council refuse to recognize the Houthis' rule.}\]

There are peace initiatives at various levels. In addition to the EU programmes, there have been wider processes, such as the 2014 National Dialogue Conference. The interviewee from the EU delegation to Yemen explained that the key challenge in funding democracy and RoL work in Yemen surrounds the security situation. This has presented practical hurdles to accessing the country. There are associated issues surrounding duty of care for implementers, and ability to monitor the progress of projects.

**Programme spending in country**

The delegation deals with EIDHR and the Development Cooperation Instrument (DCI) projects in close coordination with the Commission's Directorate-General for Development and Cooperation (DG DEVCO). Historically, the EU’s strategy when funding democracy and RoL work in Yemen has been to implement principally through non-governmental organisations (NGO). In view of the political and security situation, with United Nations (UN) agencies being the main parties working in the field, the implementation of EU programmes or projects by NGOs (both local and international) is either delayed or suspended. However, in 2015 DG DEVCO signed two contractsamounting to EUR 51 million with the United Nations Development Programme and the United Nations Children’s Fund in the areas of rural resilience and community health workers. When the EU has gone to market for wider calls, marketplace engagement has appeared reasonable, and the interviewee from the EU delegation to Yemen explained they generally received sufficient responses from civil society organisations (CSOs) to calls for proposals (referring to one call that generated 13 responses).

The delegation interviewee explained that when designing new projects and programmes in the area of democracy and RoL, they refer to relevant EU guidelines and strategies (e.g. the human rights country strategy) and to topic-specific focal points (e.g. a focal point covering EIDHR themes). An overview of democracy and RoL programmes by project was only available for EIDHR, and this is presented in the following section.

**The European Instrument for Democracy and Human Rights**

EIDHR funding for democracy and RoL in Yemen reduced from EUR 1 million in 2014 to EUR 900,000 in 2015. Information provided by the delegation on EIDHR projects completed since 2008 shows a total spend of EUR 6,143,241 on 33 projects (25 completed and eight ongoing, including two suspended for security reasons). Themes funded included institution strengthening, electoral process,

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supporting access to justice and support for a variety of rights (e.g. human rights, minority rights, and the rights of women and children). The majority of these projects have been implemented by local NGOs. However, as mentioned above, the delegation interviewee explained this is not the current practice, due to the security situation. Instead, more recent projects (i.e. not covered in the dataset provided by the delegation) are implemented by UN agencies.

**Table A: Overview of EIDHR-funded projects in Yemen by grantee since 2008**

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Average value /EUR</th>
<th>Average length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local NGO</td>
<td>24</td>
<td>194,698</td>
<td>1 year 11 months</td>
</tr>
<tr>
<td>International NGO + Yemen</td>
<td>2</td>
<td>435,000</td>
<td>2 years 2 months</td>
</tr>
<tr>
<td>Intergovernmental organisation</td>
<td>1</td>
<td>450,000</td>
<td>1 year 8 months</td>
</tr>
<tr>
<td>Other</td>
<td>6</td>
<td>25,082</td>
<td>3 months</td>
</tr>
<tr>
<td><strong>Total/average</strong></td>
<td><strong>33</strong></td>
<td><strong>186,159</strong></td>
<td><strong>1 year 8 months</strong></td>
</tr>
</tbody>
</table>

*Note: there were some differences between the delegation’s data and other sources, specifically the Financial Transparency System (albeit this only describes projects funded directly to grantees) and the EIDHR compendium for 2007–2010 (which lists 14 projects pertaining to Yemen).*

*Source:* data provided by the EU delegation to Yemen

**IcSP**

The Insight on Conflict database (contracted to publish information on IcSP) and the Financial Transparency System provide limited information on projects (project name, description and the value of EU contribution). The average project size shown by the five projects presented in Insight on Conflict is EUR 926,793, whereas the Financial Transparency System IcSP projects list has an average project size of EUR 360,463. The difference between these figures may be explained by the nature of the Financial Transparency System only showing projects funded directly – which may have a risk-based policy of providing smaller funds. Only 2013’s ‘Strengthening Public Participation: Local Dialogues’ was referenced in both databases.

In addition to the above projects, a significant IcSP call for proposals in Yemen was made in 2014. The 2014 Annual Action Programme for Article 4 of IcSP allocated EUR 9 million for Action 1 (Support to in-country CSOs in conflict prevention, peacebuilding, crisis preparedness). Of this, Yemen was allocated EUR 3.2 million to manage, which it did through a call for proposals that identified four different lots and led to contract four actions. Currently, six actions are currently being implemented in Yemen (summarised in Table B).

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390 Concerning the Financial Transparency System, we note that this system includes only projects where beneficiaries are paid directly by the European Commission. This may leave out of its scope projects where the final disbursement of funds is done by another partner donor agency, to which the EC makes a contribution (EC, 2015b).


Table B: Overview of currently ongoing IcSP-funded projects in Yemen

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Average value /EUR</th>
<th>Average length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local NGO</td>
<td>2</td>
<td>890,000 EUR</td>
<td>2 years 3 months</td>
</tr>
<tr>
<td>International NGO</td>
<td>3</td>
<td>500,000 EUR</td>
<td>2 years</td>
</tr>
<tr>
<td>Intergovernmental organisation</td>
<td>1</td>
<td>2,000,000 EUR*</td>
<td>6 months</td>
</tr>
<tr>
<td><strong>Total/average</strong></td>
<td><strong>6</strong></td>
<td><strong>880,000 EUR</strong></td>
<td><strong>1 year 10 months</strong></td>
</tr>
</tbody>
</table>

* In partnership with UK, US, NL and NZ

**Source**: data provided by the EU delegation to Yemen

Finally, IcSP also fund multi-country projects. While some of these indirectly affect Yemen (e.g. Post-conflict and post-disaster needs assessment: Development of assessment capacity and tools), at least one specifically refers to Yemen as a location country – 2015’s Building and Consolidating National Capacities for Conflict Prevention.393

**The Development Cooperation Instrument**

DCI’s thematic programme 'Civil Society Organisations and Local Authorities' (CSOs LAs) has components that are relevant for democracy and RoL. Its total budget (i.e. for work wider than only democracy and RoL) is EUR 1.5 million for each of 2014 and 2015.394

**Allocation of funds**

The delegation employs a variety of different contract procedures, including framework contracts and restricted calls for proposals (whereby only shortlisted candidates on the basis of a concept note are asked to produce a complete project proposal). Specific information on the type of award procedure by project was only available for EIDHR and IcSP (i.e. not for CSO-LA). All IcSP action grants were awarded through a restricted call for proposals while a breakdown of award procedures applicable to EIDHR projects is presented in Table C. The majority of calls had budgets over EUR 200,000 and were awarded through the restricted calls for proposal procedure. There were also nine smaller projects that were contracted through the negotiated procedures allowed in a crisis context. The interviewee explained that for all submissions, a specially appointed committee selects the proposal on the basis of quality.

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Table C: Breakdown of EIDHR projects in Yemen since 2008 by award procedure type

<table>
<thead>
<tr>
<th>Award procedure</th>
<th>Number of projects</th>
<th>Average budget (EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted</td>
<td>22</td>
<td>217,221</td>
</tr>
<tr>
<td>Grants directly negotiated</td>
<td>5</td>
<td>242,776</td>
</tr>
<tr>
<td>Services directly negotiated</td>
<td>4</td>
<td>7,755</td>
</tr>
<tr>
<td>Framework contract</td>
<td>2</td>
<td>59,737</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>33</strong></td>
<td><strong>186,159</strong></td>
</tr>
</tbody>
</table>

**Note:** The classification in this table is slightly different from that used in other case studies due to the level of detail provided by the delegation to Yemen.

**Source:** data provided by the EU delegation to Yemen

**Monitoring and scrutiny of funds**

The interviewee explained that the delegation faces significant practical challenges when monitoring projects, as security issues mean it is ‘difficult to get access to the field’. However, the delegation manages to track progress to some extent by using contacts on the ground (including implementers). These contacts are essential to make decisions such as suspending, restarting or cancelling particular project activities, depending on the level of crisis. The delegation also tracks projects through implementing partner reports (both narrative and financial ones), as well as through the Results Oriented Monitoring (ROM) system. ROM missions represent reviews of EU funded external interventions conducted by independent experts through regular onsite assessments of projects and programmes in all EU partner countries.395

The interviewee explained that other evaluations are contracted systematically, reviewing themes or programme components, albeit the only evaluations the study team identified were relating to cross-country work (i.e. not restricted to Yemen). Reports are published online, for instance the evaluation of the Instrument for Stability’s Crisis Preparedness component.396 In terms of tendering out evaluations, this is done through different websites, but evaluation reports are not all published. The delegation did not provide evaluation documentation.

The interviewee explained that the delegation uses information from monitoring and evaluations in different ways. Firstly, at the programme level the delegation reviews lessons learned from monitoring and evaluation, using findings to develop future action documents (both multi- and annual action plans) and guidelines for calls for proposals. Secondly, at the project level the delegation uses learning points to monitor ongoing projects.

**Coordination**

The interviewee explained that coordination of EU programmes at the delegation level is overseen by an EIDHR focal point, who is responsible for developing an overview of work in the field of democracy and RoL. They have a good understanding of the different EU programmes and how they relate to other actors’ programmes.


In terms of coordination documents, the delegation uses country-specific ‘structuring documents’ for different themes (e.g. a human rights country strategy). These documents are not publicly available and were not accessible to the study team.

**Evidence of the programmes’ impact**

The interviewee explained that as a delegation they focus on influencing host government policies. Evidence of impact by programme is developed through evaluation reports, although these were not accessible by the study team. For EIDHR, an open access source of impact evidence is the programme’s webpage on Success Stories. This points to impact on two Yemeni projects (‘Sharaka Yemen – Partnerships for Human Rights: Promoting women’s and children’s rights through capacity building of the Ministry of Human Rights and Yemeni NGOs’ and ‘Enhancing preventing early and exchange marriage in Yemen’). Democracy and rule of law related impacts listed include:

- Better consultation and cooperation between ministries and local NGOs
- Improved capacities of ministry staff
- Instances of direct EC funding of a local NGO (which had not previously happened)
- Start of a dialogue on a National Human Rights Institute in Yemen

The interviewee explained that ascertaining impact of some project aims can be a challenge due to the length of time it takes for some outcomes to happen. In particular, work seeking to ‘create a mentality change’ requires a long-term approach in order to have an effect. It appears the delegation does not have mechanisms in place to capture long-term impact.

The delegation does, however, favour sustainable projects. To help develop opportunities for sustainability, they ask beneficiaries how they plan to sustain their work beyond the end of projects, and together with them consider possibilities for alternative backing by other funders.

**References**


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398 Interview with the EU delegation to Yemen.

• EIDHR website (2016), Accessed online on 11 February 2016: http://www.eidhr.eu/773E82A6-7A07-11E0-90041ABD71320ACE


Case study: Zimbabwe

Summary and key lessons

This case study discusses EU programme funding in the field of democracy and rule of law in Zimbabwe. The case study starts with a narrative of the country context in which EU-funded projects operate, and associated challenges relevant to programme in the field of democracy and rule of law (RoL). Subsequently, an overview of projects funded in Zimbabwe under the European Instrument for Democracy and Human Rights (EIDHR), the Instrument for Stability (IfS) and its predecessor the Instrument Contributing to Stability and Peace (ICSP), as well as other EU instruments is offered. Finally, the case study provides additional details on the allocation of funds, on the monitoring and evaluation (M&E) of funded projects, on their coordination and on mechanisms for capturing data on their impact.

KEY POINTS

- The European Union’s cooperation with Zimbabwe has entered a new phase since the 2014 expiration of the Cotonou measures (under which funding was made directly to the population)
- The European Development Fund provides EUR 45 million for governance and institution building
- The European Instrument for Democracy and Human Rights, Instrument for Stability, and Instrument Contributing to Stability and Peace instruments focus on protection of human rights defenders, institution strengthening and supporting civil society
- The EU delegation to Zimbabwe tries to support and cooperate with democratic local institutions
- Funds are allocated mostly directly to the grantees via the negotiated procedure, and not through calls for proposals
- Monitoring, scrutiny, and evaluation follow standard EU practices
- The EU delegation to Zimbabwe tries to have a comprehensive strategy and ensure complementarity between programmes and between projects

Background to the country and the challenges faced

The European Union (EU) has cooperated with Zimbabwe since the latter’s independence in 1980 and the signature of the African, Caribbean and Pacific Group of States (ACP)-EU Convention in 1982. However, following the country’s violation of essential elements of the Cotonou Agreement,\(^\text{399}\) in 2002 the Council of the European Union adopted a set of ‘appropriate measures’,\(^\text{400}\) under which European funds were no longer channelled through the Zimbabwean government but were

\(^{399}\) The Cotonou Agreement, adopted in 2000 for a 20 year period, is the framework for EU relations with African, Caribbean and Pacific (ACP) countries. In this agreement, EU and ACP countries acknowledge that human rights, democratic principles, and the rule of law are essential elements of their partnership and key pillars for long-term development. Under article 96 of the agreement, if one of the parties does not comply with the above fundamental principles, the other party might take appropriate measures including: precautionary measures for ongoing cooperation projects and programmes, the suspension of projects, programmes and other forms of aid, or the full suspension of development assistance.

reoriented towards direct support of the population. Only in 2012, following the settlement of a Government of National Unity (GNU), did the Council of the European Union suspend the appropriate measures and allowed the EU to work directly with the Zimbabwean government. In November 2014, the EU took a further step towards the normalisation of relations with Zimbabwe by allowing the ‘appropriate measures’ under the Cotonou Agreement to expire. 401

In the period 2008–2013, support to good governance, human rights, and democratisation was a pillar of EU development cooperation. 402 Examples are the support provided to the implementation of the Global Political Agreement of 2008, the National Constitutional Process which saw the adoption of a new constitution for Zimbabwe by way of referendum in March 2013, the strengthening of rule of law (RoL) (focusing on justice delivery, addressing both the demand and supply sides), as well as support to the parliament, to the newly created Zimbabwe Human Rights Commission, and to the Zimbabwe Electoral Commission.

Looking ahead, the strategic objective of the EU’s development cooperation with Zimbabwe is to reduce poverty and to support peace and stability, by assisting with inclusive and sustainable growth and promoting human rights, democracy and RoL. 403 Strengthening governance and institution building represents a crucial element of the EU’s strategy.

There are multiple challenges for governance and institution building in Zimbabwe. 404 With regards to the support to RoL, judicial reforms are necessary to increase the competency, efficiency and transparency of the judiciary, as well as to increase the access to justice for all without discrimination. With regards to its support for the consolidation of the democratic process, the need is to strengthen the capacity and independence of the parliament, the relevant constitutional commissions, and the electoral administration, to effectively and fairly perform their duties. Relevant crosscutting issues concern support to the implementation of public finance management reforms required to maintain macro-economic stability, and support to the strengthening of the migration governance framework.

According to the Council of the European Union Annual Report on Human Rights and Democracy in the World, ‘overall the human rights situation in Zimbabwe throughout 2014 remained stable but fragile’. 405 While the level of political violence is low compared to recent years, major issues of concern remain, 406 particularly regarding property rights, the conduct of police and security forces, lesbian, gay, bisexual, and transgender (LGBT) rights, freedom of expression and assembly, and securing justice for human rights abuses and past political violence.
Programme spending in country

Following the 2014 expiration of ‘appropriate measures’, the settlement of a government of national unity, and the approval of a constitution, the Government of the Republic of Zimbabwe and the European Commission (EC) intensified their cooperation efforts and in 2015 signed the National Indicative Programme (NIP)\textsuperscript{407}. The NIP is a joint cooperation strategy that will guide the formulation and implementation of the projects funded by the 11th European Development Fund (EDF).\textsuperscript{408} Under the EDF and the NIP, the European Union allocated EUR 45 million for governance and institution building in Zimbabwe. The objectives are to strengthen institutions to foster good governance, promote human rights, democracy and RoL in order to contribute to Zimbabwe's economic recovery, to the consolidation of its democratic process, and to peace and stability.\textsuperscript{409} The EU will use this funding to continue to work closely with the national parliament, the Zimbabwe Electoral Commission, the Zimbabwe Human Rights Commission, the justice sector and civil society. Additionally, the EDF allocated EUR 10 million to an economic governance programme aiming at reforming Public Finance Management\textsuperscript{410}. Under the EDF an indicative amount of EUR 6 million is also set aside to support Civil Society Organisations (CSOs) and their participation in public policy formulation.

Prior to the suspension of the ‘appropriate measures’ in 2012, EU financial aid (principally under EDF) was designed to directly support the population of Zimbabwe. After the settlement of a government of national unity, a second phase began and EU financial aid developed to support and work cooperatively with the democratic local institutions, the parliament, the Human Rights Commission, and more recently the executive (especially the Ministry of Justice). In addition to the EU bilateral support under the EDF, Zimbabwe benefits from assistance through various EU thematic instruments in the field of democracy and RoL. EIDHR, IcSP, its predecessor IfS, the Civil Society Organisations and Local Authorities (CSO-LA), and its predecessor the Non-State Actors and Local Authorities programme (NSA-LA). On a general level, two phases can be distinguished in the use of these thematic instruments in Zimbabwe.\textsuperscript{411}

Table A below summarises EU financial aid in Zimbabwe since 2008, in the field of democracy and RoL. It does not aim to be a complete and exhaustive overview, but rather an indication of the majority of funding. Several projects are categorized as ‘confidential’ in the EU Financial Transparency System, and therefore no information is publicly available on them. In addition to the completed and ongoing projects, the EC, throughout the annual action plans for 2014 and 2015 for EIDHR, allocated to the EU delegation to Zimbabwe EUR 1 million and EUR 0.9 million respectively. These funds are managed directly by the delegation through calls for proposals targeting local civil society with the objective of providing support to human rights and human rights defenders; however, to the best of our knowledge, these calls for proposals have not been launched yet.


\textsuperscript{408} The European Development Fund is the main geographical instrument for EU aid for development cooperation with the African, Caribbean, and Pacific Group and is funded with contributions from the EU Member States.


\textsuperscript{411} Interview conducted with the EU delegation to Zimbabwe.
**Table A: Summary of democracy and rule of law projects in Zimbabwe since 2008**

<table>
<thead>
<tr>
<th>Instrument/ programme</th>
<th>EU contribution EUR/Percentage of total expenditure</th>
<th>Number of projects (completed/ongoing)</th>
<th>Number of cancelled projects</th>
<th>Thematic area(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>European Development Fund</td>
<td>13,000,000/ 46%</td>
<td>0/2</td>
<td>NA</td>
<td>Institution strengthening; Migration</td>
</tr>
<tr>
<td>European Instrument for Democracy and Human Rights</td>
<td>3,001,528/ 100%</td>
<td>NA/NA</td>
<td>NA</td>
<td>Supporting civil society; Supporting access to justice, human rights and minority rights; Media; Other</td>
</tr>
<tr>
<td>Instrument for Stability, Instrument contributing to Stability and Peace</td>
<td>7,264,207/ 100%</td>
<td>NA/NA</td>
<td>NA</td>
<td>Peace and security; Electoral process; Institution strengthening; Supporting civil society</td>
</tr>
<tr>
<td>Non-state Actors and Local Authorities</td>
<td>900,000/ 75%</td>
<td>Non-state Actors and Local Authorities</td>
<td>900,000/ 75%</td>
<td>Non-state Actors and Local Authorities</td>
</tr>
</tbody>
</table>

**Source:** EU Financial Transparency System; DG DEVCO website; European Union delegation to Zimbabwe website; EU transparency register; Insight on Conflict website.

Tables B and C provide a summary of the projects by grantee for EIDHR, IfS and IcSP (being the focus of this study). According to the data available in the EU financial transparency system, non-governmental organisations appear to be the only beneficiaries of EU funds under these instruments. However, more than 50% of EIDHR funding in Zimbabwe is classified as confidential projects, and therefore there is no information on the grantees of such projects. Moreover, the EU Financial Transparency System includes only projects where beneficiaries are paid directly by the EC; this may leave out of its scope projects where the final disbursement of funds is done by another partner donor agency, to which the EC makes a contribution.412

**Table B: Summary of EIDHR-funded projects in Zimbabwe by grantee since 2008**

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Value / EUR</th>
<th>Average length</th>
</tr>
</thead>
<tbody>
<tr>
<td>International NGO (3)</td>
<td>4</td>
<td>649,401</td>
<td>Not Available</td>
</tr>
<tr>
<td>Local NGO (4)</td>
<td>4</td>
<td>798,550</td>
<td>Not Available</td>
</tr>
<tr>
<td>Other* (NA)</td>
<td>12</td>
<td>1,553,577</td>
<td>Not Available</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>20</strong></td>
<td><strong>3,001,528</strong></td>
<td><strong>Not applicable</strong></td>
</tr>
</tbody>
</table>

* Confidential projects

**Source:** EU Financial Transparency System

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Table C: Summary of IcSP/IfS-funded projects in Zimbabwe by grantee since 2008

<table>
<thead>
<tr>
<th>Grantee type</th>
<th>Number of projects</th>
<th>Value / EUR</th>
<th>Average length</th>
</tr>
</thead>
<tbody>
<tr>
<td>International NGO</td>
<td>6</td>
<td>2,166,720</td>
<td>Not Available</td>
</tr>
<tr>
<td>Local NGO</td>
<td>13</td>
<td>4,551,337</td>
<td>Not Available</td>
</tr>
<tr>
<td>Other* (NA)</td>
<td>2</td>
<td>546,149</td>
<td>Not Available</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>21</strong></td>
<td><strong>7,264,207</strong></td>
<td><strong>Not applicable</strong></td>
</tr>
</tbody>
</table>

* Confidential projects

**Source:** EU Financial Transparency System

**Allocation of funds**

With the information available to our study team, it is not possible to provide a breakdown of EDF, EIDHR, IfS and IcSP projects by award procedure type. However, the interview conducted with the representative of the EU delegation to Zimbabwe has enabled us to obtain some general information on the allocation of funds. The interviewee specified that human rights are still a sensitive issue in the country, and therefore when it comes to financing projects in this field, they try to avoid excessive publicity, including on the funding background.

The planning of programmes, the decision making, the funding processes, and the evaluation process are in accordance with the Practical Guide to Contract Procedures (PRAG) for EU external action. Since we understand from the delegation interviewee that Zimbabwe has been designated as a crisis situation country for 2016, the EU delegation can award grants without a call for proposals, and can use the negotiated procedures to directly award contracts for the procurement of services, supplies and works. The interviewee from the EU delegation to Zimbabwe confirmed that indeed calls for proposals have been used rarely in Zimbabwe, and that the majority of EU funding has been allocated through direct negotiation with potential grant beneficiaries. Nevertheless, the launch in 2015 of a call for proposal for NSA-LA demonstrated that there is a growing interest and capacity for competition in the field of democracy and RoL in Zimbabwe. In response to this call, the delegation received 106 concept notes, selected 24 applicants to ask for the full proposals, and finally financed eight projects.

**Monitoring and scrutiny of funds**

The EU delegation to Zimbabwe bases its monitoring on the Logical Framework Approach (LFA). The LFA is an analytical process and set of tools used to support project planning and management; it provides a set of interlocking concepts which are used as part of an iterative process to aid structured and systematic analysis of a project or programme idea. Indeed, the EC generally requires the application of the LFA at the various stages of the project management cycle. The interviewee from the EU delegation to Zimbabwe explained that interim and final reports of most of the projects go through the LFA.

In general, evaluation is not mandatory. However, according to the interview from the EU delegation to Zimbabwe, all the projects went through some type of evaluation and budget components for evaluation are required for every new project. In most cases the evaluation is organised by the

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413 Interview conducted with the EU delegation to Zimbabwe.

implementing partner, but with the help of external consultants. Sometimes, when the EU delegation to Zimbabwe estimates that there are important lessons to be learned from the project or the project has faced difficulties during the implementation, it conducts its own evaluation of a project.

In addition, a Results Oriented Monitoring (ROM) mission is organised every year. ROM missions are reviews of EU funded external interventions conducted by independent experts through regular onsite assessments of projects and programmes in all EU partner countries.\textsuperscript{415} They provide a brief snapshot of the implementation of an intervention at a given moment; they serve not only as a support tool for project management by informing stakeholders about the performance of a specific intervention, but also contribute lessons learnt for further programming, design and implementation of interventions.\textsuperscript{416}

In order to develop and improve the projects, the interviewee explained that the recommendations resulting from the ROM mission, as well as the findings of the delegation’s own evaluations, are addressed in projects through amendments to project documents.

The delegation reports in a number of ways to headquarters, allowing the latter to scrutinise different aspects of the funding portfolio. In the case of IcSP/IfS, twice per year the EU delegation to Zimbabwe compile the specific report for the service for Foreign Policy Instruments (FPI),\textsuperscript{417} providing details on the state of the implementation of the programme. For EIDHR, the EU delegation to Zimbabwe reports to the Directorate General for Development and Cooperation using External Assistance Management Reports (EAMRs). This is a highly detailed standard report, which outlines annual data on funding, results, and any concern from financial and operational points of view. Lastly, the EC headquarters can access the Common External Relations Information System (CRIS) database for monitoring and evaluation purposes. CRIS is the information system put in place by the EC to support the management of external actions. It is the main reference information system for management, reporting and documentation of external actions, financed both by the EU general budget and by the EDF’s. CRIS enables all EC staff involved in external action management, both at headquarters and in EU delegations, to work on a common database. It provides data concerning the different phases of management, from programming to preparation and monitoring, covering both operational and financial aspects of the actions concerned.\textsuperscript{418}

\textbf{Coordination}

With regards to coordination, the delegation interviewee explained that the delegation is trying to have a comprehensive strategy and ensure complementarity between programmes and between projects. When planning a new project, several discussions with CSOs, member states and other donors are held to identify priorities, avoid duplication, and ensure complementarity.

In addition, the interviewee explained coordination with non-EU programmes is straightforward because of the limited number of other donors, stakeholders and CSOs present in the country. A specific forum called the Human Rights and Governance Donors Group allows for regular contact

\textsuperscript{416} European Commission EuropeAid Co-operation Office (2012), \textit{ROM Handbook Results-oriented Monitoring.}
\textsuperscript{417} Working alongside the European External Action Service (EEAS), the service for Foreign Policy Instruments (FPI) is responsible for operational expenditures in the crucial area of EU external action. Specifically, the FPI is responsible for the execution of operations in the following areas: Common Foreign and Security Policy (CFSP); The Instrument contributing to Stability and Peace (IcSP); The Instrument for Cooperation with Industrialised Countries (ICI); and Election Observation Missions (EOMs).
\textsuperscript{418} European Court of Auditors (2012), \textit{The Common External Relation Information System (CRIS),} Special report No 5, 2012.
between the delegation, EU member states, and country development departments (including USA, Australia, and Japan).

**Evidence of the programmes’ impact**

The delegation interviewee explained their understanding that the very completion of a project can be seen as representing an impact. Therefore, to assess this, the evaluations focus on the attainment of the project objectives and on the achievement of the expected results. On a broader level, the interviewee explained that the impact of projects in the field of democracy and RoL rarely falls in the timeframe of the project. Because of this, the interviewee suggest an approach to identifying longer term impact would be to examine the impact of a whole programme once it has ended (i.e. including several projects in an overall evaluation). An example of this practice is the 2011 evaluation of the Crisis Response and Preparedness Components of the IfS.419In such an evaluation report, INCAS Consulting conducted extensive interviews with stakeholders and donors, and analysed in detail interim and final reports of the projects to measure their impact.

**References**


Insight on Conflict website. Accessed online in April 2016: http://www.insightonconflict.org/icsp/
ANNEX B: INTERVIEW PROTOCOLS

Interview protocol for delegation representatives

Intro
- Timing
- Background
- Recording

Role – briefly tell us your responsibilities

Overview of the D & RoL in country and how it works

Which programmes are in place in the country?

Points from current draft of case study on programme spending
1) [Check] Have we covered the main programmes and spend on them?
2) Address discrepancies within data on programme spend, between different sources

Decision making and funding processes
3) When planning a programme, how do you develop selection criteria and rationale?
4) How do you apply EU Human Rights Guidelines?
5) Doc request: Can provide us with information on costs of programmes broken down, including administrative costs? (e.g. of EIDHR and IcSP)
6) Do you have a flowchart that shows decision making and funding paths for different programmes?

Coordination/Consideration of the complementarity and synergy between EU instruments.
7) When planning a new programme, how do you about surveying the landscape? (use of databases/communicating intentions etc.)
8) How coordinate work with other programmes (both EU and non-EU)?
9) What improvements have been made in coordination in recent years?
10) Would you say that EU financial assistance is adequate? [If not, how far short is it?]  

Monitoring of results and programme improvement
11) Can you talk us through your programme’s monitoring and evaluation framework?
12) How is the information from any monitoring, evaluation and feedback arrangements used to develop and correct the programmes?
13) How do you incorporate lessons learned into future strategy?
14) How is the use of programme funds monitored, scrutinised and reported upon? (i.e. more specifically funds-focused than M&E questions above)
15) Doc request: Can provide us with information on the evaluations of programmes/projects?

Sustainability of beneficiary organisations.
16) How do you support beneficiary organisations to sustain their work beyond project ends?
17) What are the main challenges to this?
**Specific VfM questions**

18) Do D&RoL calls for proposals generate sufficient responses to allow for competition and and 
choice in funding?

19) In your project selection procedure, do you provide challenges to tenderers, requiring them to 
make convincing, evidence based and realistic cases for support?

20) Evidence of the impact of the programme: To what extent is this / should this be visible?

**AOB**

21) Anything else not covered that think we should know?

22) May be further questions based on outstanding document review – ok to contact?

**Interview protocol for programme-level interviews (with EIDHR and IcSP representatives)**

Below is the interview protocol for programme-level interviews, in this case contextualised for the 
EIDHR interview.

**Intro**

- Timing
- Background
- Recording

**Role – briefly tell us your responsibilities**

**Overview of the programme and how it works**

**Decision making and funding processes**

1) Do you have a flowchart that shows EIDHR’s decision making and funding paths?

2) Talk through our flowchart to see if matches her overview.

3) In our document review, we have noticed that there are discrepancies between different lists, 
for instance projects that are shown in the Compendium do not perfectly overlap with those 
that are picked up by the Financial Transparency System. Can you help us understand the 
reason for this? (e.g. on FTS, this appears to only show funds provided directly to participants, 
so is not exhaustive). What is the most reliable source? Can you provide us with a database 
that is exhaustive of all projects in the 10 countries?

4) **Doc request:** Can provide us with information on costs of EIDHR broken down, including on 
administrative costs?

**Coordination/Consideration of the complementarity and synergy between EU instruments.**

1) When planning a new programme, how go about surveying the landscape? (use of 
databases/communicating intentions etc.)

2) How coordinate work with other programmes (both EU and non-EU)?

3) What is the relationship between EIDHR and the European Neighbourhood Policy Instrument 
(ENPI)? Most documentation confirms they are distinct, but the annexes to EIDHR 
implementing decisions[^420] label as ENPI the EIDHR allocated spend on Egypt in 2014 and 
2015.

[^420]: Commission Implementing Decision on the adoption of the Annual Action Programme 2015 for the European 
Instrument for Democracy and Human Rights (EIDHR).
4) What improvements have been made in coordination in recent years?

Lessons learnt

5) How has the current EIDHR strategy incorporated lessons learned from the 2007–13 strategy?

Accountability / Addressing scrutiny of the European Parliament and the European Court of Auditors

6) Does EIDHR keep an organised list of what actions have been taken in response to in-house studies, European Parliament scrutiny and reports of the European Court of Auditors? How do you keep track of these? Do you have to report about such responses?

7) How is the performance of the programmes communicated?

Monitoring of results

8) Can you talk us through the monitoring and evaluation framework of EIDHR?

9) How is the information from any monitoring, evaluation and feedback arrangements used to develop and correct the programmes?

10) Doc request: Can provide us with information on the evaluations of EIDHR at programme and project levels?

Risk management and sustainability of beneficiary organisations.

11) Can you describe your risk management processes?

12) How do you support beneficiary organisations to sustain their work beyond project ends?

Specific VfM questions

13) How do you capture EIDHR’s impact? (e.g. at programme and project levels…)

14) Do EIDHR calls for proposals generate sufficient responses to allow for competition and choice in funding?

15) In EIDHR’s selection procedure, do you provide challenges to tenderers, requiring them to make convincing, evidence based and realistic cases for support?

16) How is the use of programme funds monitored, scrutinised and reported upon? (i.e. more specifically funds-focused than M&E questions above)

AOB

17) Anything else not covered that think we should know?

18) May be further questions based on outstanding document review – ok to contact?
## ANNEX C: ADMINISTRATIVE SPEND COMPARISON TABLES

**Table A: Donor administrative costs as a share of overall ODA to developing countries (%), commitments**

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ANNEX D: REALIST REVIEW OF RELEVANT DATA: HOW DOES EU FUNDING OF DEMOCRACY AND RULE OF LAW WORK, FOR WHOM AND IN WHAT CIRCUMSTANCES

In addition to the analysis in chapter 6, we have considered the following question when conducting the study on how the EU funds programmes in the area of democracy and RoL: ‘How does it work, for whom and in what circumstances?’ This encapsulates our perspective of enquiry when conducting the light realist review introduced in chapter 2.

How does it work?

Key to answering this has been to identify the chain of results through which work in this area moves, and whether/how this has changed over time. We have found that while not specifically spelled out in the language of a ‘theory of change’ or an ‘expected chain of results’, it is arguably the case that there are intervention logics, starting at EU level programming and implementing work in the field. At the EU programming level, MIPs set out clear strategies. In addition, there are what could be seen as feedback loops in the shape of AAPs. We have described how the EU funds democracy and RoL work more specifically in chapter 3.

In the field things are less clear. We were told about projects and programmes having theories of change, but these are written by the implementing partners. It makes sense that the implementing partners have a contribution to make in terms of knowledge, know-how and entrepreneurship. However, the extent to which project theories of change were integrated and aligned to wider programme logic and strategy was not always clear. We understand this alignment is done when drafting terms of reference and evaluating proposals, although this is not explicitly worded in the language of a theory of change.

Talking to delegation representatives, we got the impression that the urgent can prevent attention being given to the important and they do not necessarily use their considerable experience to step back and look at how best to use the flexibility available in their programming activities. Doing that task, and ensuring work is aligned to the wider programmes’ strategic objectives, appears to be the role of the geographic desk officer. However, from our interview with the geographic desk officer, we did not get the impression this was significantly formalised. Again, while it is clear such a role must have in-built flexibility, we would argue that certain structure, and minimum guiding policies, would be of benefit when administering such an important role of project alignment to programme goals.

For whom?

There are multiple beneficiaries and stakeholders for the plethora of EU projects in the area of democracy and RoL. From case study interviews, we have found that the beneficiaries in host country are undoubtedly in the minds of programme and project design and strategy. Another stakeholder for whom EU projects can be seen as being actioned are EU citizens, as represented by the European Parliament. Accountability to the EU public and European Parliament is more of a grey area, and we discuss this in more detail in section 5.2.

In what circumstances?

The conditions and contexts necessary for effective support of VfM delivery are the subject of chapter 6. We have considered different aspects of process, including coordination, monitoring and evaluation, and developing evidence of programme and project impacts.
Has it changed?

MIPs vary from one to the other, as they take place in multi-year formats. As such, they change over time. In addition, the AAPs allow for a certain amount of flexibility over time, allowing the EC and EEAS to adapt strategy year-on-year to meet the strategy outlined in the relevant MIP. What is less clear is to what extent MIP aims can themselves be adapted to wider changes and shifts in international priorities and development aims (to which the EU is a party).
ANNEX E: OVERVIEW OF EIDHR AND ICSP

7.1 European Instrument for Democracy and Human Rights

The EU established EIDHR in 2006, to replace and build upon the European Initiative. A new regulation was adopted in March 2014 establishing the European Instrument for Democracy and Human Rights (EIDHR) for the period 2014–2020. EIDHR’s aim is to provide support for democracy, human rights and fundamental freedoms in non-EU countries where these are at the highest risk, as well as to help strengthen the role of civil society. EIDHR is administered at EC headquarters by the DG DEVCO.

Assistance under EIDHR includes projects, programmes, small grants to human rights defenders, and grants to finance and support projects submitted by CSOs or intergovernmental organisations. EIDHR intervenes without the agreement of the governments of third countries.

According to the 2014 regulation, the current EIDHR budget cycle is for 2014-2020 is organised around five objectives and priorities:

1) Support to human rights and human rights defenders in situations where they are most at risk
2) Support to other priorities of the Union in the field of human rights
3) Support to democracy
4) EU Election Observation Missions
5) Support to targeted key actors and processes, including international and regional human rights instruments and mechanisms

EU assistance under EIDHR is implemented in accordance with Regulation (EU) No 236/2014 and through strategy papers, AAPs, individual and special measures. The EIDHR MIP for 2014-2017 is the key strategy paper for current EIDHR actions. It provides a description of the EIDHR key features and operating principles, as well as specifying the strategic objectives, the results expected, and the indicators and means of verification. Based on the financial allocations decided in the MIP, actual funding is decided each year in the EIDHR AAP.

Figure A outlines the decisionmaking process with respect to allocating EIDHR funding, distinguishing between European level and country-level decision making. At the European level, we have categorised decision making by the EIDHR’s objectives, each of which set out different functions. Consequently, there are different types of financing outlined, such as funds, grants, and calls for proposals. Also, the flowchart looks at the selection process and criteria on the basis of which they make their decisions (from EU headquarters to the EU delegations, and finally to implementers/final beneficiaries). In this flowchart, we have sought to show 1) how EIDHR’s budget is split up between countries (at the EU programme level) and how the money is then split up at the country level; and 2) the process of advertising funds’ availability and the selection process for making funding awards.

http://www.eidhr.eu/whatis-eidhr


Objective 1: Support Human Rights and Human Rights Defenders in situations where they are most at risk (20–25%)

Objective 2: Support other EU Human Rights Priorities (20–25%) like death penalty, torture, children in armed conflicts, gender inequality and discrimination

Objective 3: Support Democracy (15–20%): strengthening the role of civil society in promoting participatory/representative democracy, transparency and accountability

Objective 4: EU Election Observation (up to 25%) to enhancing the reliability and transparency of democratic electoral processes by monitoring

Objective 5: Support targeted key actors (local civil society) and processes, including international and regional human rights instruments and mechanisms (10%)

EIDHR Emergency Fund for HRDs at risk: small ad hoc grants for HRDs up to EUR 10,000 in support of HRDs in urgent need

EIDHR Crisis Facility to ensure the provision of funds beyond regular calls for proposals. It targets the most difficult situations, in which calls for proposals are inappropriate and therefore allows for direct award (EUR 3.5 million/y)

ProtectDefenders.eu: EU Human Rights Defenders Mechanism established to protect defenders at high risk and facing the most difficult situations worldwide. Led by a Consortium of 12 NGOs active in the field of Human Rights (EUR 15 million/3y)

Country-Based Support Schemes (CBSS): local calls for proposals: reinforcing the role of civil society in promoting human rights and democracy, focusing on local CSOs. (Annual budget of EUR 82.75 million through 110 local calls for proposals in 2015)

Global calls for proposals: 5 recurrent lots each year, with an annual budget of EUR 26–35 million (in 2015 EUR 26.87 million)

Targeted actions (e.g. support to OHCHR, ICC, regional HR mechanisms, EIUC, etc.)

Election Observation Missions (EU EOMs)
Illustrative examples of EIDHR funding: spending in 2015

EIDHR’s AAP for 2015 set out a budget of EUR 130,166,185 for its annual work programme. Based on this, various actions have been set, such as calls for proposal and direct awards, typically based on consultation with CSOs, EU Member States and donors. Once the financial support has been distributed from the EU headquarters to the specific country, the money is managed by the EU delegation in that country.

The 2015 AAP outlines the different actions taken to administer EIDHR’s aims, which includes supporting local calls for proposals, human rights priorities and dialogues, key international actors, and EU trading partners. Three examples showing the process in which these have been administered are:

- **Election Observation Missions**

  EU Election Observation Missions (EOMs) work ‘with a view to encouraging professionalism and transparency in electoral management, discouraging irregularities and abuse, and inspiring confidence in the electoral process’.426

- **Supporting Calls for Proposals targeting local civil society through Country-Based Support Schemes**

  Advertising of funding happens through direct management (calls for proposals) and procurement of services (support measures) which implement objectives 1, 2 and 3 of EIDHR. The EC services within country delegations prepare calls based on consultation with CSOs, Member States and donors. Following this, the Country Based Support Schemes (CBSS) are managed at country level by the EC through EU Delegations. The applicants will be primarily CSOs with no geographical requirements set a priori. Given the nature of the objectives, however, the actions’ focus will be preferably on in-country CSOs, who may wish to cooperate with regional, European or other organisations. The EU Delegations will be able to spend up to 10% of the respective annual operational country allocation on support measures accompanying the implementation of country-based support.

- **Supporting Human Rights priorities – EIDHR global call**

  Global calls for proposals are ‘organised annually and managed at headquarters level. While the 2007–13 EIDHR mainly used specialised annual calls, [the current funding period entails annual calls]… covering EIDHR priorities in parallel, allowing for a more long-term response in each area.’427

Instrument contributing to Stability and Peace

**Overview: objectives and types of assistance**

IcSP428 is an important EU instrument supporting security initiatives and peacebuilding activities in partner countries. It often plays a part when no other instruments can be used, for a variety of reasons, such as when there is a need for a quick institutional response (see under article 3 below). It came into


427 Ibid., p.22

force in 2014, replacing the Instrument for Stability (IfS). Its activities complement those of other EU funding instruments, and it is managed jointly by the EEAS and the EC, through FPI and DG DEVCO.

IcSP can provide short-term assistance – for example, in countries where a crisis is unfolding – and/or long-term support, notably to mitigate a variety of risks, tackle global and trans-border threats, and build capacity for lasting socio-economic development. Specifically, the regulation establishing IcSP describes the three areas it assists in:

- **Article 3**: Assistance in response to situations of crisis or emerging crisis to prevent conflicts
- **Article 4**: Assistance for conflict prevention, peacebuilding, and crisis preparedness
- **Article 5**: Addressing global, trans-regional and emerging threats.

The short-term component (Article 3) aims to prevent conflict, support post-conflict political stabilisation and ensure early recovery after a natural disaster. It can only be triggered in a situation of crisis or emerging crisis, in order to re-establish the conditions necessary for the implementation of the EC’s development assistance under other long-term instruments.

The first long-term component (Article 4) aims to support measures building and strengthening the capacity of the EU and its partners to prevent conflict, build peace and address pre- and post-crisis needs in close coordination with international, regional and sub-regional organisations, state actors and CSOs. The second long-term component (Article 5) aims to assist in addressing global and trans-regional threats and emerging threats to law and order, to the security and safety of individuals, to critical infrastructures and to public health.

The FPI interviewee described IcSP as a ‘different animal’, as its projects can be mobilised very quickly in comparison with other instruments (see below).

**Allocation of funding to different types of assistance**

The regulation stated a financial envelope of approximately EUR 2.3 billion for the implementation of IcSP over the period 2014 to 2020. At least 70% of this shall be allocated to measures falling under Article 3 and 9% to measures falling under Article 4, with the rest considered for Article 5.

Based on the regulation, the EC adopted the Thematic Strategy Paper 2014–2020 for IcSP and the MIP 2014–2017. In addition, thematic strategy papers constitute the general basis for the implementation of assistance under Articles 4 and 5.

Article 3’s objective is achieved through measures which are not subject to programming (therefore it is not determined by the Thematic Strategy Paper 2014–2020 for IcSP and the MIP 2014–2017). Such measures are adopted in the form of decisions by the EC, after consultation with the EEAS, and after informing the European Council (in addition, consultation of EU Member States through comitology is required where the amounts are higher than EUR 20 million). Once these processes have been implemented, EU assistance under Article 3 is provided through exceptional assistance measures and interim response programmes. In practice, in urgent and crisis situations, such as those posing a threat to democracy, law and order, security and safety, the EC may adopt exceptional assistance measures with a duration of up to 18 months, which can be extended up to 30 months.

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429 Ibid.
430 Ibid.
To date, Article 3 measures have included support to unforeseen elections and related confidence building measures, support to peacebuilding and stabilisation projects in border areas, contributions to the comprehensive EU response to the Ebola outbreak, support towards countering violent extremism, and strengthening resilience of host communities and facilitating integration of refugees.

While funds under Article 3 are mobilised only when an appropriate and timely EU response cannot be assured through the programmable instruments, the objectives under Articles 4 and 5 are subject to programming and achieved through AAP. AAPs are adopted by the EC in line with thematic strategy papers and the MIPs (of most relevance being the abovementioned Thematic Strategy Paper 2014-2020 for IcSP and the MIP for 2014-2017). The procedure relating to the adoption of the AAP involves several actors and follows a series of steps, lasting up to nine months. The main steps and actors involved are:

1. Informal upstream consultation with civil society to gather preliminary views on priority areas for support and to exchange ideas for the annual programming
2. AAP and Action Documents drafting by the EC
3. Strategic Dialogue with the EP
4. First Draft of the AAP
5. Downstream consultation with civil society
6. Inter-service consultation
7. Translation and transmission to EU Member States and European Parliament
8. IcSP Management Committee
9. EC Decision

AAPs are aligned with the priorities identified in the relevant strategy paper (current one for IcSP being for 2014-2020). They include a summary of planned actions, their objectives, expected results and main activities, an indication of the budget allocations per action, and a number of implementation aspects (financing agreement, indicative operational implementation period, implementation components and modules, and eligibility criteria for applicants).

**Budget implementation and programme execution**

The IcSP’s budget is implemented either through direct or indirect management. The AAPs make explicit the modality of each project’s budget implementation.

In the case of direct management, the EC is in charge of all budgetary implementation tasks, which it performs at headquarters, through in the country delegations, or through other European executive

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433 For article 4: Commission implementing decision of 27.5.2015 on the Annual Action Programme 2015 for the Instrument contributing to Stability and Peace – Conflict prevention, peacebuilding and crisis preparedness component to be financed from the general budget of the European Union; for article 5: Commission implementing decision of 30.7.2015 on the Annual Action Programme 2015 for the Instrument contributing to Stability and Peace to be financed from the general budget of the European Union
435 The Management Committee of IcSP is the body attended by Member States’ delegates, the Commission and EEAS. It provides a forum for discussion between the Commission and Member States, in order to comment, discuss and shape the AAPs and Multi-annual Programmes for article 4 and 5 of the IcSP.
436 See Commission implementing decision of 27.5.2015 on the Annual Action Programme 2015 for the Instrument contributing to Stability and Peace – Conflict prevention, peace-building and crisis preparedness component to be financed from the general budget of the European Union; Commission implementing decision of 30.7.2015 on the Annual Action Programme 2015 for the Instrument contributing to Stability and Peace to be financed from the general budget of the European Union. This is also evidenced by previous AAPs.
agencies. In direct management, the EC or the European executive agency is the contracting authority.

Under indirect management, the EC entrusts the budget implementation tasks to partner countries (or to bodies designated by them), including international organisations, development agencies of EU Member States, or other bodies. The entrusted entities are identified in the AAPs, and are themselves the contracting authority, on behalf of the EC.

In terms of the practical day-to-day implementation of IcSP project budgets, this is done in accordance with the common rules and procedures for the implementation of the EU’s instruments for financing external action, as stated in the relevant EU regulation.437

In terms of implementing the projects themselves, this is devolved to the EU country delegations. In the majority of cases, the delegations in turn use the negotiated procedure to make a direct award, administrative arrangement or joint/contribution agreement with international NGOs or intergovernmental organisations. Calls for proposals and calls for tenders are also used, but in rare circumstances; the eligibility criteria for individual calls are specified in the procurement documents. Figure B outlines the decisionmaking process with respect to dispersing IcSP funding, distinguishing between European level and country-level decisionmaking.

437 Regulation EU N. 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union’s instruments for financing external action
Value for money: EU programme funding in the field of democracy and rule of law

Figure B: IcSP flowchart

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<td>Aid modalities /Types of financing</td>
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<td>Implementation/execution of the programme</td>
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**Article 3**

Assistance in response to situations of crisis or emerging crisis to prevent conflicts (EUR 1.6 billion) *Managed by FPI*

- Exceptional Assistance Measures
  - Interim Response Programmes
- Direct Management
- Direct grants
- Procurement contract
- Final recipients: intergovernmental organisations, international and local NGOs, EU agencies

**Article 4**

Assistance for conflict prevention, peacebuilding and crisis preparedness (EUR 0.2 billion) *Managed by FPI*

- Annual Action Programme
- Direct Management by EU Delegations
- Direct grants
- Procurement contracts
- Calls for proposals
- Final recipients: intergovernmental organisations, international and local NGOs, EU agencies

**Article 5**

Assistance in addressing global and trans-regional threats and emerging crisis (EUR 0.4 billion) *Managed by DG DEVCO*

- Annual Action Programme
- Indirect Management with international/national organisations
- Final recipients: intergovernmental organisations, international and local NGOs, EU agencies
Illustrative examples of IcSP funding

Figure C presents an example of how money is disbursed under IcSP, describing fund mobilisation under its articles 3, 4 and 5 in 2014. As explained above, the objective of IcSP’s article 3 is achieved through measures which are not subject to programming. In 2014 the European Commission adopted 15 Exceptional Assistance Measures (EAM) and four Interim response Programmes related to IcSP. The figure shows how moneys were mobilised under EAM in Turkey.

The objectives under articles 4 and 5 are subject to annual programming. In the case of article 4, the IcSP regulation set up a budget of EUR 0.2 billion for the period 2014-2020. Out of this, the 2014 AAP for article 4 of IcSP set up a budget of EUR 18 million for five different actions. Half of this allocation has been further allocated by calls for proposals managed by the EU delegations. For example, the EU delegation to Yemen had a budget of EUR 3.5 million, which it distributed by reference to four different priority areas. For each of the four lots, the EU delegation to Yemen awarded at least one grant. The calls for proposals include all the rules and specific wording process, such as the eligibility criteria, the procedure to follow, the tender evaluation methodology and details about how final selection of applications will take place.

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**Value for money: EU programme funding in the field of democracy and rule of law**

**Figure C: IcSP financial distribution across EU headquarters and EU delegations (all figures in euros)**

**2014-2020 EU Allocation**
- 1.6 bn
  - **Article 3** Assistance in response to situations of crisis or emerging crisis to prevent conflicts
  - **Article 4** Assistance for conflict prevention, peace building and crisis preparedness
- 0.4 bn
  - **Article 5** Assistance in addressing global and trans-regional threats and emerging crises

**EU level allocation 2014**
- **Exceptional Assistance Measures**
  - Among others:
    - Enhancing access to services in Turkey: 17 ML
    - Support to Yemen’s Political and Security Transition: 3 ML
    - Support to the Special Tribunal for Lebanon: 1 ML
    - EU Response to the Ebola outbreak: 1 ML
- **Interim response Programmes**
  - Stabilisation support package for the Gaza Strip: 9 ML
  - Transition in post-conflict Syria: 2.5 ML
  - Peacebuilding and stabilisation in Sudan: 2.5 ML
  - Action 1: Support to in-country civil society actors: 9 ML
  - Action 2: Gender and Transitional Justice: 3.5 ML
  - Action 4: Strengthening Mediation Capacities: 2.5 ML
  - Action 5: Strengthening the Kimberley Process: 1 ML

**Country level allocation and programme implementation**
- **Turkey’s example**: EAM programme is implemented under indirect and direct management, sub-delegated to the EU Delegation to Turkey and supervised by FPI
  - **5 ML** Purchase of logistics equipment
  - **12 ML** Indirect management with IOM, UNDP, and sub-granting scheme
  - **9 ML** Calls for Proposals
  - **3.2 ML** – Yemen
  - **2.3 ML** Afghanistan
  - **1 ML** Madagascar
  - **1.5 ML** Pakistan
  - **1.2 ML** – Mediation, Dialogue
  - **0.5 ML** – Women, Peace and Security
  - **0.9 ML** – Protection of Children
  - **0.6 ML** – Youth Employment
  - **3 ML** Indirect management by UN WOMEN
  - **2.5 ML** Indirect management by UNDP
  - **1 ML** Indirect management by UN DPA
  - **14 ML** Direct grants
  - **3 ML** Procurement of services contract
  - **22 ML** Indirect management by UNODC, FIIAPP, Council of Europe
  - **4.2 ML** Procurement of services contract (direct management)
  - **3 ML** Procurement of contract services (direct management)
  - **20 ML** Procurement of services contract (direct management)
  - **5 ML** Indirect management by ISTC and STCU

**ARTICLE 5 Annual Action Plan 2014**
- **28 ML** Action 1: Countering Terrorism
- **26.2 ML** Action 2: Fighting Organised Crime
- **3 ML** Action 3: Expert Support facility
- **25 ML** Action 4: Preparedness and Mitigation of risks
- **20 ML** Procurement of services contract (direct management)
- **5 ML** Indirect management by ISTC and STCU

**Figure C: IcSP financial distribution across EU headquarters and EU delegations (all figures in euros)**
This study explores the extent to which processes are in place to enable the delivery of value for money through EU programme funding in the field of democracy and rule of law. It includes a review of the European Instrument for Democracy and Human Rights and the Instrument for Stability and Peace. It considers current ways of working and the potential for improvement. Analysis is based on interviews with EU programme officials and EU delegations, and related documentary evidence.

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