



Ex-post evaluation of EU assistance to Croatia in the period 2007-2013

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Ex-post evaluation of EU assistance to Croatia in the period 2007-2013

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*The opinions expressed in this document represent the authors' points of view
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LIST OF ACRONYMS

CARDS	Community Assistance for Reconstruction, Development and Stabilisation
CFCA	Central Finance and Contracting Agency
CODEF	Central Office for Development Strategy and Coordination of EU Funds
CPIE	Country Programme Interim Evaluation
CSP	Country Strategy Paper
DG ELARG	Directorate-General for Neighbourhood and Enlargement Negotiations
DG NEAR ¹	Directorate-General for Neighbourhood and Enlargement Negotiations
DIS	Decentralised Implementation System
ECA	European Court of Auditors
EQ	Evaluation Question
ESIF	European structural and investment funds
EU	European Union
EU MS	EU Member State
EUD	European Union Delegation
EUROSAI	European Organization of Supreme Audit Institutions
GAPA	General Administrative Procedure Act
HRM	Human Resources Management
INTOSAI	International Organization of Supreme Audit Institutions
IPA	Instrument for Pre-accession Assistance
IPA TAIB	IPA Technical Assistance and Institution Building
IPARD	Instrument for Pre-Accession Assistance for Rural Development
ISG	Inter-Service Group
ISPA	Instrument for Structural Policies for Pre-Accession
JC	Judgement criteria
MIPD	Multi-annual Indicative Planning Document

¹ The Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR) superseded the Directorate General for Enlargement (DG ELARG) in 2014 (source: European Commission PV(2014) 2104 final, November 2014). In this report the name used for the organisation (DG ELARG or DG NEAR) is the name that was correct at the time.

MoPA	Ministry of Public Administration
NIPAC	National IPA Coordinator
NRP	National Reform Programme
OECD	Organisation for Economic Cooperation and Development
PAR	Public Administration Reform
PEM	Public Expenditure Management
PHARE	Programme of Community aid to the countries of Central and Eastern Europe
PIFC	Public Internal Financial Control
SAA	Stabilisation and Association Agreement
SAPARD	Special Accession Programme for Rural Development
SIGMA	Support for Improvement in Governance and Management
SRSS	Structural Reform Support Service
TA	Technical Assistance
ToR	Terms of Reference
USKOK	Office for the Suppression of Corruption and Organised Crime

EXECUTIVE SUMMARY

OBJECTIVES AND SCOPE OF THE EVALUATION

The present report is the Final Report of the “Ex-post evaluation of EU assistance to Croatia provided during the period 2007-2013”, focused on capacity development. The evaluation was commissioned by the European Commission, Directorate-General for Neighbourhood and Enlargement Negotiations – MFF, Programming and Evaluation Unit.

The evaluation has two specific objectives: i) provide an assessment on the performance of EU pre-accession assistance as regards the strengthening and development of the necessary capacities for the achievement and continuous uptake of Croatia's commitments for its EU membership and for EU post-accession funds management; and ii) provide to the Commission lessons learned and recommendations for improving current support to enlargement countries.

The evaluation's scope covers pre-accession assistance provided to Croatia during the period 1 January 2007 to 30 June 2013. It is focused on capacity development results. It provides specific emphasis on Rule of Law, Economic Governance and Public Administration Reform.

BACKGROUND

Croatia applied for EU membership in 2003. The European Commission recommended making it an official candidate in April 2004 and the European Council granted candidate country status to Croatia in June 2004. Entry negotiations officially began in October 2005 together with the screening process. Croatia finished accession negotiations on 30 June 2011, and on 9 December 2011 signed the Treaty of Accession to become the EU's 28th member. Accession of Croatia to the EU took place on 1 July 2013.

During the period covered by the evaluation, assistance was provided successively under the following: the Community Assistance for Reconstruction, Development and Stabilisation programme (CARDS) covering the years 2001-2004; the 2005-2006 Programme of Community aid to the countries of Central and Eastern Europe (PHARE), and its complementary instruments and programmes - the Instrument for Structural Policies for Pre-Accession (ISPA) and the Special Accession Programme for Rural Development (SAPARD); and finally the 2007-2013 Instrument for Pre-accession Assistance (IPA).

METHODOLOGICAL APPROACH

This theory-based evaluation was conducted in four phases. It started with fine-tuning of the evaluation approach in the structuring phase. This consisted among other things in mapping the support provided, reconstructing the intervention logic of Croatia's commitments for EU membership, and defining the judgement criteria, indicators and information sources needed to address a set of six evaluation questions. From there, the team collected the required data for the desk and field phases. This included a literature review; the study of available documentation, with a specific focus on a selection of 30 interventions; interviews with more than 140 people, both at headquarters in Brussels and in Croatia; and a survey of stakeholders. The information collected was then analysed and triangulated during the synthesis phase, so as to answer the evaluation questions and provide a set of conclusions and recommendations. The entire process was closely followed by an Inter-Service Group (ISG).

The two main challenges for this evaluation were the weakened institutional memory (the support covered went back more than a decade) and the lack of documentary evidence on the effectiveness of capacity development activities at intervention level. These challenges were mitigated by using a mix of data collection and evaluation tools and triangulating them so as to ensure robustness of the findings.

² This includes an annual 2001 CARDS Programme and a multi-annual CARDS Programme for 2002-2004.

FINDINGS AND CONCLUSIONS

On the EU pre-accession strategy for capacity development

EU pre-accession support for capacity development to Croatia was based on a solid overall analysis of the country momentum, but less on an assessment of the financial context and absorption capacity of Croatian partners. The priorities of EU pre-accession assistance were fixed on the basis of thorough EU analyses of Croatia's political and economic situation, regulatory framework and administrative capacity. However, these analyses did not include in-depth assessments of the costing of reforms and devoted little attention to the consistency of reform agendas with the Government's financial context. They also did not take sufficiently well into account the absorption capacity of Croatian partners.

The support was directly geared to preparing Croatia to meet the *acquis* requirements, but did not sufficiently follow a whole-of-government perspective to prepare Croatia for effectively assuming its future membership obligations. The assistance focused mostly on strengthening the capacities of beneficiary institutions to attain the standards of the EU *acquis* and to meet the benchmarks. While the level of available financial resources limited the coverage of the EU support, the way its approach was framed and implemented remained too *ad hoc* to transform the governance of the beneficiary institutions supported. This was reflected in the fact that the support (i) did not sufficiently deal with cross-cutting issues such as public administration reform; (ii) addressed the national but insufficiently the sub-national level; (iii) targeted staff in charge of pre-accession funds, but not enough the bulk of the administration; (iv) reinforced structures to enable them to deal with the *acquis*, but not with the much larger amounts of EU Structural and Cohesion funds; and (v) did not consider in a sufficiently comprehensive way policies beyond the adoption of the *acquis*.

EU pre-accession support was anchored in a relatively piecemeal strategic framework as far as capacity development was concerned. Several elements show that the approach remained relatively fragmented. At programming level, for instance, the EU followed a *silo* approach around the *acquis* chapters rather than tackling the capacity development needs of all State institutions (including management of sectoral policies). Similarly, the portfolio of interventions reveals an input-output philosophy with a multiplicity of stand-alone and small size projects that were in line with the wide priorities detailed in the Accession Partnership, but not sufficiently well circumscribed on key policy reform priorities.

On results achieved and their sustainability

EU pre-accession capacity development support contributed to enhancement of staff skills, the administrative structures and the capacities to develop policies. Staff competences consisted mainly of sector-specific technical skills and programme management skills. In terms of administrative structures, support contributed to the establishment of new - or the strengthening of existing - Croatian institutions and units and by establishing or streamlining administrative procedures to enforce the *acquis*. The capacity to develop policies took place mainly in relation to policies affected by EU membership.

The support had mixed effects at the level of structures and procedures and limited effects on the strengthening of capacities regarding policy implementation and coordination, accountability and M&E.

- The results of the support to structures and procedures have been mixed: it varied between the institutions and areas supported. Modest achievements were reached in critical public administration reform-related issues such as the implementation of measures towards a non-politicised civil service, the reduction of organizational overlapping, and the implementation of merit-based personnel policy and career planning.
- The effects in terms of reinforced capacity for policy implementation were less clear, with the implementation of reforms and of the legislative framework lagging behind during the pre-accession period, and even more so since accession.

- Whilst EU pre-accession assistance devoted efforts to strengthening policy coordination and exchanges between institutions, policy planning tended to remain highly centralised, politicised and fragmented during the evaluation period.
- The effects on the strengthening of accountability mechanisms remained generally limited.
- The set-up and development of M&E systems within targeted institutions to follow the implementation of public policies and assess the results reached over time through their implementation - which was not a major focus of the assistance - has had limited effects.

The results obtained and limits noted should be considered in the typical context of (pre-)accession, where there is a need to comply with technical requirements but also a strong political commitment on the side of the EU and the country to ensure that accession takes place when planned.

The results of EU pre-accession support for capacity development did not spread to the bulk of the administration and have often weakened since accession. Results remained limited to the areas and policies affected by EU membership and to the beneficiaries targeted by the support, without specific strategies to ensure that they could spread beyond these direct beneficiaries. Results have often weakened since Croatia joined the EU. There was indeed a double problem in terms of ensuring that sufficient capacities were available after accession: i) because the above-mentioned *silo* approach results remained limited to the areas and policies affected by EU membership and to the stakeholders targeted, and did not trickle down to the bulk of the administration and institutions; ii) despite clear examples of effects of EU pre-accession support that were still visible in 2018, there are also important problems in terms of the long-lasting effects of the support.

On explanatory factors

Several factors linked to the Commission’s role facilitated the attainment of results in terms of capacity development:

- The EU added value that mostly consisted of i) technical expertise introduced during the accession negotiations and through specific interventions; ii) EU experience acquired in other candidate countries, iii) expertise in the *acquis*, and iv) EU leadership in driving the accession process.
- The usefulness of specific EU instruments and modalities to deliver its pre-accession support. This concerns for instance twinning, but also the introduction of benchmarks to be met prior to the opening and closing chapters, and the use of a single instrument (IPA) to channel the assistance.
- High-quality monitoring at policy level to monitor the fulfilment of commitments undertaken by Croatia to complete the work on the benchmarks set out in the negotiating chapters. Beneficiaries generally noted that the EU Delegation and then, under the Decentralised Implementation System, the Delegation/CODEF/CFCA performed a high-quality follow-up of EU funded interventions. However, the M&E of EU interventions also revealed weaknesses.

There were also factors linked to the EU programming approach and procedures that hampered the attainment of results in terms of capacity development. They include: project design flaws (e.g. too broadly defined objectives and insufficient articulation of the various levels throughout the results chain); lengthy preparatory periods; insufficient quality of the experts provided; weaknesses in the M&E of EU interventions (e.g. insufficient focus on performance and results in monitoring reports and during implementation); the time required for the conferring of management powers allowing for decentralised management, which led to significant delays in contracting and disbursements; and insufficient focus of assistance at sub-national levels.

The benchmarks were useful for supporting Croatia during the accession process, but were insufficient to trigger a comprehensive institutional change and new culture in terms of capacity development. While the evaluation found indications that benchmarks strengthened the link between the planning and implementation of EU pre-accession assistance and the pre-accession negotiation process, and sped up the accession process, it appeared also that they led to a “ticking the box” approach, falling short of triggering overall and in-depth institutional behaviour and culture change.

Beneficiaries did not always have the capacity to absorb the capacity development support. Both during and after pre-accession, beneficiary institutions suffered from a lack and turnover of staff and a heavy workload.

Key contextual factors and the lack of a strategic approach towards capacity development affected the sustainability of the results obtained in terms of capacity development. Changes in government (e.g. in 2007 and 2011) led to the replacement of high-level staff possessing relevant EU knowledge and jeopardized thereby the capacities developed. The effects of this loss of knowledge could be perceived both before and after accession. Furthermore, whereas the accession process created a strong incentive for Croatia to comply with EU rules, standards, policies and practices and to develop administrative capacities accordingly, the momentum to implement key reforms and launch new ones fell drastically from the moment of accession. The EU had relatively few means after accession to ensure sustained progress on reforms and capacity development. Finally, the fact that the design of pre-accession assistance remained too piecemeal regarding capacity development did not favour the preparedness of the wider administration to handle reforms and manage EU funds after accession.

RECOMMENDATIONS

The evaluation presents a set of eight recommendations based on the conclusions reached. They are all addressed to the Commission with a view to improving current pre-accession support to current countries involved in the enlargement process.

1. Adopt a comprehensive strategic approach to capacity development. EU pre-accession support for capacity development should be part of a strategic approach that goes beyond the immediate requirements of the *acquis* and aims at meeting capacity needs after accession, including in terms of managing European Structural and Investment Funds (ESIF). This would imply a deepening of the EU's understanding of the countries' needs in terms of capacity development³ during pre-accession and of its future needs after accession, as well as a whole-of-government approach to triggering in-depth changes in institutional behaviour and culture in the countries supported.

2. Build on the assets introduced by its programming approach and instruments and address the limitations of some of its practices and instruments. The assets to build on include for instance the EU's leadership and technical expertise. Improvements relate to (i) the need to make better use of the benchmarks in the programming documents; (ii) intervention design and monitoring; (iii) the maximisation of experience-sharing through EU instruments such as twinning and Taiex; and (iv) a lightening of EU procurement procedures.

3. Take better account of and strengthen further the level of administrative absorption capacity of partner countries during the pre-accession period with a view to reinforcing management, programming and implementation of ESIF. This should take place when defining the priorities of and programming pre-accession capacity development support. The EU should also better prepare the staff of the partner countries to handle the management, programming and implementation of ESIF after accession.

4. Systematically ensure ownership by beneficiaries. Stakeholders have been involved at programming and implementation levels, but more prominence should be given to countries' authorities and beneficiary institutions. It is also important to target middle management so as to ensure that continuity is achieved when political changes lead to turnover of staff at senior level.

5. Emphasize more the reinforcement of monitoring and evaluation capacities of beneficiary institutions. The EU should put strong emphasis on the establishment and strengthening of M&E systems (at country/institution/sector levels) and statistics systems (at national/local levels) so as to allow close follow-up of the implementation of policy reforms, both during and after pre-accession.

6. Define incentives so that partner countries maintain political commitment after accession for progressing with the reforms initiated during the pre-accession period as well as for initiating new sector or structural reforms.

³ The following dimensions of administrative capacity should be covered: institutional capacity; policy planning capacity; law-making capacity; administrative data and statistical capacity; investment planning; human resources capacity; and management capacity.

7. Further enhance citizens' awareness of EU matters and empower civil society. Communicate better on the support the EU provides so as to raise awareness and understanding of EU matters and integration benefits among the whole administration, the private sector, and civil society. The EU should also further support civil society, in particular their capacity to engage in public policy debate and monitor government performance.

8. Try to systematically draw lessons from EU experience with capacity development support in past and current candidate countries to further improve support to current enlargement countries. Stakeholders met throughout the evaluation clearly learned and drew lessons from past support, and were eager to share their valuable insights and learn from how pre-accession support was provided in other countries. One can expect the situation to be similar in other accession countries or recent Member States. The EU and other (potential) accession countries could hence benefit from conducting regular information-gathering exercises to learn from the experience of stakeholders in different countries and thereby continuously inform its current and future support.

SAŽETAK

CILJEVI I OPSEG EVALUACIJE

Završno izvješće „Evaluacija nakon provedbe programa pomoći EU-a pružene Hrvatskoj u razdoblju 2007. - 2013. godine” stavlja naglasak na razvoj kapaciteta. Evaluaciju je naručila Europska komisija, Glavna uprava za Europsku politiku susjedstva i pregovore o proširenju – Višegodišnji financijski okvir, Jedinica za izradu programa i evaluacija.

Evaluacija je imala dva specifična cilja: i) osigurati procjenu provedbe pomoći prije pristupanja Europskoj uniji u kontekstu ojačavanja i razvoja potrebnih kapaciteta za postizanje i kontinuirano prihvaćanje obveza Hrvatske temeljem članstva u Europskoj uniji i za upravljanje fondovima nakon pristupanja Europskoj uniji i ii) pružiti Komisiji stečena iskustva i preporuke za poboljšanje trenutačne podrške državama uključenima u proces proširenja.

Opseg evaluacije obuhvaća pretpristupnu pomoć osiguranu Hrvatskoj u razdoblju od 1. siječnja 2007. do 30. lipnja 2013. godine. Ona se koncentrira na rezultate razvoja kapaciteta. Ona stavlja poseban naglasak na vladavinu prava, gospodarsko upravljanje i reformu javne uprave.

POVIJESNI KONTEKST

Hrvatska je 2003. godine predala zahtjev za članstvo u Europskoj uniji. Europska komisija preporučila je da ona postane službeni kandidat u travnju 2004. godine i Europsko vijeće dodijelilo je Hrvatskoj status države kandidata u lipnju 2004. godine. Početni pregovori službeno su započeli u listopadu 2005. godine zajedno s postupkom *screening-a*. Hrvatska je završila pristupne pregovore 30. lipnja 2011. godine, a 9. prosinca 2011. godine potpisala je Ugovor o pristupanju kako bi postala 28. članica Europske unije. Hrvatska je pristupila Europskoj uniji 1. srpnja 2013. godine.

Tokom razdoblja obuhvaćenog evaluacijom slijedom je pružena pomoć sljedećim programima: program Pomoći Zajednice za obnovu, razvoj i stabilizaciju (CARDS) koji uključuje godine 2001. - 2004.; Program pomoći Zajednice državama Srednje i Istočne Europe za razdoblje 2005. - 2006. godine (PHARE) i njegovi dodatni instrumenti i programi - Instrument za strukturne politike u pretpristupnom razdoblju (ISPA) i Posebni program pristupanja za poljoprivredu i ruralni razvoj (SAPARD) i konačno Instrument za pretpristupnu pomoć (IPA) u razdoblju 2007. - 2013. godine.

METODOLOŠKI PRISTUP

Ova teorijski-bazirana evaluacija, obavljena je u četiri faze. Početna točka bila je usklađivanje pristupa evaluaciji tijekom faze strukturiranja. Sastojala se, između ostalog, od strukturiranja pružene podrške, ponovnog utvrđivanja logike intervencije vezano za obveze Hrvatske temeljem članstva u Europskoj uniji te definiranja kriterija ocjene, pokazatelja za izvore informacija potrebnih za odgovaranje na niz od šest pitanja u okviru evaluacije. Krenuvši od te točke, evaluacijski tim je prikupio potrebne početne podatke za faze istraživačkog i terenskog rada. To je obuhvaćalo pregled literature; proučavanje raspoložive dokumentacije s posebnim naglaskom na odabir 30 intervencija, intervju s više od 140 osoba u Bruxellesu i u Hrvatskoj te anketu zainteresiranih strana. Nakon toga su prikupljene informacije analizirane i triangulirane tijekom faze sinteze kako bi se odgovorilo na pitanja u okviru evaluacije te osiguralo niz zaključaka i preporuka. Cijeli proces pomno je pratila Među-servisna grupa (Inter-Service group - ISG).

Dva glavna izazova ove evaluacije bila su slabo institucionalno pamćenje (obuhvaćena podrška ide više od jednog desetljeća unatrag) i nedostatak dokumentiranih dokaza o učinkovitosti aktivnosti za razvoj kapaciteta na razini intervencije. Ti su izazovi ublaženi uporabom kombinacije alata za prikupljanje podataka i alata za evaluaciju te triangulirani kako bi osigurali pouzdanost nalaza.

O prepristupnoj strategiji EU-a za razvoj kapaciteta

Prepristupna podrška EU-a Hrvatskoj za razvoj kapaciteta temeljila se na solidnoj cjelokupnoj analizi trenutka u kojem se država nalazi, ali manje na procjeni financijskog konteksta i kapaciteta apsorpcije hrvatskih partnera. Prioriteti prepristupne pomoći EU-a utvrđeni su temeljem detaljnih analiza hrvatske političke i gospodarske situacije, pravnog okvira i administrativnih kapaciteta koje je izvršila Europska unija. Međutim, te analize nisu uključile dubinske procjene troškova reformi i posvetile su malo pažnje konzistenciji programa reformi u financijskom kontekstu Vlade. Također nisu dovoljno uzele u obzir kapacitet apsorpcije hrvatskih partnera.

Podrška je bila izravno usmjerena na pripremu Hrvatske kako bi zadovoljila zahtjeve pravne stečevine, ali nije dovoljno slijedila pristup koji uključuje sve razine uprave kako bi pripremila Hrvatsku za učinkovito preuzimanje njezinih budućih obveza temeljem članstva. Pomoć je uglavnom stavljala naglasak na jačanje kapaciteta institucija korisnika kako bi se primijenile norme pravne stečevine EU-a i zadovoljila mjerila. Dok je razina raspoloživih financijskih sredstava ograničila pokrivenost podrške EU-a, način na koji je njezin pristup oblikovan i proveden bio je previše *ad hoc* kako bi transformirao upravljanje institucijama korisnika kojima je pružena podrška. To se odražava u činjenici da se podrška (i) nije dovoljno bavila međusektorskim pitanjima kao što je reforma javne uprave; (ii) da se bavila nacionalnom, ali nedovoljno podnacionalnom razinom; (iii) da je bila usmjerena na osoblje odgovorno za prepristupne fondove, ali nedovoljno na veličinu uprave; (iv) da je jačala strukture kako bi se bavile pravnom stečevinom, ali ne uz pomoć većih količina strukturnih i kohezijskih fondova EU-a i (v) da nije na dovoljno opsežan način obuhvatila politike koje su šire od samog usvajanja pravne stečevine.

Prepristupna podrška EU-a stavila je naglasak na relativno fragmentirani strateški okvir u području razvoja kapaciteta. Nekoliko elemenata pokazuje da je pristup bio relativno fragmentiran. Na razini izrade programa EU je na primjer slijedila pristup *uskih vidika* oko poglavlja pravne stečevine umjesto da se dotakne potreba razvoja kapaciteta svih državnih institucija (uključujući upravljanje sektorskim politikama). Slično tome, portfelj intervencija otkriva filozofiju ulaza-izlaza s višestrukim pojedinačnim i malim projektima koji su bili u skladu sa širokim prioritetima detaljno opisanima u partnerstvu, ali nedovoljno dobro ocrtanima što se tiče ključnih prioriteta reforme politika.

Postignuti rezultati i njihova održivost

Prepristupna podrška EU-a razvoju kapaciteta pridonijela je poboljšanju vještina osoblja, administrativnih struktura i kapaciteta za razvoj politika. Kompetencije osoblja uglavnom su se sastojale od tehničkih vještina specifičnih za sektor i vještina za upravljanje programima. U kontekstu administrativnih struktura podrška je pridonijela stvaranju novih ili jačanju postojećih hrvatskih institucija i jedinica te stvaranju ili pojednostavljenju administrativnih postupaka kako bi se primijenila pravna stečevina. Kapacitet razvoja politika glavnom se odnosio na politike povezane s članstvom u Europskoj uniji.

Podrška je imala dvojake učinke na razini struktura i postupaka te ograničene učinke na ojačavanje kapaciteta što se tiče provedbe politika i koordinacije, odgovornosti te praćenja i evaluacije.

- Rezultati podrške strukturama i postupcima bili su dvojaki: Razlikovali su se u različitim institucijama i područjima u kojima je pružena podrška. Skromna postignuća ostvarena su u kritičnim pitanjima reforme javne uprave kao što su provedba mjera za depolitizaciju usluge građanima, smanjenje organizacijskog preklapanja i provedba politike osoblja i planiranja karijere na temelju zasluga.
- Učinci povezani s ojačanim kapacitetom provedbe politika bili su manje jasni, a provedba reformi i pravnog okvira zaostajala je tijekom prepristupnog razdoblja, a još više nakon samog pristupanja.
- Dok je prepristupna pomoć EU-a uložila napore u ojačavanje koordinacije i razmjenu politika među institucijama, planiranje politika i dalje je ostalo visoko centralizirano, politizirano i fragmentirano tijekom razdoblja evaluacije.
- Učinci na jačanje mehanizma odgovornosti općenito su ostali ograničeni.

- Utvrđivanje i razvoj sustava praćenja i evaluacije u ciljanim institucijama za nastavak provedbe javnih politika i evaluaciju postignutih rezultata tijekom njihove provedbe, a što nije bio glavni naglasak pomoći, imalo je ograničene učinke.

Postignuti rezultati i zabilježena ograničenja trebaju se uzeti u obzir u uobičajenom kontekstu (pret)pristupanja u kojem postoji potreba za ispunjavanjem tehničkih zahtjeva, ali i snažna politička volja na strani EU-a i države kako bi se osiguralo pristupanje u planirano vrijeme.

Rezultati pretpristupne podrške EU-a za razvoj kapaciteta nisu se proširili na većinu uprave i često su bili slabiji nakon pristupanja. Rezultati su ostali ograničeni na područja i politike na koje utječe članstvo u Europskoj uniji i na korisnike na koje cilja podrška, bez specifičnih strategija koje bi osigurale da se oni prošire na druge, a ne samo na izravne korisnike. Rezultati su često bili slabiji nakon pristupanja Hrvatske Europskoj uniji. Uistinu postoji dvostruki problem u smislu osiguravanja raspoloživosti dovoljnih kapaciteta nakon pristupanja: (i) zato što su gore navedeni rezultati „silos“ pristupa ostali ograničeni na područja i politike na koje utječe članstvo u Europskoj uniji i na ciljane zainteresirane strane i nisu dotaknuli većinu uprave i institucija; ii) unatoč primjerima učinaka pretpristupne podrške EU-a koji su i dalje bili vidljivi u 2018. godini, postoje i važni problemi povezani s dugotrajnim učincima podrške.

Čimbenici

Nekoliko čimbenika povezanih s ulogom Komisije olakšalo je postizanje rezultata u području razvoja kapaciteta:

- Dodana vrijednost Europske unije se uglavnom sastojala od i) tehničke stručnosti uvedene za vrijeme pretpristupnih pregovora i specifičnih intervencija; ii) iskustva EU-a stečenog u drugim državama članicama, iii) stručnosti u području *pravne stečevine* i iv) vodstva EU-a u izvršenju procesa pristupanja.
- Korist od specifičnih instrumenata i modaliteta EU-a za osiguravanje pretpristupne podrške. To se na primjer odnosi na partnerstvo (twinning), ali i na uvođenje mjerila koje treba zadovoljiti prije otvaranja i zatvaranja poglavlja i na uporabu pojedinačnog instrumenta (IPA) za usmjeravanje pomoći.
- Visokokvalitetno praćenje na razini politika za praćenje ispunjavanja obveza koje je Hrvatska preuzela kako bi završila rad na mjerilima utvrđenima u pregovaračkim poglavljima. Korisnici su općenito primijetili da je Delegacija EU, a tada u skladu s Decentraliziranim sustavom provedbe, Delegacija/CODEF/CFCA, obavila visokokvalitetno praćenje intervencija financiranih iz fondova EU-a. Međutim, praćenje i evaluacija intervencija EU-a također su otkrili slabosti.

Također postoje neki čimbenici povezani s programom i postupcima izrade programa EU-a koji su zapriječili postizanje odgovarajućih rezultata u području razvoja kapaciteta. Oni obuhvaćaju: nedostatke u izradi projekata (npr. preširoko definirani ciljevi i nedostatno definiranje različitih razina u lancu rezultata); duga razdoblja pripreme; nedostatna kvaliteta osiguranih stručnjaka; slabosti u praćenju i evaluaciji intervencija EU-a (npr. nedovoljan naglasak na izvedbi i rezultatima u izvješćima o praćenju i za vrijeme provedbe; vrijeme potrebno za dodjeljivanje upravljačkih snaga koje omogućuje decentralizirano upravljanje, što je dovelo do značajnih kašnjenja u ugovaranju i isplata, te nedovoljno stavljanje naglaska na pomoć na podnacionalnoj razini.

Mjerila su bila korisna za podršku Hrvatskoj za vrijeme pretpristupnog procesa, ali nisu bila dovoljna za pokretanje sveobuhvatne promjene institucija i nove kulture u području razvoja kapaciteta. Iako je evaluacija pronašla pokazatelje da su mjerila ojačala povezanost između planiranja i provedbe pretpristupne podrške EU-a i procesa pretpristupnih pregovora i da su ubrzala proces pristupanja, također se čini da su ona dovela do pristupa „označavanja kvadratića“, da su općenito zakazala u pokretanju opće promjene i dubinske promjene ponašanja i kulture u institucijama.

Korisnici nisu uvijek bili dovoljno pripremljeni za prihvaćanje podrške razvoju kapaciteta. Za vrijeme i nakon pretpristupnog razdoblja institucije korisnika pretrpjele su nedostatak i gubitak osoblja te veliko radno opterećenje.

Ključni kontekstualni čimbenici i nedostatak strateškog pristupa razvoju kapaciteta utjecali su na održivost rezultata postignutih u području razvoja kapaciteta. Promjene u Vladi (npr. u 2007. i 2011. godini) dovele su do zamjene visokostručnog osoblja koje je posjedovalo bitna znanja o Europskoj uniji i tako ugrozile razvijene kapacitete. Učinci tog gubitka znanja mogu se primijetiti i prije i nakon pristupanja Europskoj uniji. Osim toga, iako je proces pristupanja dao snažni poticaj Hrvatskoj da se uskladi s propisima, normama, politikama i praksama EU-a i da na odgovarajući način razvije administrativne kapacitete, zamah u provedbi ključnih reformi i uvođenju novih značajno je oslabio od trenutka pristupanja. Nakon pristupanja Europska unija imala je relativno malo mogućnosti osigurati održivi napredak reformi i razvoj kapaciteta. Konačno, činjenica da je program pretpristupne pomoći ostao fragmentiran što se tiče razvoja kapaciteta, nije pomogla u pripremi šire uprave za uvođenje reformi i upravljanje fondovima EU-a nakon pristupanja.

PREPORUKE

Evaluacija donosi osam preporuka koje se temelje na donesenim zaključcima. Sve su one naslovljene Komisiji s ciljem poboljšanja trenutačne pretpristupne podrške državama koje su trenutačno uključene u proces proširenja.

1. Usvojiti sveobuhvatni strateški pristup razvoju kapaciteta. Pretpristupna podrška EU-a razvoju kapaciteta treba biti dio strateškog pristupa koji nadilazi trenutne zahtjeve *pravne stečevine* i ima za cilj zadovoljiti potrebe za kapacitetima nakon pristupanja, uključujući upravljanje Europskim strukturnim i investicijskim fondovima (ESIF). To uključuje produbljivanje razumijevanja EU-a o potrebama država u području razvoja kapaciteta⁴ za vrijeme pretpristupnog razdoblja i o njihovim budućim potrebama nakon pristupanja Europskoj uniji te pristup koji uključuje sve razine uprave za pokretanje dubinskih promjena institucionalnog ponašanja i kulture u državama kojima je pružena podrška.

2. Nastaviti s razvojem potencijala uvedenih pristupom i instrumentima izrade programa i uklonite ograničenja nekih od njihovih praksa i instrumenata. Potencijali koje treba nastaviti razvijati uključuju npr. vodstvo i tehničku stručnost EU-a. Poboljšanja se odnose na (i) razvoj mjerila kako bi se osigurao pristup na svim razinama uprave, (ii) izradu i praćenje intervencija; (iii) maksimalno iskorištenje dijeljenja iskustava pomoću instrumenata EU-a kao što su partnerstvo (twinning) i Taix i (iv) pojednostavljenje postupaka nabave EU-a.

3. Više uzeti u obzir i dodatno ojačati razinu administrativnih i apsorpcijskih kapaciteta partnerskih država za vrijeme pretpristupnog razdoblja u svrhu jačanja upravljanja, izrade programa i provedbe ESIF-a. To je potrebno učiniti za vrijeme definiranja prioriteta i izrade programa pretpristupne podrške razvoju kapaciteta. EU također treba bolje pripremiti osoblje partnerskih država za rješavanje predmeta upravljanja, izrade programa i provedbe ESIF-a nakon pristupanja.

4. Sistematski osigurati vlasništvo korisnika. Zainteresirane strane bile su uključene na razini izrade programa i provedbe, ali trebalo je staviti veći naglasak na vlasti u državama i institucije korisnika. Također je važno ciljati na srednji menadžment kako bi se osiguralo postizanje kontinuiteta kada političke promjene dovode do gubitka osoblja na razini višeg upravljanja.

5. Jače istaći jačanje praćenja kapaciteta i evaluacije institucija korisnika. EU treba staviti snažan naglasak na stvaranje i jačanje sustava praćenja i evaluacije (na razinama država/institucija/sektora) te na statističke sustave (na nacionalnim/lokalnim razinama) kako bi omogućila usko praćenje provedbe reformi politika za vrijeme i nakon pretpristupnog razdoblja.

6. Definirati poticaje kako bi partnerske države nakon pristupanja zadržale političku obvezu nastavka reformi pokrenutih za vrijeme pretpristupnog razdoblja i pokrenuti nove sektorske i strukturne reforme.

⁴ Sljedeće dimenzije administrativnih kapaciteta trebaju biti obuhvaćene: institucionalni kapacitet; kapacitet planiranja politika; kapacitet izrade zakona; kapacitet podataka o upravi i statistički kapacitet; planiranje ulaganja; kapacitet ljudskih resursa i kapacitet upravljanja.

7. Dodatno povećati osviještenost građana o predmetima iz područja EU-a i jačati građansko društvo. Bolje objasniti podršku koju pruža EU kako bi povećali osviještenost i razumijevanje predmeta iz područja EU-a i prednosti integracije u cijeloj upravi, privatnom sektoru i građanskom društvu. EU također treba nastaviti pružati podršku građanskom društvu, a posebno jačati njegovo uključivanje u rasprave o javnim politikama i omogućiti njegovo praćenje provedbi Vlade.

8. Pokušati sistematski učiti iz iskustva EU-a na temelju podrške razvoju kapaciteta u prošlim i sadašnjim državama kandidatima kako bi se dodatno poboljšala podrška sadašnjim državama uključenima u proces proširenja. Zainteresirane strane intervjuirane tijekom evaluacije potvrdile su nova znanja i iskustva dobivena temeljem podrške u prošlosti i bile su voljne podijeliti svoje važne uvide i učiti ne temelju načina pružanja pretpristupne podrške drugim državama. Može se očekivati da će situacija biti slična u drugim državama koje su u fazi pristupanja Europskoj uniji ili u novim državama članicama. EU i druge (potencijalne) države koje će pristupiti Europskoj uniji stoga mogu imati koristi od obavljanja redovitih prikupljanja informacija kako bi učile iz iskustva zainteresiranih strana u različitim državama i tako kontinuirano obavještavale svoju trenutačnu i buduću podršku.

RÉSUMÉ EXÉCUTIF

OBJECTIFS ET PORTÉE DE L'ÉVALUATION

Le présent rapport est le rapport final de « l'évaluation ex post de l'aide apportée par l'UE à la Croatie au cours de la période 2007-2013 », axée sur le renforcement des capacités. L'évaluation a été commandée par la Commission européenne, Direction générale du voisinage et des négociations d'élargissement – unité CFP, programmation et évaluation.

L'évaluation a deux objectifs spécifiques : i) fournir une évaluation des résultats de l'aide de préadhésion de l'UE en ce qui concerne le renforcement et le développement des capacités nécessaires au respect et à la mise en œuvre continue des engagements pris par la Croatie en vue de son adhésion à l'UE et de la gestion des fonds communautaires après l'adhésion ; et ii) fournir à la Commission des enseignements et des recommandations pour améliorer le soutien actuel aux pays candidats à l'adhésion.

L'évaluation porte sur l'aide de préadhésion fournie à la Croatie au cours de la période allant du 1^{er} janvier 2007 au 30 juin 2013. Elle est axée sur les résultats en matière de renforcement des capacités. Elle met particulièrement l'accent sur l'État de droit, la gouvernance économique et la réforme de l'administration publique.

CONTEXTE

La Croatie a posé sa candidature à l'adhésion à l'UE en 2003. La Commission européenne a recommandé d'en faire un candidat officiel en avril 2004 et le Conseil européen a accordé le statut de pays candidat à la Croatie en juin 2004. Les négociations d'adhésion ont officiellement débuté en octobre 2005, en même temps que l'examen analytique de l'acquis. La Croatie a achevé les négociations d'adhésion le 30 juin 2011, et elle a signé le traité d'adhésion le 9 décembre 2011, pour devenir le 28^e membre de l'UE. L'adhésion de la Croatie à l'UE a eu lieu le 1^{er} juillet 2013.

Au cours de la période couverte par l'évaluation, l'aide a été fournie successivement dans le cadre du programme d'aide communautaire à la reconstruction, au développement et à la stabilisation (CARDS) couvrant les années 2001-2004⁵ ; du programme d'aide communautaire aux pays d'Europe centrale et orientale (PHARE) pour 2005-2006 et de ses instruments et programmes complémentaires, l'instrument structurel de préadhésion (ISPA) et l'instrument agricole de préadhésion (SAPARD) ; et enfin de l'instrument d'aide de pré-adhésion 2007-2013 (IAP).

APPROCHE MÉTHODOLOGIQUE

Cette évaluation basée sur la théorie s'est déroulée en quatre phases. Elle a commencé par la mise au point de l'approche d'évaluation durant la phase de structuration. Il s'agissait, entre autres, de dresser l'inventaire de l'aide fournie, de reconstruire la logique d'intervention des engagements de la Croatie en vue de son adhésion à l'UE et de définir les critères de jugement, les indicateurs et les sources d'information nécessaires pour répondre à un ensemble de six questions d'évaluation. De là, l'équipe a recueilli les données nécessaires pour les phases documentaire et de terrain. Il s'agissait notamment d'une analyse documentaire, de l'étude de la documentation disponible, avec un accent particulier sur une sélection de 30 interventions, d'entretiens avec plus de 140 personnes, tant au siège à Bruxelles qu'en Croatie, et d'une enquête auprès des parties prenantes. L'information recueillie a ensuite été analysée et triangulée au cours de la phase de synthèse, afin de répondre aux questions d'évaluation et de fournir un ensemble de conclusions et de recommandations. L'ensemble du processus a été suivi de près par un groupe interservices (GIS).

Les deux principaux défis de cette évaluation ont été l'affaiblissement de la mémoire institutionnelle (l'appui couvert remonte à plus d'une décennie) et le manque de preuves documentaires sur l'efficacité des activités de renforcement des capacités au niveau des interventions. Ces difficultés ont été atténuées

⁵ Il s'agit notamment d'un programme CARDS annuel pour 2001 et d'un programme CARDS pluriannuel pour 2002-2004.

par l'utilisation d'une combinaison d'outils de collecte et d'évaluation des données et par leur triangulation afin d'assurer la robustesse des constats.

CONSTATS ET CONCLUSIONS

Sur la stratégie de préadhésion de l'UE pour le développement des capacités

L'aide de préadhésion de l'UE en faveur du renforcement des capacités de la Croatie a reposé sur une analyse globale solide de la dynamique du pays, mais moins sur une évaluation du contexte financier et de la capacité d'absorption des partenaires croates. Les priorités de l'aide de préadhésion de l'UE ont été fixées sur la base d'analyses approfondies de la situation politique et économique, du cadre réglementaire et des capacités administratives de la Croatie. Toutefois, ces analyses ne comportaient pas d'évaluations approfondies du coût des réformes et accordaient peu d'attention à la cohérence des programmes de réforme avec le contexte financier du gouvernement. Elles n'ont pas non plus suffisamment tenu compte de la capacité d'absorption des partenaires croates.

L'aide visait directement à préparer la Croatie à satisfaire aux exigences de l'acquis, mais elle n'a pas suivi une perspective pangouvernementale suffisante pour la préparer à assumer efficacement ses futures obligations d'adhésion. L'assistance s'est principalement concentrée sur le renforcement des capacités des institutions bénéficiaires à atteindre les normes de l'acquis de l'UE et à atteindre les critères de référence (*benchmarks*). Si le niveau des ressources financières disponibles a limité la couverture de l'aide de l'UE, la manière dont son approche a été conçue et mise en œuvre est restée trop *ad hoc* pour transformer la gouvernance des institutions bénéficiaires soutenues. Cela s'est traduit par le fait que l'aide (i) n'a pas traité suffisamment de questions transversales telles que la réforme de l'administration publique ; (ii) a traité du niveau national mais pas suffisamment du niveau sous-national ; (iii) a ciblé le personnel chargé des fonds de préadhésion, mais pas suffisamment l'essentiel de l'administration ; (iv) a renforcé les structures pour leur permettre de gérer l'acquis, mais pas les fonds structurels et de cohésion communautaires pourtant beaucoup plus volumineux ; (v) n'a pas pris en compte de manière suffisamment complète les politiques dépassant l'adoption de l'acquis.

L'aide de préadhésion de l'UE s'est ancrée dans un cadre stratégique relativement fragmentaire en ce qui concerne le développement des capacités. Plusieurs éléments montrent que l'approche est restée relativement fragmentée. Au niveau de la programmation, par exemple, l'UE a adopté une approche cloisonnée autour des chapitres de l'acquis plutôt que de s'attaquer aux besoins de développement des capacités de toutes les institutions publiques (y compris la gestion des politiques sectorielles). De même, le portefeuille d'interventions révèle une philosophie d'intrants-produits avec une multiplicité de projets autonomes et de petite taille qui étaient conformes aux grandes priorités définies dans le partenariat pour l'adhésion, mais pas suffisamment bien circonscrites autour de priorités clés des réformes de politiques.

Sur les résultats obtenus et leur durabilité

L'aide de l'UE au renforcement des capacités de préadhésion a contribué à l'amélioration des compétences du personnel, des structures administratives et des capacités d'élaboration des politiques. Les compétences du personnel consistaient principalement en compétences techniques propres à chaque secteur et en compétences en matière de gestion des programmes. En ce qui concerne les structures administratives, l'aide a contribué à la mise en place de nouvelles institutions et unités administratives croates (ou au renforcement des institutions et unités existantes) et à l'établissement ou à la rationalisation des procédures administratives visant à faire appliquer l'acquis. La capacité d'élaborer des politiques s'est surtout manifestée en ce qui concerne les politiques touchées par l'adhésion à l'UE.

L'appui a eu des effets mitigés au niveau des structures et des procédures et des effets limités sur le renforcement des capacités en matière de mise en œuvre et de coordination des politiques, de responsabilisation et de suivi et évaluation.

- Les résultats de l'appui aux structures et aux procédures ont été mitigés. Ils ont varié selon les institutions et les domaines soutenus. Des résultats modestes ont été obtenus en ce qui concerne des questions cruciales liées à la réforme de l'administration publique, telles que la mise en œuvre de

mesures en faveur d'une fonction publique non politisée, la réduction des chevauchements organisationnels et l'application d'une politique du personnel et d'une planification des carrières fondées sur le mérite.

- Les effets en termes de renforcement des capacités de mise en œuvre des politiques ont été moins évidents, la mise en œuvre des réformes et du cadre législatif ayant pris du retard au cours de la période de préadhésion, et encore plus depuis l'adhésion.
- Alors que l'aide de préadhésion de l'UE a consacré des efforts au renforcement de la coordination des politiques et des échanges entre les institutions, la planification politique a eu tendance à rester très centralisée, politisée et fragmentée pendant la période d'évaluation.
- Les effets sur le renforcement des mécanismes de responsabilisation sont restés généralement limités.
- La mise en place et le développement de systèmes de suivi et d'évaluation au sein des institutions ciblées pour suivre la mise en œuvre des politiques publiques et évaluer les résultats obtenus au fil du temps grâce à leur mise en œuvre – qui n'ont pas été un point d'attention central de l'aide fournie – ont connu des avancées limitées.

Les résultats obtenus et les limites constatées doivent être examinés dans le contexte typique d'une (pré)adhésion, où il est nécessaire de répondre à des exigences techniques, mais où l'UE et le pays doivent également faire preuve d'un engagement politique fort pour que l'adhésion ait lieu quand elle est prévue.

Les résultats de l'aide de préadhésion de l'UE en faveur du renforcement des capacités ne se sont pas étendus à l'ensemble de l'administration et se sont souvent affaiblis depuis l'adhésion. Les résultats sont restés limités aux domaines et aux politiques touchés par l'adhésion à l'UE et aux bénéficiaires ciblés par l'aide, en l'absence de stratégies spécifiques permettant d'assurer leur diffusion au-delà de ces bénéficiaires directs. Les résultats se sont souvent affaiblis depuis l'adhésion de la Croatie à l'UE. Il y avait en effet un double problème pour garantir que des capacités suffisantes soient disponibles après l'adhésion : (i) parce que les résultats de l'approche cloisonnée susmentionnée sont restés limités aux domaines et aux politiques touchés par l'adhésion à l'UE et aux parties prenantes visées, et ne se sont pas propagés à l'essentiel de l'administration et des institutions ; ii) malgré des exemples clairs des effets du soutien communautaire de préadhésion qui étaient encore visibles en 2018, il existe également des problèmes importants en termes de pérennité des effets du soutien.

Sur les facteurs explicatifs

Plusieurs facteurs liés au rôle de la Commission ont facilité l'obtention de résultats en termes de renforcement des capacités :

- La valeur ajoutée de l'UE a consisté principalement en i) l'expertise technique introduite au cours des négociations d'adhésion et par des interventions spécifiques; ii) l'expérience acquise par l'UE dans d'autres pays candidats, iii) l'expertise dans l'acquis *et* iv) le rôle moteur de l'UE dans le processus d'adhésion.
- L'utilité des instruments et modalités spécifiques de l'UE pour fournir son soutien de préadhésion. Cela concerne par exemple le jumelage, mais aussi l'introduction de critères de référence (*benchmarks*) à respecter avant l'ouverture et la clôture des chapitres, et l'utilisation d'un instrument unique (l'IAP) pour canaliser l'aide.
- Le suivi de haute qualité au niveau politique pour suivre le respect des engagements pris par la Croatie pour achever les travaux relatifs aux critères de référence définis dans les chapitres de négociation. Les bénéficiaires ont généralement noté que la délégation de l'UE et ensuite, dans le cadre du système de mise en œuvre décentralisée, la délégation/CODEF/ACFP, ont assuré un suivi de qualité des interventions financées par l'UE. Toutefois, le suivi et l'évaluation des interventions de l'UE ont également révélé des faiblesses.

Des facteurs liés à l'approche de programmation et aux procédures de l'UE ont également entravé l'obtention de résultats en termes de renforcement des capacités. Il s'agit notamment des défauts de conception des projets (par exemple, des objectifs trop largement définis et une articulation insuffisante des différents niveaux tout au long de la chaîne des résultats), des longues périodes préparatoires, de la qualité insuffisante des experts fournis, des faiblesses dans le suivi et l'évaluation des interventions de l'UE (par exemple, l'accent insuffisant mis sur la performance et les résultats dans les rapports de suivi et durant la mise en œuvre) ; le temps nécessaire pour conférer des pouvoirs de gestion permettant une gestion décentralisée, qui a entraîné des retards importants dans la passation des marchés et les décaissements ; et une attention trop limitée de l'assistance sur le niveau sous-national.

Les critères de référence ont été utiles pour aider la Croatie pendant le processus d'adhésion, mais ils n'ont pas suffi à déclencher un changement institutionnel global et une nouvelle culture en termes de renforcement des capacités. Si l'évaluation a permis de constater que les critères de référence ont renforcé le lien entre la planification et la mise en œuvre de l'aide de préadhésion de l'UE et le processus de négociation de préadhésion et ont accéléré le processus d'adhésion, ils semblent également avoir conduit à une approche consistant à « cocher les cases », sans déclencher un changement global et en profondeur du comportement institutionnel et culturel.

Les bénéficiaires n'ont pas toujours eu la capacité d'absorber l'aide au renforcement des capacités. Tant pendant qu'après la préadhésion, les institutions bénéficiaires ont souffert d'un manque de personnel, d'une rotation du personnel et d'une lourde charge de travail.

Des facteurs contextuels clés et l'absence d'une approche stratégique du renforcement des capacités ont affecté la durabilité des résultats obtenus en termes de renforcement des capacités. Les changements de gouvernement (par exemple en 2007 et 2011) ont conduit au remplacement d'un personnel de haut niveau possédant les connaissances pertinentes de l'UE et mis en péril les capacités développées. Les effets de cette perte de connaissances ont été perceptibles avant et après l'adhésion. En outre, alors que le processus d'adhésion a fortement incité la Croatie à se conformer aux règles, normes, politiques et pratiques de l'UE et à développer ses capacités administratives en conséquence, la dynamique de mise en œuvre des réformes clés et de lancement de nouvelles réformes s'est considérablement ralentie dès le moment de l'adhésion. Après l'adhésion, l'UE disposait de relativement peu de moyens pour assurer des progrès soutenus en matière de réformes et de renforcement des capacités. Enfin, le fait que la conception de l'aide de préadhésion soit restée trop fragmentaire en ce qui concerne le développement des capacités n'a pas favorisé la préparation de l'administration au sens large à gérer les réformes et les fonds communautaires après l'adhésion.

RECOMMANDATIONS

L'évaluation présente un ensemble de huit recommandations fondées sur les conclusions tirées. Ces recommandations s'adressent toutes à la Commission européenne, en vue d'améliorer l'aide de préadhésion accordée aux pays actuellement engagés dans le processus d'élargissement.

1. Adopter une approche stratégique globale du renforcement des capacités. L'aide de préadhésion de l'UE au développement des capacités devrait s'inscrire dans le cadre d'une approche stratégique qui aille au-delà des exigences immédiates de l'acquis et vise à répondre aux besoins en capacités après l'adhésion, notamment en termes de gestion des Fonds européens structurels et d'investissement (FESI). Cela impliquerait une meilleure compréhension par l'UE des besoins des pays en termes de développement des capacités⁶ pendant la période de préadhésion et de leurs besoins futurs après l'adhésion, ainsi qu'une approche pangouvernementale pour susciter des changements en profondeur dans le comportement et la culture institutionnels des pays soutenus.

⁶ Il convient de couvrir les dimensions suivantes de la capacité administrative : capacité institutionnelle, capacité de planification des politiques, capacité législative, capacité d'élaboration de données administratives et de statistiques, planification des investissements, capacité en matière de ressources humaines et capacité de gestion.

2. Miser sur les atouts introduits par son approche de programmation et ses instruments et remédier aux limites de certaines de ses pratiques et instruments. Les atouts sur lesquels s'appuyer comprennent, par exemple, le leadership et l'expertise technique de l'UE. Les améliorations concernent (i) une meilleure utilisation des critères de référence (*benchmarks*) dans les documents de programmation ; (ii) la conception et le suivi des interventions ; (iii) la maximisation du partage d'expériences grâce à des instruments européens tels que le jumelage et le Taiex ; (iv) un allègement des procédures communautaires de passation des marchés publics.

3. Mieux prendre en compte et renforcer encore le niveau de la capacité d'absorption administrative des pays partenaires au cours de la période de préadhésion en vue de renforcer la gestion, la programmation et la mise en œuvre des FESI. Cela devrait avoir lieu lors de la définition des priorités et durant la programmation de l'aide de préadhésion au renforcement des capacités. L'UE devrait également mieux préparer le personnel des pays partenaires à gérer, programmer et mettre en œuvre les FESI après l'adhésion.

4. Assurer systématiquement l'appropriation par les bénéficiaires. Les parties prenantes ont été impliquées au niveau de la programmation et de la mise en œuvre, mais il faudrait accorder plus d'importance aux autorités des pays et aux institutions bénéficiaires. Il est également important de cibler l'encadrement intermédiaire afin d'assurer la continuité lorsque des changements politiques entraînent le renouvellement du personnel au niveau supérieur.

5. Mettre davantage l'accent sur le renforcement des capacités en matière de suivi et d'évaluation des institutions bénéficiaires. L'UE devrait mettre fortement l'accent sur l'établissement et le renforcement des systèmes de suivi et d'évaluation (au niveau des pays/institutions/secteurs) et des systèmes statistiques (au niveau national/local) afin de permettre un suivi étroit de la mise en œuvre des réformes de politiques, pendant et après la pré-adhésion.

6. Définir des incitations afin que les pays partenaires maintiennent leur engagement politique après l'adhésion pour faire progresser les réformes engagées au cours de la période de préadhésion ainsi que pour lancer de nouvelles réformes sectorielles ou structurelles.

7. Sensibiliser davantage les citoyens aux questions européennes et habiliter la société civile. Mieux communiquer sur le soutien apporté par l'UE et sur les avantages de l'intégration, afin de sensibiliser l'ensemble de l'administration, le secteur privé et la société civile aux questions européennes et de les faire mieux comprendre. L'UE devrait également davantage soutenir la société civile, en particulier sa capacité à s'engager dans le débat sur les politiques publiques et à surveiller la performance des gouvernements.

8. Essayer de tirer systématiquement les leçons de l'expérience de l'UE en matière de soutien au renforcement des capacités dans les pays candidats passés et actuels afin d'améliorer encore le soutien aux pays actuellement candidats à l'élargissement. Les parties prenantes rencontrées tout au long de l'évaluation ont clairement tiré les leçons de l'aide passée et se sont montrées désireuses de partager leurs points de vue et d'apprendre comment l'aide de préadhésion a été fournie dans les autres pays. On peut s'attendre à ce que la situation soit similaire dans d'autres pays candidats ou dans les États membres récents. L'UE et d'autres pays (potentiels) candidats à l'adhésion pourraient donc tirer profit d'exercices réguliers de collecte d'informations afin de tirer les enseignements de l'expérience des parties prenantes dans différents pays et de mieux informer de façon continue le soutien actuel et futur.

1. INTRODUCTION

The present report is the Final Report of the “Ex-post evaluation of EU assistance to Croatia provided during the period 2007-2013”, focused on capacity development. The evaluation was commissioned by the Directorate-General for Neighbourhood and Enlargement Negotiations – MFF, Programming and Evaluation Unit.

1.1. Objectives and scope of the evaluation

The evaluation has two **specific objectives**:

1. To provide an assessment on the performance of EU pre-accession assistance, particularly its effectiveness, impact and sustainability as regards the strengthening/development of the necessary capacities for the achievement and continuous uptake of Croatia's commitments for its EU membership and the subsequent capacities for EU post-accession funds management; *and*
2. To provide to the Commission lessons learnt and recommendations for improving current support to enlargement countries.

The **evaluation scope** covers pre-accession assistance provided to Croatia during the period 1 January 2007 - 30 June 2013. It is focused on capacity development results. It provides specific emphasis on Rule of Law, Economic Governance and Public Administration Reform.

The assistance that was being implemented during that time was provided under successive programmes starting with programmes financed under the Community Assistance for Reconstruction, Development and Stabilisation (CARDS) programme which covered the programming years 2001-2004⁷, the Programme of Community aid to the countries of Central and Eastern Europe (PHARE), which covered the programming years 2005 and 2006, and its complementary instruments and programmes - the Instrument for Structural Policies for Pre-Accession (ISPA) and the Special Accession Programme for Rural Development (SAPARD)⁸ -, and finally the Instrument for Pre-accession Assistance (IPA) which covered the programming years 2007-2013.

1.2. Purpose and structure of the draft final report

The purpose of this report is to present the key findings emerging from the evaluation, together with the conclusions and recommendations derived from the analysis.

In addition to this introductory section, the main text of this report includes 5 sections:

- Section 2 presents key context elements for the evaluation;
- Section 3 briefly discusses the methodological approach;
- Section 4 proposes the answers to the evaluation questions;
- Section 5 presents the conclusions and recommendations.

The report also contains the following annexes: (1) Terms of Reference, (2) Methodology, (3) Inventory of EU interventions, (4) List of EU contracts, (5) Survey questionnaire and results, (6) Intervention fiches, (7) Intervention systematic analysis, (8) Review of the objectives of IPA TAIB I Interventions, (9) Evaluation Matrix, (10) Findings at Judgement Criteria level per Evaluation Question, (11) List of persons met, and (12) Bibliography.

⁷ This includes an annual 2001 CARDS Programme and a multi-annual CARDS Programme for 2002-2004.

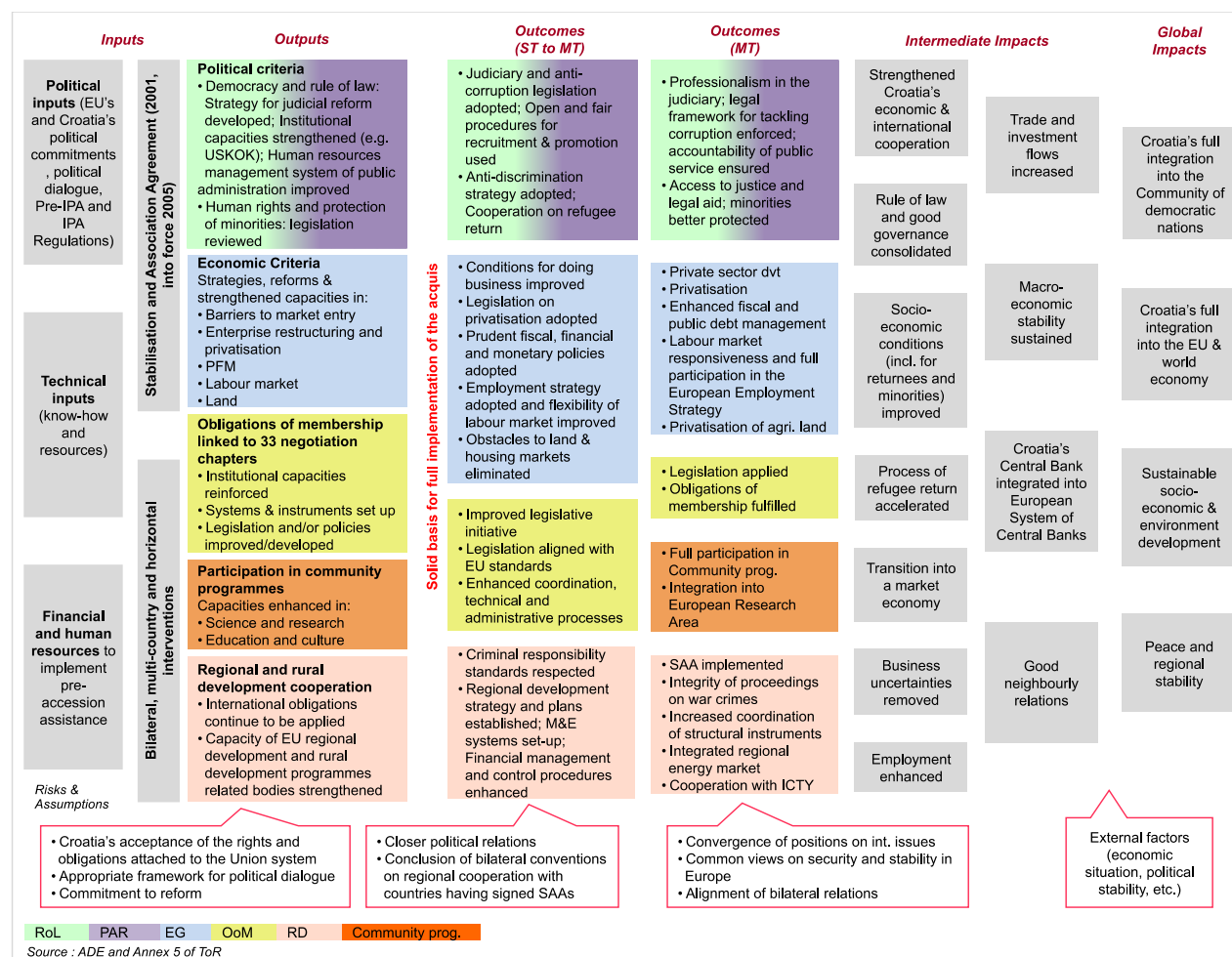
⁸ Due to the time required for the conferral of management for SAPARD, a 2005 SAPARD programme was not foreseen. There was only a 2006 SAPARD Programme.

2. KEY CONTEXT ELEMENTS FOR THE EVALUATION

Croatia applied for EU membership in 2003 and the European Commission recommended making it an official candidate in April 2004. The European Council granted candidate country status to Croatia in June 2004. The entry negotiations officially began in October 2005 together with the screening process. Croatia finished accession negotiations on 30 June 2011 and on 9 December 2011 signed the Treaty of Accession to become the EU's 28th member. Accession of Croatia to the EU took place on 1 July 2013.

The methodological framework uses a **theory-based approach**⁹ involving an intervention logic that illustrates, in diagrammatic form, the logic of EU pre-accession assistance to Croatia. The **intervention logic diagram of Croatia's commitments for EU membership** (Figure 1) is a simplified version of the diagram included in the ToR (Annex 5 of the ToR). It has been reconstructed *ex post* on the basis of the policy orientations detailed in key documents: the 2001 SAA, the 2004 Council Decision on the principles, priorities and conditions contained in the 2014 European Partnership with Croatia, the 2006 Accession Partnership, and its revised version in 2008. These documents provide the policy and strategic framework for the programming of EU pre-accession assistance, which is determined by the following main documents: a Country Strategy Paper (CSP) for Croatia covering the period 2002-2006 and its related Multi-Annual Indicative Programmes, as well as four successive Multi-Annual Indicative Planning Documents for Croatia covering as a whole the period 2007-2013.

Figure 1: Intervention logic diagram of Croatia's commitments for EU membership¹⁰



⁹ Theory-based evaluations are valuable because they can provide policy-makers with not only an answer to what things work but also insights into why things work, or don't and under what circumstances. They are appropriate for ex-post evaluations of EU assistance programmes where outputs, and intermediate and end outcomes can be assessed, taking into account both limiting and enhancing factors.

¹⁰ This is a simplified version of the diagram included in Annex 5 of the ToR.

Figure 2: Evolution of Contracted and Paid amounts from 2004-2016 (in €m)

Overall the EU contracted €1,328 million of assistance for Croatia during the period 2004-2016. It concerns a total of 2,013 contracts, with an average project size of €666,000. There are many small projects, only 14% being larger than the above average. Figure 2 provides an overview of the evolution of the contracted and paid amounts. There are two commitment peaks, in 2006 and 2013. Contracted amounts tend to equal paid amounts. This results from the fact that at contract closure iPerseus adjusts automatically the final paid value as the contracted amount.

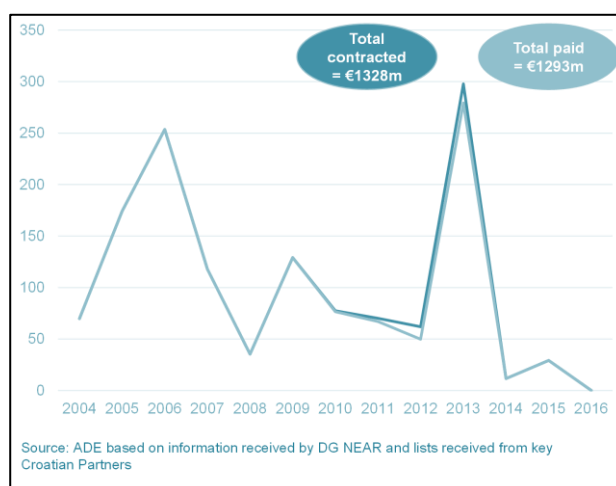


Figure 3 : Overview of contracted amounts by financial instrument (in €m)

Three financial instruments (IPA, PHARE and CARDS) have been mostly used, accounting for 99% of the total contracted amounts (see Figure 3).

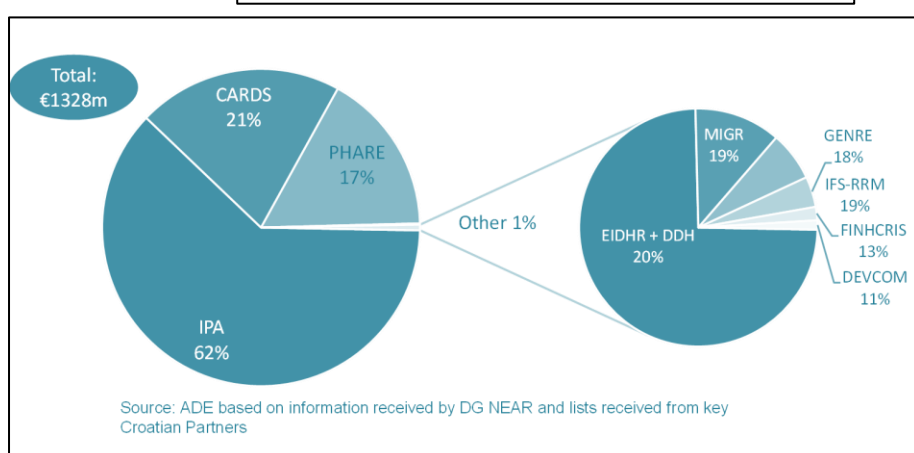
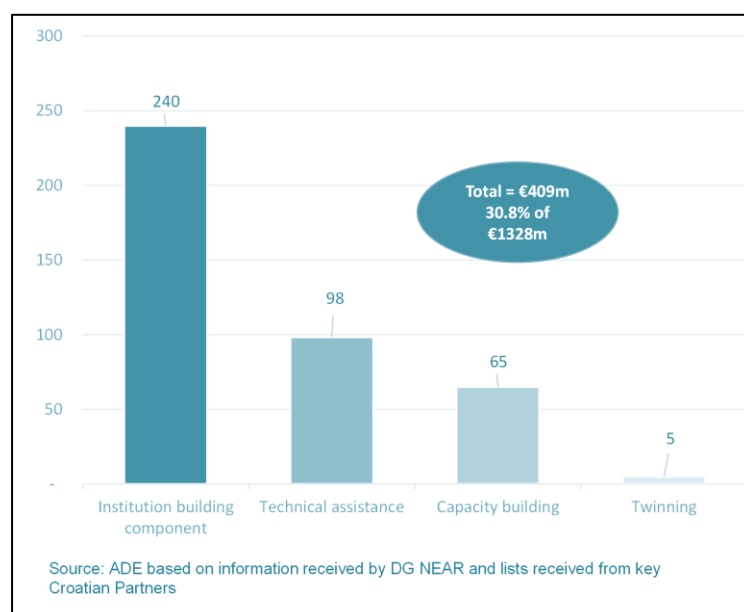


Figure 4: Overview of contracts explicitly targeting capacity development (in €m)

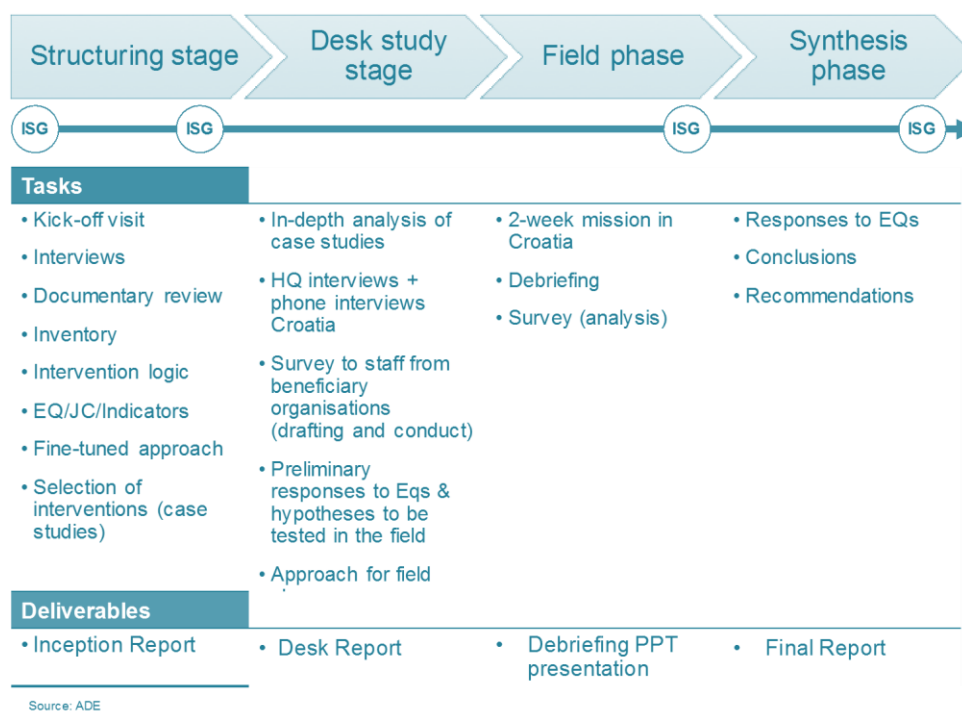
In order to provide a quantitative approximation of the EU assistance explicitly focused on capacity development across all the sectors, the team compiled all the contracts that include in their titles or nature the following key words: ‘institution-building’, ‘capacity/capacities’, ‘technical assistance’, ‘twinning’. The contracts explicitly focused on these capacity development dimensions represent 30.8% (€409 million) of the total portfolio (€1,328 million).



3. METHODOLOGICAL APPROACH

The **evaluation** followed a four-phase **process** as described in the Terms of Reference (Annex 1) and as per the figure below presenting the evaluation process, with the main activities, deliverables, and Inter-Service Group (ISG) meetings in Brussels.

Figure 5: Evaluation process



In order to provide focus to the evaluation, **six Evaluation Questions (EQs)** focusing on the performance of the EU pre-accession assistance to Croatia as far as capacity development in key targeted institutions is concerned have been formulated. The EQs are summarised in the table below.

Table 1: Evaluation Questions

EQ#	Theme	EQ
EQ1	Design of the support	To what extent did the design and implementation of the EU pre-accession assistance for capacity development sufficiently take into account the country momentum, reform records, and institutional needs, while conferring a leadership role to the Croatian partners?
EQ2	Staff competences	To what extent did the EU pre-accession assistance contribute to enhancing staff competences?
EQ3	Institutional structures and procedures	To what extent did the EU pre-accession assistance contribute to improving the institutional structures and procedures?
EQ4	Policy development initiative, results based decision-making and adaptation, accountability and networking	To what extent did the EU pre-accession support contribute to strengthening the capacities of key targeted Croatian institutions to fulfil their mission (to plan and implement their tasks, to monitor the results, to adapt to a changing environment, to collaborate with stakeholders and to be more accountable)?
EQ5	Sustainability	To what extent has the EU support continued to impact directly or indirectly the Croatian capacity development after the EU accession of Croatia?

EQ6	Explanatory factors	What were the factors that facilitated or hampered the contribution of EU pre-accession assistance to the development of the capacities of Croatian institutions?
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A **range of tools and techniques** has been used for data collection and analysis (see table below). The combination of tools and triangulation of data ensured the validity of our findings and credibility of our analysis, as well as the wider applicability of the findings, conclusions and recommendations.

Table 2: Evaluation tools

Evaluation tool
Literature review: Systematic review of earlier evaluations and studies
Documentary study: In-depth examination of existing documents at strategy/policy and area levels, and screening at intervention level for 30 interventions selected for in-depth review
Inventory & typology: In-depth quantitative/statistical analysis of EU funding dedicated to Croatia data (see annex 3)
Interviews: 141 people interviewed, mostly at headquarters in Brussels and in Croatia
On-site visits to key institutions in Zagreb having received EU support to collect evidence on the effects of the interventions
Quantitative analysis: at intervention level for the 30 interventions under review (this includes a quantitative review of the objectively verifiable indicators used at project purpose level)
E-survey: A structured questionnaire to collect data and opinions from representatives of key beneficiary institutions (see annex 5)

The evaluation faced **key challenges** and adopted the following measures to mitigate them, as detailed in the table below.

Table 3: Challenges and mitigating measures

Challenges	Mitigating measures
<p>Institutional memory: evaluating capacity development support provided in the period 2007-2013 through an evaluation conducted in 2017-2018 implied a range of ‘institutional-memory-related’ issues (e.g. asking interviewees to go back very far in their memories)</p>	<p>i) Identifying and interviewing key EU and Croatian staff involved during the pre-accession period, who are among ‘institutional memories’.</p> <p>ii) Relying on a mix of data collection and evaluation tools to widen the information basis and increase the reliability of the analysis. This includes :</p> <ul style="list-style-type: none"> • in-depth documentary review, so as to rely on existing secondary qualitative and quantitative data; • the on-line survey; • conducting interviews with representatives from key beneficiary institutions. <p>iii) Triangulating data emerging from various sources to ensure the robustness of the findings.</p>
<p>Data availability: documentary evidence on the effectiveness of capacity development activities at intervention level is scarce</p>	

4. ANSWERS TO EVALUATION QUESTIONS

This section presents the key findings for each of the six evaluation questions on which the evaluation has been structured. Annex 10 presents the detailed findings at the level of the Judgement Criteria.

4.1 EQ1 Country momentum and design of EU pre-accession assistance

EQ1 – To what extent did the design and implementation of the EU pre-accession assistance for capacity development sufficiently take into account the country momentum, reform records, and institutional needs, while conferring a leadership role to the Croatian partners?

This question discusses the relevance of the EU pre-accession assistance for capacity development in relation to the country momentum as well as the degree of leadership of Croatian institutions.

Summary response:

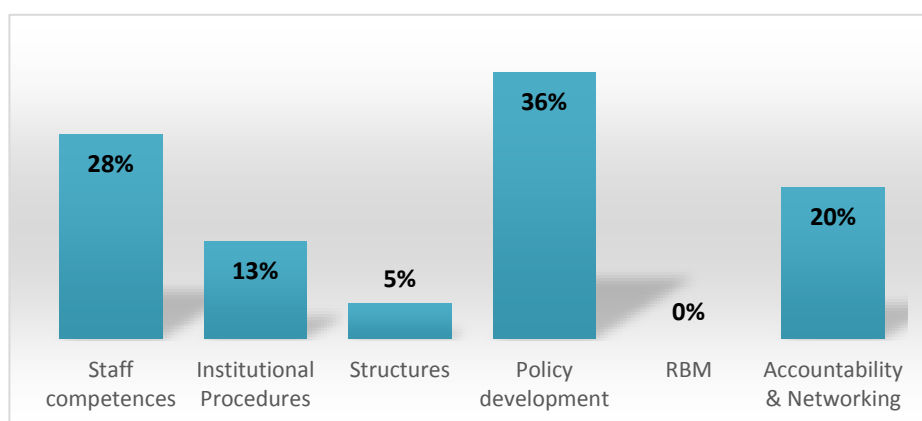
The priorities of EU pre-accession assistance at strategy, programming and intervention levels were fixed on the basis of thorough EU analyses of Croatia's political and economic situation, regulatory framework and administrative capacity. Whilst there was a strong political support from the Government and from Croatian institutions for accession, it is rather the EU accession agenda which contributed to creating a momentum for reform. EU pre-accession assistance focused on supporting Croatia to attain the standards of the EU *acquis* and to meet the benchmarks. The emphasis of the IPA TAIB Component – the main vehicle for institutional capacity building in Croatia – was on the key areas of judicial, public administration and economic reforms and in relation to the accession negotiations. Overall, the EU pre-accession approach remained relatively piecemeal and insufficiently oriented towards a whole-of-government approach, with an approach not tackling the capacity development needs of the country as a whole; the portfolio containing multiple small-size interventions showing an 'input-output' philosophy; transversal issues such as PAR not addressed sufficiently comprehensively; and insufficient focus on regional/local levels. EU pre-accession assistance has generally been programmed and implemented in consultation with the Croatian authorities, thereby ensuring a high degree of relevance. There were cases where consultation had been insufficient, leading to solutions not fully suitable to the Croatian context. The relevance of the interventions has also often been negatively affected by the lengthy time lapse between programming and contracting.

The EU made a thorough analysis of the country's political and economic situation, including reform records, and of the administrative capacity in place as well as of the necessary amendments for effective implementation and enforcement of the *acquis*. These analyses did not include in-depth assessments related to the costing of reforms. The EU undertook these analyses at *strategy level* through the production of regular reports within the framework of the Stabilisation and Association Process and of accession negotiations, including the 2004 Commission's Opinion, the screening reports (2005/2006), the annual Progress Reports, and the 2012 EC Staff Working Document on Croatia's state of preparedness. The screening reports issued by the Commission for each negotiating chapter analyse the level of country alignment with EU *acquis* and the implementation capacity. They include in particular an assessment of the policies/strategies, legal framework and institutional structure in place. The other above-mentioned reports provide an assessment of Croatia's situation and prospects regarding the political and economic criteria for accession and of Croatia's capacity to adopt (and then assume) the obligations of membership along the *acquis* chapters. They also all identify areas in which further efforts are necessary in order for Croatia to be ready for membership. At *intervention level*, the Commission also generally undertook a thorough analysis of country momentum. For all 26 projects for which the design documentation was complete and in English, the Commission carried out a deep (18 cases) or moderate (8 cases) analysis of the political, economic and institutional contexts and needs of the respective beneficiaries. The stakeholders consulted through interviews and the e-survey generally underlined the relevance and depth of EU analyses. The fact that these EU analyses did not include an

assessment of the costing of reforms show that little attention was given to reviewing the consistency of reform agendas with the Government's financial circumstances.

These analyses were used to fix the priorities of the EU pre-accession assistance at strategy, programming and intervention levels. The main priority areas delineated at strategy (Accession Partnership, Enlargement Strategy Papers, benchmarks) and programming (MIPDs) levels¹¹ reflect the Croatian political, economic and institutional context and needs of the beneficiaries. The intervention level review shows that the 30 interventions have been designed to respond to the needs identified through the contextual analyses. The design documentation often discusses the issues faced by the Croatian institutions that called for support to increase their capacity, and particularly to be compliant with EU standards and practices. The (overall or specific) objectives of all 30 interventions under review make explicit reference to the development of capacity in one or several of the following areas: staff competences, institutional procedures, structures, policy development, results-based decision-making or accountability. The indicators defined at project purpose level to follow the extent of achievement of objectives for the 30 interventions under review systematically target one of the capacity development areas listed above except for results-based decision-making (see figure).

Figure 6: Were project purpose related indicators explicitly linked to CD dimensions?



92,2% of survey respondents agree i) that the EU contextual analyses made within the framework of the Stabilisation and Association Process and of accession negotiations have been useful for fixing the priorities of EU pre-accession assistance and ii) that the selected priorities for EU pre-accession support for capacity development fitted well the capacity development needs of Croatia. The vast majority of survey respondents agreed that the EU pre-accession capacity development support sufficiently took into account the country momentum, and in particular (by decreasing order of importance): the economic situation of Croatia (86,26%), the alignment with the reform agendas of Croatia (84,31%); the understanding of the capacity development needs of Croatia (82,35%); and the institutional context of Croatia (80,39%). Survey respondents also indicate elements that were not sufficiently taken into account: this was particularly the case for the absorption capacity of Croatian partners and the recession which followed the financial crisis of 2008.

The EU accession agenda contributed to creating a momentum for reform. EU pre-accession assistance - as delineated in the Accession Partnership, Enlargement Strategy and MIPDs - aimed to support Croatia in attaining the standards of the EU *acquis* and meeting the benchmarks.

The EU pre-accession assistance focused i) on consolidating and accelerating sectoral and structural reforms in key areas as well as supporting institutions directly concerned by these reforms, and ii) on institutional capacity-building for *acquis* transposition and implementation according to the priorities

¹¹ The basic policy documents for setting down the priorities for programming of assistance under IPA are the Accession Partnership, the Enlargement Strategy Paper presenting the Commission's overall enlargement policy, as well as the annual Progress Reports. The Multi-annual Indicative Planning Document (MIPD) is the programming document for IPA: it is established for a three-year rolling period, with annual reviews.

identified in the Accession Partnership, the screening reports and subsequent negotiations in the different chapters of the *acquis*.

The IPA TAIB Component has been the main vehicle for institutional capacity building in Croatia. Assistance under this component focused on consolidating sectoral reforms in the key areas of public administration reform, judicial reform, and anti-corruption policy and on ensuring their effective implementation. It also focused on structural reforms in public finance, economic restructuring, business environment with a particular focus on SMEs, agricultural and economic statistics and labour market reform. The strategic priorities selected in the successive MIPDs¹² have largely been maintained over the years. Increased attention was put in the MIPD 2011-2013 on Justice and Home Affairs as well as on PAR, in response to the 2011 Commission Decision to concentrate its efforts on targeted sectors in all IPA beneficiary countries so as to increase the impact of the assistance. This also reflected the Commission's analyses showing that reform needed to be consolidated in the judiciary field and that considerable further efforts were needed to finalise the legal framework and implement it efficiently for PAR.

The EU pre-accession approach at strategy, programming and intervention levels remained relatively piecemeal and insufficiently geared towards a whole-of-government approach. Stakeholders of key beneficiary institutions met in Croatia and EU representatives mentioned the fragmentation of EU support. Several elements show such fragmentation, *viz.*:

- at programming level, the EU approach to capacity development rather followed a *silo* approach around the *acquis* chapters instead of tackling the capacity development needs of the country as a whole;
- the strategic orientations defined in the MIPDs do not explicitly refer to or make the link with the accession benchmarks;
- the portfolio of interventions reveals an input-output philosophy, with a multiplicity of projects in line with the wide priorities detailed in the Accession Partnership and the MIPDs but not sufficiently well-circumscribed on key policy reform priorities to be supported over time in a sequenced manner;
- cross-cutting issues such as PAR were not addressed through a comprehensive and coherent approach. This partly results from the fact that PAR - which is horizontal – was treated under the political criteria with no *acquis* to apply. PAR was therefore not the subject of negotiations and not comprehensively addressed. A number of PAR-related areas were addressed but rather in isolation and not in a coordinated way between sectors and ministries;
- the focus of the assistance has mainly been on the central level, without sufficiently considering the regional and local levels.

The leadership of Croatian authorities in planning EU pre-accession assistance is questioned, albeit with increasing ownership over the years. Indeed, a significant 23,5% of survey respondents rather disagree that Croatian authorities had a leadership role in terms of deciding on the priorities of the EU pre-accession support. Whilst there was a strong political support of the Government and of Croatian institutions for accession (see EQ6), it is rather the EU accession agenda that contributed to creating a momentum for reform. As a result, the reforms supported were strongly geared to accession priorities. The following quote from an interviewee illustrates this: *'In Croatia, nothing is reformed unless there is Acquis.'* **The situation is different when looking at the implementation of the EU pre-accession support for capacity development** for which the vast majority of survey respondents rather agree (58,8%) or strongly agree (17,6%) that the Croatian authorities had a leadership role.

EU pre-accession assistance has been programmed and implemented in consultation with the Croatian authorities, but with noticeable variations. Whilst interviewees met in Croatia often stressed that the assistance had been designed and implemented in conjunction with beneficiaries, they also highlighted a few cases where consultation had been insufficient. In several instances, the models or solutions proposed at design stage were not fully suitable for the Croatian context: this was for

¹² We refer to the MIPDs covering the following periods: 2007-2009; 2008-2010; 2009-2011; 2011-2013.

example the case with the introduction of the French model of the State School of Judicial Officials (as part of the Judicial Training Academy). This partly resulted from the existence of a certain vacuum on the Croatian side where there was insufficient strategic vision to steer certain solutions, or at least to challenge the proposed solutions offered by the interventions. In terms of modalities to be used, twinning has been introduced in CARDS following strong demand from the Croatian authorities. Even so, interviewees often stressed that there has been EU pressure for twinning when deciding on the modality to be used at intervention level. Moreover, the evaluation of the twinning instrument in the period 2010-2017 (draft final report, 2019) notes that *'the quality of twinning project design is affected by insufficient assessment, consultation and dialogue'*. There are also cases where consultations with the Croatian partners were insufficient during implementation. For instance, the technical assistance provided to the State Commission for the supervision of public procurement procedures focused on the translation of the EU *acquis* into Croatian law without sufficiently aiming at compatibility with the Croatian legal system.

The time lapse between programming and contracting negatively impacted on the relevance of EU pre-accession projects owing to a lack of flexibility in adapting the project design to changes in context. The 2012 CPIE notes that the excessive length of the project cycle has reduced the relevance of the assistance. Similarly, the Evaluation of the Twinning Instrument in the period 2010-2017 (Draft Final Report, 2019) notes that *'Twinning's value is undermined by the large time gap between design and implementation (...). In many cases, part of the Twinning Project design was no longer relevant when the implementation started, including where the Partner Country administration could not wait and moved ahead either through their own initiative or with another support'*. This is confirmed by stakeholders of key beneficiary institutions met in Croatia who often stressed that during the 2 to 3-year time lapse between programming and contracting, either a range of activities foreseen by the projects could have already been implemented or the Croatian priorities could have evolved. The lack of flexibility (EU procedures) to change the project design made it difficult to adapt to current circumstances. This was for instance the case of several interventions having supported USKOK, the Ministry of Public Administration and the Ministry of Justice.

4.2 EQ2 Staff competences

EQ2 – To what extent did the EU pre-accession assistance contribute to enhancing staff competences?

This question focuses specifically on the enhancement of staff competences, which could be described as "new staff with new expertise, or new competences among the existing staff, with a view to responding better to the institution's mission" and to perform new functions or improve the existing ones.

Summary response:

The EU pre-accession assistance has contributed to progressively enhancing staff competences. The trend is positive overall, but strong staff weaknesses remain in some key institutions supported. This relates to both sector-specific technical skills, and to strategic programming and programme management skills. Twinning, the main instrument used, was very much valued overall. It was particularly so when it included staff from EU Member States which had recently experienced a similar accession process. Training courses were often useful too. However, a recurring issue was the heavy workload for programming and managing EU assistance, as it often had to be done with limited staff numbers, on top of daily business.

The EU pre-accession support put specific emphasis on reinforcing different dimensions of staff competences and at strengthening the administrative capacities for *acquis* transposition.

Area	Main staff competences related outputs
PAR	<ul style="list-style-type: none"> – Developing professional skills of civil service – Improving the administrative capacity skills at the Ministry of Public Administration and other bodies – Reinforcing the HRM staff
EG	<ul style="list-style-type: none"> – Reinforcing public debt management and employment competences
ROL	<ul style="list-style-type: none"> – Strengthening law enforcement competences
Ability to assume obligations of membership	<ul style="list-style-type: none"> – Strengthening administrative skills for <i>acquis</i> transposition

Source: ADE based on Accession Partnerships 2004, 2006, and 2008¹³

From 2007 to 2013 94 interventions were approved through the annual financial agreements concerning the national programme for Croatia under the IPA I – Transition Assistance and Institution Building Component. 43% of them included in their main objectives a capacity development component in terms of strengthening of staff competences or the improvement of institutional procedures or structures. However, references to staff competences strengthening were sometimes only made at the level of milestones or activities, and the project design did not explicitly differentiate between the types of staff competences.

Among the set of 26 interventions examined, 65% (17 interventions) aimed at strengthening staff competences or CD overall¹⁴ according to the defined overall objectives or project purpose. Such interventions were observed in the various sectors, but more so in CARDS interventions (77%) and IPA (64%) as compared with PHARE (33%).

Interviews confirm that much effort was put into staff competences. This resulted from a strategic concern for capacity development of people for disposing of technical skills at EU standards (cf. the *acquis*), and for disposing of programming and administrative skills for managing EU assistance.

EU support to enhancing staff competences was mainly geared at the central level, with limited attention at the lower levels. EU support often focused on central-level staff at ministries, State agencies and other organisations. As a result, the competences of staff at a lower, local level have much less been enhanced. This is seen as a major issue by several interlocutors as the local level is nowadays more involved in managing EU assistance (notably European structural and investment funds). Exceptions include reportedly the agriculture sector and the State School of Public Administration, in which beneficiaries at local level were actively involved.

The main instruments used for enhancing staff competences were twinning projects, followed by training programmes. Twinning in particular was often considered very useful, and even more so when it included staff from a recent EU MS (see box 1 below). Other types of training were provided or supported by the EU, whether through direct support to training programmes or support through strengthening of training centres or schools (e.g. Judicial Academy). As a matter of example, an interviewee summarised well the variety of training types supported by the EU in his ministry: *“Programmes varied from traineeship programmes to managing the civil service. All state bodies were included in the projects. Training modules focused on: i) introductory programme for civil service trainees & civil servants employed for the first time; ii) specialized programmes: on political system, strategic planning, planning and development of HR; programmes dealing with the EU; etc. iii) personal development: communication and IT skills; foreign language courses; programmes for managing civil servants; and training-of-trainers programmes.”* **Recruiting was much less used for**

¹³ For ease of reference, the 2004 “European Partnership” and the 2006 and 2008 Accession Partnerships are jointly referred to in this evaluation as the “Accession Partnership” or the “Accession partnership (2004, 2006, 2008)”

¹⁴ This includes projects with explicit staff competences objectives, or else with overall unspecified CD objectives.

enhancing competences, notably since the 2008-2009 international financial and economic crisis and the change in government in 2011, and the related ban on employment.

Box 1: Twinning

Croatia has reportedly benefited from the highest number of twinning projects compared to other countries, with about 210 projects since 2000. Many of them were « twinning light » projects¹⁵. Most had a capacity development component such as training, training-of-trainers, roundtables, visits, etc., on top of its learning-by-doing dimension which is its essence (training on the job).

Twinning projects have been widely appreciated in the different sectors. They were for instance valued for their transfer of knowledge and know-how, day-to-day advisory functions on different subjects, awareness of a number of EU accession and membership related priorities, access to EU MS networks, and long-standing contacts.

Twinning was repeatedly found particularly useful when it involved staff from recent EU MS. This was notably the case for accession management, although also on substance. It brought indeed (in particular for accession):

- experience in establishing new procedures and in the accession process, including on negotiations;
- experience in specific rules for new EU MS (such as on the Common Agricultural Policy);
- good understanding of the law structure, institutional culture, and national/regional context (such as for Slovenia or Hungary), and of the perspective from a small country (such as for Estonia or Lithuania);
- state-of-the-art practices in the digital area (e.g. very modern technology, full digitalisation).

There are now many instances in which Croatian officials are providing twinning support to current accession countries i.e. “twinning out” (e.g. to Bosnia, Kosovo, Montenegro, Albania, North Macedonia, and Turkey).

Lessons from both positive and negative experiences in Croatia include selective recruitment based on a clear and relevant profile responding to local needs (e.g. technical skills, languages, interpersonal skills), and the capacity of the host organisation to welcome and support the twinning expert. Lessons identified in a joint SIAs-ECA analysis on twinning broadly apply to cases examined across sectors in Croatia.¹⁶

Overall, the EU contributed to progressively enhancing the competences of Croatian institutions’ staff. Results in this respect are considered positive by many interviewees overall, but there are clear differences between institutions. A spill-over effect from individual competences to competences at the level of the institution is also noted in several instances. Many reported as an explanatory factor in the positive results a strong interest of beneficiary institutions in strengthening their staff competences with a view to meeting accession requirements and benefiting from EU (future) assistance, and the willingness of many individuals to upgrade their competences and benefit from twinning and training programmes (scholarships, study visits, conferences, etc.). Interviewees also repeatedly highlighted close cooperation with the EU Delegation as a success factor. Learning-by-doing was considered a very effective way of increasing competences, for example through twinning.

The administrative capacity for programming and managing EU funds, as well as staff turnover were recurrent concerns, according to many interviewees across all sectors and institutions. The lack of administrative capacity is explained in the box below; staff turnover is addressed in EQ5 on Sustainability. A related issue, also frequently highlighted by interviewees, is that of differences in

¹⁵ “Twinning light” aimed at offering a more flexible, medium-term approach. It had a shorter duration of up to six months (or exceptionally, extended to eight) and involved only short-term experts.

¹⁶ “Making Supreme Audit Institution Twinning Successful. A Good Practice Guide by Presidents of the SAIs of the Candidate and Potential Candidate Countries and the European Court of Auditors”, 2007 (https://www.eca.europa.eu/Lists/ECADocuments/TWINNING/TWINNING_EN.PDF)

salaries between staff in charge of EU funds and others. Salary differences in the range of 15% to 30% between civil servants (e.g. most staff in ministries) and public servants (working in agencies out of the civil service) have for instance been cited repeatedly. It affected motivation of staff with lower salaries, reportedly contributing to turnover.

Box 2: Lack of Administrative Capacity

A recurrent issue across sectors and institutions was the heavy workload for programming and managing EU assistance. It often had to be done with limited staff numbers, on top of daily business. This was attributable among other things to budget and staff cuts following the 2008-2009 international financial and economic crisis and the change in government in 2011. This may possibly not only have affected the people concerned, but also the quality of the projects and the absorption capacity. A few institutions indicated nevertheless that they managed well with their existing staff.

Public Administration Reform: EU assistance aiming at developing professional skills of civil service, and improving administrative capacity skills at the Ministry of Public Administration and other bodies, contributed to some improvements, but important weaknesses remain. Documentary sources dating from 2007 to 2010 highlight the weaknesses and the importance of continuing to strengthen these competences. It emerges from interviews during the field visits that efforts have been largely appreciated by staff, but that staff competences remained pretty weak overall, including at the Ministry of Public Administration. **With regard to HRM, the picture is not very clear.** A vast majority of survey respondents (36/46 or 78%) indicate an increase of the “Professionalism of HRM services across the public service”¹⁷. However, there is limited evidence from desk and field work of strengthening of HRM staff competences.

Economic Governance: EU assistance contributed to reinforcing public debt management, budget preparation, budget execution, tax administration, and employment competences, according to documentation of sample interventions and self-assessments, as well as interviews with staff from those administrations conducted during this evaluation. Employment competences were strengthened notably at the Croatian Employment Service and its stakeholders (unions, employers’ associations, and other ministries) through the Croatian Employment Service Labour Market Training Centre.

Rule of Law: EU assistance strengthened law enforcement competences, but benefits vary strongly between institutions. The 2011 OECD SIGMA Assessment notes that, in relation to Democracy and the ROL, “*The main reasons for the insufficient quality of the legislation include: deficient law-drafting capacity in ministries and administrative bodies. (...)*”. With regard to Commission support to USKOK, the Commission’s Croatia 2011 progress report notes significant increases in staff at that time (e.g. from 54 to 64 judges handling corruption and organised crime cases, and from 24 to 28 deputy prosecutors). In terms of judicial capacity, the Croatia Country Programme Interim Evaluation Report (February 2012) further mentions that “*significant know how programmes (...) has been provided effectively. Improved access to EU wide communication and information databases for the judiciary is ensured (...). The given EU assistance also addressed the strong need for human resource development for the various strands of the judiciary to ensure that learning was placed within an environment that stimulated continuous skills development, to maintain or enforce standards across this professional field.*” Interviews and observations conducted in the course of the present evaluation indicate that for both USKOK and the Judicial Academy interventions have been very useful for increasing staff competences during pre-accession. However, these institutions are currently weak overall, for various contextual reasons (see also EQ3), which clearly affects benefits of such increases in competences. The School for judicial advisors and candidates for judicial officials, which formally operates under the Judicial Academy, is for instance *de facto* not functioning at all: there are currently no students in the School and there are no staff in the regional branches of the academy. Nevertheless, results in terms of increases in staff competences are, according to interviews, more positive at other institutions such as at the Government Office for cooperation with NGOs, the Government Office for Human Rights and Rights of National Minorities, and the Supreme Audit Institution.

¹⁷ 22% “unchanged” and no “decreased” response.

4.3 EQ3 Institutional procedures and structures

EQ3 – To what extent did the EU pre-accession assistance contribute to improving the institutional procedures and structures?

This question focuses mostly on the effectiveness of EU capacity-building pre-accession assistance relating to the institutional structures¹⁸ and procedures¹⁹ of key targeted Croatian institutions.

Summary response:

EU pre-accession assistance contributed to promoting institutional change in an accession-related context by establishing new or strengthening existing institutions or units and by establishing or streamlining administrative procedures. Still, the overall effectiveness of the support related to structures and procedures has been mixed, varying between the institutions and areas supported, and with modest achievements in critical public administration reform-related areas.

EU pre-accession support to Croatia at strategy, programming and intervention levels set specific priorities in terms of establishing or improving structures and procedures in their different dimensions (see table). It aimed to ensure the progressive establishment of the necessary administrative structure and establish, reinforce or simplify the administrative procedures so as to enable them to effectively function as a Member State and to manage and implement EU assistance.

- Regarding structures, EU pre-accession assistance focused on establishing or strengthening the administrative structure to enforce the *acquis* in all the areas covered by the *acquis* such as free movement of goods, agriculture, fisheries, competition, statistics, customs, regional policy, etc. This included the establishment or strengthening of structures for thematic expertise (e.g. USKOK, MoPA, tax and customs administrations, Croatian Bureau of Statistics, etc.) and the set-up of departments/services/units for managing EU funds. Under the IPA TAIB Component, the assistance focused on three main axes: i) reinforcing the capacity of law enforcement institutions (in particular USKOK), ii) supporting the improvement in the administrative capacity of the Ministry of Public Administration and the capacity of the public administration to manage decentralisation reforms, and iii) supporting the reinforcement and coordination of the administrative structures for *acquis* transposition and implementation, including for the management and control of EU cohesion and structural funds. The latter included for instance support for the set-up of the Paying Agency in the field of Agriculture and Rural Development. EU pre-accession assistance under Components I, III, IV to V also aimed at supporting national efforts to establish the administrative structures required for the management and control of EU funds.
- Regarding procedures, EU priorities mostly focused on the review or establishment of procedures or administrative measures to effectively enforce legislation (e.g. tax legislation, fight against corruption), the simplification of administrative procedures (e.g. company registration procedures), and the use of transparent procedures for recruitment and promotion through public administration. More generally, EU pre-accession assistance aimed to reinforce the administrative capacity of the beneficiary institutions (e.g. technical capacity through equipment and working methods according to best practices in the Member States' counterparts) and the capacity of these institutions to manage EU assistance.

¹⁸ Related for instance to: new or strengthened units, reduction of organisational overlapping, or the adoption of a decentralized structure

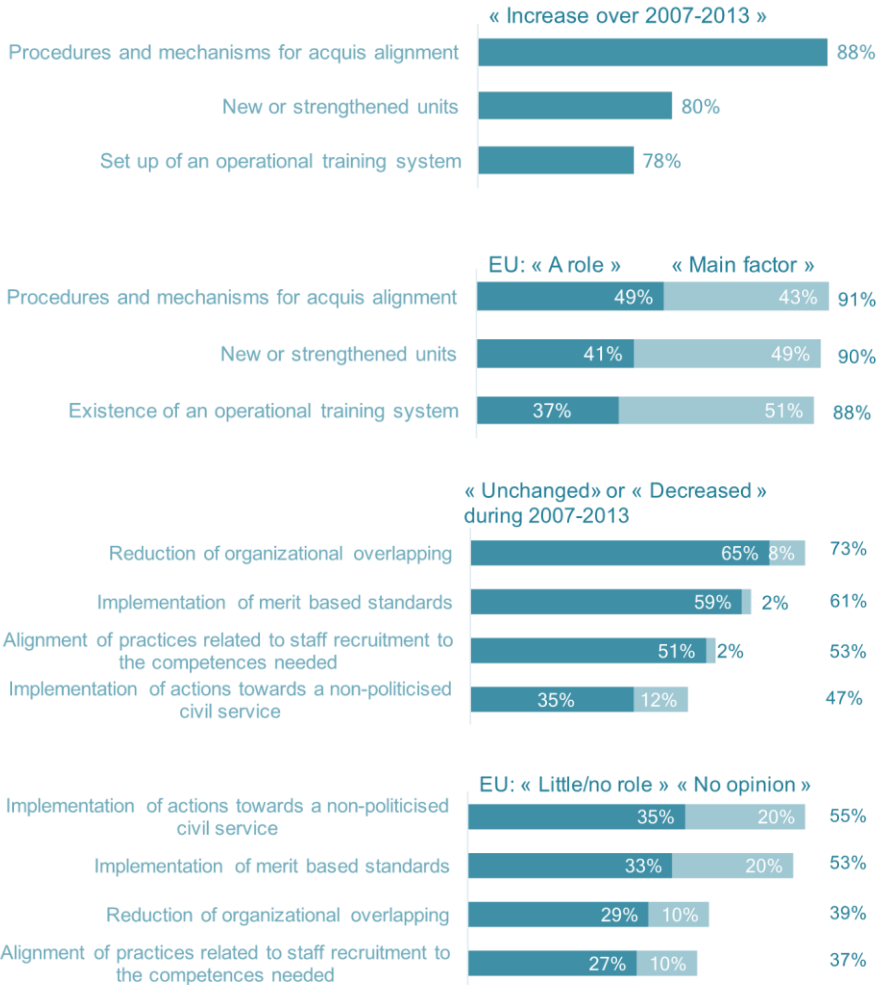
¹⁹ Related for instance to: policy, financing, the legal framework (among other, to ensure respect for EU rules for EG/RoL and adopted national standards for PAR), Human Resources Management practices across the public service, stakeholder involvement, accountability and supervision, co-ordination mechanisms, clear definition of functions and responsibilities at all administrative levels, decision-making processes (evidence-based decisions) or mechanisms to provide effective controls over public organisations

The contribution of EU pre-accession support to establishing new structures or strengthening existing ones and to establishing, reviewing or simplifying procedures has been mixed, depending on the structures or areas supported. Overall, there was a need for further strengthening of both structures and procedures at the end of the evaluation period.

- Overall survey findings

The analysis of survey results shows that EU pre-accession assistance has had positive effects in the following areas linked to structures and procedures: i) improvement of procedures and mechanisms leading to alignment with the *acquis*, ii) creation of new units or reinforcement of existing ones, and iii) the set-up of operational training systems. It also shows areas (related to PAR) for which the situation remained unchanged or worsened and for which the EU has had little or no role in triggering these developments, such as the implementation of measures towards a non-politicised civil service, the reduction of organizational overlapping, the implementation of merit-based standards and the alignment of practices related to staff recruitment with the competences needed.

Figure 7: Survey results on structures and procedures



Source: Survey (Annex 5)

- Support for structures and procedures for managing EU funds

Interview findings, external reviews and the survey show that EU assistance contributed to the establishment of specific agencies to manage EU funds such as the Paying Agency for Agriculture, Fisheries and Rural Development or to the enhancement of the organisational structure of several institutions or to the introduction of measures and procedures to prepare the administration and the operators to participate in all the fields covered by the EU policies. Administrative capacities in different

beneficiary institutions to handle EU projects remained uneven (see EQ2). There was also a need of further strengthening of both structures and procedures at the end of the evaluation period. As such, the 2012 CPIE indeed notes that *‘with the help of IPA TAIB Croatia is generally on track in making systems and capacities conform to the requirements of the EU (...) but that Croatia still has much to do to secure the administrative structures and institutional capacities for such a purpose.’*

- Support to structures & procedures for thematic/sector expertise

Rule of law

EU pre-accession assistance contributed to strengthening **judiciary capacities** and structures through support for training systems development, court system operations and functioning, provision of IT equipment for the Ministry of Justice and renovation of buildings. Whilst the introduction of disciplinary rules and procedures has been promoted through EU support, their application in an efficient, objective and transparent manner remained a challenge throughout the evaluation period. For instance, there were no control mechanisms in place to systematically verify the judicial officials’ declarations of assets after they were filed. Similarly, merit-based recruitment standards for judges have been introduced but there was a need to build a track record demonstrating that the recruitment and appointment of judicial officials was based on merit²⁰, and interviewees suggested that there remained scope in 2018 for political interference in the appointment of judges. EU pre-accession assistance also contributed to the set-up of the Judicial Academy. However, interview findings show that there was lack of political interest in making the judicial academy function properly (see EQ2).

EU pre-accession assistance to the **State Audit Institution (SAI)** contributed to reinforcing its processes and systems. One should note that SAI staff already had a vision well developed for the development path of the institution. EU assistance contributed to strengthening the institution’s ability to undertake regular strategic planning and to incorporate into its work emerging trends from the international networks of which it is part (INTOSAI, EUROSAI). It also contributed to introducing performance management systems of the auditors and continuous training needs assessments processes within the institution. The fact that the SAI was in 2018 a technical assistance provider to candidate countries (Montenegro, Albania, North Macedonia) also shows that the institution has built up its capacity.

EU pre-accession assistance contributed to improving the institutional capacity of the **Office for Prevention of Corruption and Organised Crime (USKOK)** to fulfil its tasks. This is for instance recognised by the 2011 ECA Special Report which points out the role of EU pre-accession assistance in the reinforcement of the operational capacity of USKOK, including tackling corruption at the highest level. However, these reports also recognise remaining challenges: *‘for most high-level corruption and public procurement cases the proceedings are still on-going and they have not yet reached the stage of court rulings. The track record of effective handling of organised crime and corruption cases needs to continue to be built up, especially in respect of high level corruption, local level corruption and including cases related to public procurement and the judiciary. (...) Further efforts are needed in improving the track system of USKOK and Courts to establish the average length of the cases.’*²¹ Interviews in the course of this evaluation and local press articles²² show that whilst USKOK became a powerful institution during the pre-accession process, the situation has changed since accession, following a law which changed the initial mandate of USKOK away from handling only high profile cases of corruption to having to address all cases involving a public official and political interference with their work. As a result, on recent and high-profile corruption cases USKOK dropped the investigations. Regional offices also became underequipped (e.g. they are lacking chairs and computers).

²⁰ Source: EC, Commission’s progress report, 2011

²¹ EC, Commission Staff Working Paper, Croatia 2011 Progress Report accompanying the Communication from the Commission to the European Parliament and the Council "Enlargement Strategy and Main Challenges 2011-2012", 2011

²² See for instance: https://net.hr/danas/hrvatska/hocemo-li-istinu-o-grupi-borg-kao-o-sanaderu-cekati-20-godina-najcudnija-skupina-moderne-hrvatske-dobila-je-neocekivanu-podrsku/?fbclid=IwAR3P0fmxkcv211uGZ_1yL6abv_nDl17BCiZezKIh15qCa7qDSakQTtO_-cM

Interview findings and local press articles also suggest that the *institutions set up to monitor independently the adherence to the rule of law* have fulfilled their function (e.g. ombudsman, freedom of information commissioner, commissioner for the prevention of conflict of interest). However, they also show that the institutional set-up has not been robust enough to prevent political influence on these institutions and that their status was becoming precarious in 2018.

Public administration reform

EU pre-accession assistance to the **Ministry of Public Administration** contributed to introducing and streamlining administrative procedures, to strengthening human resources management and to establishing specific centres or units with a view to improving the efficiency and professionalism in the civil service. This includes the development of a competences framework in the civil service to enhance human resources management, the establishment of a Civil Service Training Centre which then became end 2010 the National School for Public Administration, and support for implementing the General Administrative Procedures Act (GAPA), aiming at introducing several important innovations geared towards simplification, streamlining and transparency of the administrative procedures.

However, interviews and documentary analysis also point to a lack of empowerment of the MoPA following the significant EU support provided during the pre-accession period, mostly resulting from lack of Government political support²³. In particular, the Croatian public administration remained characterised by politicisation, bureaucracy, lack of transparency, poor service orientation, inadequate managerial skills, and insufficient capacity of many civil servants²⁴. In 2013 the use of the GAPA was not uniform and the process of harmonization of procedural acts with the GAPA slow. Very little has been achieved in terms of human resources management across the public administration. There is still resistance to applying a merit-based personnel policy and career planning. The 2012 CPIE notes that *'In view of the massive support towards PAR under IPA TAIB before and after accession, without strong political support and leadership the expected benefits of all envisaged EU PAR support might not be fully exploited.'*

Economic governance

Documentary analysis and interview findings show that EU pre-accession assistance to the **Ministry of Finance** fostered public debt management capacity and budget processes. Regarding public debt management, procedures for recording public debt have improved and become more transparent. Budget preparation and execution processes have been strengthened, particularly through an improved budget classification, the introduction of key performance indicators, the preparation of a guidebook for budget processes, and the introduction of an IT application for budget justification and reporting. The 2011 Commission's Progress Report points out that *'key challenges remaining are to improve the budgetary process further, to strengthen fiscal discipline and to enhance the efficiency of public spending.'*

In the field of competition policy where Croatia has had to devote intensified efforts throughout the evaluation period regarding anti-trust and State aid, EU pre-accession assistance contributed to reinforcing the institutional and administrative capacity building of the **Croatian Competition Agency** with a view to its being in line with the *acquis*. The 2011 Commission's progress report notes that *'the main procedural principles of State aid control are in place and in line with the acquis'*. Interview findings show that EU pre-accession support contributed to providing IT systems (still functioning in 2018) for creating databases to report on state aid.

Regarding **tax administration**, EU pre-accession assistance was critical for the establishment of a central liaison office, the provision of IT equipment and the production of manuals and procedures to help streamline work processes (e.g. manual for tax administration).

²³ See below quote from the 2012 CPIE and EQ6.

²⁴ Source: OECD, SIGMA report, 2011

4.4 EQ4 Policy development initiative, results-based decision-making and adaptation, accountability and networking

EQ4 – To what extent did the EU pre-accession support contribute to strengthening the capacities of key targeted Croatian institutions to fulfil their mission (to plan and implement their tasks, to monitor the results, to adapt to a changing environment, to collaborate with stakeholders and to be more accountable)?

This question focuses on the effectiveness of EU pre-accession assistance on the capacities of Croatian institutions in relation to policy development, results-based decision-making, and accountability and networking.

Summary response:

EU pre-accession assistance specifically contributed to strengthen the policy development initiative of Croatian institutions for policies affected by EU membership. Its contribution in terms of reinforced capacity for policy implementation was mixed, with the implementation of reforms and of the legislative framework lagging behind during the pre-accession period and even more so since accession. EU assistance also contributed to fostering exchanges between stakeholders during policy decision-making and implementation, but broadly speaking policy planning tended to be highly centralised, politicised and fragmented during the period. The overall effects of EU pre-accession support on the strengthening of accountability mechanisms remained limited. Finally, support for the set-up and development of M&E systems within targeted institutions - which has not been a major focus of the assistance - has *de facto* had limited effects.

Policy development initiative

The improvement of the capacity of Croatian institutions to develop and implement policies and legislation in line with their needs and towards fulfilling the priorities of the Accession Partnership has been a key focus of EU pre-accession assistance. The priorities of the Accession Partnership (2004, 2006, 2008) include the development and implementation of reforms, and more generally of the legal framework in key areas in line with Croatia's progress, with a view to ensuring alignment with EU legislation. EU financial assistance supported institutional and administrative capacity-building for *acquis* transposition since CARDS. In the three focus areas, the following intended capacity development outcomes in terms of policy development were pursued:

- Rule of Law: the evolution of the Croatian institutions' ability to design and implement successive judicial reform and anti-corruption strategies.
- Public Administration Reform: the capacity of key institutions to design and implement the relevant policy and legal framework in order to build a modern, reliable, transparent and citizen-oriented public service. This includes the implementation of the human resources development strategy, the Civil Service Act and the General Administrative Procedures Act (GAPA).
- Economic Governance: the capacity of key institutions to continue designing and implementing prudent fiscal monetary and financial sector policies as well as restructuring reforms in line with EU rules and regulations under the European Semester.

The intervention level review also shows that the majority of interventions under review (19 cases out of 30) aimed at strengthening the capacity of Croatian institutions to generate and implement policies, strategies and plans.

EU pre-accession support has had positive effects on the enhancement of the policy development capacities of key Croatian institutions throughout the accession negotiations. It supported Croatia in the progressive adoption and implementation of a legislative and policy framework in line with EU legislation in the sectors covered by *acquis* chapters until the country completed its alignment with the *acquis* mid-2011 when accession negotiations closed. The desk review and interviews evidence that EU

interventions had positive effects on the enhancement of the policy development capacities of key targeted beneficiary institutions (see table below). In addition, 84,3% of survey respondents agree that EU assistance contributed to developing the capacity of Croatian institutions to generate policies, strategies and plans in line with needs. The strategies and policies developed however lacked interconnectedness and synergies (see EQ1 and EQ4 below).

Table 4: Policy initiative: areas of progress in the three focus areas

Rule of law
Reform of the judiciary progressed over time with the adoption/revision of (new) legislation (e.g. law on administrative disputes, judicial reform strategy (2011-2015) etc.) further strengthening judicial independence and a reduction of the backlog of civil and criminal cases. Anti-corruption efforts progressively accelerated (e.g. the Police Act adopted in 2011 aimed at making the police a more professional service and introducing some depoliticising measures).
Public administration reform
Several strategies and acts have been developed, adopted and implemented albeit with varying success. Such examples are the State Administration Reform Strategy (2008-2011), the Civil Service Human Resources Development Strategy (2010-2013); the Code of Ethics (2011) to regulate the role and responsibilities of the ethics units and commissioners within the State administration; the new and General Administrative Procedures Act (GAPA) (2009) reducing the number of special administrative procedures, speeding up and simplifying procedures as well as increasing the efficiency of administration, and in 2011 the majority of acts adopted by the Parliament to harmonise relevant sector legislation to allow full application of the GAPA. The GAPA has however not been fully implemented (see table below).
Economic governance
A high level of legislative alignment has been progressively achieved. Comprehensive economic reform programmes have been adopted over time to reduce structural weaknesses. Important reforms have taken place in both public expenditure management (PEM) through the Treasury Strategy and public internal financial control (PIFC) through the PIFC Strategy. Substantial progress has been achieved in competition policy, in particular with the adoption of a new Competition Act in 2009 and the approval of restructuring plans for the shipyards in 2011.

The contribution of EU pre-accession support to accompany Croatian institutions in policy implementation has been mixed. There were key areas of concern regarding policy and reform implementation throughout accession negotiations in the three focus areas (see table below).

Table 5: Policy initiative: areas of concern in the three focus areas

Rule of law
Judicial reform required <i>'constant attention, especially concerning judicial efficiency and the practical implementation of new measures relating to independence, impartiality and accountability of the judiciary.'</i> ²⁵ The track record of effective handling of corruption cases needed to be further developed during the period and <i>'further experience was needed on implementing the newly adopted preventive legal framework in practice'</i> ²⁶ .

²⁵ Source: EC, Commission Staff Working Paper, Croatia 2011 Progress Report accompanying the Communication from the Commission to the European Parliament and the Council "Enlargement Strategy and Main Challenges 2011-2012", 2011

²⁶ Source: Ibid

Public administration reform

Despite improvements, the policy development and law drafting capacities in ministries needed further improvements towards the end of the period and the strategies prepared were not necessarily followed by action plans. Further efforts were needed *'to consolidate an efficient implementation of the legal framework in order to complete building a modern, reliable, de-politicised and citizen-oriented public service'*²⁷. In 2013 the use of the GAPA was not uniform and the process of harmonization of procedural acts with the GAPA slow (connected with budgetary constraints in increasing the quality of administrative services)²⁸.

Economic governance

While progress has been achieved on structural reforms within the framework of the Economic Recovery Programme, the speed of structural reforms remained slow, especially as far as privatisation and the restructuring of loss-making enterprises are concerned. Planned reforms of the highly rigid labour market were narrowly circumscribed. The budgetary process could be further improved to achieve medium-term fiscal sustainability. Further efforts were required in 2011 to continue developing the Croatian Competition Agency's enforcement record against cartels following the entering into force of the new Competition Act.

Concerns have also been expressed about the enhancement of Croatian policy capacities i) beyond the adoption of the European *acquis* and ii) in order to implement EU legislation after accession. The documentary review and interview findings show that the strengthening of policy capacities of the Croatian Government and ministries mostly concerned policies affected by membership of the EU, hence resulting in *'little evidence that the system is prepared to function as a member of the European Union as distinct from the system being able to cope with the challenge of becoming a member of the European Union'*.²⁹ Furthermore, since Croatia joined the EU in 2013, the effects of EU support on capacity-strengthening related to policy development have been diluted, mostly because since accession the reform agendas have no longer been at the forefront. Interviewees and documents consulted show that since accession progress on structural and fiscal reforms has been lagging, *'lengthy court proceedings and sizeable backlogs continue to weigh on the quality and efficiency of the justice system'*³⁰ and the *'need to enhance the efficiency of the public sector'*³¹.

Results-based decision-making and adaptation

Support to M&E systems within the targeted Ministries and institutions has not been a major focus of EU pre-accession assistance. The objectives of EU assistance as defined in the successive MIPDs did not explicitly emphasize the enhancement of monitoring capacities of key targeted Croatian institutions. This was confirmed by the interviews and the intervention-level review, which shows that a minority of projects (7 out of 30) aimed to strengthen the capacity of Croatian institutions to monitor the results of their activities and adapt to a changing environment.

The overall effects of EU pre-accession support on the establishment or development of M&E systems within the institutions targeted have *de facto* been limited. This is for instance confirmed by the survey: 29,4% of respondents disagree that EU pre-accession assistance contributed to developing the capacity of Croatian institutions to results-based decision-making.

²⁷ Source: Ibid

²⁸ Source: MRDEUF – DS, Integrated Monitoring System Croatia, Report N°: PARPFPP/2013/01, SMSC: Public Administration Reform, Public Finance and Public Procurement, 2013

²⁹ Source: OECD, SIGMA Assessment, 2011

³⁰ Source: EC, *Recommendation for a Council recommendation on the 2018 NRP of Croatia*, 2018

³¹ Source: IMF, *Article IV Consultation*, 2016

No overarching M&E system was put in place within the government during the accession period or since accession. Whilst national strategy documents increasingly referred over time to the need to put in place M&E systems as an essential part of the strategic planning process, the documentary review and interviews converge in showing that no overarching M&E system was put in place within the government during the evaluation period or since accession. Overall monitoring capacities and systems and practices have shown weaknesses throughout the accession period. Dedicated councils, committees and commissions have been set up within some institutions (e.g. Council for monitoring the implementation of the judicial reform strategy; and the Fiscal Policy Committee, which then became the Fiscal Policy Commission) and monitoring tools introduced in others (e.g. set up of Key Performance Indicators during the introduction of strategic planning process principles within the Ministry of Finance used to follow budget execution). But overall M&E capacities and tools remained limited, particularly within the MoPA.

Accountability and networking

EU pre-accession assistance focused on the enhancement of networking and accountability³² capacities of targeted Croatian institutions. The successive MIPDs focused on enhancing the coordination of administrative structures, particularly for actors related to PAR, strengthening accountability in the judiciary and law enforcement and fostering participation by stakeholders in policy design. The project-level review shows that about one third of the projects under review (11 out of 30) aimed at strengthening the capacity of Croatian institutions to collaborate with stakeholders and be more accountable.

EU support contributed to foster exchanges between stakeholders during policy decision-making and implementation. For instance, under Rule of Law EU support fostered the development of cooperation between law enforcement bodies (e.g. between USKOK and the police, the customs administration, intelligence services, etc.). For PAR, EU support contributed to foster regional and international cooperation (e.g. the Croatian civil service took part to ReSPA in the region). In Economic Governance, EU support contributed to enhancing cooperation between stakeholders in the field of anti-fraud and anti-corruption by stimulating the establishment of cooperation between the tax administration and other government bodies (customs administration, Ministry of Interior, State Attorney's office). The intervention level review also shows that about a third of the projects (12 out of 30) contributed to strengthening the capacity of Croatian institutions in accountability and networking.

Broadly speaking, **policy planning tended to be highly centralised, politicised and fragmented, and gripped by short-termism** during the period under review. Policy coordination has been uneven across Ministries. The Croatian public administration continued to be characterised by a *'complex and fragmented organisation, heavy and formalistic bureaucracy, highly centralised and politicised decision making, corruption and lack of transparency, poor service orientation'*. *'This is to a great extent the result of slowness in implementing the General Administrative Procedures Act (GAPA) and of the fact that the Human Resources Development Strategy (HRDS) and Action Plan for the civil service are practically almost not implemented.'*³³ These findings are corroborated by interviewees, which also often stress that the administration mostly worked with reactive stands on a short-term horizon. External reviews note that *'significant progress with PAR and wider public sector reform suffered from the lack of a coherent framework'*³⁴ and that there is a need to *'strengthen leadership and coordination in respect*

³² *Accountability is understood in its 'broader scope including the organisation of the administration, openness and transparency, internal and external accountability and oversight institutions'* – Source: OECD SIGMA, *The Principles of Public Administration*, 2014

³³ Source: OECD, SIGMA Assessment report, 2011

³⁴ Source: EPRD, Ex-post Evaluation of CARDS programmes in the Western Balkans, 2013

to PAR at the highest political decision-making level³⁵. In 2018, the EC continues stressing that ‘the fragmentation of the public administration weighs on efficiency in public services’³⁶.

The overall effects of EU pre-accession support on the strengthening of accountability mechanisms remained limited. The documentary review shows that whilst measures and action plans have been adopted to promote accountability, the promotion of greater efficiency and transparency of the public sector remained a key area of concern, with a culture of accountability lacking in the field of judiciary, including in the fight against corruption. As an illustration, promoting greater efficiency and transparency of the public sector is one of the four reform areas identified for 2016-2017 in the NRP 2016.

4.5 EQ5 Sustainability

EQ5 – To what extent has the EU support continued to impact the Croatian capacity development after the EU accession to Croatia?

This question focuses specifically on the extent to which the EU pre-accession support for capacity development has generated effects in the longer run, i.e. after the support was ended and the country joined the EU on 1 July 2013.

Summary response:

The rationale of EU pre-accession support was to aim at structural changes with effects beyond accession, as also stated in a number of strategic documents. Stakeholders had mixed views on the extent to which the support was really geared towards generating effects beyond the accession. A number of them considered that support was indeed pursuing this purpose, but others underlined that this was precisely a shortcoming and that support was too exclusively geared to the direct needs of transposing the *acquis*, with too little attention to what would be needed in the long run. They explained indeed, that support targeted direct beneficiaries, but not the bulk of the administration, hereby creating a kind of *silo* approach, and a lack of knowledge by this administration of the amounts of European structural and investment funds to be managed after accession and of its capacity to administer these funds.

After accession, a number of effects remained in the long run, but there were also clear indications that effects deteriorated, in particular in the judicial sector, and also as regards PAR and economic governance. This can be linked to the loss of momentum after accession, lack of political support and stability in a context of political change, and persistent difficulties in terms of staff availability and retention.

The rationale of EU pre-accession support was to aim at structural changes with effects beyond accession, and this is to a certain extent also reflected in documents.

The accession of Croatia to the EU required support for reforms that were of a structural nature, as specified for instance in the 2007-2009 Multi-indicative planning document for Croatia: “*The main objective of the Instrument for Pre-Accession Assistance (IPA) is to help the beneficiary country to implement the reforms needed to fulfil EU requirements and progress in the Stabilisation and Association Process and to lay the foundations for fulfilling the Copenhagen criteria for EU membership*”³⁷.

The documents examined for this evaluation both at strategy and at project level do mostly refer to the accession objectives and also sometimes to the post-accession period (but not really at project level). In

³⁵ Source: ECORYS, Meta evaluation of IPA assistance, 2013

³⁶ Ibid

³⁷ EC, Commission decision C(2007)2566 of 20/06/2007 on a Multi-indicative planning document 2007-2009 for Croatia, p. 2, 2007

some cases such references are quite explicit. As an example, the 2009-2011 MIPD states the following: *“concerning the ability to assume the obligations of membership (third area of intervention), IPA assistance will continue to support the institutional capacity building for acquis transposition and implementation according to the priorities identified in the Accession Partnership, the screening reports and subsequent negotiations in the different chapters of the acquis. Finally, institution building will also continue to be provided through the supporting programmes (fourth area of intervention) for the management of IPA projects, the re-enforcement of institutional capacity for the management of EC funds as well as Croatia’s participation in Community Programmes”*³⁸.

The emphasis on the importance of ownership of support by Croatian counterparts (authorities and the wider civil society) should also be seen in the light of generating effects beyond accession: *“the renewed focus on achieving a greater ownership of cohesion policy on the ground is reflected in the provisions for a more open and on-going dialogue across the partnerships developed both within the national and regional context as well as with the relevant Commission services”*³⁹. The fact that the management was decentralized in 2006 is also underlined as something that should allow promotion of ownership: *“Since 2006 the management of EC assistance has been decentralised thus increasing Croatia's ownership on the assistance deployed and preparing itself for the management of the structural funds”*.⁴⁰

The views of stakeholders on the extent to which EU capacity development support was sufficiently geared to generating effects in the long run were mixed: while many argued that this was the case, a substantial number were very critical when it came to deciding whether the support sufficiently targeted sustainable results.

The vast majority of survey respondents strongly (24%) or partly (65%) agreed that pre-accession capacity development assistance during the period 2007-2013 was geared towards generating longer-lasting effects after 2013. Similarly, close to 75% of respondents stated that they agreed (24% strongly and 55% partly) that EU pre-accession assistance rightfully took into account conditions that needed to be fulfilled to ensure longer-lasting effects after 2013.

But there were also 10% of survey respondents who “somewhat disagree” that this was the case. Such disagreement was often mentioned during meetings with stakeholders, where the following types of issues were raised:

- Several interviewees explained that overall there was in the country a **lack of awareness of what the challenges would be after accession in terms of management of EU funds**, and notably that the magnitude of funding would be a multiple of the pre-accession funds. They argued that the support and development of capacity of EU funds was geared towards managing the pre-accession funds, without taking sufficient account of the fact that much more capacity would be required in the longer run to manage the larger amount of EU structural and investment funds. Not all stakeholders expressed the same view and it was underlined by a Commission interviewee that day after day much was done to raise awareness.
- Some stakeholders argued that there was a *silo* approach characterised by a separation in the administration between staff working on pre-accession funds, and the bulk of staff that worked on national funds, the latter not being prepared for managing EU funds or aware of the magnitude of the post-accession funds. A survey respondent stated in this respect that “the main objectives of pre-accession assistance should be strongly linked with obligations of countries to harmonize and implement the acquis, but also to prepare them for the use of the ESIF funds. EU should assist the countries to strategically plan the engagement of adequate human resources and to invest in the sustainable retention policy of qualified staff.”

³⁸ EC, Multi-indicative planning document 2009-2011 for Croatia, p. 2, 2009

³⁹ EC, Commission decision C(2007)2566 of 20/06/2007 on a Multi-indicative planning document 2007-2009 for Croatia, p. 22, 2007

⁴⁰ EC, MIPD 2007-2009, p. 7, 2007

- Another issue mentioned was the **lack of focus on some issues that would be important in the long run**. This concerned notably the importance of understanding and being better prepared to EU State Aid rules, for instance by receiving Technical Assistance to deal with these issues. Another item mentioned in this respect was the issue of unresolved property rights, which in the end showed that the consequences persist up to today. A survey respondent noted in this respect that “due to the complexity and importance of different subjects (e.g. state aid, public procurement, etc.), it is of utmost importance to ensure continuous training/ capacity building of administrative staff on the central and local level”, expressing hereby the view that capacity-building is a continuous need.

There are several indications that, after accession, a number of the effects of the support deteriorated or disappeared, but stakeholders expressed diverging views in this respect.

Indeed, the vast majority of survey respondents (90%) indicated that they agreed strongly (29%) or partly (61%) that the effects of EU pre-accession capacity development support were still visible in 2018. And indeed there are also clear examples of lasting effects, such as institutions that were strengthened during pre-accession with lasting development of their capacities.

But interviewees often underlined that after accession in many cases the reform momentum dropped steadily, with diminishing efforts and even a rollback on some of the effects of the pre-accession support:

- At **area level** the following can be globally noted in terms of lack of sustained effects:
- Difficulties in terms of sustainability were mentioned for the Rule of Law area, where problems were highlighted in terms of the budgets of some institutions that dramatically decreased, turnover of staff and cuts in staff, a decreasing influence of some judicial bodies, the independence of the judiciary from political influence, the lack of investigation on corruption. Interviewees generally explained that there is a considerable deterioration across all Rule of Law components in Croatia, which started at the point of accession of Croatia to the EU. Some interlocutors were however also rather positive on the reforms, underlining that judicial reform overall was a success in Croatia.
- In Public Administration Reform the fact that there was no real crosscutting approach posed a problem in terms of sustainability.
- In terms of Economic Governance, Croatia - which has had excessive macroeconomic imbalances since 2014 - was subject to the Excessive Deficit Procedure during the period 2014-2016 and had not registered significant progress on key macroeconomic and fiscal reforms since accession⁴¹. This can to a limited extent be seen as a lack of sustainability of the support provided.
- Many of the stakeholders met stated that **reforms slowed down or stopped when Croatia joined the EU**. Some explained that as long as the EU followed up issues closely, reforms were undertaken, but as soon as the spotlight was off, ‘government and institutions slacked off.’
- A number of interviewees suggested that such deterioration was also possible because **no measures** were imposed by the EU to deal with such slow-down or diminishing of reforms, and that this could also be observed in other countries that had acceded.

Several factors have hampered the sustainability of results:

- With the accession, the **momentum** for capacity development disappeared;
- This should be linked to the issue of **leadership and ownership** by the Croatian authorities and **political stability and support**, which should contribute to long-lasting effects:

⁴¹ The Commission notes the following in this respect in its Council recommendation COM(2018) 410 final: “*The Commission’s analysis leads it to conclude that Croatia is still experiencing excessive macroeconomic imbalances, although they are being reduced. Vulnerabilities are linked to still high levels of public, private and external debt, all largely denominated in foreign currency. The level of non-performing loans remains high, in particular for non-financial corporations. Croatia’s potential growth remains insufficient to enable a durable adjustment and overall there has been little progress in implementing policy measures to address the chronically low labour utilisation and slow productivity growth*”

- The majority of survey respondents considered that the Croatian authorities had a leadership role in terms of deciding on the priorities of the EU pre-accession support for capacity development (63% partly or strongly agreed), and even more on their leadership role in terms of implementation of the support (about 77% partly or strongly agreed). But nevertheless close to one-quarter (24%) also partly disagreed with this statement (about 14% for implementation)
- Many interviewees were more critical on these issues, referring to a lack of ownership, especially after accession. Even more strongly, many of them stated in this respect that after accession there was a lack of political support and a lack of political stability, whereas they considered these to be essential conditions for sustained development of capacities.
- **Staff turnover** was invoked by most of the stakeholders contacted as a major challenge to the sustained development of capacity. In some cases, the capacities of people leaving remained within the public service as these persons moved from one service to another, but in other cases they were “lost” to the private sector or to EU institutions (after accession). To address this, a top-up of salaries was offered to a number of staff managing EU funds, so as to motivate them to stay. A number of interlocutors met underlined that this approach was effective, but others explained that it was counterproductive as it created a further distance between staff working on EU funds and the bulk of the administration that was working on national funds (see also EQ2).

Overall, the capacities are considered insufficient by many stakeholders, in particular when it comes to the management of European structural and investment funds. They link this to the backlog of Croatia in terms of absorption and implementation of European structural and investment funds.

As explained, the EU capacity development approach was geared on the people managing pre-accession funds, but this was not extended to the bulk of staff in the public service in charge of managing Croatian funding. As a result, the rest of the administration was insufficiently aware of the upcoming challenge of managing EU structural and investment funds, and of the difference of magnitude of this funding (multiplying pre-accession funds by 10). In this sense the EU capacity development approach was not adopted by the bulk of the administration.

4.6 EQ6 Explanatory factors

EQ6 – What were the factors that facilitated or hampered the contribution of EU pre-accession assistance to the development of the capacities of Croatian institutions?

This question focuses on factors most affecting the performance of EU assistance being evaluated.

Summary response:

Several (internal and external) factors facilitated the contribution of EU assistance to capacity development objectives, including: the EU added value (technical expertise and EU leadership); the introduction of benchmarks; the use of a single instrument (IPA) to channel assistance; the use of twinning; high-quality monitoring; the prospect of EU membership; the strong political support for accession and ownership of the beneficiaries. Other factors reduced the progress made through pre-accession assistance in building up Croatia’s administrative capacity, including: the lengthy preparatory periods and rigid EU procedures; the problematic quality of the expertise provided; the insufficient focus of the assistance on the regional level; flaws in intervention logic design; weaknesses in programme M&E systems, including an insufficient use of RACER and SMART objectives and indicators; the six-year economic recession; the numerous political changes; the lack of strong political commitment and of strategic planning capacity; and the insufficient administrative capacity to implement interventions.

Success explanatory factors

Various aspects linked to the EU pre-accession programming approach and implementation procedures as well as other external and internal factors facilitated the achievement of the expected results. The figure below illustrates these factors by order of importance for each category, as evidenced by the findings emerging from the documentary review, the interviews and the survey.

Figure 8: Key success explanatory factors



Factors linked to the EU programming approach and implementation procedures

The **added value brought by the EU** has been a key success factor. It mostly lay in i) the technical expertise brought during the accession negotiations and through specific interventions, ii) the experience of the EU in other candidate countries, iii) the expertise of the *acquis*, and iv) the EU leadership in driving the accession process.

The introduction of benchmarks to be met before the opening and closure of chapters strengthened the link between the planning and implementation of EU pre-accession assistance and the pre-accession negotiation process. For instance, 68,6% of survey respondents mentioned that the introduction of benchmarks facilitated the generation of capacity development results by the EU pre-accession support. The 2011 ECA Special Report also notes that the introduction of benchmarks under Chapters 11 and 22 ‘led to a greater focus on Croatia’s progress in building up its capacity in these areas with the help of EU pre-accession assistance’. The use of benchmarks also presented limits (see below).

IPA ensured a coherent framework for managing pre-accession assistance. This framework was characterized by i) channelling EU pre-accession funding through a single instrument: IPA, which replaces Phare, ISPA, Sapard and CARDS; ii) the introduction of multiannual operational programmes (instead of annual ones); and iii) clearer roles assigned within the Commission for coordinating IPA assistance, with DG ELARG having the lead role in coordinating IPA assistance.

Twinning has been recognised as a suitable instrument to enhance administrative capacities. Twinning has been relevant and effective in supporting the development of administrative capacities and promoting legislative changes in Croatia. Interviewees from targeted beneficiary institutions generally stressed that twinning provided specific knowledge to the civil servants of the public administration that was not available on the market and that it enabled the establishment of permanent connections with institutions from the EU.

High-quality monitoring. At *policy level*, the Commission closely monitored the fulfilment of commitments undertaken by Croatia to complete the work on the benchmarks set out in the negotiating chapters through the mechanisms and structures established under the Stabilisation and Association process⁴². At *intervention level*, the monitoring of the implementation of EU-funded assistance

⁴² This includes the Stabilisation and Association Council and the Stabilisation and Association Committee and its subcommittees.

interventions was made through various joint committees⁴³. Intervention monitoring improved over time (e.g. the structure of the Monitoring Report and of the Sectoral Monitoring Report templates was reviewed in 2010) and was by and large satisfactory, albeit with some weaknesses (see below under limiting factors). Interviewees from targeted beneficiary institutions generally noted the high-quality relations and follow-up of the EU interventions performed by the EUD in the first place and then in close cooperation with the EUD/CODEF/CFCA under the Decentralised Implementation System (DIS).

Other external and internal factors

The prospect of EU membership was a key driver for reform. It acted as a strong catalyser on the readiness of Croatia to implement the necessary reforms to access the EU and on the effectiveness of EU pre-accession assistance. 80,4% of survey respondents mentioned that the prospect of EU membership facilitated the generation of results.

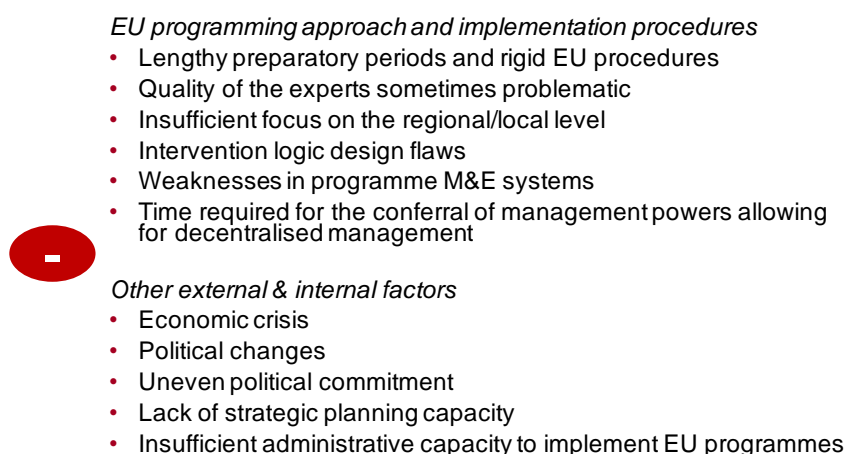
Political commitment, notably the strong political support of the Government and of Croatian institutions for accession during the pre-accession period has had strong repercussions on the effectiveness of the EU assistance.

Strong ownership of the interventions by the beneficiaries, which ensured that the interventions were well calibrated at the design stage, was a strong necessary condition for success.

Limiting explanatory factors

Various factors hampered the achievement of expected results. The below figure illustrates these factors by order of importance for each category, as evidenced by the findings emerging from the documentary review, the interviews and the survey.

Figure 9: Key limiting explanatory factors



Factors linked to the EU programming approach and implementation procedures

Lengthy preparatory periods and rigid EU procurement procedures negatively influenced the relevance of EU pre-accession interventions (length of time during programming and contracting and lack of flexibility [EU procedures] to adapt the intervention design to changes in context) (see also EQ1).

The quality of the experts provided through twinning and other modalities was **sometimes problematic**. Whilst a range of beneficiaries was satisfied with the assistance received, several

⁴³ These committees include: the IPA Monitoring Committee (IPA MC) to monitor the overall implementation of all components of the IPA programme; Sector Monitoring Sub-Committees (SMSCs) with operational support from NIPAC services to monitor the implementation of individual components or operational programmes meeting twice a year; the Technical Assistance and Institution Building SMC (IPA TAIB SMC) to monitor the implementation of Component I; Joint Monitoring Committees (JMCs) to monitor the implementation of Component II. Under IPA TAIB Component, six Sectoral Monitoring Sub-Committee (SMSCs) were established; their sector coverage changed in March 2010 with the reform of the SMC.

interviewees also pointed to models or solutions proposed by the EU experts which were not fully suitable for the Croatian context (see also EQ1).

Insufficient focus on the regional/local levels: the assistance has largely been directed to central bodies and much less to the regional level, *‘although regional bodies have an important role to play in the implementation of post-accession funding’*⁴⁴.

Intervention logic design flaws: the intervention level review shows weaknesses in the log frames defined at design stage, with i) confusion between the levels of the intervention logic and in the terminology used (i.e. “results” are used instead of “outputs”) and ii) indicators, results, project purposes and overall objectives defined in too broad terms or not sufficiently well articulated throughout the results chain. The overall objective (for half of the projects), the project purpose (for 86,6% of the projects) and 74,7% of the Objectively Verifiable Indicators⁴⁵ defined at project purpose level to follow the extent of achievement of objectives focused on the ‘output’ level instead of the ‘results’ level.⁴⁶ This finding is corroborated by various reports noting that *‘most of the monitored projects still suffer from poor design in terms of objectives and results’*⁴⁷ or that *‘many Twinning Project Fiches were based on a weak intervention logic with mandatory results expressed in broad and vague terms and without robust indicators of achievement’*⁴⁸

Weaknesses in programme M&E systems, which included: insufficient use of RACER and SMART objectives and indicators as further detailed below; limits during the SMSCs discussions (insufficient exploration of sectoral and horizontal issues and an identification of lessons learnt and recommendations too highly driven by the EUD); insufficient consideration of programme monitoring as a management tool beyond CODEF, CFCA and a few beneficiary institutions; in the early days lack of proper analysis in some monitoring reports and deficiencies in the report templates (prior to their revision in 2010); and insufficient focus on performance and results in monitoring reports and throughout project implementation (for IPA Component I).

⁴⁴ Source: 2011 ECA Special Report

⁴⁵ The log frames used at intervention level refer for the indicators either to ‘benchmark’, ‘objectively verifiable indicator’ or ‘indicator of achievement’.

⁴⁶ As a matter of example, number of trainees or number of training courses are “output” indicators.

⁴⁷ Source: JMC Synopsis report, 2007

⁴⁸ Source: GDSI for the EU, *Evaluation of the Twinning Instrument in the period 2010-2017*, Draft Final Report, 2019

The intervention level review shows that the quality of the OVI is globally low with 8% of the indicators meeting all 5 RACER principles and 3% of the indicators meeting all 5 SMART principles⁴⁹. Even so, around half of the indicators met 3 out of the 5 RACER or 5 SMART principles. Most indicators were ‘relevant’ and ‘realistic’ and above half of them ‘credible’, ‘measurable’ and ‘easy to monitor’. This is among other things linked to the fact that indicators mostly targeted the ‘output’ level. Indicators were generally not sufficiently ‘specific’ (i.e. lacking to precisely define the subject to be targeted), ‘accepted’, ‘robust’ or ‘time-bound’. This is linked to the fact that the log frames of the projects did not include an associated baseline, milestone or target for the indicators proposed.

Figure 10: Were project purpose related indicators RACER?

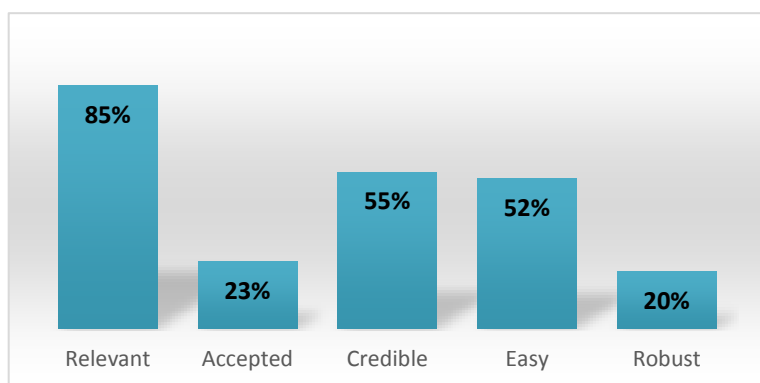
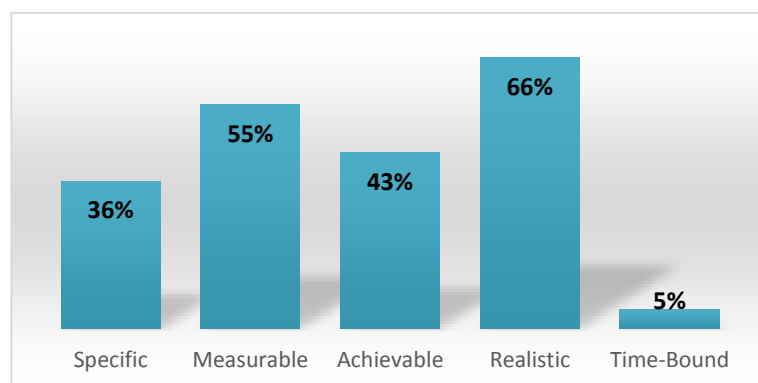


Figure 11: Were project purpose related indicators SMART?



The time required for the conferral of management powers⁵⁰ allowing for decentralised management implied that contracting and disbursements under the various IPA components only started in 2009. Programme extensions were needed to avoid loss of funds.

The **use of benchmarks** led to a ‘ticking the box’ approach in the *acquis* areas but fell short of capturing the core issues and complexity of capacity development.

Other external and internal factors

Croatia underwent a **protracted six-year recession** (2009-2014) before returning to growth in 2015 following the financial and economic crisis of 2008. This economic crisis has inevitably impacted negatively on the capacity to reform in general and to reform the policy-making process in particular. Since 2014 Croatia has been subject to the Excessive Deficit Procedure (or corrective arm of the Stability and Growth Pact).

Croatia experienced several **changes of government** (e.g. in 2007 and in 2011) during the period which held back progress in the accession process and negatively impacted on policy implementation, notably due to turnover or redesign within ministries and changes in policy orientations. Interviewees also underlined the lack of continuity in pursuing one strategic vision beyond the election cycles. According to survey respondents, the political context is the most important hampering factor out of 13 factors listed in the questionnaire.

The **lack of political commitment** to actually implement the reforms is an important explanatory factor of the limited effects of the EU CD support in terms of strengthened capacity for reform and development of capacities in policy-making. Moreover the momentum for policy reform dropped after accession. This resulted in reforms not being rooted in the institutions. This is particularly the case for judiciary reforms, PAR and wider public sector reform, for which the Government lacked the strategic vision, including at the highest political decision-making level, needed to conduct fundamental reforms.

⁴⁹ The team drew on the practices and standards presented in the 2016 DG NEAR Guidelines on Linking Planning/Programming, Monitoring and Evaluation which indicates that ‘*measuring progress in relation to the expected outputs, outcomes and impact of an intervention should be done by means of RACER and SMART indicators related to a baseline situation, defined during planning/programming.*’

⁵⁰ The decisions on conferral of management powers were adopted by the Commission at the end of 2008 for all five components.

This led to the creation of institutions that do not work well, such as the State School for Judicial Officials.

There was an **overall lack of strategic planning capacity** of most beneficiary institutions throughout the period under review. This includes: a *'deficient law-drafting capacity in ministries and administrative bodies'* in the Rule of Law area; insufficient capacity of the MoPA to lead public administration reform; and the presence of *'capacity within the Ministry of Finance to initiate and launch reforms, but the question is whether there is a sufficient capacity throughout the public sector to absorb all of the proposed reforms simultaneously.'*⁵¹

The insufficient capacity of Croatia's public administration bodies has reduced the effectiveness of EC assistance. Even though Croatian institutions engaged in the preparation, implementation and management of EU assistance progressively improved their capacities, they have by and large been characterised by i) a limited number of people available to implement EU programmes, hence resulting in major workloads, ii) high staff turnover rates; iii) administrative restructuring; and iv) unfamiliarity with EU procedures (the staff not being EU project manager experts). This led to long preparatory periods for programming and tendering. This was particularly the case for CARDS and PHARE, including in the early days of the DIS for which there was a major backlog in procurement under the PHARE programme. Under IPA slow implementation also remained an issue.

⁵¹ Source: OECD, SIGMA Assessment Croatia, 2011

5. CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

This chapter presents the main conclusions emerging from the findings of the evaluation. The conclusions are structured in three clusters:

- Cluster 1 concerns the **strategy** that was adopted to provide pre-accession support for capacity development;
- Cluster 2 relates to the **results** achieved and the extent to which they were sustained. They hence distinguish the results during the pre-accession and their lasting effects after accession;
- Cluster 3 provides an overview of the different types of **factors** that contributed to or hampered the achievement of such results, and their evolution after the accession.

5.1.1 Cluster 1: EU pre-accession strategy for capacity development

CONCLUSION 1: DEPTH OF THE ANALYSIS OF THE COUNTRY MOMENTUM

EU pre-accession support for capacity development to Croatia was based on a solid overall analysis of the country momentum, but these analyses presented some weaknesses.

EU pre-accession support for capacity development to Croatia was based on EU analyses of Croatia's political and economic situation and administrative capacity. The priorities of EU pre-accession assistance at strategy, programming and intervention levels were fixed on the basis of thorough EU analyses of Croatia's political and economic situation, regulatory framework and administrative capacity. However, these analyses did not include in-depth assessments of the costing of reforms. This shows that little attention was given to reviewing the consistency of reform agendas with the Government's financial circumstances. In addition, the analyses did not sufficiently take into account the absorption capacity of Croatian partners.

This conclusion is based on EQ1

CONCLUSION 2: AN APPROACH GEARED TO MEET ACQUIS REQUIREMENTS BUT NOT SUFFICIENTLY FOLLOWING A WHOLE-OF-GOVERNMENT PERSPECTIVE

EU pre-accession capacity development support was directly geared towards preparing Croatia to meet the *acquis* requirements, but did not sufficiently follow a whole-of-government perspective with a view to preparing Croatia for effectively assuming its future membership obligations.

EU pre-accession CD assistance focused mostly on strengthening the capacities of beneficiary institutions to attain the standards of the EU *acquis* and meet the benchmarks. The emphasis of the IPA TAIB Component – the main vehicle for institutional capacity building in Croatia - was on i) consolidating and accelerating sectoral and structural reforms in key areas (e.g. judiciary and the fight against corruption, public administration reform⁵², public finance, economic restructuring and business environment) as well as supporting the institutions directly concerned by these reforms, and

⁵² At the time of the delivery of EU pre-accession support to Croatia, PAR was understood in its narrow sense. The EU then defined as of 2014 a more comprehensive approach to PAR building on the lessons learnt from previous enlargements and on the work carried out by the OECD-SIGMA on "The principles of public administration" (2014).

ii) on institutional capacity-building (e.g. in terms of structures, procedures, competences, policy development, etc.) for *acquis* transposition and implementation.

However, EU pre-accession CD support did not sufficiently follow a whole-of-government perspective to prepare Croatia to effectively assume the obligations of membership beyond *acquis*-related specific requirements. While the EU was constrained in the coverage of its support with the level of available financial resources, the way its approach was framed and implemented remained too *ad hoc* to transform the governance of the beneficiary institutions supported. The following elements justify this:

- Cross-cutting issues such as public administration reform were insufficiently comprehensively addressed at strategy, programming and intervention levels to effectively transform the functioning of public administration as expected. This is partly a result of PAR - which is horizontal - being treated under the political criteria with no *acquis* to apply, and that the Commission's overall strategic approach on PAR evolved during the period under review.
- EU assistance for capacity development mostly covered the national level, with insufficient focus on the sub-national level.
- Staff capacity development mostly concerned staff in charge of managing and implementing pre-accession funds and not sufficiently the bulk of the administration, including at local level.
- Structures have been mostly reinforced to be able to enforce the *acquis* but were not sufficiently prepared to handle the large amount of EU Structural and Cohesion funds they would have to manage after accession.
- Support for the reinforcement of the Croatian policy capacities was insufficiently considered in a comprehensive way policies beyond the adoption of the *acquis*.

This conclusion is based on EQs 1,2,3,4

CONCLUSION 3: A PIECEMEAL STRATEGIC FRAMEWORK FOR CAPACITY DEVELOPMENT

EU pre-accession support was anchored in a relatively piecemeal strategic framework as far as capacity development was concerned.

EU pre-accession CD assistance has not been specifically anchored in a strategy geared towards capacity development and the overall strategic approach towards capacity development has remained piecemeal. This evaluation recognises that international and EU approaches to capacity development have significantly evolved since 2007 and do not aim to assess the support against new conceptual frameworks that did not exist at the time of the design of EU support. Several elements show that the strategic approach remained relatively fragmented:

- Overall, the EU approach for capacity development at programming level rather followed a *silo* approach around the *acquis* chapters instead of tackling the capacity development needs of all State institutions (including management of sectoral policies);
- The strategic orientations defined in the MIPDs do not explicitly refer to or make the link with the accession benchmarks, hence showing that there is potential for improvement in terms of linkage between the accession negotiations and the programming of EU assistance;
- The portfolio of interventions reveals an input-output philosophy, with a multiplicity of stand-alone and small size projects which were in line with the wide priorities detailed in the Accession Partnership and the MIPDs but not sufficiently well circumscribed on key policy reform priorities that would have benefited from a more sequenced and prioritised support over time.

This conclusion is based on EQs 1,2,3,4

5.1.2 Cluster 2: Results achieved and their sustainability

CONCLUSION 4: EU CAPACITY DEVELOPMENT SUPPORT REACHED OVERALL POSITIVE EFFECTS ON STAFF SKILLS AND POLICY DEVELOPMENT CAPACITIES FOR POLICIES AFFECTED BY EU MEMBERSHIP

EU Pre-accession capacity development support contributed to enhancement of staff skills, the administrative structures and the policy development capacities for policies affected by EU membership.

EU pre-accession support contributed to enhancing the capacities of Croatian beneficiary institutions regarding:

- Staff competences, relating mostly to sector-specific technical skills and to programme management skills, albeit to varying degree across the institutions supported;
- The establishment of new or strengthening of existing Croatian institutions and units and by establishing or streamlining administrative procedures to enforce the *acquis*;
- EU pre-accession assistance devoted major attention and contributed to strengthening the policy development initiative of Croatian institutions for policies affected by EU membership;
- EU pre-accession assistance contributed to fostering exchanges between stakeholders during policy decision-making and implementation.

This conclusion is based on EQs 2, 3, 4

CONCLUSION 5: EU CAPACITY DEVELOPMENT SUPPORT REACHED MIXED EFFECTS ON STRUCTURES AND LIMITED EFFECTS ON CAPACITIES REGARDING POLICY IMPLEMENTATION, POLICY COORDINATION, ACCOUNTABILITY AND M&E

The overall effects of EU pre-accession assistance for capacity development in terms of reinforced administrative structures and procedures varied across the institutions and areas and needed to be secure, and the strengthening of capacities in terms of policy implementation and coordination, accountability and monitoring and evaluation remained modest.

The evaluation shows that:

- The overall effectiveness of the support relating to structures and procedures has been mixed: it varied between the institutions and areas supported, and there was a need to secure both the administrative structures and institutional capacities towards the end of the evaluation period. Modest achievements were reached in critical public administration reform-related issues such as the implementation of measures towards a non-politicised civil service, the reduction of organizational overlapping, and the implementation of merit-based personnel policy and career planning;
- The effects of the support in terms of reinforced capacity for policy implementation were less clear, with the implementation of reforms and of the legislative framework lagging behind during the pre-accession period, and even more so since accession;
- Whilst EU pre-accession assistance devoted efforts to strengthen policy coordination and exchanges between institutions, policy planning tended to remain highly centralised, politicised and fragmented during the evaluation period;
- The overall effects of EU support on the strengthening of accountability mechanisms remained limited;

- EU pre-accession support to the set-up or development of M&E systems within targeted institutions to follow the implementation of public policies and assess the results reached over time through their implementation - which has not been a major focus of the assistance - has had limited effects.

The results obtained and limits noted should be considered in the quite typical context of (pre-)accession, where there is a need to comply with technical requirements, but where there is also a strong political commitment on the side of the EU and the country to ensure that accession takes place when planned.

This conclusion is based on EQs 2, 3, 4

CONCLUSION 6: RESULTS OFTEN WEAKENED SINCE ACCESSION

The results of EU pre-accession support for capacity development did not spread to the bulk of the administration and have often weakened since accession.

The results of EU pre-accession support did not really spread to the bulk of the administration. They remained limited to the areas and policies affected by EU membership and to the beneficiaries targeted by the support, without specific strategies to ensure that they could spread beyond these direct beneficiaries. Results have often been weakened since Croatia joined the EU.

The evaluation shows that there was a double problem in terms of ensuring that sufficient capacities were available after accession:

- First, since the EU partly adopted a *silo* approach to capacity development (see also Conclusion 2), with a strong focus on the requirements of the *acquis* and on the direct beneficiaries of the support, the results remained limited to the areas and policies affected by EU membership and to the stakeholders targeted, and did not trickle down to the bulk of the administration and institutions. As such, the EU pre-accession support did not ensure that the capacities of a larger part of the administration would be developed to be able to manage public funding in the context of a new EU MS and in particular the very large amounts of EU Structural and Cohesion funds.
- There are indications that effects of EU pre-accession support are still visible in 2018, and there are also clear examples of such results. But the evaluation also shows that there are important problems in terms of sustainability of the results. This is the case in the three focus areas covered by the evaluation: for public administration reform, significant issues remain regarding the development of a modern, professional and non-politicised civil service; for Economic Governance, insofar as the country, which has had excessive macroeconomic imbalances since 2014, has been subject to the Excessive Deficit Procedure during the period 2014-2016 and did not register significant progress on key macroeconomic and fiscal reforms since accession; and for Rule of Law, regarding which there were significant sustainability issues for some institutions (cuts in budget and in staff, decreasing influence of some judicial bodies, etc.).

This conclusion is based on EQ1,2,4 and 5

5.1.3 Cluster 3: Explanatory factors

CONCLUSION 7: KEY SUCCESS FACTORS LINKED TO THE COMMISSION'S ROLE

Several factors linked to the Commission's role facilitated the attainment of results in terms of capacity development. They include: the EU added value, the usefulness of specific EU instruments and aid modalities, and the high-quality monitoring performed at both policy and intervention levels.

The EU applied a number of good practices in its pre-accession support for capacity development which facilitated the reaching of capacity development objectives:

- The EU added value mostly consisted of i) technical expertise introduced during the accession negotiations and through specific interventions, ii) EU experience acquired in other candidate countries, iii) expertise in the *acquis*, and iv) EU leadership in driving the accession process.
- The EU used specific instruments and aid modalities to deliver its pre-accession support, the usefulness of which was also confirmed in this evaluation. This concerns for instance twinning, and also the introduction of benchmarks to be met before the opening and closing chapters (see Conclusion 9). Additionally, a single instrument (IPA) - replacing Phare, ISPA, Sapard and CARDS - was used to channel the assistance. Twinning was generally recognised as relevant and effective in supporting the development of administrative capacities and promoting legislative changes in Croatia.
- High-quality monitoring at *policy level* to monitor the fulfilment of commitments undertaken by Croatia to complete the work on the benchmarks set out in the negotiating chapters was considered as a strong asset. At *intervention level*, targeted beneficiary institutions generally noted the high-quality follow-up of the interventions performed initially by the Delegation and then in close cooperation with the Delegation/CODEF/CFCA under the Decentralised Implementation System. However, the M&E of EU interventions also revealed weaknesses (see below under C8).

This conclusion is based on EQs 2,6

CONCLUSION 8: KEY LIMITING FACTORS LINKED TO THE EU PROGRAMMING APPROACH AND PROCEDURES HAMPERED THE REACHING OF RESULTS IN TERMS OF CAPACITY DEVELOPMENT

Several factors linked to the EU programming approach and procedures hampered the attainment of results in terms of capacity development. They include project design flaws, lengthy preparatory periods, insufficient quality of the experts provided, and weaknesses in M&E at the level of EU interventions.

A number of difficulties directly linked to the EU programming approach and procedures hampered the reaching of results in terms of capacity development, including:

- Intervention logic design flaws: the log frames of the interventions defined at design stage presented two significant weaknesses: i) a confusion between the various levels of the intervention logic (with project purposes and the related OVI's focusing on outputs rather than outcomes); and ii) indicators, results (referring to outputs), project purposes (specific objectives) and overall objectives were defined in too broad terms or were not sufficiently well articulated throughout the results chain;
- Lengthy preparatory periods and rigid EU procurement procedures, which negatively influenced the relevance of EU pre-accession interventions (length of time during programming and contracting and lack of flexibility (EU procedures) in adapting the intervention design to changes in context);
- Quality of the experts provided through twinning and other modalities which was sometimes problematic;

- Several weaknesses in the M&E of EU interventions, which included an insufficient use of RACER and SMART objectives and indicators at intervention level, and an insufficient focus on performance and results in monitoring reports and throughout project implementation;
- Time required for the conferring of management powers allowing for decentralised management led to significant delays in contracting and disbursements;
- Insufficient focus at the sub-national levels, with assistance having been directed largely to central bodies which would be responsible for managing post-accession funding and much less to the sub-national levels.

This conclusion is based on EQs 1,2,6

CONCLUSION 9: BENCHMARKS: USEFUL TO ACCOMPANY ACCESSION WHILE ALSO SHOWING LIMITS

The benchmarks were useful for supporting Croatia during the accession process, but they were insufficient to trigger a comprehensive institutional change and new culture in terms of capacity development.

The Commission has introduced benchmarks during the accession negotiations with Croatia. The benchmarks either ‘refer to legislative alignment with the *acquis* and to a satisfactory track record in implementation of key elements of the *acquis* demonstrating the existence of an adequate administrative and judicial capacity’ or ‘include the fulfilment of commitments under the Stabilisation and Association Agreement, in particular those that mirror requirements under the *acquis*’ as per the 2005 EC Negotiating Framework. The cross-checking of interview findings, survey findings and documentary evidence shows that the benchmarks enabled i) a strengthening of the link between the planning and implementation of EU pre-accession assistance and the pre-accession negotiation process and ii) a speeding-up of the accession process. However, it also shows that they led to a ‘ticking the box’ approach in the *acquis* areas, falling short of triggering an overall and in-depth institutional behaviour and culture change.

This conclusion is based on EQs 1,6

CONCLUSION 10: ABSORPTION CAPACITY WAS LIMITED

Beneficiaries did not always have the capacity to absorb the capacity development support. Both during pre-accession and after accession, capacity development suffered from a lack and turnover of staff and heavy workload.

A recurrent difficulty that the Croatian administration had to face was that administrative capacity to absorb the CD support was low. Many interlocutors explained that EU-related work came in addition to an already heavy work-schedule. In addition, they underlined that staff turnover was usually high and that as a consequence, the capacity built was lost. The latter was important in the pre-accession period, but was even more pronounced in relation to the post-accession period. In some cases, strategies of “top-up” of salary were applied (up to about 15 to 30%). According to stakeholders, this helped to retain people, but others argued that it was also counterproductive as it increased the silo approach and the differentiation between people working on EU funds and the rest of the administration (see C2).

This conclusion is based on EQs 2,5,6

CONCLUSION 11: KEY FACTORS CHALLENGING SUSTAINABILITY: CONTEXTUAL FACTORS AND THE LACK OF STRATEGIC APPROACH FOR CAPACITY DEVELOPMENT

Key contextual factors and the lack of strategic approach to capacity development affected the sustainability of the results obtained in terms of capacity development.

In terms of context, important changes in government (e.g. in 2007 and 2011) had consequences in terms of sustainability. They led to the replacement of experienced high-level staff possessing relevant EU knowledge and hence jeopardized the capacities developed. The effects of this loss of knowledge could be perceived both before and after accession. The changes that occurred in 2011 significantly slowed the processes and preparation for the post-accession period because business continuity was not ensured for almost half a year and some time was needed for the new team to become operational. Staff retention was a structural difficulty during the pre-accession period, and also afterwards.

Furthermore, whereas the perspective of accession created a strong incentive for Croatia to comply with EU rules, standards, policies and practices and to develop administrative capacities accordingly, the reform momentum to implement key reforms and launch new ones fell drastically from the moment of accession. In this respect, it is important to mention that the EU had relatively few means after accession to ensure that progress on reforms and capacity development would be continued.

Finally, the fact that the design of pre-accession assistance remained too piecemeal regarding capacity development (see Conclusion 2) did not promote the preparedness of the wider administration to handle reforms and manage EU funds after accession.

This conclusion is based on EQs 1,4,5,6

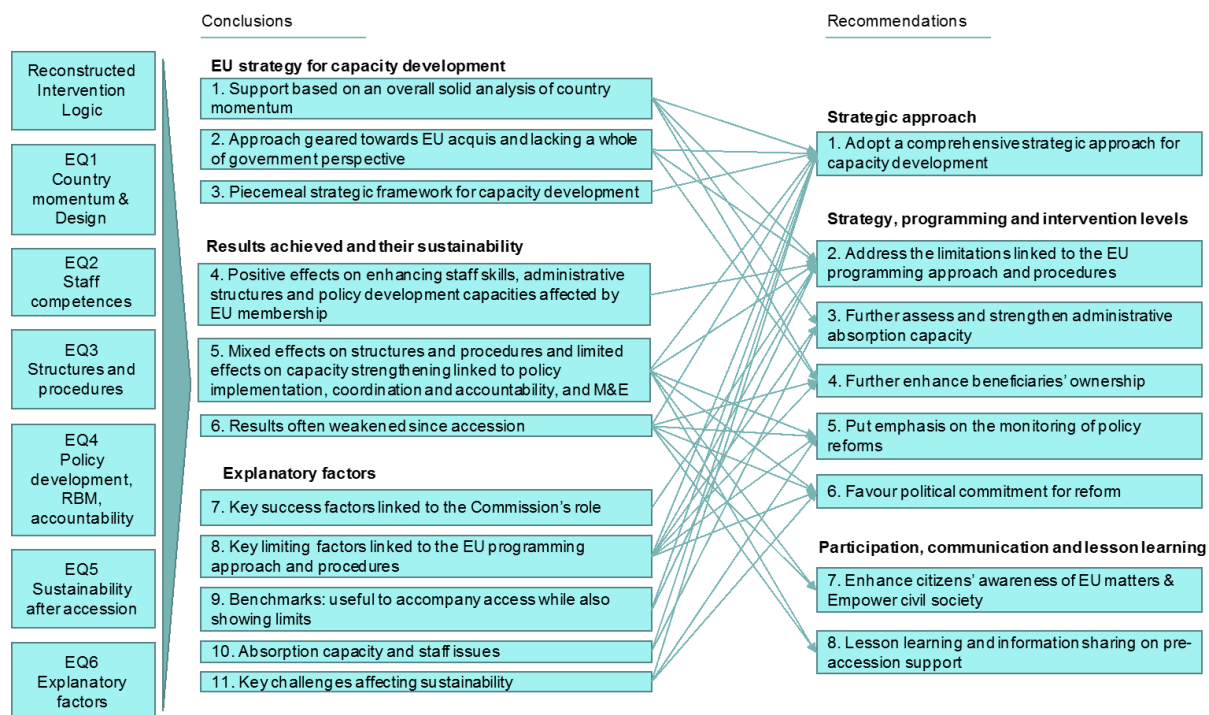
5.2 Recommendations

On the basis of the conclusions, and as requested by the Terms of Reference, we derived a set of eight recommendations addressed to the Commission with a view to improving current pre-accession support to current countries involved in the enlargement process. The recommendations therefore do not concern Croatia which has been an EU Member State since July 2013. The recommendations are presented in three clusters, as follows:

- Cluster 1 presents an overarching recommendation to improve the EU strategic approach regarding capacity development support;
- Cluster 2 proposes suggestions for improving EU practices at strategy, programming and intervention levels;
- Cluster 3 proposes recommendations for improving awareness-raising regarding EU matters and empower civil society.

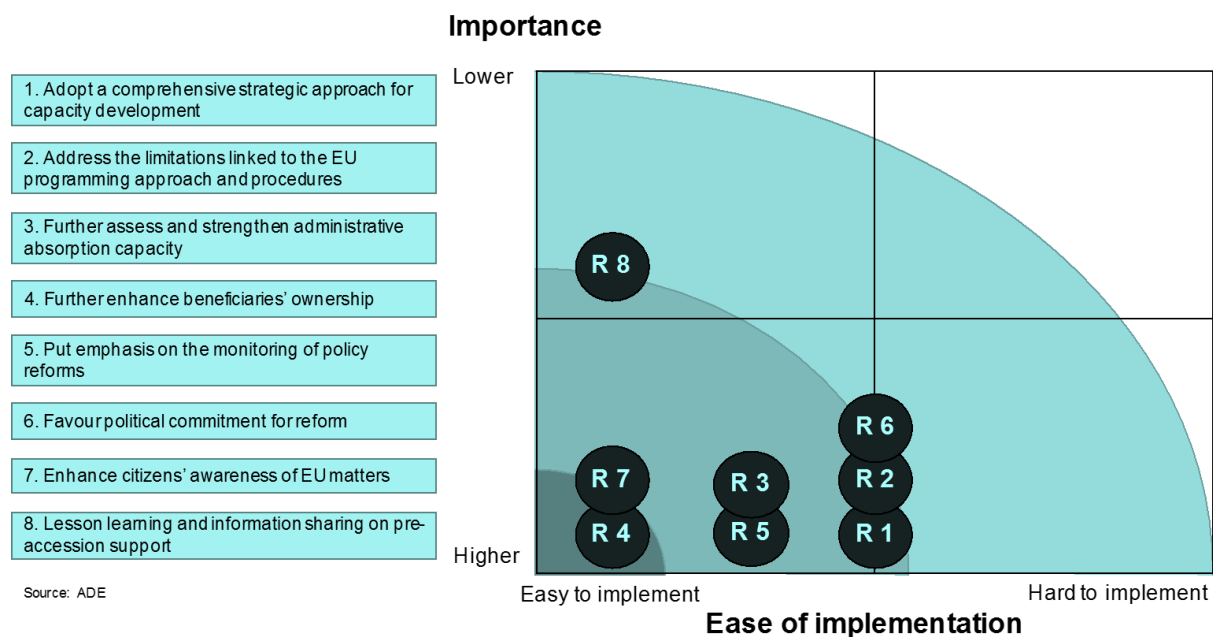
The recommendations are linked to the EQs and the conclusions and are prioritized by degree of urgency and ease of implementation as illustrated in the below figures.

Figure 12: Links between EQs, conclusions and recommendations



Source: ADE

Figure 13: Priorisation of recommendations per degree of urgency and ease of implementation



Source: ADE

5.2.1 Cluster 1: Strategic approach for capacity development

RECOMMENDATION 1: ADOPT A COMPREHENSIVE STRATEGIC APPROACH TOWARDS CAPACITY DEVELOPMENT

EU pre-accession support for capacity development should be part of a strategic approach that goes beyond the immediate requirements of the *acquis* and aims at meeting capacity needs after accession, including in terms of managing European Structural and Investment Funds (ESIF).

This recommendation is mainly linked to C1, C2, C3, C5, C6, C8, C9, C10, C11

Main implementation responsibility: DG NEAR, EU Delegations/Office

Main associated actors: NIPACs, EU integration structures and line Ministries

What worked and should continue?

- EU in-depth contextual analyses carried out to inform the design of the support, including through the screening process
- Use of EU analyses to fix the priorities of EU pre-accession capacity development assistance
- Explicit emphasis put on the reinforcement of various capacity development areas (e.g. staff competences, structures and procedures, policy development initiatives, etc.) at programming and intervention levels
- The ‘opening’ and ‘closing’ benchmarks which have been recognised as a successful instrument to accompany the accession process

What should be strengthened?	How this should be done?
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- | | |
|---|---|
| <ul style="list-style-type: none"> • The EU should deepen its understanding of the countries’ needs in terms of capacity development during pre-accession (see also Recommendation 3). | <ul style="list-style-type: none"> • The EU should undertake an in-depth understanding of the needs of partner countries in terms of capacity development through documentary analysis and consultation with a full range of stakeholders. This understanding should cover the following dimensions of administrative capacity: institutional capacity; policy planning capacity; law-making capacity; administrative data and statistical capacity; investment planning; human resources capacity; and management capacity. It should also cover all institutions, including line ministries/institutions, both at central and sub-national levels. The EU should reflect this assessment (including how general PAR rules are actually reflected at institution level) in the reports it produces within the framework of the Stabilisation and Association Process and of accession negotiations so as to guide the definition of the priorities to be supported. • The EU should use the guidance it produced when undertaking administrative capacity assessments. These are mostly both: ‘Addressing capacity development in planning/programming, monitoring and evaluation A Guidance note’ and the Budget support Risk Management Frameworks (that foresee capacity assessment in terms, among other things, of government effectiveness). |
|---|---|

This in-depth administrative capacity assessment should enable the EU to address public administration reform in line with the Commission’s reinforced approach to public administration reform (which reflects the continued commitment to the principle of “fundamentals first” in the accession process). This should in turn ensure that the countries’ future needs in terms of capacity development as soon as the country completes accession, including

	needs related to the management of ESIF (which have a magnitude much greater than that of the pre-accession funds), are well taken on board.
<ul style="list-style-type: none"> The EU should adopt a whole-of-government approach to supporting capacity development in order to favour an in-depth change of institutional behaviour and culture in the countries supported and enable countries to function well in the demanding and competitive environment of the EU as Member States 	<p>EU pre-accession support should:</p> <ul style="list-style-type: none"> In line with the “fundamental first” approach, continue going beyond the consolidation of <i>acquis</i>-related reforms and institutional capacity-building for <i>acquis</i> transposition and implementation to encompass the economic, social, administrative and territorial development of the countries; Sustain and deepen ongoing efforts to address public administration reform in a comprehensive way. EU assistance should ensure that the new rules, procedures and systems developed in line with ‘<i>The principles of public administration</i>⁵³’ under PAR interventions, including SIGMA, are implemented at the level of the institutions and, where relevant, at the lower levels of the government. The various administrative capacity needs identified through the assessments for all institutions (including line ministries/institutions) should be addressed in line with PAR requirements.
<ul style="list-style-type: none"> The EU should make sure that the interim benchmarks and benchmarks enable having a whole-of-government approach 	<p>The choice of benchmarks is critical since it catalyses progress in the reforms supported and more generally in the accession negotiations. Benchmarks should reflect a shared and qualitative understanding of the key areas/aspects to be supported within the accession process and better capture the complexity of capacity development.</p>
<ul style="list-style-type: none"> The EU should reinforce its strategic approach to capacity development support linked to sector and structural reforms 	<p>The EU should:</p> <ul style="list-style-type: none"> Verify that the policies/ strategies to be supported during pre-accession have been prepared on the basis of evidence and in consultation with internal and external stakeholders, and have been costed (in line with the general requirements introduced under PAR) Further support partner countries in prioritising reforms and determining a proper reform sequence for the sectors/areas to be supported; Design and implement its support along the reform sequence chosen.
<ul style="list-style-type: none"> The EU should ensure that staff across the administration is aware of the future challenges linked to post-accession and of the importance of being well prepared to handle them 	<ul style="list-style-type: none"> The EU should promote further the conduct of awareness-raising activities (such as public information campaigns) by the partner countries

⁵³ See: <http://www.sigmaweb.org/publications/Principles-of-Public-Administration-2017-edition-ENG.pdf>. These Principles were developed by OECD/SIGMA in close coordination with the European Commission. They were developed for the enlargement context in 2014 and updated in 2017, and adopted for the ENP context in 2016.

5.2.2 Cluster 2: Improvement of practices at strategy, programming and intervention levels

RECOMMENDATION 2: ADDRESS THE LIMITATIONS LINKED TO THE EU PROGRAMMING APPROACH AND INSTRUMENTS

The EU should build on the assets brought by its programming approach and instruments and address the limitations of some of its practices and instruments.

This recommendation is mainly linked to C1, C2, C7, C8, C9

Main implementation responsibility: DG NEAR, EU Delegations/Office

Main associated actors: NIPACs, EU integration structures and line Ministries

What worked and should continue?

- The EU leadership in driving the accession process;
- The EU technical expertise introduced during the accession negotiations and through specific interventions;
- The framework for managing the assistance: a single instrument to channel EU pre-accession assistance and multi-annual programming;
- The high-quality monitoring performed by the Commission at policy level, which is a way of encouraging sustained political commitment to sector and structural reforms;
- Instruments such as Twinning which have been relevant and effective for supporting the development of administrative capacities and promoting legislative changes in Croatia;

What should be strengthened?

How this should be done?

<ul style="list-style-type: none"> • The EU should make better use of the benchmarks in its programming documents 	<ul style="list-style-type: none"> • The MIPDs should explicitly refer to the benchmarks and/or show the linkages between the benchmarks and the support envisaged.
<ul style="list-style-type: none"> • The EU should improve intervention design and monitoring 	<ul style="list-style-type: none"> • The EU should further support the review and improvement of the log frames defined at intervention level so as to ensure that they are consistent throughout the results chain and that the objectives and indicators defined are fit for purpose. • The EU should ensure that implementing partners carry out a proper monitoring of the performance and results reached through EU funded interventions. M&E systems and practices should draw on /or lead to the establishment of in-country systems and build on the guidance produced by DG NEAR and SIGMA.
<ul style="list-style-type: none"> • The EU should maximise experience sharing of technical expertise through instruments such as Twinning, Taiex, etc. 	<ul style="list-style-type: none"> • The EU should: i) make sure that the expertise requested by the ToR is relevant to the needs (i.e. going beyond the request of expertise who knows how to draft laws and focusing on expertise supporting the law-making process in full and making sure that legislative changes will be implemented),

	and ii) improve the selection procedure of the experts to guarantee as much as possible the relevance and quality of the expertise provided through Twinning, Taiex, etc.
<ul style="list-style-type: none"> The EU should lighten EU procurement procedures 	<p>The EU should:</p> <ul style="list-style-type: none"> Simplify EU procurement procedures to reduce the time lapse between programming and contracting of EU projects. Enhance and/or further promote the flexibility of EU procedures so that partners can more easily adapt the project design to changes in context when this is needed.

RECOMMENDATION 3: FURTHER ASSESS AND STRENGTHEN THE ADMINISTRATIVE ABSORPTION CAPACITY OF PARTNER COUNTRIES, INCLUDING HANDLING OF POST-ACCESSION

The EU should better take into account and further strengthen the level of administrative absorption capacity of partner countries during the pre-accession period with a view to reinforce the management, programming and implementation of ESIF.

This recommendation is mainly linked to C1, C2, C10, C11

Main implementation responsibility: DG NEAR, EU Delegations/Office

Main associated actors: NIPACs, EU integration structures and line Ministries

What worked and should continue?

- The EU analyses of the administrative capacity of the institutions to be supported, which should however be deepened (see below).
- The legislative framework for the 2007-2013 period allowed Member States to use Technical Assistance funding for paying salaries, bonuses or top-ups to employees directly involved in the implementation of Structural Funds. The Council however highlighted as of 2009 the lack of sustainability with salary top-ups in its Conclusions on an Operational Framework for Aid Effectiveness. The European Parliament, Committee of Budgetary Control, concluded in its 2011 report "*Pre-accession financing for Bulgaria and Romania: What lessons can be learnt for future enlargements*"⁵⁴ that salary top-ups are not a sustainable solution. The Principles of Public Administration, which the Commission advocates in the enlargement context as a benchmarking and a monitoring framework for public administration reform efforts of IPA beneficiaries, also underline the importance of having a fair and transparent salary system based on job classifications, and where any kind of top-up schemes should be limited. The EU should therefore pursue the application of such principles since receiving bonuses or top-ups strengthened the differentiation between staff working on EU funds and other staff and did not favour a whole-of-government approach.

What should be strengthened?

- The EU should better take into account the administrative absorption capacity of partner countries when defining the priorities of and

How this should be done?

- The EU should guide and support countries in undertaking sound capacity assessments early in the pre-accession process to be able to assess the existing level of administrative capacity within the partner country and

⁵⁴ [http://www.europarl.europa.eu/RegData/etudes/etudes/join/2011/453224/IPOL-IN_ET\(2011\)453224_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/etudes/join/2011/453224/IPOL-IN_ET(2011)453224_EN.pdf)

<p>programming its pre-accession capacity development support</p>	<p>related risks. This could include making use of the EU guidance mentioned under Recommendation 1.</p> <ul style="list-style-type: none"> • The EU should use these assessments to tailor its capacity development support to the level of administrative capacity of the countries. Its support should include specific capacity building interventions per sector/institution to improve horizontal PAR. • The EU, drawing on the assessments made by the partner countries, should have a comprehensive action plan for mitigating and monitoring the key risks identified.
<ul style="list-style-type: none"> • The EU should better prepare staff of the partner countries to handle the management, programming and implementation of ESIF post-accession 	<ul style="list-style-type: none"> • The EU should ensure that capacity development support provided during the pre-accession period targets the wider administration. • The EU should better inform the wider administration of the challenges ahead after accession, including in terms of managing, programming and implementing the ESIF.

RECOMMENDATION 4: FURTHER ENHANCE BENEFICIARIES' OWNERSHIP

The EU should systematically ensure the ownership by beneficiaries.

This recommendation is mainly linked to C1, C2, C5, C6, C8

Main implementation responsibility: DG NEAR, EU Delegations/Office

Main associated actors: NIPACs, EU integration structures and line Ministries

What worked and should continue?

- The implication of stakeholders at programming and intervention levels, although it could be more systematic (see below).

What should be strengthened?

- The EU should give more prominence to countries' authorities and beneficiary institutions in the programming and implementation of the assistance to maximise ownership

- The EU should ensure that its support targets and reaches all levels of the administration, and particularly the level of middle management so as to ensure that continuity is ensured when political changes lead to turnover of staff at senior level

How this should be done?

- The EU should systematically involve the countries' authorities (e.g. NIPAC, CFCA, MoF, line ministries, etc.) and/or beneficiary authorities right from the start of the intervention cycle, including in the selection of expertise so as to more systematically guarantee the relevance of the choices made.

- The EU should design and implement interventions specifically targeting all levels of the administration, particularly the middle management level.

RECOMMENDATION 5: PUT STRONGER EMPHASIS ON THE MONITORING OF POLICY REFORMS BOTH DURING AND AFTER ACCESSION

The EU should put stronger emphasis on reinforcing the monitoring and evaluation capacities of beneficiary institutions.

This recommendation is mainly linked to C2, C5, C8, C11

Main implementation responsibility: DG NEAR, EU Delegations/Office

Main associated actors: NIPACs and line Ministries

What worked and should continue?

- N/A (very little focus was put on the reinforcement of M&E capacities)

What should be strengthened?

How this should be done?

- The EU should put strong emphasis on the establishment and/or strengthening of M&E systems (at country/institution/sector levels) and statistics systems (at national/local levels) so that the countries (and the EU) are able to closely follow the implementation of policy reforms

In line with ongoing public administration reform efforts supported by DG NEAR (PAR CoTE, M&E sector):

- The EU should continue putting stronger focus on the reinforcement of M&E capacities of partner countries at strategy and programming levels.
- The EU should continue supporting specific interventions aimed at reinforcing the M&E capacities of partner countries. EU support should first ensure that the national legislation of partner countries requires the establishment of M&E systems (as it is the case for Montenegro, Kosovo and Serbia) and subsequently target the sector level to make sure that these M&E systems are implemented.

- The EU should closely monitor the extent to which policy reforms are actually implemented during the pre-accession period and for a period of time afterwards. Post-accession monitoring could be a way of contributing to maintaining a political momentum.

- The EU should undertake a closer review of the progress registered by the countries in terms of policy reform implementation during the accession negotiations through its annual reports and post-accession through the European Semester mechanism.
- The EU should:
 - Systematically request the production by countries of monitoring reports on the implementation of public policies
 - Use these reports to feed into the policy dialogue
 - Further support CSOs to monitor the implementation of policy reforms

RECOMMENDATION 6: FAVOUR POLITICAL COMMITMENT FOR REFORM POST ACCESSION

The EU should define incentives allowing the partner countries to pursue post-accession the reforms initiated with a view to accession.

This recommendation is mainly linked to C2, C8, C11

Main implementation responsibility: DG NEAR

Main associated actor: SRSS

What worked and should continue?

- N/A

What should be strengthened?

- The EU should examine options so that partner countries maintain the political commitment after accession to make progress on the reforms initiated during the pre-accession period as well as initiating new sector and/or structural reforms.

How this should be done?

- Options so that reforms remain high on the agenda of new EU MS (and of the EU) would include both incentives and obligations in the post-accession context so that partner countries mainstream the reforms into their country political processes.
- Further use the Structural Reform Support Service (SRSS) set up by the Commission to support the design and implementation of structural reforms.

5.2.3 Cluster 3: Participation, communication and lesson learning

RECOMMENDATION 7: ENHANCE CITIZENS' AWARENESS OF EU MATTERS AND EMPOWER CIVIL SOCIETY

The EU should further enhance citizens' awareness of EU matters and stakeholders' engagement in government decision-making processes and monitoring of government performance, including regarding public services delivery.

This recommendation is mainly linked to C6, C8, C11

Main implementation responsibility: DG NEAR, EU Delegations/Office

Main associated actors: NIPACs, EU integration structures and line Ministries

What worked and should continue?

- Actions aiming at promoting citizens' awareness of EU matters and integration consequences and at involving civil society in public policy debate

What should be strengthened?

- The EU should better communicate on the support it provides so as to raise awareness and understanding of EU issues throughout the whole administration, the private sector and the civil society

How this should be done?

- The EU should encourage the adoption of public information strategies by the partner countries. These strategies and their related action plans and campaigns should cover different target groups, inform the administration and the wider public of EU matters and EU integration benefits, and encourage citizens to be active players in the EU accession process.

<ul style="list-style-type: none"> • The EU should put stronger emphasis on the empowerment of civil society 	<ul style="list-style-type: none"> • The EU should further support: i) the development of an enabling environment for an effective role of CSOs; ii) the development of a constructive cooperation between governments and civil society; and iii) the capacity of civil society to engage in public policy debate and monitor government performance. The EU could for instance fund innovative projects where partner governments/civil society make common proposals or support civil society organisations to monitor governments' efforts so that citizens can get engaged and keep governments accountable.
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RECOMMENDATION 8: SYSTEMATICALLY DRAW LESSONS FROM EXPERIENCE

The EU should try to systematically draw lessons from its experience with capacity development support in past and current candidate countries in order to further improve support to current enlargement countries.

This recommendation is mainly lined to C5, C6

Main implementation responsibility: DG NEAR, EU Delegations/Office

Main associated actors: NIPACs

What worked and should continue?

- Stakeholders met throughout the evaluation clearly learnt and drew lessons from past support, and were eager to share their valuable insights and learn from how pre-accession support was provided in other countries. One can expect that the situation is similar in other accession countries or recent Member States. The EU and other (potential) accession countries could hence benefit from conducting regularly information gathering exercises to learn from the experience of stakeholders in different countries and thereby continuously inform its current and future support.

What should be strengthened?

- The EU should regularly conduct information-gathering exercises to learn from the experience of stakeholders in different countries regarding capacity development support provided so as to identify ways of continuously improving the design and delivery of its support.

How this should be done?

- The EU should undertake exercises which have a clear learning objective (as opposed to an accountability objective). These exercises could be conducted in candidate countries where support is ongoing (for instance at mid-term), in a single country or in a more crosscutting manner for several countries, as well as in former candidate countries.