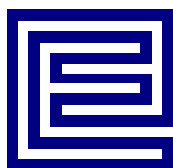


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EVALUATION-RELATED SERVICES: BUDG06/PO/01**

**Lot 3: Provision of External Evaluation Studies  
of an Interim and Ex-Post Nature**

**Retrospective evaluation of CARDS programmes in  
the former Yugoslav Republic of Macedonia**

**Final Report**

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## List of acronyms

APPRM	Agency for Promotion of Entrepreneurship
CARDS	Community Assistance for Reconstruction, Development and Stabilisation
CCE	Centre for Continuous Education
CFSP	Common and Foreign Security Policy
CSO	Civil Society Organisation
CSP	Country Strategy Paper
DAC	Development Assistance Committee
DCECI	Development Cooperation and Economic Cooperation Instrument
DEL	EC Delegation
DG BUDGET	Directorate General Budget
DG ELARG	Directorate General Enlargement
EAR	European Agency for Reconstruction
EC	European Commission
ECD	European Commission Delegation
ENP	European Neighbourhood Policy
ENPI	European Neighbourhood and Partnership Instrument
EQ	Evaluation Question
EU	European Union
FSP	Food Security Programme
GDP	Gross Domestic Product
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit
HRDF	Human Resources Development Fund
IBM	Integrated Border Management
ICTY	International Criminal Tribunal for the former Yugoslavia
IE	Interim Evaluation
IFS	Instrument for Stability
IPA	Instrument for Pre-Accession
IR	Inception report
JC	Judgment Criteria
JHA	Justice and Home Affairs
JMC	Joint Monitoring Committee
LFA	Logframe Approach
LFM	Logical Framework Matrix
LIC	Police Reform Local Implementation Component
LTE	Long-term Expert
MAS	Municipal (Legal) Advisory Service
MIP	Multi-Annual Indicative Programme
MK*	Former Yugoslav Republic of Macedonia
MoE	Ministry of Economy
MoF	Ministry of Finance
Mol	Ministry of Interior
MoJ	Ministry of Justice
MoLSG	Ministry of Local Self-Government
MoTC	Ministry of Transport and Construction
MSC	Municipal Service Centre
M&E	Monitoring and Evaluation
NAC	National Aid Co-ordination
NAO	National Authorising Office
NIPAC	National IPA Co-ordinator
OTJ	On the job training
PCM	Project Cycle Management
PF	Project Fiche

PIFC	Public Internal Financial Control
Phare	Poland and Hungary: Aid for Restructuring of the Economies
PSC	Project Steering Committee
RIS	Police reform Regional Implementation Support
ROM	Results-oriented monitoring
RSP	Regional Strategy Paper
QA	Quality Assurance
SAA	Stabilisation and Association Agreements
SAP	Stabilisation and Association Process
SAPARD	Special accession programme for agriculture and rural development
SEA	Secretariat for European Affairs
SECI	Southeast European Cooperative Initiative
SEE	South East Europe
SIA	Territorial Police Services
SME	Small and Medium Enterprises
SUDEP	Support to the Decentralization Process
SWG	Special Working Group
TA	Technical Assistance
TACIS	Technical Assistance to the Commonwealth of Independent States
TAIEX	Technical Assistance and Information Exchange Instrument
TEEC 2007	The European Evaluation Consortium 2007
TETRA	Nation-wide Police Digital Radio Communication System
TEP	The Evaluation Partnership Limited
TL	Team Leader
ToR	Terms of Reference
UNDP	United Nations Development Programme
VET	Vocational Education and Training Programme
WB	Western Balkans
WTO	World Trade Organisation
ZELS	Association of Municipalities

## 0 EXECUTIVE SUMMARY

This evaluation report covers CARDS assistance to the former Yugoslav Republic of Macedonia, with a special focus on the Economic Development, Local and Municipal Development and Justice and Home Affairs (JHA) sectors for the period 2000-2006. The interventions concerned the support to Integrated Border Management (IBM), fight against crime, corruption and police reform, education and training, institution building, decentralisation and economic development. They also focused on the overall business climate to foster development of Small and Medium-size Enterprises (SMEs). Democracy and rule of law activities were targeting inter-ethnic relations and civil society.

### Context of the EU co-operation

The Stabilisation and Association Process (SAP), launched in the late 1990s, is the main policy framework, in which the Western Balkans (WB) countries progress towards eventual EU membership. The SAP involves the development of contractual relations through Stabilisation and Association Agreements (SAA) as well as financial assistance to support the beneficiary countries' efforts to meet the respective SAP priorities. The former Yugoslav Republic of Macedonia applied for EU membership in March 2004. Based on the EC's assessment, the country was granted the candidate status on 16 December 2005. The Commission considered that accession negotiations could be opened once the country has reached a sufficient degree of compliance with the membership criteria. An Accession Partnership for Yugoslav Republic of Macedonia outlining short and medium-term priorities was adopted by the Council in February 2008.

During the period 2000-2006, the assistance to the former Yugoslav Republic of Macedonia was mainly financed under the CARDS Council regulation No 2666/2000, involving both regional and national CARDS programmes. The European Agency for Reconstruction (EAR), an independent body of the European Union, was until the end of 2008 responsible for the management of the CARDS programmes in the former Yugoslav Republic of Macedonia.<sup>1</sup> During this period, the EAR has issued the value of € 235 million of CARDS contracts. The ECD took over management of CARDS portfolio after the EAR was closed.

### Main conclusions<sup>2</sup>

#### *Portfolio analysis*

A substantial part of the overall CARDS budget was allocated to three selected sectors: (i) Strengthening of local and municipal governments (22%), (ii) Justice and Home Affairs (21%) and (iii) Economic growth and private enterprise development (11%). Another important sector was Integrated Border Management, which received 9% of the overall funds.

Regarding support categories, more than 50% of funds have been allocated for technical assistance (TA) and twinning projects, 27% for infrastructure and 16% for equipment supply. Around 5% was allocated to studies (feasibility, thematic, evaluations) and 1% to supervision contracts (for infrastructure interventions).

<sup>1</sup> Following the amendment of the Agency Regulation in December 2001, which extended the Agency's activities to the Former Yugoslav Republic of Macedonia from 2002 onwards – Council Regulation 2415/2001 of 10 December 2001.

<sup>2</sup> For more information about conclusions and recommendations related specifically to three selected sectors please see the main body of this report



## **Relevance**

The needs and priorities identified in the EC Country strategy, the national strategies and Project Fiches (PFs) but also Stabilisation and Association Process priorities have been addressed closely in all analysed sectors. Complementarities with the CARDS regional programmes were taken into consideration and ensured during the programming and implementation of national programmes. The involvement of national stakeholders and target groups in the needs assessment and project design has not always been systematic resulting in some cases in lack of ownership and the use of funding modalities not adjusted to the preference of national stakeholders, e.g. grant schemes were not included. In addition, due to lack of flexibility on behalf of EAR, some interventions were not amended during the inception phase. The Project Cycle Management (PCM) training addresses issues like the above mentioned, to provide for a unified approach and understanding on potential issues. The overall design of programmes across sectors nevertheless reflected well the country's needs.

Overall rating under Relevance is **Satisfactory (S)**.

## **Efficiency**

While part of the outputs was delivered on time and within cost-estimates, others were delayed entailing time and cost extensions. Delays were caused by a long period between the planning and implementation stage, inflexibility of EAR in adjusting project design, lack of national capacities, national elections, delayed law adoption and lengthy administrative procedures within EAR and line ministries, notably the Ministry of Local Self-Government (MoLSG), causing procurement delays.

Across sectors, standard internal financial monitoring mechanisms were deployed as well as external monitoring (EAR Monitoring Unit). However, there was no evidence that economic tools were systematically applied to assess costs efficiency. There were random instances that outputs were achieved at a lower than planned cost.

Beneficiaries were capable to absorb the CARDS funding, however, it was noted across sectors that absorption capacity would have been higher if the funding was provided as grant schemes (direct financial support measures to SMEs and entrepreneurs in the form of grant schemes and vouchers schemes; practical examples: CARDS grant schemes approach utilised in Bosnia and Herzegovina, Serbia, etc.). Pre-conditions (conditionality) for implementing the interventions were mostly not used as a tool under CARDS to enable smooth implementation (such as national partners appropriately staffed, adequate premises provided, strategies or laws adopted, and so).

Overall rating under Efficiency is **Moderately Satisfactory (MS)**.

## **Effectiveness**

While some of the programmes achieved their objectives, others achieved the objectives partially or with delays. Reasons for partial achievement were slow commitment of some national authorities to support the newly established institutions e.g. weak support of the Ministry of Economy (MoE) to the Human Resources Development Fund (HRDF) or low commitment of the Ministry of Finance (MoF) to improve resource capacities.

While in parts national commitment was not pronounced, stakeholders in other programmes showed a strong sense of ownership like the Ministry of Justice (MoJ), the police services and other JHA institutions.

Communication between central authorities and local levels was sometimes not optimal (e.g. MoE with regional entrepreneurship centres and MoF with municipalities) resulting in inappropriate communication of needs of final beneficiaries and inadequate budgets allocated to SMEs for grant and voucher schemes. The lack of pro-activeness of some stakeholders (the MoLSG) caused lengthy procurement procedures. In some cases, inadequate trainers provided by the programmes caused weak training in areas like public finances and human resources development. This was mainly due to two reasons: 1. Contractors did not always have sufficient background and lacked practical experiences to provide adequate expertise. 2. Local stakeholders were not always closely consulted in the programming phase and therefore lacked a commitment that adversely affected implementation of interventions. The latter could also become a potential problem under IPA, as IPA general rules and procedures are still unfamiliar to most local stakeholders.

Further support is still needed, as part of the activities, e.g. infrastructure investments and computer equipping, have not yet been completed.

Effectiveness is rated as ***Moderately Satisfactory (MS)***.

### ***Impact***

Overall, the CARDS interventions have had a number of important positive impacts on Government policy, institutions, private entities and individuals. The Government's commitment and institutional framework has improved. There is a strong sense of ownership over CARDS interventions in some sectors and institutions and capacities were significantly strengthened. Networking among stakeholders was intensified and some limited but steady financial contributions were allocated.

The improved local infrastructure provided for better working conditions and services. It also contributed indirectly to easing inter-ethnic tensions by promoting local development, where the specific needs were most urgent and independent of ethnic concentration. Investments into Information and Communication Technology (ICT) and office equipment allow improved efficiency of services and provide a better image of national institutions. Induced changes were oriented towards harmonization with EU standards.

Some positive, although limited, impacts can also be expected from the support to the HRDF. Expertise of local trainers and consultants was increased and was used within the country for increasing competitiveness of companies. The companies that received consultancy from HRDF are expected to perform better even though the impact on the overall SME sector is judged limited.

The on-going reform in the fields of Market Surveillance, Consumer Protection and Product Safety contributes to transparency. The SME sector is officially a priority but with a limited budget allocated by the State, which is also the case regarding the systematic support to regional entrepreneurship centres.

Looking overall, negative impacts under interventions were not produced. Overall Impact is rated as ***Satisfactory (S)***.

## **Sustainability**

Sustainability is a weak aspect of the CARDS programmes in the former Yugoslav Republic of Macedonia. Involvement of beneficiaries in the programming phase was frequently not intensive resulting in a lack of ownership. The basic pre-condition that should support sustainability is a detailed analysis of needs and sources performed in the designing phase.

Sustainability of infrastructure and equipment maintenance and operation is linked to the availability of sufficient financial sources, which are often not made available by the Government. Frequently, the activities are not maintained after the end of interventions and the usefulness in some cases ends with the assistance. In some cases equipment projects are implemented only in some part of the country, with the approach usually not replicated to the overall territory, having an adverse effect on sustainability. Due to these logical difficulties, infrastructure and equipment supply interventions have better chances to be sustainable if implemented completely to establish a unified system in the country, and not just as random pilot interventions. Training components are expected to be sustainable if the local key actors are committed to further using them. However, sustainability of capacity building is dependent very often on the will of strategic decision makers to make necessary reforms in legislation to enable usage of new training tools or to make structural changes. Some institutional building for instance, the case of the HRDF, due to a limited MoE commitment to financially support the institution, has a rather gloom prospects of sustainability.

Therefore, sustainability is judged rather weak and the rating is ***Moderately Unsatisfactory (U)***.

## **Cross-cutting issues**

Cross-cutting issues are satisfactorily addressed in most of the cases, as in Economic Development for instance; the cross-cutting issues were only formally introduced into project planning documents. Equal opportunities for minority ethnic communities and women to participate in trainings and to benefit from results were provided. Representatives of minority groups were recruited under interventions and curricula and trainings addressed issues of discrimination, equality and rights.

While environmental issues were adequately addressed in the local development they were not relevant in the Economic and JHA interventions.

Donor coordination was not effective, especially in the Economic and Local and Municipal Development sectors: despite regular coordination meetings, participants usually lacked decision making powers to improve harmonisation. Donor coordination meetings in the JHA sector were regularly held and ensured transparency, in addition to contact points established within national structures to ensure a structured approach and understanding of different donor procedures.

The rating under cross-cutting issues is thus ***Satisfactory (S)***.

The overall performance of evaluated CARDS sectors of Economic Development, Justice and Home Affairs, and Local and Municipal Development in the former Yugoslav Republic of Macedonia is ***Moderately Satisfactory (MS)***.

### Overall performance rating<sup>3</sup>

	Economic De-velopment	Local and Muni-cipal Development	Justice	Home Affairs	Overall
<b>Relevance</b>	<b>S</b>	<b>S</b>	<b>S</b>	<b>S</b>	<b>S</b>
<i>EQ1</i>	<i>HS</i>	<i>HS</i>	<i>HS</i>	<i>HS</i>	<i>HS</i>
<i>EQ2</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>
<i>EQ3</i>	<i>S</i>	<i>S</i>	<i>S</i>	<i>S</i>	<i>S</i>
<b>Efficiency</b>	<b>MS</b>	<b>MS</b>	<b>MS</b>	<b>MS</b>	<b>MS</b>
<i>EQ4</i>	<i>S</i>	<i>MS</i>	<i>MS</i>	<i>S</i>	<i>MS</i>
<i>EQ5</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>
<i>EQ6</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>
<b>Effectiveness</b>	<b>S</b>	<b>MS</b>	<b>MS</b>	<b>S</b>	<b>MS</b>
<b>EQ7</b>					
<b>Impact EQ8</b>	<b>S</b>	<b>S</b>	<b>S</b>	<b>S</b>	<b>S</b>
<b>Sustainability</b>	<b>MU</b>	<b>MU</b>	<b>MU</b>	<b>MU</b>	<b>MU</b>
<b>EQ9</b>					
<b>Cross-cutting issues EQ10</b>	<b>MS</b>	<b>HS</b>	<b>S</b>	<b>MS</b>	<b>S</b>

Relevance and Impact of interventions were rated satisfactorily. The Efficiency and Effectiveness were moderately satisfactory and Sustainability prospects under evaluated programmes are rather weak. In spite of often being taken formally, cross-cutting issues were dealt with in an acceptable way.

### Main recommendations

From the above conclusions the following recommendations were derived.

#### Relevance

- 1) The EC Delegation would benefit from the PCM training to support unified approach and common understanding on specific project cycle issues.
- 2) EC Delegation should conduct thorough needs assessment during the design phase with close involvement of national stakeholders at all intervention levels in the preparation of PFs/ToRs in order to ensure local ownership and commitment.

#### Efficiency

- 3) Administrative procedures need to be upgraded in terms of efficiency, within both the national structures (the MoLSG, MoF) and the ECD to enable timely procurement procedures and prevent implementation delays. Work flow management within ECD should start with: 1) identifying the problems causing delays (on both sides: ECD and national structure, i.e. lack of resource capacities, knowledge on EC procedures, etc.); 2) setting up clear deadlines for each procurement phase; 3) the procurement officer reminding the operations officer a week before deadline expires; 4) set up the system of “red flags” for immediate follow up.
- 4) The ECD should introduce economic tools to be utilised by the interventions for the purpose of assessing unit costs and benefits as compared to costs and to create benchmarks to allow the assessment of cost efficiency.

<sup>3</sup> HS = highly satisfactory, S = satisfactory, MS = moderately satisfactory, MU = moderately unsatisfactory, U = unsatisfactory, HU = highly unsatisfactory.

- 5) The ECD should test modified funding modalities (grant schemes for SMEs and entrepreneurs or NGO) in the former Yugoslav Republic of Macedonia.

### *Effectiveness*

- 6) Interventions need to ensure relevant expertise with appropriate background of consultants i.e. experts with practical experience and good knowledge on the beneficiary country. It proved to be a success when national stakeholders were involved from the very beginning to evaluate expert background, which ensured delivery of high quality outputs.

### *Impact*

- 7) As the impact is very often attached to a successful sustainability and partner cooperation, the ECD could consider the use of conditionality or pre-condition instruments in the programming documents (i.e. national partners appropriately staffed, adequate premises provided, strategies or laws adopted, and so on).

### *Sustainability*

- 8) Phase-out strategies should routinely be integrated in programme planning and concepts for maintaining activities after interventions end need to be thoroughly discussed with the concerned stakeholders.
- 9) National commitment needs to be strengthened to ensure full scale sustainability (MoLSG). National authorities need to promptly address the lack of resource capacities (MoF) to be able to continue activities after programmes are closed down.

### *Cross-cutting issues*

- 10) The ECD should insist that cross-cutting issues are stronger integrated in planning documents to reflect contributions to men and women or minority groups and to assess gender-specific impacts.

With regard to the IPA programme:

- 11) Since IPA procedures are so far unfamiliar to most local stakeholders, the ECD should provide training in IPA general rules and procedures as well as guidelines on how to apply for future funds.



## 1 EVALUATION QUESTIONS – FINDINGS AND ANSWERS

The sections below provide analysis of the relevance, efficiency, effectiveness, impact and sustainability of CARDS assistance.

### 1.1 RELEVANCE

#### 1.1.1 EQ 1: To what extent do the programmes/projects address the needs and priorities identified in the Progress Reports, SA Agreements, Strategy Papers, Partnerships and country/sector strategies?

*Needs and priorities identified in ToRs, PFs, EC and country strategic documents were appropriately addressed in analysed sectors, with CARDS relevance confirmed by all interviewed national partners.*

The priorities of the **Economic Development** Sector were clearly focused towards the transition to a functioning market economy as expressed by the MIPs 2002-2006, PFs and ToRs on the Economic Development, the CSP 2002-2006, the RSP 2002-2006, European Partnership documents but also addressed the continuation of the socio-economic development provided in the Ohrid Framework Agreement (FA) 2001, National Law Approximation Programme and

national SME Strategy 2002-2013. The interventions focused on building the capacity of key governmental and non-governmental institutions relevant to SME development and enhanced SME competitiveness. The establishment of a transparent regulatory framework favouring the development of businesses was supported in addition to the increased flows of Foreign Direct Investment and the facilitation of trade flows to enhance the country's export capacity.

The **Local and Municipal Development** Sector was assisted in the implementation of the decentralisation process through the building of capacities of both central and local level authorities to effectively decentralise the implementation and management competencies to the local municipalities. The assistance focused on establishing the effective coordination within central government, parliamentary approval of required legislation, training of municipal administrations and clarification of situation with regard to municipal debt. It was therefore in line with needs and objectives formulated in the strategy papers already mentioned above.

The assistance to the **Justice and Home Affairs** Sector addressed the needs and priorities of the Rule of Law and promoted an independent, efficient and accountable judiciary, as identified in the EC strategic documents. In particular, interventions assisted the implementation of a comprehensive reform to strengthen the overall capacity of the judicial system to fight against crime and corruption through adequate legislation and proper implementation of a national programme against corruption. Furthermore, it supported the authorities to fulfil European standards and international best practices in concerning the enforcement of criminal sanctions, juvenile justice, and the management of penitentiary establishments.

The needs and priorities identified in ToRs, PFs also EC and country strategic documents have been appropriately addressed in all analysed intervention sectors. The relevance of the CARDS programmes was confirmed by all national interview partners. Hence, the scoring for the Evaluation Question 1 is **Highly Satisfactory**.

### 1.1.2 EQ 2: To what extent have the stakeholders in the beneficiary countries and in the line DGs been involved in the needs assessments and contributed to the design of the programmes/projects?

*Involvement of beneficiary stakeholders in needs assessment and project design has not always been systematic in all evaluated sectors.*

In the **Economic Development** Sector, the beneficiary country contributed to some degree to the intervention design. However, there is no evidence that the country's stakeholders were involved in the needs assessment conducted at the assistance level. The main role in programme design was taken over by the EAR that managed and controlled the design phase. It was noted in some rare

instances that the EAR, due to the lack of understanding that project design was flexible, did not allow many changes to the original project design. The PCM training would have addressed gaps like this one, and elaborated specific project cycles, to provide for a unified approach and understanding on potential issues (that inception phase allows revision of design if situation in the field is different than compared to the PF or ToR). The low resource capacity of the main national stakeholder, the Ministry of Economy (MoE), and its high staff turnover, influenced to some degree the low stakeholder contribution to the design phase but also to the needs assessment that could have potentially been undertaken. The situation was contrary as far as the State Market Inspectorates were concerned, which were contributing during the design phase.

Active coordination mechanisms (ad hoc meetings, workshops, feedback loops etc.) were used in the **Local and Municipal Development** Sector, where interventions were jointly designed by the EAR, the Secretariat for European Affairs (SEA) and concerned local institutional stakeholders like the Ministry of Local Self-Government (MoLSG), the Ministry of Finance (MoF), the Association of Municipalities (ZELS) and others. The EAR would usually commission an assessment of the need for technical assistance in order to develop the PFs and ToRs, and consult the stakeholders and target groups (i.e. the MoLSG, ZELS, the Civil Servants Agency, other donors like USAID, UNDP, GTZ, the ongoing EAR project teams and the target municipalities). The proposed interventions were thus jointly developed based on the gathered documentation as well as detailed interviews taking into account the beneficiary comments.

Regarding the **Justice** Sector, the involvement of the beneficiary country stakeholders was satisfactory in most of the cases; the assistance was designed jointly by national and the EU stakeholders, the EAR and SEA. In addition, the main project partners - such as, the Centre for Continuous Education (CCE), which was later-on transformed into the Training Academy for judges and prosecutors - were involved in the preparation of PFs and ToRs. The involvement of local project partners was satisfactory throughout the design phase and also during implementation and in decision taking. For example, directors of the CCE, penitentiary and justice institutions chaired certain working groups and approved reports of the contractors. Due to the political sensitivity of the reform of the Judiciary, some initial problems between the institutional stakeholders, line ministries (MoJ), and the CARDS interventions were caused by the lack of language skills of national stakeholders or unspecified cooperation procedures in the national legislation. However, such problems were overcome during the later CARDS programming years, with the involvement of EAR, EC Delegation and the adoption of new national legislation, as the major laws were passed: Law on the Academy, Amendments to the Court Budget Law, Law on the Courts, Law for the Judicial Council, Law on Public Prosecutors and Law on the Public Prosecution Council.



The coordination mechanisms in the area of **Home Affairs** were satisfactory as interventions were jointly designed by the national and EU stakeholders (SEA and EAR). In addition, the Police Reform Working Group and Strategic Steering Group formed in 2002, comprised of national stakeholders and project partners (Police and Ministry of Interior (MoI) professionals), were the primary drivers of the Police Reform process, involved in the needs assessments and designing of interventions.

Information regarding contributions of line DGs was not available during the course of the field mission.

The involvement of beneficiary stakeholders in the needs assessment and project design has not always been systematic in all evaluated sectors. With this in mind, the Evaluation Question 2 is rated as **Moderately Satisfactory**.

### 1.1.3 EQ 3: To what extent the programmes were designed in a manner relevant to the needs and problems identified in the partner countries?

*Design of programmes responded rather well to the identified needs in the beneficiary country.*

Planned results and objectives concerning the **Economic Development** Sector were generally consistently responding to the identified problems. Despite this consistency, the Government support to CARDS programmes varied according to the political priorities during initial programming years, depending on current political views and elections.

However, when SME development became a priority on the Government agenda in 2006, the Agency for Promotion of Entrepreneurship (APPRM) was supported, as well as the National Council for Competitiveness and Entrepreneurship (both CARDS interventions) with regular dialogue established between the public and private sectors. The Government was annually preparing the national Programme for SME support, with a limited budget allocated. A regular national reporting on the SME situation in the country was provided. The voucher counselling scheme was established, however, it involved a rather limited amount of funding. Despite the fact that grant schemes were specified as major country need and requested by direct beneficiaries (SMEs, local and regional development agencies), still this instrument was not used under interventions.

Interventions under **Local and Municipal Development** sector responded well to the identified needs. The involvement of final beneficiaries in project design was exemplary. When the beneficiary agreed in principle that the future EAR support would mainly address the Municipal Support Centres (MSCs), a detailed needs assessment was conducted on the available management systems and equipment in the largest municipalities (33 municipalities with city status). Earlier collected data were completed with telephone interviews with all remaining municipalities that could not be visited on site due to time constraints. Thus, the final beneficiaries' needs and problems were fully taken into account. In some instances, however, the PFs and ToRs were too ambitious as partner institutions (MoF) were facing, and still are facing, insufficient resource capacities. A tendency of over-ambitious planning was also noted for the project Technical Assistance Related to Development of Market Surveillance.

The planned interventions in the **Justice** Sector were also relevant and well coordinated with all major stakeholders. Numerous stakeholders were involved from the very beginning, through Working Groups, including penitentiary institutions, judges, prosecutors, university professors, experts etc. The working groups were used to develop the training curricula and draft laws. Comments by the beneficiaries were used for the next intervention phases (e.g. need for more specialisation or follow-up assistance to provide additional management training).

The CARDS interventions were closely coordinated with major stakeholders in the **Home Affairs** Sector; however, during the initial planning rigidity in project design was noted on behalf of EAR. Later on, the EC Justice and Home Affairs (JHA) Mission to the former Yugoslav Republic of Macedonia was established and assessed the requirements of the sector and provided support to the national authorities in developing reform strategies for the police and Judiciary. The national stakeholders and final beneficiaries were intensively involved in the reform discussion process and results were included in the development of National Police Reform Strategy (based largely on EC-JHA recommendations), formally adopted by the Government in 2004.

The Strategy was followed by the National Police Reform Action Plan (2005), which identified legislative, regulatory and organisational measures needed for the implementation of Reform Strategy. The Plan encompassed operational and organisational changes within the police service and defined its relationship with other relevant organisations, services and the public at large. The national stakeholders (MoI) confirmed that the country still needs to be supported concerning the implementation of measures and priorities identified in the National Police Reform Strategy and the Action Plan. In addition, the Police Reform Local Implementation Component (LIC) established in June 2006 for 12 months, provided a local representation of EU Police Reform structures at regional and local level, and provided a mechanism for feedback of operational and tactical observations into the strategic level of the Police reform process.

The design of programmes responded rather well to the identified needs in the beneficiary country. The Evaluation Question 3 is rated as **Satisfactory**.

Overall, the relevance of the evaluated CARDS programmes is rated as **Satisfactory**, bearing in mind that the DAC criterion encompasses the ratings of three Evaluation Questions as follows: Evaluation Question 1 was rated as **Highly Satisfactory**, Evaluation Question 2 as **Moderately Satisfactory** and Evaluation Question 3 as **Satisfactory**.

## 1.2 EFFICIENCY (EQ4, EQ5, EQ6)

### 1.2.1 EQ 4: To what extent have the outputs of the projects been produced, to which costs have they been produced and have they been produced within timeframe?

*Delivery of many planned outputs was delayed entailing additional time and cost extensions.*

In the **Economic Development** sector, outputs were mostly delivered on time and within planned cost. Timely delivered outputs related to the building of skills and capacities of SME managers, business consultants and trainers; supporting the networking among SMEs, consultants and relevant public, semi-public and private institutions; institutional development and strengthening (such as the Human Resources Development Fund - HRDF); bringing the national legislation close to EU standards; and developing guidelines and standards for the beneficiaries for proper law enforcement.

Delayed outputs due to government reappointments and national elections were eventually delivered, relating to the capacity strengthening of the Coordination Body for Market Surveillance and the support to the APPRM, which was granted better funding and more staff since the SME development was placed on the Government priority agenda. The Government was indeed committed to promote economic development and improve entrepreneurship culture.

The extensive TA approach utilised in the sector implies that implementing agencies (contractors, LTE, STE) absorbed a significant part of the funds, leaving smaller parts for direct investments to the beneficiaries.

Local stakeholders expressed, however, a sufficient degree of satisfaction with the efficiency of provided outputs.

Delivery of outputs was mostly delayed in the **Local and Municipal Development** sector, despite timely delivery of inputs and no delays noted in receiving EC or national funds. The reasons for delay were primarily:

- Long period between the planning and implementation stage in few cases (over 1 year) that slightly influenced the implementation of interventions in the field, such as Support to the Decentralization Process (SUDEP) – Local Self-Government Development (CARDS 2006)
- Inadequate background of short term experts (STE) not being able to provide satisfactory training (topics such as budget processes and strategic planning remained unaddressed) caused delayed delivery of outputs as national stakeholders were not willing to participate in low quality trainings (MoF and local municipalities)
- Delayed procurement procedures caused by repeated tenders and lengthy equipment delivery caused by prolonged EAR administrative procedures;
- Limited incidental budgets, which did not realistically reflect the ToRs, PFs and Work Programme complexities to provide proper logistical support (i.e. for project Support to the Decentralization Process – Local Self-Government Development (SUDEP - CARDS 2006) incidentals amounted 140,000 EUR to cover the operations of 20 LTE in 36 municipalities).
- In some interventions, implementation was hampered by slow decision-taking of MoLSG and late signing of documents (notably tender documents), which delayed project progress.
- The Parliament elections slowed down activities since a great part of the employees of the Ministry and Partner Municipalities were involved in the elections. In addition, the absence of the Minister of MoLSG for more than 6 months caused additional delays as there was no one to sign the contracts.

For these reasons, a number of interventions needed to be extended (involving both time and cost extensions), and currently, the planned outputs are partly delivered. In some cases, the procurement delays led to cost-extensions in order to fully implement the procurements and training attached to the delivery of outputs (tailor-made software).

The selection of some long-term experts (LTE) - both local and international - was exemplary, as the LTE possessed relevant experience in the region, national stakeholders were involved in the process of selection of experts (ZELS and municipalities) and the positions of junior LTE were created, crucial in making synergies with local governments.

On the other hand, the national stakeholders (such as MoF) noted that efficiency could have been more satisfactory if the short-term experts (STE) were coming from the region or recent EU countries, in which case STE would have possessed better understanding of the current situation and problems in the beneficiary country.

The availability of inputs and resources for the **Justice and Home Affairs** Sector faced slight delays in receiving national funding in the beginning CARDS years (not the case for the EC funding). **Justice** interventions suffered from significant delays in the delivery of outputs caused by several reasons:

- Long period between the planning and implementation stage of over 1 year (in the case of the projects Professional Selection and Training of Judiciary – Phase I (CARDS 2001), TA to Support the Creation of Training Academy for Judiciary – Phase II (CARDS 2004) but also in the Home Affairs sector, TA to the preparation of the implementation of a nationwide police digital radio communication system - TETRA (CARDS 2004)
- Inconsistencies with regard to planned and actual cost (interventions faced budget reallocations and time extensions due to ambitiously set goals)
- Lengthy procedures of approving laws by the Government (Project, TA to Support the Creation of Training Academy for Judiciary Phases I and II, CARDS 2001 and 2004, respectively, needed more time for the draft laws, entailing public discussions as well as indicative adoption by the Government and Parliament), which influenced the timely establishment of institutions (such as Judicial Council, Council of Public Prosecutors, and Academy for training of Judges and Prosecutors).

Due to implementation delays mentioned above, most of the interventions were either subject to replacements of key experts or duration extensions. There was only one instance of a project (TA to the Penitentiary Reform (CARDS 2006) delivering all planned outputs even prior to the official conclusion of operations, with significant savings.

In the Home Affairs sector, outputs were mostly delivered. The national partner (MoI) is currently in process of checking the quality of outputs and signing the acceptance protocol (which is awaiting some corrections to be performed by the contractor, of which both the MoI management and EC Delegation in Skopje were advised). This shows high local ownership over project outputs. In some instances, the lack of proper understanding that the inception phase during implementation was the opportunity to amend the project design was noted on behalf of EAR, so the interventions were not always flexible in the initial programming years (the case of project TA to the preparation of the implementation of a nationwide police digital radio communication system – TETRA, CARDS 2004). This was however overcome in the later programming years.

Bearing in mind that the delivery of many the planned outputs was delayed entailing additional time and cost extensions, the Evaluation Question 4 is rated as **Moderately Satisfactory**.

### 1.2.2 EQ 5: Could similar results have been achieved at a lower cost or more results to the same costs (value-for-money)?

*There is no evidence that cost efficiency was systematically targeted, only few random instances where outputs were achieved at a lower cost.*

There was no information across sectors that indicated corrective actions to limit costs or to use more cost efficient technologies. Economic tools to compare costs or judge cost efficiency (e.g. unit cost, benchmarking, cost-benefit analysis) were not evident. However, all sectors deployed internal monitoring mechanisms for project costs (i.e. functioning financial departments, Project Steering Committees) and provided detailed reports according to EC guidelines, both narrative and financial, enabling proper management and monitoring.

Internal monitoring through the EAR Monitoring Unit provided detailed information on results achievement.

Regarding the positive examples from the **Justice** sector (see EQ4), where some interventions (such as TA to the Penitentiary Reform, CARDS 2006) delivered outputs prior to planned deadlines and in excess of planned quantities, it was not possible to judge whether

this was linked to more cost-efficient use of funds or high provisional budgeting of activities during the planning process.

On the contrary, in the **Economic Development** Sector, substantial funds were utilised building institutions with insufficient sustainability such as the HRD Fund. Currently, this fund has no legal status and is part of the organisational structure of the APPRM. The support provided to such institutions without firm commitment from the national stakeholders for sustained funding puts a risk on the EC investment. In this case, better results may have been achieved by direct support measures to SMEs, such as vouchers or grant schemes.

Since there is no evidence that cost efficiency was systematically targeted across sectors, and that there are few random instances where outputs were achieved at a lower cost, the Evaluation Question 5 is therefore rated as **Moderately Satisfactory**.

### 1.2.3 EQ 6: To what extent have the beneficiaries been ready to absorb the CARDS funding and the pre-conditions for implementing the projects been in place?

*Beneficiaries were generally capable to absorb CARDS funding, however, pre-conditions for implementation were often not in place.*

Under interventions in the **Economic Development** sector, the beneficiaries could have used more funding, if it had been provided in the form of grant schemes or vouchers for SMEs. Instead of extensive TA approach, a portion of funds could have been allocated to grant schemes for SMEs and entrepreneurs to provide direct financial injections into the sector. Co-funding conditions limited absorption in some cases. In addition, pre-conditions for implementing the interventions were not always in place e.g. local ministries were not adequately staffed prior to project start.

Units dealing with EU funds were not existing, necessary strategies or laws were sometimes not in place nor appropriate premises provided at projects' start.

The beneficiaries in the **Local and Municipal development** Sector generally faced no difficulties to providing co-funding. Conditionality as an instrument to ensure an efficient project start was not used under CARDS. The extensive capacity building activities, which were offered in the sector (e.g. trainings, on-the-job coaching) to the beneficiary municipalities, MoLSG and ZELS had high attendance and were positively assessed with regard to their quality. However, some negative feed-back was given to quality of some trainers and organisation of some training.

In the **Justice and Home Affairs** sectors, most beneficiaries could access CARDS funding. There were some difficulties in providing necessary national co-funding in case of early interventions, such as Professional Selection and Training of Judiciary – Phase I (CARDS 2001), which were later-on overcome when the national stakeholders (the MoJ, Courts and Prosecutors offices and penitentiary institutions) realised important benefits issuing from projects (for details see Effectiveness, EQ 7).

The beneficiaries were generally capable to absorb CARDS funding, while pre-conditions for implementation were often not in place. Therefore, the Evaluation Question 6 is rated as **Moderately Satisfactory**.

Overall, the Efficiency is rated as **Moderately Satisfactory**, bearing in mind that the Efficiency section encompasses the ratings of three Evaluation Questions, No. 4, 5 and 6, all rated as **Moderately Satisfactory**.

### 1.3 EFFECTIVENESS (EQ 7): To what extent have the operational objectives of the programmes/projects been achieved or are in the process of being achieved with respect to planning provisions?

*Delivery of planned objectives is expected to be achieved. However, some of the objectives will be only achieved partially while many others will be delayed.*

The operational objectives were achieved in the **Economic Development** Sector, including the promotion of a new learning concept in the country and attracting the attention of a number of SMEs to participate in such a concept. Moreover, the administration capacity of the HRDF has been developed and strengthened as well as the reform in the fields of Market Surveillance, Consumer Protection and Product Safety in the country was further promoted.

The national legislation was thereby brought closer to EU standards (in the field of consumer protection, product safety and market surveillance, in compliance with the EU *Acquis Communautaire* and requirements of the World Trade Organisation); the State Market Inspectorate has been restructured, with the new operational procedures accepted, in process of being implemented by the national stakeholders. Comprehensive user-friendly texts, guidelines and standards for proper enforcement of the related laws have been delivered to the beneficiaries. An extensive institutional and capacity building was provided to the main national partner (MoE) aimed at developing the SME sector. Furthermore, an extensive capacity building provided to all national stakeholders in the sector (SME managers, business consultants, trainers, etc.) is aimed at further developing the SME sector, the same as supporting the networking among SMEs, consultants and relevant public, semi-public, and private institutions.

The achievement of **Local and Municipal Development** operational objectives was delayed but is mostly expected, relating to the improved information, communication and service delivery in 36 target municipalities through the establishment of MSCs. Regarding the strengthened institutional capacity of the MoLSG and ZELS to promote local development to be the “bottom-up” feeder for defining the National Development Plan to become an important issue during EU pre-accession, the achievement is expected to be partial, as it is affected by a weak national partner commitment of MoLSG to comment on CARDS intervention proposals on the future role of MoLSG, and to establish the inter-ministerial working group for the Central Database of Urban Planning. A certain overlap of responsibility was noted between MoLSG and Ministry of Transport and Communication (MoTC), which is in process of establishing a similar database. The Central Database of Urban Planning, which is piloted in 8 municipalities, serves as a central level tool to have available municipal urban plans, but is currently not operating due to the resignation of an IT officer.

Partial achievement is also expected in the provision of legal and technical expertise to the local government levels, as it is currently not clear whether the MoLSG wishes to establish such services.

Objectives relating to the public finance management support to municipalities are not expected to be fully achieved. Training under tax administration and debt management are reported to be delayed, on one hand due to the lack of MoF support and on the other due to an inadequate local trainers provided by the project Public Finance Management Support to Municipalities (CARDS 2005). The lack of support is caused by inadequate human resources within MoF’s Budget and Finance Unit due to which the provision of services to both CARDS interventions and municipalities is adversely affected, but also due to infrequent contacts by the abovementioned CARDS intervention. Municipality officials added that local trainers lacked experience and practical examples on budget and tax issues, but also that the public

finance management training was never organised. Some objectives were achieved, relating to the pilot audits on property tax collection in municipalities.

The majority of operational objectives, although delayed, were achieved in the **Justice** Sector, thanks to a high level involvement of national stakeholders (training academy, courts, prosecutors' offices, penitentiary institutions, etc.), providing financial contributions to certain extent, actively participating in the working groups, providing advice and information to contractors and attending training sessions. Thus, strong commitment and sense of ownership over CARDS interventions is quite visible.

More specifically, the achieved objectives include the laid groundwork for the smooth operations of the future Training Academy for judges and prosecutors through the drafting of a legislative framework, with the primary and secondary legislation for the proper functioning of the Academy passed. The curricula were developed for initial and continuous training of judges and prosecutors; train the trainers programme and continuous education of legal associates and court staff. The entry and final examinations for the candidates for future judges and prosecutors was also designed. Extensive training of judges and prosecutors<sup>4</sup> was provided based on the developed training modules. The infrastructure investments and equipping of courts, prosecutors offices and judicial training premises was performed, with strong commitment by the MoJ contributing €100,000 to refurbish and equip the training premises, with the allocation of operating budget for the Training Academy amounting to €600,000, for the year 2006. The Institute premises (located in several buildings of the residential area in suburbs of Skopje, without a premise for breaks in-between classes), may adversely influence the image of the future Training Academy.

Capacity building of the Training Academy was supported, with the Budget Management Strategy and the parallel implementation of a Fundraising Strategy based on strategic and cultural alignment and stakeholders' expectations being adopted. However, the budgeting practice within the Training Academy still needs significant strengthening. The foundation of IT system was established, including the functional establishing of the Legal Research and Documentation Department.

Although the operational objectives under the Prison Administration were mostly achieved, as the infrastructure of prisons was significantly improved as well as the knowledge and skills of local experts on the European standards through trainings (including both the actual learning process but also exchanging experiences on the practical professional issues with international experts), still, in the absence of a defined framework for follow-up or continued assistance, the acquired expertise may not be used in the future, both for the initial and in-service trainings as well as for further development work on professional education of the prison staff. There is therefore a risk to loose sustainability of the project objectives.

The operational objectives were mostly achieved in the **Home Affairs** sector, including the improved accountability and operational effectiveness of police forces through high technology equipment delivery, legal framework establishment, networking with similar agencies in the EU to provide knowledge and experience exchange and capacity building to further support the effectiveness in the sector. More specifically, the Mol is currently in the final stages of accepting the establishment of the nationwide police digital radio communication system – TETRA, to support effective communication within the country. Still, a number of fundamental tools such as a digital map of the complete territory and a radio planning tool are still needed

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<sup>4</sup> training of trainers fully completed while 83% newly appointed and sitting judges were trained, due to issues mentioned under EQ2 findings

to maximize the functionality of TETRA as well as single TETRA standard to be replicated throughout the territory to provide for consistency. For a relatively small investment, services such as fire and ambulance could be provided with TETRA radios for use with the existing network. An increased cooperation between the local home affairs agencies and INTERPOL, EUROPOL, and SECI Centre was established. In accordance with the approved law on police in 2006, over 100 by-laws were adopted necessary for the execution of regular policing and special operations, which will be essential in improving the effectiveness of inter-service cooperation and communication between the Central and Territorial Police Services.

The analysis of external and internal police cooperation performed by projects served for streamlining of institutions tasked with law implementation and crime combating. It included the analysis of existing cooperation with the Public Prosecutor's Office, prosecution services, courts and other institutions as well as an in-depth analysis of the cooperation with the organised crime and forensics department and the crime issues sections.

As a result, the MoI has created a Sector for Organisation, Strategic Planning and Police Development in 2007, with the primary role to co-ordinate and advance the implementation of the Police Reform. The operational capacities of Central Police Services, especially the Department for Specialised Units, were strengthened as well as the Police Academy. Decentralised training structures in the Territorial Police Services were developed to assist capacity building in the field offices. Twinning interventions were graded as extremely satisfactory by the national counterparts (twinning partner, the Federal State of Brandenburg, Germany), as local teachers from the police academy and twinning experts produced jointly a new curriculum for basic police officers, which is currently being used in classes. In 2008, the police academy was transformed into a training centre and faculty for security, which is now part of the MoI.

The delivery of planned objectives is expected to be achieved. However, some of the objectives will be only achieved partially while many others will be delayed. Therefore, the Evaluation Question 7 is rated as **Moderately Satisfactory**.

#### **1.4 IMPACT (EQ 8): To what extent have the projects/programmes' interventions produced political, social, economic or environmental impacts?**

*Interventions in the evaluated sectors produced significant political, social, environmental and economic impacts.*

It is expected that interventions will have an overall positive impact on the political, strategic and institutional levels of the **Economic Development** sector. Positive changes can be noted in the attitude of the MoE regarding the importance of SME support and the institutional framework created. Government's commitment and financial support to the sector has increased.

Government is more ready to promote economic development and improve entrepreneurship culture through a number of initiatives e.g. the road show presenting the SME Strategy in several cities in the country. It is also allocating a limited but steady budget for voucher schemes. This commitment is expected to be sustained and further extended through investing in adequate human resources to enlarge project benefits.

Skills and capacities of SMEs, business consultants and trainers to face a market oriented economy were improved. Through the networking among relevant public, semi-public and private institutions communication has become more transparent, problem resolution capacity has increased, which consolidates the resource capacities and creates a synergetic effect to sustain economic development and employment creation. In such a way networking posi-



tively contributes to the establishment of a more harmonised overall environment and facilitates the establishment of a single economic space.

A positive impact is noted in a strengthened institutional environment such as the Coordination Body for Market Surveillance, the APPRM, the HRDF, etc., which create cornerstones for the a functioning market economy, coupled with bringing the national legislation, guidelines and standards closer to EU standards. Best EU market surveillance operational practices are now introduced and transposed to the national market surveillance authorities. Improvements in integration of the informal economy through better market surveillance mechanisms/practices will have an additional positive impact and improve communication between public and private sectors.

Thus, the promotion of reforms in the fields of market surveillance, consumer protection and product safety, the creation of an efficient system is supported to protect the interests of citizens, workers and consumers by ensuring that only safe products are put on the market. It also protects the interests of economic operators through the creation of an open and competitive market.

The interventions have improved the competitiveness of local enterprises and consultants, which are indeed expected to perform better.

However, impacts could have been extended by using direct grant schemes, to support start-ups or already running SMEs to further develop their businesses.

Social, economic and environmental impacts from interventions in the **Local and Municipal Development** sector stem from the significant investments into different types of local infrastructure (building roads, bridges, water supplies, sewage systems, and so on), which help to improve the local environment, to give access to basic services like water and sanitation or increase mobility and transport. Some of these interventions had also an important indirect effect. By promoting the local development of most needy areas regardless of the ethnic composition, they contribute to easing inter-ethnic tensions.

Equipping and establishing MSCs and the provision of tailor-made software improved client services. Citizens of municipalities that benefited from CARDS interventions already receive faster and better municipal services, bearing in mind that MSCs in each pilot municipality were built and additional staff hired and trained to work solely with citizens and provide assistance. The decentralisation process has resulted in more democratic and tolerant municipal public services and improved information, communication and service delivery.

The positions of junior experts in the field created an essential workforce that made the interventions more open for non-government professionals. These young experts were given an opportunity to significant capacity building on the job empowering them to face future responsibilities under the EU accession process.

Important impacts on the political, strategic and institutional levels will certainly issue from the significant capacity building of State and municipal employees and the improved legal framework.

In order for the impacts to be long lasting, Government's commitment is not yet strong enough, partly caused by lack of resources, overlap of responsibility between institutions and the lack of a more proactive approach.

In the **Justice** sector, strong commitment and sense of ownership over CARDS interventions is apparent. Government's commitment and financial support to both the Judiciary sector and interventions has increased. The readiness of national stakeholders (Training institutes, courts, prosecutors' offices, penitentiary institutions, etc.) to embrace changes is higher. Im-

mediate impacts are caused improved infrastructure, working and IT equipment of the courts, prosecutors' offices, prisons, training institutes, which increase efficiency and contribute to a better image of the Judiciary. The institution building of the Judiciary (e.g. Training Academy, Judicial Council, Council of Public Prosecutors, Penitentiary Administrations, etc.), the capacity building and the establishment of a legislative framework, including primary and secondary legislation strengthen the overall reform, support the independence of Judiciary and improve the Rule of Law.

Interventions in the **Home Affairs** sector are expected to foster the political, social and economic sectors. Investments into equipment improved the quality and effectiveness of the police services and their internal communication. High local commitment and a strong local project ownership are apparent, which helps to ensure that high quality outputs are delivered and accepted. New laws on police and the control of state border regulates organisational structure, rights and obligations of the police territorial organisation including the transition from a centralised to devolved decision-making structure; legal and social status of the personnel; policing ethics but also border management related responsibilities and actions of the Police Border Service.

Fifteen other laws and 109 pieces of secondary legislation were brought to further regulate the implementation of prescribed reforms and were an essential prerequisite for the successful implementation and consolidation of the Police Reform. Although it is still preliminary to assess the specific impact of the new laws, some results like improved inter agency cooperation, police services, easier and increased movement of goods and people across borders are noticeable.

The institution building and organisational reforms in the sector have helped to decentralise management responsibility and to improve task-oriented function making the services more open to population, thus increasing citizen security. Transparency and public accountability were strengthened through the separation of executive from political functions. The building of a coherent police education system is already having positive impacts as the young graduates are equipped with EU knowledge (from police academies CEPOL, the European Police College, etc), which is applied in everyday police work.

Overall, the interventions in the evaluated sectors produced significant political, social, environmental and economic impacts; therefore, the Evaluation Question 8 is rated as **Satisfactory**.

### 1.5 SUSTAINABILITY (EQ 9): Are the results and impacts of the programmes/projects likely to continue after EU funding ends?

*Sustainability was not systematically addressed through the preparation of clear exit strategies*

Sustainability is questionable in many interventions in the **Economic Development** sector. Most trained staff is leaving the institutions since operational funding was not secured for the newly established institutions after end of intervention. Despite significant CARDS allocations (for instance, 4.0 M€ provided to the HRDF aimed to eventually become a management academy, which will probably not happen), the institutions suffer from the lack of firm commitment on behalf of the MoE to provide further organisational and financial support.

Phasing out strategies were not prepared to ensure the sustainability. The sustainability of the reforms pretty much depends on the political influence and support of the MoE, especially in the areas under the responsibility of the State Market Inspectorate. On a more positive side, the State Market Inspectorate is getting more responsibility over consumer protection decisions, product safety decisions and everyday law enforcement. However, it remains subordinated to the MoE, which remains responsible for the management over market area resources, the transposition of EU directives into national legislation and for the EU cooperation. The sustainability of the capacity and institution building at central level (the MoE, APPRM) appears to be more probable thanks to the stronger support to entrepreneurship by the current Government.

Sustainability prospects in the **Local and Municipal Development** sector are rather gloom, bearing in mind the inadequate resource capacities, overlapping responsibilities and lack of a proactive approach by the local institutional partners. Apart from still missing capacities in public finances, there is an absence of a defined framework for follow-up or continued assistance by national authorities and donors, as despite local infrastructural investments and capacity building measures, there is still a great disparity in the development of municipalities in the former Yugoslav Republic of Macedonia.<sup>5</sup> Sustainability can be achieved only through the involvement of beneficiaries (target groups) in the programming phase, making use of the inception period for necessary amendments and adjustments to provide for a proper communication, expectations clarification and coordination between the contractors and national stakeholders.

As in the Economic Development Sector, the interventions lack exit strategies. They tried to promote some sustainability measures though, as the support was provided in creation of the National Strategy and an Action Plan for developing the MSCs for the MoLSG and ZELS' use. In order for the draft Strategy to become operational, the official endorsement and commitment by the national partners is needed (the MoLSG and ZELS). A Manual for services, procedures and documentation in the MSC and Info Centres is currently elaborated, to be printed and disseminated to all municipalities and relevant key stakeholders in the country.

Missing exit strategies is also a feature of the **Justice** projects. However, interventions tried to achieve some sustainability:

- Regarding the financial sustainability of the Training Institute (future Training Academy), 2% of annual Court budget was allocated (€ 110,000) for continuous education of judges, which was sufficient for the Academy's training costs in the initial years.
- Regarding operating costs, in the first two years of its existence (2006 and 2007), the Institute received the same amount from the state budget (€600.000). In 2008, a re-balance of the budget took place, which increased and adjusted the budget of the Institute to its ongoing budgetary needs.
- In addition, a donor strategy was designed during the implementation of CARDS interventions to assist the future Academy in obtaining extra funds to increase its training activities. It is probable that the Academy will receive further funding as the independence of the judiciary and the promotion of the rule of law are high on the donor agenda.

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<sup>5</sup> 36 municipalities were addressed through interventions; the total number of municipalities is 84, plus the City of Skopje

- The law on Academy will make the ongoing training of judges compulsory, which promotes the Academy's sustainability.

The ultimate aim of the Academy is to provide in-service training on an annual basis for 660 Judges and 200 prosecutors, to give pre-service training to 20 – 30 judges and training for approximately 1,300 clerks and administrators. The European Commission in its Progress Report 2008 noted that *“the Academy is fully functional, but 63% of the Academy's budget is funded by international donors, meaning that a more balanced and sustainable financial framework needs to be established.”* While the government's continued support indeed provides for some security, refurbishments of courts and prosecutors' offices, as well as investments in the IT equipment to make the overall judicial system computerised are still deficient.

Regarding Prison Administration, it continues to face challenges in respect of material conditions, capacity/overcrowding and well-being of its staff and prisoners, as the prison reform and development tends to receive lower priority. Although national authorities remain verbally committed to the reform, the concrete actions remain missing to carry out an extensive prison reform.

Besides the establishment of a training centre, adequately trained and managed staff is missing to address the issues of the organisation and coordinate training for the prison staff. On the positive side, the extensive material prepared under interventions is an excellent foundation that national authorities can use in future to establish the overall national strategy on prison reform, which is one of direct results of the CARDS projects. Moreover, capacity building measures were significant and lastingly improved the skills of trainers regarding the modern and innovative rehabilitation methods of juvenile offenders as well as prison health care in detention and treatment of prisoners. Materials prepared under interventions offer a clear strategic view on how to improve prison regime, treatment focused on individual needs of young offenders and how to secure support for the young offenders after the release, as well as work needed on the engagement of resources and infrastructure and improvement of motivation and professionalisation of the prison staff working with these young people.

Both the national strategy implementation and the use of knowledge of the training teams (which is the basis for the future work of the Prison Administration) depends on national commitment by Prison Administration, MoJ, Ministry of Health, Ministry of Education, Ministry of Labour and Social Affairs, local authorities, NGOs, and as a prerequisite, political will, which unfortunately still has not sufficiently materialised. A defined framework for follow-up or continued assistance is missing so that the acquired expertise is used in the future. With this framework missing, there is a risk to loose sustainability of the project objectives.

Regarding the **Home Affairs** projects, the interventions indeed provided significant material equipment; however, the equipment is, in most of the cases, provided partially, and not to the entire territory of the country. In the case of the TETRA system, for instance, interventions targeted a rural deployment of TETRA to cover about 50% of the territory. In spite of the high needs of covering the rest of the country, the required funding remains missing.

The MoI remains committed to positive improvements in the sector, however considering the ongoing police reform process in the former Yugoslav Republic of Macedonia, there is a number of fundamental unaddressed issues i.e. the need for more devolution of decision-making, decentralised budget, a transparent and exclusively merit-based career system; achievement and maintenance of improved levels of efficiency and effectiveness in policing and public safety operations and increased level of transparency of decision-making and operations.

These improvements are needed to further support the development of a police service that serves the community. Based on the previous, the sustainability of the police reform process seems to be volatile and needs further support.

On the positive side, institutional and capacity building provided to the sector resulted in the number of law and bylaws passed, reorganisation of the police service (among others, the Sector for Organisation, Strategic Planning and Police Development directly coordinates and advances the implementation of the Police Reform) and the establishment of the Training centre, which is now a part of the MoI under the Director of Police, utilising the new curricula developed during the twinning assistance for basic police officers. Active use of the curriculum in the present education process and its further improvement and development according to the actual training needs is a clear evidence of sustainability (at the moment of evaluation there were 197 students on basic training for police officers educated according to the curriculum). The Training centre representatives expressed their commitment to use further outputs and results of the twinning assistance.

Sustainability was not systematically addressed by the interventions through the preparation of clear exit strategies. The Evaluation Question 9 is rated as **Moderately Unsatisfactory**.

## 1.6 CROSS-CUTTING ISSUES (EQ 10): To what degree do the programmes respect issues of gender, environment, minority inclusion and complementarity with the CARDS regional programme and those of other donors, notably EU member states?

### *Gender and minority issues*

*Cross-cutting issues were respected in most major programmes but often without differentiated analysis and monitoring (Gender). Coordination with other donors existed in some projects.*

Gender related data or activities were mostly not addressed by the interventions in the **Economic Development** sector. Neither the interventions' design, nor the implementation strategy specifically targeted gender equality issues. The interventions have not been based on a gender-differentiated beneficiaries' analysis, during the implementation phase the interventions. However, they tried to have mixed target groups during all capacity strengthening events. In the case of one intervention however, Technical Assistance to the Ministry of Economy to support the SME, a specific women experience exchange forum "Women in Business" was established, where women exceeded 40% of the participants in all groups. It is expected that the activities in the sector will reap the same amount of benefits for women as well as for the men.

Regarding the **Local and Municipal Development** sector, projects addressed well gender equality and minority inclusion. The MSCs in the partner municipalities provide equal opportunities for minority ethnic communities by using local languages on the information boards with the names/position/contacts outside and inside of the MSCs. The brochures, training manuals and documents issued as well were bilingual or printed in different local languages if used by 25% of the inhabitants. The MSCs provided a municipal employee to help in the interpretation during oral communication in the office. Gender balance in the MSCs is respected: lists of trained employees to the work in the MSCs include over 45% women. In addition, 36 partner municipalities received tools to appropriately tackle human rights, gender and ethnic challenges at the local level.

Gender issues are also part of the advisory services in the municipalities taking into account strategic planning of local development and project prioritization. 17 municipalities have done the citizens' opinion survey on the services at the local level in which the issues of gender, ethnicity as well as human rights, environment and democracy were included. When applicable, the training materials (workbooks and handouts) were translated into Albanian and made available to participants.

The training statistics contain quantified data on women and minority participants. Within the reporting period, 42% of participants were women and 21% were minority representatives. On the contrary, some interventions (Public Finance Management Support to Municipalities (CARDS 2005) did not have success in animating Albanian population.

The interventions in the **Justice and Home Affairs** sector have also addressed the issues of gender equality and minorities' inclusion. Recruitment of representatives of minority groups was respected and a gender balanced approach used during the implementation of activities. CARDS interventions hired representatives of minority groups, such as junior experts in the project working groups and training coordinator experts.

There was a good gender balance and minority representation amongst the judges and prosecutors selected for training. This was observed in the two training sessions visited where over 60% of the trainees were women and 15% came from ethnic minorities. Laws directly impacting on women such as trafficking and violence against women were included in the training courses. Issues of discrimination, equality and rights were also addressed in the training curriculum.

There was, however, no statistics provided in interventions' final reports in order to make possible a systematic analysis under CARDS interventions.

Interventions in Prison sector specifically, trained a number of national trainers on treatment of vulnerable groups of prisoners under the CARDS Regional Joint Programme funded by the EC and co-financed by the CoE.

### *Environmental issues*

The environmental issues were appropriately addressed in the **Local and Municipal Development** sector, as environmental impact assessments were prepared under local infrastructure interventions to specifically treat the impact of interventions on natural resources and the environment (e.g. sewerage systems). The MSCs contributed to environmental issues in the municipalities by delivering adequate services according to the law and by distribution of materials, leaflets, brochures and other information regarding activities related to the protection of nature prepared by the municipalities, ministries, NGOs and other institutions.

The **JHA** and **Economic Development** sectors, are not applying environmental dimension while respecting the cross-cutting issues.

### *Coordination with other donors*

Donor coordination was weak especially in the **Economic Development and Local and Municipal development** sectors with USAID: even though the coordination meetings were regularly held, the participating representatives usually did not have decision making. Overlaps in projects and training were noticed with USAID and UNDP.

The donor coordination in **Justice and Home Affairs** sector was satisfactory as there were contact points among national structures to ensure a structured approach and a good under-

standing of the various procedures of donors. Such coordination mechanisms could serve for replication in all interventions and across sectors to ensure adequate donor coordination mechanisms are established within national structures.

Cross-cutting issues were respected in most major programmes and therefore the Evaluation Question 10 is rated as **Satisfactory**.





## **2 CONCLUSIONS AND RECOMMENDATIONS**

Overall programme level conclusions and recommendations, as well as performance rating can be found in the “Executive Summary” chapter.

### **2.1 Sector-specific conclusions and recommendations**

#### **2.1.1 Economic Development Sector**

Interventions of the Economic Development Sector followed priorities defined in the national and EC strategies focusing on capacity and institution building of relevant government institutions and SMEs. They were relevant to solve problems and respond to identified needs.

This is true even though programme design did only partly involve local stakeholders but was mainly taken over by EAR. While high staff turn-over of the main stakeholder MoE resulted in limited contributions in programme planning, participation of the State Market Inspectorates was committed. Government’s participation increased after SME support became high priority on the political agenda.

Results were mostly delivered efficiently i.e. in time and within planned costs. However, the extensive use of TA used an important share of the available budget reducing the part available for local activities and investments. Tools for monitoring cost and efficiency were generally limited to the standard accounting procedures and steering mechanisms, while there was no indication that more specific tools like economic calculations of unit costs or cost-benefit were applied. Absorption of funds was sometimes limited by co-funding conditions. Grant and voucher schemes were not offered.

The objectives of the Sector were mostly achieved by promoting important political reforms and by establishing an institutional framework for a new teaching concept for SMEs. An important number of SME staff was trained and supported in net-working.

The signing of the SAA created a new climate for economic relations, trade and investment, which are crucial factors for the economic restructuring, modernisation and development of the former Yugoslav Republic of Macedonia. Regarding trade, the former Yugoslav Republic of Macedonia opened its markets over the years and undertook liberalisation efforts by entering the SAA with the EC. In order to promote private enterprise and foreign investment, the former Yugoslav Republic of Macedonia developed a National Plan for Approximation of Legislation to the EU Acquis. A number of medium-term strategies define the policy framework, such as the Public Investment Programme for 2008-2010 and the Public Debt strategy for 2008-2010.

Some efforts successfully improved transport safety standards and the rail, road and air transport systems.

As a result of the interventions, MoE is giving more importance to SME support and is more committed in its financial and institutional support to the sector. It has started in the meantime with some initiatives of its own. The institutional and regulatory framework has improved and regulations brought closer to EU standards thereby enhancing market surveillance and consumer safety. The trade-development strategy supports the country products to meet the EC’s quality standards. Support was provided to raise quality standards of agricultural products and improve veterinary and phytosanitary controls as well as the overall process of harmonisation with EU standards and legislation, which is still on-going. Particular attention was given to the food-safety sector and improvements are noticeable. The national legisla-

tion was brought closer to EU standards in the fields of consumer protection, product safety and market surveillance, in compliance with the EU *Acquis Communautaire* and requirements of the World Trade Organisation (WTO).

Capacities of SME staff participating in the trainings have improved and communication and networking intensified, which strengthened local companies' abilities to better cope with increased competition both in the internal and external markets.

While immediate impacts are important, the sustainability of interventions is not ensured in all cases. Capacity building effects will generally be maintained in the people trained, whereas trainers of the HRDF are leaving, thereby weakening the institutions' training capacity. Programmes generally had no exit strategies and national commitment to financially and institutionally support institutions was not evident. Political support of the private sector – even though subject to future policy changes – currently forms, however, a stable environment for the promoted policy reforms.

Programmes in the Economic Development Sector do mostly not display gender aspects in their design i.e. gender-sensitive analysis, gender disaggregated indicators. However, during implementation, participation of women in activities is sometimes followed by the monitoring and efforts are sometimes visible to actively include women and minorities in the different activities. Donor-coordination was weak in the Sector. Coordination mechanisms are limited to information exchange but without decision-taking, resulting in overlaps in the activities and competition for local Government staff.

Respect of the policy of non-discrimination and equitable representation for employment in public administration and public enterprises has improved.

**The following recommendations were drawn from the above mentioned conclusions for the Economic Development sector:**

- 12) Future EC programmes should put more emphasis on proper project design i.e. intensive inclusion of national stakeholders during the preparation process, gender sensitive analysis and monitoring, which needs to be already anchored in the indicators. Exit strategies should be an integral part of the programmes right from the beginning. TA components should be balanced with the investment budget. The TA budget should be decreased and more money should go to investments or grant schemes.
- 13) Economic monitoring needs to be more emphasised by introducing systematic cost-benefit considerations and establishing benchmarks and references for unit costs.
- 14) Before engaging in important institution building and strengthening, financial consequences for Government must be taken into consideration and a firm national commitment of Government for sustained support with objectively verifiable milestones needs to be established to improve sustainability.
- 15) Donor coordination by Government needs to be supported including common procedures for working with Government staff, intervention areas and approaches.
- 16) The Ministry of Economy should consider providing systematic and increased financial support (higher voucher amounts) to agencies for the support of SMEs and entrepreneurship, as well as direct financing to SMEs<sup>6</sup>. In addition, the MoE should pro-

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<sup>6</sup> Under direct or more direct financing to SMEs we understand a use of Grant Schemes through which the finances can get to SMEs, for example the De minimis schemes under the Structural funds, which

vide systematic support to the regional entrepreneurship centres and establish more frequent communication mechanisms.

- 17) The economic impact should be considered as a priority when future interventions are planned in the sector. Thus, IPA interventions should focus on direct financial support measures to SMEs and entrepreneurs in the form of grant schemes and vouchers schemes (practical examples: CARDS grant schemes approach utilised in Bosnia and Herzegovina, Serbia, etc.). The SME regional business and entrepreneurship centres also need to be financially supported. The involvement of IPA funds in the voucher counselling scheme could be considered.

### **2.1.2 Local and Municipality Development Sector**

In the beginning of the analysed CARDS period, the needs for local infrastructure development were pressing and municipalities had limited financial and human resources. Interventions were aimed at raising standards of infrastructure facilities. The EAR addressed specifically the municipal needs for small infrastructure development over the years 2002-2003. The funds were channelled towards economically more disadvantaged municipalities and those most affected by the 2001 armed conflict.

The Municipal and Local Development Sector supported the decentralisation process already underway, contributing to local development and equitable allocation of resources among disadvantaged communities. The interventions were highly relevant and responded to identified needs and national and EC strategies in addition to the local stakeholders being actively involved in programme design through adequate needs assessments.

Delivery of results in the Sector was mostly delayed, due to the long period between the planning and implementation stages, slow decision-taking of MoLSG resulting in delayed procurement procedures, prolonged administrative procedures within national ministries and EAR, inadequate national resource capacities as well as suboptimal communication mechanisms established with interventions and local municipalities. Incidental budget was sometimes limited and did not appropriately address the complexity of Work Programmes. Moreover, the Parliament elections and the long absence of the Minister of MoLSG slowed down implementation.

The objectives of the Sector were mostly achieved by promoting small infrastructure development and the establishment of the decentralisation policy. The institutional frameworks were to some degree strengthened as well as service delivery in target municipalities through the established Municipal Service Centres. The objective of public management support was partly achieved, as tax administration and debt management training were not satisfactorily addressed.

Some interventions were more successful (the instance of SUDEP project) due to the careful choice of experienced experts together with the national stakeholders. Another success factor was intensive communication and exchange with the beneficiary municipalities.

Important investments in local small infrastructure improved basic services with regard to transport, water and sanitation and working conditions in municipalities. Client services to the population, transparency and information sharing in the sector has improved. The institutional and regulatory framework is strengthened and regulations brought closer to EU stan-

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are fully eligible and used. The Grant Schemes can improve the competitiveness of pre-defined Macedonian sectors.

dards, even though further national commitment is necessary to provide for institutional impacts to be realised.

Capacities of municipal staff participating in the trainings has improved to some degree with intensified communication and networking between central and local levels. However, the linking between the central Government and local governments, planned to be addressed through the capacity building for local governments, is currently still weak and it is not clear whether the MoLSG will continue with further strengthening activities. Thus, impact from capacity building is currently limited to what was already carried out with uncertain multiplier effect through MoLSG.

CARDS interventions in the Sector had an important indirect effect in easing inter-ethnic tensions by promoting the development of the areas of the country where the specific needs were most urgent regardless of the ethnic composition of the population. The assistance promoted development and conditions for growth of the least developed areas.

Support to fiscal decentralisation and the creation of mechanisms enabled municipalities to achieve a higher degree of financial autonomy were provided and local structures of government were streamlined in that direction. However, capacities in strategic planning and finance management issues like budget reporting, public finance, and fiscal tax still remain insufficient.

The sustainability of interventions is not certain. Capacity building effects if not sustained will decrease, thereby weakening the institutions' resource capacities. Programmes generally had no exit strategies and national commitment to financially and institutionally support institutions was not evident. National commitment to support the endorsing of strategies (for developing Municipal Service Centres across country for instance) or establishing the service within MoLSG to provide legal and technical expertise to the local government levels is still waited for.

Bearing in mind that the support to local and municipal development sector under IPA will be concentrated on local infrastructure and fiscal decentralisation, the overall improvement of client services through MSCs established in the whole country is currently unlikely to be continued on government's behalf (bearing in mind slow commitment realisation and lack of funds).

Programmes in the Sector integrate well gender and minority aspects. Trainings respected gender balance (45% of listed trained municipal employees were women) and local languages were used for information campaigns and material, if the minority languages are spoken by 25% of the inhabitants. Environmental issues were greatly respected while donor-coordination mechanisms were limited to information exchange without decision-taking. Overlaps in the activities and competition for local Government staff occurred.

**The following recommendations were formulated for the Local and Municipal Development Sector:**

- 18) Financial management i.e. the planning and managing of funds, tax collection, municipal debt management, budget reporting remain to be furthered in advanced/refresher trainings and extended to all municipalities, with an adequate background of trainers ensured. The MoF needs to consolidate of reporting standards and linked legislation. The MoF should also consider strengthening staff numbers in its Budget and Finance Unit.

- 19) Property tax procedures still create difficulties and remain unclear to municipalities. The line ministry (MoLSG) should consider discussing the policies with municipalities and organise specific trainings if needed.
- 20) During programme staff selection, care should be taken that selected experts have enough professional background, practical EU experience and knowledge of the local context.
- 21) It is recommended to extend the SUDEP project for 6 months as supplies and contracts were delayed in the tendering phase, to successfully finalise the implementation. Follow up of SUDEP should be considered to ensure sustainability and support a unified approach in all municipalities in the country.
- 22) The MoLSG needs to address the missing link between the State and local government levels, through the provision of expertise to the local government levels, as well as to extend the MSC approach to the whole country.
- 23) Donor coordination by Government needs to be supported including common procedures for working with Government staff, harmonised intervention areas and approaches.
- 24) Decentralisation process needs continuous support, bearing in mind inadequate resource capacities of project partners (primarily MoF) and capacity building aimed at all municipalities, especially undeveloped ones (36 municipalities reported to be trained, the total number of municipalities is 84 plus the City of Skopje).

### **2.1.3 Justice and Home Affairs Sector**

Interventions in the JHA Sector followed priorities defined in the national and EC strategies focusing on establishing the Rule of Law, promoting independent, efficient and accountable Judiciary, as well as strengthening the overall capacities of the judicial system to fight against crime and corruption through adequate legislation and proper implementation of a national anti-corruption programme. The involvement of local partners was satisfactory throughout the design phase, in decisional processes and also during implementation. Several instances of rigidity in project design on behalf of EAR were noted during the initial planning years, which were overcome in the later programming years. Interventions in the JHA sector were relevant.

With regard to efficiency, outputs in the Judiciary were mostly delayed - but eventually achieved - due to the long period between the planning and implementation stages, inconsistencies between planned and actual costs in some instances, lengthy procurement procedures and delayed legislation approval. Tools for monitoring cost and efficiency are generally limited to the standard accounting procedures and steering mechanisms.

The objectives of the Sector were mostly achieved with delays but showing, however, strong commitment and sense of ownership over CARDS interventions in an improved legal and institutional framework. Significant infrastructure investment and equipping took place and curricula were developed for initial and continuous training in the Sector. The CARDS assistance helped to restructure the court system and to streamline court procedures. The specific measures included training of legal professions and increasing the effectiveness of court procedures including the computerisation of courts.

Training of public officials and improved communications systems was given priority assistance. Standards and methods for controls on persons and the development of rules concerning visas were also targeted. Assistance was provided for the development of a compre-

hensive asylum and migration strategy, including the strategy to reduce the supply, trafficking and demand of illicit drugs and psychotropic substances. Regarding fight against crime, the CARDS funded an extensive approach to the reform of policing as competent and corruption-free police.

Reforms to improve the efficiency of the courts have, however, been slow as the computer training as well as attempts to computerise case management system (CMS) in courts, implement the Legal Database Information and Judiciary Information Systems have not yet been successful. Specific objectives under interventions still have not entirely materialised due to the lack of automation, other poor infrastructure of courts and budget restraints, which still remain obstacles to efforts to reduce inefficiency.

The signing of the SAA had a positive impact on the improvement of the level of harmonisation of current legislation with EU legislation. The CARDS regional funding was in addition available to ensure regional networking among the national agencies of five former Yugoslav Federal Republic constituent entities and thus created synergy.

As a result of the interventions, institutions in Judiciary have high sense of ownership and strengthened independence and effectiveness through the institution and capacity building. The legislative framework was improved, including approval of primary and secondary legislation. The visa regime is fully consistent with the EU. Cooperation on the prevention and control of illegal immigration, developing procedures for the treatment of asylum seekers and the effective functioning of the reception capacities for foreigners (Transit Centres for Foreigners) has improved.

The reform of Judicial Council and Council of Public Prosecutors has been crucial to enhancing judicial independence and accountability, thus reducing political influence on the judiciary. Some reduction of the backlog on cases has been obtained.

In the Home Affairs sector, the established Intranet is used by all departments within MoI. The Police Academy, which was transformed into the Faculty of Security, was supported by the twinning. The prepared curricula for basic police training are currently used with the first generation of 200 police men successfully graduating in 2009. The Department for organised crime is successfully operating and the competitiveness measuring system, which did not exist before, is in use.

The sustainability of interventions is not entirely ensured. Capacity building effects will generally be maintained as well as institutional building as national stakeholders allocate annual budgets for newly established institutions. Regarding Prison Administration, it continues to face challenges in respect of material conditions, capacity/overcrowding and well-being of its staff and prisoners, as the prison reform and development tends to receive lower priority. Programmes generally had no exit strategies to ensure national commitments are further sustained. A defined framework for follow-up or continued assistance is missing to ensure sustainability.

The interventions have satisfactorily addressed the issues of gender equality and minorities' inclusion. Recruitment of representatives of minority groups was respected and a gender balanced approach used during the implementation of activities. Environmental issues were not relevant in the sector. Donor-coordination was satisfactory as there were contact points among national structures to ensure a structured approach and a good understanding of the various procedures of donors.

**The following recommendations were formulated for the Justice and Home Affairs Sector:**

- 25) The Information and Communication Technologies (ICT) will need further support in the Judiciary and the CMS installed in the whole of Judiciary. Especially basic computer and CMS training need to be provided for all. The reform of Judicial Council and Council of Public Prosecutors needs to continue and the automation and poor infrastructure of courts further improved.
- 26) Apart from the need to train judges and prosecutors in performing their functions, the skills of both new and experienced judges and prosecutors need to be strengthened with respect to new laws as well as the skills of legal associates and court staff, constitutional principles.
- 27) Training Institute (future Academy) for judges and prosecutors needs further strengthening in terms of: budget management; e-learning, on-line reviews, legal database and library; regional training centres; and training on the approximation to the EU Acquis. In order to reduce the professional work-loads for the teachers coming from courts and prosecutors' offices, full time training positions within the Academy need to be established.
- 28) To maximize the benefit of TETRA functionality, a number of fundamental tools such as a digital map of the complete territory and a radio planning tool are required. For consistency and maximum efficiency of communications throughout the country it is recommended to deliver the single TETRA standard throughout the complete territory. For a relatively small investment, services such as fire and ambulance could be provided with TETRA radios for use with the existing network.
- 29) Bearing in mind that the police reform process is still ongoing; a number of issues need continued assistance: increased devolution of decision-making within the police services, decentralisation of budget, establishment of more transparent and merit-based career system; more consistent application of standardised procedures; higher level of transparency in both decision-making and operations.
- 30) The prison reform needs to be placed on the priority agenda. A framework for follow-up or continued EC assistance needs to be defined in order to monitor the extent to which the knowledge transmitted was put into practice. The pool of national trainers should be used in future, both for the initial and in-service trainings as well as for further development work on professional education of the prison staff. The prison administration authorities need to commit to establishing a fully functional training centre and providing more investments in the prison sector.

## **2.2 Performance rating**

### **Relevance**

The Evaluation Questions 1-3 relate to the relevance criterion and are rated as following:

- Evaluation Question 1 – Highly Satisfactory

The country priorities identified in PFs, EC and country strategic documents have been well addressed in all analysed sectors, including the needs of transition to a functioning market economy, the implementation of decentralisation process in the local development and developing the Rule of Law and promotion of independent, efficient and accountable Judiciary. The programmes under evaluation are considered as highly relevant.

- Evaluation Question 2 – Moderately Satisfactory

The beneficiary stakeholders contributed to some degree to design phase of the interventions; however, the involvement of target groups and stakeholders in the needs assessments have not been conducted systematically in all sectors. The stakeholders' involvement in programme design has been rated as medium.

- Evaluation Question 3 – Satisfactory

The design of programmes was relevant to the needs and problems identified in the beneficiary country and are therefore rated as **Satisfactory**.

## Efficiency

Ratings of the Evaluation Questions 4-6 relating to efficiency are as follows:

- Evaluation Question 4 – Moderately Satisfactory

Outputs under evaluated sectors have been mostly produced, but with some delays and involving time and cost extensions related to government reappointments, national elections, lengthy procurement procedures, limited incidental budgets and prolonged legislation adoption by the Government. There were some examples of savings made, which enabled delivery of additional outputs. Efficiency was rated medium.

- Evaluation Question 5 – Moderately Satisfactory

Apart from standard accounting and steering mechanisms, there was no evidence across sectors that systematic economic evaluation and efficiency considerations were applied. The question was rated medium.

- Evaluation Question 6 – Moderately Satisfactory

It was noted across sectors that beneficiaries would have been more ready to absorb the CARDS funding if grant schemes were used in the Economic Development Sector for instance. There were also some instances that the beneficiaries faced initial difficulties in providing co-funding, which were later on overcome (Judiciary).

The evaluation question was rated as **Moderately Satisfactory**.

## Effectiveness

- Evaluation Question 7 – Moderately Satisfactory.

The delivery of planned objectives is expected to be achieved. However, some of the objectives will be only achieved partially while many others will be delayed. Therefore, Effectiveness is rated as **Moderately Satisfactory**.

## Impact

- Evaluation Question 8 - Satisfactory.

Overall, the interventions in the evaluated sectors produced significant political, social, environmental and economic impacts; therefore, the Evaluation Question 8 is rated as **Satisfactory**.

## Sustainability

- Evaluation Question 9 - Moderately Unsatisfactory.



Sustainability was not systematically addressed by the interventions through the preparation of clear exit strategies. The Evaluation Question 9 is rated as **Moderately Unsatisfactory**.

### Cross-cutting issues

- Evaluation Question 10 - **Satisfactory**.

Cross-cutting issues were respected in most major programmes and therefore the Evaluation Question 10 is rated as **Satisfactory**.

### Overall performance rating

Relevance and impact are rated as satisfactory. Bearing in mind some problems recognised, the overall efficiency and effectiveness were noted as medium, while sustainability of programmes was unsatisfactory. In spite of sometimes being taken formally in programming documents, the cross-cutting issues are dealt with in an acceptable way. The proposed overall performance rating of the evaluated CARDS programmes in the former Yugoslav Republic of Macedonia is therefore **Moderately Satisfactory**.

Figure 1: Overall performance rating<sup>7</sup>

	Economic Development	Local and Municipal Development	Justice	Home Affairs	Overall
<b>Relevance</b>	<b>S</b>	<b>S</b>	<b>S</b>	<b>S</b>	<b>S</b>
<i>EQ1</i>	<i>HS</i>	<i>HS</i>	<i>HS</i>	<i>HS</i>	<i>HS</i>
<i>EQ2</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>
<i>EQ3</i>	<i>S</i>	<i>S</i>	<i>S</i>	<i>S</i>	<i>S</i>
<b>Efficiency</b>	<b>MS</b>	<b>MS</b>	<b>MS</b>	<b>MS</b>	<b>MS</b>
<i>EQ4</i>	<i>S</i>	<i>MS</i>	<i>MS</i>	<i>S</i>	<i>MS</i>
<i>EQ5</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>
<i>EQ6</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>	<i>MS</i>
<b>Effectiveness</b>	<b>S</b>	<b>MS</b>	<b>MS</b>	<b>S</b>	<b>MS</b>
<b>Impact EQ8</b>	<b>S</b>	<b>S</b>	<b>S</b>	<b>S</b>	<b>S</b>
<b>Sustainability EQ9</b>	<b>MU</b>	<b>MU</b>	<b>MU</b>	<b>MU</b>	<b>MU</b>
<b>Cross-cutting issues EQ10</b>	<b>MS</b>	<b>HS</b>	<b>S</b>	<b>MS</b>	<b>S</b>

<sup>7</sup> HS = highly satisfactory, S = satisfactory, MS = moderately satisfactory, MU = moderately unsatisfactory, U = unsatisfactory, HU = highly unsatisfactory.



# **3 ANNEXES**



### 3.1 The evaluation team

The evaluation team consisted of the following experts:

Name	Position	Planned and possible foci in the evaluation
Martin Huba	Team leader	Attributed sectors: <ul style="list-style-type: none"> <li>• Economic development</li> <li>• Institution building</li> <li>• Municipality development</li> <li>• Justice and Home Affairs</li> </ul>
Elma Balic	Local evaluator	Attributed sectors: <ul style="list-style-type: none"> <li>• Justice and Home Affairs</li> <li>• Regional economic development</li> <li>• Local and municipal development</li> <li>• Institution building</li> </ul>
Dr. Dieter Nill	Project director	Overall quality assurance
Sylvia Tag	Project manager and support evaluator	Attributed tasks: <ul style="list-style-type: none"> <li>• Overall management and coordination of the evaluation</li> <li>• Backstopping</li> <li>• Contribution to the evaluation report: Financial analysis of the CARDS portfolio</li> </ul>
Claes Sandgren	Sector expert	Technical Back-up for the Justice and Home Affairs projects

### 3.2 The phases of the evaluation process

Stages	Main documents	Meetings/Activities	From... to
<b>INCEPTION PHASE</b>			
Starting Stage	Evaluation team's technical and financial proposal - presentation	Kick-off meeting	17.11.2008
Structuring Stage	Evaluation questions Reconstruct Intervention Logic Selection of sectors	Desk research and data collection Meeting with EAR Meeting with desk officers	17.11.2008 16.12.2008 17.12.2008
Reporting Stage	Draft Inception Report	Compiling of the Inc. Rep.	13.-23.12.08
<b>Revising Stage</b>	<b>Final Inception Report</b>		<b>16.01.2009</b>
<b>IMPLEMENTATION PHASE</b>			
Preparation Stage	Matrix for the former Yugoslav Rep. of Macedonia Detailed field mission schedule	Desk research, communication with relevant stakeholders	02.01.2009 18.01.2009
Desk research	Project portfolio analysis Analysis of available documentation	Complementary communication with stakeholders	19.01.09 until 30.03.09
Field Mission in the former Yugoslav Rep. of Macedonia	Evaluation matrix former Yugoslav Rep. of Macedonia <b>Summary of findings</b>  <b>Early warnings</b>	Kick-off meetings with stakeholders Interviews with relevant stakeholders <b>Debriefing in the former Yugoslav Rep. of Macedonia</b>	09.02.2009 until 20.02.2009 <b>20.02.2009</b>
Analysis of the information collected during the field-mission	First draft of answers of evaluation questions for the former Yugoslav Rep. of Macedonia	Compiling of the evaluation matrix and analysis of data	22.02.2009 02.03.2009
<b>REPORTING PHASE</b>			
Elaboration of the first draft evaluation report (ER)	<b>Submission of the first draft evaluation report for the former Yugoslav Rep. of Macedonia</b>	Compiling of the first draft evaluation report	<b>20.04.2009</b>
Reviewing of the draft ER by and the DG ELARG Eval Unit	Comments to the first draft evaluation report	DG ELARG Eval Unit comment the first draft evaluation report	11.05.2009
Revision of the first draft evaluation report	<b>Submission of the second draft evaluation report for the former Yugoslav Rep. of Macedonia</b>	DG ELARG Eval Unit accept the second draft evaluation report	<b>03.06.2009</b>
Dissemination of the draft ER to ECD, desk officers and national stakeholders	Comment sheet to the second draft evaluation report	National stakeholder, ECD and desk officers comment draft evaluation report	24.06.2009
Revision of the commented draft evaluation report	<b>Submission of the final evaluation report for the former Yugoslav Rep. of Macedonia</b>	Preparation of the final evaluation report for circulation in DG ELARG	<b>09.07.2009-04.08.2009</b>
<b>DEBRIEFING PHASE</b>			
Debriefing of the evaluation results and recommendations with stakeholders	<b>Debriefing meeting in the former Yugoslav Rep. of Macedonia</b>	Presentation and discussion of the evaluation results	<b>Sept./Oct. 2009</b>

### 3.3 Itinerary of the field mission and list of interviewed persons

**09/02/2009 Monday**

#### **Kick-off Meeting Participants:**

- 1) Dieter Thiel, ECD First Counsellor;
- 2) Emmanuelle Guiheneuf, ECD Head of Operations I;
- 3) Ruzica Andranikova, ECD Economic Advisor;
- 4) Elisabeta Georgieva ECD Task Manager for Economic Development;
- 5) Jane Stojanov, Ministry of Interior, Head of Telecommunications;
- 6) Dusko Ivanov, Ministry of Interior, State Counsellor;
- 7) Nadica Dzerkoviski, Ministry of Agriculture, Head of Unit;
- 8) Orhideja Kaljoseva, Secretariat for EU Affairs, Acting Head of Secretariat;
- 9) Nikola Naukovski, Secretariat for EU Affairs, Junior Associate for M&E;
- 10) Patrick Paquet, ECD Head of Justice and Home Affairs Section;
- 11) Elvis Ali, ECD Task Manager for Public Administration Reform and Decentralisation;
- 12) Islam Jusufi, ECD Legal Advisor;
- 13) Danica Stosevska, ECD Task Manager for Integrated Border Management and Police);
- 14) Raluca Stefanuc, ECD Task Manager for Justice and Home Affairs;
- 15) Sophie Deprez, ECD Task Manager for Local Development;
- 16) Manuela Manolis, ECD Task Manager for Transportation;
- 17) Teodora Andreeva, ECD Task Manager for Environment;
- 18) Maja Bogadanovska-Zendelska, ECD Task Manager for Local Development;
- 19) Dimitar Malinovski, ECD Task Manager for Agriculture;
- 20) Ivan Borisavljevic, ECD Task Manager for Environment;
- 21) Emil Dankov, ECD Advisor;
- 22) Sofia Kuzmanovska, Ministry of Economy, Head of Unit;
- 23) Lenka Ugrinovska, Ministry of Economy, Head of Unit;
- 24) Sasha Shindiloski, Ministry of Economy, Deputy Head.

#### **Individual Meetings:**

##### **JHA Team:**

- 1) Islam Jusufi, ECD Legal Advisor;
- 2) Danica Stoshevaska, ECD Task Manager for Integrated Border Management and Police;
- 3) Patrick Paquet, ECD Head of Justice and Home Affairs Section;
- 4) Magdalena Shelomanov, ECD Task Manager, and
- 5) Raluca Stefanuc, ECD Task Manager for Justice and Home Affairs.

##### **Local/Municipal Development Team**

- 1) Patrick Paquet, ECD Head of Justice and Home Affairs Section;
- 2) Emmanuelle Guiheneuf, ECD Head of Operations I;
- 3) Elvis Ali, ECD Task Manager for Public Administration Reform and Decentralisation;
- 4) Maja Bogadanovska-Zendelska, ECD Task Manager for Local Development;
- 5) Islam Jusufi, ECD Legal Advisor, and
- 6) Emilia Belogaska, ECD Task Manager.

### **Economic Development Team**

- 1) Elisabeta Georgieva, ECD Task Manager for Economic Development, and
- 2) Sophie Deprez, ECD Task Manger for Local Development.

#### **10/02/2009 Tuesday**

- 1) Sofia Kuzmanovska, Ministry of Economy, Head of Unit;
- 2) Beti Popova, Ministry of Economy, Advisor in Investment Policy Unit;
- 3) Sasha Shindiloski, Ministry of Economy, Deputy Head of SME Department;
- 4) Maja Kurchieva, Ministry of Economy, Deputy Head of Department for Investment & Economic Promotion;
- 5) Sasko Kocev, Ministry of Interior, Head of IPA Unit;
- 6) Jane Stojanov, Ministry of Interior, Head of Telecommunications;
- 7) Maja Cvetkovska, Ministry of Interior, Senior Programming Advisor;
- 8) Ilse Schuster, Team Leader for Public Finance Management Support to Municipalities (SIPU International); and
- 9) Beti Delovska, Deputy Team Leader for Public Finance Management Support to Municipalities (SIPU International).

#### **11/02/2009 Wednesday**

- 1) Lidija Stojkova-Zafirovska, Deputy Team Leader for TA to Support the Creation of Judiciary Training Institute (Phase II);
- 2) Vladimir Spirkovski, Ministry of Justice/Directorate for Execution of Sanctions, Head of Unit for Internal Revision;
- 3) Jasmenka Doncevska, Ministry of Justice/Directorate for Execution of Sanctions, Head of Department for Economic and Financial Matters;
- 4) Vukica Staveska, Ministry of Finance, Budget and Funds Department, Head of Unit for Budget of Local Self-Government;
- 5) Aleksandra Petranovska, Ministry of Finance, Budget and Funds Department, Advisor; and
- 6) Dusica Perisic, Association of Units for Local Self-Government/ZELS, Executive Director.

#### **12/02/2009 Thursday**

1. Vahida Redzepagic, Agency for Promotion of Entrepreneurship-APPRM, Managing Director;
2. Igor Nikoloski, Agency for Promotion of Entrepreneurship-APPRM, Coordinator for Project Strengthening Entrepreneurship, Competitiveness and Innovation;
3. Judge Aneta Arnaudovska, Academy for Training of Judges and Prosecutors, Director; and
4. Tanja Temeloska-Milenkovic, Academy for Training of Judges and Prosecutors, Executive Director.

#### **13/02/2009 Friday**

- 1) Georgi Hristov, Deputy Team Leader for the Support to Decentralisation Process-SUDEP;
- 2) Jane Vrteski, Local Development Expert, SUDEP;



- 3) Zvonko Naumovski, LTE for Local Government and Municipal Service Centres (SUDEP);
- 4) Natasha Ilijeva-Acevska, Training Coordination and Communication Expert (SUDEP);
- 5) Valentina Shaurek, Ministry of Justice, State Advisor;, and
- 6) Emilija Taseva, Ministry of Justice, Advisor.

### **16/02/2009 Monday**

1. Goce Bacchanov, Ministry of Interior, Assistant Director of Police Academy;
2. Voislav Zafirovski, Ministry of Interior, Assistant Minister;
3. Merita Serif, Police Academy, Advisor at Department of Strategic Planning,;
4. Roman Papadimitrov, Human Resources Development Fund-HRDF, Director;
5. Krste Andonovski, Municipality of City of Skopje, Head of Finance and Budget Department;
6. Andrijana Mancevska, Municipality of City of Skopje, Deputy Chief; and
7. Aleksandar Georgijevski, Municipality of City of Skopje, Advisor.

### **17/02/2009 Tuesday**

#### **Trip to Ohrid:**

1. Toni Cvetanovski, Enterprise Support Agency - ESA Ohrid, Director;
2. Mimoza Popovska, ESA Ohrid, Business Advisor;
3. Elizabeta Petanova, ESA Ohrid, Business Advisor;
4. Dejan Tosevski, SUDEP, Junior Expert at Ohrid Municipality Service Centre;
5. Meri Korunovska, Architect at Ohrid Municipality.

### **18/02/2009 Wednesday**

#### **Trip to Kumanovo and Kriva Palanka:**

1. Ljubomir Gjurceski, Kumanovo Ministry of Interior, Deputy Head of Criminal Affairs;
2. Darko Brasnarski, Kumanovo Ministry of Interior, Police Officer;
3. Zoran Mirjanovski, Kumanovo Ministry of Interior, Technician;
4. Ratko Dimkovski, Kumanovo Ministry of Interior, Coordinator for TETRA and Trainer
5. Dimitar Tasevski, Regional Centre Kumanovo Business Advisor, Foundation for SMEs;
6. Mile Arsovski, Junior Advisor for SUDEP Municipal Service Centres, Kriva Palanka.

### **19/02/2009 Thursday**

1. Lirie Elezi, Ministry of Local Self-Government, Assistant at Department for International Cooperation;
2. Evgenija Serafimovska Kirkovski Secretariat for European Affairs - SEA, Acting Head of Unit for Monitoring and Evaluation.

### **20/02/2009 Friday**

Debriefing at ECD

### 3.4 List of projects under evaluated sectors (projects treated during the desk research and field visits are highlighted in yellow)

Year	Contract	No of contr.	Budget of all projects in the three sectors (€)	Budget of the analysed projects (€)
2006	Program: 06MAC01 - Program 2006 MK	43	17.299.881	
	Project: 01 - Reform of the Judiciary System	3	2.313.228	2.313.228
	Project: 02 - Police and the Fight against Organised Crime	3	2.913.218	2.913.218
	Project: 03 - Integrated Border Management	6	1.632.786	
	Project: 05 - Decentralisation-Local Self Government Devpt.	2	2.192.012	2.192.012
	Project: 06 - Local Infrastructure	10	2.073.341	2.073.341
	Project: 07 - Improvement of the Investment Climate	4	3.987.500	3.987.500
	Project: 08 - Support to the Trade Sector	15	2.187.796	2.187.796
2005	Program: 05MAC01 - EC PROGRAM 2005 MK	45	21.519.651	
	Project: 02 - Support to the Public Prosecutor's Office	4	1.443.717	
	Project: 03 - Combating money laundering (phase II)	1	1.500.000	
	Project: 04 - Strength. cap. to combat crime and terrorism	13	6.211.509	
	Project: 07 - Support to decentralisation process	5	1.999.101	1.999.101
	Project: 08 - Development of local infrastructure (phase II)	19	6.750.476	
	Project: 09 - Improvement of the investment climate in former Yugoslav republic of Macedonia	2	1.311.153	1.311.153
	Project: 10 - Small and medium-size enterprise development	1	2.303.695	2.303.695
2004	Program: 04MAC01 - ASSISTANCE PROGRAM 2004	23	26.357.637	
	Project: 02 - SME development	2	1.487.908	1.487.908
	Project: 05 - Approximation of trade legislation	1	969.346	969.346
	Project: 07 - Development of local infrastructure	6	8.907.275	8.907.275
	Project: 10 - Professional selection and training of the judiciary	2	1.247.984	1.247.984
	Project: 11 - TA, equipment and infrastructure to Border Police	7	9.589.866	9.589.866
	Project: 12 - Technical assistance to the Police Academy	1	998.806	998.806
	Project: 13 - Technical assistance to the police reform	4	3.156.452	3.156.452
2003	Program: 03MAC01 - FIRST PROGRAM 2003	62	23.534.615	
	Project: 02 - Private and financial sector development	11	3.067.522	3.067.522
	Project: 03 - Trade	15	4.373.857	
	Project: 04 - Local infrastructure development	11	9.851.877	9.851.877
	Project: 06 - Reform of judiciary system	13	2.455.982	2.455.982
	Project: 07 - Integrated border management	4	2.897.926	
	Project: 08 - Immigration and asylum	2	748.952	
	Project: 09 - Fight against crime	6	3.036.425	
2002	Program: 02MAC01 - ACTION PROGRAM 2002	38	25.334.108	
	Project: 03 - HRD Fund for Enterprises	2	1.528.686	1.528.686
	Project: 05 - Intellectual Property Rights	5	192.848	
	Project: 06 - Trade Laws and Regulations	1	963.049	963.049
	Project: 08 - Trade Law Training	1	459.347	459.347
	Project: 10 - Local Infrastructure	14	17.425.741	17.425.741
	Project: 12 - Border Management Strategy	5	280.798	
	Project: 13 - Mine Action	4	1.868.342	
	Project: 14 - Migration / Asylum	4	1.787.372	
	Project: 15 - Anti Money Laundering	1	648.896	
	Project: 16 - Anti-Drugs Fight	1	179.029	
2001	Program: 01MAC02 - RRM2 CONFIDENCE BUILDING PROGRAM	48	12.964.103	
	Project: 02 - Police	1	1.223.514	
	Program: 01MAC03 - CARDS 2001 EMERGENCY PROGRAMS			
	Project: 02 - Police	1	1.663.898	
	Program: 01MAC05 - CARDS 2001 SUPPORT PROGRAM			
	Project: 01 - Justice and Home Affairs	7	1.514.681	1.514.681
	Project: 02 - Integrated Border Management	8	4.340.940	
	Project: 03 - Small Infrastructure for Local Governments	23	1.447.694	
	Project: 07 - Support to Economic Reforms	6	2.293.264	
	Project: 08 - training security forces	2	480.112	
2000	Program: 00MAC01 - COP 2000	25	6.665.307	
	Project: 03 - Reform of Court System	14	2.574.827	
	Project: 04 - Justice and Home Affairs	11	4.090.480	
	<b>TOTAL</b>	<b>284</b>	<b>133.675.302</b>	<b>84.905.566</b>
	<b>Projects covered by the evaluation (field mission and desk study) in %:</b>			<b>63,52</b>

### 3.5 List of all CARDS projects 2000–2006 in the former Yugoslav Republic of Macedonia

Year	Contract number	No of contracts	Euro
<b>2006</b>	<b>Program: 06MAC01 - Programme 2006</b>	<b>63</b>	<b>24,658,176</b>
1	Project: 01 - Reform of the Judiciary System	3	2,313,228
2	Project: 02 - Police and the Fight against Organised Crime	3	2,913,218
3	Project: 03 - Integrated Border Management	6	1,632,786
4	Project: 04 - Administrative Capacity: Public Internal Financial Control	3	1,105,518
5	Project: 05 - Decentralisation-Local Self Government Development	2	2,192,012
6	Project: 06 - Local Infrastructure	10	2,073,341
7	Project: 07 - Improvement of the Investment Climate	4	3,987,500
8	Project: 08 - Support to the Trade Sector	15	2,187,796
9	Project: 09 - Co-operation with IFIs	4	1,470,361
10	Project: 10 - Support to the Environmental Sector	2	796,892
11	Project: 11 - Employment Policy Reform (phase III) and Lifelong Learning	6	3,248,160
12	Project: 14 - Project preparation facility IPA	5	737,364
<b>2005</b>	<b>Program: 05MAC01 - EC PROGRAMME 2005</b>	<b>94</b>	<b>33,523,278</b>
13	Project: 01 - Implementation of the Framework Agreement	5	1,930,507
14	Project: 02 - Support to the Public Prosecutor's Office	4	1,443,717
15	Project: 03 - Combating money laundering (phase II)	1	1,500,000
16	Project: 04 - Strengthening capacity to combat organised crime and terrorism	13	6,211,509
17	Project: 05 - Support to the State Statistical Office	2	1,146,375
18	Project: 06 - Technical assistance to the telecommunications sector	1	944,350
19	Project: 07 - Support to decentralisation process	5	1,999,101
20	Project: 08 - Development of local infrastructure (phase II)	19	6,750,476
21	Project: 09 - Improvement of the investment climate in former Yugoslav republic of Macedonia	2	1,311,153
22	Project: 10 - Small and medium-size enterprise development	1	2,303,695
23	Project: 11 - Co-operation with IFIs - Transport networks management	1	997,770
24	Project: 12 - Co-operation with IFIs - Environment management	1	1,000,000
25	Project: 13 - Environmental management strengthening (phase III)	5	1,962,591
26	Project: 14 - GTAF and reserve	13	1,248,437
	<b>Program: 05MAC02 - NEIGHBOURHOOD PROGRAMME 2005</b>		
27	Project: 01 - 01 – Greece	12	1,606,764
28	Project: 02 - 02 – Bulgaria	8	836,845
29	Project: 06 - Capacity building CBC	1	329,988
	<b>Program: 04MAC01 - ASSISTANCE PROGRAMME 2004</b>	<b>101</b>	<b>53,455,579</b>
30	Project: 01 - Inter-ethnic relations and civil society	11	2,913,640
31	Project: 02 - SME development	2	1,487,908
32	Project: 03 - Technical assistance to the Ministry of Finance	2	1,898,248
33	Project: 04 - Approximation of legislation in the field of competition, anti-monopoly and intellectual property protection	4	920,268

Year	Contract number	No of contracts	Euro
34	Project: 05 - Approximation of trade legislation	1	969,346
35	Project: 06 - Structural and legal reform of the Ministry of Agriculture, Forestry and Water Economy	2	3,150,000
36	Project: 07 - Development of local infrastructure	6	8,907,275
37	Project: 08 - Vocational education and training (VET) (Phase IV)	6	1,496,019
38	Project: 09 - Employment policy reform (Phase II)	1	928,215
39	Project: 10 - Professional selection and training of the judiciary	2	1,247,984
40	Project: 11 - Technical assistance, equipment supply and infrastructure support to Border Police Service	7	9,589,866
41	Project: 12 - Technical assistance to the Police Academy	1	998,806
42	Project: 13 - Technical assistance to the police reform	4	3,156,452
43	Project: 14 - Environmental management strengthening	3	1,952,857
44	Project: 15 - Programme Reserve and GTAF	15	922,973
45	Project: 16 - Support to South East Europe University	2	2,227,620
	<b>Program: 04MAC02 - AP 2004 ADDITIONAL FUNDS</b>		
46	Project: 01 - Private and financial sector development	3	964,267
47	Project: 02 - Integrated border management	2	3,016,958
48	Project: 03 - Fight against crime	11	3,856,915
	<b>Program: 04MAC03 - EC PROGRAMME 2004 NEIGHBOURHOOD</b>		
49	Project: 01 – Greece	5	1,795,295
50	Project: 02 – Bulgaria	10	980,681
51	Project: 03 - Interreg III B CADSES	1	73,984
<b>2003</b>	<b>Program: 03MAC01 - FIRST PROGRAMME 2003</b>	<b>90</b>	<b>37,187,620</b>
52	Project: 01 - Inter-ethnic relations and civil society	9	3,341,214
53	Project: 02 - Private and financial sector development	11	3,067,522
54	Project: 03 – Trade	15	4,373,857
55	Project: 04 - Local infrastructure development	11	9,851,877
56	Project: 05 - Social cohesion (VET)	1	895,353
57	Project: 06 - Reform of judiciary system	13	2,455,982
58	Project: 07 - Integrated border management	4	2,897,926
59	Project: 08 - Immigration and asylum	2	748,952
60	Project: 09 - Fight against crime	6	3,036,425
61	Project: 10 - Environment - cross border co-operation	3	1,042,382
62	Project: 11 – GTAF	9	703,271
63	Project: 13 - Achieve or Reinforce Objectives of past EC programmes	2	1,042,697
	<b>Program: 03MAC02 - IMPLEMENTATION ARRANGEMENT BETWEEN THE ROYAL DANISH MINISTRY OF FOREIGN AFFAIRS AND THE AGENCY</b>		
64	Project: 01 - Municipal Environmental Infrastructure Projects	4	3,730,162
<b>2002</b>	<b>Program: 02MAC01 - ACTION PROGRAMME 2002</b>	<b>91</b>	<b>36,470,584</b>
65	Project: 01 - Inter-ethnic Relations	10	1,213,793
66	Project: 02 - Civil Society / NGOs	12	2,427,587
67	Project: 03 - HRD Fund for Enterprises	2	1,528,686
68	Project: 04 - Energy Regulatory Commission	1	280,140
69	Project: 05 - Intellectual Property Rights	5	192,848
70	Project: 06 - Trade Laws and Regulations	1	963,049

Year	Contract number	No of contracts	Euro
71	Project: 07 - Vet, Phyto and Wine Laws	3	1,965,382
72	Project: 08 - Trade Law Training	1	459,347
73	Project: 09 - Euro Info Centre	3	418,231
74	Project: 10 - Local Infrastructure	14	17,425,741
75	Project: 11 - National Employment Policy	18	2,339,583
76	Project: 12 - Border Management Strategy	5	280,798
77	Project: 13 - Mine Action	4	1,868,342
78	Project: 14 - Migration / Asylum	4	1,787,372
79	Project: 15 - Anti Money Laundering	1	648,896
80	Project: 16 - Anti-Drugs Fight	1	179,029
81	Project: 18 - Reconstruction of Leshok church and Neprosteno mosque	5	691,759
82	Project: 20 - Equitable Representation of Minorities in the Civil Service in the former Yugoslav Republic of Macedonia	1	1,800,000
<b>2001</b>	<b>Program: 01MAC02 - RRM2 CONFIDENCE BUILDING PROGRAM</b>	<b>95</b>	<b>35,197,833</b>
83	Project: 01 - Energy, Demining, Civil Society	1	653,443
84	Project: 02 – Police	1	1,223,514
	<b>Program: 01MAC03 - CARDS 2001 EMERGENCY PROGRAMMES</b>		
84	Project: 01 - Housing, IDP, Infrastructure and Energy	11	828,156
86	Project: 02 – Police	1	1,663,898
	<b>Program: 01MAC05 - CARDS 2001 SUPPORT PROGRAM</b>		
87	Project: 01 - Justice and Home Affairs	7	1,514,681
88	Project: 02 - Integrated Border Management	8	4,340,940
89	Project: 03 - Small Infrastructure for Local Governments	23	1,447,694
90	Project: 04 – Transport	2	10,996,527
91	Project: 05 - Small Scale Operations Fund	7	3,210,520
92	Project: 06 - veterinary equipment etc.	23	2975537.68
93	Project: 07 - Support to Economic Reforms	6	2,293,264
94	Project: 08 - training security forces	2	480,112
95	Project: 09 - house reconstruction	3	3,569,548
<b>2000</b>	<b>Program: 00MAC01 - COP 2000</b>	<b>53</b>	<b>14,281,103</b>
96	Project: 02 - Legislation in internal market	14	3,590,934
97	Project: 03 - Reform of Court System	14	2,574,827
98	Project: 04 - Justice and Home Affairs	11	4,090,480
99	Project: 05 - Vocational Education and Training	7	1,993,168
100	Project: 07 - Housing Reconstruction	3	1,098,487
	<b>Program: 00MAC02 - CBC 2000</b>		
101	Project: 01 - Reconstruction of Blace Border Crossing	1	20,170
	<b>Program: 00MAC03 – ENVIRONMENT</b>		
102	Project: 01 - Cleaning of river Vardar	3	913,037
	<b>GRAND TOTAL</b>		<b>234,774,173</b>

### 3.6 General Evaluation Questions (EQs)

<b>Relevance</b>
EQ1: To what extent do the programmes/projects address the needs and priorities identified in the progress reports, sa agreements, strategy papers, partnerships and country/sectoral strategies?
EQ2: To what extent have the stakeholders in the beneficiary countries and in the line dgs been involved in the needs assessments and contributed to the design of the programmes/projects?
EQ3: To what extent the programmes were designed in a manner relevant to the needs and problems identified in the partner countries?
<b>Efficiency</b>
EQ4: To what extent have the outputs of the projects been produced, to which costs have they been produced and have they been produced in time as planned?
EQ5: Could similar results have been achieved at a lower cost or more results to the same costs (value-for-money)?
EQ6: To what extent have the beneficiaries been ready to absorb the cards funding and the pre-conditions for implementing the projects been in place?
<b>Effectiveness</b>
EQ7: To what extent have the operational objectives of the programmes/projects been achieved or are in the process of being achieved with respect to planning provisions?
<b>Impact</b>
EQ8: To what extent have the projects/programmes' interventions produced political, social, economic or environmental impacts?
<b>Sustainability</b>
EQ9 Are the results and impacts of the programmes/projects likely to continue after eu funding ends?
<b>Cross cutting issues</b>
EQ10: To what degree do the programmes respect issues of gender, environment, minority inclusion and complementarity with the CARDS regional programme and those of other donors, notably EU member states?

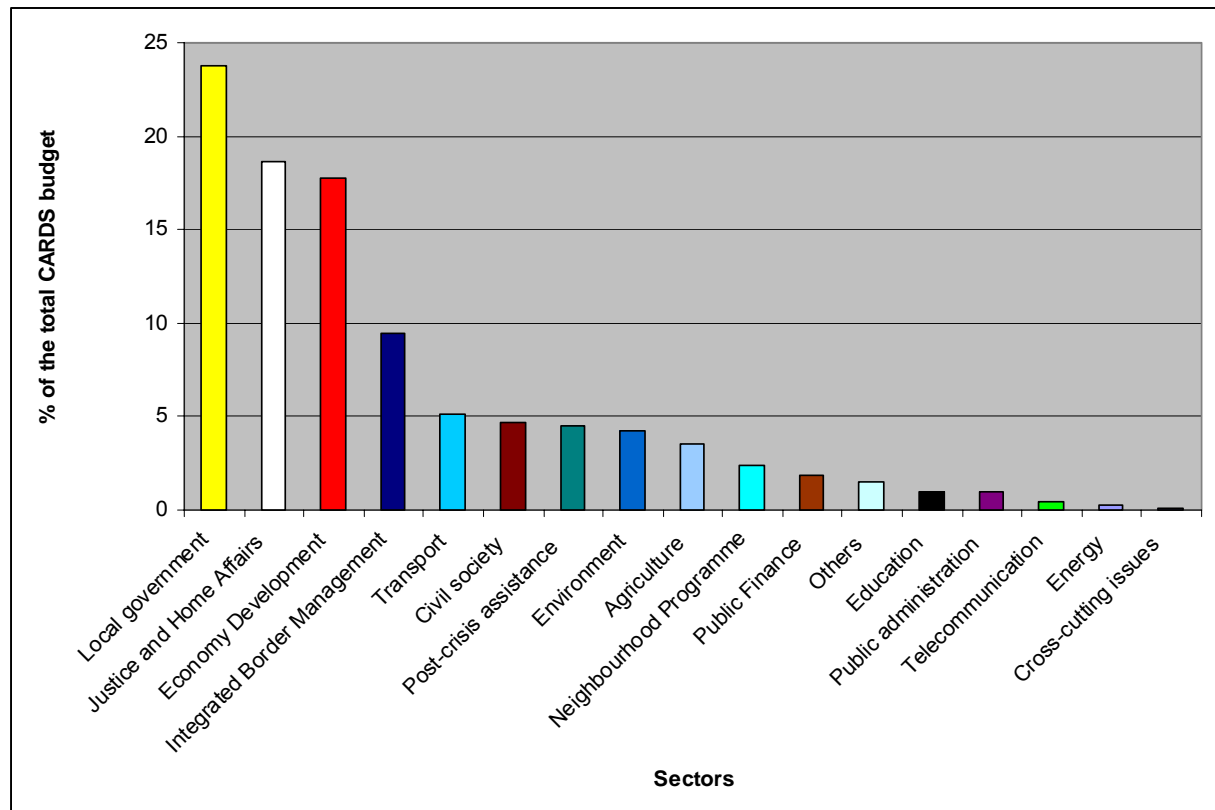
### 3.7 Financial analysis of the CARDS project portfolio in the former Yugoslav Republic of Macedonia

#### 3.7.1 Analysis of the whole CARDS portfolio in the former Yugoslav Republic of Macedonia

Between 2000 and 2006, the CARDS programme in the former Yugoslav Republic of Macedonia has implemented an overall budget of 235 M€. The average annual implemented budget amounted to 33.5 M€ with a variation between 53 M€ in 2004 and 14 M€ in the year 2000.

More than half of the CARDS budget in the country was allocated to three sectors: (i) *Strengthening of local and municipal governments* (22%), (ii) *JHA* (21%) and (iii) *Economic growth and private enterprise development* (11%) (please see figure below). Another major sector was *IBM*, which has received 9% of the funds.

**Figure 2: Distribution of overall contracted budget across sectors in the former Yugoslav Republic of Macedonia in % of the total CARDS budget**

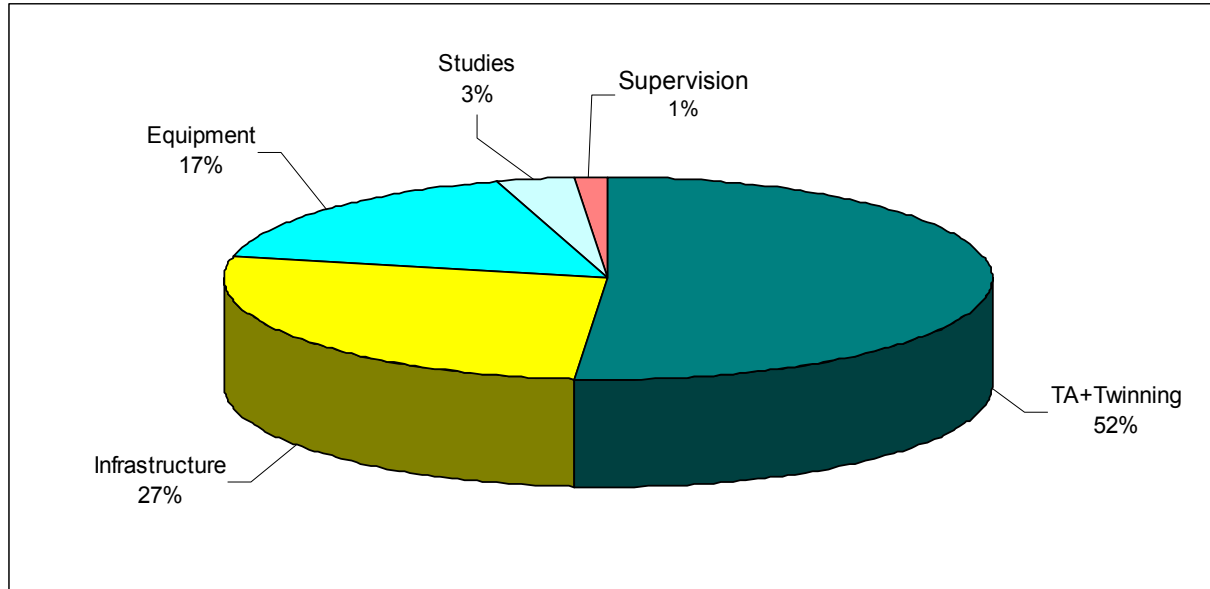


In terms of support categories, more than 50% of the funds have been allocated to technical assistance and some twinning projects<sup>8</sup>, 27% to infrastructure projects and 16% to supply of equipment. Five percent of the total budget was allocated to studies (feasibility studies, the-

<sup>8</sup> Unfortunately the available contract list and general indications from the EAR and in CRIS do not allow differentiating reliably between TA and Twinning projects.

matic studies, evaluations) and 1% to supervision contracts (especially for infrastructure projects).

**Figure 3: Distribution of overall contracted budget across support categories in the former Yugoslav Republic of Macedonia**



During the entire CARDS intervention, Justice and Home Affairs and Economic Development were maintained as main intervention sectors, which were complemented by projects supporting the IBM. In the first years, CARDS concentrated additionally on the creation of the regulatory and institutional framework for a solid economic development, some post-conflict assistance projects and the development of the justice system and the police. Another focus of CARDS funds in 2002 and 2003 were projects which aimed to consolidate civil society organisations and to promote inter-ethnic communication. Since 2002, CARDS strongly supported decentralisation to strengthen local governments and to develop local infrastructure.

In 2004, the former Yugoslav Republic of Macedonia received the most important budget during the CARDS assistance: 53.4 M€, which was disbursed largely in the IBM sector, the JHA-sector and for the consolidation of local governance. In 2005 and 2006, the total yearly amount of financed contracts decreased considerably to 25.5 M€.

Despite some concentration on specific sectors, the overall distribution of CARDS assistance was wide (please see next figure). The fact that more than sixteen sectors have been addressed during the seven years, gives the impression of a somehow diffuse intervention. Several sectors, for example telecommunication, have been financed for only one or two years, leaving doubts whether impacts and sustainability can be achieved during such a short time.

There could be two options for the future: (i) to design better focused TA programmes with a close involvement of national stakeholders and final beneficiaries in the designing phase. In that case, the TA ratio could be 30-40% with the rest potentially utilised for infrastructure and equipment programmes; (ii) to improve the TA as mentioned under point (i) and to use grant schemes to directly involve final beneficiaries (for ex. SME). The TA ratio then could be 20-



30%, about 5-10% for grant schemes and the rest for infrastructure and equipment programmes.

**Figure 4: Distribution of overall contracted budget across sectors and years in the former Yugoslav Republic of Macedonia**

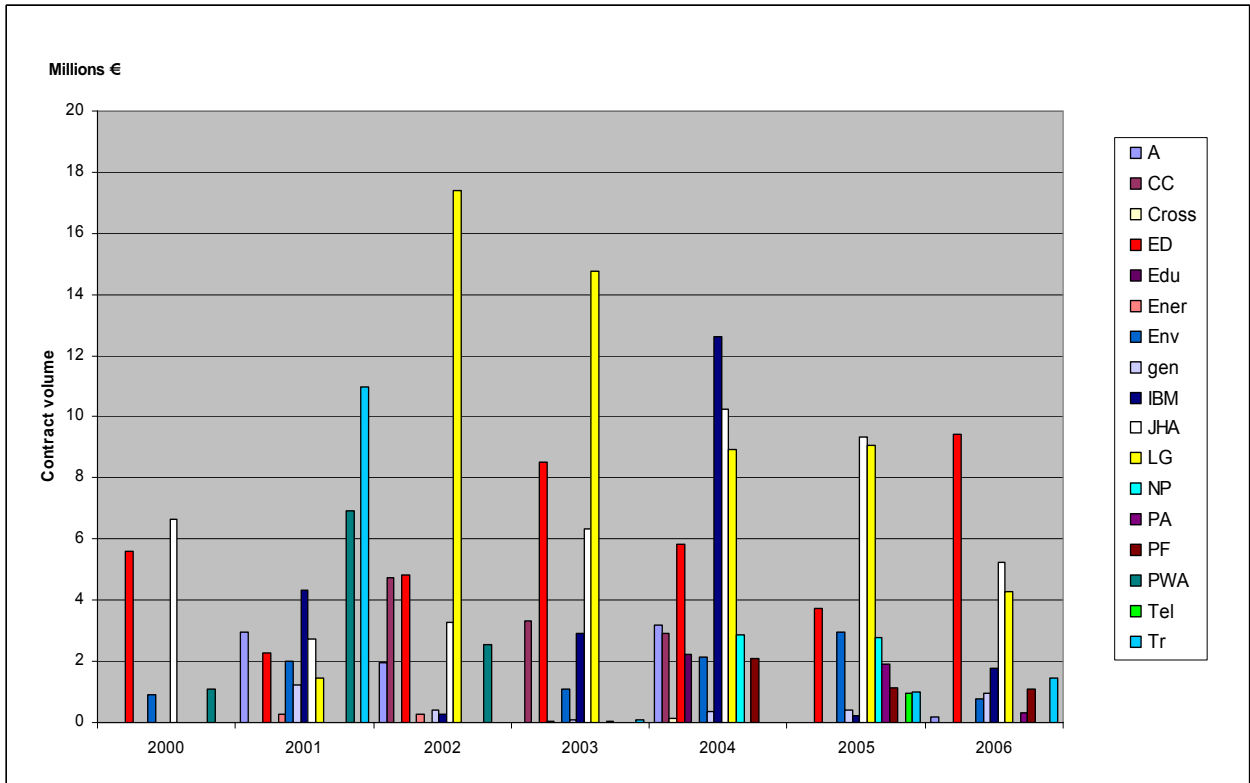


Figure 5: Budget allocation of the CARDS assistance to the different sectors (Euro)

Sector	2000	2001	2002	2003	2004	2005	2006	2000-2006
<b>Agriculture</b>		2.975.538 €	1.965.382 €		3.185.567 €		200.016 €	8.326.503 €
<b>Civil society</b>			4.759.241 €	3.341.214 €	2.913.640 €			11.014.095 €
<b>Cross-cutting issues</b>					152.845 €			152.845 €
<b>Economy Development</b>	5.584.102 €	2.293.264 €	4.831.319 €	8.532.509 €	5.821.093 €	3.720.090 €	9.423.455 €	40.205.832 €
<b>Education</b>				54.008 €	2.227.620 €			2.281.628 €
<b>Energy</b>		256.983 €	280.140 €					537.123 €
<b>Environment</b>	913.037 €	2.003.840 €		1.098.631 €	2.130.676 €	2.962.591 €	796.892 €	9.905.668 €
<b>others</b>		1.222.659 €	418.231 €	96.143 €	353.371 €	403.173 €	979.109 €	3.472.685 €
<b>Integrated Border Management</b>	20.170 €	4.340.940 €	280.798 €	2.902.826 €	12.606.824 €	242.262 €	1.780.479 €	22.174.299 €
<b>Justice and Home Affairs</b>	6.665.306 €	2.738.195 €	3.267.491 €	6.317.472 €	10.229.503 €	9.337.261 €	5.226.447 €	43.781.675 €
<b>Local government</b>		1.447.694 €	17.425.741 €	14.751.504 €	8.907.275 €	9.065.302 €	4.265.353 €	55.862.870 €
<b>Neighbourhood Programme</b>					2.849.960 €	2.773.597 €		5.623.557 €
<b>Public administration</b>				24.696 €		1.930.507 €	310.061 €	2.265.264 €
<b>Public Finance</b>					2.077.204 €	1.146.375 €	1.105.518 €	4.329.097 €
<b>Post-crisis assistance</b>	1.098.487 €	6.938.173 €	2.560.101 €					10.596.762 €
<b>Telecommunication</b>						944.350 €		944.350 €
<b>Transport</b>		10.996.527 €		68.617 €		997.770 €	1.470.361 €	13.533.274 €
<b>All sectors</b>	<b>14.281.103 €</b>	<b>35.213.813 €</b>	<b>35.788.445 €</b>	<b>37.187.620 €</b>	<b>53.455.579 €</b>	<b>33.523.278 €</b>	<b>25.557.690 €</b>	<b>235.007.527 €</b>

### 3.7.2 Financial analysis by evaluation sector

#### 3.7.2.1 Local and Municipal Development

The major share of all funds - almost 56 M€ - has been spent on infrastructure projects for the promotion of **Local and Municipal Development**. This is due to the high percentage of infrastructure measures undertaken after the armed conflict in 2001, which affected the country's infrastructure but also due to decentralisation of central government starting in 2005. Another 25% of the expenditures in this sector were allocated for Technical Assistance and the rest to the equipment, studies and supervision.

**Figure 6: Allocation of CARDS-funds in the sector of Local and Municipal Development**

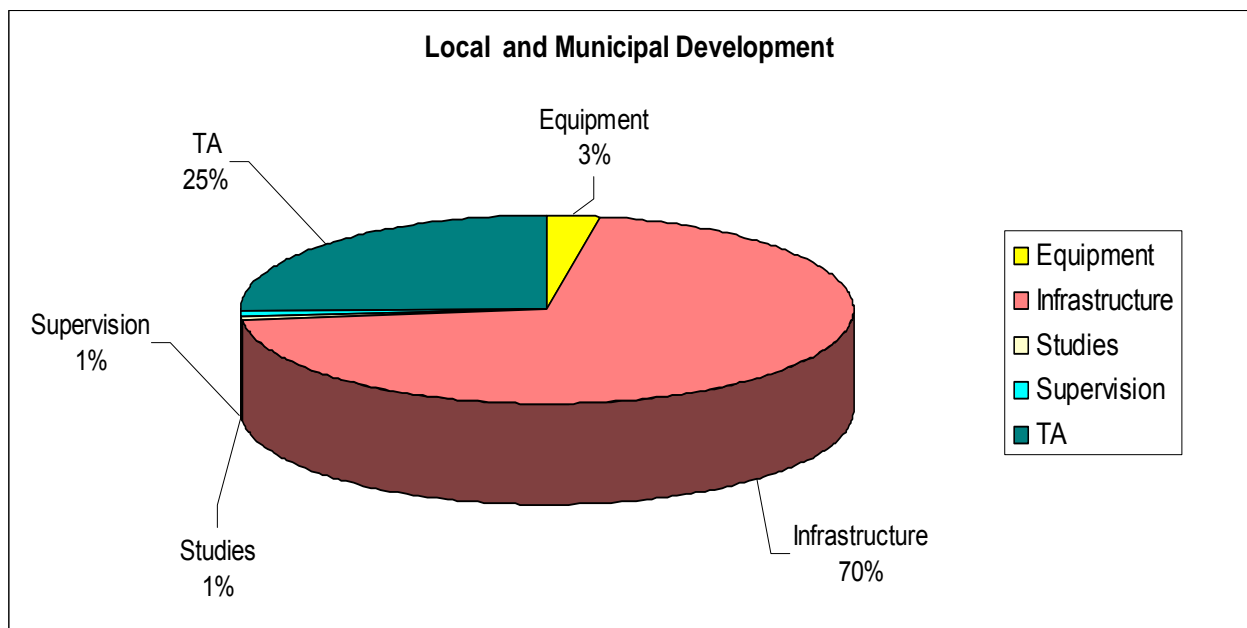
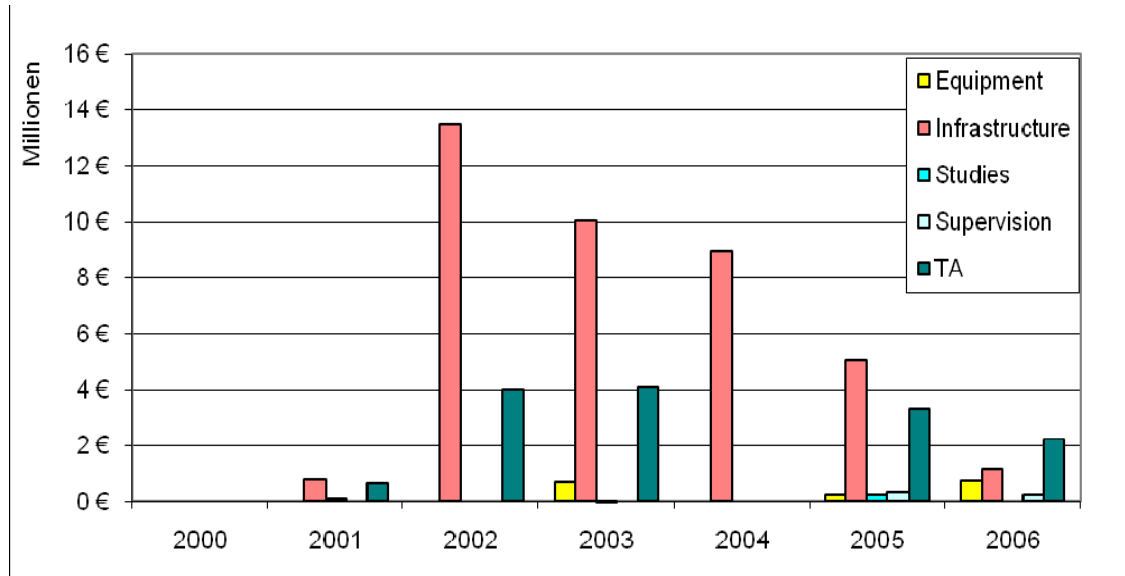


Figure 7 shows the evolution of CARDS assistance for Local and Municipal Development during the period 2001-2006. The assistance commenced quite “timid” in 2001 and peaked in 2002 with a couple of infrastructure contracts and a TA-project to develop the local infrastructure with an amount of 3.9 M€. In the following years, the infrastructure support began to decrease progressively – with a stronger emphasis on the TA component for capacity building of local governments. This began with CARDS 2003 and continued in 2005 with a new focus on the financial issues of the decentralisation process (public finance management for municipalities, support to fiscal decentralisation). In 2006, the infrastructure budget in this field was small, but some equipment contracts for municipalities were signed. The TA component was concentrated on the support of the whole decentralisation process and the “Leadership benchmark and best practice programme”.

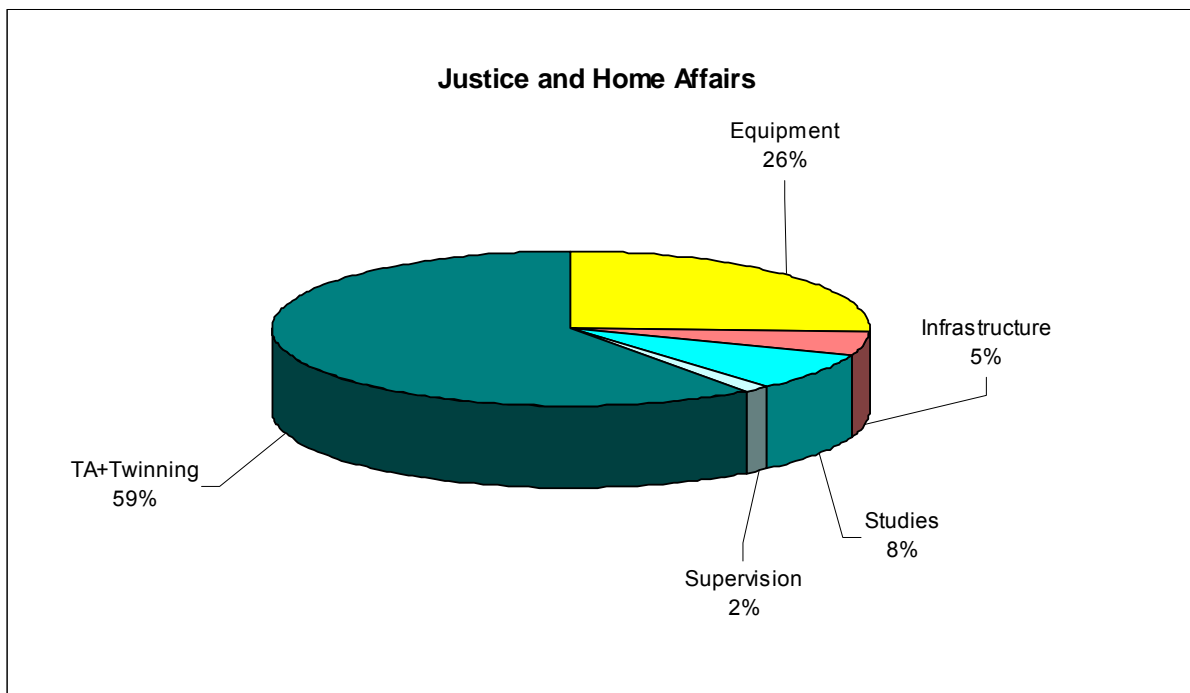
**Figure 7: Year-wise Expenditure in the Local and Municipal Development sector 2000-2006**



**3.7.2.2 Justice and Home Affairs**

With almost 44 M€, the support to the **JHA** sector was also important. Nearly 60% of it was allocated to Technical Assistance and Twinning. Infrastructure projects played a minor role in the sector, with only 5% of the total budget. However, a quarter of the funds were allocated to equipment supplies and 10% to different studies. The TA+twinning budget has continuously increased between 2000 (1.8 M€) and 2005 (8.5 M€) in order to drop abruptly in 2006 (only 1.5 M€).

**Figure 8: Allocation of CARDS-funds in the JHA sector**

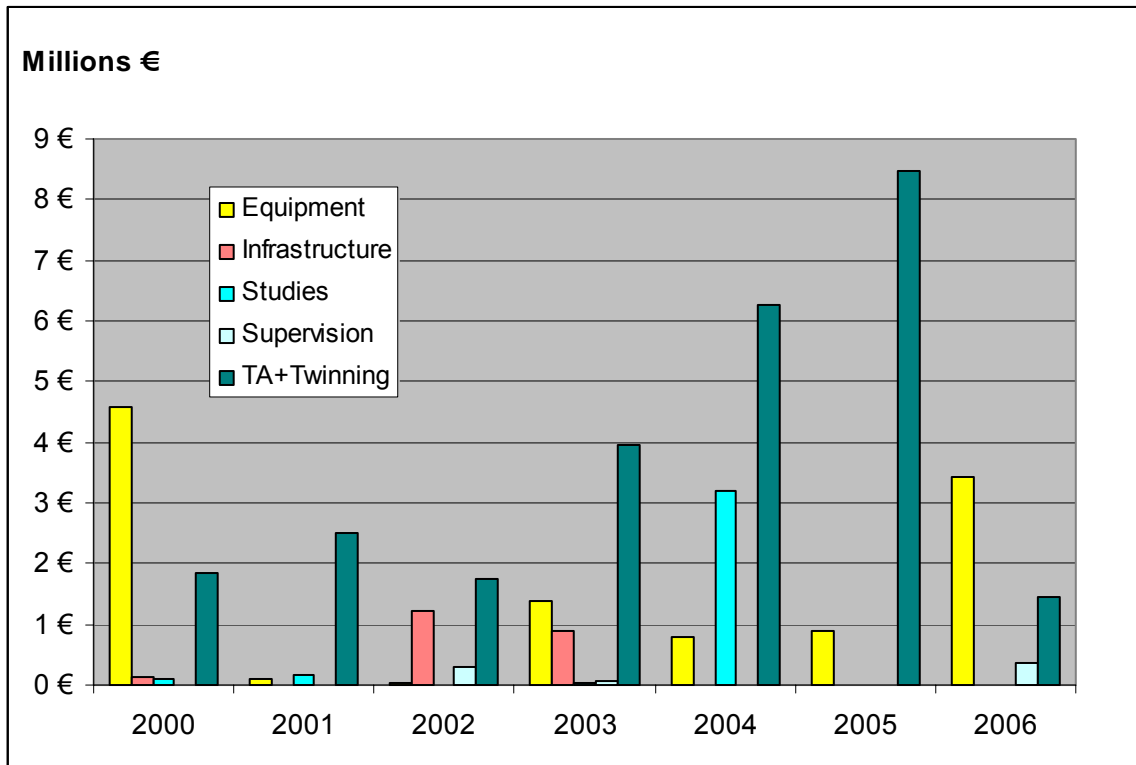


In the beginning, the assistance in the field of JHA started with two TA projects to reform the judicial administration and to advise the police academy (this project was largely supported by the 'twinning' instrument). These projects were accompanied by a couple of equipment contracts for the court system and several line ministries. In 2001, the TA switched to fulfil the training needs of the sector (creation of a training institute for the judiciary and development of administrative capacity of the public prosecutor's office). CARDS 2002 continued the capacity building, but with the focus on training of government officials in new trade regulations. Another intervention sector was the support for the migration and asylum policies and the construction of a reception centre for asylum seekers. The support in this sector continued with CARDS 2003, as well as the support to the judiciary system reform processes that started in 2000. The CARDS 2004 continued to assist the training institute for the judiciary as well as the police reform.

The CARDS 2005 increased the support to the police reform with a twinning and TA project of 4.7 M€ and supplied equipment for the police special task forces. Two other sectors were added: the fight against crime and corruption and the combat against money laundering.

The CARDS budget for 2006 puts an emphasis on supply contracts to construct and equip prisons (with a TA-component) and further enhance the police reform (twinning, TA and equipment).

**Figure 9: Year-wise Expenditure in the JHA sector 2000-2006**

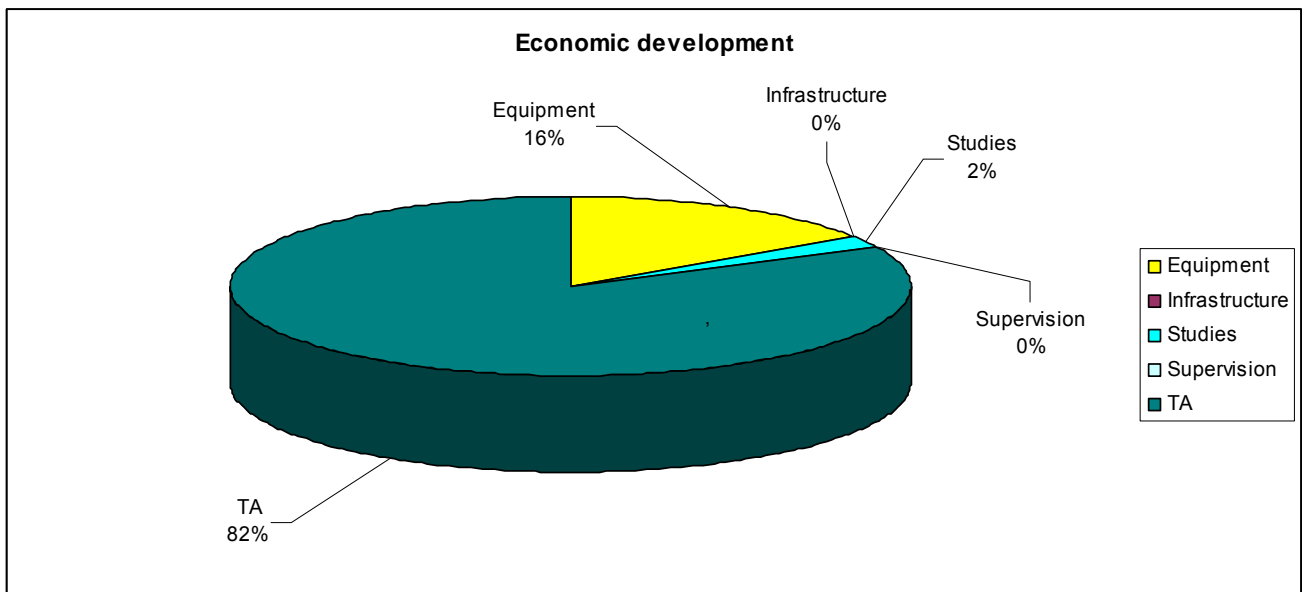


### 3.7.2.3 Economic Development

**The Economic Development Sector** constitutes the third most important intervention sector of the CARDS programme 2000-2006. More than 41 M€ were spent to promote economic growth and private enterprise development.

In this sector, the TA component was dominant with 82% of the overall budget. Supply contracts for equipment represented about 16% of the contract volumes.

During the seven years of CARDS, the annual financial assistance for Economic Development varied between 2 and 9 M€/year. For three years the annual budget was about 5 M€ (2000, 2002 and 2004), in 2003 and 2006 it increased to between 8 and 9 M€, whereas in 2001 and 2005 only 2 to 3.5 M€ were invested.



**Figure 10: Allocation of CARDS-funds in the Economic Development sector**

In the beginning, the CARDS assistance in this sector started with a Vocational Education and Training Programme (VET: 1.2 M€) accompanied by several supply contracts of about 0.8 M€. Two important TA-projects supported the banking sector reform (about 1 M€) and the approximation of legislation to the internal market (Acquis Communautaire) (1.3 M€).

CARDS 2001 – the year with the lowest input - financed TA to the Agency supporting the SME sector and entrepreneurship, policy support for the Ministry of Economy (720,000 €) and help for the restructuring of the steel sector (about 500,000 €).

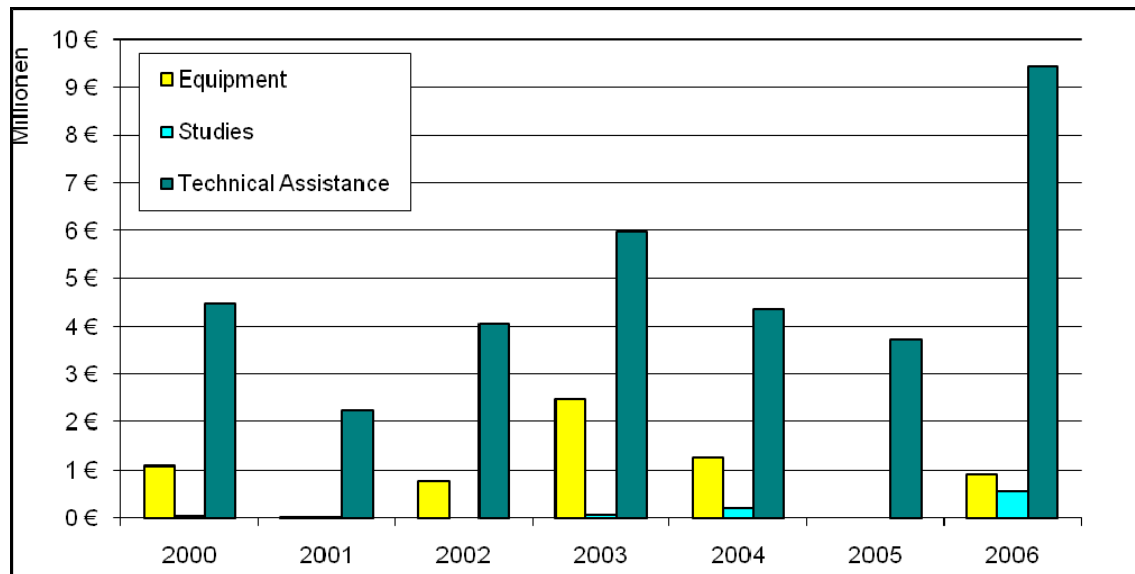
The support for the national employment policy was a focus of CARDS during 2002 with an overall budget of 2.3 M€. Technical Assistance was provided for a Human Resources Development Fund in enterprises (1.2 M€ in 2002 and 1 M€ in 2003) and for trade legislation (9.6 M€).

Besides these funded sectors (employment policy, vocational education and training), the programme 2004 supported two new sectors: (i) development of SMEs (1.5 M€) and (ii) elaboration of the legislation for a competition policy (about 1.0 M€). These projects continued in CARDS 2005 with an overall envelope of about 3.5 M€.

The last year of the CARDS programme tied in with the former projects: the third phase of TA to support the employment policy (about 1 M€), promotion of the VET (Life long learning, 1.3 M€), and assistance to the trade sector (2.2 M€). The TA to improve the investment climate with an overall volume of almost 4 M€ came in as a support to a new sector.

All in all, the Economic Development sector benefited from a relatively continuous support with a strong emphasis on technical assistance taking into account the major policy fields of the sector.

**Figure 11: Year-wise Expenditure in the Economic Development sector 2000-2006**



### 3.7.2.4 Overall conclusion and newly raised questions regarding the financial analysis

The presented financial analyses gave rise to some additional questions, which could be the subject of some additional evaluation exercise:

- What implication had the percentage of infrastructure, equipment and TA for the sustainability and impact of the EC support in three sectors?
- Have projects with several phases (and thus a longer duration) had a more significant impact than projects which have been financed only during one CARDS year?
- Have the fact, that the EC has provided a relatively extended support in the Economic Development and JHA sectors, contributed to a real change of the intuitional and legal framework of these sectors? Have there been any synergy effects?
- Regarding the fact that more than half of the CARDS budget has been disbursed through TA-projects - did the significant TA-support have a noticeable capacity building effect?
- Did the combination of TA, infrastructure measures and equipment contracts in the different sectors fit to the real needs in these sectors? Are there examples for well coordinated multi-category support or others which shows maladjustments?
- Have there been more efficient “CARDS years” than the others?

### 3.8 Scope and methodology of the evaluation

#### 3.8.1 Scope of the evaluation

The scope of the retrospective evaluation in the former Yugoslav Republic of Macedonia consists of projects and programmes funded under CARDS assistance between 2000 and 2006. During the evaluation inception phase, specific CARDS sectors were pre-selected based on different selection criteria displayed below:

**Table 1: Criteria for selecting CARDS sectors for the evaluation**

Criterion	Ranking
Portfolio analysis	⇒ <i>Local and municipal government development (22% of budget)</i> ⇒ <i>Justice and home affairs (21%)</i> ⇒ <i>Economic development (11%)</i>
Utility analysis table	⇒ <i>Agriculture and rural development</i> ⇒ <i>Institutional building</i> ⇒ <i>Justice and home affairs</i> ⇒ <i>Economic development</i> ⇒ <i>Transport infrastructure</i> ⇒ <i>Environment</i>
Opinions expressed during kick-off	⇒ <i>Justice and home affairs</i> ⇒ <i>Institution Building</i>
Availability of already existing EAR evaluations	<i>No direct duplications with the EAR reports produced recently. The EAR reports covering selected sectors were issued few years ago.</i>
Responding to the present global challenges	<i>Economic development (the real economic development is crucial for a successful dealing with a global financial crisis)</i>

From the above pre-selection, the final sector choice for the former Yugoslav Republic of Macedonia was done with for the following reasons:

- ⇒ Economic development, privatisation and enterprise development: high priority area for all interviewed people and 3<sup>rd</sup> most important sector according to the allocated budget, 11% of the overall total.
- ⇒ Local and Municipal Development: was cited as priority area by all interviewed people and covered 22% of the entire budget.
- ⇒ Justice and Home Affairs (JHA): cited as priority area by all interviewed people and covering 21% of the entire budget.

The detailed list of projects in the selected sectors, which have been covered by desk research and the field-mission, is provided in Annex 3.4. The evaluated project sample covers 63% of the whole project portfolio in the three sectors.

The evaluation process focused more on the period 2003-2006 because (i) older projects were already evaluated by the European Agency for Reconstruction (EAR) in the past period and the EAR evaluation and monitoring reports contained sufficient information, especially for the period 2000-2002 and (ii) the information from the on-going or recently finalised projects was supposed to be more relevant for future programme design.

After discussions with the EC Delegation in Skopje, the consultant team focused for the field mission on the following projects within the three selected sectors:

#### *Economic Development*



- Human Resources Development Fund for Enterprises (CARDS 2004)
- Technical Assistance Related to Development of Market Surveillance (CARDS 2006)
- Technical Assistance to the Ministry of Economy to SME support (CARDS 2005)

#### *Local and Municipal Development*

- Support to the Decentralization Process (SUDEP) – Local Self-Government Development (CARDS 2006)
- Public Finance Management Support to Municipalities (CARDS 2005)

#### *Justice and Home Affairs*

##### *Justice*

- Professional Selection and Training of Judiciary – Phase I (CARDS 2001)
- Technical Assistance (TA) to Support the Creation of Training Institute for Judiciary – Phase II (CARDS 2004)
- TA to the Penitentiary Reform (CARDS 2005)

##### *Home Affairs*

- TA to the preparation of the implementation of a nationwide police digital radio communication system - TETRA (CARDS 2004)
- Advisory support to police reform process (Twinning) (CARDS 2004)
- Technical assistance to develop police education systems (Twinning) (CARDS 2004).

### **3.8.2 Evaluation process and methodology**

The evaluation process consisted of four phases: inception, implementation, reporting and debriefing phase (details in Annex 3.2). It involved desk research of available documentation during the inception and implementation phase and interviews during the field phase to assess the results and impacts of the projects.

The Inception Report was approved on 16<sup>th</sup> January 2009 and allowed a timely start of the field mission during 9<sup>th</sup> to 21<sup>st</sup> February 2009.

The methodology followed closely the EC Interim Evaluation Guide and the Development Assistance Committee (DAC) evaluation criteria: relevance, efficiency, effectiveness, impact and sustainability.

The desk analysis drew on the progress, monitoring and evaluation documents available within DG Enlargement and the EAR. It also took into account the reports produced by the beneficiaries and/or implementing agencies in the country. The initial findings have been complemented by further document analysis and the interviews with stakeholders, intermediaries and beneficiaries during the field mission.

The analysis of CARDS has been done on three levels, which covered:

- All CARDS programmes during the period 2000 to 2006: A general financial analysis of the distribution of all CARDS programmes across sectors, assistance categories and allocated budgets.
- All CARDS programmes under selected sectors: A similar portfolio analysis as under (i.) has been performed for the selected sectors in order to get the information on the year-wise evolution and structure of expenditures of each of the selected sectors.

- iii. A sample of projects and programmes that were selected from these sectors: Based on results of the budget distribution and indication of important sectors by staff of DG ELARG and the EC Delegation, a judged sample of 11 projects in three sectors has been analysed in depth during field visits. The project-specific document analysis was enriched by individual and group interviews with project staff, implementing institutions (Ministries, NGOs etc.) and direct beneficiaries. Specific results for these 11 projects have been complemented by a desk research of the available documentation in the three sectors covering supplementary projects (please see Annex 3.4) and a larger assessments of the CARDS programme through higher level institutions i.e. the EC Delegation, the national stakeholders represented by the national agencies and line ministries, the national authorities with intra-sectoral competence, such as the National Aid Coordination (NAC), the National Instrument for Pre-Accession (IPA) Co-ordinator (NIPAC) and the National Authorising Office (NAO) were contacted along with non-state actors, local authorities and direct beneficiaries. Annex 3.3 contains the itinerary and a list of contacted persons.

The performance of selected sectors was rated according to the DAC criteria.

The contract was managed by E.4 and the contact group consisting of E.4 representatives, two desk officers, two EC Delegation representatives and four representatives of the National IPA Coordinator (NIPAC).

An early warning to indicate major weaknesses already during the evaluation process, as described in the Interim Evaluation Guide,<sup>9</sup> was not necessary.

In order to allow a systematic analysis of information and the subsequent comparison and aggregation of results, ten Evaluation Questions (EQ) were structured into an evaluation grid consisting of the EQs, which were detailed into a number of Judgment Criteria (JC) and indicators for better common understanding and orientation (Annex 3.11). While relevance and efficiency were covered by three evaluation questions each, the other DAC criteria and the cross-cutting issues were linked to one EQ per criterion.

The evaluation grid was the guiding tool for collecting information. Answers to the EQs for each of the evaluated projects and sectors were aggregated to a sector-wise and overall assessment of EQ and DAC criterion according to the five performance ratings: (HS) – Highly Satisfactory, (S) – Satisfactory, (MS) – Moderately Satisfactory, (MU) – Moderately Unsatisfactory, (HU) – Highly Unsatisfactory according to the Interim Evaluation Guide. A subsequent aggregated assessment of each DAC criterion provided an overall rating for the CARDS programme in the country.<sup>10</sup>

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<sup>9</sup> European Commission, DG Enlargement (2004), *Interim evaluation guide part I and part II*, page 8

<sup>10</sup> Figure 1 shows how the ratings have been carried out.

### 3.9 The EC-cooperation with the former Yugoslav Republic of Macedonia

#### 3.9.1 General EC development policy and priorities

The general EC development policy is regulated by the *Amsterdam Treaty* of 1<sup>st</sup> May 1999. Article 177 of the Treaty defines the EC priorities as follows:

- Sustainable economic and social development in favour of developing countries, with a particular emphasis on the most disadvantaged countries.
- Progressive and harmonious integration of developing countries in the world economy.
- Fighting poverty in developing countries.

The *European Consensus on Development* - signed in December 2005 and intended to guide both Community and Member State development cooperation - sets out common objectives and principles for development cooperation. It reaffirms the EC's commitment to poverty eradication (MDG1), owner- and partnership strengthening and to the delivery of more and better aid, while promoting policy coherence for development.<sup>11</sup>

Along with more aid, the *European Consensus* obliges the EC to provide also "better" aid by reducing transaction costs and improving overall impact. The EC has adopted a timetable for Member States to achieve the internationally agreed aid target equal to or exceeding 0.7% of the Gross Domestic Product (GDP) by 2015, with an intermediate collective target of 0.56% by 2010, which will double annual EU aid to over € 66 billion in 2010.<sup>12</sup>

#### 3.9.2 The Western Balkans and the Stabilisation and Association Process

The Stabilisation and Association Process (SAP) is the main policy framework, in which the WB countries progress towards achieving candidate status and eventual EU membership. The SAP, launched in the late 1990s in the wake of the conflicts in the region, had initially sought to underpin the implementation of the Dayton, Paris and Erdut agreements and to bring basic stability and prosperity to the affected countries. Since 2004, the SAP has been gradually enriched with elements drawn from the experience of previous enlargement processes, such as European Partnerships and Accession Partnerships. The progress reports issued on a regular basis identify priorities and obligations that each country must fulfil. SAPs involve the development of contractual relations through Stabilisation and Association Agreements (SAA) and financial assistance to support the WB countries in their effort to meet their respective SAP priorities.

The SAP focuses on regional cooperation and compliance with peace agreements, implemented through national and regional programmes and financed under the CARDS council regulation. The SAP consists of three main components:

- ⇒ SAAs aiming at, among others, promoting economic relations including the establishment of a free trade area, and enhancing cooperation in the field of JHA and in economic, social, educational, and scientific areas.
- ⇒ A uniform system of autonomous trade measures, established in autumn 2000, offering duty-free access to the EU market for almost all goods.

<sup>11</sup> The European Consensus on Development, 20.12.2005, p. 4

<sup>12</sup> The European Consensus on Development, 20.12.2005

- ⇒ Financial assistance through the CARDS programme to support the SAP in Albania, Bosnia and Herzegovina, Croatia, Serbia, Montenegro, Kosovo and the former Yugoslav Republic of Macedonia.

The Western Balkan countries have to meet certain conditions before SAA with the EU can be signed.<sup>13</sup> After signature, preparations for achieving candidate status are finalised and the accession process can proceed. So far, Croatia (2001), the former Yugoslav Republic of Macedonia (2001), Albania (2006), Montenegro (2007), Serbia (2008) and Bosnia and Herzegovina (2008) have signed these agreements.

The former Yugoslav Republic of Macedonia applied for EU membership in March 2004 and the EC was tasked by the European Council to prepare its statement. Based on the EC assessment, the Council decided to give the country the candidate status on 16<sup>th</sup> December 2005. As regards the possible opening of accession negotiations, the Commission considered that negotiations could be opened once the country has reached a sufficient degree of compliance with membership criteria. A new Accession Partnership outlining priorities, which the country should address in the short and medium-term, was adopted by the Council in February 2008.

### **3.9.3 CARDS**

#### **3.9.3.1 General context**

During the period 2000 to 2006, the programmes supporting the former Yugoslav Republic of Macedonia, were mainly financed under the CARDS Council regulation No 2666/2000 (Community Assistance for Reconstruction, Development and Stabilisation).

The former Yugoslav Republic of Macedonia benefited from the regional CARDS programmes, which were defined by the Regional Strategy Paper (RSP). The regional programmes are centrally managed by the EC and support regional issues of interest for the Western Balkans.

During the period 2000-2006, EC regional assistance in the Western Balkans amounted to €2.9 billion and focused on four main areas:

- (1) IBM
- (2) Democratic stabilisation
- (3) Institution building
- (4) Improvement of regional infrastructure and air traffic control

According to the RSP logic, the activities promoting IBM and intensified coordination of the neighbouring countries were supposed to lead to shared priority border crossings with common customs approaches, which will ease the movement of goods and people and intensify trade and exchange.

The strengthening of civil society for democratic stabilisation intended to arrive at open discussions on minorities and vulnerable groups and a general freedom of opinion and expression. Open expression of opinion was expected to improve the awareness for human rights in a generally strengthened civil society.

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<sup>13</sup> As stated in the Co-operation Agreement between the EC and a western Balkan country, "to share values and strengthen links".

The institution building efforts envisaged an improvement of the overall economic growth and environment by increasing the efficiency and effectiveness of public institutions through harmonised legislation, civil service reforms and financial control.

Regional development is strengthened by solving existing bottlenecks in cross-border transport, energy and environment and by improving air traffic control.

All these efforts were supposed to finally lead to the prevention of conflicts and improved living conditions of the local populations.

The EAR was until the end of 2008 responsible for the management of the CARDS programmes in the former Yugoslav Republic of Macedonia.\* The EAR had its headquarters in Thessaloniki, and operational centres in Pristina, Belgrade, Podgorica and Skopje.<sup>14</sup> As an independent body of the European Union, it was accountable to the Council and the European Parliament, and overseen by a Governing Board comprising representatives from each of the EU Member States and from the European Commission. Its role and responsibilities were described in the Council Regulation 2667/2000.

The CARDS programme follows 5-year Country Strategy Papers (CSPs) and 3-year Multi-Annual Indicative Programmes (MIPs), which define the priority areas for EC interventions in each country according to the specific needs. CSPs and MIPs are broken down into annual action programmes. The objectives of current EU-funded programmes managed by the EAR are: (i) to support good governance, institution building and the rule of law, (ii) continue supporting the development of a market economy while investing further in critical physical infrastructure and environmental actions and (iii) to support social development and the strengthening of civil society. At the end of 2007, the total sum of EC assistance managed by the EAR across its four operational centres amounted to € 2.8 billion.

### **3.9.3.2 EC Strategic objectives and priorities in the former Yugoslav Republic of Macedonia**

In the former Yugoslav Republic of Macedonia, the EAR had issued contracts of some € 235 million to support JHA, IBM, fight against crime and corruption and police reform, civil society, education and training, institution building and decentralisation and economic development. The interventions focused on the infrastructure and overall business climate to foster development of SME and to attract foreign investment.

According to the CSP 2002-2006, the support measures were aligned to four main areas (please see also the impact diagram below):

- Democracy and the Rule of Law
- Economic and social development
- JHA
- Environment and natural sources

Democracy and the Rule of Law activities were targeting inter-ethnic relations and civil society. Expected results were civil society strengthening and the decentralisation of public administration that should support more democratic and tolerant public service. The economic and social development supported the entrepreneurship in order to ensure a higher competitiveness of the local producers. The JHA support focused on modern court and case management in order to improve judiciary and increase anti-crime public awareness. Environ-

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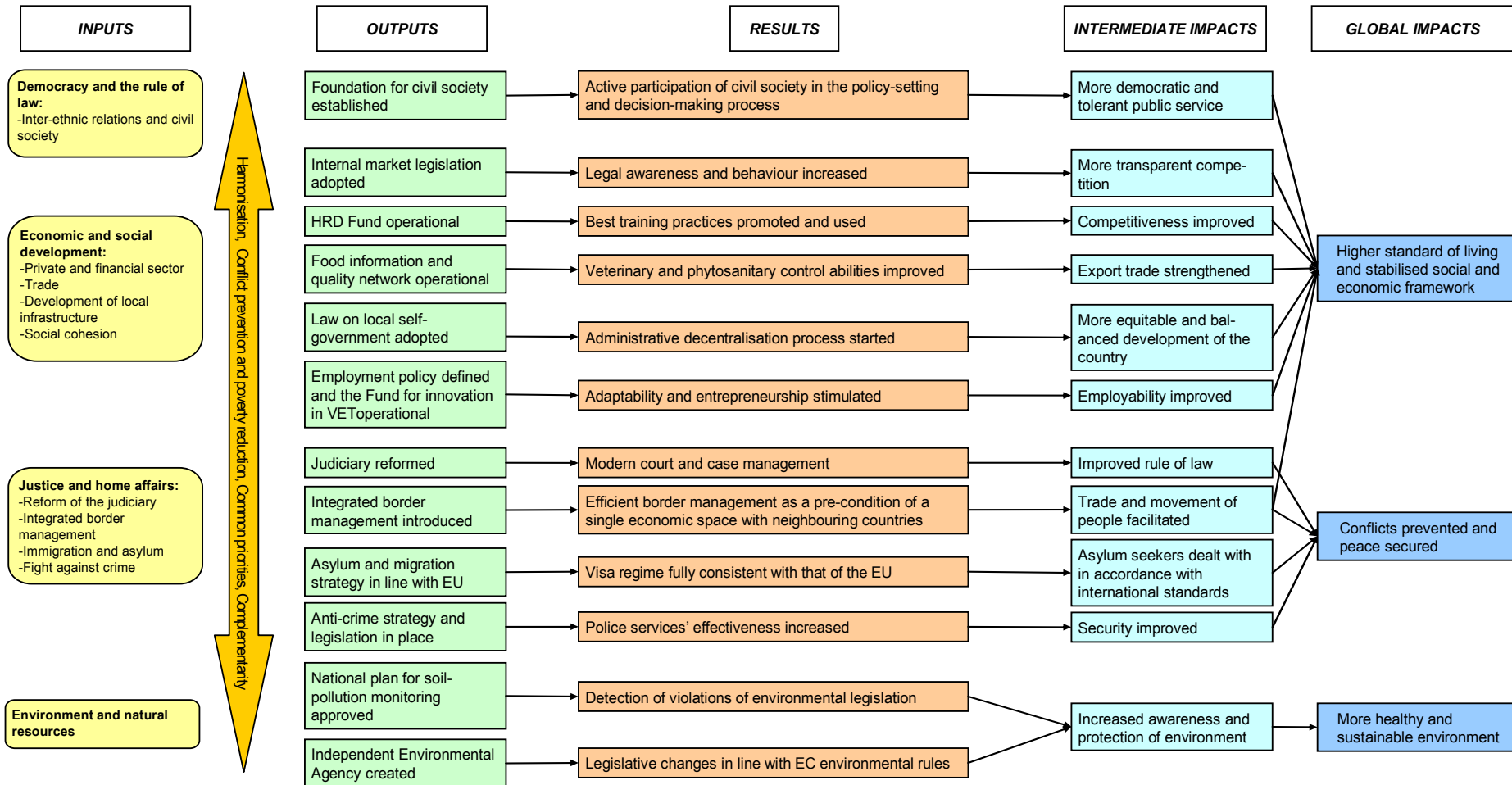
<sup>14</sup> Following the amendment of the Agency Regulation in December 2001, which extended the Agency's activities to the Former Yugoslav Republic of Macedonia from 2002 onwards – Council Regulation 2415/2001 of 10 December 2001.

mental and natural resources activities were assumed to lead to legislative changes in line with EC environmental rules to get to a healthier and more sustainable environment.

All efforts should finally lead to the prevention of conflicts and more harmonic and improved living conditions of the local population. The objectives were in line with those defined in the CARDS RSP that focused on strengthening of civil society and sustainable and environmentally friendly economic development.

Figure 12: Impact diagram of the CARDS interventions in the former Yugoslav Republic of Macedonia

*Impact diagram – EC Country Strategy Paper FYROM 2002 - 2006*



### 3.10 The EU legislative package of EU programmes for the financial programming period 2007-2013

Council decisions	Legal basis period	Current prices in €million
Instrument for Pre-Accession – IPA	2007-2013	11 565.0
Macroeconomic Assistance	2007-2013	753.0
Common and Foreign Security Policy - CFSP	2007-2013	1 980.0
EC Guarantees for lending operations	2007-2013	1 400.0
Emergency Aid Reserve*	2007-2013	1 744.0
<b>Co-decision programmes</b>		
<b>European Neighbourhood and Partnership Instrument – ENPI</b>	<b>2007-2013</b>	<b>11 967.0</b>
Development Cooperation and Economic Cooperation Instrument – DCECI	2007-2013	17 055.0
Instrument for Stability – IFS	2007-2013	2 879.0
Humanitarian Aid	2007-2013	5 614.0
Other expenditure	2007-2013	1 179.3

\* The commitment appropriations under the Emergency Aid Reserve are not included in the ceilings agreed in the Financial Framework 2007-2013. They will be entered over and above these ceilings.

Source: [http://ec.europa.eu/financial\\_perspective/index\\_en.htm](http://ec.europa.eu/financial_perspective/index_en.htm) (latest news 24.05.2006)



### 3.11 General Evaluation Matrix

EVALUATION QUESTIONS (EQ), JUDGMENT CRITERIA (JC) AND INDICATORS	METHOD	SOURCES AND COMMENTS					
<b>Relevance</b>	Performance rating	HS	S	MS	MU	U	HU
<b>EQ1: To what extent do the programmes/projects address the needs and priorities identified in the Progress Reports, SA Agreements, Strategy Papers, Partnerships and country/sectoral strategies?</b>	Performance rating	HS	S	MS	MU	U	HU
<b>JC1.1: Compliance of project/programme objectives with EC strategic objectives (i.e. SA Agreements, Country strategy, Sector strategy, Partnerships)</b>							
I1.1.1 Projects/programmes with project documents referring comprehensively to EC strategic papers and objectives.	Analysis of project planning documents.						
I1.1.2 Part of projects/programmes with project goals corresponding to EC strategic papers and objectives without explicit references.	Analysis of project planning documents.						
<b>JC1.2: Alignment of project/programme objectives with national strategies.</b>							
I1.2.1 Projects/programmes with project documents referring comprehensively to national strategic papers and objectives.	Analysis of project planning documents.						
I1.2.2 Programmes with project documents containing a comprehensive analysis of their sectors and the respective <b>development</b> initiatives in the country.	Analysis of project planning documents.						
I1.2.3 Projects/programmes, for which national partners confirm high relevance for achievement of national strategies.	Interviews with national partners, stakeholders and resource persons.						
<b>JC1.3: Readjustment of project/programme objectives during implementation</b>							
I1.3.1 Projects/programmes that needed major re-steering during implementation to increase relevance.	Analysis of mid-term and final evaluations, interviews with resource persons						
<b>EQ 2: To what extent have the stakeholders in the beneficiary countries and in the line DGs been involved in the needs assessments and contributed to the design of the programmes/projects?</b>	Performance rating	HS	S	MS	MU	U	HU
<b>JC2.1: Implication of beneficiary country representatives in project/programme preparation and design.</b>							
I2.1.1 Part of projects/programmes, for which active coordination mechanisms were applied with Government and/or concerned institutional or civil society stakeholders during project/programme preparation (meetings, workshops, feedback loops etc.).	Analysis of planning documents, interviews with Government representatives, concerned institutions and other stakeholders.						

EVALUATION QUESTIONS (EQ), JUDGMENT CRITERIA (JC) AND INDICATORS	METHOD	SOURCES AND COMMENTS					
12.1.2 Projects/programmes, for which stakeholders confirm that at least part of their suggestions were reflected in the final project/programme design.	Interviews with Government representatives, concerned institutions and other stakeholders and resource persons.						
<b>JC2.2: Implication of line DGs and DEL in project/programme preparation and design.</b>							
12.2.1 Projects/programmes, in which DGs/DEL were intensively involved during the design stage.	Interviews with DEL and DGs' representatives.						
<b>EQ3: To what extent the programmes were designed in a manner relevant to the needs and problems identified in the partner countries?</b>	<b>Performance rating</b>	HS	S	MS	MU	U	HU
<b>JC3.1 Level of consistency between identified problems and planned results and objectives.</b>							
13.1.1 Projects/programmes with results and objectives consistently deducted from identified problems.	Analysis of planning documents						
<b>JC3.2: Participation of final beneficiaries in project/programme preparation and design.</b>							
13.2.1 Projects/programmes for which participatory tools were used during the preparatory phase (beneficiary workshops, rapid appraisal techniques).	Analysis of planning documents, kick-off and evaluation reports. Interviews with stakeholders and project staff.						
13.2.2 Projects/programmes for which direct beneficiaries confirm that they were consulted during the initial phase.	Group interviews with beneficiaries.						
<b>Efficiency</b>	<b>Performance rating</b>	HS	S	MS	MU	U	HU
<b>EQ4: To what extent have the outputs of the projects been produced, to which costs have they been produced and have they been produced in time as planned?</b>	<b>Performance rating</b>	HS	S	MS	MU	U	HU
<b>JC4.1 Timely availability of inputs and resources from all parties.</b>							
14.1.1 Percentage of projects/programmes having started in time according to planning.	Analysis of project documents.						
14.1.2 Percentage of projects/programmes having suffered from delays in receiving EC funds in time.	Analysis of project progress reports, interviews with project responsables.						
14.1.3 Percentage of projects/programmes having suffered from delays in receiving national co-funding.	Analysis of project progress reports, interviews with project responsables.						
<b>JC4.2 Level of compliance of planned cost with actual cost.</b>							

EVALUATION QUESTIONS (EQ), JUDGMENT CRITERIA (JC) AND INDICATORS	METHOD	SOURCES AND COMMENTS					
I4.2.1 Percentage of projects/programmes with major inconsistencies in compliance of planned and actual cost.	Analysis of a sample of cost-intensive investment activities in projects.						
I4.2.2 Percentage of projects/programmes with major budget reallocations.	Analysis of budget adjustments/ requests for reallocation and budget extensions.						
<b>EQ5: Could similar results have been achieved at a lower cost or more results to the same costs (value-for-money)?</b>	<b>Performance rating</b>	HS	S	MS	MU	U	HU
<b>JC5.1 Quality of financial monitoring of project costs and benefits.</b>							
I5.1.1 Projects using economic tools (e.g. unit cost, cost-benefit analysis) to follow-up cost efficiency.	Document analysis and interviews with project staff.						
I5.1.2 Projects/programmes having taken corrective actions to limit costs.	Interviews with project staff and resource persons.						
<b>JC5.2 Level of cost-efficiency.</b>							
I5.2.1 Percentage of projects that have applied cost-efficient technologies.	Assessment by resource persons and evaluators.						
<b>EQ6: To what extent have the beneficiaries been ready to absorb the CARDS funding and the pre-conditions for implementing the projects been in place?</b>	<b>Performance rating</b>	HS	S	MS	MU	U	HU
<b>JC6.1 Level of fund utilisation.</b>							
I6.1.1 Percentage of funds directed to beneficiaries.	Analysis of financial reports.						
I6.1.2 Projects/programmes having clearly documented arrangements with beneficiaries on utilization of funds (e.g. fund application forms, contracts, procedures manuals etc.)	Analysis of projects' procedures.						
I6.1.3 Projects/programmes, for which beneficiaries confirm that conditions and procedures to access funds are clear.	Group interviews with beneficiaries.						
<b>JC6.2 Degree of human resource and institutional strengthening accompanying measures.</b>							
I6.2.1 Percentage of projects/programmes applying supportive training measures to beneficiaries.	Analysis of project documents, operational plans and reports.						

EVALUATION QUESTIONS (EQ), JUDGMENT CRITERIA (JC) AND INDICATORS	METHOD	SOURCES AND COMMENTS					
I6.2.2 Projects/programmes for which beneficiaries confirm that strengthening measures have improved their capacity to access funds.	Group interviews with beneficiaries.						
<b>Effectiveness</b>	<b>Performance rating</b>	<b>HS</b>	<b>S</b>	<b>MS</b>	<b>MU</b>	<b>U</b>	<b>HU</b>
<b>EQ7: To what extent have the operational objectives of the programmes/projects been achieved or are in the process of being achieved with respect to planning provisions?</b>	<b>Performance rating</b>	<b>HS</b>	<b>S</b>	<b>MS</b>	<b>MU</b>	<b>U</b>	<b>HU</b>
<b>JC7.1 Level of achievement of results and objectives.</b>							
I7.1.1 Part of projects/programmes with a high level (>80%) of results achieved.	Assessment by evaluators and resource persons, analysis of evaluation reports and monitoring data.						
I7.1.2 Part of projects with a high level of achievement of project purpose (>80%).	Assessment by evaluators and resource persons, analysis of evaluation reports and monitoring data.						
I7.1.3 Projects with identified major failures.	Analysis of evaluation reports, interviews with stakeholders, site visits.						
<b>JC7.2 Influence of external factors on achievement of results and objectives.</b>							
I7.2.1 Projects/programmes, which report major hindrances due to unfavourable framework conditions (political, social or economic influences out of project reach).							
<b>Impact</b>	<b>Performance rating</b>	<b>HS</b>	<b>S</b>	<b>MS</b>	<b>MU</b>	<b>U</b>	<b>HU</b>
<b>EQ8: To what extent have the projects/programmes' interventions produced political, social, economic or environmental impacts?</b>	<b>Performance rating</b>	<b>HS</b>	<b>S</b>	<b>MS</b>	<b>MU</b>	<b>U</b>	<b>HU</b>
<b>JC8.1 Extent of impacts on the politico-strategic level.</b>							
I8.1.1 Type and extent of intended and unintended impacts on political and strategic level.	Analysis of evaluation reports, interviews with resource persons and stakeholders.						
<b>JC8.2 Extent of impacts on the institutional level.</b>							

EVALUATION QUESTIONS (EQ), JUDGMENT CRITERIA (JC) AND INDICATORS	METHOD	SOURCES AND COMMENTS					
18.2.1 Type and extent of intended and unintended impacts on institutional level (partners, NGOs etc.)	Analysis of evaluation reports, interviews with resource persons and institutional beneficiaries (intermediaries).						
<b>JC8.3 Extent of impacts on the social and economic level.</b>							
18.3.1 Type and extent of intended and unintended impacts on direct beneficiaries level (population, enterprises, etc.)	Analysis of evaluation reports, interviews with resource persons and direct beneficiaries.						
<b>JC8.4 Extent of impacts on the environmental level.</b>							
8.4.1 Type and extent of intended and unintended impacts on environment	Interviews with resource persons and beneficiaries, analysis of evaluation reports.						
<b>Sustainability</b>	<b>Performance rating</b>	<b>HS</b>	<b>S</b>	<b>MS</b>	<b>MU</b>	<b>U</b>	<b>HU</b>
<b>EQ9 Are the results and impacts of the programmes/projects likely to continue after EU funding ends?</b>	<b>Performance rating</b>	<b>HS</b>	<b>S</b>	<b>MS</b>	<b>MU</b>	<b>U</b>	<b>HU</b>
<b>JC9.1 Availability of clearly defined/ implemented phase-out strategy.</b>							
19.1.1 Projects/programmes with defined (for projects in initial phase) or implemented phase-out (for projects in final phase or ended) strategy.	Analysis of planning documents, interviews with resource persons and beneficiaries.						
<b>JC9.2 Use of sustainability-promoting measures.</b>							
19.2.1 Projects/programmes having mechanisms to ensure after-project continuation (funding/credit mechanisms, maintenance plans and funds, management committees etc.)	Interviews with beneficiaries and stakeholders, document analysis.						
19.2.2 Projects/programmes, which have a clear contribution strategy for beneficiaries (physical or financial contribution).	Interviews with beneficiaries and stakeholders, document analysis.						
<b>JC9.3. Extent of initiatives having been transferred to local institutions for independent management.</b>							

EVALUATION QUESTIONS (EQ), JUDGMENT CRITERIA (JC) AND INDICATORS	METHOD	SOURCES AND COMMENTS					
I9.3.1 Projects/programmes, which have proofs of independently managed initiatives having been transferred to beneficiaries.	Interviews with beneficiaries and resource persons/project staff.						
I9.3.2 Projects/programmes, where beneficiaries confirm that they are able to continue initiatives after project end.	Interviews with beneficiaries.						
<b>Cross cutting issues</b>	<b>Performance rating</b>	<b>HS</b>	<b>S</b>	<b>MS</b>	<b>MU</b>	<b>U</b>	<b>HU</b>
<b>EQ10: To what degree do the programmes respect issues of gender, environment, minority inclusion and complementarity with the CARDS regional programme and those of other donors, notably EU member states?</b>	<b>Performance rating</b>	<b>HS</b>	<b>S</b>	<b>MS</b>	<b>MU</b>	<b>U</b>	<b>HU</b>
<b>JC10.1: Respect of gender aspects in projects/programmes</b>							
I10.1.1 Projects/programmes with a gender-differentiate target group analysis.	Analysis of planning documents.						
I10.1.2 Percentage and function of women among project staff.	Analysis of staff list.						
10.1.3 Estimated percentage of women among direct beneficiaries.	Assessment by project staff, resource persons and evaluators based on M&E data.						
10.1.4 Existence of documented gender relevant impacts of the project/program.	Analysis of project documents.						
10.1.5 Existence of gender differentiated data in project planning and evaluation documents	Document analysis.						
<b>JC10.2 Inclusion of environmental aspects in projects/programmes</b>							
I10.2.1 Percentage of non-environmental projects/programmes having integrated environmental issues in their program.	Assessment by evaluators based on interview results and document analysis.						
I10.2.2 Percentage of projects/programmes causing negative environmental effects without alleviation scheme.	Assessment by evaluators based on interview results and document analysis.						

EVALUATION QUESTIONS (EQ), JUDGMENT CRITERIA (JC) AND INDICATORS	METHOD	SOURCES AND COMMENTS
10.2.3 Percentage of projects/programmes having realized an EIA <sup>15</sup>	Document analysis, interviews project responsables.	
<b>10.3 Inclusion of minority and disadvantaged groups.</b>		
I10.3.1 Projects/programmes having specific targeting mechanisms for the inclusion of minorities and disadvantaged groups. (e.g. special programmes components, identification procedures for marginal groups, quotas etc.)	Document analysis, interviews project responsables.	
<b>10.4 Coordination and cooperation with CARDS Regional programme and those of other donors</b>		
I10.4.1 Projects/programmes with a comprehensive analysis of activities of the RSP and other donors in their sector in the planning documents. .	Analysis of planning documents.	
I10.4.2 Projects/programmes participating in coordination mechanisms or cooperating with other donors' projects or regional CARDS programmes.	Interviews with project staff and other donors.	

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<sup>15</sup> Environmental impact assessment

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