

Evaluation title	Evaluation of the EU approach “Collect More Spend Better” (2015-2021)		
Lead EU Service	European Commission Directorate-General for International Partnerships (INTPA), Unit E1 - INTPA-E1@ec.europa.eu Evaluation managed by INTPA Unit D4 - INTPA-EVALUATIONS@ec.europa.eu	Countries of the assessment	Evaluation based on the analysis of 12 beneficiary case studies : Cambodia, Cameroon, Dominican Republic, Georgia, Ghana, Malawi, Mongolia, Niger, and Rwanda (with on-site field mission) and Bangladesh, Kosovo ¹ and Timor Leste, (analysis at desk level) ; and four of the many international partnerships to which the EU contributes in this field (The Debt Management Facility, the IMF Regional Technical Assistance Centres, the ACP DRM (Domestic Resources Mobilisation) and the UN tax Committee).
Associated EU Services	Directorate-General for Neighborhood and Enlargement (DG NEAR), Directorate-General for Taxation and Customs Union (TAXUD), European External Action Service (EEAS)	Main policy areas addressed by the evaluation	<ul style="list-style-type: none"> • Global Public Financial Management (PFM); • Domestic Revenue Mobilization (DRM); • Debt management; • Macro-economic stability; • Transparency, participation, and accountability; • Improved access to public services and infrastructure; • Equitable income distribution.
Evaluation budget	EUR 584 090	Contractor	AIDE À LA DECISION ECONOMIQUE SA (A.D.E.)
Date of the response	April 2023	Publications	Link to the Published Report, and the Evaluation Factsheet
Additional information	The purpose of the study is to provide the EU and the wider public with an overall independent assessment of the contribution of the EU's Collect More Spend Better framework to the improvement of beneficiary countries' Public Financial Management (PFM) systems and, consequently, of their development strategies. The evaluation concludes that the EU demonstrated a pragmatic and comprehensive CMSB approach at the country level. It was well adapted to different contexts and needs but it was hindered by the slow pace of PFM reform and implementation. At the country level, the EU's approach was pragmatic and adapted to different contexts and needs. It was facilitated by a mix of aid modalities and instruments, but underestimated the strong political economy dimension of PFM reforms. The EU's CMSB support was often scattered, with few synergies within the country portfolios and with other EU interventions. Moreover, the EU relied on a useful mix of EU aid modalities and instruments at the country level, but with a wide spectrum of interventions leading to some dispersion with limited synergies. The active implementing role kept by the EU allowed more joint and coordinated responses at the international level, albeit with limited influence on strategic orientations.		

¹ *Kosovo is considered as a beneficiary, and this designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

Recommendations from the independent Evaluation	Response of the EU services (to be updated one year later)
<p align="center">Framework: Strengthening the EU’s global strategic approach in the areas of DRM, PFM and debt management (Recommendations 1&2)</p>	
<p>R1 Promote the CMSB agenda as a comprehensive strategic framework for EU support to public finance, emphasizing its importance in implementing the Global Gateway. Directed at: EU HQ - IMPORTANCE: 6/10 URGENCY: 6/10</p>	<p>This recommendation is <u>Accepted</u></p> <p>As for an up-date of the CMSB agenda, a note “collect more – spend better and the Global Gateway” was drafted with inputs from various directorates. This note aims to illustrate further how macro-fiscal policies and budget support help support the EU’s value driven investment strategy, inform on the tools which support this and identify avenues for bringing the CMSB agenda in Global Gateway projects. It was discussed by Management in March 2023 and shared with a wide audience. The consideration of all budget cycle components in the CMSB agenda was reinforced through a reorganisation within INTPA E1 in 2022, which aimed at making stronger linkages between the collecting and spending sides.</p>
<p>R2 Prioritise EU support in CMSB areas where the EU has a comparative advantage and specific interests, while keeping a logic of opportunity to support areas of the PFM/DRM reform plans where leverage effects can be activated. Directed at: EU HQ - IMPORTANCE: 8/10 URGENCY: 6/10</p>	<p>This recommendation is <u>Accepted</u></p> <p>The application of the CMSB approach for each country is being modulated in response to the country context and national policy as well as to the respective interventions of other development partners present. Comparative advantages and EU values are also important factors and consistently considered. The EU maintains that transparency and accountability are strategic conditions for good governance. Programme budgeting and sector PFM will be further promoted in the framework of Sector Reform Contracts. This aims at strengthening public sector delivery, being one of the three main objectives of PFM. Additional focus on public investment management, procurement, debt management and blended finance for investments (of which, the EFSD+) was also developed in the note “collect more – spend better and the Global Gateway” discussed by Management in March 2023. Consequently, the climate modules of PEFA and PIMA, public finance management and domestic revenue mobilisation (green PFM/DRM) and digitalisation remain high priorities.</p>
<p align="center">Policy: Consolidating the EU’s approach at the international level and at the country level (Recommendations 3 & 4)</p>	
<p>R3 Continue the efforts made in developing a joint approach to supporting public finance at international level and in helping to rationalise the use of diagnostic tools and trust funds, while ensuring that more space is given to developing countries, and that all efforts contribute to the EU’s long-term objectives.</p>	<p>This recommendation is <u>Accepted</u></p> <p>The CMSB approach contributes to supporting public finance at the international level as well as policy coherence for development through regular INTPA’s coordination with NEAR, TAXUD, EEAS and other relevant line-DGs. The Addis Tax Initiative (ATI) Declaration 2025 was signed by the EU in December 2021.</p>

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<p>Directed at: EU HQ, EUDs and International partners - IMPORTANCE: 6/10 URGENCY: 7/10</p>	<p>to align commitments among development partners and partner countries and to better consider the voice of beneficiary countries. A more inclusive representation in the Advisory board to the PEFA initiative as well as in ATI working groups and Steering Committees, and the designation of heads of the PEFA, TADAT and MAPS secretariats from developing countries will help to bring country experiences into the work.</p> <p>Synergies between existing Trust funds (TFs) and international initiatives are seen as established practice thanks to pre-coordination meetings (TADAT SC, OECD donor advisory group meetings), EU interventions' coordination with IMF TFs/RTACs have further room for improvements. Complementarily, the EU welcomes the IMFs ambition to combine various DRM-related TFs into one and draft an overarching strategy that looks both at the revenue and expenditure sides. The TF reform of the World Bank Group will be followed as necessary. A rationalised use of diagnostic tools can be informed by the PEFA secretariat which have just completed a comprehensive mapping to help partners to use them efficiently. Various diagnostic tools exist but are not all supported by the EU as they are designed to be complementary.</p> <p>The monitoring of EU's long-term objectives is reinforced by the Risk Management Framework Plus (RMF+) that aims to ensure that priority risks are covered by mitigation measures either through specific EU actions, policy dialogue or interventions by the authorities and/or the development partners.</p>
<p>R4</p> <p>At country level, ensure a more coherent and comprehensive vision of EU support to public finance across the various aid modalities used, as well as adequate monitoring and evaluation. Directed at: EU HQ & EUDS - IMPORTANCE: 8/10 URGENCY: 8/10</p>	<p>This recommendation is <u>Accepted</u></p> <p>The global vision of the EU portfolios of CMSB interventions deployed at country level is undertaken by the EU Delegations. Budget support operations, the Risk Management Framework Plus (which applies to all aid modalities) and HQ feedback to disbursement files help in establishing priorities including for policy dialogue in the field of CMSB. Regular up-dates on activities and programmes financed via regional/global envelopes will help Delegations in this effort.</p> <p>Evaluation is accomplished through on-going monitoring by the Delegations: end of budget support programmes' evaluations (indicators identified in LogFrames and performance indicators in variable tranches), wider strategic country evaluations, RMFs (and inks to PEFA scores), annual report on PFM reforms' progress based on national strategies and action plans. Feedback by EU HQ is also provided following each budget support disbursement.</p> <p>The discussion of budget support in the SSC (rather than the BSSC) together with other country files also helps strengthen the linkages of CMSB dimensions across aid modalities.</p>

Implementation: Improving the implementation of EU support under the CMSB umbrella (Recommendations 5 to 7)

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<p>R5 Strengthen the effectiveness of the EU CMSB portfolio at country level by making better use of the instruments and aid modalities available and the synergies between them, including strengthening policy dialogue.</p> <p>Directed at: EU HQ & EUDS - IMPORTANCE: 8/10 URGENCY: 7/10</p>	<p>This recommendation is <u>Accepted</u></p> <p>The effectiveness of the EU CMSB portfolio at country level is reinforced by the principles spelled out in the EU budget support guidelines. The selection of performance indicators within budget support operations, and for the variable tranches more specifically, is an effective way to leverage EU support while aligning with domestic policies. Feedback to disbursement files informs policy dialogue priorities as does on a longer term basis the RMF+.</p> <p>The Commission is also committed to continue supporting partner countries to strengthen their statistical and monitoring systems, in response to limitations in data quality and availability in budget support. A 2019 performance audit report of the EU Court of Auditors highlighted room for progress in this matter and all recommendations were implemented satisfactorily by late 2022.</p> <p>Instructions to strengthen, structure and document the policy dialogue in the context of budget support at all levels, including through higher involvement by the Heads of Delegation where relevant, were recalled in an internal note sent by the Commission to EU Delegations in June 2021.</p>
<p>R6 Reinforce the effectiveness of EU CMSB support in priority areas and put more emphasis on change management.</p> <p>Directed at: EU HQ & EUDS - IMPORTANCE: 6/10 URGENCY: 6/10</p>	<p>This recommendation is <u>Accepted</u></p> <p>The effectiveness of EU CMSB support is reinforced by transparency and accountability approaches, such as participation in budget processes. Calls for proposals leading to actions for CSO/accountability stakeholders were conducted and operations are still ongoing, both at country and global levels. Inclusiveness is encouraged in Delegations' policy dialogue as well as the publication of citizen's budgets. The BS guidelines (point 4.3.) also outline ways of strengthening civil society participation in policy and budgetary processes.</p> <p>EU PFM support in priority areas is covered by the sector policy assessment template and the PFM/transparency report accompanying BS payment files (as stated in the response to the second recommendation). Within the collecting side, TADAT and repeat TADAT are promoted, in addition to supporting government-owned PFM/DRM reform strategies and the IMF's intended focus on country-level engagement strategies. Regarding the spending strand, PEFA assessments are promoted in particular in Budget Support recipient countries (also at sub national level, including Gender and Climate frameworks. Support to National statistical Systems is undertaken through direct support at national level, promotion of the SnapShot tool and contribution to the WB Global Data facility.</p> <p>Promoting change management approaches on PFM issues will be important. Besides, the IMF's RTACs and DMR/PFM thematic funds aiming to integrate change management are supported by the Commission. The</p>

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	RMF+ also helps put PFM in a broader perspective, as well as the PFM (II) Reform training course that focuses on change management and Public Administration Reform.
<p>R7</p> <p>Continue promoting coordination and complementarities between different donor interventions at country level by reinforcing national leadership to steer and coordinate PFM/DRM reforms plans, including coordination of related external support.</p> <p>Directed at: HQ, EUDs, National authorities, International partners - IMPORTANCE: 6/10 URGENCY: 8/10</p>	<p>This recommendation is <u>Accepted</u></p> <p>Promoting PFM/DRM reform plans' coordination within national authorities is considered common practice/objective, of course perfectible to various degrees depending on the country. Ideally, the coordination should be the responsibility of the partner country. The PEFA secretariat already provides, upon request, initial training for any new assessment and Phase IV foresees more trainings starting mid-2023. Partial PEFA assessments are increasingly used by countries to monitor progress in PFM reforms, given that the encouraged complete self-assessments are constrained by limited human and financial resources at national level. Consultations among BS providers is done by Delegations, primarily ensuring alignment with National PFM reforms strategies/actions' monitoring process and related performance indicators.</p> <p>EU involvement in RMTF/MNRW/TADAT is standard practice, with possible further improvements. Information is shared with Delegations and geographic units in addition to (de)briefings during Steering Committees. IMF experts/EUD colleagues' collaborations are established as appropriate. EU joint programming will be sought ahead of the WB/IMF DMF and the UNCTAD DMFAS SCs, in addition to promoting specific Team Europe initiatives in the CMSB field (e.g. Illicit financial flows).</p>
<p>Staff & Visibility: Enhancing EU technical capacities and expertise in public finance to support the EU's ambitious approach, and improving EU visibility (Recommendations 8 & 9)</p>	
<p>R8</p> <p>Design and implement a capacity building strategy for CMSB support that will strengthen internal staff skills, improve sustainable access to external expertise and bolster partner countries' ownership.</p> <p>Directed at: HQ, EUDs - IMPORTANCE: 8/10 URGENCY: 8/10</p>	<p>This recommendation is <u>Partially accepted</u></p> <p>INTPA has been offering a variety of CMSB-related trainings for the last four years: public finance management I & II (basics and Reforms), budget support, domestic revenue mobilisation, debt management and macroeconomic analyses. National officials can attend EU training courses at country level. The EU capacity building strategy will be strengthened based on the assessment of training needs conducted in 2022. Efforts will continue to focus on a specific cursus offered to newcomers, colleagues going to Delegations or working on thematic files. Training recommendations for economists and beyond are planned to be sent to Heads of Cooperation and HQ Heads of Units to feed into the yearly discussion on training needs. A new training cycle will be prepared depending on the timing of the availability of funds, as the end of the current cycle is in 2023.</p>

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	<p>HQ/EUDs interaction is reinforced by regular dissemination of e-notes to share expertise (such as through the e-BS network meetings) and by regional BS seminars. The latter will be based on a two-way stream mutually benefiting HQ and Delegation colleagues. HQ missions to EUDs will further be promoted if mission budget allows. Recent missions to Haiti, The Gambia, Zimbabwe, Niger, Kenya, Somalia or Nepal could be mentioned. Furthermore, a Macro-Fiscal Facility will be set up next in 2024 to provide HQ/EUDs/partner countries with high-level expertise relevant for macro-fiscal policymaking and implementation. At last, RTAC mission's (de)briefings will be promoted.</p>
<p>R9 Improve EU visibility in public finance. Directed at: HQ, EUDs, International partners - IMPORTANCE: 6/10 URGENCY: 6/10</p>	<p>This recommendation is <u>Accepted</u></p> <p>The EU plans to continue improving its visibility in public finance through joint events at country level, through joint events with the IMF, WB, OECD and UN such as the African Fiscal Forum, gender-budgeting seminars, the launch of global PFM reports and of country level events, as well as other events (e.g. strategic panel discussions around capacity building during spring/autumn meetings). In addition, transparency of budgetary (and other) information is a common Commission's value. Various HQ units (dealing with governance, civil society, fiscal policies, or BS for instance) launched programmes and grants supporting accountability actors.</p> <p>EU CMSB-related communication activities at country level are part of a whole-of-Delegation strategic communication plan as per Commission's applicable guidelines. In-country participation in official meetings or workshops is frequent, especially in countries with substantial BS-programme engagement.</p>