

External Evaluation of the Development Co-operation Instrument

Short Summary

The evaluation of the Development Co-operation Instrument (DCI) for the period 2014-2020 is being undertaken in parallel with evaluations of other External Financing Instruments (EFIs) under the Multiannual Financial Framework (MFF) 2014-2020. Like them, it will feed into the required Mid-term review (MTR) report. This evaluation assesses whether the DCI is fit for purpose to deliver EU resources for the implementation of the EU's development and external action policy, and considers the place of the DCI, its complementarities and synergies, within the wider set of EFIs.

Conclusion 1 DCI design: The design of the DCI 2014-2020 successfully addressed commitments in the Agenda for Change and concerns raised in the 2011 Impact Assessment of the DCI 2007-2013. Based on a synthesis of all the conclusions below, it remains reasonably fit for purpose.

Conclusion 2 Implementation and results: The DCI 2014-2020 is contributing to positive development results and there has been progress in developing a framework for monitoring them at implementation level. Goals in alignment, results-orientation, and differentiation have overall been met, but sometimes with unintended consequences. There has been insufficient progress in mainstreaming democracy and human rights, including gender equality. Progress has been noted in the areas of climate change and environment, but more remains to be done to systematically and effectively integrate these themes across all sectors of EU co-operation.

Conclusion 3 The DCI as part of the architecture of EU external action 2014-2020: The internal architecture of the DCI within the overall architecture of EFIs as a whole remains complex and compartmentalised. There has been progress on joint programming with Member States. It is showing promise in its early stages, but there are challenges to be addressed.

Conclusion 4 Leverage and value added: Sustained EU engagement under the DCI has resulted in leverage at the level of sector policy. However, DCI-based leverage at the political level is weakening. The EU's main sources of added value through DCI are viewed as being free of national bilateral interests and as having substantive expertise. There has been significant financial leveraging of DCI grant resources via blending, but otherwise little progress has been achieved so far on the formation of effective partnerships with the private sector.

Conclusion 5 Efficiency, flexibility, and capacity: The DCI is a complex and administratively demanding instrument and has only limited flexibility to adapt to new conditions or emerging concerns. This limited flexibility is less at the instrument level than at the level of programming and implementation. Administrative efficiency gains from consolidating thematic budget lines have been modest. A significant factor hampering the DCI instrument's performance is limited staff capacity both in EU Delegations and at Headquarters.

Conclusion 6 The growing challenges to the DCI instrument: The context in which the DCI operates has changed. Its political and operational foundations have been weakened by a number of recent trends: the declining number of countries eligible for Official Development Assistance (ODA), the diminishing role of ODA in overall resource flows, shrinking aid budgets, the availability of non-ODA aid resources from non-DAC donors, increasing resistance to models of development stressing democracy and human rights, a reduced voice for civil society and the rising importance of EU internal policy agenda. Moreover, while the Sustainable Development Goals call for universal multi-actor partnerships at national and regional levels built on mutual interests, the DCI has remained essentially an instrument reflecting a donor-beneficiary relationship.

Recommendation 1 Promoting multi-actor partnerships on global goals. This would require investing more heavily in long-term, value-driven, multi-actor partnerships at country, regional, and global levels in line with the Sustainable Development Goals agenda using non-development policies as well as ODA to promote action on common global concerns with due recognition of European interests.

Recommendation 2 Mitigating compartmentalisation between DCI components in order to enhance synergies. This would require enhancing information flows and putting in place tools and processes to strengthen working across the DCI, as well as reviewing capacity needs.

Recommendation 3 Constructing a better platform for co-operation with Middle Income Countries and Upper Middle Income Countries. This would require making adjustments to the framework for co-operation with graduated and soon-to-graduate countries.