



Coherence Report – Insights from the External Evaluation of the External Financing Instruments

**Final Report - Annexes
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Lead company

Consortium composed of
Particip, Ecorys, ECDPM, Fiscus, Itad and OPM
Leader of the Consortium: Particip GmbH
Contact Person: Dr Georg Ladj (Georg.Ladj@particip.de)

Team comprised: Jean Bossuyt (Lead Author and Chapeau Team Leader), Enzo Caputo (Quality Assurance) and Julia Schwarz (Project Manager)

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Coherence Report

Final Report - Annexes

The report consists of:

Executive summary

Main report

Annexes

EXECUTIVE SUMMARY

MAIN REPORT

Executive summary

- 1. Purpose, scope and approach**
- 2. Contextualising the assessment of EFIs**
- 3. Key findings on fitness for purpose of current EFI mix**
- 4. Common themes emerging from the reports and resulting policy implications**
- 5. Concluding observations**

ANNEXES

- 1. Annex 1: EU External Financing Instruments**
- 2. Annex 2: Methodology**

EU EXTERNAL FINANCING INSTRUMENTS 2014-2020

THEMATIC, GEOGRAPHIC & FOREIGN POLICY

These nine financing instruments are the main mechanisms through which the EU funds its actions on the global stage. The facts and figures are based on the respective Regulations and Decisions for the period 2014-2020.

INSTRUMENT FOR NUCLEAR SAFETY AND CO-OPERATION

"Supporting the promotion of a high level of nuclear safety, radiation protection, and the application of efficient and effective safeguards of nuclear material in third countries"



DG International Cooperation and Development

Euratom

INSTRUMENT CONTRIBUTING TO STABILITY AND PEACE

"Providing direct support for the Union's external policies by increasing the efficiency and coherence of the Union's actions in the areas of crisis response, conflict prevention, peace-building and crisis preparedness, and in addressing global and trans-regional threats."



DG International Cooperation and Development with Service for Foreign Policy Instruments

EU treaties

EUROPEAN INSTRUMENT FOR DEMOCRACY AND HUMAN RIGHTS

"Providing assistance to the development and consolidation of democracy and the rule of law and of respect for all human rights and fundamental freedoms."



DG International Cooperation and Development

EU treaties

PARTNERSHIP INSTRUMENT

"Advancing and promoting Union and mutual interests, supporting measures that respond to objectives arising from the Union's bilateral, regional or multilateral relationships with third countries and addressing challenges of global concern and ensuring an adequate follow-up to decisions taken at a multilateral level."



Service for Foreign Policy Instruments

EU treaties

€ 0.23 billion

€ 0.96 billion

€ 2.3 billion

€ 19.7 billion

€ 1.3 billion

DEVELOPMENT COOPERATION INSTRUMENT

"Reducing and, in the long term, eradicating poverty, and accordingly fostering sustainable economic, social and environmental development, while consolidating and supporting democracy, the rule of law, good governance, human rights and the relevant principles of international law."



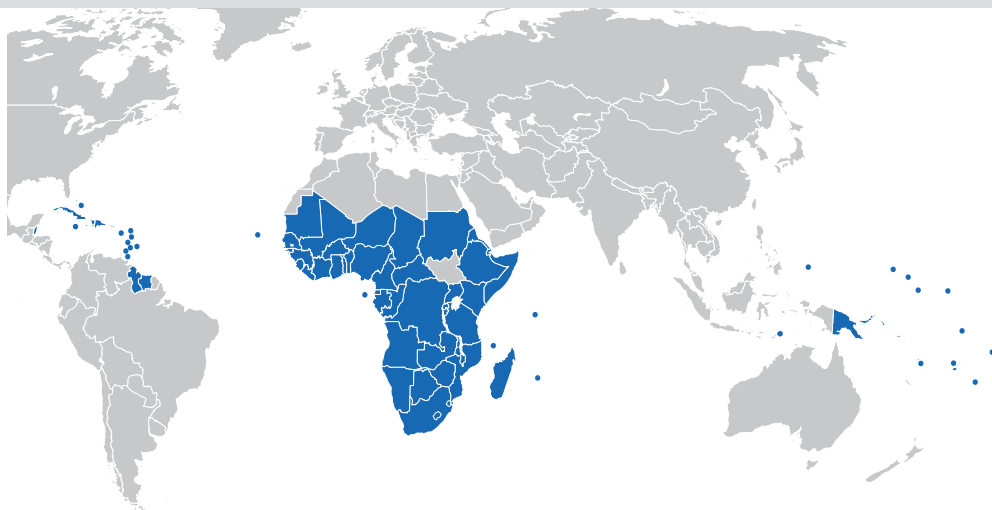
All developing countries

DG International Cooperation and Development

EU treaties

EUROPEAN DEVELOPMENT FUND

“Contributing to the achievement of the objectives of poverty eradication, sustainable development and the gradual integration into the world economy of Africa-Caribbean-Pacific countries [Cotonou Partnership Agreement] as well as Overseas Countries and Territories.”



DG International Cooperation and Development



Cotonou Partnership Agreement

€ 30.5 billion
outside EU budget

€ 15.4 billion

€ 11.7 billion

€ 0.22 billion

INSTRUMENT FOR PRE-ACCESSION ASSISTANCE

“Supporting beneficiaries in adopting and implementing the political, institutional, legal, administrative, social and economic reforms required to comply with the Union’s values and to progressively align to the Union’s rules, standards, policies and practices, with a view to Union membership, while contributing to stability, security and prosperity.”



DG Neighbourhood and Enlargement Negotiations



EU treaties

EUROPEAN NEIGHBOURHOOD INSTRUMENT

“Advancing further towards an area of shared prosperity and good neighbourliness involving the Union and its Southern and Eastern neighbourhoods, by developing a special relationship founded on cooperation, peace and security, mutual accountability and a shared commitment to the universal values of democracy, the rule of law and respect for human rights.”



DG Neighbourhood and Enlargement Negotiations



EU treaties

GREENLAND DECISION

“Defining the framework for policy dialogue on issues of common interest for either partner, providing the basis for broad cooperation and dialogue in areas such as global issues concerning, inter alia, energy, climate change and environment, natural resources, including raw materials, maritime transport, research and innovation; and Arctic issues.”



DG International Cooperation and Development



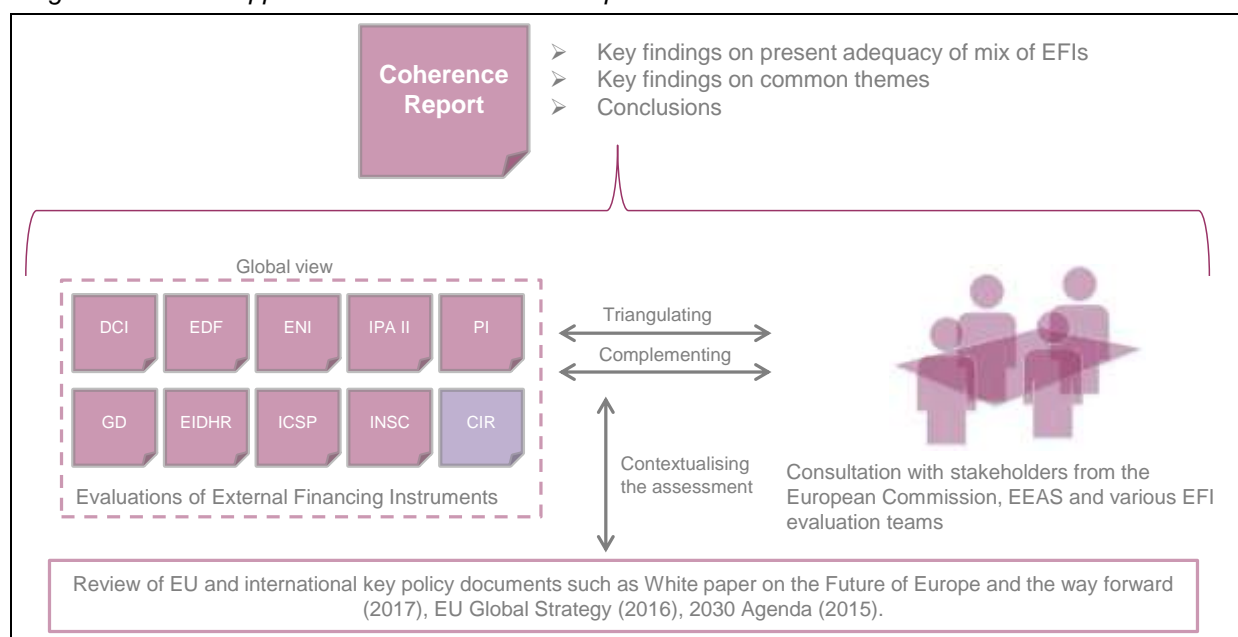
EU treaties

2 Annex 2: Methodology

2.1 Approach

This Coherence Report is a strategic synthesis document with the aim to frame and inspire upcoming policy discussions on the next Multiannual Financial Framework (MFF) and generation of External Financing Instruments (EFIs). It draws key insights and lessons learnt from the various EFI evaluations¹. Additionally it is built on informal consultations with relevant actors of Commission services, the EEAS and the individual evaluation teams.

Figure 1 Approach for the Coherence Report



The **scope and format** of the Coherence Report as well as the criteria to be applied for the analysis have been agreed upon between the Global EFI Inter Service Group (ISG) and the independent team in charge of the assignment. The Coherence Report responds to the overall question: *“were the set of EFIs fit for purpose at the start (2014) and are they still responsive to the evolving context now (at mid-point) as well as potentially beyond 2020”*?

The following principles have guided the drafting process:

- **Adopting a global view:** The Coherence Report adopts a “global view” on the EFIs rather than a ‘silo approach’ (looking at each individual EFI separately in terms of strengths and weaknesses). It means key findings are presented first and foremost from the perspective of seeing the various EFIs as ‘a package’ while making systematic references to relevant findings related to individual EFIs.
- Keeping a **main focus on the present relevance and performance** of the available mix of EFIs. Hence, the synthesis combines and compares past and present findings in terms of the EFIs being ‘fit for purpose’.

The synthesis for the Coherence Report was organised in the following steps:

1. Defining the synthesis framework

During several meetings, a synthesis framework has been discussed and validated with the Global EFI ISG in March 2017.

¹ The following are considered: Evaluation of the Development Co-operation Instrument (DCI), European Neighbourhood Instrument (ENI), Instrument for Pre-Accession Assistance (IPA-II), European Instrument for Democracy and Human Rights (EIDHR), Partnership Instrument (PI), Instrument contributing to Stability and Peace (IcSP), Instrument for Nuclear Safety and Co-operation (INSC), Greenland Decision (GD), 11th European Development Fund (EDF), Common Implementing Regulation (CIR).

Figure 2 Synthesis framework

Analysis dimension	Sub-dimension
Key findings on present adequacy of mix of EFIs	<ul style="list-style-type: none"> • Relevance and delivery • Consistency (synergies, gaps, overlaps), including policy coherence, internal coherence and external coherence • Added value • Overall degree of responsiveness to evolving international context and EU priorities
Common themes brought forward by evaluation reports	<ul style="list-style-type: none"> • The place of “values” (human rights, democracy, rule of law, fight against corruption, gender, etc.) in EU external action and the response capacity of the various EFI • The overall EU ability to steer balanced and mutually beneficial multi-actor partnerships across instruments – particularly in UMICs • The growing weight of EU (internal) policy priorities and implications for partnership principles – including predictability and long-term perspective of support • The need for more ‘flexibility • Geographic vs. thematic instruments • Influence of the implementation arrangements on the overall performance of the instruments • Influence of modalities used and their contribution to achieving core objectives of the instruments (e.g. budget support, Trust Funds, blending) • The results framework and how to put in place adequate M&E systems based on relevant indicators – with a view to ensure visibility and show EU added value.
Conclusions	<p>Possibly related to the following aspect:</p> <ul style="list-style-type: none"> • Reflections on the type of cooperation needed beyond 2020 and implications for the nature of instruments required. • Division of labour between EFIs and with regard to EU Member States / other actors (complementarity, added value). • Balance between development and policy action in the context of an international cooperation system driven by global agendas, crisis and security concerns, mutual interests, etc. • Scope to move towards effective ‘multi-actor partnerships’ including civil society, local authorities and the private sector. • Changes required in implementation arrangements to better tap the potential of the various instruments. • Resources required (political leadership, funding, capacities, etc.) for a more consistent EU external action.

2. Reading, extracting and analysis information from the individual evaluations

The various reports were analysed from a global perspective by elaborating comparative tables regarding each of the four dimensions agreed upon (i.e. relevance and delivery capacity, responsiveness, consistency and added value). Similar tools were applied to arrive at cross-cutting issues for the question of leverage and efficiency. This facilitated the identification of common elements between EFIs as well as of interesting specifics related to each instrument. It was also useful to observe the diversity of experiences and practices around core aspects (such as complementarities, the use of policy dialogue or incentives, the implementation arrangements, etc.). During this process, gaps were identified of issues not covered by most reports (e.g. visibility, policy coherence, adequacy of budgets).

3. Triangulating and complementing through key stakeholder consultation

This proved an essential step in the approach considering the lacunae in several external evaluation reports. Most of the key stakeholders from the various instruments were consulted. This helped to understand their view on the overall quality of the report and validity of the conclusions. The talks were also an opportunity to discuss issues beyond the individual EFI which are considered of critical importance for this Coherence report (e.g. the issue of flexibility, desirable changes as well as prospects for the future generation of EFIs).

4. Final analysis and synthesis of the findings

The Coherence Report starts with a context analysis, examining the background to the current EFI architecture as well as key changes that have occurred since 2014 (section 2). It then presents, in a structured manner, key evaluation findings on the overall adequacy of the EFIs taken as ‘a package’ (section 3). It subsequently considers a number of common themes that emerge from the various evaluation reports (section 4). Building on all this material, it draws a set of conclusions on what might be required to make future EFIs fit for purpose beyond 2020 (section 5).

It proved methodologically challenging to select the right material for each of these sections (from a voluminous set of evaluations) while ensuring a fair balance in the treatment of the various EFIs and respecting the maximum number of pages (20) for the report. This focus on essential points and messages inevitably means that some aspects may have been analysed in a rather succinct manner (without all the nuances coming from the reports).

2.2 Limitations

The main limitation of this exercise is related to the level of comparability of the various EFI evaluations. In several occasions, evaluation criteria have been interpreted differently by the individual evaluation teams (e.g. the question of coherence). Moreover, the depth of analysis of topics differed from evaluation report to evaluation report. This limitation has been mainly overcome by close consultation with key stakeholders.

Another limitation was the lack of Monitoring and Evaluation (M&E) systems at instrument level, thus reducing the scope for solid conclusions on results achieved.

It is also important to stress that the various reports, taken together, often provide contrasting evidence on particular issues. Good practices regarding complementarities and synergies, for instance, co-exist with silo approaches to using instruments. On blending or on financial leverage the reports send out mixed messages. This may explain why in the main report it was not always possible to come with straightforward conclusions on a given topic. During the review of the draft report with the ISG (12 June 2017) this point was raised with the related concern that the report appeared at time to have “contradictory” analyses. In the final version, particular efforts were made to eliminate possible ambiguities. Yet the reality is that the performance on several key aspects is mixed with good and less positive elements (e.g. dedicated efforts to broaden partnerships versus continuing limitations to achieve this objective) and differentiated across instruments.