



External Evaluation of the Partnership Instrument (2014 – mid 2017)

Executive summary

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Evaluation carried out on behalf of the European Commission



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Lot 1: EVALUATION*

**External Evaluation of the Partnership Instrument –
*Executive Summary***

Objectives, methodology and challenges of the evaluation

The evaluation assesses whether the **Partnership Instrument (PI)** is fit for purpose and effective in delivering resources towards the achievement of the EU's external policy objectives, both at the start of the planning period (2014) and in the period since. The evaluation also considers the Instrument's complementarities and synergies with the wider set of EU External Financing Instruments (EFIs). The geographical scope of the evaluation covers all countries eligible under the PI Regulation, with a focus on six countries (Argentina, Brazil, China, India, Mexico and the United States) where individual actions were examined via a series of mid-term and final evaluations.

The **overarching purpose of the assignment is to provide an independent evaluation of the Partnership Instrument and to identify key lessons learned to improve current programming and inform future decision-making**. In addition, the evaluation of the PI for the period 2014-2017, together with parallel evaluations of other EFIs under the Multi-annual Financial Framework (MFF), will inform the **mid-term review (MTR) of the EFIs**.

The evaluation conclusions are based on three distinct research pillars:

1. A **meta-evaluation** that collected and analysed data at the Instrument level, including analysis of the individual actions funded to September 2016. This consisted of a comprehensive and systematic desk review, an extensive interview programme with key informants (85) and the review of 200+ PI-supported actions to develop a results and an indicators databases.
2. **Mid-term and final evaluations of thirteen PI actions** (including 150+ stakeholder interviews), covering all four specific objectives, across six countries (Argentina, Brazil, China, India, Mexico and the United States) and a global action. The mid-term and final action evaluations provide in-depth analysis of how the PI is working towards its objectives and aims.
3. An **open public consultation** consisting of an online public consultation (OPC) and targeted institutional and external stakeholder consultations conducted on the draft findings of the evaluation.

The evaluation faced a number of challenges, the two most significant being:

- Addressing the **relative novelty of the PI**: there was limited evidence available on individual actions and no central repository for action documentation. In addition, there was also very limited relevant evidence on the evaluation of previous, similar actions or of financing instruments. Information was collated by the evaluation team and triangulated through an extensive research and interview programme.
- **Retrofitting the conceptual design of the PI and collecting evidence**: the late adoption of PI results indicators required the evaluators to map ex post the available information on the actual and expected results of funded actions against the newly agreed indicator framework.

Key findings and general conclusions

The creation of the Partnership Instrument in 2014 was in **direct response to an evolving international context, with the emergence of new actors and an evolution of the EU's partnerships with strategic partners and third countries**.

The design of the PI reflected the need to enhance the ability of the EU to engage internationally across a broad spectrum of countries and international fora, policy areas and in more appropriate ways than was available through previous instruments or the current suite of EFIs. The **Partnership Instrument was (and remains) a directly relevant tool** to respond to a renewed emphasis on the foreign policy and diplomacy capability of the EU, supporting its bilateral, regional and multilateral agenda as set out in particular in the EU's Global Strategy and in line with a number of EU international commitments (notably Agenda 2030). Given the relatively limited envelope of the PI compared to other instruments (especially development cooperation instruments), its use has to be focused and objectives / expectations set realistically.

The PI provides a mechanism for the EU to **promote its interests through policy and political cooperation with third countries**. It has a global reach. In the case of industrialised partner countries, most strategic partners and graduated countries, the PI is often the only instrument to support bilateral cooperation in “areas and subjects beyond development cooperation” and “create a positive environment for a deepened relationship” (recitals, Regulation (EU) 234/2014). Where other financing instruments are available, the PI is used where there exists an EU strategic interest and where the actions considered cannot be funded by other instruments. The **Instrument provides a clear focus on EU priorities, with a flexible approach to implementation** that has enabled the Instrument to remain relevant and responsive to challenges and policy priorities that have newly emerged or evolved since the Instrument was first created.

Whilst **few actions have been completed, and most remain in progress**, the **PI is proving to be effective in delivering results, with a total of 53 identified outcomes** achieved from the 174 finalised and on-going actions, addressing specific EU priorities across all four specific objectives of the Instrument. A **total of 369 outcomes are expected to be achieved in the future** once all of the 174 content-related actions¹ funded to date reach their conclusion, suggesting that the Instrument will continue to deliver relevant and impactful results.

The PI is also expected to contribute to the horizontal themes defined in the Common Implementing Regulation (CIR). However, the **PI is not systematically mainstreaming these key themes** and has flexibly interpreted the implementing regulation, applying the provisions relevant to its action.

Evaluation results confirm that **priority setting and decision-making on the PI has gradually evolved from an initial demand-driven approach to a more strategic one**, with high levels of engagement from the EEAS (European External Action Service), line Directorates General (DGs), DG DEVCO, and EU Delegations within partner countries. The approach taken has proved instrumental in encouraging the participation of multiple Commission stakeholders and achieving ownership of the Instrument. Given that the PI is still relatively new, and its logic and objectives differ from the logic of other external action instruments, there is still scope to continue discussing ways in which processes and mechanisms can be further adjusted. In particular, there is consensus (and findings from mid-term and final action evaluations support stakeholders’ views) that **EU Delegations could play a more active role in identifying and designing actions** for funding, given their knowledge of the local context in partner countries and the critical role they have played in implementing actions to date. There is also **scope for client DGs to provide more support to the implementation of the actions**, as many projects need a technical steer that Delegations are not always in a position to provide, though there are resource constraints that may limit the ability of line DGs to provide additional support.

Inclusive and participatory PI decision-making processes have ensured that the Instrument facilitates **coherence, consistency, complementarity and synergies both internally and externally**. The evaluation found good alignment between the PI and the framework for EU external action in the pursuit of EU interests and objectives. Complementarities are in particular noticeable with EU development policy; trade, market access and investment; climate change, environment; research; and public and cultural diplomacy. Similarly, the evaluation provides evidence of the different degrees of coherence which exist with other EFIs (in particular with the Development Cooperation Instrument, DCI). It also provides evidence of the complementarity with other EU instruments (such as Horizon 2020 and COSME, EU programme for the Competitiveness of Enterprises and Medium-sized Enterprises) –further supporting the view that the PI is a niche instrument which fills a funding gap in the EU’s toolbox. Evidence of the coherence of the PI with interventions by other actors (notably Member States (MS)) is limited but stakeholder feedback indicates that there are no apparent contradictions.

Given the novelty of the PI, the evidence collected on the efficiency of the Instrument is overall limited. The data collection challenges come from the fact that few actions have been completed and the absence of common approach to monitoring and measuring the outputs and outcomes of PI actions from the outset. Qualitative evidence indicates that the structure of the PI and its

¹ A content-related action focuses on substantial objectives. It is to be distinguished from technical assistance provided to better identify, implement, monitor or evaluate PI actions.

programming and delivery mechanisms are ensuring **proportionate administrative costs and a reasonable administrative burden**. Evidence also suggests that the budget is efficiently delivered. Programming and management costs reflect the rationale behind the creation of the PI and the continued need for an instrument whose implementation is **relatively more flexible than other EFIs**. Even if that flexibility has an administrative cost, it ensures that the PI is **fit for purpose and enhances its effectiveness**.

The EU added value of the PI lies in its design and the support it channels for the **proactive promotion of EU interests and objectives**. The creation of the PI marked a **change of approach** with the EU in a position to decide what it wants to pursue and to build up a long-term, strategic vision of its role as a global actor. There is a consensus that **the EU level is the most appropriate for action** in the areas / countries / international fora concerned, notably for its approach to cooperation, the expertise it brings on a wide range of topics and the leverage it has on other actors. Without the PI, the EU would not have the means to pursue its goals with respect to a wide range of partner countries and international fora, failing to live up to its international commitments as well as to the partners' expectations. The flexible implementation of the Instrument and what it has enabled since its creation are recognised as setting the right conditions to enhance cooperation generally.

This evaluation found evidence of the political leverage of the PI. Since its creation, the PI has acted as an **enabler, opening up areas for dialogue and cooperation in practical terms**. The individual action evaluations in particular demonstrate the possibility to go beyond a forum for discussion and to support concrete results, creating a better platform for the EU, mobilising the stakeholders concerned and creating the conditions for longer term dialogues and cooperation. Financial leverage of the PI has, by design, not been a requirement of PI support and hence there is limited evidence of it.

Recommendations

To improve the programming of the PI, it is recommended to **review the indicative geographical financial allocations for the Multiannual Indicative Programme (MIP) 2018-2020** in the light of evolving policy priorities. In addition, **in the action programming template**, the **introduction of systematic reference to CIR cross-cutting themes** would ensure that they are mainstreamed to the extent possible, as well as adequately monitored and reported. We also recommend to **further strengthen coordination with MS**. Information sharing within the PI Committee and in-country (coordinated by EU Delegations) could be further enhanced to identify areas where MS are not present / not active and where there is most potential for EU added value.

The availability of resources within the Commission is critical for effective management of the PI. We recommend consideration be given to **increasing line DGs' resources (including through mixed posts in Delegations²) to enable them to provide more technical support to the design and implementation of PI actions**. **Increasing FPI resources to enhance the use of the PI in countries other than strategic partners** is also required to provide an adequate level of support to programming and implementation. The newly created FPI regional teams are a positive step towards addressing this issue.

FPI.4 is currently **finalising the monitoring and reporting system** of the PI. We recommend it includes **public diplomacy impact indicators** which are currently missing. We recommend that these impact indicators are aligned with the baseline indicators proposed in the 2015 Perceptions study, though there should be careful selection of the most relevant indicators for each country, and there needs to be recognition that not all public diplomacy activities funded by the PI operate at national level (i.e. individual actions should adapt their indicators to the geographic area in which they operate). Broadly, the indicators can be adopted for countries that were not part of the perceptions study though the absence of a baseline will be problematic for assessing change. To ensure that the consolidation of the monitoring and reporting system is purposeful, we also recommend a careful **quality control of the reporting against the common indicators** to

² A review exercise of existing mixed posts and emerging needs is currently ongoing. It is expected that the decision on the allocation of mixed posts will be finalised before the summer 2017: the portfolios of the 13 mixed posts coming to an end in 2018 will be re-assessed and possibly some additional mixed posts will be created.

ensure the creation of a comprehensive and reliable evidence base on PI actions. We note that the newly agreed reporting template includes consideration of baselines and targets but there is a need to follow-up on the use of the template by the implementing partners to ensure it will generate useful evidence for the evaluation of the Instrument (and there is a need to produce guidance for implementing partners on how it is to be used and reported on). The creation of **a central repository of action documents** where action documentation can be stored will be of great value for the monitoring and evaluation of the Instrument. This database will cover actions / projects supported by any of the EFIs. It will also constitute a useful tool which PI stakeholders (Commission, implementing partners and evaluators) could refer to and which contributes to information and dissemination purposes. The consolidation of the database by Commission services is ongoing and the first module is expected to be deployed in October 2017.

More **internal and external communication about the PI** is needed to raise the visibility of the Instrument to ensure an optimal use of the funding available. For instance, it could take the form of systematic **trainings for EEAS and Commission staff** to raise the profile of the PI in the EU's toolbox and make its use less dependent on individual officials' previous experience with it. We also suggest the introduction of a **template for the dissemination of best practices** that can support PI users in the design of actions eligible for PI support by providing examples of how to mobilise the support. Information activities should also be targeted at MS, both in the framework of the PI committee meetings and in-country where EU Delegations might liaise more closely on PI support with the existing MS bilateral embassies / other forms of representation.



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