



Review of strategic evaluations managed by DEVCO to assess the European Consensus on Development

Executive Summary

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European Consensus on Development**

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1 Executive summary

Objectives and scope

This review of the strategic evaluations carried out on behalf of the European Commission's Directorate-General for International Co-operation and Development (DG DEVCO) is part of a DG DEVCO and European External Action Service (EEAS) exercise aimed at updating the European Consensus on Development (established in 2006 and complemented by the Agenda for Change in 2010), as part of the work to implement the 2030 Agenda for Sustainable Development.

The scope of the review covers a selection of 148 thematic and geographic (country and regional) evaluations managed by DG DEVCO, including the 111 evaluations covered under an earlier Review carried out (early 2016) in the context of the process post-Cotonou, the Agreement signed by the European Union and the African, Caribbean, Pacific (ACP) group of states in 2000..

The specific objectives of this review are:

- Identification of evidence related to the achievement of the objectives, according to specific evaluation questions;
- Synthesis of evidence related to the standard evaluation criteria;
- Identification of possible information gaps and suggestions on how to fill them;
- Identification of broader lessons to be learned by the evaluations.

Methodological issues

The reconstructed intervention logic (IL) for the Consensus has been established, including the identification of key assumptions for its implementation, and relevant Evaluation Questions (EQs) and Judgement Criteria (JCs) have been validated with the Reference Group.

The 148 evaluation reports provided by the Commission have been classified and structured according to relevance criteria, so as to diversify the level of their consideration in the final assessments. A number of codes corresponding to the JCs have been created, and the reports have been read to extract the text segments corresponding to the codes, including the different levels of relevance mentioned above. The 111 reports already considered under the previously mentioned Cotonou review have not been re-analysed, but the evidence extracted has been used in the synthesis.

A first work of synthesis has been carried out on the codified text segments. Such synthesis has then been tested and reviewed through further reading of the most relevant reports. A second work of synthesis has been carried out to arrive at the current formulation of answers to the EQs.

The answers to the EQs have been summarised in the conclusions – according to the main evaluation criteria – on the basis of the evaluation reports, their weighting and comparison. The key assumptions have been verified.

Summary of the conclusions

Relevance of the EU intervention

Most geographic evaluations confirm the relevance of the EU country and regional strategies towards the EU key objectives and the partners' priorities (alignment), the country specific contexts and their evolution.

The general relevance of the programmes, however, is often undermined by weak analytical backgrounds, weak or partial ownership by partner governments, and a limited involvement of non-state actors (NSAs), particularly in the identification and prioritisation phase. In many cases, the evaluations find that the governments, despite the agreements, are not fully committed to the reforms envisaged by the EU support programmes. At regional level, national priorities conflict with, or take precedence over, the regional ones. The dialogue framework including the financial and political leverage – recently also in the case of significant joint General Budget Support (GBS) – does not always seem able to address such weaknesses. With respect to the NSAs, their support is not systematically sought when dealing with national policy processes.

Beyond such general remarks, the strategic evaluations highlight strengths and weaknesses of the relevance at thematic level.

Effectiveness of the EU development action, as evidenced by the strategic evaluations

Growth and social policies. An effective contribution in this area has been provided mainly through budget support since the 1990s. Macroeconomic stabilisation and improved public financial management have been effectively supported, budgetary allocations to social sectors have been protected, and policy design and implementation in health, education, water supply and food security have been enhanced – although much remains to be done, particularly at institutional level.

In the last decade, however, budget support seems to have partly lost its leverage – especially in some ACP fast-growing countries – because of its reduced financial weight on recipients' budgets, and also due to the weakening of the shared framework of priorities between the partner countries and the EU Member States (MS).

Support to regional organisations and trade. The EU has contributed to enhancing regional organisations' capacities for trade and economic development. In addition, regional organisations such as the African Union and ECOWAS have been involved in tackling some of the most acute regional security crises. A problematic institutional framework, however, has limited the effectiveness of EU action.

Support to regional and international trade (enhanced trade regulations, liberalisation and capacity, and the improvement of basic transport infrastructure on the main regional axes) has contributed to enhancing trade capacities and opportunities. European Partnership Agreements (EPAs) in the ACP countries, and free trade agreements in the rest of the world, have been launched and are being consolidated. However, the EU's ability to leverage the different partners has met a number of obstacles, and the disparity of interests and commitment is still a challenge.

Private sector development has been fostered by macroeconomic and fiscal stabilisation, and also by the improved trade regulatory systems and the reinforcement of the transport networks (particularly at the regional level in Africa). Together, these have contributed to the improvement of the local business environment and export opportunities. However, the contribution to the strengthening of private sector organisations, the competitiveness and diversification of supply chains of small and medium-sized enterprises (SMEs), and employment policies driven by the private sector has been weak.

Civil society organisations (CSOs), non-state and decentralised actors have been effectively mobilised through ad hoc programmes and specific budget lines, especially for relief and rehabilitation has increased. However, the consolidation and mainstreaming of the strategic role of CSOs, non-state and decentralised actors in the development processes – including the identification of the country priorities and the association to the main programmes – is still a challenge.

Good governance has been pursued with new means and increased determination. With respect to democratic governance, the support to the electoral processes has been effective in many countries, and the dialogue on human rights has been intensified. New tools, such as the State Building Contracts (SBCs), have been put in place to mainstream good governance into the national strategies, particularly in fragile countries, and new sectoral support programmes have been launched in the areas of justice and security, budget transparency, and the fight against corruption. However, good governance as a whole, including economic governance and general progress in the shared reform agenda, is not an area of particularly high commitment of the partner governments, and it is not systematically addressed in the political dialogue.

Conflict prevention, management and resolution. Since the Lisbon Treaty entered into force in 2009 and the European External Action Service (EEAS) was formally launched in 2011, there has been a reinforced EU political initiative in the conflict prevention and peace-building (CPPB) area, including larger and more effective development co-operation actions, in co-ordination with EU MS and regional state and non-state actors. The majority of the interventions, however, are still emergency-driven and the EU leadership is still weak when addressing the root causes of regional conflicts and defining longer-term arrangements.

Environmental sustainability and adaptation to climate change. The EU plays an advanced role in international programmes and has developed effective tools to enhance policies and actions in partner countries through the Global Climate Change Alliance (GCCA). The use of mixed instruments has contributed to increasing the readiness and ability of the governments to implement their strategies. EU support has contributed to the creation of an environment conducive to reaching global agreements, the establishment of climate change financing mechanisms, and developing stronger knowledge, tools and approaches. However, the level of prioritisation is still modest, especially for environment policies, and the adoption of improved legal frameworks is difficult in several countries. On climate change, some major challenges remain with regard to fragmentation of strategies or understanding and political will in partner countries.

Impacts of the EU development action as evidenced by the strategic evaluations

Poverty reduction. The overall contribution to poverty reduction, especially in ACP countries, has been significant, via the contributions to macroeconomic stabilisation, improved public finance management (PFM), trade frameworks, including strengthening of the main transport networks, increased public expenditure in social sectors, etc. All such public policies and country/regional capacities strengthened by, among other things, the EU development co-operation have contributed to economic growth and increased access of the poor to the basic services, thus alleviating both income and non-income poverty reduction.

However, the contribution to inclusive growth, with increased levels of participation by the poor, accelerated reduction of the poverty incidence and reduction of inequalities has been weak. In particular, the productivity of the labour in agriculture and SMEs' competitiveness, with their impact on employment of poor people, have not increased as they should have to support inclusive growth.

Equitable access to basic services. The EU development co-operation has significantly contributed to improved equitable access to basic social services (education, health, water and sanitation), and to improved living standards for the poor, in ACP and in other intervention areas. Over the last few decades, EU budget support (combined with other budget support providers) has provided a substantial share (although decreasing in recent years) of the development expenditure in the mentioned sectors in many ACP countries. Such financial support has often been complemented by policy advice and capacity development, thus accompanying the efforts of country leadership. Overall, the impact on improved equitable access to primary education, basic health services and clean water has been relatively high, although the quality of institutional change and the sustainability of the achievements remain low.

Trade flows. Trade facilitation action of the EU development co-operation has accompanied and supported the tremendous increase of the worldwide trade flows that has taken place in the last decade, despite a significant contraction in 2009. This is particularly evident in Africa, where the deterioration of the continent's share in international trade has been halted. Trade growth has been a main driver for global economic growth in the ACPs. The key determinants of trade growth, however, are international demand and supply, while trade facilitation plays a key role when demand is high and supply is competitive. Indeed, the diversification of the supply remains a weak feature of the ACP trade, and a weak point of the EU contribution.

Democracy, human rights and good governance. EU support has contributed to the reinforcement of democracy and human rights in the ACPs. The democratic process in ACP countries, although slow and lacking continuity, has progressed. Overall, there has generally been progress in economic governance and electoral processes, but results in the area of human rights are fragmented, unstable and compartmentalised. In judiciary and security reform, results are conditioned by the political commitment of the partners. There are also positive examples of successful EU support in complex transition processes, such as in Latin America (Bolivia, Columbia); in European Neighbourhood (EN) East, where countries willing to lay the bases of modern, democratic states find in the EU the most solid partner; or in EN South, where countries willing to rebuild/ strengthen their path towards a competitive and inclusive society benefit from of a multitude of instruments provided by the EU support.

Peace and security. EU support, especially in the last decade, has contributed to peace and security stabilisation and maintenance worldwide. The results of such renewed action are not yet fully

measurable and still appear only marginally in the evaluations available (for example, Burundi, Haiti, Ethiopia, Colombia, Georgia, Palestine, Bolivia). In the ACP countries, particularly in Africa, the EU has contributed to an enhanced capacity of reaction of the international community, with a deep involvement of some regional organisations, and effective mobilisation for peace enforcement, post-conflict country emergency and rehabilitation, conflict prevention networks. In non-ACP countries, there are also good examples of effective CPPB action – namely, in Bolivia, and in the West Bank and Gaza Strip. The factors and the effects of the conflicts have been successfully mitigated, but their root causes have not been addressed adequately, including regional inequalities, political discriminations and imbalances. This would have required – in cases such as the West Bank and Gaza Strip – a stronger EU political initiative.

Sustainability of the achievements so far, as evidenced by the strategic evaluations

Economic achievements. Economic growth and increased trade, especially for poor countries in conflict-prone environments, are not fully sustainable. Indeed, the diversification of the poor economies is still lagging behind. The productivity of labour in agriculture and the competitiveness of SMEs is still low. Structural changes – involving agriculture and rural development, value chains and employment policies, and sustainable energy supply – are badly needed.

Social achievements need to be consolidated through institutional development and enhanced quality. Evaluations show how social gains can easily be threatened if not supported by deep institutional changes and if not adequately maintained (e.g. HIV/AIDS, primary school enrolment, maternal health). The high rate of population growth and weak institutional capacity in many cases are strong factors of vulnerability and make the achievements so far largely unsustainable, especially if the countries are affected by economic crises and conflicts. On the other hand, competitive businesses need up-to-date secondary and tertiary education and vocational training systems to match skills demand and supply.

Democratic processes are still very weak. The support of solid middle classes is lacking and the systems of checks and balances are still unripe, which makes them vulnerable to the pressure of powerful groups for state capture. Building competitive and attractive states is still a major challenge, involving a very long process that requires up-to-date long-term international partnerships.

The root causes of instability and conflicts have not been addressed. Strengthening the resilience of the existing states and regions is a key response, requiring long-term predictable support and consolidation of the endogenous institutional dynamics and growth factors.

Gender equality and women empowerment. Despite the high priority and the means put in place in this area, the EU contribution to possible positive impacts must be considered weak.

Efficiency of the EU development action, as evidenced by strategic evaluations

Ownership is limited in many cases, despite a significant alignment and various efforts to ensure partners' appropriation and leadership. The evaluations show that country and regional programmes, although tailor-made, often are not adequately owned, or they are not owned in their entirety. This is both a cause and a consequence of weak comprehensive frameworks of political and policy dialogue to ensure high levels of mutual accountability in programme execution. Exceptions are represented by GBS in ACPs until the late 2000s and other comprehensive political and/or economic agreements – for example in South Africa, and some European Neighbourhood and Latin American countries.

Integration of political and policy dialogue is weak. Comprehensive, high-level political dialogue does not systematically support policy dialogue and rather tends to be compartmentalised, with a focus on human rights and security issues. Policy dialogue is often delegated to lower levels – for example, monitoring and technical negotiations related to single programmes, or single conditionalities in the case of budget support (BS). Policy dialogue is often unable to go beyond the technical nature of the issues addressed, while the factors that may determine real changes and advances in reforms are related to the political commitment of the decision-makers.

Flexibility of modalities, instruments and tools. The EU development support allows a wide diversification of funding instruments and financing modalities. This multiplicity of tools should permit the design and implementation of programmes tailored to the actual needs and constraints of the

different contexts. It has been found, however, that the multiplicity of tools is not always applied as efficiently as it could be. For instance, in many cases, the support to non-state actors is not adequately mainstreamed in the country strategies. Potentially complementary interventions are often fragmented and not sufficiently co-ordinated, coherent and synergic within the whole country programmes. Among the various reasons for this problematic co-ordination are insufficient means and capacities at country level (EU Delegations and country ownership).

The regional dimension has proved to be a framework conducive to boosting not only trade and economic infrastructure, but also peace and security. The synergies between regional and national level, however, represent an important challenge. Regional institutions are unable to negotiate and ensure national implementation, and national governments often face specific resistance and constraints to implementing regional programmes.

Efficient management is a main concern of the strategic evaluations. Delays and various inefficiencies – mainly due to the heavy administrative procedures and the lack of staff and capacities at the level of the EU Delegations (e.g. health, security) – are often mentioned in the evaluations as bottlenecks affecting the quality of the programming and implementation cycle.

Efficient monitoring and evaluation systems are in place. The ROM mechanism and the strategic evaluations are the core of a system that is expected to feed a continuous learning process and represents a key asset of the EU development co-operation. Data on development results, however, is not readily available, as they would require specific arrangements and research programmes with the partner countries. The existing feedback loops at all levels – including HQs and countries – do not seem able to ensure the expected learning outcomes.

EU added value and the 3Cs (Co-ordination, Complementarity, Coherence)

Beyond the sectors (trade and regional co-operation) where the EU has a specific mandate and a high added value, the latter is related to some key features of the EU development policy, namely: a political profile that does not reflect narrow and traditional economic and political national interests; the critical mass of the financial aid; the worldwide presence; the potential for bringing together and co-ordinating some of the strongest international donors. Such added value shows itself in support to sensitive and complex reform processes (European Neighbourhood, Latin America), to address delicate conflict prevention and peace-building contexts (West Africa), to support comprehensive and/or sectoral development strategies (ACP, through budget support), and to contribute to global initiatives in areas such as environment and health. The EU added value has demonstrated all its potential when co-ordination and complementarities with EU-MS and other donors have been high. This has improved a lot in the last decade, but joint programming is still at an initial stage. There are also areas where the EU could better draw on its own diversified and advanced experience (stronger co-ordination among the Commission's DGs), and areas where it provides the bulk of the development assistance, but its political role is not proportional to the level of its support (e.g. Palestine).