11 October 2017

**Technical Working Group no. 3**

**Performance management – impact assessment methodology**

**(IPA II CBC)**

**Background Report on CBC Performance Framework**

**4rd draft**

**1. Introduction: Purpose of the TWG no. 3**

The Technical Working Group no. 3 has been convened following the recommendations of the 2nd CBC Regional Consultative Forum, held in Sarajevo (BiH) on 11-12/09/2014 and taking into account that the performance framework within the 2007-2013 financial cycle was totally under-developed and that serious concerns remain, as expressed by the independent evaluation of the 2007-2013 CBC programmes.

There is thus a need to improve monitoring, reporting and evaluation to ensure a more systematic assessment of the CBC programmes under the 2014-2020 financial cycle. This has been emphasised recently by the European Commission (see note of Director Ruiz Calavera to Heads of Delegation regarding monitoring tools - **Annex 1**).

Therefore, the participants of this TWG aspire to agree upon a strategy for exploiting lessons learnt and synergies and to discuss and put in practice the monitoring tools that belong to the impact assessment methodology prepared by the CBIB+2 project team and endorsed by the European Commission.

This report provides background information to the work of the TWG no. 3 and summarises the main actions that have already been instigated on a CBC performance framework and those that need to be activated until the end of the CBIB+2 period of implementation.

**2. Strategy for exploiting lessons and synergies**

CBC experience in the Western Balkans has grown considerably since 2007 and it is necessary and appropriate to fully exploit it. This has been acknowledged from the beginning of the current 2nd phase of CBIB+, with the Inception Report placing considerable importance, firstly, on drawing lessons and exploiting them and, secondly, on developing and implementing a methodology for systematic result/impact measurement for improving the overall quality of the programmes, their impact, effectiveness and visibility.

The CBIB+ project team has, therefore, formulated a strategy that offers a broad framework for:

* obtaining, distilling and disseminating lessons learnt and knowledge gained from different sources; and
* promoting a best practice culture and the sharing of knowledge and experience, with a view to enhancing capacities and technical skills, and generally improving the effectiveness of the CBC programmes in the IPA beneficiary countries.

The general concept of the strategy is illustrated in the following figure:

**Figure 1: A strategy for exploiting lessons learnt and synergies – Concept**

 

This strategy is a “live” document which is updated on a regular basis, incorporating any knowledge and experience gained through the implementation of the CBIB+ activities but also the ones gained and shared with the OSs, JTSs and other stakeholders in the region. The latest version of the strategy is in **Annex 2.**

**3. Lessons learnt to date and follow on action**

***Evaluation of the 2007-2013 IPA CBC programmes***

The inception report of CBIB+2 took into account the planned independent evaluation of the 2007-2013 IPA CBC programmes and assumed that the CBIB+2 will analyse and review in detail the relevant findings, conclusions and recommendations of this exercise in order to use them in setting up a result/impact measurement system and for drawing lessons of relevance to IPA II CBC programmes and proposing improvements.

This evaluation was concluded in February 2017. Its findings on the performance assessment of the CBC programmes 2007-2013 stressed the serious lack of systematic data and the final report stated that “in the absence of an effective monitoring & reporting system, and given the lack of programme evaluations, it is not possible to measure outcomes and rigorously assess whether objectives were met”.

In its assessment of the quality of the design of CBC 2014-2020 it was particularly critical of the performance framework: “The hierarchy of objectives and measures was not well elaborated in programming(objectives are the sum of the measures, rather than measures being the means through which objectives will be achieved). The objectives are often wide-ranging and associated indicators are not sufficiently specific, measurable or realistic. These shortcomings can be addressed by developing an overarching framework which relates objectives, measures & activities to a hierarchy of output/result, outcome & impact indicators”.

The final report includes 40 recommendations covering general aspects, such as that CBC in 2021-2027 (‘IPA III’) should continue as a distinct element of pre-accession assistance, and more specific matters regarding programme management, technical assistance and performance framework. On the last point it strongly recommends that all contracting authorities and operating structures should instigate a CBC performance system and, finally, that “all the main actors (DG NEAR, CBIB+, EUDs and OSs) should develop a performance culture, focused on learning from experience, capitalising on results, and utilising monitoring & evaluation findings to target resources on priority communities & needs within border areas”.

The executive summary of the final report of this evaluation is in **Annex 3**.

***Action Package for CBC Performance Framework***

In response to the findings and recommendations stemming from the evaluation of the 2007-2013 IPA CBC programmes and in the broader context of the strategy for exploiting lessons learnt and synergies, the CBIB+2 team developed an Action Package for a CBC Performance Framework. This package consists of the following components, each comprising a number of actions and responding to specific recommendations of the evaluation:

1. Better focused programmes
2. Better focused calls for proposals
3. More realistic and robust system of indicators
4. Data management, collection, analysis & reporting
5. Surveys (to obtain feedback from successful and unsuccessful applicants, as well as potential beneficiaries)
6. Programme evaluations
7. Developing a performance culture

Several of the specific actions envisaged in this package have been launched, such as a guidance application package[[1]](#footnote-1) and an improved indicators system, while others are in the process of being activated.

The Action Package for CBC Performance Framework is in **Annex 4.**

**4. Priority actions**

***Ex-post surveys***

Getting feedback from grant beneficiaries and other stakeholders is considered extremely important and was already supported in Phase 1 of CBIB+ with a survey concerning the SR-ME IPA I CBC programme. The conclusion drawn from this exercise suggested that such surveys should be regularly used under the IPA II CBC programmes. The CBIB+2 has thus worked with a range of surveys, covering successful and unsuccessful grant applicants (under the IPA I CBC), as well as JMC members (e.g. MK-AL and AL-XK) and participants in partners’ search forums, information sessions, launch ceremonies and PCM training events (e.g. MK-AL, AL-XS, MK-XS, BA-ME), under the 2014-2020 IPA II CBC programmes.

Ex-post surveys on implemented projects under the 2007-2013 IPA CBC programmes have now progressed and, as shown in the summary provided in **Annex 5,** questionnaires have been dispatched to grant beneficiaries and unsuccessful applicants under all eight IPA I CBC programmes. Preliminary or final analytical reports have already been drafted by the CBIB+2 team or are in progress for the following programmes: RS-ME (completed under CBIB+ Phase 1), MK-AL, MK-XK, BA-ME, AL-XK and ME-XK (to be initiated). Final analytical reports are already included in the relevant annual implementation reports (AIR) as annexes (e.g. for RS-ME) or will be included in the coming AIRs for those programmes where the analysis has been completed.

The TWG will consider the main findings of the already drafted analyses made by the CBIB+2 team and will draw lessons regarding different aspects of the programmes, as well as the survey methodology.

***Monitoring system***

The need for a more systematic approach to monitoring was emphasised in the conclusions of the evaluation of the IPA I CBC programmes. The CBIB+2 team has, accordingly, developed a full set of indicators for each of the IPA II CBC Programmes (please see the annex 1.3 of **Annex 1**), incorporating the indicators which were already included in the adopted programmes and adding to them many more.

For each specific objective of each programme there are now five sub-sets of indicators:

* General output indicators
* General impact indicators
* (Specific) output indicators
* (Specific) outcome or result indicators
* (Specific) impact indicators

The monitoring system, whose overall presentation is illustrated in **Annex 6**, includes aggregated indicators.

The CBIB+2 team has been working closely with the DEUs and the relevant OSs/JTSs in order to implement this monitoring system in the MK-AL and MNE-AL programmes in the coming months. Both programmes benefitted from special tailor-made capacity building events, targeting the respective assessors and/or evaluators per programme.

The TWG will discuss the state of play and will explore practical solutions to any outstanding implementation issues.

***Revised AIR and Final Report templates***

It should be noted that the CBIB+2 team has worked on a revised template of the Annual Implementation Report (AIR) report as well as a revised Final Report for grant contracts that the new grant beneficiaries have to follow. Both revisions are aimed at improving the monitoring and the collection of data and at assisting any future evaluations.

DG NEAR has already circulated the proposed AIR template to the DEUs and has received and considered their responses. A formal communication to the CAs on this matter is expected shortly from the Commission HQ.

The revised Final Report template is still under consideration by DG NEAR.

The TWG members will discuss the revised templates, which are in **Annexes 7 and 8,** and will give their feedback on the revised Final Report template.

***CBC programme-level and IPA-wide reporting***

The presentations delivered on the implementation of CBC programmes and the ensuing discussions during the 4th CBC Forum held on 23/24.02.2017 in Belgrade highlighted the importance and usefulness of a more systematic and consistent reporting at CBC programme level, as well as at IPA-CBC level.

The CBIB+2 team has accordingly developed a template for programme-level reporting using readily available data sources, such as grant project reports and AIRs, as well as JTS specific inputs.

These programme-level reports can be compiled on an ongoing basis but they should be published at least once a year.

A further template has been developed for reporting on CBC IPA-wide for all programmes. It is based on data obtained from programme-level reporting and further calculations.

The template consists of three parts (see **Annex 9**):

1. Programme inputs and performance
2. Programme outputs & outcomes
3. Programme objectives and achievements

The TWG will discuss this reporting approach and will pilot the compilation of one or two such programme reports for the year ending 31.12.2016 and/or 31.12.2017, in the latter case using provisional data.

**List of Annexes**

**Annex 1:** DG NEAR Director’s note to EU Delegations

**Annex 2:** Strategy for Exploiting Lessons and Synergies[[2]](#footnote-2)\*

**Annex 3:** Evaluation of IPA CBC Programmes 2007-2013, Final Report, Executive Summary

**Annex 4:** Action Package for CBC Performance Framework

**Annex 5:** Update on the status of the ex-post monitoring questionnaires (Summary Table)

**Annex 6:** Presentation on Monitoring System

**Annex 7**: Model Annual Implementation Report

**Annex 8**: Model Final Narrative Report

**Annex 9**: CBC programme-level reporting & Western Balkans-wide overview

1. During the Phase I of the CBIB project, a TWG discussed a model application package for CBC IPA II calls for proposals that was presented to DG NEAR for endorsement. By note of Director D of 7 July 2016, Ares (2016)3240816, this application package was recommended to all contracting authorities as reference for the publication of calls for proposals under IPA II CBC programmes. The package stresses as never before the importance of the performance management and contributes with its guidelines for applicants and model interim and final reports to set a good practice example in this field. [↑](#footnote-ref-1)
2. \* A new version will be prepared in the second half of October 2017. [↑](#footnote-ref-2)