

Evaluation Summary – Development Activities of Regions and Municipalities in ODA Priority Countries

The subject of the evaluation is the Program Support for Development Activities of Regions and Municipalities in Priority Countries of the Czech Development Cooperation (CDC). This granting program was established pursuant to Act No. 151/2010 Coll. and is being published by the Czech Development Agency (CzDA) aiming to support development activities implemented by territorial self-governing units (regions and municipalities) in one or more of the priority countries of the CDC.

The primary objective of this evaluation is to provide "independent, objectively justified and consistent conclusions, findings and recommendations for decisions making on the part of Ministry of Foreign Affairs in collaboration with the CzDA and other stakeholders regarding the future targeting and method of implementation of CDC, taking into account the Agenda 2030 Sustainable Development and the CDC Strategy 2018-2030." The evaluation therefore primarily focuses on the process side of the implementation of the Program, but its aim is also to increase the quality of the submitted projects, and thus the overall effectiveness of support.

The aim of the Program is primarily to support partner institutions of local government and self-government in target countries, to support civil society entities and institutions in the fields of culture, social services, health, science and research. Initiatives that are supported under this program should be focused primarily on the transfer of know-how, experience sharing, etc. The program thus attempts to initiate more intensive use of key added value of CDC compared to other donors, namely direct experience with economic and social transformation. In accordance with this focus, funds from the program cannot be used for investment costs - the focus of supported projects should lie in activities that directly support the exchange of experience (study visits, exchange stays, study programs, etc.).

The evaluation focuses on the operation of the program in the period 2017-2019. The total allocated amount for each year reaches 1 500 000 CZK and provided grant for one project may not exceed 500 000 CZK. The maximum amount of the subsidy from the Program can reach up to 90% of the project costs, therefore, beneficiary's co-financing of must reach at least 10% of total costs.

In each of the monitored years, exactly three projects were supported. The implementation of the Program in this (and the previous) period is characterized by low interest for support, the grant provider received 3-5 applications each year in the evaluated period. Along with these repeated applications submitted by the same entities are observed. All nine projects supported in the period under review were implemented by only four entities: Ústí nad Labem Region (2017 and 2019), Pardubice Region (2018 and 2019), City of Valašské Meziříčí (2017 and 2019) and NNO Agora CE (2017, 2018 and 2019).

The evaluation is elaborated by Evaluation Advisory CE. The members of the evaluation team are:

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- **Radim Gill, senior expert and quality guarantor**
- **Josef Lochman, junior expert**
- **Aleksandar Pojevaljić, local expert in Serbia**
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The evaluation was performed under conditions of constraint imposed due to Covid-19 pandemic. Therefore, all evaluation methods were applied remotely using electronic communication, video conferencing and telephone inquiries.

In assessing the criterion of relevance the evaluation has proved that the Program and its supported projects are relevant in relation to the strategic objectives of the ODA and the SDGs. All analyzed projects are directly or at least indirectly in line with the objectives of "Good democratic governance" and "Inclusive social development" and thus show potential to fulfil these objectives. The Program objective is relevant for the needs of implementers or potential implementers, mainly due to the very broad definition of its goal, which lies de facto in the process of strengthening cooperation and transfer of know-how relevant to the performance of public functions. The relevance of the Program from this point of view is also confirmed by presented case studies which, among other things, dealt with the motivation of foreign partners to enter into a cooperation project with a Czech partner. Their primary motivation was, according to performed interviews, obtaining know-how and good practice (or even "bad" practice, i.e. unsuccessful solutions and mistakes in relevant fields) from Czech partners in order to increase the quality of their operations in the region and sector. However, the relevance of the Program is partially reduced by the very general formulation of the objective of the Program, which lacks any quantification. Moreover, a fundamental limit to the Program relevance lies in the specific implementing conditions (low limit of the maximum support from the Program, requested established partnership in the target country, etc. - see below). These conditions either disqualify a large number of potential applicants or make the Program unattractive to this segment of target group. Overall, the **relevance of the Program is therefore assessed as rather low**. The Program is potentially relevant at the level of its objectives, but its conditions make the Program irrelevant for a significant share of potential applicants.

As it was mentioned above, the Program has not formulated any monitoring indicators and the objective of the Program is not quantified. Monitoring of the Program takes place only at the level of individual supported projects, which formulate their own goals and outputs. This finding also negatively affects the fulfillment of efficiency and effectiveness criteria. While assessing the efficiency applied evaluation methods have proven that initiatives supported by the Program register, with a few exceptions, a rather high value for money. Efficiency of the Program is in some cases potentially positively affected by the finding that in some cases the Program has the ability to generate follow-up initiatives that may multiply achieved results. However, follow-up initiatives have been reported rather rarely and in specific cases.

However, the efficiency of the Program is, on the other hand, significantly reduced by the lack of coordination between supported projects as well as in relation to other initiatives of CDC or other donors. Insufficient use of synergies leads to duplication of activities, overloading the target group and overall inefficient use of resources. This is mainly due to the fact that the Embassies in the target countries, which could oversee the coordination efforts, are not involved in the processes of the program management at any stage and neither are there established any other formal or informal coordination mechanisms. The potential coordination of overlaps and the "division of labor" between implementers is thus left to chance and to the implementers' own initiative. However, effective coordination must take place on the part of the grant provider. Deficits in the program management, which were recorded during the process analysis of the Program, also have a negative effect on the overall efficiency of the Program. Last but not least, the efficiency of the Program is negatively affected by the fact that within the process of assessment of grant applications the applied assessment criteria are not sufficiently developed into a methodology that would provide clear and transparent guidance for their application. In addition, selected assessment criteria do not sufficiently take into account the specifics of the Program. Based on these conclusions, the evaluator finds that the **overall efficiency of the Program is rather low**.

In the course of analyzing the effectiveness criterion, a number of case studies at the level of supported projects, have been elaborated. These concluded that despite planned outputs are being met by implemented projects, most of them fail to achieve the goals set by their implementers., mainly due the following reasons:

- a. low financial volume of the Programme,
- b. too short projects, which therefore cannot bring more than mere exchange of experience¹,
- c. low level of complementarities and links to other development initiatives,

¹ However, this deficit has already been eliminated in the second announcement of the 2020 Program; for this reason, no corresponding recommendations have been formulated to enable the implementation of multi-annual projects.

- d. inadequately formulated objectives, at least in part due to the formulation of the Programme selection criteria (evaluation of impacts on the partner country, which, however, programs of a given volume and scope cannot bring to any greater extent).

At the level of the Program as a whole, it has been proven that in some cases its objectives are being achieved: partnerships are deepening, follow-up initiatives are emerging and the range of actors involved in cooperation is expanding. However, this trend is rather observed in minority of the cases and is conditioned by the fulfillment of specific conditions: The program shows higher effectiveness in cases where support is directed to narrowly defined topics and cooperation is focused on the transfer of specific solutions - under these conditions the program demonstrably contributes to the development of partnerships and also initiates follow-up initiatives, directly or indirectly. On the contrary, in the case of broadly defined initiatives, the effectiveness is very low, as no deeper development of existing or new partnerships can be observed. Similarly, the effectiveness of the Program is higher if the support is aimed at developing a strong partnership between two specific public entities from the Czech Republic and target countries (which act as implementer and partner of a project) but vice versa, if the support primarily focuses on facilitating cooperation between others. subjects, the effectiveness is rather low. At the same time, the program does not verify whether these conditions, which are decisive for its effectiveness, are being met by submitted projects. In addition, low interest of potential applicants for support represents another deficit for effective implementation of the Program. In result, even if the project selection criteria took into account the qualitative parameters mentioned above, projects with potentially the highest added value would not actually be selected due to low interest in support. Last but not least, the effectiveness of the Program is also negatively affected by the finding that the Program does not lead to a deeper development of institutional cooperation, which is one of its goals - even if in some cases follow-up cooperation is initiated, it focuses rather on cultural exchange and mobilities.

Based on these conclusions, the evaluator assesses the **effectiveness of the Program as rather low**.

In the case of impacts, the evaluation focused mainly on whether the Program leads to the strengthening of institutions and good governance in the target countries, the involvement of new actors in international partnerships and generally contributes to the development of supported regions. The impacts of the Program at the level of institutional capacity building and good governance were not, with some exceptions, proven. Equally it was rather rare to observe that the Program directly contributed to the expansion of the range of actors in the Czech Republic and target countries that got involved in cooperation, especially when it comes to the involvement of business entities. These impacts were proved only in the case of projects that are implemented on the basis of stable long-term partnership between entities from the Czech Republic and target countries. Impacts of the Program on the general development of the supported regions were identified more often, especially in cases where the support focuses on specifically defined topics. On the contrary, in the case of broadly focused projects, the essence of which was mainly the facilitation of new partnerships, none of these impacts were proven.

In some cases, partial unplanned impacts were observed:

- The program has a limited ability to initiate cooperation also at the level of business entities
- In the specific context of the Georgian regions of Pshavi and Khevsureti, the program supported initiatives which, at least in part, enabled a substantially larger programme to be launched in the region later on.

As a result, overall fulfilment of the criterion of **impacts was assessed as rather low**. Partial impacts directly causally linked to provided support have been observed, however, only if specific conditions that the Program does not control were met.

In the analysis of sustainability, it was proved that its key factors are the already mentioned long-term cooperation, mutual benefits of cooperation on both sides and, last but not least, the degree of involvement of institutions from the target country in the elaboration of project outputs. Their high involvement strengthens the relevance and applicability of the results of cooperation and also strengthens ownership on the part of partner institutions. In some cases, it was observed that sustainability is negatively affected by low awareness and analysis of risks or assumptions in the implementation of projects. In some cases, it was first during the implementation of projects or even close to their conclusion that it was found out that some basic criteria for sustainability are not met - such as absence of legislation, insufficient compatibility and applicability of some know-how in context of the target country caused by institutional differences or insufficient involvement

of sector-relevant partners who could take the outputs into their agenda. Overall, based on these findings and conclusions, **the sustainability of the Program is assessed by the evaluator as rather low.**

A specific problem of the Program is the already mentioned low interest in applying for available grants. This is, following the results of a questionnaire and individual interviews with potential applicants, mainly due to the low level of awareness of potential applicants about the Program. Moreover, the rather low volume of available support also plays a role, as in some cases the potential applicants may not be sufficiently motivated by this relatively low amount to commit to the administrative burden associated with project management, reporting and billing. However, the key problem lays in the limited number of potential beneficiaries – i.e. regions and municipalities with established partnerships in the target countries of CDC. In order to increase the number of applicants for the Programme funds, it will be necessary to expand the range of potential applicants for support to entities that would not have established partnerships at the point of application.

Based on the above conclusions, the following recommendations were formulated:

Recommendations relevant to contents and processes of the Program:

Recommendation	Level of seriousness	Primary addressee
Increase the emphasis on the quality of final and financial reports. Target publicity specifically for regions and municipalities that are potential applicants for support. Systematically cooperate with the Association of Regions and Union of Towns and Municipalities of the Czech Republic in publicizing the program.	1	CzDA, Union of Municipalities of the CR, Association of Regions or other partners
Increase the level of involvement of the Embassy in the management of the Program, especially in the phase of project selection and monitoring	1	CzDA, MFA, Embassy
Precisely specify the objectives of the Program, quantify them in the form of monitoring indicators and require their reporting at the level of supported projects; strengthen the Program monitoring by the means of beneficiaries' reporting (in final reports) and own monitoring (in cooperation with respective Embassies).	2	CzDA
Establish a formal coordination mechanism for representatives of project implementers in the same localities and sectors.	2	CzDA
Develop a detailed methodology for the application of selection criteria, including sub-criteria, scales for different degrees of intensity of fulfillment of the (sub) criterion and generally unify the application of selection criteria methodologically; increase the transparency of selection by publishing detailed reports. Adjust the selection criteria in order to take into account the specifics of the Program and to strengthen the innovativeness of projects and respond to other specific findings of this evaluation.	2	CzDA
Increase the emphasis on the quality of final and financial reports, most importantly: <ul style="list-style-type: none"> a. insist on specific quantifications of outputs - especially in relation to number and duration of foreign exchange visits, number of their participants, etc.; b. demand explicit justification for the participation on foreign exchange visits and total number of participants; c. generally ensure that the content of relevant chapters of the final reports corresponds to the mandatory structure. 	3	CzDA
Loosen the schedule for publication of domestic grant programs and deadlines for filing of	3	CzDA

applications so that the schedule of all domestic grant programs does not coincide; adjust the schedule of key program management processes (program announcement, formal process of project modification, administration of final and financial reports) so that there accumulation of time-consuming processes is avoided.		
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System recommendations

Recommendation	Level of seriousness	Primary addressee
Strengthen the process of identification of complementarities suitable for initiatives that could be supported under this Program. The process should focus on complementarities with other existing and / or planned initiatives of the Czech Development Cooperation (and possibly other donors) in the target countries in order to identify specific topics in which specific cooperation between local / regional governments in the Czech Republic and public institutions in the target country would support other implemented initiatives.	2	CzDA, MFA, Embassy, or other partners
In relation to previous recommendation introduce the option to formulate flexible country specific preferential criteria that would emphasize specific sector, region / locality, target institution, etc.	2	CzDA
Allocate part of the Program's overall budget to activities aimed at creating new partnerships (with different conditions of support, selection criteria, lower maximum volume of the grant and at the same time higher Program co-financing, etc.). On the contrary, in the part of the Program focused on the development of existing cooperation, strengthen the importance of stable and long-term partnerships, which, according to the conclusions of the evaluation, are a precondition for higher efficiency, effectiveness and sustainability of initiatives.	2	CzDA
Systematically inform project implementers about other sources for financing of partnership cooperation between self-governing institutions in the Czech Republic and their partners in target countries.	3	CzDA, MFA

