



# Evaluation of EU support to local authorities in enlargement and neighbourhood regions (2010-2018)

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Volume II – Evidence Matrix  
November 2020

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*Evaluation carried out on behalf of the European Commission*


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## Evaluation of EU support to local authorities in Enlargement and Neighbourhood regions (2010-2018)

This evaluation was commissioned by the  
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**Implemented by Particip GmbH**



***The opinions expressed in this document represent the authors'  
 points of view  
 which are not necessarily shared by the European Commission  
 or by the authorities of the countries involved.***

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The opinions expressed in this document represent the authors' points of view which are not necessarily shared by the European Commission or by the authorities of the countries involved.

# Evaluation of EU support to local authorities in Enlargement and Neighbourhood regions (2010-2018)

The report consists of four volumes:

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3. Overview of the EU external action in the area of LAs
4. Main findings
5. Overall assessment
6. Conclusions
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## Complementary information at JC and indicator level

Volume II features the main findings identified per Judgement Criteria (JC) providing additional explanations, references to other reports and literature, detailed case study level examples and further references complementary to the more general and synthesised answers presented in Volume I.

The assessment of each JC builds on a set of specific indicators. The sections below present: i) the main sources of the evidence underpinning the JC assessment; and ii) the main findings and evidence identified per indicator. For further details on the evidence gathered by the team, please refer to the relevant annexes.

The extent to which the various categories of sources have been used/explored is highlighted with a colour code:

Sources explored:	Substantial information already collected	Some information collected	No information (or not relevant for the indicator)
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The tables also indicate the strength of evidence for the assessment done under each indicator using a three-level scale as summarised below.

Strength of evidence	Description
● (strong)	The findings are consistently supported by a range of evidence sources, or evidence sources, while not comprehensive, are of high quality and reliable to draw robust findings.
● (medium)	There are at least two different sources of evidence with good triangulation, but the coverage of the evidence is not complete.
● (low)	There is no triangulation and / or evidence is limited to a single source.

### Cluster 1: Strategy and implementation

## 1 EQ1 – Quality of EU engagement strategies with LAs in different regional/country contexts

**EQ1 - To what extent has EU support to LAs been aligned with EU high-level priorities for LAs, the broader frameworks for EU external action and the priorities and needs of LAs in the Enlargement, Neighbourhood East and South regions?**



This Evaluation Question (EQ) covers issues related to Relevance, and consists in three Judgement Criteria (JC):

- **JC 1.1** The EU has internalized the various policy frameworks pertaining to LAs/ALAs and consistently sought to translate these in relevant and **context-sensitive engagement strategies** with LAs.
- **JC 1.2 LAs have been involved** in (i) relevant country level strategy preparation, programming and designing specific LA support; (ii) in policy and political dialogue with EU, including in the pre-accession processes.
- **JC 1.3** The EU has the **ability to respond to changing needs and priorities** in a timely manner.

The assessment of each JC builds on a set of specific indicators. The tables below provide an overview of: i) the main findings identified per indicator, and ii) the main sources of the evidence underpinning these findings. For further details on the evidence gathered by the team, please refer to the relevant annexes.

## JC1.1 Internalisation of EU policy frameworks addressing LAs/ALAs

**JC 1.1** The EU has internalized the various policy frameworks pertaining to LAs/ALAs and consistently sought to translate these in relevant and **context-sensitive engagement strategies** with LAs.

Main findings:

- EU has been increasingly integrating LAs and ALAs in EU's external actions. While there are regional differences in terms of priorities (see Vol I, section 3), the pursued outcomes are very similar in the Western Balkans and the Neighbourhood South and East.
- There is not yet a shared vision on how to effectively support LAs - particularly in partner countries with highly centralised governance systems – and on how to channel resources directly to LAs.
- A clear perspective on empowering LAs is often missing, which hampers the more operational programming of concrete support to LAs. On the whole, the EU policy frameworks on LAs (such as the 2013 Communication) are little known and internalised.

### Overview of sources of information and evidence base at indicator level

**I-1.1.1. Evidence of a shared vision among and within EC services on the priorities to be pursued and the approach to be taken in supporting LAs and ALAs in the three different regions**

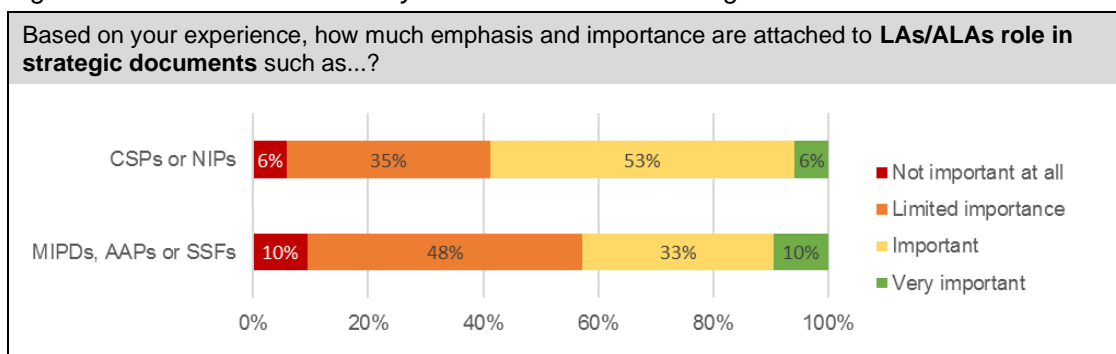
Overall strength of the evidence base: ● (strong)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Programming documents reviewed in the country and regional case studies - see Volume III for further details.	Interviews carried out with LAs, ALAs, CSOs, central authorities (e.g. min. of interior) and at EUD level - see Volume III.	Policy documents on LAs and EU external actions	EU HQ: DEVCO, NEAR EEAS	See eSurvey reports in Volume IV.	Not a source

### Key evidence/specific findings:

- According to EU policy frameworks (e.g. Agenda 2030, 2013 EU Communication, 2017 Consensus on Development), there is an increasing interest in engaging with LAs and ALAs but there is limited reflection in the key documents on how to strategically engage at local level. As shown in Figure 1, the EUDs' perceptions of LAs/ALAs role in strategic document is in line with this finding.

Figure 1 eSurvey results - LAs role in strategic documents



Source: Particip, EUDs eSurvey, September 2020 (see Volume IV).

- There is not yet a shared vision among EC services on 'how' to engage with LAs and fund them (directly). Also, there are diverging interpretations on the notion of 'empowerment' of LAs.

I-1.1.2. Evidence of coherent EU engagement approach towards LAs and ALAs (as reflected in core programming documents such as Single Support Frameworks SSF and National Indicative Programmes NIPs) with a view to empower them as legitimate, autonomous and effective institutions and mainstream their participation where relevant					
Overall strength of the evidence base: ● (strong)					
Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Programming documents reviewed in the country and regional case studies - see <i>Volume III</i> for further details.	Interviews carried out with at EUD level - see <i>Volume III</i> .	Policy documents on LAs and EU external actions	EU HQ: DEVCO, NEAR EEAS	See <i>eSurvey reports in Volume IV</i> .	<i>Not a source</i>

**Key evidence/specific findings:**

- EUDs strategies are in line with these aforementioned core documents: decentralisation and territorial development issues appear more and more in country strategy documents as well as programming documents.
- During the first half of the evaluation period, LAs were considered as 'recipient' of programmes rather than state actors with (legally enshrined) roles and responsibilities (mandates). Most of the interventions at local level targeted specific needs and did not address LA empowerment in a comprehensive way. However, building on major (decentralisation) reforms initiated by central government, the EU could shift to more systemic forms of support to LAs, translated in more comprehensive support programmes.
- EUDs' engagement with LAs is highly constrained by the central government's commitment to a decentralisation and/or territorial development agenda. Consequently, the adoption of ambitious reform agendas in terms of decentralisation and territorial development in the midst of the evaluation period (e.g. Ukraine, Georgia, Tunisia, Morocco) opened political space for the EU to engage more structurally.

I-1.1.3. Evidence of EU using its political power and leverage towards central government to create space / encourage dialogue and cooperation with LAs and ALAs					
Overall strength of the evidence base: ● (strong)					
Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, EAMRs) reviewed in the country and regional case studies - see <i>Volume III</i> for further details.	Some interviews carried out at EUD level - see <i>Volume III</i> .	Policy documents on LAs and EU external actions.	Some interviews at EU HQ level: DEVCO, NEAR EEAS.	See <i>eSurvey reports in Volume IV</i> .	<i>Not a source</i>



**Key evidence/specific findings:**

- In partner countries with a conducive environment for LA empowerment, the EU has been able to be a convenor and facilitator of dialogue between central and local governments. In more restrictive environments, it has proven difficult for the EU to open space and encourage dialogue and cooperation with LAs/ALAS
- Regional dialogue is fostered by the EU and takes place in several fora. Examples of these are CORLEAP, ARLEM and SEECF which provide a region-wide forum for policy debate and exchange of best practices in the respective regions in the scope of the evaluation.
- The case studies reveal that a variety of situations prevails in terms of central government's willingness to implement decentralisation reforms. In Tunisia and Morocco, even if central authorities formally committed to decentralisation, the persistent top-down management prevent the EU from directly reaching out to LAs, though there is smart dialogue with central authorities to create more space for LAs. In Albania and North Macedonia, characterized by relatively conducive contexts, the dialogue about LA empowerment was confined to the framework of the EU-funded projects.
- In line with this finding, 'reluctance of central governments to empower LAs' was mentioned by four EUDs out of 10 as one of the main hindering factors of EU support to LAs (see Volume IV, section 3.5 Lessons learnt for more details). Similarly, 'national authorities' commitment to decentralization or LAs' empowerment' was mentioned as one of the main success factors of EU support to LAs by more than one quarter of respondents.
- The two regional programmes examined (e.g. Covenant of Mayors and ReLOaD on democracy in the Western Balkans) directly target LAs as main interlocutor, partner and beneficiary. Yet in both programmes there are clearly elements that encourage engagement, dialogue and cooperation between central and local governments. In both cases, this takes the form of bottom-up evidence on innovative practices tested in the field that are scaled-up to inform national level policies and practises.

**JC1.2 Involvement of LAs/ALAs**

**JC 1.2 LAs have been involved** in (i) relevant country level strategy preparation, programming and designing specific LA support; (ii) in policy and political dialogue with EU, including in the pre-accession processes.

**Main findings:**

- There is still a major deficit in terms of involving LAs in strategic processes, in (sector) policy and political dialogue, in the actual design of LA support programmes or in other relevant fora.
- This is linked to a variety of factors, including capacity constraints of LAs, limited political openings for a meaningful inclusion or lack of incentives on the EU side.

*Overview of sources of information and evidence base at indicator level***I-1.2.1. Evidence that EC has adopted an LA inclusive and participatory approach in identifying the needs and priorities of its external action / development cooperation support in a given country / region**

Overall strength of the evidence base: ● (strong)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Some documents (e.g. project documentation, EAMRs) reviewed in the country and regional case studies - see Volume III for further details.	Some interviews carried out at EUD level - see Volume III.	Policy documents on LAs and EU external actions.	Some interviews at EU HQ level: DEVCO, NEAR EEAS.	See eSurvey reports in Volume IV.	See mapping details in Annex 1.

### Key evidence/specific findings:

- The policy review highlights that, at policy level, LAs are formally considered as development actor, to be empowered to fulfil legally assigned development and governance mandates (e.g. EU 2013 Communication). Regional realities are taken into account and cooperation under bilateral country strategies, which allow support to be tailored to partner country needs, remains key.
- Little progress has been achieved regarding the inclusion of LAs programming and implementation. There is an emerging pattern across case studies (esp. in the initial years of the evaluation period): local level interventions seldom led to consultation of LAs, which are often seen as 'beneficiaries'. Decision-making remains highly centralised.
- Results from eSurveys are in line with the overall findings: more than half of EUDs consider LAs/ALAs involvement in project and programme design as 'limited' or 'non-existent'. A few respondents mention '*regular consultations with LAs during preparation of programmes*' or '*extremely rare but rather useful informal discussions*'. ALAs perceptions are less negative with 60% of respondents considering that the EU relied on their organisation - or LAs - to better identify development needs to some or great extent.

#### I-1.2.2. Existence of relevant fora (using a mapping) that allow LAs' involvement in political dialogue or policy dialogue processes, including at sectoral level

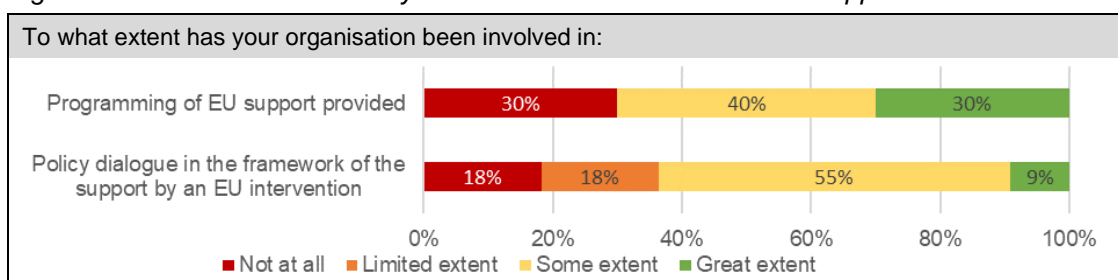
Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Some documents (e.g. project documentation, EAMRs) reviewed in the country and regional case studies - see Volume III for further details.	Some interviews carried out at EUD level - see Volume III.	Not a source	Some interviews at EU HQ level: DEVCO, NEAR EEAS.	See eSurvey reports in Volume IV.	Not a source

### Key evidence/specific findings:

- Collected evidence suggests that the inclusion of LAs in the relevant fora and policy dialogue remains limited.
- Regarding the eSurveys, more than half of the EUD respondents consider that the involvement of LAs/ALAs in relevant for a for political dialogue is 'limited' or 'non-existent'. LAs/ALAs seem to be more involved in policy dialogue with central authorities (through the facilitation of the EUDs). This trend is also found in the ALAs eSurvey – see graph below.

Figure 2 eSurvey results - ALAs involvement in EU support



Source: Particip, ALAs eSurvey, September 2020 (see Volume IV).

- Capacity constraints of LAs is generally invoked, yet also political obstacles such as the fact that LAs are not considered as self-standing development actors yet (e.g. Tunisia) or the fear to 'go too far and too fast' (e.g. Georgia).
- However, there is little documentation on what is done with LAs on a process level. Interview-based evidence indicate that better including LAs in political dialogue is in the agenda of the EUDs.

### I-1.2.3. Evidence that existing political/policy dialogue mechanisms engaging LAs: i) feed adequately the programming of financial assistance for LAs and ALAs; ii) help to respond to threats to local democracy and (iii) facilitate LA participation in pre-accession processes

Overall strength of the evidence base: ● (low)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Some documents (e.g. project documentation, EAMRs) reviewed in the country and regional case studies - see Volume III for further details.	Some interviews carried out at EUD level - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV.	Not a source

#### Key evidence/specific findings:

- Given the limited involvement of LAs in political and policy dialogue (see I-1.2.2), there is limited evidence collected so far of existing dialogue mechanisms related to the LAs funding, local democracy resilience and participation in pre-accession processes.
- An often invoked explanatory factor is the capacity constraints of LAs, particularly smaller ones, to engage in (sector) policy processes, programming exercises and the design of support strategies. Furthermore, several EUDs (e.g. Tunisia, Morocco) acknowledged they still must work out how they could effectively and efficiently give a greater voice to LAs in external action and cooperation processes. There is not yet much tradition and capitalised experience on how to do this. In this context, the new programming cycle can be seen as an opportunity to enhance LA participation.
- In the framework of the eSurveys, an ALA not involved in policy dialogue and programming puts forward negative consequences such as *'aid and development programs not reaching out to the population'* or, on the contrary, *'being considered as a source of corruption for central governments'* and the *'consolidation of authoritarian tendencies'*.

## JC1.3 Adjustments to context change

### JC 1.3 The EU has the ability to respond to changing needs and priorities in a timely manner.

Main findings:

- Collected evidence highlight the ability of EUDs to adapt to the specific and evolving context in which they intervene. This reflects an internal learning curve as well as enhanced levels of knowledge and capacity to engage with LAs (also increasingly visible in sector units of the EUDs).
- Case studies provide several examples where prevailing political economy conditions in the country changed quite fundamentally during the evaluation period (e.g. Ukraine, Georgia, Tunisia, Morocco). The EU reacted positively to these new windows of opportunities by engaging in a more structured and sophisticated way on the LA agenda

#### Overview of sources of information and evidence base at indicator level

### I-1.3.1. Evidence that the EC has adequate knowledge on (evolving) country specific power dynamics between central and local levels

Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory

Various documents (e.g. project documentation, EAMRs) reviewed in the country and regional case studies - see Volume III for further details.	Interviews carried out with LAs, ALAs, DPs, CSOs, central authorities (e.g. min. of interior) and at EUD level - see Volume III.	<i>Not a source</i>	Some interviews at EU HQ level.	See eSurvey reports in Volume IV.	<i>Not a source</i>
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#### **Key evidence/specific findings:**

- There has been a learning curve at EU/EUD level, reflected in growing levels of knowledge on the 'politics' of decentralization reforms and implications for EU support to LAs.
- Based on the eSurveys, ALAs are a main source of knowledge and analyses (yet): more than 60% of EUDs stated that they were not receiving knowledge at all or to a limited extent from ALAs.

**I-1.3.2. Evidence that the right political, institutional, financial and bureaucratic incentives are in place within the EU to move beyond centralised partnerships and engage with LAs (e.g. in terms of systematic political support from the hierarchy and clear institutional guidelines to push the LA agenda; existence of 'space' within EUDs to work with LAs; bureaucratic preparedness to innovate in funding modalities; existence of reward systems for champions of change, etc.)**

Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Some documents (e.g. project documentation, EAMRs) reviewed in the country and regional case studies - see Volume III for further details.	Some interviews with LAs, ALAs, DPs, CSOs, EU HQ central authorities (e.g. min. of interior) and at EUD level - see Volume III.	<i>Not a source</i>	<i>Not a source</i>	See eSurvey reports in Volume IV.	<i>Not a source</i>

#### **Key evidence/specific findings:**

- There have been limited political, institutional and bureaucratic incentives provided from HQ to EUDs in the field of decentralisation and LA empowerment. This linked to the highly political nature of the topic and related fear of interference or alienating central government. Limited efforts have been made to assist EUDs with expertise and other forms of support (e.g. to effectively use guidance produced or apply innovative funding modalities)
- EUDs have therefore been largely in the driving seat (without clear HQ political backing / steering) in defining engagement strategies and the levels of risks to assume.
- The incentives for EUDs to engage more with LAs are based on a mix of elements, differing from country to country. In more conducive political environments, the EU has been pro-active in creating space for LAs and adopting innovative funding approaches. In some restrictive environments, the incentives are also there to engage more with LAs but there are many hurdles (imposed by central government) to overcome.
- The growing interest to reach out to the local level (where results achieved could be more tangible), the increased awareness on the specific role and competences of LAs (also among sector specialists at EUD) and the existence of various geographic and thematic instruments to act also influence EUDs ability to engage with LAs.

**I-1.3.3. Evidence that the EU adapted its engagement strategies with LAs (over a longer period of time) and seized windows of opportunities**

Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory

Some documents (e.g. project documentation, EAMRs) reviewed in the country and regional case studies - see <i>Volume III</i> for further details.	Some interviews carried out at EUD level - see <i>Volume III</i> .	<i>Not a source</i>	<i>Not a source</i>	See eSurvey reports in <i>Volume IV</i> .	<i>Not a source</i>
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### Key evidence/specific findings:

- Several EUDs sought to seize the resulting windows of opportunities (of different scale and potential) by reorienting their portfolio, launching more sophisticated (budget) support programmes (e.g. Ukraine, Tunisia) or by exploring in a politically savvy way how the new openings in a fairly (closed) system could be optimally exploited (e.g. the process of 'régionalisation avancée' in Morocco). In Georgia, the EU provided appropriate support commensurate with the (central) government's capacity and demand.
- In Lebanon, while the EUD advocated for advancing decentralisation without success, the Syrian refugees influx changed the situation and the EUD reached out to LAs and assist them to address the new needs on their territories.
- Ukraine is a standalone example: decentralisation was already high in the EUD agenda in the 2000s but the topic lost momentum in the recent years.
- The EUDs eSurvey permit to generalise this finding as more than 80% of EUD respondents confirmed that the EU has the ability to respond to changing needs and priorities of LAs and ALAs (e.g. new powers to LAs or emergencies) as well as changing political context in a timely manner to some (65%) or great extent (18%). Nevertheless, respondents mention '*lengthy procedures*' at EU level that can hinder EU support responsiveness.

## 2 EQ2 – Adequacy of EU implementation processes and approaches

**EQ2 - To what extent are EU implementation processes and approaches adequate to achieving the intended objectives regarding support to LAs?**



This Evaluation Question (EQ) covers issues related to EU implementation processes and approaches, and consists in three Judgement Criteria (JC):

- **JC 2.1** EU's financing instruments, aid modalities and tools allow for **appropriate engagement with LAs**
- **JC 2.2** EC has **sufficient human resources and expertise** to engage strategically with LAs and ALAs
- **JC 2.3** **Data from M&E** adequately measures performance and informs planning

The assessment of each JC builds on a set of specific indicators. The tables below provide an overview of: i) the main findings identified per indicator, and ii) the main sources of the evidence underpinning these findings. For further details on the evidence gathered by the team, please refer to the relevant annexes.

### JC2.1 Leadership

**JC 2.1** EU's financing instruments, aid modalities and tools allow for **appropriate engagement with LAs**

Main findings:

- In several partner countries, EU increasingly uses a mix of financing instruments and aid modalities, resulting in a strategic package of interventions towards LAs. This approach allows the EU to engage with and directly fund LAs as well as to positively influence national framework conditions.
- Various context-specific factors determine the degree to which the EU toolbox is effectively used, including: i) the existence of a conducive political and institutional environment in the partner country; ii) the willingness at EUD level to politically invest in LA empowerment over a long period of time -backed up by an enabling incentive structure in EU HQ; iii) the quantity and quality of the human resource base to engage strategically, monitor progress and conduct political dialogue; iv) the availability of relevant knowledge, facilitated by strategic partnerships with credible ALAs.

*Overview of sources of information and evidence base at indicator level*

I-2.1.1. Evidence that the financing instruments (IPA, ENI, global thematic instruments/programmes) are conducive to facilitate (direct) access by LAs and ALAs to funding to address local needs					
Overall strength of the evidence base: ● (strong)					
Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, evaluations, country reporting) reviewed in the country and regional case studies - see Volume III for further details.	Some interviews carried out at EUD level - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV.	See mapping details in Annex 1.

**Key evidence/specific findings:**

- In countries with advanced decentralisation context, the EUDs developed a strategic set of interventions, aid modalities and approaches to reach out to LAs over the evaluation period (e.g. Ukraine, Georgia). In other countries, characterized by centrally led systems (e.g. Tunisia, Morocco, Lebanon), the potential to engage directly with LAs is limited.
- Regional case studies (ReLOaD and CoM) targeting more directly LAs put forward added value to the bilateral and thematic interventions, as they have clear empowerment approaches and are operated with more flexibility and autonomous management.
- If the vast majority of EUDs consider that the range of modalities used as adequate and that synergies between them have been achieved, almost a quarter of respondents consider that the modalities used do not allow the EU at all to channel funds directly to LAs. Various situations are highlighted among qualitative answers. Whereas an EUD managed to channel funds through budget support and 'transfer them to local authorities subject to decision of central government', another EUD that the upcoming budget support will include local government related indicators, but those tranche payments will flow into the national treasury.

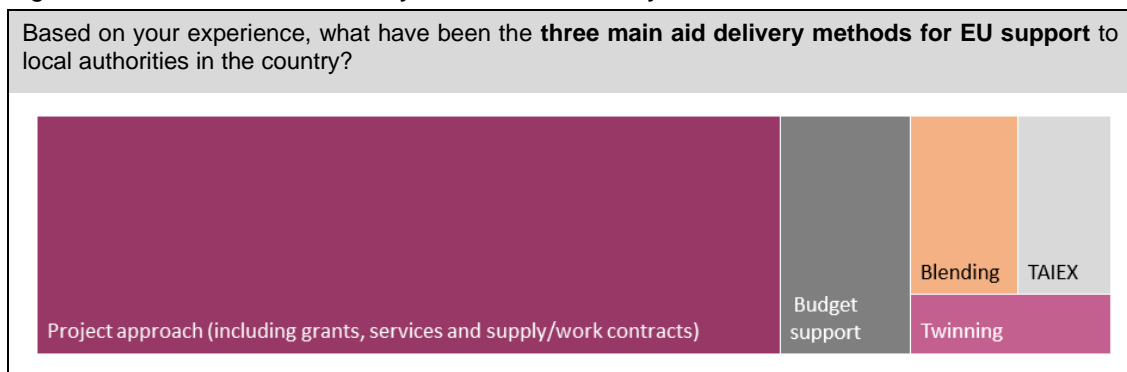
I-2.1.2. Evidence that the EU has used the 'right mix' of aid modalities (project, twinning, budget support), funding mechanisms (e.g. blending, EU Trust Funds) and delivery channels (e.g. bilateral, regional support) to support LAs					
Overall strength of the evidence base: ● (medium)					
Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, evaluations, country reporting) reviewed in the country and regional case studies - see Volume III for further details.	Some interviews carried out at EUD level - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV.	See mapping details in Annex 1.



### Key evidence/specific findings:

- Finding the 'right mix' is highly correlated to the space EUDs dispose of to target LAs. In countries with advanced decentralisation context (e.g. Ukraine Georgia), evidence suggest that EUDs combined considerable amounts of budget support to decentralisation reforms and TA targeting LAs. This 'mix' of modalities put central authorities at the centre of EU support without guaranteeing the development of territorial dynamics from 'below'.
- The main aid delivery methods for EU support reported by EUDs in the eSurvey are presented below. All EUDs except two declared that the first main aid delivery method was the project approach. It is followed by budget support and blending (respectively selected by 7 and 5 respondents). Twinning and TAIEX were both selected by 4 respondents. "Other" answers included contribution agreements concluded with international organisations and multi-donor actions, technical assistance, as well as seminars and study tours. Also, 75% of respondents think the EU should increase the current level of support to LAs.

Figure 3 eSurvey results - Aid delivery methods



Source: Particip, EUDs eSurvey, September 2020 (see Volume IV).

I-2.1.3. Evidence that the EU technical assistance and investment grants (e.g. blending) are effectively boosting and orienting the activities of IFIs with LAs					
Overall strength of the evidence base: ● (medium)					
Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, evaluations, country reporting) reviewed in the country and regional case studies - see Volume III for further details.	Interviews with LAs, ALAs, DPs, EU MS and at EUD level - see Volume III.	Not a source	Not a source	Not a source	See mapping details in Annex 1.

### Key evidence/specific findings:

- Very few examples of the use of TA and investment grants to boost IFIs' engagement with LAs were identified. In Georgia, the EU provided a grant component to DFI-funded infrastructure projects.
- The EU has done efforts to associate LAs to major investment schemes (such as WBIF) but participation was limited due to LA capacity constraints and political/institutional bottlenecks at central level.
- Regional programmes such as CoM have enabled participating municipalities to leverage additional funding.
- EUD staff interviews in several countries (e.g. Morocco, Tunisia) reveal expectations related to the new MFF and NDICI regulation which might create funding opportunities.

## JC2.2 Adequate resources and strategic engagement with LAs/ALAs

### JC 2.2 EC has sufficient human resources and expertise to engage strategically with LAs and ALAs

#### Main findings:

- While the EU, in general, managed to enhance overall levels of knowledge on the politics of decentralisation reforms and LA empowerment, particularly in countries where the EU has adopted a more comprehensive, long-term intervention strategy (e.g. Ukraine, Tunisia, Morocco).
- In recent years, several EUDs have explored how LAs could be associated in sector support programmes. This has enhanced the overall visibility of LAs (across EUD units) as well as overall knowledge levels.
- EU engagement strategies with ALAs varies in terms of scope, strategic depth and modalities. Genuinely strategic partnerships are rare, as cooperation tends to be ad-hoc and focused on exchanging information. A recurrent constraint for deeper relations is the lack of legitimacy, political clout and capacity of ALAs.

#### Overview of sources of information and evidence base at indicator level

I-2.2.1. Adequate human resources (at HQ and EUDs) engaged in and knowledgeable on decentralisation reforms, local / territorial development, local governance and the role of LAs					
Overall strength of the evidence base: ● (medium)					
Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Some documents (e.g. project documentation, EAMRs) reviewed in the country and regional case studies - see Volume III for further details.	Some interviews carried out at EU HQ and EUD level - see Volume III.	Not a source	Some interviews at EU HQ level.	See eSurvey reports in Volume IV.	Not a source

#### Key evidence/specific findings:

- Across case studies, there are cases where understaffing (compared to the overall EUD portfolio) is a hampering factor (e.g. Georgia) or where LA/decentralisation issues are not a priority, reducing the incentive to build up knowledge, capacity and expertise beyond the level of supervising the projects funded (e.g. North Macedonia). A different picture emerges in countries where EUDs have developed over time a coherent intervention strategy, with an increasingly sophisticated mix of instruments and modalities, mobilising substantial resources (e.g. Ukraine, Morocco, Tunisia). In such situations, the critical mass of knowledge and expertise on how to engage with LAs in a politically savvy way is much higher and is likely to further develop as the EUDs learn from their more structural interventions. The use of tools like political economy analysis (PEA) to better understand the arena of decentralisation reforms and the place of LAs therein, could also be noted (e.g. Tunisia).
- Based on the eSurveys, a vast majority of EUD respondents (78%) consider that human resources at the EUD level to deal with LAs are adequate. Respondents evoke the Head of Cooperation guidance, the recruitment of national experts and the diverse experiences of programme manager who have proven capable of developing programs that are addressing issues LAs are facing. Nevertheless, such profiles might not be available in all countries, as mentioned by a respondent who face 'occasional limitations to find colleagues being able to go beyond basic contract management'.



### I-2.2.2. Availability and effective use of training facilities and technical/thematic support provided by HQ to EUDs

Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Some documents (e.g. EAMRs) reviewed in the country and regional case studies - see Volume III for further details.	Some interviews carried out at EUD level - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV.	Not a source

#### Key evidence/specific findings:

- Feedback from EUDs indicates that the support received by HQ (in terms of advice, guidelines, quality support missions, etc.) is generally limited and of ad hoc nature. This is seen to be linked to the lack of clearly allocated responsibilities at DG NEAR level to thematically deal with LA issues as well as with a wider HQ deficit to provide genuine “political backing” for decentralisation reforms.
- Based on the EUDs eSurvey, 37% of respondents state that the workshops and individual trainings (including online courses) on decentralisation, local development and local governance have been offered during the evaluation period. 16% of respondents state that no LA-related capacity development activity has been offered.

### I-2.2.3. Evidence of effective use of external knowledge and data (e.g. from ALAs, local sources of expertise)

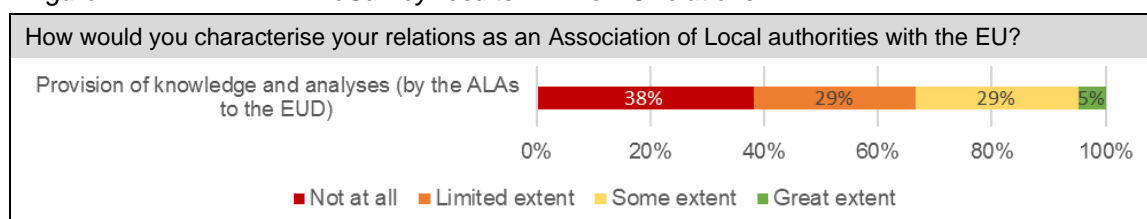
Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, evaluations, EAMRs) reviewed in the country and regional case studies - see Volume III for further details.	Some interviews carried out at ALA, LA and EUD level - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV.	Not a source

#### Key evidence/specific findings:

- The strategic use of ALAs as ‘sources of knowledge’ greatly depends on their level of maturity. In Morocco and Lebanon, the EU did not engage with ALAs due to their lack of legitimacy and capacities. EUDs operating in more conducive environments and endowed with a sophisticated portfolio of interventions (e.g. Ukraine, Georgia) have developed intensive forms of collaboration with ALAs. In Serbia, long-standing support to the ALA has resulted in a mutually beneficial strategic partnership.
- The ALAs eSurvey confirms the mixed and context-specific perceptions of ALAs as ‘knowledge providers’ (e.g. on decentralisation, local democracy, other local issues) – see graph below.

Figure 4 eSurvey results - ALAs-EU relations



Source: Particip, EUDs eSurvey, September 2020 (see Volume IV).

## JC2.3 Accountability/reporting

### JC 2.3 Data from M&E adequately measures performance and informs planning

#### Main findings:

- A mixed track record prevails on regarding the solidity of M&E systems in the countries observed, particularly in terms of qualitative outcomes on progress achieved in LA empowerment and the effective use of these data in future planning.

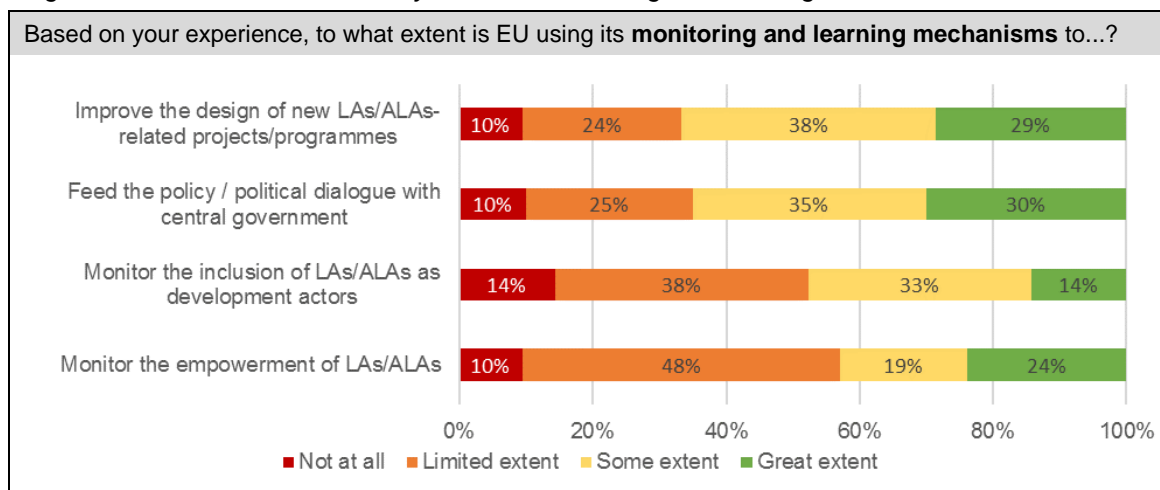
#### *Overview of sources of information and evidence base at indicator level*

I-2.3.1. Evidence that relevant monitoring, reporting and evaluation systems capture results (outputs, outcomes and impacts) of EU support to LAs and ALAs					
I-2.3.2. The data and insights from the M&E systems feed into the decision-making at EC and national / regional level, support internal learning processes and facilitate adaptation / review of approaches followed					
Overall strength of the evidence base: ● (medium)					
Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, evaluations, EAMRs) reviewed in the country and regional case studies - see Volume III for further details.	Some interviews carried out at EUD level - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV.	Not a source

#### Key evidence/specific findings:

- Data and analysis on EU support to LAs and ALAs is rather scant because either very ambitious and broad overall objectives or LA-related outputs and activities (without capturing data on LAs empowerment) are generally monitored.
- Recent evaluations of flagship programs (e.g. U-LEAD in Ukraine or STAR-2 in Albania) relied on solid M&E to highlight impacts.
- Some EUDs (e.g. Morocco, Tunisia) recently set up structured M&E systems related to LAs -in the framework of budget support to decentralisation- which have not been tested yet.
- At macro-level, EUD reporting through EAMRs provide very little information on LA-related results.
- The EUDs eSurvey confirms that monitoring the empowerment of LAs and ALAs is challenging, with almost half of the respondents considering that monitoring mechanisms are limited in this regard.

Figure 5 eSurvey results - Monitoring and learning mechanisms



Source: Particip, EUDs eSurvey, September 2020 (see Volume IV).

### 3 EQ3 – Coordination and complementarity

**EQ3 - To what extent the EU interventions providing support to LAs and ALAs have been coherent, complementary and coordinated with those carried out via other EU programmes and by other partners (e.g. Member States, IFIs, international organizations) in the three Regions?**



This Evaluation Question (EQ) covers issues related to Coherence, Coordination and Complementarity, and consists in two Judgement Criteria (JC):

- **JC 3.1 Mechanisms and processes** to ensure coherence, coordination and complementarity of EU support with EU MS and other donors at country and regional level function well
- **JC 3.2 Strategic partnerships** have improved coordination, coherence and complementarity

The assessment of each JC builds on a set of specific indicators. The tables below provide an overview of: i) the main findings identified per indicator, and ii) the main sources of the evidence underpinning these findings. For further details on the evidence gathered by the team, please refer to the relevant annexes.

#### JC3.1 3Cs of EU support with other donors

**JC 3.1 Mechanisms and processes** to ensure coherence, coordination and complementarity of EU support with EU MS and other donors at country and regional level function well

Main findings:

- In decentralising contexts, the EU has increasingly become been a key driver of improving the 3Cs.
- There is limited joint programming, despite earlier ambitions. The key drivers for this disappointing outcome being limited government ownership of such processes.
- Related, adherence to the *division of labour* is also limited and variable across countries.
- Member States and UN organisations tend to be more committed to the 3Cs, than non-European and non-UN donors.

#### *Overview of sources of information and evidence base at indicator level*

**I-3.1.1. EU actively engages in relevant coordination fora and donor working groups that directly concern LAs and related core policy processes (e.g. dealing with the localisation of SDGs or decentralisation reforms)**

Overall strength of the evidence base: • (strong)

Main sources of information

Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. evaluations, ROM reports, general reviews by IOs, government websites, EAMRs) reviewed in the country and regional case studies - see Volume III for further details.	Interviews carried out at EUD level - see Volume III. As well as with other development partners, partner governments and ALAs.	Review of EU evaluation of 3Cs (2017).	Interviews with EU HQ staff.	See eSurvey reports in Volume IV.	Not a source

**Key evidence/specific findings:**

- EU has been committed to 3Cs and instrumental in establishing institutionalised fora for donor coordination. Pooling of funding has also promoted coordination among donors in e.g. Albania and Ukraine.
- Again, Ukraine has seen the most comprehensive coordination efforts, led by EU, MSs and SDC in establishing a 'common results framework, ensuring that all development partners active in the decentralisation reforms were optimising synergies. Here EU has also supported the government in coordinating both domestic and international development partners through the central reform office.
- However, in several cases, coordination is limited to exchanges of information (e.g. Serbia and Morocco) especially where partners' commitment is weak.
- Some risks that donor-driven coordination results in balkanisation of the country (e.g. in Tunisia)
- EU has coordinated with donors on the use of LAs in alleviating humanitarian crises, e.g. under the EU-Lebanon Compact of 2016.
- Regarding CoM, donor coordination is in-built in project design: the EU focuses on training and community outreach while financial institutions provide loans.
- If the factual situation is strongly evidenced across case studies, the key drivers is often the central governments' commitment.

I-3.1.2. Joint programming and other coordination efforts with EU MS have delivered increased effectiveness and efficiency in concerned engagements					
Overall strength of the evidence base: ● (medium)					
Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. evaluations, ROM reports, general reviews by IOs, government websites, EAMRs) reviewed in the country and regional case studies - see Volume III for further details.	Interviews carried out at EUD, other DPs and ALA level - see Volume III.	Strategic evaluation of EU's policy coherence efforts. Strategic evaluation of EU's joint programming efforts.	Interviews with EU HQ staff	See eSurvey reports in Volume IV.	Not a source

**Key evidence/specific findings:**

- Among the country case studies, joint programming and implementation with EU MS has materialised in only in a few cases. Attempts have been made in several countries but most successfully in the context of the design of major multi-partner programmes, such as the U-LEAD in Ukraine and the STAR2 in Albania.
- U-LEAD has also catalysed increased interest by MSs to engage in more binding joint programming (possibly beyond ULEAD) in the future. However, this remains still an aspiration, rather than reality.
- Some examples of joint *analysis* may have the potential to make pathways towards joint programming. E.g. in Tunisia EU and MSs are working on a joint analysis that would also entail agreeing on key LA-related objectives and an EU-common strategic response. In Morocco, France, with support from EU, is attempting more joint programming exercises.
- Even in cases where the EU is the donor, the implementing parties (e.g. UN agencies) may have practices that counter the DoL objectives, as has been seen in e.g. Tunisia.
- Similarly, in Georgia, the EU+ (incl. CH) joint programming has informed EUs SSF and MSs programming, but there is limited project level joint programming.

### I-3.1.3. EU promotes and adheres to division of labour among partners including domestic actors on how to support local/territorial development and enable LAs

Overall strength of the evidence base: ● (strong)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, evaluations, EAMRs) reviewed in the country and regional case studies - see <i>Volume III</i> for further details.	Interviews carried out at EUD, other DPs and ALA level - see <i>Volume III</i> .	Strategic evaluation of EU's joint programming efforts.	Interviews with EU HQ staff.	See eSurvey reports in <i>Volume IV</i> .	Not a source

#### Key evidence/specific findings:

- In general, where there is good coordination and joint analyses (see above indicators), there tend to be better division of labour (DoL) among development partners.
- Significant division of labour also happens informally and is thus not necessarily captured in official documents.
- The EUDs eSurvey also presents a mixed picture regarding the division of labour and coordination among EU and partners, with on third of respondents engage in LA-related donor working groups considering the latter as 'mostly informal' and one third considering it as 'mostly formal'. And only 15% state that the government is leading the coordination efforts, probably contributing to lower effectiveness.
- Visa-versa even if there is formally agreed DoL, in practice donor competition may erode such commitments.
- In Ukraine the U-LEAD clearly divided tasks between SIDA and GIZ, each having one component, thus strongly delivering on the DoL ambitions.
- There are considerable variations related to division of labour between regions and countries. The case studies highlight that smaller countries have generally less formalised mechanisms. Tunisia and North Macedonia are good examples where division is typically based on partners' perceived comparative advantage and historical interests.
- Again, CoM is a project with in-built division of labour between the EU and financial institutions (see also I-3.1.1).

### I-3.1.4. Evidence that synergies have been exploited through e.g. joint analysis, programming or implementation with EU Member States, other donors and national partners

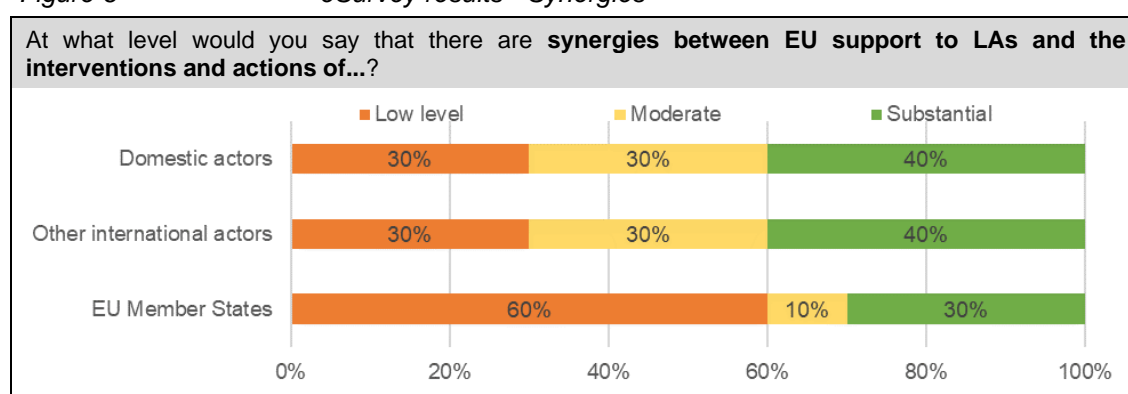
Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, evaluations, EAMRs) reviewed in the country and regional case studies - see <i>Volume III</i> for further details.	Some interviews carried out at EUD, other DPs and ALA level - see <i>Volume III</i> .	Strategic evaluation of EU's joint programming efforts.	Not a source	See eSurvey reports in <i>Volume IV</i> .	Not a source

**Key evidence/specific findings:**

- The potential for synergies has varied across the case studies, depending on the above-mentioned indicators.
- As an example, EU in Ukraine has been one of the most effective examples of such synergies, esp. with MSSs, not only Sweden and Germany but also Estonia and its competencies within e-governance.
- Many synergies have been seized through informal partner dialogues (e.g. Georgia) and also strong learning from MSs experience in other projects (e.g. Morocco).
- Similarly, in Serbia where EU is both building on previous projects as well as having close complementarity with ongoing Swiss funded engagements.
- CoM has increased its cooperation with IFIs, including EBRD and NIP, exploiting synergies between grants, technical assistance and investment finance.
- In the ALAs eSurvey, the mixed perception of the level of synergies between EU and other partners' support to LAs illustrate the wide range of cases – see graph below.

Figure 6 eSurvey results - Synergies



Source: Particip, eSurvey of ALAs, September 2020 (see Volume IV).

### JC3.2 Strategic partnerships have improved 3Cs

#### JC 3.2 Strategic partnerships have improved coordination, coherence and complementary

##### Main findings:

- Robust partnering with ALAs, often centred around project delivery.
- Long-term mutual partnerships have also been forged.
- Several ALAs have low capacity, limited representativeness and reduced legitimacy, reducing the partnership potential.
- EU support to international organisations and regional initiatives most often (excluding Reload) improved the coordination and coherence efforts as it also leveraged both grant and loan funding from other development partners.
- Using contractors for implementation can risk undermining partnering opportunities both due to having an intermediary and because the contractor may not have similar partnering incentives.

#### Overview of sources of information and evidence base at indicator level

##### I-3.2.1. Strategic partnerships with ALAs are effectively exploited (at political, policy and operational levels) and provide added value

Overall strength of the evidence base: ● (strong)

##### Main sources of information

Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory



Various documents (e.g. project documentation, evaluations, EAMRs) reviewed in the country and regional case studies - see Volume III for further details.	Some interviews carried out at ALA, DP and at EUD level - see Volume III.	<i>Not a source</i>	Interviews with PLATFORMA and EU HQ staff.	See eSurvey reports in Volume IV.	<i>Not a source</i>
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#### **Key evidence/specific findings:**

- Strategic partnerships with ALAs have provided partnerships with varying durability and varying systemic focus:
  - ALAs in e.g. Albania, Morocco and North Macedonia have long traditions for engagement, in terms of dialogue, sharing of analyses and exchange of information.
  - By contrast, in Ukraine and Georgia, ALAs have been engaged in implementation of projects, which also had potential to strength the more strategic elements of the partnership and increase the coherence of EU support to LAs.
- Cooperation with ALAs thus seems to hold significant potential to provide better information to EU improving engagement designs and this often happens informally
- Using ALAs as implementors does bring benefits to both EU and the ALA, but if the ALA is too funded and has limited representativeness, it can unintentionally weaken downward accountability (e.g. Association of AHs in Ukraine).
- On the other hand, EU support has also been seen to strengthen ALAs in terms of analytical and advocacy prowess, increasing both their legitimacy and political space for the members (e.g. AUC also in Ukraine).
- In Tunisia EU is experimenting with proving both longer-term core funding and engaging the ALA (Fédération Nationale des Villes Tunisiennes) in specific projects.
- In Serbia, EU (and SDC) has a long tradition of providing strategic support to the Standing Conference of Towns and Municipalities, which in turn has seen improvements in its ability to deliver services for its members.
- Not all ALAs are created equal: Some lack capacity and legitimacy undermining the potential for strategic partnerships. In Lebanon there is no overall ALA.

<b>I-3.2.2. Visibility, relevance and impact of EU support is enhanced through global partnerships</b>					
Overall strength of the evidence base: ● (strong)					
Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, evaluations, EAMRs) reviewed in the country and regional case studies - see Volume III for further details.	Interviews carried out with IFIs, UN agencies, other DPs and EUDs - see Volume III.	<i>Not a source</i>	Interviews at EU HQ level.	<i>Not a source</i>	<i>Not a source</i>

**Key evidence/specific findings:**

- The case studies highlight that EU support to international organisations and initiatives improved coordination, coherence (e.g. CoM) and leveraged funding from other development partners.
- Using e.g. World Bank as a contractor (as seen in M4EG) can dilute ownership but on the other also acts as a stamp of approval.
- However, global/regional partnerships can be detached from bilateral programmes and strategies, which can induce inconsistencies and unclear messaging vis-à-vis LAs.
- Again, using contractors can undermine global and regional partnering ambitions, as in the case of the western Balkans project on local democracy (Reload).
- In Serbia (and other countries of the Enlargement region) the JCC and CoR play an important role in engaging with LAs also in the context of EU's annual Enlargement package. It is also a robust forum for contacts and for the exchange of best practices between LAs.
- Nevertheless, both the M4EG and even more so the CoM seems to have been able to project EU values and (in the east) a sense of pan-European identity among the participants
- However, visibility of EU has been compromised in global partnerships with IOs who don't adhere to guidelines.

**Cluster 2: Effects of EU support for LA****4 EQ4 – LAs' enhanced engagement in development processes and in EU external action**

**EQ4 - To what extent has EU support contributed to increased engagement of LAs and ALAs as active partners in development and in EU external action?**



This Evaluation Question (EQ) covers issues related to LAs' enhanced engagement in development, accession processes and in EU external action, and consists in three Judgement Criteria (JC):

- **JC 4.1** Degree to which the **specific roles and mandates of LAs** are respected and nurtured in the development process
- **JC 4.2** Degree to which EU support contributed to LAs improving their **political, institutional and financial sustainability**
- **JC 4.3** Degree to which **LA's knowledge about EU**, its values and policies (including Enlargement process, where relevant) has been improved

The assessment of each JC builds on a set of specific indicators. The tables below provide an overview of: i) the main findings identified per indicator, and ii) the main sources of the evidence underpinning these findings. For further details on the evidence gathered by the team, please refer to the relevant annexes.



## JC4.1 Roles and mandates of LAs

**JC 4.1** Degree to which the **specific roles and mandates of LAs** are respected and nurtured in the development process

Main findings:

- The EU has attempted to boost the respect for and nurture the mandates of LAs.
- Budget support has been used to support LAs, but it tends to favour central authorities and without firm reassurances and *already existing* strong commitment to decentralisation, LAs may see limited improvement.
- Changing the roles and mandates of LAs can be hindered by both inertias caused by traditional institutional mindsets and established practices as well as outright (if not formalised) opposition
- Only few examples where EU support has systematically mainstreamed LAs into the implementation of interventions.
- Efforts have also been hampered by the slow process of changing institutional mindsets.
- Related two-third of EUDs state that there is political resistance from sectoral ministries and central governments.
- EU support assisted LAs to assume the roles and responsibility of managing the inflow of Syrian refugees in Lebanon.

### Overview of sources of information and evidence base at indicator level

**I-4.1.1. Evidence of EU promoting the active involvement of LAs in public policy processes (at country and regional levels) in respect of their specific role, in development processes (e.g. regarding the localisation of SDGs, their 'general mandate to elaborate local public policies, or legally conferred)**

Overall strength of the evidence base: ● (strong)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. evaluations, Progress / ROM reports, general reviews by IOs) reviewed in the country and regional case studies - see <i>Volume III</i> for further details.	Interviews carried out with LAs, ALAs, DPs, CSOs, central authorities (e.g. min. of interior) and at EUD level - see <i>Volume III</i> .	Key policy documentation.	Interviews with EU HQ and other stakeholders.	See <i>eSurvey reports in Volume IV</i> .	<i>Not a source</i>

**Key evidence/specific findings:**

- EU has supported LAs to assume their mandates in most country case studies, but often constrained by macro factors and institutional inertia; different options available to EU depending on the degree of permissive frameworks that allow active LA involvement:
  - In conducive context, EU has helped to reshape and activate LAs for more effective engagement in key development process of concern to their constituencies. This also includes localisation of the SDGs.
  - In more challenging context, EU is constrained and has taken a more cautious approach. Standalone projects characterise the approach in un-conducive environments that can incrementally improve the individual LAs roles and mandates.
- Both Georgia and Morocco are cases where the EU has support central authorities in gradual and incremental reforms, often starting with regionalisation and deconcentration of authority.
- Macro level LA-supportive reform in e.g. national legislation has also been promoted as part of PAR in e.g. Serbia and Ukraine, but with mixed outcomes, even if EU pushed for LA involvement in the PAR processes.
- Especially in south there is a history of highly centralised governance systems, that has proven resilient, despite attempts in e.g. Tunisia to constitutionally change their role (2014), with EU trying in recent years to create space for LAs as self-standing institutional actor and potential catalyst of territorial development. However, there is less evidence of the EU trying to also open space, in a strategic and structured manner, for LAs in national and sectoral public policy processes.
- In Lebanon, EU has attempted to promote a territorial approach to development, including spatial planning and participatory development planning emphasising the specific role of LAs in the development process. However, the complex and often fragmented governance system along confessional lines have impeded progress.
- Similar experiences are made in North Macedonia where EU has made only limited progress has been achieved in putting in place credible, adequately funded and properly implemented national policies on decentralisation, on regional development, on urban or rural development. There is thus still no effective support to the empowerment of LAs -as key actors to unleash the potential of territories.
- In Albania EU has attempted to navigate the challenging political context by e.g. attempting to retain staff that was previously when major political changes occurred. This would indirectly increase efficiency of capacity development efforts and assist LAs in exerting the role in public policy.
- Ukraine have seen the most systemic attempts by EU to promote the active involvement of LAs in public policy. E.g. U-LEAD facilitated the establishment of regional groups of LAs organised around sector issues to provide input into Oblast (regional level) as one element in overcoming the coordination challenges in public policy in especially education and health. U-LEAD has also supported ALAs to play a more proactive role in the conversation around public policy of relevance to LAs, not least the Association of Ukrainian Cities.
- The CoM is probably the reviewed intervention that focusses the most on boosting specific LAs roles also in relation to SDG 7 on energy access, affordability and efficiency, but with a narrow focus. However, there are examples (e.g. in Georgia) where LAs have been more included in national energy and climate policies.

**I-4.1.2. Evidence of progress achieved in mainstreaming LA participation in the implementation of EU interventions across the board (e.g. sector budget support programmes in policy areas where LAs have legally enshrined roles and responsibilities)**

Overall strength of the evidence base: ● (medium)

Main sources of information

Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory

Various documents (e.g. project documentation, country strategy documents) reviewed in the country and regional case studies - see Volume III for further details.	Interviews carried out with ALAs, LAs, project staff, DPs, CSOs, beneficiaries and EUD level - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV.	Not a source
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#### Key evidence/specific findings:

- EU has been only to a limited extent mainstreamed LAs into the implementation of wider engagement (e.g. PAR). Again, decentralising contexts are often more conducive to such mainstreaming.
- In other contexts, there has been limited focus on mainstreaming, partly also due to capacity constraints for EU (and OECD in the case of PAR).
- There are examples of 'territorialisation' of other EU supported engagements that addressed e.g. literacy and vocational training, but political resistance from central government and sectoral ministries undermined progress (see Morocco case).
- In more conducive context, EUD sector staff are increasingly experiencing the limits of '*putting all the eggs in the central basket*'. Hence, they are keen to explore how they could engage more meaningfully with LAs as the state level closer to people, as has been seen in both Tunisia (e.g. environment) and Albania (PAR).
- In conclusion there is only limited mainstreaming of LAs into EU other development engagement, despite the obvious potential in e.g. PAR, health, education, environment and energy.

### JC4.2 LAs improving their political, institutional and financial sustainability

#### JC 4.2 Degree to which EU support contributed to LAs improving their political, institutional and financial sustainability

##### Main findings:

- The EU made concerted efforts to improve the political, institutional and financial sustainability of LAs in all the countries selected for the evaluation, but with varying intensity and success
- Success reforms is crucially dependent on a conducive framework most often involving changes to the intergovernmental fiscal transfer principles.
- Such reforms create both short- and long-term winners and losers, and navigating this space requires political savviness.
- EU has also attempted to support bottom-up pressures can help bring about voice for systemic LA reforms and EU has partnered with LAs and ALAs to have more direct, unmediated relations, the CoM being a regional example, LED project being bilateral ones.
- However, often these relations are timebound (ending with the projects) and thus have limitations. More robust relations have emerged with the more capable ALAs that have become trusted partners for EU in several countries (e.g. Ukraine and Georgia).
- Both formal and informal dialogue with ALAs and LAs has also characterised their engagement in EU planning frameworks.

#### Overview of sources of information and evidence base at indicator level

##### I-4.2.1. Evidence that EU support seeks to address long-term funding issues of LAs (e.g. revenue raising and inter-governmental fiscal transfers)

Overall strength of the evidence base: ● (strong)

Main sources of information					
Case study level			Global analysis level		
Document review	Interviews		Document review	Interviews	eSurvey Inventory

Various documents (e.g. description of actions, evaluations (incl. CoM), progress reports) reviewed in the country and regional case studies - see Volume III for further details.	Interviews with Central authorities, ALAs, EUDs, LAs and DPs - see Volume III.	Not a source	Interviews with EU HQs staff.	Not a source	Not a source
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#### **Key evidence/specific findings:**

- The case studies highlight that the EU improved financial sustainability with most successes in countries committed to decentralisation.
- Central level opposition to fiscal decentralisation undermines sustainability.
- A start has been made in many countries with *regionalisation*. E.g. EU budget support provided for the advanced regionalisation reform Morocco has indirectly contributed to putting the aspect of long-term funding for LAs on the political agenda. In Georgia EU support to regionalisation has also increased the funding base for LAs, but there have been limited political authority transfers.
- Intergovernmental transfers are also an area with limited transparency and visibility of budget allocation, with significant discretion of central authorities (e.g. Serbia and Lebanon)
- EU has also supported LA tax collection efforts in e.g. Ukraine and N. Macedonia, but in the latter case, institutional constraints meant that there was very limited structural effect on LAs.
- Still, LAs with underfunded mandates are common across all three regions.
- Ukraine has made most transformative progress where significant gains have been made in increasing both the overall funding envelope as well as broadening the autonomy and fiscal responsibilities of LAs, with better localised delivery by LAs incentivising tax compliance and promoting an accountability compact between citizen and LAs.
- Many LAs especially in rural areas are simply too small to become financially viable and will need to either pool resources or merge with other municipalities. This is most pronounced in east which is also characterised by de-population.
- IN the context of esp. energy efficiency EU is beginning to innovate around municipal finance around guarantee funding, bundling of smaller municipalities, blended finance and de-risking tools.
- CoM is an example of leveraging finance and most energy efficiency interventions, including those in the Georgia and Ukraine case studies, have net long-term positive impact on LAs balance sheets, thus underpinning improved long-term funding.
- Working on the margin can improve outcomes and enhance advocacy for more systemic changes.

#### **I-4.2.2. Evidence that the EU has increasingly sought to develop political relations with LAs /ALAs -as a distinct state actor with its own legitimacy and role in order to promote effective partnerships between different spheres of government**

Overall strength of the evidence base: ● (strong)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. description of actions, evaluations (progress reports) reviewed in the country and regional case studies - see Volume III for further details.	Interviews with Central authorities, ALAs, EUDs, LAs and DPs - see Volume III.	Not a source	PLATFORMA and EU HQ staff	See eSurvey reports in Volume IV.	Not a source

**Key evidence/specific findings:**

- Most relations are still mediated by central authorities but increasing number of engagements allow direct relations (CoM, LED projects and major reforms).
- In some contexts, it is possible to complement central level support to enable better framework conditions with LA support which has strong potential synergies (e.g. Morocco, Ukraine and Tunisia).
- In Enlargement region the institutional forum for political relations with LAs is the Joint Consultative Committee, through which the EU (incl. CoR) has increasingly sought to develop political relation with LA/ALAs (e.g. in Serbia).
- In Ukraine, EU's first major LA-focus programme was managed by UNDP and this caused the relationship to be intermediated by a third party and arguable compromised the partnership potential. However, this was drastically reversed with the ULEAD where EU has clearly developed robust relationships with the LAs. This is arguably the most direct political engagement with LAs to date allowing for regular interactions and cooperation.
- Engagements in Tunisia have demonstrated the importance of assisting LAs to define a coherent vision for the territory beyond the classical *shopping list*, and gain legitimacy as local public entity.
- In Albania EU has developed political relations under the project Star2, empowering these and also facilitating ownership at LA level.
- However, when all relations are projectized at individual LA level, they may not last beyond the project.
- Often relations have been with ALAs rather than LAs and while many have been projectized, there are also several hybrid cases where several projects over time builds a lasting more strategic and political engagement between EU and the ALA (e.g. Georgia).
- By its nature, the CoM gives direct immediate relations to LAs and treats LAs as an important distinct actor with agency. However, there was also a strong project level focus, that may have limited the degree to which any (energy) political relation will outlast the specific projects. LAs have generally shied away from engaging in more comprehensive urban planning instead mainly doing renovation of buildings, again limiting the systemic changes.

**I-4.2.3. Evidence that, within the EU, reflection processes take place - based on current engagement experiences with LAs and their associations - on how the EU could better integrate subnational actors in future policy frameworks and the MFF**

Overall strength of the evidence base: ● (low)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Some strategic documents (e.g. project documentation, country strategy reports) reviewed in the country and regional case studies - see Volume III for further details.	ALAs, central governments and EUDs - see Volume III.	Not a source	Interviews with DG NEAR staff.	Not a source	Not a source

**Key evidence/specific findings:**

- Integration of LAs' views into future policy framework is poorly documented but anecdotal interview-based indications suggest that this is increasingly happening.
- In the Western Balkans there seems to be an internal (DG NEAR and EUD level) search and thinking process for a better integration of subnational authorities in future policy frameworks including in the next MFF, despite the limited decentralisation context. This is also the case in Serbia in the context of IPA III.
- In the south there are also ambitions to more closely integrate LAs (an esp. ALAs) in future programming frameworks, most notably in Morocco and Tunisia.
- Similar sentiments were also expressed in both Ukraine and Georgia.
- However, LAs and ALAs capacity to meaningfully contribute may also be low in some instances (e.g. Lebanon).

**JC4.3 LA's knowledge about EU**

**JC 4.3 Degree to which LA's knowledge about EU, its values and policies (including Enlargement process, where relevant) has been improved**

**Main findings:**

- Unsurprisingly, the further the country is from accession and the more loosely the relations are with EU, the less knowledge is found among LAs.
- In addition, intensity of communication to citizen vary with those LAs/ALAs receiving funding from EU obviously being more inclined to communicate to their citizen.
- But generally, LAs have knowledge of EU and *do* communicate this to their citizens.
- Moreover, the level of knowledge also depends on the capacities of the LAs and the degree to which the EU can work with them and their ALAs.
- At times EU is not properly recognised as the main contributor, especially in cases where implementation authority is delegated to e.g. a UN organisation.

Overview of sources of information and evidence base at indicator level

**I-4.3.1. Evidence that ALAs' and LAs' knowledge of EU, its values and policies (including Enlargement process, where relevant) has increased due to efforts by the EU, including through awareness / information campaigns**

Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, evaluations, EAMRs) reviewed in the country and regional case studies - see Volume III for further details.	Interviews with UN agencies, IFIs, EUD, LAs and ALAs - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV.	Not a source



**Key evidence/specific findings:**

- In general, the LA's knowledge of EU is correlated with the progress the country has gained in terms of accession and the more it wants to approximate to EU standards. In some accession countries the LAs have experimented with establishing dedicated EU units (e.g. Albania), indicating strong EU knowledge.
- The Joint Consultative Committee and the broader work of CoR has also play an important role in western Balkans.
- EUD tend to have strong informal dialogue with ALAs, whereas LAs mostly relay on broader information campaigns and public information.
- ALAs are often more knowledgeable and have longer EU engagement track record than individual LAs, especially compared to weak or small LAs.
- Thus, in the south many smaller LAs lack the capacity to acquire sufficient knowledge on what Europe does in the country and on the various cooperation instruments available.
- However substantial funding for e.g. migration crises have also catalysed increased interest in cooperating with EU as seen in Lebanon. The EUD has responded with successful structured dialogues.
- EU is targeting LAs using both old media and SoMe.
- With substantial focus on LAs also comes considerable outreach (e.g. Ukraine and Albania).
- While clearly being visible as projects, CoM and LED/M4EG could arguably become more instrumental in projecting EU values.

**I-4.3.2. Evidence that LAs and ALAs seek and receive information on the EU and communicate to their citizens the benefits of engaging with the EU (including the results of EU programmes)**

Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Some documents (e.g. project documentation, EAMRs) reviewed in the country and regional case studies - see Volume III for further details.	Interviews with ALAs and LAs, as well as EUDs - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV.	Not a source

**Key evidence/specific findings:**

- Again, the closer to EU accession the more ALAs and LAs tend to seek information on EU. Thus, the Enlargement region has seen strong demand for information that both EUDs and JCCs have delivered on.
- An example is the NALAG (Georgia's ALA) which is in close contact with EU delegation and other EU institutions, including CoR and CoE taking a pro-active approach to information soliciting, with EU (EUD, CoR, and HQ) generally responding appropriately furnishing LAs and NALAG with both relevant and comprehensive information.
- However, there is also issues of lack of communication mechanisms and channels through which LAs can access information (e.g. Tunisia). Here ALAs may be leveraged to provide such mechanisms.
- Such an option is absent in Lebanon (where there is no real ALAs), but a proactive EUD can to a certain extent compensate with many LA targeted events.
- There is considerable variation among the degree to which LAs seek information on EU. ALAs are generally more proactive in seeking information and benefiting from EU engagements.
- In Ukraine many LAs have sought partnership with EU LAs, clearly also an indication of proactive LAs seeking information and stronger ties with EU.
- Bigger cities and those with higher capacities (of two overlapping groups) tend to be more proactive.

## 5 EQ5 – LAs' empowerment and capacities

**EQ5 - To what extent has EU support to LAs contributed to sustainably enhancing LAs' institutional capacities through increased professionalism, transparent and accountable policymaking and autonomy?**



This Evaluation Question (EQ) covers issues related to LAs' empowerment and capacities, and consists in three Judgement Criteria (JC):

- **JC 5.1** EU support to national framework conditions for LAs have **empowered LAs economically and politically**
- **JC 5.2** LAs' **institutional capacities** have been strengthened
- **JC 5.3** LAs' ability to act as **catalysts for territorial approaches to local development** has been enhanced

The assessment of each JC builds on a set of specific indicators. The tables below provide an overview of: i) the main findings identified per indicator, and ii) the main sources of the evidence underpinning these findings. For further details on the evidence gathered by the team, please refer to the relevant annexes.

### JC5.1 EU support to national framework conditions for LAs

**JC 5.1 EU support to national framework conditions for LAs have empowered LAs economically and politically**

Main findings:

- EU has generally supported reforms of national policies in ways that improve the framework conditions for LAs.
- In the majority of countries there has been inconsistent high-level political commitment to LA empowerment, and the success of EU support has been correspondingly more mixed. This reflects two core issues:
  - Firstly, decentralisation is inherently a *political process* generating both losers and winners.
  - Secondly, decentralisation is also a *technical complex* exercise with challenges of defining exact responsibilities, sources of financing, intergovernmental fiscal transfer formulas and, not least, ensuring appropriate capacity at local.
- Real change can only happen when national level politicians perceive decentralisation as being in their own interest.
- EU has generally not pushed for reform which may constitute missed opportunities for improving core aspects of service delivery, local democracy, and improved resilience at community level.
- On the other hand, being too conditional can clearly mitigate against the much-needed ownership of the process, so there is a careful balance to navigate.

#### Overview of sources of information and evidence base at indicator level

**I-5.1.1. EU support worked with central governments to create the conditions for LAs having broader mandates, greater autonomy, responsibilities and transfer of functions and to improve overall intergovernmental relations**

Overall strength of the evidence base: ● (strong)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, reviews, evaluations) reviewed in the country and regional case studies - see Volume III for further details.	Central authorities, ALAs, LAs, EUDs, project implementors, and other DPs - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV.	Not a source



**Key evidence/specific findings:**

- In the Enlargement region, both the EUDs, CoR and CoE have played important roles in promoting better framework conditions, also using IPA funded investments as well as CoR's continuous engagements with central and local authorities.
- Again, Ukraine has seen the most comprehensive engagement with central authorities and there is no doubt that the framework conditions, both economically and politically have improved, also with the assistance of CoE. Moreover, major reform initiatives with PFM, PAR and anti-corruption have also contributed to improving the framework conditions although the full effects are still to materialise, and concerns have been raised about the lack of LAs' (and ALAs') involvement in the design and implementation of these.
- The EU is also considered as a trustworthy partner by national authorities, with financial resources (e.g. in Ukraine and Tunisia, the EU has assisted central authorities in translating stated policy and ambitious political objectives into concrete actions).
- In more mixed contexts, the framework conditions for LAs have improved gradually and only incrementally over the evaluation period with EU supporting especially the regional policy frameworks that also have implications for municipalities which had the budget increased and also received increased political recognition as independent actors in the process (e.g. Morocco, Georgia and partly also N. Macedonia).
- There still is an untapped potential to leverage PAR efforts for delivering on the principles of subsidiarity to which all countries (incl. EU MSs) have signed up to.
- Regional initiatives (CoM, M4EG and Reload) had limited ambitions and unsurprisingly limited impact in improving national policy frameworks. However, some projects aimed to influence national policy indirectly by setting out good examples and ALAs can help push the issue on the national agenda (e.g. CoM in Ukraine). However, there also seems to be a large untapped potential here.
- Nationwide programmes (e.g. Ukraine) and public administration reforms (e.g. Morocco) can also improve framework conditions for LAs.

**I-5.1.2. EU support has assisted LAs in accessing adequate domestic financial and human resources to fulfil their (often redefined, broadened and more autonomous) role and responsibilities**

Overall strength of the evidence base: ● (strong)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. description of actions, evaluations, progress reports) reviewed in the country and regional case studies - see Volume III for further details.	EUDs, ALAs, LAs, project implementors, and central authorities. see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV.	Not a source

**Key evidence/specific findings:**

- A key issue across regions and countries which EU has attempted to address.
- However, many LAs are grossly underfunded and some even face recruitment bans (Serbia).
- According to the ALAs eSurvey, the share of ALAs' positive answers regarding the contribution of EU support to LAs access to domestic financial and human resources is 26%.
- In many contexts the way LAs access resource lacks transparency and is subject to informality, discretion and clientelism (e.g. Tunisia, N. Macedonia and Lebanon).
- Reforms in this space is not only politically challenging, but also technical complex deterring many central authorities from progressing.
- Ukraine has made most progress both in improving intergovernmental fiscal transfers *and* in increasing the local tax base.
- LED project also aim to improve local tax base, but they are localised, timebound and often with limited systemic impact, if not followed up at central level.
- In some instances, focus on increasing the regional budget envelope has proven politically and technically more feasible, but the empowerment and local accountability is often compromised (e.g. Georgia, Morocco).
- In the energy efficiency sector, the SECAP process can be a useful way to create an overview of financing streams and can also lead to the rationalisation of existing expenditures leading to better efficiency and the free up of resources.

**JC5.2 LAs' strengthened institutional capacities****JC 5.2 LAs' institutional capacities have been strengthened**

## Main findings:

- Capacity development has been a core ingredient in many of the interventions evaluated making it one of the most emphasized areas of support with significant outcomes.
- Thousands of LA staff and politicians have been trained with support from EU and other capacity related events have reached even more.
- Effectiveness of EU CD support is not always robustly evidenced, with M&E and progress reports often focussing on the number of *activities* rather than on whether the outcomes.
- A recurrent challenge is to make capacity development truly demand-driven and identify / hand over the provision of capacity development to local stakeholders, thus improving the chances for more systemic and sustainable approaches.
- No amount of training will be able to overcome capacity constraints that especially smaller and increasing poorer LAs face in especially rural areas, where initial capacity is low and LA staff, when offered the opportunity, leave for bigger cities.
- The need to comply with relevant *acquis* appears not to be a major driver for increased capacity development of LAs in the Western Balkans region despite the obvious need.

Overview of sources of information and evidence base at indicator level**I-5.2.1. Evidence of effective EU support to capacity development of LAs related to improving planning, financial and human resource management (the internal dimension of capacity development)**

Overall strength of the evidence base: ● (medium)

## Main sources of information

Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory

Various documents (e.g. description of actions, activity reports, reviews and ROM reports) reviewed in the country and regional case studies - see <i>Volume III</i> for further details.	Interviews with LAs, ALAs, project implementors, EUDs and DPs.	<i>Not a source</i>	<i>Not a source</i>	See <i>eSurvey</i> reports in <i>Volume IV</i> .	<i>Not a source</i>
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### **Key evidence/specific findings:**

- Capacity development of LAs has been key in EU's engagement with LAs. More specifically, human resource development has been provided in numerous engagements, mainly in the form of training.
- EU has, in many instances, improved crucial capacities for LAs. There is an emerging pattern across case studies: in wider decentralisation contexts, support is mainly given to improve capacity to deliver on broader core mandates while, in less decentralising contexts, it is typically focussed on more narrow competencies needed for project success in a thematic sector (e.g. tourism).
- Demand driven, bottom-up and on-the-job learning seems as strong factors in successful capacity development.
- However, too many documents conflate the completion of activities (e.g. # of trainings) with improved capacity.
- While thematic focused training within e.g. energy (CoM) and tourism (M4EG) has been appreciated it has seldom addressed the more fundamental challenges facing LAs.
- Increasingly capacity development is becoming less projectized (e.g. service delivery in an area) but also having broader aims of improving LAs capacity to participate and negotiate their territorial development ambitions with other stakeholders, including central authorities and local businesses.
- U-LEAD in Ukraine has undertaken the most ambitious capacity development programme and has conducted over 7,000 events with over 170,000 participants on various subjects including such as amalgamation process management, financial management, planning and human resource development. There have been over 328,000 participations from around 90,000 unique participants.
- However, there is still an agenda to define more precisely how to move beyond project approaches as some of the new initiatives were not sustainable (e.g. the EU corners in Albania's town halls).
- Traditional supply-driven approaches to capacity development (focusing on training and workshops) can be of some use but if not complemented with other reforms (as in Ukraine) they can fail to tackle the more systemic challenges of local governance and ensure sustainability of positive effects realised through project interventions (ReLOaD).
- Also training without adequate resources to implement the subject also tend to have limited sustainability.

### **I-5.2.2. Evidence that EU support has enhanced the capacities of the local authorities in the Enlargement region to adopt the relevant EU acquis as well as implement the necessary reforms at local level**

Overall strength of the evidence base: ● (low)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, thematic studies) reviewed in the country and regional case studies - see <i>Volume III</i> for further details.	Serbia, North Macedonia and Albania EUDs - see <i>Volume III</i> .	<i>Not a source</i>	<i>Not a source</i>	See <i>eSurvey</i> reports in <i>Volume IV</i> .	<i>Not a source</i>

**Key evidence/specific findings:**

- Contrary to the initial expectation, the need to comply with relevant acquis appears not to be a major driver for increased capacity development of LAs in the Enlargement region despite the obvious need of these in terms of being able to adopt and implement the required EU standards and levels.

**JC5.3 LAs' enhanced role as catalysts for territorial approaches to local development****JC 5.3 LAs' ability to act as catalysts for territorial approaches to local development has been enhanced**

## Main findings:

- A more comprehensive approach of local development, as the one formulated by the EU, has been promoted in several countries and regionally.
- LAs have been able to claim (or reclaim) and develop on a larger mandate and is often promoted in decentralising contexts.
- While an integrated territorial approach seems well suited to address the numerous challenges related to rural depopulation, corresponding urbanisation, climate change and irregular migration, too few LAs have the legal, technical and financial powers to undertake such approaches.
- Thematically focused engagements such as those within e.g. energy efficiency and local economic development can only be viewed as initial 'steppingstones' that may catalyse wider improvement in the framework conditions.
- Evidence from the more successful reformers suggest that it is important the EU remains engaged and continues to voice support for improving the national framework and to be able to size the windows of opportunities when they emerge, whether of the more transformational or incremental kind.

*Overview of sources of information and evidence base at indicator level*

**I-5.3.1. Evidence that EU supported programmes have enhanced the capacity of urban/local authorities to recognise their general mandate (i.e. to elaborate local public policies on behalf of their constituents) and role as catalysts of urban/territorial development -in close collaboration with national authorities and local actors (as envisaged in the 2013 Communication)**

Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, progress reports, evaluations) reviewed in the country and regional case studies - see Volume III for further details.	LAs, ALAs, project implementors, EUDs - see Volume III.	Not a source	Some interviews at DG NEAR and DEVCO.	See eSurvey reports in Volume IV.	Not a source

**Key evidence/specific findings:**

- Again, decentralising context seems to be more fertile ground for promoting such approaches, arguably because that is when there are windows of opportunities for redefining and broadening the scope of LAs. Thus, EU focused on broadening LAs mandate and helped in ensuring their capacity to fulfil it in the main two decentralising countries (Tunisia and Ukraine).
- The EU has promoted a more comprehensive approach to territorial and local development both in its bilateral and regional engagements. For instance, in Ukraine, U-LEAD promoted reforms and inherently strengthens a territorial approach to local SDG interlinkages across most SDGs. LED interventions also have a strong catalytic focus on accelerating growth in their territories, but capacity efforts are more narrowly confined.
- In Tunisia EU has been pushing for the adoption of territorial approaches to local development in line with the 2013 EU Communication, seeking to sensitize LAs through its various post-2016 structural support programmes to assume their new roles and effectively take up a '*general mandate*' in the conduct of local affairs. However, inertia and central level opposition has slowed progress.
- In more mixed contexts EU has also attempted to focus on helping especially *regions* to become catalysts of territorial development (N. Macedonia, Georgia and Morocco). There is a major window of opportunity, though the political economy constraints of the context will remain challenging to move in this direction. Often such engagements have an overarching objective of reducing regional disparities such as the urban rural divide (but tend to fail at doing that or even measuring it).
- Regional experiences gained (also in Ukraine) confirm the many hurdles that stand in the way for LAs to take a lead role in promoting bottom-up territorial development processes in close collaboration with the other actors of the territory, but that it is possible both to do so incrementally and in a more transformative way (Ukraine).
- Most EU projects in Lebanon embed strongly a multi-stakeholder territorial approach to development with LAs at its core (even intensified with the Syrian influx of refugees), creating a momentum amongst LAs to act as catalysts for urban and territorial development. However, the influence on national policymaking remained subdued due to the centrally imposed constraints.
- EU has been both a partner and active promoter of the concept of territorial approach to development.

**I-5.3.2. Evidence that LAs' - with EU support - elaborate sustainable strategies on how to develop their cities/territories (from the bottom-up) in partnership with local allies (the private sector, civil society) and with central authorities (in order to ensure supportive national policies)**

Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, progress reports, evaluations) reviewed in the country and regional case studies - see Volume III for further details.	LAs, ALAs, DPs, contractors and EUDs - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV.	Not a source

**Key evidence/specific findings:**

- Country case studies reveal that, in non-conducive macro environments, interventions with bottom-up approaches could reinforce the linkages between businesses, CSOs and LAs (e.g. N4ED in Georgia).
- In Lebanon EU supported the concept of 'Simplified Local Development Plans' produced by the aimed at developing the cities/territories in a sustainable manner. The process of developing these plans was highly participatory, including contributions from CSOs as well as the private sector when applicable. Most plans were developed at the level of Union of Municipalities or a cluster of villages in order to achieve economies of scale, yet the ability to fund these plans (beyond what was available through EU support) remained limited. Nevertheless, many of the ideas and propositions identified in these plans were picked-up later by other development actors (World Bank, bilateral donors, USAID) and implemented.
- In Serbia, EU supported smaller engagements between LAs, CSOs and the private sector in regard to the development of urban plans.
- U-LEAD is the most prominent and comprehensive support to LAs in terms of strategic development planning. Moreover U-LEAD is linked to the project wider governance initiatives, which delivers broad e-governance support to Ukraine, including the establishment of web-based work processes and service delivery between government institutions, private sector and citizens at large, further facilitating more comprehensive planning that has a broader engagement of actors, including the private sector and other government levels.
- The CoM helped LAs to act as catalyst of climate change and energy actions, with a varying degree of partnerships with CSOs and private sector across countries.

**I-5.3.3. Evidence that EU have enabled LAs to act as positive forces for increasing resilience and combatting inequalities**

Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, progress reports, evaluations) reviewed in the country and regional case studies - see Volume III for further details.	Project implementors, DPs, LAs, ALAs, central authorities and EUDs - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV.	Not a source



### Key evidence/specific findings:

- Reducing inter-regional disparities is a key objective in many context (Ukraine, Lebanon, Georgia, Morocco) but there is limited evidence on the degree to which the EU actually empowered LAs regarding resilience and reductions in inequalities, despite the ambitions.
- In Serbia, the bigger LAs seem to improve in terms of resilience and capacity to act in reducing (internal) inequalities, there are limited indications that most of (small) LAs have advanced in that respect in the last decade, thus probable increasing inter-LA inequalities.
- In Lebanon, addressing inequalities and regional imbalances have been at the core of all CSPs/SSFs and the EU has been one of the main advocates/funders for promoting local economic development in order to reduce inequalities and marginalisation of rural and peripheral areas. The EU also played also a significant role in helping LAs address the consequences of the Syria crisis, investing heavily in WASH, solid waste and infrastructure, and hence improving the resilience of host communities in facing the consequences of the Syria crisis, and where LAs had to accommodate a sudden increase in population, sometimes in excess of the double of the resident population that were already relying on ailing infrastructure.
- In Ukraine, the 2014 revolution was supposed to 'create the conditions for dynamic and balanced development throughout the country to ensure social and economic cohesion and improve living standards and social equality for all citizens regardless of where they live.'<sup>1</sup> The support to regional policy development has had this objective explicitly in the financing agreement, however there is surprisingly little evidence to document if regional inequality has actually been reduced. There is limited evidence on the success in reducing imbalances across the country. At the macro-level, indications are that the Kyiv region (accounting for almost 60% of national GDP growth between 2004-14) is continuing to leap ahead of the rest of Ukraine, while especially the eastern parts are falling behind.<sup>2</sup> U-LEAD aim to improve the framework conditions of the LAs, in the process increasing the economic and political resilience by increasing their revenue streams (and the predictability of these) and making legal changes that strengthen the powers and mandate vis-à-vis other governmental levels (and hence also increase political power).
- The objective of the CoM is to support action to combat climate change and to move to a low emission, resilient society.<sup>3</sup> Clearly, the degree to which this happens depends on the effectiveness and sustainability of the actions, and overall, the indications are that the CoM makes an important if somewhat narrow contributions in that regard.
- In Georgia EU has backed the government's policy of '*creating a favourable environment for the socio-economic development of the country and its territorial entities to overcome regional disparities*' However, the government has not allocated sufficient resources to implement its regional policy and most resources are anyway allocated per sector. This undermines efforts to favour backward regions. The current equalisation mechanism also tends to favour Greater Tbilisi and Adjara region (home to Batumi, the second biggest city and fast growing).

## 6 EQ6 – Accountability, participation and local democracy

**EQ6 - To what extent has EU support to LAs and ALAs contributed to increased engagement with citizens, CSOs and the private sector – thus improving accountability and strengthening local democracy?**



This Evaluation Question (EQ) covers issues related to accountability, participation and local democracy, and consists in two Judgement Criteria (JC):

- **JC 6.1** EU interventions have contributed to **balanced and effective collaborative governance arrangements between LAs and local actors** (citizens, CSO and private sector)
- **JC 6.2** EU-interventions have contributed to enhancing the **overall accountability of LAs** ('upward', horizontally with the local public administration and 'downward' towards local constituents)

The assessment of each JC builds on a set of specific indicators. The tables below provide an overview of: i) the main findings identified per indicator, and ii) the main sources of the evidence underpinning these findings. For further details on the evidence gathered by the team, please refer to the relevant annexes.

<sup>1</sup> Article 2 Law on Fundamentals of the Regional Policy passed in 2015.

<sup>2</sup> OECD (2018): *Maintaining the Momentum of Decentralisation in Ukraine*, OECD Multi-level Governance.

<sup>3</sup> See: [www.globalcovenantofmayors.org/about/](http://www.globalcovenantofmayors.org/about/).

## JC6.1 Results regarding accountability, participation and local democracy

### JC 6.1 EU interventions have contributed to **balanced and effective collaborative governance arrangements between LAs and local actors** (citizens, CSO and private sector)

#### Main findings:

- EU contribution to more institutionalised and sustainable collaborative governance arrangements between LAs and local actors has been limited, mainly due to challenges related to the local context.
- Ad hoc, focused and timebound projects targeting private sector and civil society has shown limited effects in terms of fostering collaborative arrangements between LAs and local actors.
- Emerging projects, characterised by a systemic and bottom-up approach, target the various local stakeholders together around a medium-term vision of change in approaches to local development and governance. They show potential to positively influence institutional changes, but it is too early to come up with evidence-based analyses on how this works out in practice.

#### *Overview of sources of information and evidence base at indicator level*

### I-6.1.1. Evidence that citizens, CSOs and the private sector have enhanced access to and stronger voice in the management of local public affairs with EU support

Overall strength of the evidence base: ● (medium)

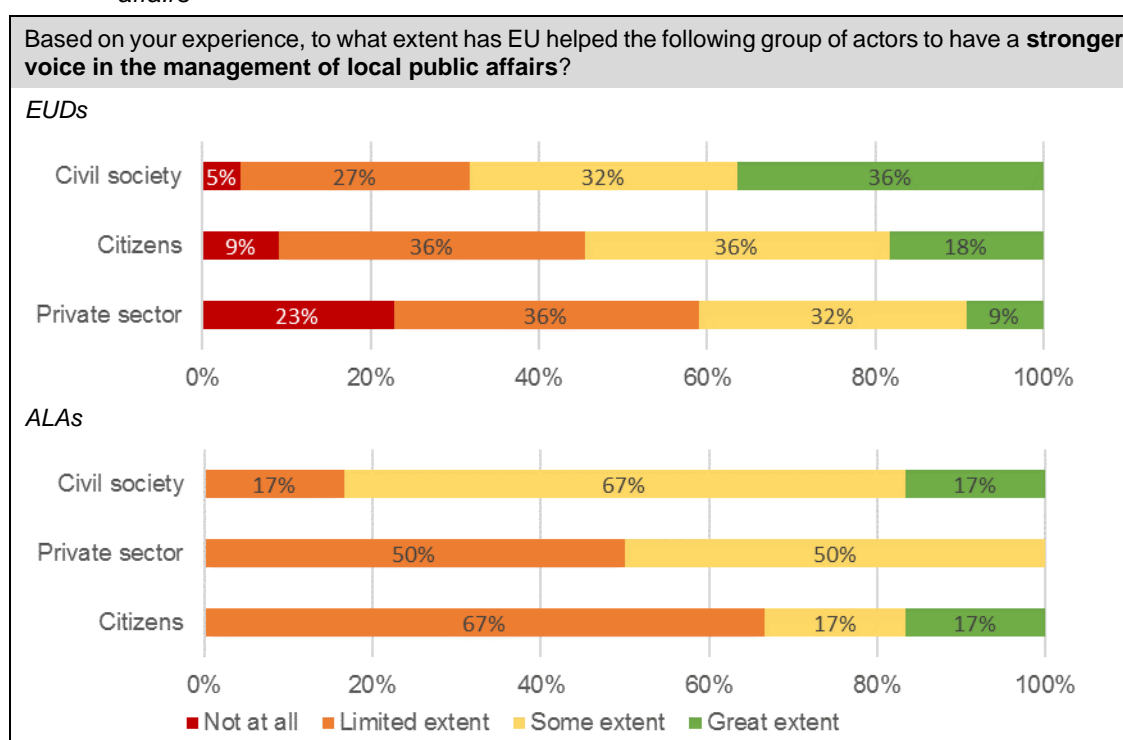
Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, thematic studies) reviewed in the country and regional case studies - see <i>Volume III</i> for further details.	Interviews of EU HQ, CSOs, EU MSs and EUDs - see <i>Volume III</i> .	<i>Not a source</i>	<i>Not a source</i>	<i>See eSurvey reports in Volume IV.</i>	<i>Not a source</i>



### Key evidence/specific findings:

- In all country case studies, localised interventions related to local economic development (LED) or infrastructure seeks to reach out to local private sector, but the role of the latter is often instrumental and the thematic focus on specific sectors and businesses is relatively narrow, with LAs generally playing a much less important role in the process, including in terms of complementing the efforts done by formulating supportive local public policies. Therefore, potential changes in terms of local governance are limited.
- The perceptions of EUDs and ALAs (collected through eSurveys) suggest that the EU support contributed more significantly to the involvement of civil society in local affairs than the involvement of citizens and private sector – see graph below. Some respondent added that there has been more attention and projects with CSOs and LAs than with private sector or citizens in general.

Figure 7 eSurvey results - Involvement in the management of local public affairs



Source: Particip, eSurvey of ALAs and EUDs, September 2020 (see Volume IV).

- Numerous timebound projects also target civil society. In the Neighbourhood South, following the Arab Spring, evaluation-based evidence suggests that they contributed to restoring trust, dialogue and collaboration between local actors, even if the lack of legitimacy and capacities of LAs hinder potential deeper changes in terms of local governance (e.g. Tunisia, Morocco).
- Over the evaluation period, more systemic and bottom-up approaches have been developed to enhance local governance (e.g. U-LEAD in Ukraine, Ettamkeen in Tunisia). However, from an evaluative perspective, it is too early to assess the results of the related programmes.

#### I-6.1.2. Evidence of effective institutional mechanisms for transparency, scrutiny, dialogue, collaboration and public-private partnerships in relation to key local public policies and processes (local budget, 'co-production' modalities in the delivery of services, etc.)

Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level			Global analysis level		
Document review	Interviews		Document review	Interviews	eSurvey Inventory

Various documents (e.g. project documentation, thematic studies) reviewed in the country and regional case studies - see <i>Volume III</i> for further details.	Interviews of EU HQ, CSOs, EU MSs and EUDs - see <i>Volume III</i> .	<i>Not a source</i>	<i>Not a source</i>	<i>Not a source</i>	<i>Not a source</i>
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**Key evidence/specific findings:**

- The EU has funded valuable projects to foster collaborative arrangements, but these have generally not triggered institutionalized changes at the level of LAs (as this requires longer-term action and resources and is also dependent on the overall political space available).
- EU projects reaching out to the local private sector for LED or infrastructural investments tend to be localised (e.g. a city or municipality), thematically confined (e.g. tourism) and timebound. In the framework of these projects, the engagement of the private sector is primarily ‘*instrumental*’ in the sense of promoting a specific business of sector.
- Some regional programmes introduced transparent processes to allocate funding to CSOs (ReLOaD) or to inform the citizens about the benefits of the energy efficiency project and initiate a dialogue about future investments of the municipality (SUDEP) with LAs in the driving seat.

**I-6.1.3. Evidence of positive effects of enhanced voice and collaborative arrangements on local governance**

Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, thematic studies) reviewed in the country and regional case studies - see <i>Volume III</i> for further details.	Interviews of EU HQ, CSOs, EU MSs and EUDs - see <i>Volume III</i> .	<i>Not a source</i>	<i>Not a source</i>	See eSurvey reports in <i>Volume IV</i> . (or I-6.1.1 in Vol II)	<i>Not a source</i>

**Key evidence/specific findings:**

- Projects (rather ad hoc, focused and timebound) targeting the local civil society have been identified. Particularly in the Neighbourhood South, the support to civil society with a view to enhancing local governance became popular following the Arab Spring. Nevertheless, the impact in terms of *deeper changes* in local governance tends to be hampered by the weak levels of legitimacy and autonomy of LAs (e.g. Tunisia, Morocco).
- Positive effects can be observed at the level of project interventions, yet less at systemic level. The prevailing political conditions largely determine what type of voice can be expressed and how it will be taken up by LAs.
- In **Ukraine**, a more systemic approach has been promoted through especially U-LEAD, which has organised regular consultations with CSOs and private sector representatives, as well as learning course aimed at promoting engagement, transparency and collaborate governance at LA level. This included a specific focus on women and youth involvement in community decision-making. Public private partnerships have also been systematically promoted, though these are still at an incipient stage. These initiatives aim at including the private sector more comprehensively in LAs planning process with a view to create a more conducive framework for businesses.
- In several countries, it is too early to observe the results of new collaborative arrangements (e.g. N4ED in Georgia, Ettamkeen in Tunisia).
- There have been numerous forms of engagement between LAs, citizen, CSOs and the private sector in the context of the regional programme of the CoM. However, these seldom aimed at changing the collaborative mechanisms for local governance and also had correspondingly limited impact overall. They are thus examples of tokenism and one-off events (e.g. energy day) that had some characteristics of ticking the box. Nevertheless, in other cases, especially in the South and in Georgia, the private sector has been more consistently engaged.

**I-6.1.4. Evidence of LAs have contributed to improved reconciliation and stability at local level**

Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, thematic studies) reviewed in the country and regional case studies (see Volume III of the desk report for further details)	Interviews at EUD level.	Not a source	Not a source	Not a source	Not a source

**Key evidence/specific findings:**

- No major EU interventions specifically geared at reconciliation and stability have been identified in the country case studies.
- However, some interventions can indirectly reduce levels of mistrust between local actor, promote collective action or strengthen the legitimacy of institutions.

**JC6.2 Accountability of LAs**

**JC 6.2** EU-interventions have contributed to enhancing the overall **accountability of LAs** ('upward', horizontally with the local public administration and 'downward' towards local constituents)

## Main findings:

- In all countries examined, the EU invested in strengthening localised accountability systems, particularly those focusing on downward accountability. These have globally contributed to piloting innovative approaches to planning, budgeting, transparent allocation of funding, performance monitoring and provision of data and information to citizens.
- Yet the potential positive effects of such projects are often seriously curtailed by the limitations of prevailing decentralization frameworks, the existence of powerful vested interests, traditional (often non-transparent and accountable) ways of working by central and local bureaucracies as well as a still low demand for change from below.

*Overview of sources of information and evidence base at indicator level***I-6.2.1. Evidence that EU-supported actions have contributed to strengthening upwards accountability by strengthening LAs links with and oversight by central authorities**

Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, thematic studies) reviewed in the country and regional case studies (see Volume III of the desk report for further details)	Interviews with CSOs, DPs, EU HQ and EUDs - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV (or I-6.2.3).	Not a source

**Key evidence/specific findings:**

- Overall, only a limited number of -relatively successful- EU interventions targeting the LA obligations in terms of upward accountability, could be identified. For instance:
- In Albania, the flagship programme STAR-2 successfully rolled out capacity development activities to help LAs ensuring compliance with the 'Code of Administrative Procedures and the requirements of the High State Control.
- In **Tunisia**, the decentralisation reform envisages over time to replace the current system of *ex ante* 'tutelle' by centrally appointed governors (on both the legality and opportunity of LA acts) by independent administrative courts, assessing *a posteriori* about the legality of decisions.
- The EU indirectly supports this sensitive transition through the budget support provided to both the decentralisation reform and the justice sector (to ensure that administrative justice can be delivered in the whole territory) with mixed results (linked to the reluctance of central authorities to deepen the decentralisation process and reduce top-down approaches to governance).
- In the Eastern Neighbourhood, the EUDs also sought to engage constructively with central agencies on top-down accountability improvements. This is done through guidance, linkages and stronger monitoring (Georgia) or by influencing future institutional changes – such as the envisaged creation of a new function of 'prefects' to facilitate more permanent upward accountability (Ukraine).

**I-6.2.2. Evidence that EU-supported actions have contributed to strengthening horizontal accountability by strengthening mutual scrutiny and local governance between the local public administration, local politicians and other local authorities**

Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory

Various documents (e.g. project documentation, thematic studies) reviewed in the country and regional case studies - see Volume III for further details.	Interviews with CSOs, DPs, EU HQ and EUDs - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV (or I-6.2.3).	Not a source
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### **Key evidence/specific findings:**

- Across case studies, it was found that several capacity development activities targeting LAs fostered horizontal accountability without using this label (e.g. ReLOaD, STAR-2 in Albania, NALAG in Ukraine).
- The projects generally seek to improve relations between the various actors involved (mayors, councils, administrative staff or de-concentrated services). In the Enlargement region, they deal with ethics-related problems faced by municipal employees (e.g. through the development of Codes of Conduct as well as Pilot Municipality Integrity Plans in Albania).
- Work has also been done to strengthen communities at the lowest level but often centred around accountability related to specific projects and funding streams. In Ukraine, EU support has contributed to strengthening procedures, practices and internal controls that allow for more transparent and fair management of LAs. Similarly, the increased power to tax and retain taxes from local citizen is also expected to drive bottom-up pressures for more accountable LAs.
- Moreover, capacity development activities in terms of accountability have also successfully targeted communities at the lowest level in the framework of specific projects and funding streams. In Georgia, the framework conditions have only changed slowly and gradually, which has also reduced the scope for more transformative engagements in this space. However, EU has achieved positive results by working with NALAG (through the N4ED and previous projects) in strengthening horizontal and bottom accountability linkages through the engagement of especially community organisations and the local private sector.
- Positive effects at project level but institutionalizing of innovative practices is a huge challenge.

### **I-6.2.3. Evidence that EU-supported actions have contributed to strengthening downward accountability by increasing access to information and deepening engagement with citizens (and the representatives), local media and CSOs**

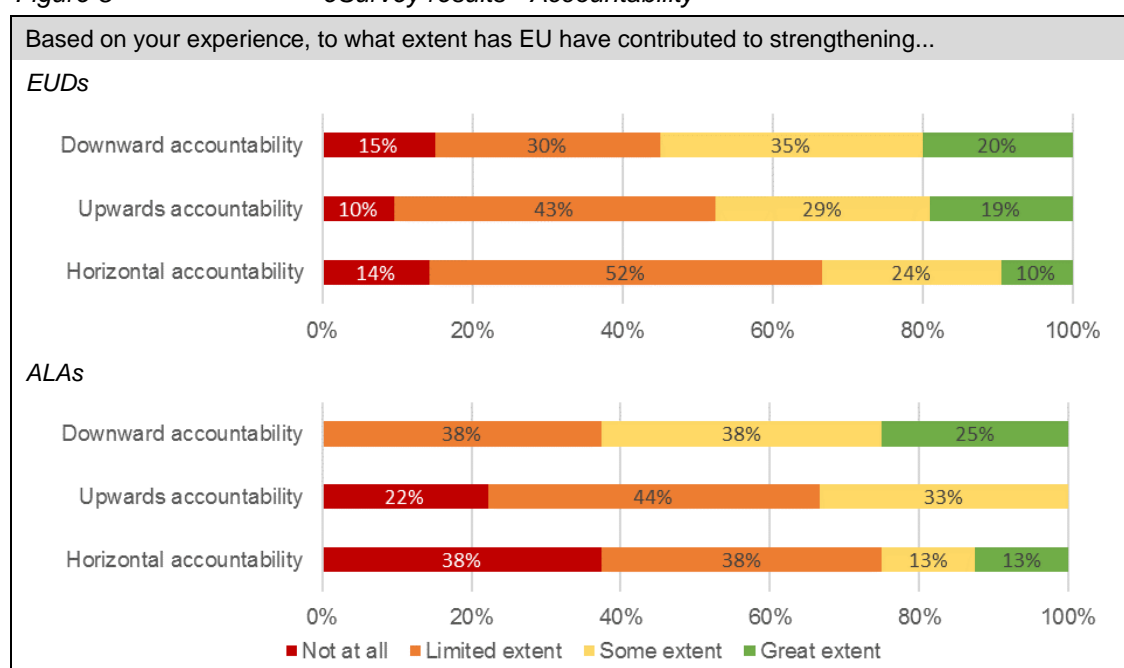
Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, thematic studies) reviewed in the country and regional case studies - see Volume III for further details.	Interviews with CSOs, DPs, EU HQ and EUDs - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV (or I-6.2.3).	Not a source

### Key evidence/specific findings:

- EU portfolios regarding LAs tend to focus on enhance *downward accountability*, as it is perceived as a cornerstone of improved local democracy and bottom-up approaches to local and territorial development (see Figure 8).

Figure 8 eSurvey results - Accountability



Source: Particip, eSurvey of ALAs and EUDs, September 2020 (see Volume IV).

- However, the outcomes have been mixed, with success critically depending on prevailing political economy conditions at both central and local level. In the absence of local government bodies endowed with sufficient levels of autonomy, it is difficult to truly make the LA responsible in terms of downward accountability towards citizens, as they have 'very little to offer' in terms of responding to their needs or providing services (e.g. Tunisia, Morocco, North Macedonia).
- In Georgia, the starting premise of the EU-supported programme N4ED is the '*unawareness of Georgian local officials about modern technics for participative and accountable governance*'. The programme has a strong focus on downward accountability and many activities involving communities and CSOs to improve the regulatory framework, performance, transparency and accountability of participating municipalities, using 'performance monitoring systems' as the key tool. The degree to which this is materialising is still not clear.
- In Albania, the EU is getting uneven results with the promotion of a 'Model Transparency Program and Measurement System of Transparency'.
- In North Macedonia, several EU projects were successful in producing surveys assessing citizens' satisfaction regarding LAs, yet the challenge will be to institutionalize such practices (beyond project level).
- In Serbia, EU has promoted participatory budget process for municipals that include the engagement of local level community groups. However, at aggregate level indications are that there is only moderate progress in improving accountability.
- The ReLOaD project is seen to bring together stakeholders at both the demand and supply side of democratic governance. Indeed, both LAs and CSOs have seen their capacities to take part to collective action strengthened. While local players work together to solve practical development problems, the project modality introduces the principle of mutual accountability between them

I-6.2.4. Evidence of qualitative improvements in the local democratic culture					
Overall strength of the evidence base: ● (low)					
Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, thematic studies) reviewed in the country and regional case studies - see Volume III for further details.	Interviews with CSOs, DPs, EU HQ and EUDs - see Volume III.	Not a source	Not a source	Not a source	Not a source

#### Key evidence/specific findings:

- While several bilateral and regional initiatives have sought to scale up promising local governance innovations, there is limited evidence of an effective institutionalization, or translation in national regulations, of innovative practices at local level. This explains why qualitative improvements in the overall local democratic culture are hard to track in almost all partner countries examined (with the exception of Ukraine).

## 7 EQ7 – Service delivery and response to local challenges

**EQ 7 - To what extent has EU support to LAs contributed to effective and sustainable local service delivery and responses to local challenges?**



This Evaluation Question (EQ) covers issues related to service delivery and response to local challenges, and consists in three Judgement Criteria (JC):

- JC 7.1** EU interventions have contributed to empowering LAs in terms of **delivering quality public services in an equitable and sustainable way**
- JC 7.2** EU interventions have empowered LAs to **better respond to local challenges** (e.g. local economic and social development, climate change, migration and refugees)
- JC 7.3 Sustainability issues** are soundly addressed in programming and implementation of EU interventions

The assessment of each JC builds on a set of specific indicators. The tables below provide an overview of: i) the main findings identified per indicator, and ii) the main sources of the evidence underpinning these findings. For further details on the evidence gathered by the team, please refer to the relevant annexes.

### JC7.1 LAs delivering quality public services

**JC 7.1 EU interventions have contributed to empowering LAs in terms of delivering quality public services in an equitable and sustainable way**

Main findings:

- All EU portfolios examined seek, with varying degrees of strategic depth, comprehensiveness and success, to empower LAs with a view to deliver better services.
- The sustainability of EU support depends heavily on prevailing national framework conditions. In relatively conducive environments (e.g. Ukraine, Georgia and Albania), the EU could adopt more comprehensive and systemic approaches to service delivery, encompassing both the building of autonomous and accountable LAs and ensuring sustainable funding sources. In other contexts, the EU faces an uphill struggle as service delivery is managed in a top-down manner while fiscal decentralization is stalled.



*Overview of sources of information and evidence base at indicator level*

I-7.1.1. Evidence of increased LAs capacity and resources to deliver services					
I-7.1.2. Evidence of increased LA capacity to properly operate and maintain facilities for service delivery					
Overall strength of the evidence base: ● (medium)					
Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, thematic studies) reviewed in the country and regional case studies - see Volume III for further details.	Interviews with CSOs, EU MS, project staff, DPs, EU HQ and EUDs - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV.	Not a source

**Key evidence/specific findings:**

- Many EU-supported programmes have effectively contributed to enhancing LA capacity to better plan, programme, budget and deliver services, including through out-sourcing and collaboration with civil society and private sector.
- The extent to which support increased LAs capacity and resources to deliver services highly depends on the conduciveness of the political environment. In most of the countries with ongoing decentralisation reforms, the EU could develop a comprehensive approach (e.g. Ukraine, Georgia, Albania), sometimes using budget support. Promising results are achieved in several countries.
- In restrictive environments (e.g. Morocco, Tunisia), EUDs followed a staged approach, focusing on national framework conditions and then going local to 'empower' LAs (within the boundaries of what is possible). Results can only be obtained in the medium-term because, as an ALA respondent states, 'the main challenge for LAs is to maintain these services and their quality after project funding to secure funds and human capacities for service delivery and operation of facilities'.
- EUDs need experimental approaches, supported by well-embedded TA over a longer period of time, to ensure genuine LA empowerment. This includes capacitating LAs to elaborate bottom-up and participatory local development plans experimenting with the contractual delegation by sector ministries to LAs as a mean to localise service delivery while ensuring sufficient support by higher level authorities.
- In Ukraine, the U-LEAD programme enhanced local administrative service delivery through 600 well-funded, trained and e-governance driven service centres that can reach out to remote communities.
- While Eastern Partnership countries opt for e-governance approaches to promote more effective, transparent and accountable local service delivery (e.g. Ukraine, Albania, North Macedonia), such a policy choice is less evident in the Neighbourhood South.

I-7.1.3. Citizens and businesses reporting better access and higher quality of LA services / products (i.e. LAs can convert increased resources into tangible benefits)					
Overall strength of the evidence base: ● (low)					
Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, evaluations, ROM reports) reviewed in the country and regional case studies - see Volume III for further details.	Some interviews with CSOs and EUDs - see Volume III.	Not a source	Not a source	Not a source	Not a source

**Key evidence/specific findings:**

- In several partner countries, the EU has successfully contributed to initiatives geared at obtaining a feedback from citizens and business (e.g. through surveys) on the performance of LAs in terms of service delivery, though the systems remain to be institutionalized.
- Citizen's satisfaction surveys have been implemented in the Enlargement region (e.g. North Macedonia, Serbia) but remains an un-existing practice so far in the Neighbourhood South.
- The existence of powerful vested interests and the still low demand for change from below can hamper the effects of projects.
- When LAs are not considered as implementation partners, their role in access or quality improvements is limited.

**JC7.2 LAs better respond to local challenges**

**JC 7.2 EU interventions have empowered LAs to better respond to local challenges** (e.g. local economic and social development, climate change, migration and refugees)

**Main findings:**

- In several sample countries, EU support has effectively helped LAs to respond better to local challenges, either through comprehensive approaches following an empowerment logic (e.g. Ukraine) or in a more project-related, problem-oriented manner without supportive nation-wide programmes of a more systemic nature (e.g. Georgia, Lebanon, North Macedonia, Tunisia).
- There is less evidence of EU support tackling emerging local challenges. However, interesting examples could be collected of timely and successful EU support to help LAs in Lebanon handle the influx of 1.5 million Syrian refugees or LAs in Serbia to cope with heavy floods.

Overview of sources of information and evidence base at indicator level

**I-7.2.1. Evidence that LAs have increased their resources and management capacities to respond to specific local challenges**

**I-7.2.2. Evidence that LAs have responded adequately to (emerging) local challenges (e.g. climate change, inequality, refugees, food production, security, floods, connectivity etc.) with EU support**

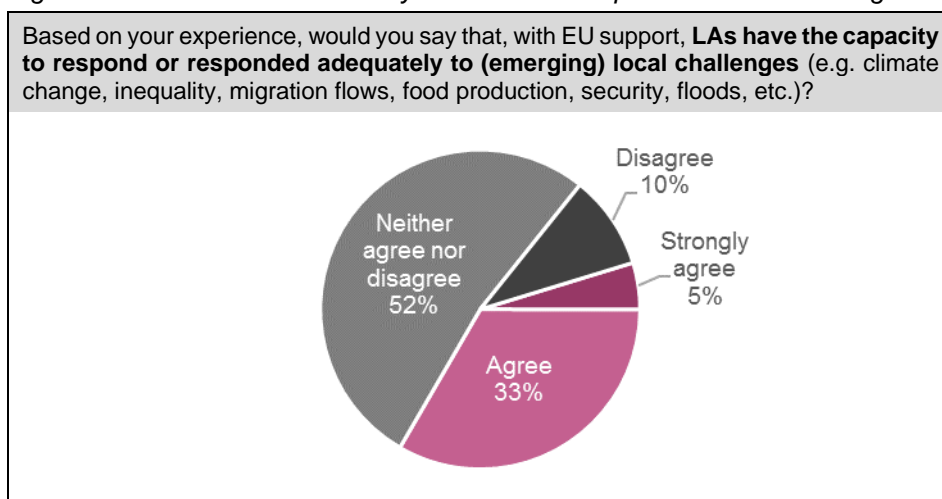
Overall strength of the evidence base: ● (medium)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, thematic studies) reviewed in the country and regional case studies - see <i>Volume III</i> for further details.	Interviews with CSOs, EU MS, project staff, DPs, EU HQ and EUDs - see <i>Volume III</i> .	Not a source	Not a source	See eSurvey reports in <i>Volume IV</i> .	Not a source

### Key evidence/specific findings:

- In Ukraine, a strategic mix of interventions provided substantial capacity development as well as additional funding (from different sources) that could generally be used in a discretionary manner by LAs for their own priorities. This trust in LAs making their own choices proved beneficial in terms of enhancing both the resources and management capacity of EU supported LAs.
- Contrary to Ukraine, the overall political setting in Morocco and Tunisia is not conducive for LAs to take the lead responsibility for dealing with (emerging) local challenges. While the decentralisation reforms provide them with a general mandate, in practice they have very limited space, autonomy and capacity to act.
- In Georgia, EU support has also empowered LAs to respond better to local challenges, but only on a project-by-project and local-by-local basis, as there has been no systemic nationwide programme to empower LAs (especially municipalities) to chart their own development course.
- Based on the eSurveys, the contribution of EU support to LAs capacities to respond to local challenge is limited – see graph below. Respondents from both surveys highlight the restrictive environment as a hindering factor, as *‘response of LAs to these challenges often depend on the whole coordination which is done by national level’*.

Figure 9 eSurvey results - LAs response to local challenges



Source: Particip, EUDs eSurvey, September 2020 (see Volume IV).

- The CoM is a regional project directly LAs and empowering them to tackle climate change and implement energy efficiency actions.
- Several EUDs are exploring ways and means to engage more directly with LAs and provide funding allowing for local priority setting of critical services to be provided. In Tunisia, the COVID-19 crisis provided an opportunity to make direct grants to municipalities participating in the Ettamkeen project to determine for themselves priority needs and responses. In North Macedonia, the EU launched, in 2020, a new programme targeting directly municipalities in order to better address context-specific local challenges.
- There is less evidence of EU support tackling emerging local challenges. However, interesting examples could be collected of timely and successful EU support to help LAs in Lebanon handle the influx of 1.5 million Syrian refugees or LAs in Serbia to cope with heavy floods.

## JC7.3 Sustainability are addressed in programming and implementation of EU interventions

### JC 7.3 Sustainability issues are soundly addressed in programming and implementation of EU interventions

#### Main findings:

- There is still room for improvement regarding how the EUDs use their knowledge on local development and country-specific power dynamics to address sustainability during identification and implementation.
- Sustainability issues of EU supported interventions for LAs, including relatively realistic exit strategies, are generally integrated into design and monitored during the implementation, though with important variations in the scope and quality of the analyses.
- While regional programmes enjoy some more liberty - as they do not require the explicit authorisation by central governments, they also need to consider how the support provided through projects can lead to transformational and sustainable changes.

#### Overview of sources of information and evidence base at indicator level

##### I-7.3.1. Political will is adequately assessed at design stage and monitored based on evidence of progress on policy reforms and their implementation

Overall strength of the evidence base: ● (strong)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, country strategy documents) reviewed in the country and regional case studies - see Volume III for further details.	Interviews with CSOs, EU MS, project staff, DPs, EU HQ and EUDs - see Volume III.	Not a source	Not a source	Not a source	Not a source

#### Key evidence/specific findings:

- Despite the existence of solid analysis on the political will of power holders, projects identified clearly had overoptimistic expectations as to the results that could be achieved in a given context, with less than optimal national framework conditions and poor capacities at LA levels.
- Some adopted too technocratic approaches to implementation (e.g. North Macedonia, Lebanon) which did not address underlying power relations (e.g. reflected in systems of local state capture), ownership issues at central and local levels or incentives for local actors to assume responsibilities.
- The regional programmes integrate prevailing political realities in their operations (particularly ReLOaD in the Western Balkans).

##### I-7.3.2. Evidence of adequate capacity and resources of the beneficiary to implement EU interventions

Overall strength of the evidence base: ● (strong)

Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, thematic studies) reviewed in the country and regional case studies - see Volume III for further details.	Interviews with CSOs, EU MS, project staff, DPs, EU HQ and EUDs - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV.	Not a source

**Key evidence/specific findings:**

- According to the EUDs eSurvey, 'LAs' limited capacities' remain the main obstacle to LA mainstreaming in EU cooperation processes (selected by 76% of respondents).
- Across the case studies, the analysis of baseline conditions in terms of LA capacities as 'beneficiaries' of support improved over the evaluation period, certainly in more comprehensive programmes.

In several countries, the EU cannot reach out directly to LAs, as these are subordinated actors in top-down governance models.

I-7.3.3. EU interventions programming and implementation integrate other sustainability factors (e.g. existence of exit strategies) where relevant					
Overall strength of the evidence base: • (strong)					
Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, thematic studies) reviewed in the country and regional case studies - see Volume III for further details.	Interviews with CSOs, EU MS, project staff, DPs, EU HQ and EUDs - see Volume III.	Not a source	Not a source	Not a source	Not a source

**Key evidence/specific findings:**

- Sustainability issues of EU supported interventions for LAs are generally integrated into design and monitored during the implementation (sustainability is mandatory section of ROM reports).
- However, according to evaluations and ROM reports reviewed across the case studies, the quality of the sustainability analyses is highly variable. In Lebanon, reports and evaluation regarding EU support to LAs consistently highlight problems in the sustainability of the EU-funded interventions, which are often related to the absence of an exit strategy and/or unrealistic assumptions about the actual capacities of LAs to attend to the financial and technical requirements of the EU-funded projects once EU support ends.

I-7.3.4. Evidence that sustainability issues of the institutional set-up of LAs is addressed in EU intervention design and implementation					
Overall strength of the evidence base: • (strong)					
Main sources of information					
Case study level		Global analysis level			
Document review	Interviews	Document review	Interviews	eSurvey	Inventory
Various documents (e.g. project documentation, thematic studies) reviewed in the country and regional case studies - see Volume III for further details.	Interviews with CSOs, EU MS, project staff, DPs, EU HQ and EUDs - see Volume III.	Not a source	Not a source	See eSurvey reports in Volume IV.	Not a source

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**Key evidence/specific findings:**

- Most of the exit strategies of LA-related interventions assume that the government will ensure continuity but the degree to which central government committed to decentralisation vary substantially.
- Regarding financial sustainability, there has been limited progress in increasing the overall resource envelope available for LAs (e.g. Georgia, Tunisia, Morocco) or to influence positively fiscal decentralisation reforms (e.g. North Macedonia). LED projects and PPPs (mainly in the Eastern Partnership) may enhance the tax base, but in a rather limited way.
- While ReLOaD has been able to influence national policy debates regarding the transparent funding to CSOs at local level, the Achilles' heel remains the financial sustainability of the project. This holds particularly true for the many small municipalities in the region. This shows again the importance of having a necessary link between 'project approaches' such as ReLOaD, with a huge capacity to test out innovative approaches to local governance and service delivery. Investments in national framework conditions for LAs to become autonomous and accountable development actors are also essential.
- The ALAs and EUDs eSurvey reports also highlight limited progress in increasing the funding base of LAs: more than 60% of respondents (in both surveys) consider that the EU support regarding the funding base of LAs is 'rather unsustainable' or 'not sustainable at all'.