

**The Czech Republic**

**Programmes covered:  
National and Cross  
Border Co-operation  
Programmes  
1999-2001**



**The views expressed are those of the MWH Consortium and do not necessarily reflect those of the European Commission.**

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EUROPEAN COMMISSION  
**DG ENLARGEMENT EVALUATION UNIT**

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## GLOSSARY OF ACRONYMS

ABCap	A project entitled ' <i>Finalising of Structures and Measures to Increase the Absorption Capacity at the National and Regional Levels</i> '
<i>acquis</i>	<i>acquis communautaire</i>
APA	Agricultural Paying Agency
CAP	Common Agriculture Policy
CBC	Cross Border Co-operation
CC	Candidate Country
CFA	Centre for Foreign Assistance
CFCU	Central Finance and Contracts Unit
CPER	Country Phare Evaluation Review
CR/ CZ	Czech Republic
DG	Directorate General
EAGGF	European Agricultural Guidance and Guarantee Fund
ECD	European Commission Delegation
EDIS	Extended Decentralised Implementation System
ERDF	European Regional Development Fund
ESC	Economic and Social Cohesion
ESF	European Social Fund
EU	European Union
IACS	Integrated Administrative and Control System
IE	Interim Evaluation
IPPC	Integrated Pollution Prevention Control
ISPA	Instrument for Structural Pre-Accession
IT	Information technology
JHA	Justice and Home Affairs
M€	Millions Euros
MoA	Ministry of Agriculture
MoE	Ministry of Economy
MRD	Ministry of Regional Development
NGO	Non-governmental Organisation
NSIS	National Schengen Information System
NROS	Civil Society Development Foundation
NTF	National Training Fund
NUTS	National Unit for Territorial Statistics
PAA	Pre-accession Adviser
PALMIF	Pro-Active Labour Market Intervention Fund
PAJC	Public Administrative and Judicial Capacity
SAPARD	Special Accession Programme for Agriculture and Rural Development
SAO	Supreme Audit Office
SF	Structural Funds
SME	Small and Medium-Size Enterprise
TA	Technical Assistance
ToR	Terms of Reference
VAT	Value-added Tax
WFD	Water Framework Directive
WWTP	Wastewater Treatment Plant

## PREFACE

The purpose of this *ex post* evaluation is to assess the contribution of the 1999-2001 Phare National and Cross-Border Co-operation Programmes to support the Czech Republic in meeting the Copenhagen criteria so as to facilitate its accession to the European Union. The evaluation will also include a brief reference to post-2001 allocations.

This report has been prepared between January and March 2006,<sup>1</sup> and reflects the situation where the Phare national Programmes have ended. The evaluation is based on an analysis of documents provided at the start, during and on completion of the national Programmes, including previous interim evaluations, on the results of questionnaires, and on interviews with beneficiaries, contractors, and stakeholders. It examines the performance of the programmes in addressing the objectives stated in the formal programming documents, provides a general assessment of the programmes and draws conclusions and lessons learnt from them.

The evaluation of the Czech National and Cross Border Co-operation programmes is one of a series of ten similar evaluations in the eight new member states, and in Bulgaria and Romania. The evaluations of the eight new member states will feed into a consolidated evaluation of Phare National and Cross Border Co-operation programmes, which, in turn, will form part of a consolidated *ex-post* evaluation of the Phare programme.

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<sup>1</sup> The report was prepared by Dietmar Aigner, Lead Evaluator, assisted by Senior Local Expert, Ms Dagmar Gombitova. It was reviewed at MWH Central Office by Martin White.

## EXECUTIVE SUMMARY

### Czech Republic National and Cross Border Co-operation Programmes 1999-2001

#### Scope and Objectives

The purpose of this *ex post* evaluation is to assess the contribution of the 1999-2001 Phare National and Cross-Border Co-operation programmes to support the Czech Republic in meeting the Copenhagen criteria in order to facilitate its accession to the European Union. The overall objective of this evaluation is to provide accountability with respect to the use of European Commission funds, and lessons learned for decision making on improvements of pre-accession aid to remaining and future candidate countries. The evaluation also provides for a brief update of post-2001 allocations.

#### Key Evaluation Findings

***Phare clearly followed accession-related objectives but design was of uneven quality.*** The Phare programmes addressed the needs and problems related to the obligations of EU membership, and were fully in line with government policies and accession priorities. Needs analysis was good. Projects clearly followed the Commission's guidance in terms of subjects/topics to be covered. However, project fiches were not always of adequate quality, which subsequently led to the need for re-drafting, and changes during project implementation. The design of projects was often constrained by over ambitious objectives, and weak indicators of achievement of objectives, especially for the 1999 and 2000 programmes. National strategic documents were often absent at the time when the assistance was designed, particularly in the case of the 1999 interventions. In the more complex areas, notably agriculture, regional development and preparation for Structural Funds, a national strategy was difficult to develop either due to a lack of political consensus, or because the EU requirements were not sufficiently clear at the time of fundamental decision-making. For the post 2001 interventions improvements in design were observed in many cases.

***Most of the sample projects under review can be considered efficient.*** The performance of the key Phare players in the Czech Republic has improved gradually. Despite implementation problems, twinning arrangements delivered the guaranteed results for the most part, or their budgets were reduced in proportion to the achievements. Some projects demonstrated an excellent input/output ratio. The main obstacles adversely influencing the efficient outcome of twinning projects were a lack of capacity on the Czech side to absorb the provided assistance, and an initial misunderstanding of the concept of twinning. If basic pre-conditions were fulfilled however, twinning worked well and was frequently utilised for the delivery of the assistance, also in the post 2001 period.

***The majority of 1999-2001 Phare projects achieved their intended results.*** The most successful results were seen in Phare interventions that addressed completely new institutions or brought existing institutions up to the required levels. Infrastructure investment mostly delivered the planned results. Less successful were projects delivering assistance to politically sensitive and non-*acquis* areas such as public procurement or the introduction of the Civil Service Act. In the area of economic and social cohesion, regional initiatives for stimulating economic and social development were effectively fostered and Czech capacity for generating and implementing Structural Funds was developed.

***Positive immediate impact and intermediate impact observed for institution building and harmonisation of legislation.*** The immediate impacts achieved clearly helped to address the technical aspects of accession. Concerning the intermediate impact, the vast majority of overall objectives referred to the ability to take on the obligations of membership and adherence to the aims of political, economic and monetary union. From this point of view, the obligatory measures have been introduced and enforced in terms of institution building and harmonisation of legislation, and the Czech Republic has fulfilled its membership requirements.

Socio-economic impacts are more difficult to trace but identifiable. Small interventions mostly delivered via grant schemes, either in certain regions or scattered all over the country, have created more working opportunities, and increased innovation, competitiveness, and welfare. Larger interventions under economic and social cohesion supporting technology centres identified regional strengths and made use of them with an appropriate strategy. Investment initiatives in the environment and transport sectors delivered the intended improvements.

***The results of Phare assistance in the area of institution building are legally secured and viable.*** The basic pre-requisite for the upgrading of existing bodies and the establishment of new institutions, the legal framework, is in place, including long-term provisions for institutional funding. However, administrative capacity building, that is the utilisation of the knowledge, skills and experience gained in the Phare implementation process, could have been better sustained. The main threat to administrative sustainability is the continuing high turnover of staff, mainly in a number of line ministries.

## Conclusions

The conclusions cover overall Phare performance in the Czech Republic, and three key issues:

- Whether Phare support in practice addressed the *ex post* needs of Czech beneficiaries;
- Building public administrative and judicial capacity to apply the *acquis*;
- Supporting economic and social cohesion including preparation for Structural Funds.

***Overall, the Czech Republic has performed well, and in most cases Phare was effectively used to support the technical preparation for accession.*** The objectives of the Czech Phare National and Cross Border Co-operation programmes in the period 1999-2001 were largely achieved. Assistance provided to support the Czech Republic comply with the obligations of membership, including the alignment of legal frameworks, was successfully absorbed, in particularly in the environment, energy and internal market sectors. Phare investment support proved to be well placed and exceeded in some cases even the original expectations. Czech institutions and their administrators are carrying out their tasks in accordance with EU standards, and this is partly attributed to the effective use of the available Phare support. However, a key element for successful utilisation of the support provided to strengthen administrative and judicial capacities was limited by the very slow progress in effectively tackling and enforcing civil service legislation.

***From an ex post perspective, Phare support addressed the accession needs well and satisfactorily delivered support for Czech membership preparations.*** The reviewed programmes directly focused on identifying and addressing gaps in the Czech Republic's legislative and institutional frameworks to manage the evolving *acquis*. In many cases, individual interventions were fully in line with accession-related and national strategic documents for the relevant sector. One key success factor of Phare interventions in the Czech

Republic was the practice of thorough needs analyses and reviews of existing good practice. Most reviewed interventions appeared to be well justified when comparing outputs and costs, but there were a few exceptions where cost-effectiveness could be questioned.

Legislative and administrative impacts, particularly setting up of new institutions, alignment of legislation, and strengthening of administrative capacities, were well addressed and the programmes under review were influential in promoting and supporting institutional change. Whilst immediate impacts have been mostly moderate but beneficial, often pending the finalisation of the complex and time-demanding institution building activities, the intermediate impact of Phare institutional building is clearly observed in efficiently working institutions. Outcomes of supply and works projects are operating in accordance with planned provisions. Socio-economic impact is identifiable with regard to infrastructure investments but is less visible for other support areas, and will need time to materialise more substantially. Operation of Phare-funded institutions are usually sustained through legal frameworks and secured budgets. There is administrative capacity in the country, but it is fragile in a number of sectors. Administrative sustainability is constrained by the continual high turnover rates of staff, mainly in line ministries.

***Phare provided essential support to reinforce public administrative and judicial capacity at the sectoral level, but more could have been achieved horizontally.*** At the sectoral level, Phare support has clearly led to progress and positive changes, covering various aspects of strengthening administrative capacities. Czech administrators are able to perform their tasks at reasonable levels under membership conditions. However, opportunities have been missed to deliver beneficial horizontal public administrative reforms prior to accession. This has been particularly demonstrated by the case for the Phare support given to civil service reform. Enforcement of the underlying legal basis for reform, the Civil Service Act, is currently not expected until 2007. Although substantial civil service reform has not taken place yet, working methods copied from member state administrations and introduction of certain EU standards have positively influenced the behavioural patterns and working methods of the Czech state administration bodies.

***Phare support for economic and social cohesion was clearly beneficial but its scope was limited.*** Through (pilot) investments Phare impacted positively on the improvement of the socio-economic situation in the respective micro-region, stimulating growth and fostering cohesion. Phare support made a useful but uneven contribution to preparing and testing new structures in the field of EU Structural Funds. However, the opportunity to learn that was expected from implementing Structural Funds type of interventions under Phare conditions, which were delivered both at central and regional levels to develop administrative capacities for EU Structural Funds, remained largely unexploited. Implementation structures for Structural Funds were established with a minimal input/transfer of existing Phare experience. Phare pilot testing interventions in the area were eventually implemented only at the time when Structural Funds schemes were already launched, potentially supporting the same activities and creating competition between the two instruments. The active involvement of NGOs in the current Structural Funds period remains limited.

The learning potential of the Extended Decentralised Implementation System in terms of developing experience and responsibility for managing EU funds did not materialise sufficiently before accession, due to a preparation time that was too short. Absorption capacity has materialised as the main bottleneck for effective utilisation of Structural Funds in the Czech Republic, but Phare made an important contribution towards increased absorption capacity, particularly as realised under the 2001 programme.

## Recommendations

To address the key findings and conclusions of the evaluation, three actions are recommended in respect of pre-accession assistance planned for current or future candidate countries.

***Recommendation 1: Systematically explore good practice at the design stage.*** The Commission Services should consider encouraging candidate countries to explore good practice more systematically at the design stage of interventions. Such good practice examples, adapted to local circumstances, could be then used to design projects without the need to re-invent the wheel. This would also help to define more realistic objectives, and quantified and measurable indicators, to eliminate or plan for potential risks and to estimate key assumptions.

***Recommendation 2: Improve project cycle management.*** At the beginning of an accession process, the staff of Aid Co-ordination Units and Commission Services Delegations should make available the required project preparatory skills and knowledge and should actively assist line ministries with the preparation of projects. The Commission Services should encourage line ministries to set up as quickly as possible a core staff, capable of providing necessary skills and advice on project preparation. This core group should be trained regularly, and quality control should be part of the identified training priorities.

***Recommendation 3: Assess absorption capacity before the intervention.*** The accession agenda should not only be declared as a top priority of the state administration, but the central state administration must have an absorption capacity ready and staff available to perform these tasks as an inseparable part of their day-to-day work. Resources must be secured before the launch of any project, and the Commission Services should request *ex-ante* assessments of implementation and absorption capacities. Such conditionality should be checked and in case of non-compliance agreed measures for enforcement should be applied.

Two further recommendations address the Czech Republic, one to consider a more effective use of existing non-government organisation capacities for future Structural Funds, and one in respect the use of existing Phare twinning output for future interventions in Civil Service Reform.

## Lessons learned

***Lesson 1: Develop and reinforce absorption capacity for the use of Structural Funds before accession.*** The practical approach and results demonstrated by the 2001 Phare technical assistance project implemented to increase Structural Funds absorption capacity proved the necessity to assess and to increase absorption capacities before accession. From the Czech experience, the innovative approaches and methodologies involving and mobilising the energies and capacities of the project beneficiary partners were clearly successful. Such a type of project should be developed according to the needs of current and future candidate countries in order to achieve substantially improved capacity, confidence, autonomy, efficiency and effectiveness of project developers by the date of accession.

***Lesson 2: Promote and explain new assistance instruments sufficiently in advance.*** The introduction of new interventions tools (like twinning or ‘twinning light’ during the period under review) should be promoted early and in a detailed enough way to avoid

misunderstandings and failure of projects during contracting and implementation. The complexity of preparatory and tendering procedures should be in proportion to the size and complexity of the intervention.

***Lesson 3: To realise the learning potential of fully decentralised implementation systems, these should be introduced at an earlier stage of the accession process.*** In terms of the accession calendar, the Extended Decentralised Implementation System came too late to bring any learning effects for Structural Funds. Compared to the learning effects resulting from SAPARD, where full decentralisation and *ex post* control was set up from the beginning, opportunities were lost by Phare, which potentially could have been given beneficiary institutions more experience in addressing their responsibilities after accession.

## PŘEHLED

### Národní programy a programy přeshraniční spolupráce České republiky 1999-2001

#### Rozsah a cíle

Účelem tohoto následného (ex post) hodnocení je posoudit přínos Národních programů a programů přeshraniční spolupráce Phare v letech 1999-2001 pro podporu České republiky při plnění Kodaňských kritérií pro ulehčení jejího vstupu do Evropské unie. Celkovým cílem tohoto hodnocení je umožnit zúčtovatelnost s ohledem na použití fondů Evropské komise a získat poučení pro rozhodování o zlepšeních předvstupní pomoci pro současné a budoucí kandidátské země. Toto hodnocení též umožňuje stručnou aktualizaci alokace prostředků po roce 2001.

#### Klíčová zjištění hodnocení

**Programy Phare se jednoznačně řídily přístupovými cíli, ale kvalita záměrů/řešení byla rozdílná.** Programy Phare se věnovaly potřebám a problémům, které se týkají povinností vyplývajících z členství v EU a byly plně v souladu s politikou vlády a přístupovými prioritami. Analýza potřeb byla dobrá. Projekty se jednoznačně řídily směrnicí Komise co se týče předmětů/tém, které mají být pokryty. Ale podrobnosti o projektech (project fiches) neměly vždy přiměřenou kvalitu, co následně vedlo k potřebě přepracování a změn v průběhu implementace projektu. Návrh projektů byl často vázaný příliš ambiciózními cíli a slabými indikátory dosahování cílů, hlavně u programů v letech 1999 a 2000. Národní strategické dokumenty často absentovaly v době vzniku návrhů na pomoc, hlavně v případě intervencí v roce 1999. V komplikovanějších oblastech, obzvláště v zemědělství, regionálním rozvoji a přípravě pro strukturální fondy, bylo těžké vyvinout národní strategii buď z důvodu nedostatku politického konsenzu, anebo proto, že požadavky EU nebyly v čase zásadního rozhodování dostatečně jasné. V mnoha případech bylo pozorováno zlepšení návrhů intervencí po roce 2001.

**Většina posuzovaných vzorových projektů může být považována za účelné.** Činnost klíčových hráčů programu Phare v České republice se postupně zlepšovala. Navzdory implementačním problémům, twinningová opatření přinesla pro většinu garantované výsledky, anebo byl jejich rozpočet snížen proporcionálně k dosaženým výsledkům. Některé projekty předvedly vynikající poměr vstup/výstup. Hlavními překážkami které nepříznivě ovlivnily efektivní výsledek twinningových projektů byl na české straně nedostatek kapacity na absorbování poskytované pomoci, a počáteční nepochopení koncepce twinningu. Avšak když byly splněny základní předběžné podmínky, pracoval twinning dobře a byl často využíván pro předávání pomoci, také v období po roce 2001.

**Většina projektů Phare v letech 1999-2001 dosáhla svoje plánované výsledky.** Nejúspěšnější výsledky byly pozorovány při intervencích Phare, které založily úplně nové instituce, nebo vyzvedly existující instituce na požadované úrovni. Investice do infrastruktury většinou přinesly plánované výsledky. Méně úspěšné byly projekty přinášející pomoc do politicky citlivých oblastí nespadaajících do acquis EU, například veřejné obstarávání, anebo zavedení zákona o státní službě. V oblasti hospodářské a sociální koheze, byly efektivně podporovány regionální iniciativy pro stimulaci hospodářského a sociálního rozvoje a schopnost České republiky generovat a implementovat strukturální fondy se rozvinula.

**Okamžitý a střednědobý pozitivní dopad byl pozorován na budování institucí a harmonizaci legislativy.** Dosažené okamžité dopady nepochybně pomohly při určení technických aspektů přístupu. Pokud jde o střednědobý dopad, velká většina celkových cílů se týká schopnosti převzít závazky členství a dodržování záměrů politické, hospodářské a měnové unie. Z tohoto pohledu byly závazná opatření zavedeny a uplatňovány ve smyslu budování institucí a harmonizace legislativy a Česká republika splnila požadavky svého členství.

Společensko-ekonomické dopady jsou sice tíže sledovatelné, ale jsou zjistitelné. Malé projekty většinou uskutečněné prostřednictvím grantových programů, buď v určitých regionech, anebo rozptýlené po celé zemi, vytvořily více pracovních příležitostí a zvýšily zavádění inovací, konkurenceschopnost a prosperitu. Větší projekty spadající pod technologická centra podporující hospodářskou a sociální kohezi, identifikovaly regionální silné stránky a využily je s pomocí vhodné strategie. Investiční iniciativy v sektorech životního prostředí a dopravy přinesly plánovaná zlepšení.

**Výsledky pomoci Phare v oblasti budování institucí jsou právně zabezpečené a životaschopné.** Právní rámec, který je základním předpokladem pro zlepšení existujících orgánů a zřízení nových institucí, je přiměřený, včetně dlouhodobých opatření pro institucionální financování. Avšak budování administrativní kapacity, to jest použití znalostí, odborných schopností a zkušeností získaných v implementačním procesu programu Phare, by mohlo mít lepší podporu. Hlavní hrozba pro administrativní udržitelnost je pokračující vysoká fluktuace pracovníků, hlavně na několika příslušných ministerstvech.

## Závěry

Závěry pokrývají celkovou činnost programu Phare v České republice a tři klíčové otázky:

- Jestli podpora Phare v praxi splnila *ex post* potřeby českých příjemců;
- Budování veřejné administrativy a soudní kapacity na aplikaci *acquis*;
- Podpora hospodářské a sociální koheze včetně přípravy na strukturální fondy.

**Celkově si Česká republika počínala dobře a ve většině případů byl program Phare efektivně využit na podporu technické přípravy na přistoupení.** Cíle českých programů Phare, národních programů a programů o přeshraniční spolupráci, v období 1999-2001 byly převážně splněny. Pomoc poskytovaná na podporu České republiky odpovídá závazkům vyplývajícím z členství, včetně přizpůsobení právního rámce, byla úspěšně absorbována, hlavně v oblasti životního prostředí, energetiky a sektorů vnitřního trhu. Podpora investic Phare se ukázala být dobře umístěna a v některých případech dokonce překonala původní očekávání. České instituce a jejich jednatele uskutečňují svoje úlohy v souladu se standardy EU a to částečně přispívá k efektivnímu využití dostupné pomoci Phare. Ale klíčový prvek pro úspěšné využití pomoci poskytované na posílení administrativních a soudních kapacit byl limitován velmi pomalým zaváděním a prosazováním legislativy o státní službě.

**Z *ex post* perspektivy pomoc programu Phare dobře splnila přístupové potřeby a uspokojivě poskytla podporu pro přípravu členství České republiky.** Posuzované programy se zaměřily přímo na identifikaci a určení mezer v právním a institucionálním rámci České republiky, na zvládnutí vyvíjejícího se *acquis*. V mnoha případech byly jednotlivé intervence plně v souladu s dokumenty týkajícími se přistoupení a národními strategickými dokumenty pro příslušný sektor. Klíčovým faktorem intervencí programu Phare v České republice byla praxe důkladné analýzy potřeb a posouzení existující dobré praxe. Většina posuzovaných intervencí se ukázala

být, při porovnávání výstupů a nákladů, dobře nastavená, ale existovalo několik výjimek, kde by efektivita z hlediska nákladů mohla být zpochybněna.

Legislativní a administrativní dopady, hlavně zřízení nových institucí, přizpůsobení legislativy a posílení administrativních kapacit, byly dobře nastavené a posuzované programy měly vliv na povzbuzení a podporu institucionální změny. Zatím co bezprostřední dopady byly většinou mírné, ale prospěšné, často zůstala nedořešena finalizace složitých a časově náročných činností spojených s budováním institucí. Střednědobý dopad programu Phare na budování institucí je jasně pozorovatelný v efektivně pracujících institucích. Výsledky pomoci a pracovní projekty fungují v souladu s plánovanými opatřeními. Sociálně-ekonomický dopad je identifikovatelný s ohledem na investice do infrastruktury, ale je méně viditelný než ostatní podporované oblasti a bude potřebovat čas, aby se výrazněji materializoval. Působení institucí financovaných z programu Phare se obvykle opírá o právní rámce a zajištěné rozpočty. V zemi existuje administrativní kapacita, ale v mnoha sektorech je křehká. Administrativní udržitelnost je omezena trvalou vysokou mírou fluktuace pracovníků, hlavně na příslušných ministerstvech.

***Program Phare poskytuje základní podporu na posílení veřejné administrativy a soudní kapacity na sektorové úrovni, ale více by mohlo být dosaženo horizontálně.*** Na sektorové úrovni vedla podpora programu Phare jasně k pokroku a pozitivním změnám, když pokrývala různé aspekty posilujících se administrativních kapacit. Čeští administrátoři jsou schopni plnit svoje úlohy na přiměřené úrovni podle podmínek členství. Avšak byly zmeškány příležitosti na uskutečnění prospěšných horizontálních reforem veřejné administrativy před přistoupením. To se ukázalo hlavně na případě pomoci Phare věnované reformě státní služby. Uvedení do platnosti relevantního právního základu pro reformu, zákona o státní službě, se v současnosti nepředpokládá do roku 2007. I když podstatná reforma státní služby se ještě neuskutečnila, pracovní metody okopírované od administrativ členských států a zavedení určitých norem EU pozitivně ovlivnily vzorce chování a pracovní metody českých státních administrativních orgánů.

***Podpora Phare pro hospodářskou a sociální kohezi byla jasně prospěšná, ale její rozsah byl limitovaný.*** Pomocí (pilotních) investic měly programy Phare pozitivní vliv na zlepšení společensko-ekonomické situace v příslušném mikroregionu, když stimulovaly růst a podporovaly kohezi. Podpora Phare přinesla užitečný, ale nerovnoměrný příspěvek k přípravě a testování nových struktur na poli strukturálních fondů EU. Avšak příležitost učit se, což bylo očekáváno od implementace intervencí typu strukturální fondy podle podmínek Phare, které se uskutečnily jak na centrálních, tak na regionálních úrovních na rozvoj administrativních kapacit pro strukturální fondy EU, zůstala převážně nevyužita. Realizační struktury pro strukturální fondy byly založeny s minimálním vstupem/transferem existujících zkušeností Phare. Pilotní testovací intervence Phare v dané oblasti byly nakonec implementovány až v čase, když už byly programy strukturálních fondů spuštěny, potenciálně podporující ty samé činnosti a tak se vytvořila konkurence mezi těmito dvěma instrumenty. Aktivní zapojení nevládních organizací (NGOs) do současného období strukturálních fondů zůstává omezeno.

Potenciál učení Systému rozšířené decentralizované implementace (Extended Decentralised Implementation System), pokud jde o rozvinutí zkušeností a zodpovědnosti pro řízení fondů EU, se dostatečně nematerializoval před přistoupením, protože čas na přípravu byl příliš krátký. Ukázalo se, že absorpční kapacita je úzkým místem pro efektivní využití strukturálních fondů v České republice, ale program Phare znamenal důležitý příspěvek pro zvýšení absorpční kapacity, hlavně tak jak byl realizován podle programu 2001.

## Doporučení

Pro využití klíčových zjištění a závěrů hodnocení, doporučujeme tři činnosti s ohledem na předvstupní pomoc plánovanou pro současné a budoucí kandidátské země.

**Doporučení 1: Systematicky prozkoumat dobrou praxi v etapě návrhu.** Komise by měla zvážit povzbuzení kandidátských zemí k systematictějšímu prozkoumání dobré praxe v etapě návrhu intervencí. Takové příklady dobré praxe, adaptované na místní poměry, by mohli být použity při návrhu projektů, bez potřeby „nového objevování“. To by též pomohlo definovat realističtější cíle a také kvantifikované a měřitelné indikátory na eliminaci, nebo plánování potenciálních rizik a na odhad klíčových předpokladů.

**Doporučení 2: Zlepšit řízení projektového cyklu (Project Cycle Management - PCM).** Na začátku přístupového procesu, pracovníci Oddělení koordinace pomoci a zástupci Komise by měli zpřístupnit požadované přípravné zručnosti a znalosti pro projekt a měli by aktivně pomáhat příslušným ministerstvům s přípravou projektů. Komise by měla povzbudit příslušná ministerstva k tomu, aby tak rychle jak je to jen možné ustanovily základní personál způsobilý na poskytování potřebných zkušeností a rad při přípravě projektu. Tato základní skupina by měla být pravidelně školená a kontrola kvality by měla být součástí priorit identifikovaného výcviku.

**Doporučení 3: Odhadnout absorpční kapacitu před intervencí.** Přístupová agenda by měla být nejenom deklarována jako nejvyšší priorita státní administrativy, ale ústřední státní administrativa musí mít připravenou absorpční kapacitu a k dispozici personál na plnění těchto úloh jako nedělitelné části svojí každodenní práce. Zdroje musí být zabezpečeny před spuštěním kteréhokoliv projektu a Komise by měla požadovat *ex-ante* odhad implementačních a absorpčních kapacit. Tato podmíněnost by se měla kontrolovat a v případě jejího nedodržení by se měly použít dohodnutá donucovací opatření.

České republice byly adresovány dvě další doporučení, jedno dává na zvážení efektivnější využití kapacit existujících nevládních organizací pro budoucí strukturální fondy, a jedno se týká použití existujícího výstupu z twinningových projektů Phare pro příští intervence v reformě státní služby.

## Poučení

**Poučení 1: Rozvinout a posilnit absorpční kapacitu pro využití strukturálních fondů před přistoupením.** Praktický přístup a výsledky předvedené projektem technické pomoci Phare implementovaném na zvýšení absorpční kapacity strukturálních fondů prokázaly potřebu odhadnout a zvýšit absorpční kapacity před přistoupením. Podle zkušeností České republiky, inovační přístupy a metodiky zahrnující a mobilizující energii a kapacity přijímajících partnerů projektu, byly jasně úspěšné. Takový typ projektu by měl být rozvinut podle potřeb současných a budoucích kandidátských zemí, aby dosáhl podstatně zlepšenou kapacitu, důvěru, autonomii, výkonnost a účinnost vývojových pracovníků projektu k datu přistoupení.

**Poučení 2: Podporovat a vysvětlovat nové nástroje pomoci s dostatečným předstihem.** Zavedení nových nástrojů pro intervence (jako twinning anebo „twinning light“ v posuzovaném období) by mělo být podporováno včas a dostatečně podrobným způsobem, aby se předešlo nedorozuměním a selhání projektů v době uzavírání kontraktů a implementace.

Složitost přípravných postupů a veřejných soutěží by měla být proporcionální k velikosti a složitosti intervencí.

***Poučení 3: Aby se uplatnil učící potenciál plně decentralizovaných implementačních systémů, tyto by měly být zavedeny v počáteční etapě přístupového procesu.*** Co se týče přístupového kalendáře, Rozšířený decentralizovaný implementační systém přišel příliš pozdě na to, aby přinesl nějaký učící efekt pro strukturální fondy. Při porovnání s učícími efekty, které vyplývají z programu SAPARD, kde byla plná decentralizace a následná (*ex post*) kontrola zavedena od začátku, byly v programu Phare ztraceny příležitosti, které mohly potenciálně dát přijímajícím institucím více zkušeností s určováním jejich zodpovědností po přistoupení.

## MAIN REPORT

### 1. INTRODUCTION

#### 1.1. Objectives

1. The purpose of this *ex post* evaluation is to assess the contribution of the 1999-2001 Phare National and Cross-Border Co-operation (CBC) Programmes to support the Czech Republic in meeting the Copenhagen criteria so as to facilitate its accession to the European Union. The evaluation will also include a brief reference to post-2001 allocations.

2. The evaluation of the Czech national and CBC programmes is one of a series of ten similar evaluations in the eight new member states, and in Bulgaria and Romania. The evaluations of the eight new member states will feed into a consolidated evaluation of Phare national and CBC programmes, which, in turn, will form part of a consolidated *ex-post* evaluation of the Phare programme.

#### 1.2. Background and Context

3. The key objectives of the Phare Czech national and CBC programmes during the period under review were to provide assistance in the following areas:

- The political criteria, including strengthening of the civil society sector and protection of minorities;
- Support for taking on the obligations of membership, notably in the areas of justice and home affairs (JHA), internal market, economic and social cohesion (ESC), transport, agriculture, environment, and employment & social affairs;
- Ensuring that Structural Funds can be implemented on accession in accordance with EU policy and procedures, with the maximum impact on economic and social cohesion;
- Adjustments of appropriate administrative and judicial structures so that the EC legislation is implemented effectively.

4. National and CBC Phare programmes amounted to around M€ 252 during the evaluation period (1999-2001).<sup>2</sup> The key sectors of assistance included CBC (roughly 35 % of funds), ESC and JHA (roughly 15 % each).

5. The Czech national programmes were subject to interim evaluations (IE) regularly undertaken by the EMS Consortium, which were summarised in a Country Phare Evaluation Review (CPER).<sup>3</sup> The key findings of the report were as follows:

- Phare has been effective as an instrument in supporting the accession process in the Czech Republic.
- Institution building had progressed well in many important *acquis* areas, and the use of twinning support was rated as a success.
- Extensive upgrading and modernisation of administrative and legislative practices and equipment was achieved in the JHA, environment and financial sectors.
- However, the report concludes that efficiency and effectiveness of Phare funding was hampered by poor preparation of most beneficiaries to absorb the assistance.

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<sup>2</sup> See Annex 1 for details. The programmes to be evaluated include the so called *Other Financing Memoranda*, which were implemented by national authorities and subject to previous interim evaluation, but excludes Community and nuclear safety programmes. The Czech Republic benefited from Phare-funded multi-beneficiary programmes, such as TAIEX and SIGMA, which are also outside the scope of this evaluation.

<sup>3</sup> CZ/CPER/03105 issued 10 February 2004.

### 1.3. Evaluation Questions

6. This evaluation focuses mainly on the outputs produced by the national and CBC programmes for the Czech Republic. It will assess the impact and sustainability of these outputs. The evaluation also assesses the effectiveness and efficiency of the national programmes' contribution towards the actual performance of services in the beneficiary country, taking into account EU standards as benchmarks where relevant.

7. Evaluation questions were established in a Terms of Reference (ToR) for the evaluation, and these were divided into performance evaluation questions, and thematic/cross-cutting questions (see Annex 1). The methodology is given in the ToR in Annex 1.

8. Following a sample approach this evaluation has its focus on the following eight sectors: Agriculture, Cross Border Co-operation, Economic and Social Cohesion, Energy and Transport, Environment, Internal Market, and Social Affairs. Details on the evaluation planning, including definition of the sample, are given in Annex 3. Evaluation indicators are presented in Annex 4.

### 1.4. Limitations affecting the evaluation

9. The level of analysis that could be achieved by this *ex post* evaluation was restricted by constraints in the field, namely the limited availability of data in country (no data was systematically collected by beneficiaries after project termination), limited availability of persons familiar with the key outputs (the main contact people were those directly implementing Phare, but results are often used by the technical persons in the background, see also Annex 8); the limited number and quality of questionnaire responses (see Annexes 6 and 9), as well as the use of a small number of sample projects and the limited resources available for the evaluation in terms of staff and time.

10. Impact evaluation has been constrained by a lack of data available at implementing agencies/sectoral ministries and institutions. Moreover, during the fieldwork for this evaluation, some final beneficiaries were reluctant to provide any feedback, explaining that they were too busy to deal with it. After the completion of projects, follow up of results and impacts is usually not requested nor considered by beneficiaries.

## 2. PERFORMANCE OF PHARE ASSISTANCE

11. This chapter starts by examining the overall performance of the 1999-2001 Phare national and cross-border co-operation programmes, followed by consideration of needs assessment and design, inputs, outputs, results, impact and sustainability. This review is set against the evaluation questions specified in Annex 1 and the indicators given in Annex 4.

### 2.1 Overall performance was good

12. The overall performance of Phare in the Czech Republic was mostly successful, achieving in the main a good level of results. Despite sometimes substantial difficulties in implementation and long delays, the Czech administration largely made effective use of the Phare support on offer. The performance of the key Phare players in the Czech Republic gradually improved. Institution building interventions in particular were often complex. After initial difficulties, most interventions progressed well and delivered the planned effects, especially through the use of twinning. The main risk to effective delivery was staff fluctuation, leading to absorption problems and sometimes uneven administrative sustainability.

### 2.2 Programmes were relevant but design was uneven

13. The 1999-2001 Phare national and CBC programmes were the main technical assistance tool supporting the Czech Republic's accession process to the European Union (EU). The programmes addressed the needs and problems related to the obligations of EU membership, in terms of legal and administrative compliance, and thus were fully in line with government policies and accession priorities. There were a few exceptions that did not strictly follow this pattern, where obligatory conditions were not defined exactly in the *acquis*, but where certain internationally recognised standards or good practices were set as objectives. This was observed for example in the areas of civil service reform and the support given to the Supreme Audit Office and to the tax administration.

14. *Phare design was driven by accession-related objectives*, particularly alignment with the *acquis*. This was reflected in programming that was closely aligned with the priorities of the Accession Partnerships (AP), the National Programmes for the Adoption of the *Acquis* (NPAA), harmonisation and compliance with EC regulations and international best practice, and the deficiencies identified in the Commission's Regular Reports.

15. National strategic documents were mostly absent at the time when the assistance was designed, particularly the 1999 interventions. Some of the sectors carried out a needs analysis (like environment) or had some internal overview/framework for future development prepared, but the majority of strategic sector documents were prepared at a later stage, often with the help of outputs from Phare projects.

16. The majority of projects had some needs analyses performed but their scope and quality varied a lot. However, the twinning on Integrated Pollution Prevention Control (IPPC) (see Box 1) was an outstanding example of a very thorough needs analysis. The approach taken for the design and implementation of this project can serve as a model of good practice.

17. Phare projects clearly followed the Commission's guidance in terms of subjects/topics to be covered, which was generally respected and accepted by the Czech authorities. Nevertheless, there were some cases identified where a common understanding was missing, and where the project was not able to achieve its aim, for example the 'Public Procurement' twinning (see 37, 49 and 68).<sup>4</sup>

18. **Design of programmes/projects was of uneven quality.** Basic programming documents were not always of adequate quality, which subsequently led to the need for re-drafting, and changes during project implementation. The design of projects was often constrained by over ambitious objectives, and weak indicators of achievement of objectives, especially for the 1999 and 2000 programmes. The importance of the quality of the project fiche for monitoring and evaluation purposes was obviously also underestimated.

19. There has been a progressive trend in improving the design of projects for the post-2001 Phare programmes. Overall, the quality of individual project fiches improved not only in terms of their technical content, but there was also better use made of lessons learned, including the feedback gained from the monitoring and evaluation process.<sup>5</sup>

20. The involvement of individual stakeholders in the process of needs assessment and design differed. The European Commission Delegation (ECD) in the Czech Republic was heavily involved in the design process providing a supplement for the lack of local knowledge. The ECD introduced training activities in co-operation with the Centre for Foreign Assistance (CFA), which resulted in design improvements for the 2001 programmes. Some project beneficiaries referred to the uneven co-ordination of the project approval process where contradictory comments were received from the Commission Services at Headquarters, the ECD and the CFA.

21. Conditionalities stated in programming documents were sometimes not applied or enforced as a consequence of political pressure, which meant that unwanted projects were completed without having the necessary guarantees for success in place, and were indeed not very successful (for instance the twinning 'Modernisation of the Central State Administration' was launched in the absence of a commitment to enforce the Civil Service Law).

22. The long delays between planning and implementation often meant that although projects remained relevant individual activities had to be re-planned. The overall development in accession preparation in the country progressed very quickly. These external circumstances often had serious consequences on the original project design, especially for administrative capacity and institution building activities. Project activities were always adjusted flexibly to

**Box 1: Good practice needs assessment**

The EU IPPC Directive has had a short history in most EU-15 member states, and the Czech Republic wanted an experienced partner for a twinning project CZ0006.01 'Implementing Structures for IPPC'. The Czech side carried out a thorough review of countries and information sources about IPPC operation. Dutch bilateral assistance was used to provide 14 days of a highly qualified Dutch expert whose knowledge and experience were utilised during the design phase. The basic framework in terms of the tasks and resources was understood well. An ambitious project fiche was drafted to support the Czech Republic in implementing the IPPC Directive and aligning already adopted but not fully harmonised environmental legislation. This exemplary preparatory work led to a successful implementation of the project.

Source: interviews

<sup>4</sup> See Final Report of the twinning project CZ/2000/IB/OT-04 'Strengthening Regulation and Enforcement of the Public Procurement Acquis in the Czech Republic'.

<sup>5</sup> See Country Summary Evaluation Report issued on 20 May 2005 by WM-Enterprise consortium.

respond to actual needs, although this did not mean that the originally stated objectives were fully met in all cases.

23. ***Most 1999-2001 Phare projects were delivered as twinning.*** The accession driven approach introduced many tasks that required the expertise and experience of public servants, mostly in drafting legislation or checking administrative structures for compliance. Twinning was therefore preferred by the Commission as the most appropriate tool of pre-accession assistance, and this was widely applied in the Czech Republic. However, an initial lack of understanding of the concept of twinning caused weak beneficiary support, and substantial difficulties in the first stages of introduction. For instance, in the agriculture sector, the expectations of the twinning partners were completely different. Whilst the Czech side did not know what exactly should be done, the EU-15 twinning partner refused to engage experts unless their tasks would be clearly specified. Although the beneficiary institutions knew about the legal obligations resulting from EU membership, the accession-based project work was not built into their daily duties and was often perceived as an additional burden rather than a central priority of the institution.

24. The post-2001 interventions, usually making use of twinning, continued to deliver satisfactory results. The beneficiary institutions that achieved very positive results had a clear vision of the project objectives and a commitment to achieving them, co-operated enthusiastically with their partners and had well-defined management structures and responsibilities.

25. ***Institution building twinning arrangements were often ambitious and complex,*** comprising different activities and involving several institutions. In some cases, individual parts of the project were split involving twinning partners from different countries with completely different systems, which demanded additional co-ordination effort to ensure compatibility of the created systems. The systems operating in the potential partner country (e.g. tax system) in terms of structure, legal environment and cultural background proved to be a very important selection criterion for twinning partners. Despite such design difficulties, the outcomes and results of twinning projects were mostly significant. They supported the establishment and operation of newly introduced institutions and adjusted existing legal framework. The most successful approach in utilising twinning was observed in cases where a project was designed to fulfil the accession obligation, the beneficiary institution was supportive and committed to participate, the operation of the sector did not substantially differ in comparison with the twinning country, and the selected partner performed well.

26. In exceptional cases, the planned twinning projects suffered from insufficient interest from EU-15 member states to participate or the low quality of the Pre-Accession Adviser (PAA). It is understandable that the best specialists are required by the home country, and cannot be released for long periods of time to assist other countries. Therefore from a design point of view, the introduction of 'Twinning Light' provided an elegant solution, where the specialists were only required on a short-term basis. Twinning Light was widely appreciated in the Czech Republic where it offered a flexible approach to projects. This instrument has been widely and successfully applied particularly under the 2002 and 2003 Phare allocations.

27. ***TA and grant schemes were well chosen for specific purposes.*** An example of a well-focussed Technical Assistance (TA) intervention was '*Finalising of structures and measures to increase absorption capacity at the national and regional level*', which successfully assisted project pipeline preparation for the Structural Funds (SF). An example of a well-chosen grant scheme was '*Productive Sector Investment Fund*'. Similar exercises were launched in the

social area where ‘*Promoting Employability – PALMIF*’ and ACCESS schemes were successfully realised by the National Training Fund (NTF) and the Civil Society Development Foundation (NROS).

### 2.3 Transfer of inputs into outputs was mostly efficient

28. ***The performance of the key Phare players in the Czech Republic has improved gradually.*** The focal point for aid co-ordination is the CFA at the Ministry of Finance (MoF). The CFA provides administrative support and is responsible for aid programming and planning, overall co-ordination, and monitoring and evaluation of foreign assistance. There has often been a high turnover of CFA staff at the working level, but since the CFA management has been stable over the years, sufficient experience was usually available to ensure proper operation. Decentralised monitoring introduced in 2001 is being performed by the CFA. Its current primary use is to provide basis for the preparation of the Implementation Status Report submitted to the Joint Monitoring Committee. Overall, the performance of the CFA has improved gradually.

29. The Central Finance and Contracts Unit (CFCU) performed well as an Implementing Agency for Phare contracts. The knowledge and experience accumulated over the years has proved to be very useful. The CFCU has also performed without any substantial difficulties since the launch of the Extended Decentralised Implementation System (EDIS). It has been entrusted with the financial management of new financial mechanisms.

30. The NROS and the NTF<sup>6</sup> are noteworthy implementation bodies. The NROS has successful long-term experience with implementing Phare in the area of civil society. In the post-2001 period (Phare 2002 and 2003) the administrative capacity of NROS was further developed. Its committed and knowledgeable staff and clear, detailed procedures, ensured that projects were administered efficiently. The NTF focuses on human resources development, including vocational education and training. Over the years, the NTF gained a good reputation in implementing *inter alia* the Pro-Active Labour Market Intervention Fund (PALMIF).

31. ***Originally planned contracting schedules were hardly achievable.*** Delays occurred in the preparation of twinning covenants which required subsequent adjustment or the cancellation of originally planned activities and new time schedules (see for example Box 2). For supply contracts, mostly dealing with information technology (IT), technical specifications became outdated by the time that tenders were launched, but such problems were gradually resolved. Frequent changes in EU procurement guidelines and processes contributed to delayed implementation and led to extended disbursement periods in some cases.

**Box 2: Severe adjustments for subsequent projects**

The immediate objective of ‘*Implementation of IACS*’ was the establishment of the IACS system operating in full accordance with the *acquis*. Due to the lack of sufficiently qualified staff, frequent changes of Czech project leaders, and other difficulties, only 30% of the originally planned activities were carried out. Some 40% of activities had to be reformulated and then performed. The final disbursement was reduced to 65% of the original allocation. A subsequent twinning ‘*Building CAP structures: IACS*’ was supposed to build on the basis prepared under ‘*Implementation of IACS*’, but it was decided to apply a simplified scheme and a great deal of the preparations was lost. The prepared twinning covenant did not entirely correspond to the actual needs. To catch up after the delays and have the IACS operational by accession, a large proportion of activities was outsourced to private contractors.

Source: Final report and Project Fiche

32. Phare interventions funded from 2002 and 2003 allocations suffered from similar efficiency difficulties. The actual timescale of programmes hardly corresponded to the

<sup>6</sup> NTF was established with Phare support in 1994 by the Ministry of Labour and Social Affairs.

plan in the project fiche. The main causes of delays were significant fiche revisions, contracting difficulties, which required repetition of the contracting cycle, changed contracting procedure (e.g. from twinning into technical assistance), and slow response by stakeholders during preparation and approval of terms of reference and tender dossiers.<sup>7</sup>

33. ***The desired outputs of the sample projects were achieved at reasonable cost.*** Despite the problems described above, the twinning arrangements delivered the guaranteed results for the most part, or their budgets were reduced proportionally to the achievements. The projects mostly brought added value in the form of significant speeding up of the preparations for accession. Some projects even demonstrated an excellent input/output ratio (see Box 3). Phare programmes were able to produce effective outputs in strengthening administrative capacity, and noteworthy results were achieved by institution building projects which established new bodies in line with the accession obligations.

**Box 3: Good value for money**

The 12-month project ‘*Finalising of structures and measures to increase absorption capacity at the national and regional levels*’ prepared a project pipeline for three Operational Programmes. It delivered the following outputs:

- 770 projects prepared (total value of ~M€ 500)
- Design of 177 projects or schemes completed
- 107 projects submitted for SF funding
- 65 recommendations to improve structures and absorption
- 133 were new projects replacing originally selected but ineligible ones
- Around 1895 beneficiaries involved
- 116 workshops conducted

Source: Final report

34. The overall commitment rate for the 1999-2001 programmes was very close to 100%, with the exception of the grant schemes where the full commitment was eventually reduced as some projects had to be cancelled shortly after contracting for various reasons. The final disbursement rate is slightly reduced mainly for the twinning interventions. Some 20% savings appeared in less successful or projects where the original scope of activities had to be redefined or adjusted.

35. ***Twinning suffered from lack of absorption capacity and sometimes difficult co-ordination.*** Lack of capacity on the Czech side to absorb the provided assistance, together with initial misunderstandings on the concept of twinning, were the main obstacles adversely influencing the efficient outcome of twinning projects. Difficulties also appeared when member state partners failed to deliver the agreed assistance or tried to apply their national practice without taking into account local circumstances (for instance the ‘*Tax Administration*’ intervention, where the Pre-Accession Advisor did not perform fully the obligations agreed in the covenant, to the dissatisfaction of the beneficiary). Such initial problems with twinning arrangements gradually diminished in most cases, and both parties later reported very good working relations. Important relationships, both personal and institutional, between Czech and member states partners, were established and maintained. The concept of twinning demanded much more involvement and commitment from beneficiaries than TA, but once it was accepted, real ownership was created which helped implementation and sustainability. Although the EU-15 member states were in the position of the more experienced partner delivering the assistance, they often found instances of good practice on the Czech side as well.

36. Co-ordination of complex twinning arrangements was often difficult. The twinning arrangements were substantial interventions with several components often running in parallel and their co-ordination was not an easy task. Co-ordination proved to be very important for the ‘*Water Framework Directive*’ (WFD) intervention because a number of related activities were performed by the Ministry itself, by subordinate research institutes, and by river basin

<sup>7</sup> See Country Summary Evaluation Report issued on 10 November 2005 by WM-Enterprise consortium.

companies. A part of the numerous activities in the WFD area were carried out by the International River Basin Committees, and another part under the respective twinning project. It proved impossible to co-ordinate such a wide scope of activities and numerous institutions effectively, and the ideas created did not always fit together in terms of time and content.

37. ***High staff-turnover and insufficient staffing levels represented the biggest obstacle for implementation*** of Phare projects in the Czech Republic, and subsequently influenced their effect and sustainability. These problems were most significant in line ministries, namely the Ministry of Agriculture (MoA), where only 35% of the staff involved in Phare implementation are still there, and the Ministry of Regional Development (MRD). The initial Phare projects establishing the Integrated Administrative and Control System (IACS) to support the Common Agriculture Policy (CAP) were assigned only five employees from the MoA to deal with project activities alongside their daily duties. Currently the Agricultural Paying Agency (APA), including its regional offices, has 650 staff members. None of the MRD staff involved in the 'Public Procurement' intervention is still working for the ministry.<sup>8</sup> Despite these shortcomings, the commitment and approach of the twinning partners and some enthusiastic Czech counterparts enabled the planned project outputs or guaranteed results to be achieved. Efficient delivery of post-2001 interventions still suffered from the same staffing problems but most of the sectors where institutions were newly created managed to stabilise their staff situation.

#### 2.4 Intended results in the main achieved

38. ***Phare 1999-2001 support has shown substantial results, increasing the overall performance of the Czech beneficiaries.*** Phare interventions brought in particular significant improvements to sectoral, *acquis*-related administrative structures, systems and resources. For the selected sample projects reviewed, the results achieved are summarised in Annex 5.

39. ***Phare interventions addressing completely new institutions or bringing existing institutions up to required levels achieved the most successful results.*** Such institution building activities represent an important part of the interventions dealing with the essential implementation of EU Directives. They were mostly implemented in one step, and although complex and ambitious, were successful. Promising results were delivered *inter alia* in terms of strengthening capacity for identification, programming and management of regional development initiatives, also in the context of SF. For such projects, a strong learning effect for the final recipients was evident. The grant scheme 'Promoting Employability', supporting the creation of new working opportunities and assisting unemployed or other disadvantaged groups, showed impressive results (in total 1,165 people were trained leading to the creation of 643 new working places).

40. ***Less successful were projects delivering assistance to politically sensitive and non-obligatory areas*** such as public procurement or the introduction of the Civil Service Act ('Modernisation of Central State Administration' intervention). This project suffered from the lack of political support. Although the contractor adopted a bottom-up approach and delivered an impressive number of activities, the outputs of the project have not materialised much as results.

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<sup>8</sup> The Twinning Final Report points out that almost all concerned staff in the MRD was lost during one year, which led to a severe decrease of absorption capacity. Step by step, the missing staff were replaced, but by the end of the project had partially changed again.

41. ***Infrastructure investment mostly brought the planned deliverables but additionality was not always clear.*** In the area of CBC and ESC, Phare support focused on the support of investment projects such as construction of industrial and business parks, and transport and environmental infrastructure. The preparatory period of these projects was usually long because of complexity of project documentation, acquiring building permits and securing co-financing. The co-financing of these projects came from several sources – state, regional, municipal budgets and/or other donors - but in general local authorities had no substantial difficulties to secure the required funding. The implementation of the projects was generally smooth and the original aims were achieved. A huge proportion of the environmental investment projects provided funding for the construction of sewerage and wastewater treatment plants (WWTP) in line with the legal obligations. Although such interventions undoubtedly bring ecological benefits, they raise a question on the added value of Phare support, as such funding could have been - at least during the last years before accession - covered from other sources (banks, international financing institutions, state support schemes, and revolving environmental funds). Moreover, the cross-border effect of investment projects is marginal. The attraction of tourists or business exchange as a consequence of reconstructed roads is not documented and therefore difficult to judge.

42. ***In several cases, synergy and catalytic effects enabled the achievements to exceed the original expectations.*** Establishment of innovation centres for high-level research activities, working together with universities and research institutes had positive catalytic impacts on the scientific and innovation activities of the whole region. This was observed *inter alia* for the 'Science and Technology Park' intervention, where the existence of the university in the close proximity brought positive effects. The ideas on co-operation between private business companies and the university have fully materialised and proved to be mutually very beneficial.<sup>9</sup> The new facility was fully occupied shortly after its completion.

43. For the sectors under review, the key improvements in the respective sectors are summarised in the following paragraphs.

44. ***After certain delays Phare assistance to the Agriculture sector was effective.*** The key result for Phare has been the accreditation of the Paying Agency and the start of its full-scale operation from accession onwards. Strategic sector documents for the period 2004–2006 (Sector Operational Programme Agriculture and Horizontal Rural Development Plan) were adopted based on twinning assistance. The results in this sector required a long time to materialise due to numerous implementation difficulties. The initial period was troublesome with an absence of political commitment, insufficient staffing leading to low absorption capacity, lack of experience with project management, initial misunderstanding of the twinning concept, and late decisions on policies. The numerous complications that arose had to be overcome with an enormous commitment and effort of a small team.

45. ***The planned results of the Cross Border Co-operation projects were achieved in the main,*** that is, economic development in selected border regions. Economic stimulation was *inter alia* successfully introduced in South Bohemia by the establishment of the Nove Hradky Biotechnology Centre. The complementary (joint) small project funds stimulated local initiatives although they brought limited resources into the border regions for developing co-operative networks on both sides of the border. Investment projects in the border regions were an important part of CBC, and roads and environmental protection were improved. The

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<sup>9</sup> Students benefit from practical experience during lectures and are involved in the operation of business companies as part-time employees or running their own small businesses.

physical infrastructure brought the expected benefits on the Czech side, but no indication is provided if equal or similar benefits occurred on the other side of the border.

46. ***The results achieved of projects within the ESC sector partially met the original expectations***, aiming at increasing Czech capacities for generating and implementing SF projects or at fostering regional initiatives for stimulating economic and social development. Small-scale employment measures and economic investments were successfully tested, and enabled an increase in local employment and an increase in the competitiveness of the involved local companies. The preparatory work for the design, management, and implementation of future SF interventions delivered effects mainly at the final beneficiary level, whilst the intended learning aspect at the central level was less visible.

47. ***Support to the Energy and Transport sector brought clear results on institution building activities related to the acquis***. Phare supported the establishment of sectoral key institutions which now perform their tasks as energy sector regulator or operator with respect to participation in the EU internal energy market. For instance, operation of the independent Czech Electricity Market Operator was improved so that it could function in line with the new Czech Energy Act and in compliance with the EU *acquis*. The Phare intervention enabled the Electricity Market Operator to set-up and to control electricity trade efficiently, and to organize the spot market in electricity.

48. ***Assistance provided for the Environment sector effectively assisted the Czech Republic to comply with the acquis provisions***. Twinning projects resulted in *inter alia* effective transposition of the legal framework in the field of water policy, river basis management planning, regulatory control and monitoring in accordance with set deadlines; and ensured permitting, controlling and monitoring in accordance with the IPPC Directive. *Ex post*, it can be seen that the completed infrastructure investments are delivering the planned benefits to the environment.

49. ***Successful interventions in the Internal Market sector resulted in transposition and implementation of horizontal and vertical EU Directives***, as well as in the establishment of the properly functional institutional framework required for the single market and its freedoms. Phare activities resulted in adjustment of the internal financial control system to ensure the performance of the tax administration in accordance with the EU standards. External financial control functions were strengthened in terms of standards and methodologies, and performance auditing was successfully introduced through twinning. With the help of Phare, an independent national regulatory authority was set up and performs the regulation of the telecommunication sector in line with the *acquis* requirements. Despite troublesome project implementation, the Public Procurement Act was eventually adopted in 2004 and put into force. The outputs of the corresponding twinning project however, were only partly utilised (see 17 and 37).

50. ***Phare support to Justice and Home Affairs delivered its expected results, except the sub-area of civil service reform***. The Phare support addressed the compulsory measures for the introduction of Schengen regime at the borders, and the politically sensitive topic of modernisation of the central state administration. The investment given for Schengen and border management resulted in improved security at the borders, and access in police premises to the National Schengen Information System. However, the intended effects from the 2000 intervention addressing '*Modernisation of Central State Administration*' are not visible, because although the project outputs were incorporated into a draft Civil Service Act, this Act

is still not in force, and the expected results in the form of increased capacity, effectiveness and efficiency did not materialise to any great extent.

51. ***Assistance given to the Social sector achieved a good level of results***, including strengthened capacities to implement the *acquis* in the co-ordination of social security and pensions schemes, improved education of Roma population, and promotion of the implementation of the *acquis* in policy areas where the third sector plays an important implementation and advocacy role. As part of the Phare effects the operation of pension services was harmonised well with the *acquis*. The Phare Roma interventions clearly benefited the preparation of legislation, which introduced several measures improving Roma education - Roma assistants, pre-school education, whole-day care, and abolishment of special schools.

## **2.5 Positive immediate impact and intermediate impacts, but limited socio-economic impact**

52. ***The immediate impacts achieved clearly helped the Czech Republic to comply with accession requirements***. Improvements in legislative and administrative structures, systems, infrastructures and resources were noted in all sectors, and could at least be indirectly attributed to Phare support. This has been found particularly helpful in promoting and supporting institutional change in an accession related context. There were good immediate legislative and administrative impacts, particularly with alignment of legislation, strengthening of administrative capacities, and setting up of new institutions (the Agricultural Paying Agency, Energy Regulatory Office, Electricity Market Operator, Czech Telecommunication Office, and the IPPC Agency).

53. ***Intermediate impact observed for institution building and implementation of legislation***. The intermediate impacts are clearly beneficial in the *acquis*-driven sectors, relating to the ability to take on the obligations of membership and adherence to the aims of political, economic and monetary union. The intermediate impact of Phare institutional building projects is observed where efficiently working institutions positively influence their counterparts. For instance, in the environment area, a specific intermediate effect can be seen in Czech industry, which is now much more aware of the common rules for permitting and controlling industrial installations to EU standards, and in agriculture Phare has positive intermediate impacts on strategic sectoral needs such as food safety control and restructuring of Czech agricultural and food entities. However, slow progress in effective public administration reform has sometimes weakened intermediate impact.

54. ***Socio-economic impacts are small but identifiable***. Small interventions mostly delivered via grant schemes,<sup>10</sup> either in certain regions or scattered all over the country, created more working opportunities, and increased innovation, competitiveness,<sup>11</sup> and welfare. They also supported civil society, human rights etc. but the impact is difficult to quantify. Larger interventions supporting technology centres,<sup>12</sup> identified regional strengths and made use of them with an appropriate strategy. Investment initiatives in the environment and transport sectors delivered the intended impacts. Although the figures to justify such assessment are mostly missing, it is evident that the operation of sewerage networks and WWTPs both in large cities and in villages substantially improved the quality of river and ground water (see 58).

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<sup>10</sup> e.g. 'Promoting Employability', 'Productive Sector Investment Fund', and 'ACCESS'.

<sup>11</sup> One questionnaire reported a new technology enabling the benefiting company to move from the category "sewing workshop in the far east" to the category "high technology production".

<sup>12</sup> e.g. 'Science and Technology Park Ostrava' and 'Biotechnology Centre'.

55. ***There were a number of unexpected impacts from the twinning instrument***, which were appreciated by most of the interviewed partners across many sectors (see Box 4). Moreover, in a number of cases Phare has catalysed funds from national funds, IFIs and other donors through studies, capital grants, guarantee schemes and credit lines.

56. ***Phare 1999-2001 support has shown significant impacts for all sectors under review***. There have been generally positive immediate and intermediate impact, although limited socio-economic impact observed. Performance in areas supporting civil service modernisation and public procurement has been disappointing. Further details of intermediate, socio-economic and global impacts of Phare for the individual sectors under evaluation are given in the following paragraphs.

57. ***The most significant impact of the Phare agricultural interventions is the provision of EU subsidies to Czech farmers for CAP market mechanisms and rural development***. Currently the APA processes 20,000 applications annually under the Single Area Based Payment Scheme and 20,000 applications on rural development.

58. ***Most Cross-Border Co-operation projects produced effects of importance at municipal level***. Environmental investments in the form of newly built or modernised sewerage networks and WWTPs made visible impacts shortly after project completion. Once the WWTPs were put into operation, the quality of water in the respective rivers improved rapidly. Transport projects also delivered an intermediate impact, allowing more intense transport in border areas or at border crossings, indirectly stimulating business activities. The level of safety on these roads has improved.

59. Global cross-border impacts from investment projects in the sector remain very limited but there have been positive exceptions. For instance, the project to support the Nove Hradky Biotechnology Centre to collect advanced technologies and to promote innovative approaches so far exceeds the original intentions. The cross-border and international conditions created have benefited the economic growth in the border area (see Table 1).

**Box 4: Unexpected positive impacts from twinning**

- The majority of the beneficiaries reported that the most positive unintended impact of twinning was the excellent mutual relationship with the twinning countries. These relationships are maintained formally and informally both at an institutional and on a personal basis. In several cases after accession, the Czech institutions joined their previous twinning partners and submitted joint offers for the assistance to new candidate countries.
- The twinning was often beneficial for both sides. There were cases where the EU-15 partner found good Czech good practice, and ways were sought to apply the Czech experience in the EU-15 member state administration.
- Another unintended impact has been the “gained communication skills”. Traditional inter- and intra-institutional communication barriers were broken with the appearance of twinning partners who were open to provide any skills, knowledge and information, including highlighting and demonstrating the importance of communication within and among institutions.
- Various assisted institutions became members of international organisations, often directly or indirectly stimulated by the EU-15 twinning partners.

Source: Interviews

Table 1.- *Planned and achieved effects - CZ0111.01 Nove Hradý Biotechnology Centre*

Indicator	Planned by project end	Achieved by 02/2006
International workshops and conferences (man-days in the period January –March 2006)	570	635 (1300*)
Czech – Austrian post-graduate programme 05/06 (man-days)	90	260 (1100*)
Summer education courses 2006 (participants)	240	1831
University study programme physics and biophysics	-	31 students
University study programme informatics and electro-technology	-	12 students
Employees (originally 49 people)	65	139
Cooperation agreements with the industrial companies	5-10	9
Agreements with universities and research centres on educational cooperation	5	8

\* expected by the end of the 2006.

60. **ESC institution building had mixed impacts on putting in place the relevant administrative structures.** Phare has been the key donor in the ESC sector in preparing the Czech Republic for Structural Funds (SF). Phare assisted effectively in setting up the basic architecture of managing authorities, intermediary bodies and paying authorities at relevant ministries and institutions, thus resulting in positive immediate and intermediate impact. Further substantial interventions have been provided under 2002 and especially 2003 Phare programmes. The Czech Republic is now utilising SF and the Cohesion Fund as a member state. Despite a number of difficulties at the beginning, progress in SF implementation is basically assessed as good by the European Commission. The 2004 annual reports on implementation of SF and Cohesion Fund<sup>13</sup> confirmed that management and control systems of all ten new member states, including Czech Republic, were in principle in conformity with the standards required by Community legislation. Furthermore, the Commission concluded that in the main, during the year 2004, effective actions were undertaken by the new member states to tackle the deficits identified when joining the SF and Cohesion Fund.<sup>14</sup>

61. The originally intended impact in relation to the creation of administrative framework for regional development and co-ordination of structural and cohesion funds was achieved, but not much can be directly attributed to the Phare assistance. This is even more so for post 2001 interventions, where Phare and SF run simultaneously.<sup>15</sup> Although all of the implemented projects referred to the creation of the structures and mechanisms for the delivery of the future EU assistance (i.e. SF), the pilot testing exercise was actually implemented by Phare structures using Phare procedures, and these were not subsequently used to implement SF interventions. Thus, the intended learning potential of this exercise was not realised as demonstrated by the PALMIF interventions (see Box 5). The most significant effect was

**Box 5: Insufficient use of Phare for SF**

The Pro-Active Labour Market Intervention Fund (PALMIF) was launched in 1992 as a centrally managed project. The centralised approach was gradually reduced and regions – District and Regional Labour Offices - were entrusted firstly with the selection of projects, and later with monitoring and control tasks. Eventually 68 out of 77 districts in the Czech Republic were involved in PALMIF projects and voluntarily carried out the work besides their daily duties. Meanwhile 14 Regional Labour Offices function as final beneficiaries of ESF funds, and ESF Departments were created in the Labour Offices with mostly new staff, which carry out project selection, monitoring, control, financing and management. This lowest level generally did not work in the past on PALMIF projects, but now has to perform a crucial part of ESF activities.

Source: Interviews

<sup>13</sup> The most recent ones currently available.

<sup>14</sup> Source: Annual Report of the Cohesion Fund 2004, COM(2005) 544 final, and 16<sup>th</sup> Annual Report on Implementation of Structural Funds 2004, COM(2005) 533 final.

<sup>15</sup> See for instance Country Summary Evaluation Report, dated November 2005.

always the positive local impact of newly created work places, introduction of new technologies etc. as well as the benefit for the end-users (grant applicants) who gained experience with project preparation and implementation in accordance with the applied guidelines.

62. A positive unintended impact of the eight-year experience gained from the management of various PALMIF schemes was the incorporation of active labour market policy tools into the amended legislation applied for ESF. When referring to unintended positive impacts, the beneficiaries mentioned also improved communication among Labour Offices as a side effect of Phare projects where their co-operation was required. In addition, promotion and raising awareness of the EU and the principal benefits of the ESF, appeared as a positive but unplanned effect.

63. The wider impact of the SF preparatory activities is positive but difficult to assess in detail. For instance the intervention '*Finalising of structures and measures to increase absorption capacity at the national and regional levels*' is unclear. Although the technical assistance professionally prepared projects eligible for SF funding, the Ministry of Regional Development (MRD) did not possess information on how successful these projects were in receiving SF funding. Information made available by the MRD indicates the current overall SF status at the end of 2005 with roughly 50% commitment rate and 10% disbursement rate. The contribution to these overall figures of SF projects prepared under the relevant Phare intervention could not be assessed in the absence of complete and comparable beneficiary information.

64. ESC investments impacted positively on the improvement of the socio-economic situation in the micro-regions, stimulating growth and fostering cohesion. Expanded Technology Parks created conditions for active inter-connection of scientific research and business activities. Young and innovative local high-tech SMEs have been attracted by Technology Centres, thus offering interesting opportunities for local talented young professionals (see Box 6).

**Box 6: Socio-economic impact – Science and Technology Park Ostrava**

Apart from the created work opportunities, the positive development of the project '*Science and Technology Park Ostrava*' also reduced the brain-drain in the region, increased the attractiveness of the area for new technology-oriented companies, and provided a suitable base for spin-off and start-up companies. Co-operation with the local Technical University is excellent. The university has been drawn deeper into industrial research and development activities, far exceeding the original expectations. The quality of education in informatics is much appreciated due to the close co-operation with the Park, and the preparation of a new faculty building is considered as a positive unintended impact.

Source: interviews

65. ***Institution building in the Energy and Transport sector delivered valuable impacts.*** As a direct consequence of Phare support, key sectoral institutions are established and performing their tasks in regulating the energy market and balancing the spot market. The global impact will appear more strongly through opening of markets in the fields of energy, gas, electricity, and telecommunication services, which should eventually reduce the price for the end-user and provide higher quality of services in a few years time.

66. ***Phare assistance to the Environment sector has managed to make a broad package of various impacts.*** Support focused on the implementation and enforcement of very complex environmental EC directives – such as IPPC and WFD. The longer-term impact of this assistance will materialise in reduced pollution and higher quality of water. Important direct features of the environmental legislation are transparency and involvement of the public, providing a positive incentive and motivation for introducing measures improving the

environment, rather than the application of sanctions. The final and most noteworthy global impact that should materialise is thus a change in thinking and behaviour concerning the environment and its sustainable protection. Valuable project management and financing experience were acquired by the beneficiaries, to help them realising environment investments under the Instrument for Structural Pre-Accession (ISPA) and, after accession, under the Cohesion Fund.

**67. *Most interventions in the Internal Market sector brought good impacts.*** Interventions were focused on the adoption of European standards/good practice, addressing many heterogeneous sub-sectors. The most valuable impact of the assistance given to tax administration was the adoption of a client-oriented attitude and understanding that taxation has to apply business principles. The application of standards and introduction of new methods and tools resulted in broader benefits for Czech citizens in the form of more efficient utilisation of public money. A similar socio-economic impact would have been desirable from the 'Public Procurement' twinning, as public procurement is one of the cornerstones of the single European Market. However, at the time of project implementation, this topic became the subject of political disputes and therefore the Act on Public Procurement was adopted only in 2004, and the Phare intervention, including a later Phare follow up, has impacted only marginally on the provisions of the Act.

**68. *Impacts in the Justice and Home Affairs sector will become more evident over the next few years.*** The intermediate impact of the substantial Phare investments for Schengen preparation and border management will fully materialise with the introduction of the Schengen regime in 2007. In the longer-term perspective, when the Czech Republic has joined the Schengen area, the Phare contribution will have a positive global impact not only on security but also on the free movement of goods, services and human resources and on reduced transaction costs for business and society.

69. There are still not many effects resulting from the Phare assistance to modernise the Central State Administration. Support to this politically sensitive area did not produce much tangible impact so far, mostly due to the absence of continuous political and managerial support in the area of public administration reform. The effects of most of the post-2001 Phare interventions in this area are hampered by the same unfavourable circumstances. Some efforts to modernise the Czech state administration are visible in certain areas (e.g. e-government and provision of services via a web portal), but more systematic measures in civil service reform fostering impartiality, professionalism, human resources development of state administrators etc. are still missing. Their expected introduction in the future will be the subject of political priorities and thus again difficult to predict.

**70. *In the Social sector, intermediate impacts are mixed, constrained at times due to insufficient political will,*** for example to establish the Social Insurance Agency. Nevertheless the existing institution, the Czech Social Security Administration, was able to adjust its performance to a required level with Phare support, which effectively strengthened financial transparency and supervision procedures of the public pension schemes. In the longer term this will lead to increased security and sustainability of the overall pension system, and through this to social and economic cohesion. The most visible intermediate impact is the increased quality of services provided to clients.

71. The integration of Roma, although obviously progressing, is difficult to quantify, as provision of figures on Roma population is considered discriminatory. The access to education is much better due to measures introduced in the new Education Act. The Czech Republic has been one of the Phare countries where effective steps have been taken to introduce an element of multiculturalism in the education curricula.<sup>16</sup> Various national support schemes were introduced to provide financial assistance to Roma children studying at secondary schools. In the long-term perspective, these measures should make a positive impact in reducing the unemployment rate of the Roma population. The originally observed prejudice against Roma population is also diminishing.

**Box 7: Making young disadvantaged people fit for life - micro-impact from an ACCESS project**

The aim of one ACCESS project was to help young people who grew up in alternative care or diagnostic institutions, which they have to leave after at 18 years. The project activities included teaching these people basic and very practical knowledge needed for life, not dependent on social or charity welfare. The total number of clients was 11. Clients are supposed to stay a year and then should be able to look after themselves or can ask for extension. Each client has its own assistant who was available to join him/her for any activity or provide advice. Psychological counselling was provided. While unemployed, the clients had a temporary opportunity to work in sheltered workshops or farms. Later more effort was spent on looking for an adequate job for the clients outside the isolated community, to make them more socialised. Gradually they gained social and working habits and were able to manage their personal finance. Three clients moved from the house. Ten of them obtained a job, and one is still studying. All of the clients maintain contact with their assistants, even after they leave.

Source: Final report

72. Most grant recipients of ACCESS continue to monitor progress after completion of the projects. The more substantial (macro) projects mostly dealt with disadvantaged and handicapped groups, and these clients usually stay in close contacts with the project staff (see Box 7). Phare's intermediate impact is positively influenced by the overall situation of the third sector in the Czech Republic. According to latest independent assessment,<sup>17</sup> the reputation of NGOs has continued to grow, with roughly half of the population characterising NGOs as influential in helping to solve society's problems.

## 2.6 Institutional reforms mostly sustainable

73. *The results of Phare assistance in the area of institution building are legally secured and viable.* The basic pre-requisite for the establishment of new institutions, the legal framework, is in place. New EU institutions are mostly established as regulatory bodies for the opening markets, which were originally dominated by the monopoly state institutions. Because of the on-going development in liberalisation of EU markets, their importance will increase in the near future and institutional sustainability is thus secured in principle (see Box 8).

**Box 8: Institutional sustainability**

The **Czech Telecommunication Office**, established on 1 May 2005, provides state administration in the area of electronic communications and postal services, including market regulation and the determination of business conditions to substitute for the missing effects of economic competition. It provides conditions for appropriate functioning of economic competition and for the protection of users and other market actors until a fully competitive environment is achieved. Like other central bodies of state administration, the Office has a separate chapter in the state budget, and is an accounting entity. This set-up of competencies and finance allows for a stable institutional performance.

Source: Czech Telecommunication Office

<sup>16</sup> See in this context also Thematic Interim Evaluation Report 'Review of the European Union Phare Assistance to Roma Minorities', dated December 2004.

<sup>17</sup> Source: Freedom House; Nations in Transit – Czech Republic (2005)

74. ***Administrative sustainability is constrained by the continuing high turnover of staff,*** mainly in ministries. With the exception of a few cases where people were promoted or are still working in the same area but for a different state institution, the civil servants in ministries involved in the sample projects have moved, reducing the sustainability of the Phare results. For example: only 25–30 % of trainers trained on quality management in the project ‘*Modernisation of Central State Administration*’ currently work as trainers; none of the people originally involved in the public procurement project are working there any longer; and the agriculture twinning had four project leaders during its implementation period. However, the staffing situation in the state owned institutions, and/or newly established agencies, such as Telecommunication Office of Energy Regulator is more stable.<sup>18</sup>

75. Administrative capacity building, that is the utilisation of the knowledge, skills and experience gained in the Phare implementation process, could have been better sustained. The parallel existence of the different Phare and SF structures did not enable the transfer of know-how from one to the other. This was in contrast to the operation of ISPA and SAPARD,<sup>19</sup> which served as more effective bridging tools to the Cohesion Fund and the European Agricultural Guidance and Guarantee Fund (EAGGF), preparing staff both under pre-accession and post-accession conditions. Most of the SAPARD staff are now also to run the EAGGF.

76. Administrative sustainability is also adversely affected because the civil service does not have sufficient independence from political influence, which often leads to personnel changes. In addition to political nominations, the main threats to sustainability are seen as low motivation, lack of incentives and low salaries in the civil service.

77. ***Sustainability of Phare implementing bodies is mixed.*** The two Implementing Agencies managing Phare assistance in the social and non-profit sector (NTF, NROS) have been developed into highly professional organisations with qualified staff and immense experience in managing grant schemes (including financial control mechanisms, developed monitoring systems and a huge network of co-operating institutions). The NROS has developed a very detailed monitoring system and carried out an internal evaluation of ACCESS, which is most likely the only example of internal evaluation performed within Phare in the Czech Republic. However, their involvement in SF operations is rather limited.

78. The Phare national aid co-ordination unit faced the same problems as other ministries but this was less true for the CFCU, which has performed very well. The CFCU has extensive experience with financial management, procurement and contracting matters. It continues with the financial management of Transition Facility and other financial assistance (Norwegian funds). The numerous changes in procedures introduced by the Commission Services were managed well, and even the introduction of EDIS shortly before the end of Phare assistance did not have any negative consequences. Contracting was managed without any substantial delays although the process was halted for a few months.

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<sup>18</sup> Nevertheless, the Country Summary Evaluation Report on the Czech Republic from November 2005, points out that ‘... *High staff turnover in government institutions remains the single biggest threat to the sustainability of Phare institution building assistance ... this could change when eventually the Civil Service Act is introduced.*’.

<sup>19</sup> SAPARD: Special Accession Programme for Agriculture and Rural Development.

### 3. THEMATIC/ CROSSCUTTING FINDINGS

79. Having examined overall and sectoral performance of the Phare programme in Chapter 2, this chapter reviews progress made with the support of Phare towards three key thematic areas of the pre-accession strategy:

- Phare's factual contribution to the Czech Republic's improved performance in the pre-accession process,
- Building public administrative and judicial capacity (PAJC) to apply the *acquis*, and
- Supporting ESC and the preparation for Structural Funds.

80. Positive effects have clearly materialised for the first key objective and Phare support has been instrumental in improving performance in many accession-related areas. Results and impacts for building PAJC at the sectoral level have positively materialised and many sectoral projects also brought horizontal benefits. However, the crucial area of civil service reform is still waiting for substantial progress in the Czech Republic. Not much effective use has therefore been made in this area from the Phare support on offer. The Czech Republic has been supported to utilise SF under member state conditions, but the intended learning effects have only partly materialised with respect to central and regional administrative capacities. The role of Phare in effectively tackling SF absorption capacities has been clearly beneficial.

#### 3.1 Phare improved the performance of the Czech Republic's pre-accession process

81. ***From an ex post perspective, Phare effectively addressed technical accession preparations.*** Phare has clearly fulfilled its role as the accession-driven technical tool assisting the Czech Republic to manage and speed-up the accession process. Activities were carried out to comply with the membership obligations in terms of legal harmonisation and institutional capacity building, and the achievements today are visible. The beneficiaries highly appreciated the contribution of Phare assistance that focused on the harmonisation of primary legislation, preparation of secondary legislation, preparation of operational guidelines and methodologies, training of people (using seminars, workshops, internships, and study trips), and the establishment of information systems. Investment projects were complementary to these activities and provided necessary equipment and construction of facilities needed to enforce the new legislation or to promote socio-economic development.

82. ***Twinning operations provided the support needed to understand the acquis correctly and translate it into operational practice.*** The EU-15 member state administrations were able to share their experience and effectively assisted with the set up of systems and structures. The investment support secured provisions of complementary funds to cover the supply and construction of identified priorities. The accession process would have proceeded at the lower pace in the absence of Phare funding, and some of the activities would not received support at all.

83. ***The networking effect of the twinning process was highly appreciated.*** Although this was a side-benefit of twinning projects, the established relationships are valuable and extensively utilised. The former twinning partners are still contacted to provide *ad-hoc* assistance. These relations are especially beneficial between neighbouring countries dealing with common problems e.g. customs, or environment (protected areas, river basins etc.).

84. ***The Czech administration can perform its tasks at a reasonable level.*** Despite the continuing high rate of staff turnover, absorption capacity has been improving and the Czech Republic administration has been enabled to perform its tasks in accordance with member state

rights and obligations. A contribution to building Czech self-confidence, according to interviewees, was the discovery that some of their systems and methodologies were such good practice that the twinning partners were able to learn useful lessons. However, apart from managing the EU agenda, no substantial improvements took place in the civil service as such.

### **3.2 Successful but mixed contribution to improved administrative and judicial capacity**

85. ***The Czech Republic recognised public administration reform as a priority in 1998.*** Key responsibilities for strategies and implementation were then given to the Ministry of Interior where an autonomous Public Administration Reform section was established under a Deputy Minister. Government resolutions were adopted based on the strategies and numerous acts came into force relating to administrative decentralisation. Territorial reform was the main focus in these earlier years, supported by Phare. Phare support to the area has been provided steadily. Whilst the sustainability of earlier Phare support to civil service reform was weak due to the lack of an adequate institutional framework, considerable efforts have been made by the Czech authorities to address the shortcomings in the legislative and institutional environment. Recent Phare support (including the sample project *Modernisation of the Central State Administration*) was in principle planned to make substantive contributions towards implementation of the major legal basis for effective modernisation of the Czech administration, the Civil Service Act.<sup>20</sup>

86. ***The institutional and administrative set up for EU membership was established despite the absence of effective civil service reform.*** During the accession negotiations, the Czech Republic formally accepted the suggestion from the Commission and provided a revised specific legal framework for its civil service with the parliamentary approval of the Civil Service Act in May 2002, setting the basic legal status of civil servants. The intention of the Act was to create an independent, transparent, stable, liable, professional and non-political public administration, and to introduce open recruitment procedures, training and a standardised remuneration system. However, this reform has not been top of the government's priority list, and the Act has still not entered into force. The formal explanation was that the Act contains measures which would lead to an increase of the salaries of the civil servants totalling to 6 billion CZK (approximately 200 M€) and due to the financial burden caused by the floods, no room was left in the national budget. The original planned date of entry into force - January 2005 - was postponed. A political opinion was also expressed that adoption of the Act would lead to stabilisation of the current state in the central state administration, which would not be acceptable. The postponement of the Act should thus provide the time to modernise the civil service. The current target date is set for 2007.

87. ***A more effective civil service reform process has started only post-accession.*** At the time of this evaluation the Czech Government Office has prepared and started to implement 21 different projects to modernise the Czech civil service, although no visible results are observed so far. The government has started to reduce staffing levels, and 250 employees have had to leave their jobs, according to an audit by the Ministry of Finance. Human resources standards have improved at central level, thereby enabling an increase in the quality of administrative decisions. However, lack of prestige and relatively low levels of remuneration weaken the ability of the administration to retain employees. As a result, staff turnover is high and forces

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<sup>20</sup> For instance 2003 Phare assistance is being delivered in the area of state administration. Effective delivery also requires the endorsement of the status of the Institute of State Administration, which only comes into force with the Civil Service Act.

the different services to organise frequent training for their newcomers.<sup>21</sup> This unfavourable situation appears particularly in the ministries that play a crucial role in SF implementation.

88. ***In individual sectors, the level of technical knowledge and managerial skills has substantially increased with the help of Phare.*** In general, the administrative capacity in the country exists but is fragile due to the absence of a stable civil service. In particular, the situation at a number of ministries is uneven. Nevertheless, in many Phare-supported areas, the staffing situation has been stabilised and the sectoral improvements in terms of increased administrative performance are clearly identifiable. Most obviously, a change in mentality, including the ability to communicate, to share knowledge and to provide information, is gradually becoming embedded into the civil service's daily routine. Significant emphasis is being put on the client-oriented provision of services. The technical aspects of new complex and bureaucratic systems required by EU membership were less difficult to introduce whilst the underlying behavioural and cultural changes needed more time. These positive changes can be attributed to a certain extent to the presence of the Phare support.

89. In the area of judicial capacity, there were no evaluated sample projects to provide the basis for judgement. However Phare has over the years steadily provided support to the judicial area. Based on the recently produced independent assessments, judicial capacity is sufficiently in place and the reduction in length of court proceedings is improving. The Judicial Academy for the long-life training of judges is established and operating. There remain however various aspects of the Czech judiciary that will need to be tackled more substantially under member state conditions, in order to bring the Czech legal system fully in line with European standards and practice (see Box 9).

**Box 9: Independent assessment of the Czech judicial framework and independence:**

*'...The Czech Republic's accession to the EU has sparked the beginning of a revolution in the judicial sphere. While the new linkage of the judicial system to European law will likely improve the quality and independence of the judiciary, EU membership does not automatically bring judicial reform, which is left up to member states. In that regard the country still has serious work to do in speeding up court cases, passing legislation to prevent police abuse, combat discrimination, and safeguard property rights, and guaranteeing judicial independence...'*

Source: Freedom House; Nations in Transit – Czech Republic (2005).

### 3.3 Phare ESC was clearly beneficial but limited in scope

90. The assistance delivered through Phare to support SF institution building was initiated in 1998. The main focus was given to the preparation of strategic documents and later to the creation of the central institutional structure. The Commission's policy regarding the strategies, frameworks and capacities for SF was also developing. After the lengthy development, commenting and revision period of SF operational programmes, Phare assistance provided "practice money" through grant schemes. This practical exercise proved eventually to be most beneficial, serving as an effective learning exercise for the grant recipients.<sup>22</sup> With the help of Phare and other donors extensive training programmes were carried out in the period leading up to accession.

91. ***Final beneficiaries and regional bodies gained the biggest benefit from Phare ESC/SF preparation.*** Their experience with design and respect of guidelines is being applied in SF

<sup>21</sup> See in this context also Thematic Interim Evaluation Report on Phare support towards 'Public Administrative and Judicial Capacity', dated March 2004.

<sup>22</sup> See also, *inter alia*, Thematic Interim Evaluation Report from 23 April 2004 (Phare Economic and Social Cohesion Review).

projects. The created regional administration structures gained similar experience. Their role in the current SF operations is not so crucial, but for the next programming period 2007-2013 stronger involvement of the regions is expected. Knowledge and skills at regional level, regional partnerships and common effort to develop local strategic documents from a bottom-up perspective have improved, but still need to be strengthened. Here, amongst other areas, Phare's role has been clearly beneficial. The co-operation with labour offices copied the original Phare set up in regions. However, the newly created ESF departments at the regional Labour Offices did not in fact make much use of staff having previous Phare experience. Overall, the level of knowledge of the SF in the Czech Republic is considered to be very good, although suffering on the central government side from staff turnover.

92. ***Phare had a strong SF learning effect on NGOs.*** As confirmed by independent assessments,<sup>23</sup> Phare experience had a strongly educational effect. NGOs learnt how EU procedures, administration and funding operated. In some ways, NGOs possibly became more familiar with the SF architecture than some people on the government side or the business community. Most obviously, in the area of ESF, the NROS and the NTF as institutions that were substantially developed by Phare reached high professional standards in managing ESF-type assistance. However, at the moment, these very experienced NGOs are only marginally involved in ESF operations. In terms of SF, the NROS is currently administering only the Global Grant, covering two measures designed specifically for NGOs within the ESF.<sup>24</sup> The learning-by-doing experience of Phare grant schemes for SF has been utilised therefore only minimally.

93. ***During the transition period from pre- to post-accession Phare and SF are competing.*** SF implementation structures were established with a minimal input/transfer of existing Phare experience. This substantially reduced the utilisation of knowledge acquired during the long-term provision of Phare assistance, notably at the central levels. Phare pilot testing interventions, which were originally envisaged to prepare and to test SF operations, were eventually implemented at the same time as the launch of SF schemes potentially supporting the same activities. Thus, due to the delayed provision of further Phare funding simulating SF operations, namely under the post-2001 allocations, competition has been created between two instruments funded from the same source.

94. ***Introduction of EDIS for Phare should have also provided experience and stimulated transparent management of EU public funds.*** Final accreditation of EDIS for Phare, essential for the implementation of both Phare and the Transition Facility after accession, was eventually granted at the time when the SF operation was already running. The decision to launch this new system came too late, and the positive effects of its operation did not have time to materialise, and yet it needed much effort, time and money. What proved to be useful as a practical exercise before launching SF operations, were both SAPARD and ISPA pre-accession instruments. Both of them provided helpful hands-on experience, skills and knowledge immediately useful for SF operations.

95. ***Phare support tackling SF absorption capacity was useful.*** According to the MRD, areas performing and absorbing well can be found under the responsibility of the Ministries of Industry and Trade, Environment, Agriculture, and Transport. The situation is more problematical in the area of employment and human resources development, where the

<sup>23</sup> Source: Brian Harvey 'The illusion of inclusion', Access by NGOs to the structural funds in the new member states of Eastern and Central Europe; Report for the European Citizen Action Service; July 2004.

<sup>24</sup> Source: NROS, Annual Report 2004.

structures are considered as too complicated and too divided among many institutions involved. In terms of tackling absorption capacity, Phare made an important contribution realised under the 2001 'ABCap' programme, a type of intervention that might be particularly relevant for other/ future CCs and their preparations for SF (see Box 10).

**Box 10: Good practice – ABCap**

The 'ABCap' technical assistance project (CZ0110.03 '*Finalising of Structures and Measures to Increase the Absorption Capacity at the National and Regional Levels*') focused particularly on SF project preparation in the eight NUTS 2 regions. Exactly 50% (i.e. 133) of the projects that ABCap worked on to an advanced stage emerged not from the original selection in regions but from national frameworks that ABCap helped to develop. In financial terms, these projects and schemes had a value of more than M€ 300 of which around M€ 170 is EU co-finance. Many of the originally selected projects revealed themselves to be ineligible, of extremely poor quality or, for various reasons, ministries considered it inappropriate to work on them. In at least two regions "dead" projects made up more than half of all originally selected projects. ABCap proposed a notably innovative approach and methodology that involved and mobilised the energies and capacities of the project partners themselves. Instead of "doing" everything for them, ABCap sought to help them to help themselves. Tools were designed order to enable project developers to move step by step through the various stages of SF project development. Some of these were totally novel (e.g. the eligibility tool) while others were adapted or simplified from well-known methodologies (e.g. log frame). Thus the capacity, confidence, autonomy, efficiency and effectiveness of project developers has been substantially improved.

Source: Final Report, interviews

96. With the upcoming new SF period 2007-2013, it is expected that the role of regions should become more significant. Future conditions like these will clearly influence the global impact and long-term sustainability of Phare ESC institution building programmes in the Czech Republic.

## 4. CONCLUSIONS AND LESSONS LEARNED

97. This chapter sets out the conclusions on strategy and performance of Phare support in the Czech Republic. It is important that lessons are learned about the strengths and weaknesses of the way in which Phare support for the Czech Republic was programmed and realised in order to optimise the approach to future pre-accession support. As a way forward, this evaluation recommends three actions and provides lessons learned from the Czech example.

### 4.1 Conclusions

98. The conclusions cover overall Phare performance in the Czech Republic, and three key issues:

- Whether Phare support in practice addressed the *ex post* needs of the Czech beneficiaries;
- Building public administrative and judicial capacity to apply the *acquis*;
- Supporting economic and social cohesion including preparation for Structural Funds.

**Conclusion 1: Overall, the Czech Republic has performed well, and in most cases Phare was effectively used to support the technical preparation for accession.**

99. *The objectives of the Czech Phare National and CBC Programmes in the period 1999 - 2001 were largely achieved.* Assistance provided to align legal frameworks and comply with the obligations of membership, in particularly in the environment, energy and internal market sector, was successfully absorbed. Agriculture was initially lagging behind but managed to catch up by the time of accession, and consequently the Phare support given can be assessed as successful. Phare investment support proved to be well placed and exceeded in some cases even the original expectations. Czech institutions and their administrators are carrying out their tasks in accordance with EU standards, and this is partly attributed to the effective use of the available Phare support. The key element for effective utilisation of the support provided to strengthen administrative and judicial capacities was limited by the very slow progress in effectively tackling and enforcing civil service legislation in the Czech Republic.

**Conclusion 2: From an *ex-post* perspective, Phare support addressed the accession needs well and satisfactorily delivered support for Czech membership preparations.**

100. *The reviewed programmes directly focused on identifying and addressing gaps in the Czech Republic's legislative and institutional frameworks to manage the evolving acquis.* Individual intervention areas were in line with priority needs identified in accession negotiations and screening processes, well defined in Accession Partnerships and the National Programmes for the Adoption of the *Acquis*. In many cases, individual interventions were also fully in line national strategic documents existing for the relevant sector. However, particularly for some 1999 interventions, such national strategic documents were mostly absent at the time when the assistance was designed. In the more complex areas, notably agriculture, regional development and preparation for SF, a national strategy was difficult to develop either due to a lack of political consensus, or because the EU requirements were not sufficiently clear at the time of fundamental decision-making. One key success factor of Phare interventions in the Czech Republic was the practice of thorough needs analyses and reviews of existing good practice.

101. *In general, most projects were cost-effective.* Most reviewed interventions appeared to be well justified when comparing outputs and costs. Several projects managed to deliver more than originally intended. However, there have been exceptions where cost-effectiveness could

be questioned. For instance, the public procurement twinning was launched despite the original pre-conditions (adoption of the law) not being in place, and the project subsequently suffered from drafting legislation that was not adopted. Thoroughly prepared investment projects, for example a building biotechnology centre and a science-technology park, fully justified their value-for-money. Overall, the project management skills of the Czech administration improved rapidly where the staff turnover remained limited.

**102. *Results and impacts of Phare are positive and important, especially in the area of institutional building.*** Legislative and administrative impacts, particularly setting up of new institutions, alignment of legislation, and strengthening of administrative capacities, were well addressed. The programmes under review were influential in promoting and supporting institutional change. The impact of Phare institutional building projects is observed in efficiently working institutions and outcomes of supply and works projects are operating in accordance with planned provisions. Socio-economic impact is identifiable with regard to infrastructure investments but is less visible for other support areas, and will need time to materialise more substantially.

**103. *Institutional sustainability is mostly secured.*** Operations of Phare-funded institutions are usually sustained through legal frameworks and secured budgets. There is administrative capacity in the country, but it is fragile in a number of sectors. Administrative sustainability is constrained by the continual high turnover rates of staff, mainly in ministries.

**Conclusion 3: Phare provided essential support to reinforce PAJC at sectoral levels but more could have been achieved horizontally.**

**104. *At sectoral levels, Phare support has clearly led to progress and positive changes,*** covering various aspects of strengthening administrative capacities. Under membership conditions, Czech administrators are able to perform their tasks at reasonable levels. Many of the technical staff in the newly built EU institutions and at some beneficiary ministries, who were involved in the design and implementation of the Phare projects under review, are still working in the same institution, although some have changed positions or work for other bodies within the sector. There are also administrative areas, however, where staff turnover and insufficient staffing levels still remains a problem.

**105. *Opportunities have been missed to deliver beneficial horizontal public administrative and judicial reform.*** This has been particularly the case for the Phare support given to civil service reform. Enforcement of the underlying legal basis for reform, the Civil Service Act, is currently not expected until 2007. Although substantial civil service reform has not taken place yet, working methods copied from member state administrations and introduction of certain EU standards have positively influenced the behavioural patterns and working methods of the Czech state administration bodies.

**Conclusion 4: Phare assistance towards ESC was clearly beneficial but its scope was limited**

**106. *Phare support made a useful but uneven contribution to preparing and testing new structures in the field of SF.*** Through (pilot) investments Phare impacted positively on the improvement of the socio-economic situation in the respective micro-region, stimulating growth and fostering cohesion. The biggest benefit of Phare ESC/SF preparation was gained by the final beneficiaries/applicants, and NGOs also benefited from a strong learning effect. However, the expected learning effect for administrative capacity building, which was

delivered both at central and regional levels, remained largely unexploited. The active involvement of NGOs in the current SF period remains limited. SF implementation structures were established with a minimal input/transfer of existing Phare experience. Phare pilot testing interventions, which were originally envisaged to prepare and to test SF operations, were eventually implemented only at the time when SF schemes were launched, potentially supporting the same activities and creating competition between the two instruments. The learning potential of EDIS in terms of developing experience and responsibility for managing EU funds, did not materialise sufficiently before accession due to a preparation time that was too short.

107. Absorption capacity has materialised as the main bottleneck for effective utilisation of SF in the Czech Republic, and Phare made an important contribution towards increased absorption capacity, particularly as realised under the 2001 programme. Apart from its immediate practical implications – forwarding mature projects for SF funding - the experience gained from this project clearly identified strengths and weaknesses of the Czech SF structures, both at central and regional levels. Such knowledge is potentially also helpful for the programming of the next SF period 2007-2013.

## **4.2 Recommendations and lessons learned**

108. There are three key areas in which recommendations are made. Two sets of recommendations address the Czech Republic in general or are given in respect to programme/project actions. One set of recommendations is devoted towards existing and future candidate countries.

### **General Recommendation addressed to the Czech Republic**

#### ***Recommendation 1: Agree on more effective use of existing NGO capacities for future Structural Funds.***

109. In the course of programming and implementing the next Structural Funds period 2007-2013, the Czech authorities together with the Czech NGOs should consider making more effective use of NGO capacities set up with the help of Phare. In particular, the existing capacities at the NTF and the NROS – professional staff with long-term experience in managing human resources development and NGO schemes – should be more effectively utilised in future. For instance, future Sector Operational Programmes fostering human resources development are in an area currently showing low absorption rates compared to other SF areas.

### **Project Specific Recommendation addressed to the Czech Republic**

#### ***Recommendation 2: Consider the use of existing Phare twinning output for future interventions in Civil Service Reform.***

110. In the course of preparing and implementing more effective steps towards civil service reform, the Czech Government Office should re-assess the outputs and recommendations from the twinning project CZ0009.01 'Modernisation of the Central State Administration' and should consider taking these into account in future implementation of the Civil Service Act.

## **Recommendation addressed to other/ future candidate countries**

### ***Recommendation 3: Systematically explore good practice at the design stage***

111. One key success factor of Phare interventions in the Czech Republic was thoroughly conducted needs analyses and reviews of existing good practice. In the case of legal harmonisation and institution building it proved to be very helpful to study the EU-15 member state experience and to get acquainted with their systems. Consequently, the Commission Services should consider encouraging candidate countries to explore good practice more systematically at the design stage of interventions. Such good practice examples, adapted to local circumstances, could be then used to design the project without the need to re-invent the wheel. This would also help to define more realistic objectives, and quantified and measurable indicators, to eliminate or plan for potential risks and to estimate key assumptions.

### ***Recommendation 4: Improve project cycle management***

112. Local knowledge of ToR preparation and procurement procedures is essential. To manage the design process successfully, staff must have a profound knowledge of the project cycle management. At the beginning of an accession process, the staff of Aid Co-ordination Units and Commission Services Delegations should make available the required project preparatory skills and knowledge and should actively assist line ministries with the preparation of projects. The Commission Services should encourage line ministries to set up as quickly as possible a core staff, capable of providing necessary skills and advice on project preparation. This core group should be trained regularly, a minimum of once a year, and quality control should be part of the identified training priorities. Such an improved design process would also contribute to a more streamlined and efficient approval and contracting process.

### ***Recommendation 5: Assess absorption capacity prior to the intervention***

113. The accession agenda should not only be declared as a top priority of the state administration but the central state administration must have an absorption capacity ready and staff available to perform these tasks as an inseparable part of their day-to-day work. Consequently, resources must be secured before the launch of any project, and the Commission Services should request detailed *ex ante* assessments of the implementation and absorption capacities needed for external support. Such conditionality should be checked by the NAC/CFCU and in case of non-compliance agreed measures for enforcement should be applied.

## **Lessons learned**

### ***Lesson 1: Develop and reinforce absorption capacity for the use of SF before accession***

114. The practical approach and results demonstrated by the 2001 ABCap project proved the necessity to assess and to increase SF absorption capacities before accession. Not all new member states devoted sufficient attention to the need to increase absorption capacities, particularly through project preparation pipelines. Also the approaches to develop project pipelines differed significantly. From the Czech experience, the innovative approaches and methodologies involving and mobilising the energies and capacities of the project partners themselves were clearly successful. Existing SF structures and procedures were practically tested and possible bottlenecks identified. Such a type of project should be consequently developed according to the needs of current and future candidate countries in order to achieve substantially improved capacity, confidence, autonomy, efficiency and effectiveness of project developers by the date of accession. The early existence of public investment policies,

including sound development of project appraisal techniques, are essential elements of effective absorption and cohesion.

***Lesson 2: Promote and explain new assistance instruments sufficiently in advance.***

115. The introduction of new interventions tools (like twinning or ‘twinning light’ during the period under review) should be promoted early and in a detailed enough way to avoid misunderstandings and failure of projects during contracting and implementation. The complexity of preparatory and tendering procedures should be in proportion to the size and complexity of the intervention.

***Lesson 3: To realise the learning potential of fully decentralised implementation systems, these should be introduced at an earlier stage of the accession process***

116. In terms of bringing Phare procedures closer to those of the SF, the introduction of EDIS for Phare with local *ex ante* control and only *ex post* control by the Commission, has been a major step forward. However, in terms of the accession calendar, EDIS came too late to bring any learning effects for SF. The late establishment has been partly because the accession countries felt basically comfortable with the *ex ante* control carried out by the Commission, partly because the EDIS introduction took place at the busiest time of the accession calendar, both before and after the date of accession. Compared to the learning effects resulting from SAPARD, where full decentralisation and *ex post* control was set up from the beginning, opportunities were lost by Phare, which potentially could have been given beneficiary institutions more experience in addressing their responsibilities after accession.

## **ANNEXES**

## Annex 1. Terms of Reference

[These terms of reference were approved 18 October 2005, and have not been updated to take account of small changes, for example, in the time line, that have occurred in the meantime.]

### OBJECTIVES

The purpose of the *ex post* evaluation is to assess the contribution of the 1999 - 2001 Phare National and Cross-Border Co-operation (CBC) Programmes to support the Czech Republic in meeting the Copenhagen criteria so as to facilitate its accession to the European Union.

The evaluation of Czech national and CBC programmes is one of a series of ten evaluations in the eight new member states, and in Romania and Bulgaria. These will feed into two consolidated evaluations of Phare national and CBC programmes<sup>25</sup>, which, in turn, will form part of a consolidated ex-post evaluation of the Phare programme.

### BACKGROUND AND CONTEXT

In accordance with the priorities of the Accession Partnership, the key objectives of the Czech National Programmes 1999-2001 were the following:

- The political criteria include strengthening of the civil society sector and protection of minorities,
- Support on taking on the obligations of membership, notably in the areas of Justice and Home Affairs (JHA), Internal Market, Economic and Social Cohesion (ESC), Transport, Agriculture, Environment, and Employment & Social Affairs,
- Ensuring that Structural Funds can be implemented on accession in accordance with EU policy and procedures, with maximum impact on economic and social cohesion,
- Adjustments of administrative structures, so the European community legislation is implemented effectively through appropriate administrative and judicial structures

The CBC programmes 1999 – 2001 promoted Cross Border Cooperation with Poland, Austria, and Slovakia (only 1999).

National and CBC Phare programmes amounted to around M€ 252 during the evaluation period (1999-2001)<sup>26</sup>. The key sectors of assistance included Cross Border Cooperation (roughly 35 % of funds), ESC and JHA (roughly 15 % each).

The 2002 Regular Report<sup>27</sup> pointed out that the overall impact of Phare had been positive, demonstrated by the effective transfer of know-how, equipment and financial resources into a number of important fields such as public administration reform, improving the business environment including for small and medium enterprises (SMEs), justice and home affairs, agriculture and the environment. In 2003, the CMR<sup>28</sup> noted that the Czech Republic had reached a high level of alignment with the *acquis* in most policy areas. In certain areas, the Czech Republic partially met the commitments and requirements, but there was still a need to

<sup>25</sup> For (i) the eight new member states, and (ii) Bulgaria/ Romania.

<sup>26</sup> See Annex 1 for details. The programmes to be evaluated include the so called *Other Financing Memoranda*, which were implemented by national authorities and subject to previous interim evaluation, but excludes Community and nuclear safety programmes. Czech Republic benefited from Phare-funded *multi-beneficiary programmes*, such as TAIEX and SIGMA, which are also outside the scope of this evaluation.

<sup>27</sup> European Commission: 2002 Regular Report on the Czech Republic's Progress Towards Accession.

<sup>28</sup> European Commission: 2003 Comprehensive Monitoring Report on the Czech Republic's Preparations for Membership.

make enhanced efforts in order to complete preparations for accession. The CMR stated that there was still room for further improvements in a number of acquis chapters and noted serious concern with issues in the *agriculture, transport and free movement of persons* acquis chapters.

Czech Republic national programmes were subject to regular interim evaluations. A Country Phare Evaluation Review (CPEP)<sup>29</sup> concluded that, on the whole, Phare has been effective as an instrument in supporting the accession process in the Czech Republic. It noted that institution building progressed well in many important acquis areas and rated the use of twinning support as success. According to the CPEP, extensive upgrading and modernisation of administrative and legislative practices and equipment was achieved in the JHA, environment and financial sectors. However, the report concludes that efficiency and effectiveness of Phare funding was hampered by poor preparation of most beneficiaries to absorb the assistance.

## EVALUATION QUESTIONS

This evaluation will focus on the following three interrelated sets of key questions:

- Was Phare well focused on the objectives of pre-accession strategy ?
- What were the results and impacts and are these results and impacts sustainable ?
- Could the same results and impacts have been achieved more cost- effectively ?

These framework questions will be further specified by the below performance evaluation questions and thematic/ cross-cutting questions. It should be noted that the issues and findings that are highlighted under respective questions are not necessarily exhaustive.

### Performance evaluation questions

#### Needs assessment and design

The Interim Evaluation findings concluded that Phare assistance has generally been relevant to the needs of the beneficiary institutions, and in line with government and accession priorities. However, shortcomings were identified in programme and project design such as poor Logframe design and badly identified Indicators of achievement, frequently revised or changed project fiches, lack of complementarity with state funded activities and concerns with too vague, irrelevant or unenforceable conditions/ assumptions.

#### The extent to which inputs/ activities have produced outputs

Interim Evaluation findings noted that the overall management of Phare programmes in the Czech Republic has been generally efficient, but that certain sectors, notably *justice, agriculture and social protection* were highly affected by delays, due to the time gap between design and implementation.

#### The extent to which outputs have produced intended results

The judgement criteria to assess the extent, to which intended results have been achieved, include clear national/ sector strategies and related action plans, proper needs assessment, well

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<sup>29</sup> R/ CZ/ CPER/ issued 10 February 2004

organised beneficiaries in terms of committed, skilled and experienced staff, inter –institutional coordination and adequate absorption capacity.

### **The extent to which the results/ impacts contributed to the achievement of wider objectives**

Interim Evaluation finding noted that programmes were making a positive contribution to the upgrading and modernisation of many sectors. However, impact was hampered by the lack of adequate monitoring of the output and results of projects, especially for non- investment projects. Since these programmes are now essentially completed, it should allow for an improved scope for evaluating impacts.

### **Long term viability of institutional reforms following the withdrawal of Phare support**

Interim Evaluations concluded that, with respect to sustainability, results were uneven. It identified that key factors influencing the sustainability of Phare outputs include commitment of the central government to adequately resource bodies charged with applying project outputs, political support for applying results, programme ownership, and institutional capacity of Czech beneficiaries.

### **Thematic/cross-cutting questions**

#### **The extent to which Phare support improved the performance of the Czech Republic's pre-accession process**

The purpose of this question is to assess whether Phare support in practice addressed the *ex post* needs of the Czech beneficiaries. Thus the evaluation will seek to assess whether the original objectives (*ex ante* needs) of the programme were appropriately set. This assessment would augment the analysis based on the five performance evaluation criteria.

The CMR for the Czech Republic provides for an indication of the ex-post needs of the beneficiaries. As examples, this includes the need for enhanced efforts in a number of areas, inter alia agriculture, competition policy and coordination of structural instruments, justice and home affairs and financial control. Moreover, the report notes that attention must be given to alignment with the anti- discrimination acquis, and considerable efforts should aim at improving the situation of the Roma minority.

#### **The extent to which Phare support strengthened the administrative and judicial capacity of the Czech Republic**

The examination of the Phare contribution to the public administrative and judicial capacity (PAJC) of the Czech beneficiary administrations will fall into two parts:

- *Acquis*-specific administrative capacity issues, where the nature component concerned explicitly demands, often in some detail, a particular capacity of PAJC performance, and
- Horizontal administrative capacity issues, which are non-sector specific but are needed to meet the requirements of the first Copenhagen criterion – the ‘Political Criteria’<sup>30</sup>.

The Consolidated Summary Interim Evaluation Report<sup>31</sup> covering all candidate countries, concluded that in general, Phare support in this area had been hampered by – inter alia – the

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<sup>30</sup> As emphasised in the 2000 Phare Review communication, these would involve general public administration reforms including civil service reforms, inter-ministerial coordination and anti- corruption programmes. The requirements of strengthening and reforming the administrative and judicial capacities were stressed in the Madrid, Luxembourg, Feira and Gothenburg Councils.

<sup>31</sup> Prepared by EMS Consortium, issued March 2004

absence of a comprehensive strategy, poor coordination of relevant instruments of assistance and limited progress on horizontal public administrative reforms and governance.

### **The extent to which Phare contributed to the strengthening of ESC and to the preparation for the use of Structural Funds**

Both the CMR on the Czech Republic and the Interim Evaluation findings have noted that particular efforts are still required in relation to the legislative framework, institutional structures, and financial management and control for the implementation of actions under Structural and Cohesion funds.

## **METHODOLOGY**

Due to the phasing out of Phare, many stakeholders, both in the Czech Republic and in the EC have changed assignments or left the service. The EC Representation in the Czech Republic, as far as the Phare programme is concerned, has ceased to provide services on 30 June 2005. This presents a certain risk, as to the availability of data and information.

Following a desk study analysis, the evaluation team will undertake selected fieldwork. The analysis of documentation will be accompanied by structured interviews, carried out both in-country and at the Commission Services Headquarters, following a sampling approach. Other proven data collection tools such as surveys and questionnaires may also be used. To support the evaluation questions, a set of judgement criteria and indicators will be developed. These may be both quantitative and/or qualitative.

As to the sample selection, the Evaluation Contractor (MWH) will make a proposal in close collaboration with DG Elarg and respective national evaluation body. For this purpose the Contractor will prepare an evaluation plan for the country evaluation including a specification of the agreed sample.

Whilst the evaluation will focus on 1999-2001 allocations, it will also provide for a brief update of post 2001 allocations, based on the Czech Republic CPER report as well as on the findings of the selected fieldwork.

There will be close consultations with stakeholders (either by electronic mail or by meetings, where appropriate). For this purpose, the Czech National Aid Co-ordinator (NAC) has nominated a representative of their evaluation body to ensure that the evaluation will be carried out in partnership, including arrangements for establishing a steering group.

## **REPORTING AND TARGET AUDIENCES**

At the conclusion of the fieldwork, a draft evaluation report will be produced and circulated for comments. The evaluation report will contain an introduction (objectives, background and context), performance of Phare assistance, thematic/cross-cutting findings, and conclusions and lessons learned (see annex 2). It will also report on how the evaluation recommendations of the CPER have been taken into account. The scope of the evaluation will probably not allow the drafting of any country-specific recommendations but such recommendations might be extracted from the lessons learned.

The main users of the evaluation will be the ELARG Transition Facility Team and relevant line DGs. In the Czech Republic, the main evaluation users will include the NACs, and the relevant

implementing agencies and public authorities. Moreover, users will include relevant stakeholders responsible for the Western Balkans and Turkey.

### ACTIVITIES, RESOURCES AND TIMETABLE

The evaluation of the Czech national and CBC programmes will be conducted in a number of stages as follows.

Step	Activity	2005						
		Aug	Sept	Oct	Nov	Dec	Jan	Feb
1	Preparation							
2	Info gathering and processing							
3	Drafting of report							
4	Comments from E4 and national authorities							
5	Submission of final Czech Republic report as input into the Consolidated National Programme Report							

The evaluation will be carried out by a team consisting of the deputy project director, a key expert, other senior and junior experts, and short-term technical specialists (SSTS), both international and local.

Since the Czech Republic evaluation exercise is designed as a contribution to a consolidated evaluation of Phare National and CBC programmes and not as an in-depth evaluation, the total resources envelope available for this exercise is limited to 50 man-days.

**Annex 2. Phare National and CBC Programme Data for Czech Republic 1999-2001**

<b>Progr. Number</b>	<b>Programme Title</b>	<b>Expiry Date Contracting</b>	<b>Expiry Date Disbursement</b>	<b>Allocated (M€)</b>
	<b>National</b>			
CZ9901	Strengthening the Democratic System, the Rule of Law, Human Rights and Minorities	31/12/00	31/12/01	0.5
CZ9902	Economic and Social Cohesion	31/12/00	31/12/01	5.4
CZ9903	Strengthening the Institutional and administrative Capacity to Manage the Acquis	31/12/00	31/12/01	5.8
CZ9904	Justice and Home Affairs	31/12/00	31/12/01	4.2
CZ9905	Management (NAC and CFCU)	31/12/00	31/12/01	0.2
	<b>CBC</b>			
CZ9909	CBC CZ/ PL	31/12/01	31/12/02	3.0
CZ9912	CBC CZ/A	30/11/01	30/11/02	10.6
CZ9913	CBC CZ/ SK	31/12/01	31/12/02	2.0
CZ9914	CBC CZ/ D	30/11/01	30/11/02	29.4
	<b>Other</b>			
CZ9908	LSIF Part 4 – ISPA Project Preparation	31/05/00	31/05/01	2.4
CZ9910	LSIF Part 5	31/12/00	31/12/03	14.2
CZ9915	Programme for Social Protection Reform and Social Acquis Implementation - Consensus III	31/12/01	31/03/03	2.0
CZ9916	Phare Project Preparation	31/12/01	31/12/02	2.0
<b>Total 1999</b>				<b>81.7</b>

<b>2000</b>	<b>National</b>			
CZ0002	Political Criteria	31/10/02	31/10/03	4.5
CZ0003	Economic Criteria	31/10/02	31/10/03	5.5
CZ0004	Internal Market	31/10/02	31/10/03	5.6
CZ0005	Agriculture	31/10/02	31/10/03	6.2
CZ0006	Environment	31/10/02	31/10/03	4.3
CZ0007	Justice and Home Affairs	31/10/02	31/10/03	12.6
CZ0008	Employment and Social Affairs	31/10/02	31/10/03	1.3
CZ0009	Institutional and Administrative Capacity	31/10/02	31/10/03	1.5
CZ0010	Economic and Social Cohesion	31/10/02	31/10/03	17.5
	<b>CBC</b>			
CZ0012	CBC CZ/D	31/10/02	31/10/04	10.0
CZ0013	CBC CZ/ PL	30/11/02	30/11/04	5.0
CZ0014	CBC CZ/A	31/10/02	31/10/04	4.0
	<b>Other</b>			
CZ0011	Special Programme for strengthening the Civil Society ACCESS	30/11/02	31/08/04	1.7
CZ0016	Supplementary Investment Facility	30/11/02	30/11/03	8.1
<b>Total 2000</b>				<b>87.8</b>

<b>Progr. Number</b>	<b>Programme Title</b>	<b>Expiry Date Contracting</b>	<b>Expiry Date Disbursement</b>	<b>Allocated (M€)</b>
<b>2001</b>	<b>National</b>			
CZ0102	Political Criteria	31/10/03	31/10/04	3.0
CZ0103	Transport	31/10/03	31/10/04	2.0
CZ0104	Internal Market	31/10/03	31/10/04	6.5
CZ0105	Agriculture	31/10/03	31/10/04	8.3
CZ0106	Environment	31/10/03	31/10/04	5.1
CZ0107	Justice and Home Affairs	31/10/03	31/10/04	13.3
CZ0108	Employment and Social Affairs	31/10/03	31/10/04	1.8
CZ0109	Administrative Capacity	31/10/03	31/10/04	4.8
CZ0110	Economic and Social Cohesion	31/10/03	31/10/04	13.6
	<b>CBC</b>			
CZ0111	CBC CZ/A	30/09/03	30/09/05	4.0
CZ0112	CBC CZ/D	31/10/03	31/10/05	10.0
CZ0113	CBC CZ/PL	30/11/03	30/11/05	10.0
Total 2001				<b>82.4</b>
<b>Total 1999-2001</b>				<b>251.9</b>

Source: Financing Memoranda

### Annex 3. Evaluation Planning Summary Sheet

This document defines the scope of the evaluation, the approach to fieldwork, and the evaluation sample together with the relevant contact persons. It is supported by working documents giving primary sources of evidence and evaluation criteria for each evaluation question.

<b>Phase (1, 2 or 3)</b>	2 – National (1999-2001) <sup>32</sup>	<b>Subject</b>	<b>The Czech Republic</b>
<b>Level of Evaluation ('standard' or 'in depth')</b>	Standard		
<b>Evaluation Conclusions</b>	A three-point rating system (satisfactory, barely satisfactory and unsatisfactory) will be used to rate sectoral performance (Agriculture, CBC, ESC, Energy and Transport, Environment, Internal Market, JHA, and Social Affairs). No rating will be applied to the thematic/cross-cutting questions, which will include programmes such as public administration and financial control.		
<b>Evaluation questions</b>	<p><u>Performance criteria</u></p> <ol style="list-style-type: none"> <li>1. Needs assessment and design</li> <li>2. Extent to which inputs/activities have produced outputs</li> <li>3. Extent to which outputs have produced intended results</li> <li>4. Extent to which results/impacts contributed to achieving wider objectives</li> <li>5. Long term viability of institutional reforms following the withdrawal of Phare support</li> </ol> <p><u>Thematic/Cross-cutting questions</u></p> <ol style="list-style-type: none"> <li>6. Extent to which Phare support improved the performance of Czech's pre-accession process</li> <li>7. Extent to which Phare support strengthened the administrative and judicial capacity of the Czech Republic</li> <li>8. Extent to which Phare contributed to strengthening ESC and preparation for Structural Funds</li> </ol>		
<b>Sampling</b>	The sample projects in Table 1 have been selected in consultation with the country steering group <sup>33</sup> to be representative of the sectors and thematic areas defined for this <i>ex post</i> evaluation, and taking into account the availability of staff knowledgeable about the programmes. Overall, the sample represents 30% of total funding. Note that where the sample size is small, this will reduce the confidence in the data and conclusions that can be drawn there from.		
<b>Sources of evidence</b>	The potential sources of evidence are desk review, questionnaire, analysis (e.g. of a database), and interviews. In the sources of evidence document (not attached), a score is used to indicate for each evaluation question and each source whether it is dominant i.e. a major dependency on information from one source, or whether several sources support each other, giving good triangulation, or whether difficulty is expected in accessing data or the question is predominantly qualitative.		
<b>Interviews</b>	Present and former country coordinators from ELARG D2, and any former staff from the EC Delegation in the period 1998-2004 that can be located. Involved line DGs (such as DG REGIO for ESC, and DG AGRI for Phare support to SAPARD).		
<b>1 Commission staff</b>			
<b>2 Beneficiary staff<sup>34</sup></b>	Key Czech national/regional administrations and public bodies identified in the attached Table 1.		
<b>3 Other stakeholders</b>	Relevant national parties such as the Ministry of Finance - Centre of Foreign Assistance or National Fund.		
<b>Supporting documents</b>	Table 1. (attached) - Proposed project samples with key contact persons Table 2. (Working document) - Primary Sources of Evidence Table 3. (Working document) - Evaluation Indicators Table 4. (Working document) - List of identified reports for desk review		

<sup>32</sup> The evaluation will also take account of post-2001 allocations where appropriate, based mainly on IE reports.

<sup>33</sup> This includes the Evaluation Units of DG ELARG and the National Aid Co-ordination units.

<sup>34</sup> Other beneficiaries and stakeholders may be identified during fieldwork (for example from private entities, NGOs, etc.).

**Table 1. Proposed sample programmes**

Sector	Project No.	Project title	Allocation (M€)	Contact Persons
<b>Agriculture</b>				
	0005.01	Integrated Administrative Control System (TW + INV)	3.300	Mr. Martin Sladek, Mr. Petr Ettler, Mr. Ludek Broz
	0105.02	Building CAP/EAGGF structures (TW + INV)	0.900	Mr. Tomas Kreuzer, Mr. Ludek Broz
	0105.03	Building CAP structures; IACS (TW)	3.630	Mr. Tomas Kreuzer, Mr. Ludek Broz
<b>Total sample (49% of the sector)</b>			<b>7.830</b>	
<b>Total for the sector in the period 1999-2001</b>			<b>16.000</b>	

<b>Cross-Border Co-operation</b>				
Environment	9914.01.05	Klatovy WWTP (INV)	3.343	Mr. Vaclav Kutil,
Transport	9912.01.03	Breclav – Repair of Road I/55 (INV)	2.000	Tomas Brazdil
Environment	0012.04	Chodska Liga WWTP (INV)	2.000	Mr. Karel Smutny
Environment	0014.02	Hovorany WWTP (INV)	4.700	Mr. Jan Nemcansky
	0111.01	Nove Hradky Biotechnology Centre (INV)	1.360	Ms. Jana Valkova
<b>Total sample (15% of the sector)</b>			<b>13.403</b>	
<b>Total for the sector in the period 1999-2001</b>			<b>88.000</b>	

<b>Economic and Social Cohesion</b>				
	9902.02	Promoting Employability / Employment Measures grant schemes	2.000	Ms. Alena Englichova, Mr. Vaclav Broz
	0010.02.01	Productive Sector Investment Fund, Grant Scheme	2.310	Mr. Radim Konecny
	0010.03.04	Science and Technology Park Ostrava (INV)	1.526	Mr. Jaromir Dudek, Ms. Marie Obrouckova
	0110.03	Finalising of structures and measures to increase absorption capacity at the national and regional levels (TA)	1.500	Mr. Jiri Eisenhammer
<b>Total sample (18% of the sector)</b>			<b>7.336</b>	
<b>Total for the sector in the period 1999-2001</b>			<b>41.050</b>	

<b>Energy and Transport</b>				
	0004.04	Establishment of the Energy Regulatory Administration (TW)	0.600	Ms. Vera Sovova
	0104.06	Electricity market operator	0.600	Mr. Miroslav Sumpik
<b>Total sample (38% of the sector)</b>			<b>1.200</b>	
<b>Total for the sector in the period 1999-2001</b>			<b>3.200</b>	

<b>Environment</b>				
	9910	Large-scale Infrastructure Facility V Brno Municipal Water (INV)	14.200	Mr. Pavel Vybiral
	0006.01	Implementing Structures for IPPC (TW)	1.000	Mr. Jiri Bendl, Mr. Martin Petrtyl
	0106.02	Implementation of Water Framework Directive (TW)	0.750	Ms. Marta Kubova, Mr. Oldrich Novotny, Mr. Martin Petrtyl
<b>Total sample (62% of the sector)</b>			<b>15.950</b>	
<b>Total for the sector in the period 1999-2001</b>			<b>25.800</b>	

<b>Internal Market</b>				
	9903.01	Tax Administration	1.000	Mr. Radim Blaha, Mr. Zdenek Pagac
	0109.02	Training for Auditors of the Supreme Audit Office (TW)	0.700	Mr. Miroslav Leixner
	0004.03	Strengthening Regulation/Enforcement of Telecom Acquis (TW)	0.600	Ms. Nada Paclova, Ms. Irena Pomichalkova
	0004.05	Public Procurement (TW)	0.900	Mr. David Mlicko
<b>Total sample (19% of the sector)</b>			<b>3.200</b>	
<b>Total for the sector in the period 1999-2001</b>			<b>16.700</b>	

<b>Justice and Home Affairs</b>				
	0007.02	Schengen and Border Management (INV)	5.800	Mr. Jiri Simonik, Mr. Jaroslav Sipek, Mr. Jiri Celikovsky
	0009.01	Modernisation of the Central State Administration (TW)	1.000	Ms. Marketa Morska, Mr. Roman Kuruc
<b>Total sample (23% of the sector)</b>			<b>6.800</b>	
<b>Total for the sector in the period 1999-2001</b>			<b>30.100</b>	

<b>Social Affairs</b>				
	0003.03	Support to Pension Reform (TW+INV)	1.300	Ms. Jitka Zukalova, Ms. Jitka Konopaskova, Mr. Frantisek Kresak
	0002.03	Support to Roma Integration/Multicult. Education Reform (TA)	1.000	Ms. Marie Rauchova
ACCESS	0011	ACCESS 2000 (GS)	1.670	Mr. Bojan Suh
<b>Total sample (16% of the sector)</b>			<b>2.670</b>	
<b>Total for the sector in the period 1999-2001</b>			<b>16.500</b>	

### Annex 4. Evaluation Indicators

The **evaluation indicators** are a wider concept than “performance indicators”, and identify static and dynamic information and events for use in the evaluation. They are divided into three categories, **discrete**, where there are only two possible states (e.g. present/absent), **relative**, where more than two states are possible (e.g. satisfactory, barely satisfactory and unsatisfactory), and **qualitative**, where the expert judgment of the evaluator will be used to reach a conclusion based on all the evidence gathered for the evaluation criteria. This is typically in the areas of outcome and impact evaluation conclusions.

**Table Evaluation Indicators**

		Discrete	Relative	Qualitative
<b>1. Needs assessment and design</b>				
1.1. Adequacy of strategies	<ul style="list-style-type: none"> <li>• Clarity of objectives</li> <li>• Quality of strategic planning documentation</li> <li>• Availability of needs assessment</li> </ul>	•	•	•
1.2. Involvement of stakeholders in line DGs and beneficiary countries in the design	<ul style="list-style-type: none"> <li>• Whether stakeholders were consulted</li> <li>• Degree of consultation</li> </ul>	•	•	
<b>2. Extent to which inputs/activities have produced outputs</b>				
2.1. What are the outputs: institution building projects; regulatory investment projects; investment projects?	Quantitative/qualitative measure of outputs			•
2.2. What were the tools/activities/resources used to produce the outputs?	Quantitative/qualitative description of tools/activities/ resources			•
2.3. Were there resources/tools provided that were under-used or not used?	<ul style="list-style-type: none"> <li>• Extent of participation in events</li> <li>• Unused resources/ excess resources provided</li> </ul>	•	•	
2.4. Was the use and the relative importance of the tools provided appropriate?	Suitability of activities for stated purpose			•
2.5. How cost effective was the production of outputs in relative terms?	Relative cost of activities in sample programmes		•	
<b>3. Extent to which outputs have produced intended results</b>				
3.1. What were the improvements in legislative/administrative structures, systems and resources?	<ul style="list-style-type: none"> <li>• Clear allocation of the roles and responsibilities within and between institutions (structures)</li> <li>• Availability of procedures and guidelines (systems)</li> <li>• Availability of suitably qualified skilled staff and adequate financial resources (resources)</li> </ul>		• • •	
3.2. Did the legislative/administrative and judicial performance related to the political criteria improve?	<ul style="list-style-type: none"> <li>• Horizontal public administration reform</li> <li>• Judicial capacity</li> <li>• Rule of law</li> <li>• Respect of the protection of the minorities</li> </ul>			• • • •
3.3. Did the legislative/administrative performance related to the economic criteria improve?	<ul style="list-style-type: none"> <li>• Legislative/administrative support to a functioning economy</li> </ul>		•	
3.4. Did the legislative/administrative performance related to the ability to take on the obligations of the <i>acquis</i> improve?	<ul style="list-style-type: none"> <li>• Support for the transposition of the <i>acquis</i></li> <li>• Support for the implementation of the <i>acquis</i></li> <li>• Support for the enforcement of the <i>acquis</i></li> </ul>		• • •	
3.5. Have the installed Phare equipment/works/ grant schemes been usefully put into operation?	<ul style="list-style-type: none"> <li>• Effective use of the investment/ infrastructure upgrade and/ or Phare funding mechanisms</li> </ul>		•	

Evaluation Questions	Evaluation Indicators	Assessment		
		Discrete	Relative	Qualitative
<b>4. Extent to which results/impacts contributed to achieving wider objectives</b>				
4.1. To what extent can the legislative and administrative impacts at programme level be separated and measured?	<ul style="list-style-type: none"> <li>Prevailing observed changes in administrative behaviour, procedures, structures</li> </ul>			•
4.2. To what extent can the socio-economic impacts at programme level be separated and measured?	<ul style="list-style-type: none"> <li>Prevailing observed changes identifiable for the national/regional macro- and/or micro economic situation</li> </ul>			•
4.3. Examine likely legislative/administrative /socio-economic impacts on the basis of the extent to which pre-conditions are in place or are being put in place	<ul style="list-style-type: none"> <li>Projects conceived within a strategic framework and based on needs assessment</li> <li>The essentials for adequate public and administrative capacity in place, including stable institutions, appropriate public investment policies, adequate inter-ministerial and central-regional collaborative machinery of government</li> <li>Positive project ratings for effectiveness and achievement of objectives</li> <li>Contribution of project outputs to overall objectives</li> <li>Identifiable benefits for society or the economy</li> <li>Awareness of the public administrative units, ministries and regional structures involved in project implementation of the activities; and existence of complementary public administrative systems</li> <li>Beneficiary awareness of project outputs</li> <li>Relevant civil society bodies involved, and roles defined, relative to project outputs</li> </ul>	•		• • • •
<b>5. Long term viability of institutional reforms following the withdrawal of Phare support</b>				
5.1. Have the legal, administrative and organisational outputs been sustained?	<ul style="list-style-type: none"> <li>Availability of financial and human means for continuation of accession preparation and after accession</li> </ul>		•	
5.2. To what extent has the trained staff in the national administrations been stable?	<ul style="list-style-type: none"> <li>Fluctuation rate of trained staff</li> </ul>		•	
5.3. Are the pre-conditions for sustainability in place or being put in place?	<ul style="list-style-type: none"> <li>Positive ratings for effectiveness in achieving project outputs</li> <li>Sectoral strategy documents exist containing project needs identification.</li> <li>Project outputs contribute to achievement of the strategic objectives</li> <li>Ownership is demonstrated by managers responsible for onward strategic implementation of project outputs</li> <li>Horizontal public administration systems stable and adequate</li> <li>Ongoing national finance available for maintenance, insurance, replacements, consumables, etc.</li> <li>Secure provisions in place for ongoing staffing, staff replacement and training</li> <li>Procedures and systems fully documented, with defined responsibility for updating</li> </ul>	•		• • • • •

Evaluation Questions	Evaluation Indicators	Assessment		
		Discrete	Relative	Qualitative
<b>6. Extent to which Phare support improved the performance the Czech Republic's pre-accession process</b>				
6.1. Did the national and CBC programmes address <i>ex-post</i> needs?	<ul style="list-style-type: none"> <li>• Establishment of <i>ex post</i> needs</li> <li>• Alignment of project activity to <i>ex post</i> needs</li> <li>• Current position</li> </ul>		• •	•
<b>7. Extent to which Phare strengthened the administrative and judicial capacity of the Czech Republic</b>				
7.1. Development of a strategic approach for Phare support to building PAJC	<ul style="list-style-type: none"> <li>• Existence of a strategic framework</li> <li>• Evidence of a needs analysis</li> <li>• Logic of the approach to address the defined needs</li> </ul>	• •		•
7.2. Development of national PAJC strategies to underpin Phare programme prioritisation	<ul style="list-style-type: none"> <li>• Alignment with Phare priorities</li> </ul>			•
7.3. Adequacy of Phare support to horizontal reforms and governance	<ul style="list-style-type: none"> <li>• Alignment of Phare support with defined needs</li> <li>• Extent to which project outputs contributed to achievement of objectives</li> <li>• Identification of non-sector specific capacities, strengthened by Phare. Current position of these capacities</li> </ul>			• • •
7.4. Adequacy of Phare support to cover the <i>acquis</i>	<ul style="list-style-type: none"> <li>• Trend in the country's administrative capacities, both qualitative and quantitative</li> </ul>		•	•
7.5. Adequacy of Phare support to develop regional and local PAJC	<ul style="list-style-type: none"> <li>• Identification of these capacities, strengthened by Phare</li> <li>• Current position of these capacities</li> </ul>		•	•
7.6. Efficiency, effectiveness, deployment and co-ordination of instruments (TAIEX, Twinning, SIGMA, Technical Assistance and related investments)	<ul style="list-style-type: none"> <li>• Adequacy of inter-instrument co-ordination mechanisms</li> <li>• Whether the projects' effectiveness in achieving their objectives were positively rated</li> <li>• Extent to which project outputs contributed to achievement of overall objectives</li> </ul>	•	•	•
7.7. Prospects for promoting and supporting a government initiative for a systematic benchmarking approach to public administration reforms	<ul style="list-style-type: none"> <li>• Viability of proposed key performance indicators</li> <li>• Level of awareness and ownership amongst key actors</li> </ul>			• •
7.8. Sustainability of post accession PAJC (related to, for example, scaling down of Phare support and financial/human resource constraints)	<ul style="list-style-type: none"> <li>• Existence of planned PAJC resource levels for the medium and long term</li> <li>• Identification and availability of financial resources</li> <li>• Identification and availability of human resources</li> <li>• Existence and adequacy of human resource development planning</li> </ul>	• • •	•	

Evaluation Questions	Evaluation Indicators	Assessment		
		Discrete	Relative	Qualitative
<b>8. Extent to which Phare contributed to the strengthening of ESC and to the preparation for Structural Funds</b>				
8.1. To what extent has Phare been successful in preparing the country to support ESC after accession, by assisting the country to put in place the pre-conditions for sustainable recourse to the SF? What are the factors underlying the observed performance?	<ul style="list-style-type: none"> <li>• Existence of a strategic framework</li> <li>• Adequacy and stability of institutional arrangements incl. planning capacities</li> <li>• Stakeholder dialogue</li> <li>• Sequencing approach for implementation</li> <li>• Trend in The country's ESC administrative structures and capacities, both qualitative and quantitative</li> </ul>	•	•	• • •
8.2. What Commission and national policies have been used to direct the course of preparations in the country?	<ul style="list-style-type: none"> <li>• Existence of relevant policies</li> <li>• Relationship of policies to the strategic framework and the Phare planning/programming process</li> </ul>	•	•	
8.3. What lessons can be learned from the planning/programming process of Phare ESC assistance?	•			•
8.4. What lessons learned can be learned from the Phare funded ESC pilot investments in the country? Did they have immediate impact and did they contribute to wider socio-economic cohesion objectives?	<ul style="list-style-type: none"> <li>• Lessons learned from Phare-funded ESC pilot investments in The country</li> <li>• Reduction of regional disparities observed</li> </ul>		•	•
8.5. What institutional arrangements have the country authorities put in place over time to plan, co-ordinate, and manage operations?	• Establishment of bodies and allocation of responsibilities, at national and regional levels			•
8.6. To what extent has Phare institution building been successful in supporting the country in its preparation for SF implementation?	• Remaining gaps in institutional structures, systems, resources and competences			•
8.7. Has there been any acceleration in the pre-accession performance of ESC programmes since the beginning of the support to ESC in The country?	• Trend in key performance indicators	•		

### Annex 5. Sample projects – Financial data and results

Project No.	Project Title	Phare Allocation (M€)	Final Commitment (%)	Final Disbursement (%)	Main results achieved
<i>Agriculture</i>					
0005.01	Integrated Administrative Control System (TW + INV)	2.892	100	79	<i>Systems</i> <ul style="list-style-type: none"> <li>• Written basic procedures for the development and implementation of aid scheme regulations</li> </ul>
0105.02	Building CAP/EAGGF structures (TW + INV)	0.900	100	99	<i>Systems</i> <ul style="list-style-type: none"> <li>• Direct payment schemes introduced and operational,</li> <li>• Land parcel information system in place</li> <li>• FADN implemented</li> <li>• Less-favoured areas identified</li> </ul> <i>Resources</i> <ul style="list-style-type: none"> <li>• Staff partly recruited, in place and the operation supported by IT systems</li> </ul>
0105.03	Building CAP structures; IACS (TW+INV)	3.630	91	81	<i>Systems</i> <ul style="list-style-type: none"> <li>• Approved programming documents - SOP and Rural Development Plan</li> <li>• Monitoring indicators selected and software of monitoring system delivered</li> <li>• Operational manuals and Guides prepared</li> <li>• Paying Agency established</li> </ul>
<i>Cross Border Co-operation</i>					
9914.01.05	Klatovy WWTP (INV)	3.343	100	100	<i>Resources</i> <ul style="list-style-type: none"> <li>• Completed modernisation of WWTP (100 000 population equivalent)</li> </ul>
9912.01.03	Breclav – Repair of Road I/55 (INV)	2.000	100	100	<i>Resources</i> <ul style="list-style-type: none"> <li>• Reconstructed 21.2 km of major road including five bridges and new cycle way (plus border crossing with Austria)</li> </ul>
0012.04	Chodska Liga WWTP (INV)	2.000	100	100	<i>Resources</i> <ul style="list-style-type: none"> <li>• Rural sewerage and two small WWTP for seven municipalities serving 4 500 inhabitants</li> </ul>
0014.02	Hovorany WWTP (INV)	1.110	100	100	<i>Resources</i> <ul style="list-style-type: none"> <li>• WWTP serving 3 municipalities operational</li> </ul>
0111.01	Nove Hradky Biotechnology Centre (INV)	1.360	100	98	<i>Resources</i> <ul style="list-style-type: none"> <li>• Biotechnology Centre established</li> <li>• Education support</li> <li>• New technologies introduced and international co-operation initiated</li> </ul>

<i>Economic and Social Cohesion</i>					
9902.02	Promoting Employability / Employment Measures (GS)	2.000	84	84	<i>Systems</i> <ul style="list-style-type: none"> <li>• Promotion of regional initiatives to resolve unemployment</li> </ul> <i>Resources</i> <ul style="list-style-type: none"> <li>• Developed programming and implementation capacity at the regional level</li> </ul>
0010.02.01	Productive Sector Investment Fund, (GS)	2.390	91	91	<i>Resources</i> <ul style="list-style-type: none"> <li>• New innovative technologies purchased and utilised for production</li> </ul>
0010.03.04	Science and Technology Park Ostrava (INV)	1.526	100	95	<i>Resources</i> <ul style="list-style-type: none"> <li>• 350 new highly qualified vacancies (80% university graduates)</li> <li>• The constructed building was completely rented 14 months after its completion</li> <li>• Employees of the companies located in the park are teaching at the University</li> <li>• Students involved in companies' operation</li> </ul>
0110.03	Finalising of structures and measures to increase absorption capacity at the national and regional levels (TA)	2.000	100	100	<ul style="list-style-type: none"> <li>• 177 projects completed and 107 of them submitted for the funding</li> <li>• training manuals supporting administrative capacity and project preparation issued</li> </ul>
<i>Energy and Transport</i>					
0004.04	Establishment of the Energy Regulatory Administration (TW)	0.600	100	85	<i>Structures</i> <ul style="list-style-type: none"> <li>• New Act on Electronic Communication adopted</li> </ul> <i>Systems</i> <ul style="list-style-type: none"> <li>• Fully operational Energy Regulatory Authority based on the elaborated procedural manuals and detailed Action Plan</li> <li>• Competitive telecom market open</li> </ul>
0104.06	Electricity market operator	0.600	100	90	<i>Systems</i> <ul style="list-style-type: none"> <li>• Fully operational Electricity Market Operator in compliance with the harmonised Energy Act dealing with the short-term electricity market and settlements of imbalances - market opening commenced</li> <li>• Operates 1% of the total electricity supply in the CR</li> </ul>
<i>Environment</i>					
9910	Large-scale Infrastructure Facility V Brno Municipal Water (INV)	14.200	98	98	<i>Resources</i> <ul style="list-style-type: none"> <li>• Preparatory works for the completion of WWTP finalised</li> </ul>

0006.01	Implementing Structures for IPPC (TW)	1.000	100	93	<p><i>Structures</i></p> <ul style="list-style-type: none"> <li>• The implementation of the Czech environmental legislation fully harmonised with the IPPC Directive</li> <li>• <i>Systems</i></li> <li>• IPPC agency established</li> <li>• 500 permits issued (total 1200 by 2007)</li> <li>• Integrated Register of Pollution created, publicly available</li> </ul>
0106.02	Implementation of Water Framework Directive (TW)	0.750	100	93	<p><i>Structures</i></p> <ul style="list-style-type: none"> <li>• Enforcement of the Water Framework Directive in the Czech Republic</li> </ul> <p><i>Systems</i></p> <ul style="list-style-type: none"> <li>• Manual applied and regularly updated</li> <li>• Regular reporting for EC after completion of each phase</li> </ul>
<i>Internal Market</i>					
9903.01	Tax Administration	1.000	91	77	<p><i>Systems</i></p> <ul style="list-style-type: none"> <li>• Client oriented attitude adopted, introduction of voluntary compliance</li> <li>• Basic strategies on tax collection, risk management and communication adopted and applied</li> <li>• The Unit on the exchange of VAT information within EU established and operational</li> <li>• Application of Blueprints – international standards</li> </ul>
0109.02	Training for Auditors of the Supreme Audit Office (TW)	0.700	100	81	<p><i>Systems</i></p> <ul style="list-style-type: none"> <li>• Strengthened financial control functions of SAO - application of international audit standards</li> <li>• 6 financial audits and 10 performance audits carried out annually</li> <li>• preparation of financial audit manual</li> <li>• developed system of training</li> </ul>
0004.03	Strengthening Regulation/Enforcement of Telecom Acquis (TW)	0.600	100	100	<p><i>Systems</i></p> <ul style="list-style-type: none"> <li>• Fully operational independent Czech Telecommunication Office as a regulatory body based on the proposed model and respecting the new Act on electronic communication</li> </ul>
0004.05	Public Procurement (TW)	0.900	92	82	<p><i>Structures</i></p> <ul style="list-style-type: none"> <li>• Assistance in drafting Act on Public Contracts provided but not fully accepted in the Act's final version</li> </ul> <p><i>Systems</i></p> <ul style="list-style-type: none"> <li>• Public procurement manuals developed and in use;</li> <li>• Users acquainted with a new concept of public procurement information management and monitoring system</li> <li>• Training system for professional qualification in public procurement set</li> </ul>

					up; concept, structure and content of training programmes established; <i>Resources</i> • 55 trainers educated in pilot training programme
<i>Justice and Home Affairs</i>					
0007.02	Schengen and Border Management (INV)	5.278	87	87	<i>Systems</i> • Secured technical protection of external borders • Utilisation of IT system for provision of data to NSIS
0009.01	Modernisation of the Central State Administration (TW)	0.997	100	83	<i>Structures</i> • For the time being, adopted but invalid Civil Service Act <i>Systems</i> • Self-assessment tools such as Common Assessment Framework about to be introduced
<i>Social Affairs</i>					
0003.03	Support to Pension Reform (TW+INV)	1.293	100	97	<i>Structures</i> • Operation of the Czech Social Insurance Administration in accordance with the required standards <i>Systems</i> • Digitalisation in progress, personal accounts introduced, exchange systems operational • Decentralisation of service provision for clients
0002.03	Support to Roma Integration/Multicult. Education Reform (TA)	0.974	100	95	<i>Structures</i> • New legislation adopted introducing Roma assistants, preparatory classes, all-day care for Roma children and abolishment of special schools <i>Systems</i> • Multicultural education introduced • Reduced prejudice against Roma
0011	ACCESS 2000 (GS)	1.670	93	93	<i>Resources</i> • 28 macro projects, 205 micro projects and 5 networking projects implemented

Source for financial data: Perseus; figures in €; discrepancies between final commitment and final disbursement indicate projects with still on-going disbursements; source for results: project final reports

### Annex 6. Summary responses from questionnaires

Area	Responses <sup>35</sup>
Needs analysis and design	<ol style="list-style-type: none"> <li>1. Based on the responses of the Czech beneficiaries, needs analysis was carried out for all 1999-2001 projects under review.</li> <li>2. The performed needs analyses varied. Big investment projects usually had their feasibility studies completed.</li> <li>3. For the <i>acquis</i> related institution building projects needs analyses usually meant in-depth studies of the related <i>acquis</i> provisions.</li> <li>4. Most needs analyses were conducted informally, based on the assessment of experience and with the help of various reports/ studies.</li> <li>5. Regarding underlying intervention strategies, 25% of the contacted persons did not provide any response on this question.</li> <li>6. Although the rest of the beneficiaries reported that there was a national strategy, the understanding of strategic rationale differed. Sometimes it was seen as the legal obligation, sometimes reports or analyses performed in the particular area were considered to ensure the strategic basis for interventions.</li> <li>7. Based on the responses gained, all of the sample projects reflected clearly the country needs.</li> <li>8. The value-for-money aspect was assessed by beneficiaries in principle as being highly satisfactory.</li> </ol>
Inputs/Outputs Results/Impacts	<ol style="list-style-type: none"> <li>9. Although it is obvious that the contacted beneficiaries had difficulties to distinguish between outputs, results and impacts, all of them reported full achievements of the planned outputs, results and impacts. Immediate impacts could not be identified.</li> <li>10. The most commonly identified unexpected impact recognised was the establishment of good relationships with EU-15 twinning partners.</li> </ol>
Sustainability	<ol style="list-style-type: none"> <li>11. All respondents reported that their projects are sustainable in general.</li> <li>12. 15% of responses indicated problems with high turnover of staff.</li> </ol>
Lessons Learned	<ol style="list-style-type: none"> <li>13. Phare assistance was highly appreciated for the Czech technical accession preparations.</li> <li>14. Namely, the twinning instrument was found as a good way for exchange of experience.</li> <li>15. Based on their gained experience the beneficiaries recommended to focus more on preparing high quality projects including thorough analysis.</li> <li>16. Phare was found useful as a preparation for Structural Funds.</li> <li>17. Selection of EU-15 twinning partners should be done with respect to the similarities regarding culture and systems, namely as regards reform of existing systems (i.e. taxation).</li> <li>18. Contacted beneficiaries stressed the need to make maximum use of available funds.</li> </ol>

<sup>35</sup> Most questionnaires were sent out in the Czech language, and the responses have been translated here.

**Annex 7. List of Documents**

<b>Originator</b>	<b>Date</b>	<b>Title of Document</b>
<i>OVERALL DOCUMENTS</i>		
European Commission	2003	Comprehensive Monitoring Report on The Czech Republic's preparation for Membership
European Commission	2002	2002 Regular Report on The Czech Republic's Progress towards Accession
European Commission	2001	2001 Regular Report on The Czech Republic's Progress towards Accession
European Commission	2000	2000 Regular Report on The Czech Republic's Progress towards Accession
European Commission/ Government of the Czech Republic	1999	The Czech Republic National Programme 1999, Financing Memorandum, Programme Number CZ 9901 to CZ 9905
European Commission/ Government of the Czech Republic	2000	2000 National Programme for The Czech Republic, Financing Memorandum, Programme Number CZ 0002 to CZ 0010
European Commission/ Government of the Czech Republic	2001	2001 National Programme for The Czech Republic, Financing Memorandum, Programme Number CZ 0101 to CZ 0110
European Commission/ Government of the Czech Republic	2001	Financing Memorandum, CZ-0011 ACCESS
Government of the Czech Republic	2000, 2001	National Programme for Adoption of the Acquis
Ministry of Finance of the Czech Republic	2005	Implementation Status Report on Phare and Transition Facility Programmes, Reporting period June 2004-February 2005
Ministry of Finance of the Czech Republic		Perseus for all programmes under evaluation: National 1999, National 2000, National 2001, CBC CZ 9909, CZ 99012, CZ 99013, CZ 9914, CZ 0012 -0014
European Commission	2004	A new partnership for cohesion – third report on economic and social cohesion
European Commission	2005	16 <sup>th</sup> Annual Report on Implementation of the Structural Funds 2004; COM(2005) 533 final
European Commission	2005	Annual Report of the Cohesion Fund (2004); COM(2005) 544 final
SIGMA	1998	Preparing Public Administrations for the European Administrative Space – SIGMA papers no. 23
SIGMA	2003	Czech Republic – Public Service and the Administrative Framework Assessment 2003
SIGMA	June 2003	Public Procurement Review - Czech Republic
Ministry for Regional Development	March 2004	Czech Republic 2004-06 Community Support Framework
Berkeley Programme in Soviet and Post-Soviet Studies	2002	Civilizing the State Bureaucracy: The unfulfilled Promise of Public Administration Reform in Poland, Slovakia, and the Czech Republic (1990-2000)
Civil Society Development Foundation	-	Annual Report 2004, 'Fostering citizens' responsibility for matters of public concern'
Brian Harvey	July 2004	'The Illusion of Inclusion', Access by NGOs to the structural funds in the new member states of eastern and central Europe; Report for the European Citizen Action Service
M. Sumpikova/ J. Pavel/ S. Klazar	2004	EU Funds: Absorption Capacity and Effectiveness of Their Use, with Focus on Regional Level in the Czech Republic

Zuzana Dvorakova	2005	HR Practices in the Czech Public Administration; Paper prepared for the European Group of Public Administration Conference
Tomas Kostecky	2005	Public Administration, Regional Policy, and the Regional Committees – Interaction of Regional, National and European Influences in Pre-Accession Czech Republic
S. Klazar et.al.	2004	E-governance and its application in the area of programming public expenditures: the case for the Czech Republic and Slovakia
Freedom House	2004	Nations in Transit 2004 – Czech Republic
Freedom House	2005	Nations in Transit 2005 – Czech Republic
World Bank	2005	Judicial Systems in Transition Economies; Assessing the Past, Looking to the Future.

*INTERIM EVALUATION REPORTS COMMISSIONED BY COMMISSION SERVICES*

EMS	2004	From Pre-Accession to Accession - Interim Evaluation of Phare Support Allocated in 1999-2002 and Implemented until November 2003, March 2004
EMS	2004	Thematic Interim Evaluation Report ZZ/ESC/0308, dated 23 April 2004 (Economic and Social Cohesion)
EMS	2004	Thematic Interim Evaluation Report ZZ/PAJC/03090, dated 23 March 2004 (Public Administrative and Judicial Capacity)
EMS	2004	Thematic Interim Evaluation Report, dated December 2004 (Phare Assistance to Roma Minorities)
EMS		Interim Evaluation Reports (electronic versions)
	07/10/2002	R/CZ/CIV/02.031
	21/08/2002	R/CZ/AGR/02.028
	05/09/2002	R/CZ/BUS/02029
	07/03/2002	R/CZ/CBC/02016
	11/12/2002	R/CZ/CBC/02032
	18/03/2002	R/CZ/ENE/02003
	28/02/2002	R/CZ/ENV/02002
	18/12/2002	R/CZ/ENV/02033
	17/05/2002	R/CZ/ESC/02.023
	04/02/2003	R/CZ/ESC/02034
	08/05/2002	R/CZ/FIN/02025
	03/04/2003	R/CZ/FIN/02036
	10/10/2002	R/CZ/JHA/02030
	18/01/2002	R/CZ/JHA/01009
	31/03/2003	R/CZ/JPA/02035
	27/09/2002	R/CZ/NAC/02140
	01/07/2002	R/CZ/OTH/02007
	10/05/2002	R/CZ/PAR/02024
	17/05/2002	R/CZ/SOC/02026
	30/04/2001	R/CZ/CAR/00010
OMAS		Interim Evaluation Reports (electronic versions)
	30/08/2001	R/CZ/TRA/01006
	27/08/2001	R/CZ/TEL/01007
OMAS	2001	Country Assessment Review of Phare Assistance up to the Year 2001

*INTERIM EVALUATION REPORTS COMMISSIONED BY CZECH REPUBLIC*

WMEB		Interim Evaluation Reports (electronic versions)
	29/09/2004	IE/CZ/ENV/04001
	09/06/2005	IE/CZ/AGR/04011

	13/01/2005	IE/CZ/CBC/04005
	20/05/2005	Country Summary Evaluation Report
	10/11/2005	Country Summary Evaluation Report
<i>AGRICULTURE</i>		
Twinning partner	09/2003	0005.01 Preparation for the implementation of IACS and the development of the required institutional capacity, Final Report
Twinning partner	12/2003	0105.02 Building CAP/EAGGF Structures, Final Report
Twinning partner	09/2004	0105.03 Building CAP structures; Technical Implementation of IACS – Control System Component, Final Report
<i>ECONOMIC AND SOCIAL COHESION</i>		
National Training Fund	03/2003	9902.02 Final assessment report on PALMIF
ECORYS	10/2004	0110.03 Finalising of Structures and Measures to Increase the Absorption Capacity at the National and Regional Levels, Final Report and 8 Regional Final Reports
<i>ENERGY AND TRANSPORT</i>		
Twinning partner	12/2003	0104.06 Electricity Market Operator, Final Report
Twinning partner	2003	0004.04 Strengthening Regulation and enforcement of energy acquis
<i>ENVIRONMENT</i>		
Twinning partner	03/2004	0106.02 Implementing the Water Framework Directive in the CR, Final Report
Twinning partner	07/2003	0106.02 Implementation of Structures for IPPC Directive and IRZ Register
<i>INTERNAL MARKET</i>		
Twinning partner	06/2003	0109.02 Training for Auditors of the Supreme Audit Office, Final Report
Twinning partner	06/2002	9903.01 Tax Administration, Final Report
Twinning partner		0004.03 Strengthening Regulation/Enforcement of Telecom Acquis, Final Report
Twinning partner	09/2003	0004.05 Strengthening Regulation and Enforcement of the Public Procurement Acquis in the CR, Final Report
<i>JUSTICE AND HOME AFFAIRS</i>		
Twinning partner	05/2003	0009.01 Modernisation of the Central State Administration, Final Report
<i>SOCIAL AFFAIRS</i>		
Twinning partner	10/2003	0003.03 Support to Pension Reform, Final Report
GET	02/2004	0002.03 Multicultural Education Reform, Final Report
NROS	2003	0011 Internal Assessment of ACCESS 2000
CFA	2005	Monitoring Report M/CZ/CSD/2005/No. 07
NROS	2003/04	ACCESS Evaluation reports, Project final reports

**Annex 8. List of Interviews**

<b>INSTITUTION</b>	<b>INTERVIEWEE</b>	<b>DATE</b>
European Commission DG Enlargement Financial Assistance and Follow Up Unit Rue de La Loi 130 B-Brussels	Ms. Verena Wessely Programme Manager Czech Republic	19/01/2006
Delegation of the European Commission Pod Hradbami 17 CZ-160 41 Prague 6	Mr. Ruud van Enk* Head of Phare and ISPA Section	27/01/2006
Ministry of Finance Centre for Foreign Assistance Nabr. kpt. Jarose 1000 CZ-170 00 Prague 7	Ms. Dominika Hertova Head of Evaluation Unit	01/02/2006
Ministry of Finance Centre for Foreign Assistance Nabr. Kpt. Jarose 1000 CZ-170 00 Prague 7	Ms. Lucie Kazimourova	01/02/2006
Ministry for Regional Development Community Support Framework Department Staromestske nam. 6 CZ-110 15 Prague 1	Mr. Jiri Eisenhammer	01/02/2006
Supreme Audit Office Jankovcova 63 CZ-170 04 Prague 7	Mr. Miroslav Leixner Chief Director of Audit Section	02/02/2006
Energy Regulatory Office Strategy Department Partyzanska 1/7 CZ-170 00 Prague 7	Ms. Vera Sovova	02/02/2006
Czech Telecommunication Office Department of International Relations Sokolovska 219 Prague 9	Ms. Nadezda Paclova Head of Division for European Affairs	02/02/2006
Czech Telecommunication Office Department of International Relations Sokolovska 219 Prague 9	Ms. Irena Pomichalkova	02/02/2006
Energy Market Operator Sokolovka 192/79 CZ-186 00 Prague 8	Mr. Miroslav Sumpik	03/02/2006
Ministry of Education, Youth and Sport Department of Education Karmelicka 7 CZ-118 12 Prague	Ms. Marie Rauchova	03/02/2006
Civil Society Development Foundation Jeleni 196/15 CZ-118 00 Prague 1	Mr. Bojan Suh EU Programmes	03/02/2006

Delegation of the European Commission Pod Hradbami 17 CZ-160 41 Prague 6	Mr. Howard Harding* Programme Officer	06/02/2006
Ministry of Labour and Social Affairs Department of EU and international co- operation, EU Unit Na Poricnim pravu 1 CZ-128 01 Prague 2	Ms. Jitka Zukalova	06/02/2006
Czech Social Security Administration Headquarters Department 51 Krizova 25 CZ-225 08 Prague 5	Ms. Jitka Konopaskova	06/02/2006
Czech Social Security Administration Headquarters Department 62 Krizova 25 CZ-225 08 Prague 5	Mr. Jan Ottenschlager Head Department	06/02/2006
Czech Social Security Administration Headquarters Department 71 Krizova 25 CZ-225 08 Prague 5	Mr. Frantisek Kresak	06/02/2006
Ministry of Environment Department of Environmental Policy and Multilateral Relations Vrsovicke 65 CZ-100 10 Prague 10	Mr. Jiri Bendl Environmental Policy Unit	07/02/2006
Ministry of Environment Department of Environmental Policy and Multilateral Relations Vrsovicke 65 CZ-100 10 Prague 10	Mr. Petr Volf	07/02/2006
Ministry of Environment Department of Integrated Financing EU programmes Unit Vrsovicke 65 CZ-100 10 Prague 10	Mr. Martin Petrtyl Head of Unit	07/02/2006
Ministry of Environment Department of Water Protection Vrsovicke 65 CZ-100 10 Prague 10	Ms. Marta Kubova	07/02/2006
Ministry of Environment Department of Water Protection Vrsovicke 65 CZ-100 10 Prague 10	Mr. Oldrich Novotny*	07/02/2006

Ministry of Interior Department of Modernisation of Public Administration Nam. Hrdinu 3 CZ-140 21 Prague 4	Mr. Jiri Marek Head of Department	07/02/2006
Ministry of Interior Department of Modernisation of Public Administration Nam. Hrdinu 3 CZ-140 21 Prague 4	Mr. Marek Smid	07/02/2006
Czech Police Presidium System Control and Informatics Department P.O.Box 62/SRI CZ-170 89 Prague 7	Mr. Jaroslav Sipek Head of Section	07/02/2006
Czech Police Presidium System Control and Informatics Department P.O.Box 62/SRI CZ-170 89 Prague 7	Mr. Fucik Director	07/02/2006
Border and Alien Police Headquarters Olsanska 2 CZ-130 51 Prague 3	Mr. Jiri Simonik Department of Border Service	07/02/2006
Ministry of Agriculture Phare Co-ordinator Tesnov 17 CZ-117 05 Prague 1	Mr. Ludek Broz	08/02/2006
Ministry of Agriculture IACS Unit Tesnov 17 CZ-117 05 Prague 1	Mr. Petr Ettler*	08/02/2006
Ministry of Agriculture Department for Co-ordination of Negotiations with EU Tesnov 17 CZ-117 05 Prague 1	Mr. Tomas Kreutzer* Head of Department	08/02/2006
Ministry of Agriculture Tesnov 17 CZ-117 05 Prague 1	Mr. Martin Sladek	08/02/2006
Office of the Government of the CR Department of Human Resources Management in Administrative Authorities Jindriska 34 CZ-118 01 Prague 1	Mr. Roman Kuruc Counsellor for International Relations	08/02/2006
Ministry of Informatics Unit of European Integration and International Relations Havelkova 2 CZ-130 00 Prague 3	Ms. Marketa Morska Head of Unit	08/02/2006

National Training Fund Opletalova 25 CZ-110 00 Prague 1	Mr. Vaclav Broz	09/02/2006
Ministry of Labour and Social Affairs Employment Services Administration Department of Counselling and Mediation Na Poricnim pravu 1 CZ-128 01 Prague 2	Ms. Alena Englichova	09/02/2006
Ministry of Labour and Social Affairs Department of ESF Management PHARE and Regional Co-ordination Unit Na Poricnim pravu 1 CZ-128 01 Prague 2	Ms. Katerina Urbancikova	09/02/2006
Ministry of Finance Central Finance and Tax Directorate Department 39 Lazarska 7 CZ- 118 10 Prague 1	Mr. Radim Blaha Head of Department	09/02/2006
Ministry of Finance Department 58, Unit 586 Letenska 15, P.O. Box 77 CZ- 118 10 Prague 1	Mr. Zdenek Pagac SPO	09/02/2006
Ministry of Regional Development Community Support Department Staromestske nam. 6 CZ-110 15 Prague 1	Ms. Eva Pisova Head of Evaluation Unit of SF**	03/03/2006
Akses spol. s.r.o. Tynska 1053/21 CZ-110 10 Prague 1	Dr. Dmitrij Svec	04/03/2006
Cassia Development & Consulting Fucikova 1535/ 44 CZ-358 01 Kraslice	Mr. Vilem Cekalje* ** Co-ordinator NUTS II North West	06/03/2006
Ministry for Regional Development Department of Public Investment Staromestske nam. 6 CZ-110 15 Prague 1	Mr. David Mlicko**	08/03/2006

\* ) former positions

\*\* ) phone interview

**Annex 9. Respondents to Questionnaires**

<b>INSTITUTION</b>	<b>RESPONDENT</b>	<b>DATE</b>
National Training Fund Opletalova 25 CZ-110 00 Prague 1	Mr. Vaclav Broz Head of PALMIF	30/01/2006
Energy Regulatory Office Strategy Department Partyzanska 1/7 CZ-170 00 Prague 7	Ms. Vera Sovova	02/02/2006
Ministry of Education, Youth and Sport Department of Education Karmelicka 7 CZ-118 12 Prague	Ms. Marie Rauchova	02/02/2006
Czech Telecommunication Office Department of International Relations Sokolovska 219 Prague 9	Ms. Irena Pomichalkova	02/02/2006
Municipal Office Hlavni 1000 CZ-696 04 Svatoborice-Mistrin	Mr. Jan Nemcansky Mayor	03/02/2006
Civil Association SPOLU Olomouc	Ms. Hana Fiserova	05/02/2006
Ministry of Finance Central Finance and Tax Directorate Department 39 Lazarska 7 CZ- 118 10 Prague 1	Mr. Radim Blaha Head of Department	06/02/2006
Border and Alien Police Headquarters Olsanska 2 CZ-130 51 Prague 3	Mr. Jiri Simonik Department of Border Service	07/02/2006
Diakonie CCE Centre Rolnicka Sobeslav	Ms. Ruth Sormova	07/02/2006
Municipality Ostrava Prokesovo nam. 8 CZ-729 30 Ostrava	Ms. Marie Obrouckova	08/02/2006
Municipal Office Brno Dominikanske nam. 1 CZ-602 00 Brno	Mr. Pavel Vybiral	08/02/2006
Jihoceska Univerzita Branisovka 31 Ceske Budejovice	Ms. Jana Valkova	13/02/2006
Sky Paragliders a.s. Okruzni 39 CZ-739 11 Frydlant nad Ostravici	Ms. Jana Lednikova	22/02/2006