

## EXECUTIVE SUMMARY

### Thematic Interim Evaluation Report: Review of Twinning in Croatia

#### SCOPE AND OBJECTIVES

This Thematic Evaluation Report assesses European Union twinning assistance and support to Croatia as a Candidate country. The report includes relevant analysis, as well as lessons learned, conclusions and recommendations for an improved implementation of current programmes as well as for future pre-accession programming, notably of the new Instrument for Pre-Accession Assistance (IPA). The report also draws on experience from new member states and other candidate or potential candidate countries. Elements of good practice from former candidate countries/ new member states are identified and presented.

The scope of this thematic Evaluation Report focuses on interviews with key actors and stakeholders of Phare 2005 and 2006 twinning programmes in Croatia, representing around 30 twinning and twinning light projects currently at various stages of preparation and implementation.

#### KEY EVALUATION FINDINGS

##### *Twinning meets Croatian needs but key institutions and procedures are weak.*

The 'Twinning Philosophy', strategic rationale and design of Phare twinning assistance is as well suited to Croatia as it has been to other candidates. The institutional environment in Croatia, however, is not yet fully developed and institutional responsibilities and procedures generally are not sufficiently coherent, complementary or integrated. The roles of the key institutions for twinning and their procedures are not sufficiently publicised or widely understood among the twinning community in Croatia. The Central Finance and Contracting Agency and, within it, the Twinning National Contact Point, does not yet function with sufficient speed in accordance with the Twinning Manual, and the latter body, which should play a significant role, has a very low profile. Donors still play a disproportionate role in the twinning exercise.

##### *Twinning support generally achieved its intended results.*

Despite the above weaknesses, where there is adequate absorption capacity and potential beneficiaries are motivated, twinning in Croatia is mostly being implemented well, notably in the home affairs, customs and taxation, internal market and competitiveness and free movement of goods sectors.

In common with other past and present beneficiaries, there is a tendency for Croatia to allocate insufficient resources for the implementation of twinning projects, and to misconceive the extent to which twinning makes demands on the beneficiaries which, together with variable high level support, complicates and slows-down the envisaged activities. This is visible through the delays taken in preparing twinning fiches or at the implementation stage when Croatian high level staffs do not sufficiently mobilise their teams to make full immediate use of the twinning implementation period.

Nevertheless, twinning is considered to be the most suitable instrument for the development of administrative capacities and promotion of legislative changes in Croatia and, whether or not it is

cost-effective, it is certainly highly effective and it is hard to see how the transfer of administrative know-how could be otherwise achieved.

*Sustainability depends on ownership at the decision-making level*

Many Croatian twinning projects have benefited from national counterparts and teams who are keen to see projects through to satisfactory and sustainable conclusions. However, their ability to consolidate the achieved outcomes and to secure impact elsewhere in their administration depends on engaging the attention and commitment of the higher levels in their hierarchy, and this has been a point of difficulty in many cases.

## CONCLUSIONS

### ***Conclusion 1: Overall good performance of twinning implementation in Croatia***

The performance assessment of running and finalised twinning implementation is satisfactory to good in Croatia based on strong Croatian project leaders and some highly committed individual members of staff. Despite all critical comments, compared to other accession countries and new Member States, Croatia manages quite satisfactorily with some outstanding success stories (statistics' 2005/2006 programmes, home affairs) and shares similar problem with other Phare beneficiary countries. The acceptance of twinning has been significantly advanced and the instrument as such receives a good reputation among the Croatian beneficiaries. On the other hand efficiency and effectiveness of individual twinning operations are variable, reflecting sometimes low absorption capacities and some external factors such as political influence, budget limitations or weak or unhelpful top management involvement.

### ***Conclusion 2: Performance of the twinning coordination/advisory unit in the Central Finance and Contracting Agency is uneven***

The Central Finance and Contracting Agency performance is moderately satisfactory but needs to develop further and speed up procedures. Management of the twinning instrument depends on too few persons in the Agency who are overwhelmed and do not have sufficient time to train and supervise new staff. Task managers are not all knowledgeable and experienced with administrative matters. The new staff need to receive intensive training and should together with the European Commission Delegation agree on a correct interpretation of twinning regulations. The internal structure of the Agency needs to be reviewed to clarify whether it is organised appropriately for its tasks. In particular the Twinning National Contact Point requires rapid development in order to play a more significant professional role in managing, guiding and promoting the use of twinning in Croatia.

### ***Conclusion 3: Institution building twinning under the single Instrument for Pre-Accession needs a stronger strategic rationale***

Twinning implementation needs to speed up taking account of an early accession date and to diversify to cover all outstanding sectoral tasks of *acquis* adoption, implementation and enforcement. Phare 2006 implementation will burden the administrative stakeholders but IPA 2007 needs to be prepared and begun without undue delays. Taking into account that the current and upcoming twinning interventions will provide the backbone of final pre-accession preparations, the more strategic use of twinning becomes essential.

***Conclusion 4: Qualification of local stakeholders in respect to twinning has been limited***

Implementation quality of twinning projects for institution building needs to be increased in terms of capacities of beneficiaries and extended to more sectors and tasks. Up to the present, twinning knowledge and implementation is in the hands of too few administrations and twinning newcomers start from scratch with little or no education or guidance given on twinning matters. There remain a number of very experienced Croatian stakeholders but their experience is so far not much systematically disseminated and promoted in order to facilitate a smooth transfer to new or inexperienced Croatian twinning beneficiaries and stakeholders.

***Conclusion 5: Lack of systematic performance assessment of completed twinning operations***

Performance and sustainable success of completed twinning projects are missing systematic follow-up. Twinning projects are regularly assessed by ad hoc internal reviews of the local Delegations, and through official evaluations by European Court of Auditors and Directorate-General Enlargement / Evaluation Unit. For the partners involved in a twinning it is an important question of achieving impacts and sustainable results whether the started reforms are continuously implemented after project finalisation or not. Until now it was not easy to assess whether a twinning project did achieve all expected impacts and hopefully proceeds on the reform path because no actual follow up is done in terms of a standardised procedure.

**RECOMMENDATIONS**

In order to address these challenges the following four sets of actions are recommended:

***Action 1: Improve performance of the twinning coordination/advisory unit in the Central Finance and Contracting Agency and reform it into an effectively functioning Twinning National Contact Point.***

- Decision-making levels should settle on one institution as a focal point and driving force for improved and speeded up twinning implementation. The actual situation in Croatia points to the already existing internal twinning coordination unit of the Central Finance and Contracting Agency. The Central Finance and Contracting Agency, other involved institutions and the European Commission Delegation, as observer, should agree on the necessary tasks and future coordination and cooperation procedures in a more formalised and structured way. This should include also an agreement to give the Twinning National Contact Point priority support and back-up.
- The Twinning National Contact Point, supported by technical assistance, should design and implement procedures and flow charts to ensure smooth, fast and efficient cooperation with all partners involved in twinning including improved administration of projects.

***Action 2: Elaborate and deliver an action plan for improved implementation of Institution Building twinning under the single Instrument for Pre-Accession***

- The Twinning National Contact Point should develop an internal action plan with clear targets and benchmarks to ensure improved twinning implementation in Croatia under the single Instrument for Pre-Accession.
- Central State Office for Development Strategy and Coordination of European Union Funds and Central Finance and Contracting Agency decision level should organise consultations with all Senior Programme Officers and Project Implementation Units of line ministries to

ensure improvement of absorption capacity for twinings under the single Instrument for Pre-Accession.

***Action 3: Develop and implement a consistent and continuous qualification strategy for Croatian twinning stakeholders and beneficiaries***

- Central Finance and Contracting Agency at decision-making level and Twinning National Contact Point at operational level should develop and implement a training strategy for twinning and Croatian twinners including technical training for twinning administration staff in Central Finance and Contracting Agency and Project Implementation Units. The National Contact Point for Twinning should take the lead role in the organisation of twinning training for Croatian beneficiary administrations.
- Central Finance and Contracting Agency should support the training strategy by awareness raising campaigns, regular information and publicity events on twinning like info days or the running of an interactive web site.

***Action 4: Develop a new assessment tool - peer review as follow up for twinning projects***

- Directorate-General Enlargement – Institution Building Unit and European Commission Delegations should establish a new additional assessment tool at technical project level. A regular twinning peer review would ideally consist of a follow up mission of both project partners six months after project finalisation and would result in an assessment report by the twinning project team itself, reporting whether sustainable impacts, side effects or other spin offs have been observed after project finalisation. A possible simpler approach might be to develop a procedure involving the Task manager in European Commission Delegation in collaboration with the beneficiary country project partners, or to conduct twinning lights or use the Technical Assistance and Information Exchange Instrument (TAIEX).