



EUROPEAN CENTRE FOR DEVELOPMENT POLICY MANAGEMENT
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Study of EC Technical Cooperation and PIUs

Review of case documentation

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List of acronyms

AAP	Annual Action Programme
ACP	African, Caribbean, Pacific countries
ADB	Asian Development Bank
AF	Action Fiche
AIDCO	EuropeAid Co-operation Office
ALA	Asian and Latin American countries
ASEM	Asia-Europe Meeting
BEC-TF	Basic Education Capacity Trust Fund (Indonesia)
BS	Budget Support
CB	Capacity Building
CD	Capacity Development
CIDA	Canadian International Development Agency
CPA	Cotonou Partnership Agreement
CPMU	Central PMU (Syria)
CSHS	Centre of Strategic Health Studies (Syria)
CSO	Central Statistics Office (Zambia)
CSP	Country Strategy Paper
CV	Curriculum Vitae
DANIDA	Danish International Development Agency
DCI	Development Cooperation Instrument
DFID	Department for International Development
DG	Directorate General
DoB	Department of Budget (Philippines)
DoH	Department of Health (Philippines)
EAMR	External Assistance Management Report
EC	European Commission
ECA	European Court of Auditors
ECDPM	European Centre for Development Policy Management
EDF	European Development Fund
EFCC	Economic and Financial Crimes Commission (Nigeria)
EIB	European Investment Bank
EIF	European Investment Fund
ENP	European Neighbourhood Policy
ENPI	European Neighbourhood and Partnership Instrument
ETR	End of Term Evaluation
ETV(2)	European Technical Assistance Project for Vietnam Phase 2
EU	European Union
FA	Financing Agreement
FONADAL	Alternative Development National Fund (Bolivia)
FP	Financing Proposal
FR	Financial Regulation (Budget)
FR EDF	Financial Regulation (EDF)
FS	Food Security
FSP	Food Security Programme
FWC(s)	Framework Contract(s)
FWC-B	The Framework Contract Beneficiaries
GBS	General Budget Support
GoB	Government of Bangladesh
GoI	Government of Indonesia
GoK	Government of the Kyrgyz Republic
GoM	Government of Malawi
GoN	Government of Nicaragua
GoU	Government of Uganda
GoV	Government of Vietnam
GTAF	General Technical Assistance Facility (Moldova)
GTZ	Deutsche Gesellschaft für Technische Zusammenarbeit
HOD	Head of Delegation

HQ	Headquarter
HSMP	Health Sector Modernisation Programme (Syria)
HSPSP	Health Sector Policy Support Programme 2006-2010 (Philippines)
HSRP	EC support to Health Sector Reform Programme Phase (Egypt)
IMF	International Monetary Fund
IPA	Instrument for Pre-accession
IRTP	International Restricted Tender Procedure
ISP	Institutional Support Project 2005-2009 (Vietnam)
IT	Information Technology
ITP	Vietnam Institutional Support Project (2005-2009)
LA	Latin America
LT TA	Long-term Technical Assistance
M&E	Monitoring & Evaluation
MACA	Ministry of Agriculture and Rural Affairs (Bolivia)
MC	Management Committee (Indonesia)
MDTF	Multi-Donor Trust Fund
MEDA	MEDA programme – (previous) financing instrument for the implementation of the Euro-Mediterranean Partnership
MFE	Ministry of Finance and Economy (Armenia)
MLSA	Ministry of Labour and Social Affairs (Armenia)
MoA	Ministry of Agriculture
MoF	Ministry of Finance
MoH	Ministry of Health
MoLSD	Ministry of Labour and Social Development (Kyrgyz Republic)
MoNE	Ministry of National Education (Indonesia)
MPI	Ministry of Planning and Investment (Vietnam)
MS	EU Member State(s)
MSPFC	Ministry of Social Protection, Family and Child (Moldova)
MTR	Mid-Term Evaluation of project/programme
NAO	National Authorising Officer
NCU	National Coordinating Unit
ND	National project direction
NIP	National Indicative Programme
NL	The Netherlands
NPD	National Project Director
OVI	Objectively Verifiable Indicators
PAO	Twinning Programme Administrative Office (Moldova)
PAR	Public Administration Reform
PARAD	Decentralisation programme (Mali)
PFM	Public Finance Management
PG	Partner Government
PIU	Project Implementation Unit
PMU	Project Management Unit
PNG	Papua New Guinea
PRAG	Practical Guide to Contract Procedures for EC external actions
PROADES	Decentralisation Support Programme in Honduras (2005-2009)
PROCOIN	Trade Development and Investment Promotion Programme (Bolivia)
PROHISABA	Basic Health and Hygiene Sector Support Programme (Bolivia)
PRSP	Poverty Reduction Strategy Paper
PSC	Project/Programme Steering Committee
PSO	Programme Support Office
PTF	Project Task Force
QSG	Quality Support Group
RAO	Regional Authorising Officer
ROM	Results Oriented Monitoring
SAV	State Audit Office (Vietnam)
SBS	Sector Budget Support
SBV	State Bank Vietnam
SC	Steering Committee

SIGMA	Support for Improvement in Governance and Management (twinning programme)
SNC	Road authority Bolivia
SPSP	Sector Policy Support Programme
SSP	Sector Support Programme
ST TA	Short Term Technical Assistance
SWAp	Sector Wide Approach
TA	Technical Assistance
TACIS	Technical Assistance to the Commonwealth of Independent States - (previous) financing instrument for member countries of the Commonwealth of Independent States
TAIEX	Technical Assistance and Information Exchange (twinning programme)
TAP	Technical and administrative provisions (annexed to the FA)
TAT	TA team
TC	Technical Cooperation
TCF	Technical Cooperation Facility (in ACP countries)
TFU	Technical Facilitation Unit (Malawi)
TOR	Terms of Reference
UN	United Nations
UNDP	United Nations Development Programme
UNODC	United Nations Office on Drugs and Crime
USAID	United States Agency for International Development
VDA	Vice-ministry of Alternative Development (Bolivia)
VN	Vietnam
WB	World Bank
WHO	World Health Organization

1 Summary of key points emerging¹

1.1 Introduction

This desk review of cases from EC's operations aims to provide an overall picture of how TC and PIUs are used in different sectors and regions, including countries with different levels of development. The review distinguishes between different types of support modalities (budget support, sector programmes and projects).

This review maps out broad patterns and presents salient points and ongoing practices according to regions, ACP, ALA and ENP. The grouping of information per region does not imply, however, that one can generalise on a particular use of TC or PIUs in the different regions. There is an enormous variety of practices within regions as well. Where there appear to be commonalities these will be highlighted.

1.1.1 Cases reviewed by region and modality

The table below lists the 25 cases reviewed, spread across more than 20 countries and some 8 sectors: health, education, trade, decentralisation, transport, governance, institutional reform and social assistance (all national).

	ACP	ALA	ENP
Budget support	§ CB component to Burkina Faso BS § CB component to Tanzania BS § CB component to Zambia BS § CB to Uganda BS (ECA) § CB to Chad BS (ECA)	<u>Asia</u> § BS through FSP to Kyrgyz Republic (note only) § BS through FSP to Tajikistan (note only) § CB to Vietnam BS (ECA), includes a MDTF	§ FSP Moldova, Armenia, Georgia § Moldova social assistance programme
Sector programmes	§ Mali decentralisation, PARAD (SBS)	<u>Asia</u> § Bangladesh health sector programme (with WB & other donors) § Indonesia education sector capacity trust fund (WB-managed with EC and NL) § Philippines health SPSP <u>Latin America</u> § Bolivia health sector programme (SBS) § Bolivia trade development programme § Bolivia 'alternative development' strategy § Honduras decentralisation programme (SBS) § Nicaragua institutional support programme	§ Egypt health sector programme (SBS) § Syria health sector programme
Projects	§ Malawi Rule of Law § Mali Transport § Nigeria – support to EFCC (Economic and Financial Crimes Commission, implemented by UNODC) Special ACP cases: § TCF PNG § PNG NAO support	<u>Asia</u> § Vietnam institutional support (ITP) § European TA project Vietnam (ETV2) <u>Latin America</u> § Bolivia roads project	Special ENP/TACIS case: § Moldova NCU
Total	9 (+2 ECA)	11 (+1 ECA +2 notes)	5

¹ This chapter summarises the findings reflected in more detail in the various sections of Chapter 3 of this report. Chapter 3 in turn is based on the review of the available project documentation for each case (see Bibliography), using the checklist of questions attached in Annex 2.

1.1.2 Methodology

The desk review of cases is based on a variety of sources, including: (i) various project/ programme documentation collected from EC staff at Headquarters and in the Delegations; (ii) the AIDCO database of procurement contracts; (iii) the Court of Auditors' report on TA; (iv) EC's internet sites.²

We used a common checklist to inquire about experiences and ongoing practices with regard to design, procurement, implementation and evaluation (see Annex 2).

Limitations: The reader should note that this is a desk review supported by a number of interviews at Headquarters, based on material which could be mobilised given the time and contacts available. The work represents a mapping from 25 case experiences – this underlines that the work should not be seen as representative for all of EC's cooperation. Most of the cases reviewed concern ongoing or new projects – for quite a number of them the TA teams are not yet in place.

1.2 ACP – Key findings

Overall observations

- Most of the projects and programmes reviewed had a TC component, either to support project implementation or to provide 'capacity building' assistance in one form or other, especially training
- From the cases reviewed, the overall TC component of project and programme budgets is between 5% to 8%; for budget support, the TC budget constituted some 3% of the overall funding made available.
- Long-term & short-term TA: Typically, projects and programmes have one or two long-term TAs, combined with short-term expertise mobilised as required, TA for backstopping, and various forms of training.
- Different types of TC can be distinguished:
 1. TC to support project/programme implementation:
 - The tasks of TAs comprise a mix of management responsibilities, advice to partners (with a principal focus on management matters, entailing regularly the execution of management tasks) and 'capacity development' (CD) assistance, such as pure advisory work, mentoring and training.
 - The heavy administrative workload of TAs often results in little time spent on CD, accompanying change processes, advising on strategic issues, etc.³
 2. Support to Budget Support operations: The TA component is targeted at PFM and poverty analysis, assisting PGs in the implementation of (sector) reform programmes – it consists of mainly short-term TA in the ACP cases reviewed.
 3. Short-term TA assisting in the project cycle: used during identification and formulation, and for audit and evaluation.
 4. Use of other forms of TC, such as 'institutional twinning', is limited (only possible in exceptional circumstances)

Design and formulation

- Overall little explicit justification provided why TC/ TA was necessary – the main arguments used were "weak PG capacity/ boosting implementation capacity"
- In a limited number of cases, specific organisational and capacity assessments were undertaken
- It was unclear who in practice had asked for the TA provided (and eventually felt "ownership" for it); there was also little evidence that other forms of TC (beyond TA and training)/supporting PG capacity had been considered. The case evidence suggests that a mix of long and short-term TA, combined with training is a 'default response' to capacity weaknesses
- Ownership: The overall TC budgets and TA costs are reflected in relevant documents and are available to PGs – but it is unclear whether the PGs had an opportunity to advocate a different use of resources at an early stage in the design phase.

² The availability of mid- or end-term evaluation reports on projects and programmes was limited. Materials which it could be useful to look at in addition but which it was not possible to review due to lack of time are: Country Strategy Papers; the Annual Reports sent by the Delegations; the findings of the EAMR exercise, relevant ROM reports, relevant country and thematic evaluations.

³ Interview information

- In all the ACP cases reviewed except one, provision of EC -funded TC is not thoroughly coordinated with other donors in the design phase.

Procurement

- In all the cases, either the framework contract or the international restricted tender procedure were used – the exception being the EC-UNODC project in Nigeria, which made use of UNODC procedures .
- Difficulties encountered in the use of the international restricted tender procedure included: (i) insufficient number (or quality) of applications received; (ii) subsequent splitting into different contracts
- ... leading to very long delays in the mobilisation of TC (TA), sometimes more than 2.5 years after project implementation has started .
- None of the cases appears to have made use of the suspension clause, which would have allowed an earlier start of the procedure .
- Given that decentralised management is the default mode for most of EDF assistance, NAOs were the contracting authority for the long-term service contracts.
- PGs, and NAO offices in particular, often require TA to be able to use EC procedures
- The use of international expertise dominates: the majority of companies short-listed after an international restricted tender were EU firms (sometimes listed together with local partners); as regards the framework contract, the majority of consortia in it are led by EU firms .

Implementation

- From the limited information available on the implementation phase , it is not clear which role the (long-term) TAs play in practice, and to what extent the “manager/ controller function” predominates over “advising and other CD tasks”.
- Little information is available in the documents about the quality of the TA provided. The interviews indicate a relatively high degree of dissatisfaction with much of the short-term TA mobilised. (à The e-consultation may provide more information on this)
- The project documentation for the case of the Economic and Financial Crimes Commission in Nigeria (joint project with UNODC) includes a provision stipulating that all TA recruitment should include technical testing as well as in-depth reference checking . This, however, is not standard for EC practice .
- Management and accountability of TAs varies case by case: Day -to-day management of individual TAs is by TA team leaders or the director of the PIU (national or TA); Accountability for the achievement of results is generally to the partner institution and the project steering committee (where one exists), but in some cases also to the EC Delegation.

Monitoring and evaluation

- Specific monitoring of TAs appears to be mainly through their reports and linked to relevant project/programme outputs. However, indications from the interviews and from the Court of Auditors review suggest that reports frequently are not submitted on time , or in some cases not at all.
- Insufficient information was available on whether or not project/programme evaluations (mid -term end-of term, ROM, other) cover TC/TA specifically. The only exception in the case review was the evaluation of the support provided to the NAO in PNG, which led to some suggestions for reorganisation and improvements.

1.3 ALA – Key findings

1.3.1 Asian countries

Overall observations

- In the cases reviewed a higher proportion of project/programme funds was allocated for TC when compared to the ACP cases, ranging from 23% (Vietnam BS) to 60% (Philippines Health SPSP). Possible explanations are the overall smaller EC aid budgets in Asia and different demands from PG s.
- The cases have a relatively high number of long-term positions, combined with short -term expertise and various forms of training.
- In all but one case, the assistance is managed by forms of PIUs (a programme support office or a project task force).
- When compared to the ACP cases, the case sample reviewed shows a higher degree of cooperation with other donors, including through participation in World Bank managed trust funds.

Design and formulation

- The cases indicate that some form of TC/ capacity needs assessment has taken place, sometimes in the context of a more general institutional capacity study. It is not clear however to what extent PGs were intensely involved in defining the TC/capacity needs. The exception seems to be the Philippines health sector support case, where broad health sector support needs were identified by the PG before formulation of the TOR, followed by a TA mapping exercise identifying specific needs.
- The objectives for the TC components were in most cases a combination of broadly formulated objectives and a range of specific tasks to be carried out.
- Ownership of TC: There are some cases in Asia where PGs express specific views on TC (e.g. Vietnam, where the government has both specific demands and is critical of the provision of too much international TA). On the other hand, the experience with the health sector support programme in Bangladesh conveyed by the EC Delegation in Dhaka reflects the common issue that PGs may not always be in a good position to provide a realistic assessment of their most urgent needs.
- The case documentation indicates a high degree of alignment with PG policies and donor coordination, which in two cases is reflected in the provision of TC through pooled funding (Bangladesh - health and Indonesia - education)

Procurement

- In the cases reviewed, TC services were procured either under EC rules (international restricted tender and framework contract procedures), under World Bank rules or through the PGs own procedures (Bangladesh health sector case).
- In four of the cases, the long-term TA service contracts were procured via the international restricted tender procedure under centralised management, i.e. with the EC acting as the contracting authority, despite the fact that in at least one of the cases the PG had asked to be the contracting authority (Vietnam BS). This picture ties in with the information received during an interview which indicates that in practice, 90% of the TC components in Asia are procured by the EC under centralised management.
- In the case of the Bangladesh health sector support Phase II, the PG ministry hired most of the long-term TAs itself.
- In contrast to the ACP cases, the procurement process under EC rules seems to have gone relatively smoothly in the cases reviewed (6 months in both Vietnam cases), presumably at least in part linked to the fact that it was managed by the EC rather than a PG having to use EC procedures.
- However, as the Court of Auditors review found, there were other delays, resulting from, inter alia, disagreement between a PG and the EC on the content of the TC package (Vietnam - ETV2), withdrawal of key experts after the award of the contract and poor quality work by framework contractors.
- In the Bangladesh health case, the TA contract was only agreed four years after the start of the programme and two years after funding had been available, as a result, it seems, of the (previous) government lacking interest in/ownership of the programme.
- The information from the field visit of the Court of Auditors to Vietnam reveals PG dissatisfaction with the TA selection process. This seems to be primarily CV-based. There was information in one case only that the selection process may include telephone interviews with the experts (Philippines – health).
- Local TA: Interviews with EC staff indicate that there is a local TA market in many of the Asian countries. PG authorities are said to express the wish to make more use of local TA (e.g. Vietnam, Bangladesh).

Implementation and monitoring⁴

- TA roles: Given the large TA teams in the cases, the TA roles foreseen varied widely, but TAs generally were asked to perform a mix of implementation (management) and advisory tasks, including training. Information on the roles actually played was limited. The ECA's mission to Vietnam found that considerable amounts of time are allotted to implementation issues, and criticised that "the EC continues to use TA for project management purposes".⁵
- The same ECA report found that the work carried out by framework contractors was often seen to be insufficient and had to be redone, a fact which it in part attributes to the over-reliance of Delegations on short-term consultants brought in from the outside and unfamiliar with the country context and EC procedures.

⁴ The information available on implementation was very limited.

⁵ ECA report Vietnam, p. 19-20.

- Effectiveness for CD overall seems to be low for two main reasons: firstly because of a heavy focus on administrative and management tasks and secondly because of a high turn-over of PG staff which results in TC providing for gap-filling.
- Overall responsibility for managing the TA teams often rests with the TA team leader.
- Formal accountability of the TAs appears to be to the PG or joint steering committees, but in at least four of the cases analysed the TA team leader also reported directly to the EC Delegation, or the WB.

Evaluation

- The quality and effectiveness of the TA provided is intended to be specifically monitored in most of the cases. Most indicators to measure progress are quantitative in nature. This finding coincides with the observations made by the ECA report on the Vietnam Budget Support case, which states that the indicators are “rather objectives than indicators” and “a measure of project output rather than outcome”.⁶

1.3.2 Latin America

Overall observations

- As was the case for the Asian cases reviewed, the proportion of TC in projects/programmes in Latin America is larger than in the ACP countries. This is because the EC's overall aid envelopes to the countries of the region are smaller but the projects and programmes nonetheless have 1 or 2 long-term TAs plus a number of short-term experts.
- TAs usually perform a mix of tasks, ranging from implementation/ management to technical advice and capacity development tasks.
- The international TAs are normally managed by a TA team leader, but are accountable to the PGs. TAs no longer co-direct PIUs (at least not formally), which are managed by national project directors.

Design and formulation

- TC/ TA is normally included as a component in project/programme design, but concrete justifications for why it is needed are lacking. The same applies to the setting-up of PIUs (there were four PIUs in the six cases reviewed).
- Alternatives to “traditional” TA do not seem to be considered or discussed, at least not in the available documentation.
- It is not clear from the documents who actually asked for the provision of TA in the cases reviewed.
- While specific references to the Paris Declaration are not made (most of the documents predate the Declaration), the evidence suggests that the principles of harmonisation and ownership are taken into account, and that the support provided by the EC strives to be in line with countries' strategies and policies.

Procurement

- The TA components are normally managed by centralised management. However, there are indications that the relevant project/programme partners are relatively intensely involved, e.g. in the evaluation committees.
- Funding for TA normally originates from the EC alone.
- Many project/programme budgets include a separate budget for local TA. It is unclear how this ties in with the current rules.

Implementation and monitoring

- The roles which TAs are expected to play tend to be similar to those of TAs in other regions: a broad mix of supporting implementation and carrying out advisory work.
- While as a general rule TAs are to be formally accountable to the PGs, they are de facto also accountable to the EC Delegation in some cases.
- Day-to-day management arrangements and the concrete accountability of TAs are not clearly defined in the documents reviewed. It is evident that TAs (or the PIUs) are to be accountable to the PGs, but the reporting arrangements are sometimes unclear.

⁶ ECA report Vietnam, p. 62.

Evaluation

- The TA component is not monitored separately from whole projects/programmes, and no concrete indicators to actually measure and evaluate the effectiveness of TA are in place. This makes it difficult to assess the quality of TAs separately from other programme/project elements.
- Problems with TC/ TA indicated in evaluation reports are: (i) a lack of management and ownership by PGs, (ii) changes of policies and (iii) regular changes of PG staff, all of which affect the effectiveness of TAs.
- There are indications that critical evaluation reports have been used constructively to reorganise and redesign the TC component/PIU management.

1.4 ENP – Key findings

- Our information is based on a small sample of five cases (with limited information available) in *ENP South* (former MEDA) and *ENP East* (former TACIS) countries, and some additional information, including from interviews with EC staff, the ECA review and returned e-questionnaires.

Overall observations

ENP East:

- Countries in the region used to receive a very high proportion of TA in the past (up to 80%, according to interviews), provided as stand-alone activities (especially for institutional and administrative reforms); the aim now is to link TA more to wider policy reform objectives and sector reforms.
- The region was among the first to receive a considerable amount of TC through different twinning instruments (Twinning, Twinning light, TAIEX and SIGMA).
- The coordination of EC assistance is supported by National Coordinating Units (NCUs). In contrast to the NAO offices in the ACP countries, very few NCUs now have permanent TAs attached to them. Support is mainly through short-term TA, training and logistics support.
- The continued relevance of NCUs is being called into question by some as growing harmonisation and alignment require resources to be fed into joint donor coordination mechanisms (which are increasingly linked to sectors/line ministries).

ENP South:

- Overall, TA provided to this region shows similarities to the ALA region, i.e. a mix of long- and short-term TA and training.
- There appears to be a higher sense of “ownership” and “trust in local capacities”, expressed, for instance, in the more widespread use of decentralised management.
- For both regions, development assistance comprises only a portion of the overall cooperation provided by the Commission, and is part of a wider “policy mix” laid out in the ENP Action Plans.

Design and formulation

- From the information available it is unclear where the demands for TA in the cases originated from. General references are made to the PG weaknesses, and TA support to complement (sector) budget support is described ‘extremely useful’.⁷
- The degree of donor coordination of TC provision in the cases seems to vary. While there are few signs of the EC and other donors coordinating the TC they provide under the current health sector programmes in Syria or Egypt, the documents on the Moldova social assistance programme suggest that the technical assistance provided is coordinated among the donors.
- In terms of alignment, the assistance provided, at least on paper, is oriented towards supporting national policies. However, this has to be interpreted with caution: As a monitoring review of TACIS assistance to Moldova in 2003-2005 found, while the majority of TACIS projects was “perfectly in line with national priorities”, they were not always “affiliated to concrete initiatives by the government”.⁸

Procurement

- Several International Restricted Tender procedures were conducted both under centralised and decentralised management for the two ENP South cases, and overall seem to have gone relatively smoothly (although there

⁷ Action Fiche Moldova Social Assistance Programme.

⁸ Quoted in CSP Moldova, 2007-2013, p.12

were also cancelled procedures) , taking some 9-12 months to get the experts in place. No information was available on the use of the IRTP in the ENP East countries.

- For both regions, framework contracts were used for different types of short-term assistance, including reviews and studies. EC staff feel that the quality of experts recruited through the *individual experts system* in the past - who used to provide expertise under the Food Security Programmes reviewed – overall was higher than that of consultants mobilised through companies.
- The management of TC procurement was centralised in all the ENP East cases (all linked to budget support or mobilised through the framework contracts). In the ENP South region, both centralised and decentralised management are used for the TC component, depending on the country and the PG institution.⁹
- There are demands for greater use of local and regional expertise in the ENP region.

Implementation and monitoring

- The available reviews of the technical assistance/TC provided mention a number of effectiveness issues, including the long time taken to set up the required administrative, organisational and managerial infrastructure necessary to allow experts to become fully functional, and the mix of expertise provided which does not always match the complex requirements of the jobs at hand.
- The effectiveness of TA as regards specific tasks, including knowledge and technology transfer, is seen more positively, indicating that on this aspect TAs were able to deliver according to expectations. A ROM report on the TA provided to the Moldova NCU, for example, finds that the quality of the assistance was good overall but that the total impact of the assistance could have been higher with better institutional coordination, the presence of clear national plans and better local absorption capacity.
- Insufficient information was available on the management and accountability of TAs in the cases reviewed.

Evaluation

- The reviews available on the Syria and Egypt health sector support programmes include specific recommendations on the TC provided, but it is unclear from the information available to what extent these were taken into account.
- The reviews of the budget support cases in Armenia and Georgia (provided through the FSP) find that the TA provided is highly appreciated and needed given the complexity of the issues. They express the fear that the level of support cannot be continued once the TA contracts expire.

1.5 Findings on PIUs

- 14 of the 25 cases reviewed had PIUs (see Table 7 in section 3.3 below) . However, for most of these only **very limited information** was available in the **documentation on how the PIUs are managed and to whom they are accountable**. *It is hoped that the review of the questionnaires submitted by Delegations in the context of the electronic consultation will provide more precise information in this regard.*
- The ACP cases in the review had a relatively low number of PIUs compared to the cases in the other regions, probably at least in part a result of the fact that most ACP countries tend to have at least one EU assistance-related PIU, the EU-PMUs which support the NAO offices.
- From the material available, three cases could be classified as “parallel” and nine as “integrated”, while for two cases the information available is too limited to make a judgement. “Integrated” can be defined as where the PIU is formally part of an existing institutional structure and where at least three of the four DAC criteria listed in Box 7 (see section 3.3) are fulfilled [Q1: PIU accountable to the PG; Q2: TOR of staff drafted by the PG; Q3: Staff appointed by the PG; Q4: Salary structure similar to that of the national civil service] .
- At least in one case where a PIU is “parallel”, and managed by a TA (EFCC Nigeria), its integration into the PG's institutional structure is foreseen in due course.

Information related to the 4 DAC criteria in the cases:

- Q1: In the case of the three “parallel” PIUs, reporting and accountability is to a joint donor/ PG steering committee in two of the cases, and to the PG and the EC Delegation in one. For the “integrated” PIUs, the PIU managers are accountable to the PGs, but also to steering committees in which the EC and other donors (e.g.

⁹ Information obtained from EC staff and reflected in a summary of information based on various sources in Table 6 of this report (Ch. 3.2.3).

the WB) retain at least “observer status”. In at least one case, accountability is also to the EC directly (NAO support office PNG).

- Q2: In most of the PIU cases (whether we’ve classed them as integrated or as parallel) , it is unclear who drafted the TORs for the PIU staff and to what extent the PG took the lead (...or even participated in making decisions on the establishment of a PIU)
- Q3: As regards the question who appoints the staff working in a PIU, the situation varies from case to case. There are cases where the PG appoints staff (with the consent of the EC); for others, the EC takes the lead in procuring international TA on behalf of the PG; in other cases both the PG and the EC take a joint decision. Appointees can be a mix of national and international staff. An interesting (but specific) case is the Moldova NCU, which is run by national officials, with support provided by international short-term experts when required.
- Q4: Information on the salary structures of PIU staff was very limited. However, from the cases reviewed by the ECA in Vietnam, it is clear that national staff working in the respective PIUs are paid more than other civil service personnel and benefit from bonuses or other forms of “topping -up”.

1.6 TC in the context of Budget Support

- The information in this section is based on limited amounts of varying material on a number of budget support cases: 3 ACP GBS cases; 3 ECA cases in the ACP and Asia ; 2 Central Asian (formerly TACIS) SBS cases; 3 further TACIS SBS cases (reviewed as 1 case) and 1 planned ENP case. (à see Table 9 in section 3.4 below)

Overall

- In the context of the provision of budget support, new demands for TA/TC are emerging – both from PGs and from donors (technical support to BS operations, including PFM and support to statistical CB; PRSP monitoring and evaluation , and support on macro-economic analysis).
- The majority of EC budget support initiatives seem to routinely include a capacity building component.
- In all the cases reviewed, TC/ TA was directly linked to the overall BS as an “institutional support / capacity building component”, without evidence of much upfront analysis of how this TA should feed into the broader picture. In this regard, some EC Delegations feel that designing specific TA/TC projects in support of BS operations (rather than including TC as an add-on component) would help to ensure more strategic reflection on and planning of the use of this resource.
- There is also the issue to what extent the practice of earmarking a CB component in a budget support operation is in line with the spirit of BS , which leaves more discretionary power to partners on how to use resources to achieve set objectives.

Design and formulation

- The design documents and financing agreements for BS (which we reviewed) are much less specific about what the TC/ TA is supposed to achieve as compared to similar project or programme documents.
- The comparatively little attention given to TC/ TA under BS at an early stage often results in a lack of sufficient advance planning on how and when to use this resource , and its provision being out of sync with the financial assistance.
- The institutional/CB support to budget support operations seems to consist of a mix of long-term and short-term TA, sometimes combined with training.
- There is little direct justification for why TC or TA might be provided in the design documents, besides some general references to “PG capacity weaknesses” , and hence no clear justification for the amounts set aside for the CB components.
- It is not possible to tell from the documents who asked for the CB components to be included , and to what extent PGs were involved in the decisions taken.
- There appears to be a high degree of coordination with other donors on the provision of BS (which should not come as a surprise given the nature of the support) , but the extent to which this also applies to the TA or the training provided is not clear.
- The degree of alignment of the TC to government priorities is unclear . Normally EC procedures have to be used for procuring TC.

Procurement

- Major problems mentioned related to procurement are:

- i) the considerable time lags before TAs are in place, *on average* 21 months from the information provided on BS in the Eastern and Southern African countries; and
- ii) difficulties in finding suitable experts, resulting in many failed tenders and delays
- There are different views on the individual experts system. This according to some of the Delegations used to provide better quality experts and more appropriate choices than the FWC system. On the other hand, a note from the Delegations on BS-related CB in Eastern and Southern Africa¹⁰ states that the individual experts system was an inefficient tool for the recruitment of experts, and finds that good practice would be to use the FWC, but to allow the short-listed consortia sufficient time to identify appropriate experts. It also suggests that there should be a requirement to include at least one local expert to work with the international expert(s).
- The ECA's report on the BS case in Vietnam highlights the issue of selected experts being declared unavailable after signature of the contract.
- There are suggestions from some Delegations to make more use of seconded specialists from peer institutions in developed countries, in particular from treasury, tax, customs or budget departments.
- In the cases both centralised and decentralised management of the CB component to BS are used. However, given the 'compulsory' use of the FWC procedure (which requires centralised management by the EC) for procuring short term TC, it is unclear what the involvement of the PGs is in practice in those cases.

Implementation and monitoring

- From the information available, the roles played by TAs in the context of BS operations do not differ substantially from those played in projects and programmes. As is the case for other aid modalities, there is a risk that PGs see the budget support with TC as 'just another project' and delegate some their responsibilities to the TAs.
- The various sources indicate that the effectiveness of TA in support of BS operations is relatively mixed, with 'little if any CD outputs' in some cases¹¹. In other cases, the work of TAs is seen as effective and necessary to help PGs cope with the requirements of BS - but the positions are often of a 'gap-filling' nature which help to stabilise the overall economic system and institutional context but do not lead to individual or organisational CD of the PG.
- The information received from EC staff and TAs on the budget support provided through the FSP to Tajikistan and the Kyrgyz Republic illustrates how TAs can be effective (à see Box 8 in section 3.4). They help to build institutional memory; can provide the EC with a better understanding of the political and informal environment; assist to get international resources pooled under national coordination; help to mediate between powerful national institutions; and strengthen the implementation of the reforms at sector level. A key observation from the TAs in this case is that to enhance effectiveness, a "TA mix" is required consisting of (i) capabilities at macro level to engage in dialogue and exert political influence – this should be done out of the EC Delegations with staff who are able to accompany the reform process; (ii) the provision of specific and punctual, high-quality TA services mobilised under a framework contract – and no big TA projects which risk flooding the reform environment; (iii) local experts to work mid-level, who are able to help the PG with day-to-day implementation of the reform and capable of improving basic skills of PG staff. The latter type of TA should be mobilised directly from the local market, without the intermediation of international consulting companies.

¹⁰ *Budget Support related Capacity Building: A summary of Eastern and Southern African experience (2005)*

¹¹ See ECA report Vietnam, p.57-8 and p.18.

2 About this review

2.1 Background to this review

This review of EC technical cooperation case study documents is one element of the *Review of EC practice on TC, TA personnel and PIUs* carried out by ECDPM in the context of its work with EuropeAid on ‘*Developing a EuropeAid strategy to meet the EU aid effectiveness targets on technical cooperation and project implementation units*’. Other elements of the *Review of EC practice on technical cooperation and PIUs* are a review of procedures, interviews and an electronic consultation with EC Delegations, as well as phone interviews with partner government representatives. (For more information see the Study TOR and Methodology.)

2.2 Purpose and limitations of this review

The review of case study documentation from the ACP, ALA and ENP regions aims to provide a first picture of how TC and PIUs are used in EC cooperation in the different regions, in countries with high and low levels of capacity and in different types of assistance (modalities and sectors). This is further to be complemented, as far as possible and in due course, by the results of the other elements of the review of EC practice, especially the findings from the interviews with Brussels-based EC staff and the responses to the electronic questionnaire sent to 46 EC Delegations. Nevertheless, the **limitations of what is essentially a desk review** clearly have to be recognised, especially in light of the fact that **varying amounts of information were available** for each of the cases. The relatively small size of the sample (25) in relation to the number of very different geographical regions (Asia, Latin America, Africa, Pacific, ENP East, ENP South) and modalities covered (projects, programmes and BS) also has to be recognised, and also as a consequence its varied nature.

2.3 Information sources

The review is based on a number of sources:

- The principal source is a large amount of **project/programme documentation** collected from EC staff relating to some 25 cases in the three regions listed above (9 in ACP, 11 in Asia and Latin America, 5 in the ENP countries).¹² For each of these cases, varying amounts of information could be obtained, ranging from just one document for some cases, such as the Financing Agreement, the TAPs or the terms of reference (TOR) for service contracts, to nearly complete sets of information for some few cases. Across the board, however, the availability of **information on the TC component once implementation had started (or post-implementation)** and of mid- or end-term evaluation reports on projects and programmes and ROM reports, **was very limited**.
- Information about the procurement procedure (where services were procured through an international restricted tender procedure) obtained from the AIDCO **database of procurement contracts**.¹³
- **Emails** with further information received from EC staff on some of the cases
- Other reports and documents relating to EC technical cooperation, capacity building and PIU practice
- The findings of the **Court of Auditors’ report on TA** relating to 5¹⁴ of the 32 case studies reviewed by the Court (and summarised in the country annexes)
- Information available on the Commission **websites** regarding cooperation with some of the regions/countries (especially in relation to the former TACIS -cases)
- **Interviews** with Brussels-based EC staff

Further elements which could in due course feed into the picture of EC technical cooperation in the different regions drawn here are:

- The findings relating to TC and PIUs in the **country and thematic evaluations** conducted in recent years
- A brief review of further country specific materials, such as the programming documents (the **country strategy papers** (CSPs) and national indicative programmes (NIPs) for the different regions, though little concrete information is expected from these), or the **annual reports** sent by some of the Delegations

¹² Over 120 case-related documents were reviewed (plus a number of other materials). See shortened bibliography at the end of this document.

¹³ <http://ec.europa.eu/europeaid/cgi/frame12.pl>

¹⁴ Vietnam BS, ETV2, ISP; Uganda and Chad BS.

- The findings of the **EAMR exercise** relating the EU's targets regarding the Paris Declaration
- A more detailed review of the **Court of Auditors case studies**
- The findings of the country annexes for the 2006 **Monitoring Report on the Paris Declaration**
- The results of the **electronic consultation** of Delegation staff
- The results from the **telephone interviews with partner governments**
- Possibly the results of a **focus group meeting with experienced ROM monitors**
- A review of the **ROM reports** and Background Conclusion sheets relating to the projects and programmes covered in this sample.
- Information on TC in SWApS (e.g. note received from the India Delegation and report on health sector SWApS received from the Delegation in Bangladesh ¹⁵).

2.4 Methodology used

The cases were reviewed using a common checklist of some 30 questions on design, procurement, management, effectiveness and M&E (see Annex 2). This was derived from the methodology of the overall study and was designed to cover a broad array of issues, and was deliberately ambitious in the information sought. As a consequence, for most cases covered it was not possible to answer all of the questions from the desk review.

As regards case selection, this was largely dependent on the availability of materials and contacts for this study, and dependent on recommendations from Commission staff. To reflect TC practice at present, especially as regards the design and procurement phases (given that this is an area where any improvements in TC practice would need to start), most of the projects reviewed concerned ongoing or new projects, and for quite a few of them the actual TA teams were not in place yet. While every possible care was taken to ensure a spread across the regions, high and low capacity countries and the different modalities and sectors, this final sample of 25 cases clearly is not representative of EC cooperation but a snapshot of current and recent TC practice based on the information received in the time available.

¹⁵ EC Delegation India. 2007. *Technical Assistance in Sector Programs - Implications of Taking on the Precepts of the Paris Declaration for the EC: Discussion Note*. November 8, 2007
 OPM (Christopher Willoughby et. al). 2003. *Improving the Use of Technical Assistance in Bangladesh's HNP Sector: Review of Technical Assistance to HPSP*. September 2003.
 DFID Health Resource Centre (Javier Martínez). . 2006. *Improving Technical Assistance in the context of SWApS: A brief review of options and lessons from the available literature*. July 2006

3 Findings from the case review

3.1 Cases reviewed

The table below provides a listing of the 25 cases reviewed.¹⁶ As indicated above, while care was taken to gather a good sample of cases from the different regions, modalities and sectors, it is clear that the final sample is merely a **snapshot** of current TC practice in the different regions and modalities, based on the materials that were made available.

Table 1: Cases reviewed

	ACP	ALA	ENP
Budget support	§ CB component to Burkina Faso BS § CB component to Tanzania BS § CB component to Zambia BS § CB to Uganda BS (ECA) § CB to Chad BS (ECA)	<u>Asia</u> § BS through FSP to Kyrgyz Republic (note only) § BS through FSP to Tajikistan (note only) § CB to Vietnam BS (ECA), includes a MDTF	§ FSP Moldova, Armenia, Georgia § Moldova social assistance programme
Sector programmes	§ Mali decentralisation, PARAD (SBS)	<u>Asia</u> § Bangladesh health sector programme (with WB & other donors) § Indonesia education sector capacity trust fund (WB-managed with EC and NL) § Philippines health SPSP <u>Latin America</u> § Bolivia health sector programme (SBS) § Bolivia trade development programme § Bolivia 'alternative development' strategy § Honduras decentralisation programme (SBS) § Nicaragua institutional support programme	§ Egypt health sector programme (SBS) § Syria health sector programme
Projects	§ Malawi Rule of Law § Mali Transport § Nigeria – support to EFCC (Economic and Financial Crimes Commission, implemented by UNODC) <i>Special ACP cases:</i> § TCF PNG § PNG NAO support	<u>Asia</u> § Vietnam institutional support (ITP) § European TA project Vietnam (ETV2) <u>Latin America</u> § Bolivia roads project	<i>Special ENP/TACIS case:</i> § Moldova NCU
Total	9 (+2 ECA)	11 (+1 ECA +2 notes)	5

¹⁶ Documentation was available for an additional number of ACP and Asia cases, but the overall limits of time did not allow to review this.

3.2 Findings from the three regions¹⁷

3.2.1 Findings from the ACP Cases

Cases reviewed

This section is based on the review of project documentation relating to 11 current cases of projects, programmes and budget support operations with a TC component in ACP countries, most of which were in Africa.

- 3 concerned the CB-component of general budget support (Burkina Faso, Tanzania and Zambia),
- 1 related to sector budget support provided for a decentralisation programme (PARAD - Mali), and
- 5 were implemented under the project modality. The latter included the 'typical' ACP cases of TC in support of the NAO's office (PNG) and a Technical Cooperation Facility (PNG), which can be found in nearly all ACP countries in a similar format, a transport (Mali) and a governance project (Malawi), a joint anti-corruption project with UNODC implemented by the latter (Nigeria Economic and Financial Crimes Commission, EFCC).
- Information on two further ACP budget support cases (Chad and (Uganda) was also reviewed (à see section 3.4 on BS below).

Table 2: ACP cases reviewed

Name	TC managed by?	PIU(s)?	Description of TC	Comments
CB component to Budget Support (2005-2008) Burkina Faso	Decentralised management (direct decentralised operations)	No		§ TC component was increased from €1.5million to €6.4 million
CB component to Budget Support (PRBS03, 2006-2009) Tanzania	? (ST TC – likely through FWC - centralised management)	No	§ Short-term TC foreseen, including on statistical support/ data collection, and assistance to <i>National Audit Office</i>	§ There are several related CB projects, including one supporting PFM reform ¹⁸
CB component to Budget Support (2007-2009) Zambia	Decentralised management	No	§ Unknown what kind of TC is provided; § Objective is CB at <i>Central Statistics Office (CSO)</i> , improving capacity to produce adequate and reliable statistics	§ IMF and CIDA have provided TA to the CSO in the past § The EC funds some related CB projects ¹⁹
Decentralisation programme PARAD (sector budget support) Mali	Decentralised management	No	§ LT and ST TA at 3 partner institutions (3 LT TA, ST TA and intermittent TA) § Training	§ TA not yet in place
Transport project Mali	Decentralised management	No	<u>TA contract:</u> § 7 principal experts: 2 LT TAs, 5 ST TA and pool of expertise as required <u>Training contract</u> § 2 LT TA, pool of experts as required	§ 2 TA contracts § Large TA team foreseen § TA not yet in place?
Rule of Law project Malawi	Decentralised management	Yes (parallel 'TFU')	§ 2 LT TAs, whose role includes providing assistance to the PG in using EC procedures § TAs to manage Technical Facilitation Unit (TFU) by externalised direct labour	§ TA not yet in place § 1 (larger) project component managed by PIU, other component implemented by GoM by direct labour
Support to Economic and Financial Crimes Commission (EFCC) Nigeria	UNODC (UNODC rules?)	Yes (parallel, to become integrated)	§ 2 international LT TA § training § 'institutional cooperation' for some aspects (e.g. entail studies)	§ Joint anti-corruption project with UNODC, implemented by UNODC § Justification for PIU is weak government capacity § TA started in 2006
Support to the NAO office – EU-PMU Papua New Guinea	Decentralised management	Yes (integrated EU-PMU)	§ 1 LT TA, ST TA, local staff § Role of TAs includes advice to NPD and ensuring compliance with EU rules	§ TA started 2005

¹⁷ Readers are advised to also consult the table summarising main features of TC in the different regions in Annex 3 of this document.

¹⁸ 3 are listed on the *2006 overview of institutional support projects linked to budget support operations*, more in the TAPs (p.4)

¹⁹ See 2006 overview of institutional support projects linked to budget support operations.

Name	TC managed by?	PIU(s)?	Description of TC	Comments
Technical Cooperation Facility (TCF) Papua New Guinea (2005-2008)	ST TC – FWC – centralised management	No	§ Short- to medium- term TA for assisting in project cycle § Training § Conferences & seminars	§

TC is part of most projects :

From the quick consultation of the list of projects for one ACP region (West Africa), which is likely to be indicative of the situation elsewhere, it was noticeable that most of the projects and programmes in that region had a TC component, either to support project implementation or to provide 'capacity building' assistance in one form or another, especially training. This might not come as a surprise to Commission staff, but clearly indicates that TC is a very present feature in most EC assistance to the ACP countries, and probably also elsewhere.²⁰

From the information available, the overall proportion of the TC component of project and programme budgets (including all TC - that is TA, training, seminars etc) in the ACP seemed to be in the range of 5% to 8% for projects and programmes²¹ and around 3% for budget support operations²², but included projects with a much higher TC component²³, including pure technical cooperation projects.²⁴ In monetary terms, this means that per project/programme some € 1 million to € 9.6 million was allocated for TC (or € 4.4 million on average) in the cases reviewed.

Box 1: Technical Cooperation Facilities²⁵

Beyond the technical cooperation services provided through projects or programmes, the NAOs/Delegations in ACP countries also have the possibility to mobilise short-term TC through the so-called Technical Cooperation Facilities. These facilities can be used to fund (i) short- to medium-term TA to assist in the project cycle (Technical Assistance Facility), (ii) Training support for projects and programmes and (iii) conferences and seminars. Many of the (short-term) services provided through TCFs are said to be procured through the FWC, although NAOs can also use them to fund small consultancies through the 'direct award' procedure.

TCFs exist in most ACP countries, and are funded from the NIPs of the countries concerned (in the PNG case reviewed the funding set aside is € 1.99 million). As such, the relevant NAO has to approve the use of the funds.²⁶

The typical TA/TC picture – the different types of TC used

(1) From the cases we looked at, the **TC provided to projects and programme** (excluding the general budget support cases) typically consists of:

- some **long term TA** - normally one or two international experts²⁷ (but sometimes more, especially for large projects/programmes with different service contracts, such as PARAD, a Mali SPSP)
- together with **short term TA mobilised as required**
- and in one case also the provision of **backstopping TA**²⁸
- combined with various forms of **training** – with varying emphasis on (and funding for) the latter depending on the project²⁹

In these cases, the role of the TA (both long and short term) typically was to **support project/ programme implementation** in various ways:

²⁰ A note from the DG to the Development Commissioner on the subject of technical assistance from 2 April 2007 (AIDCO D(2007), No. 7178) in this regard indicates that in 2004 13% of the assistance provided by EuropeAid was spent on service contracts. (p.3)

²¹ Mali roads project: 5.7% (€ 4.5 million). Mali decentralisation programme (SBS): 7.9% (€ 5.7 million).

²² Burkina Faso: 3.8% (€ 6.4m, data unclear). Tanzania: 1.75 % (€ 1 million, data unclear). Zambia: 3.3 % (€ 2 million)

²³ e.g. Malawi rule of Law: 34.3% (€ 9.6 million). No data was available for the Nigeria case of support to the EFCC, but from the actions envisaged the TC component is likely to be large.

²⁴ Such as the TCF in PNG: 100% (€ 1.99 million budgeted), and support to the NAO in PNG (€ 4.2 million, most of which is budgeted for various TC purposes, apart from € 0.52m for operating costs).

²⁵ Based on review of case documentation for the current PNG TCF and an FA template for TCFs.

²⁶ For the Budget countries, in contrast, the Delegations can draw on a specific budget line in the general budget (the BA credit) to fund this type of assistance (preparatory and support activities), and prior authorisation of the PG is not normally required.

²⁷ From the interviews with EC staff, it appears that there is internal guidance on the number of long term TA to be used in projects, restricting it to one long term TA for each €15 million of assistance. à AIDCO to follow up: Is this correct across the board? Just for the ACP? For Africa? Is there a ref doc? What do Delegations say?

²⁸ Mali PARAD

²⁹ e.g. a significant training component is included in both of the Mali projects reviewed, but unclear how they will be used in practice

- through **management of or advice to a PIU** (normally one or two long-term TAs) - which in practice includes the preparation of project documents, such as programme estimates, TORs for procurement procedures, etc... and as such also supports the work of the EC Delegations
- by providing **advisory work to the project partner institutions** (long term TA, short term TAs as required, and back-stoppers in one of the cases³⁰) – again, often entailing project management tasks such as the preparation of the required documents
- through **assistance for ‘capacity development’** - broadly understood - which from the documentation available seems to entail broader advisory work, on -the-job training, advice to and mentoring of colleagues, or assignments specifically aimed at conducting training.

Interviews with EC staff indicate that in practice, this combination of management, advisory and CD roles is often difficult, as the **administrative workload of TAs means that the time spent on ‘capacity development’ is limited.**

(2) Beyond this typical TC picture, the use of **budget support** seems to entail a slightly different kind of TA, consisting of more targeted technical assistance, especially for **PFM and poverty analysis**, assisting governments in the implementation of the supported reform programmes. In the ACP cases reviewed this assistance often appears to be **short term**.

(3) Another noticeable ‘type’ of TC in EC assistance is the use of **short term TA** provided by different providers (normally framework contractors) **for assisting in the various stages of the project cycle**, especially during the identification and formulation of projects and programmes and for audit and evaluation purposes. This is visible to a limited extent only in the ACP projects reviewed for this review,³¹ but clearly comes out from the interviews with EC staff.

(4) The use of **other forms TC** in the cases seemed to be rare, with the only example from the case material being **‘inter-agency cooperation’** (provision of expertise by public sector experts) between the British police and the **EFCC** in Nigeria for an assessment study conducted free of charge in the context of the EC’s support to the EFCC.³²

TC and project/programme design and formulation

TC needs and objectives

From the information available, project/programme design in the cases generally did not seem to put much emphasis on the TC component, or the TA part in particular³³. There was **little explicit justification for why TC/TA was envisaged**, other than references to **weak partner government capacity**. The link between low PG capacity and the use of TA was not explicitly made, but implicit in the TORs which normally stated **boosting the PG’s (implementation) capacity** as one of the main objectives. A specific organisational needs assessment and other PG capacity assessments, seem to have been carried out in only one case (**Nigeria EFCC**, implemented jointly with/by UNODC)³⁴, although for quite a few of the projects the documentation makes reference to weak PG implementation capacities ‘detected’ in the assessment of predecessor activities. In three of the cases this seems to have resulted in the creation of **PIUs for project implementation**³⁵ (see section on PIUs below), while other projects are implemented by the PG directly, though mostly with the assistance of long-term technical assistance.³⁶

³⁰ Mali PARAD

³¹ The lack of information on this use of TC available to this review is perhaps not surprising, given the types of documents which could be collected, which mostly did not include information on the short term service contracts agreed. The main references to this use of TC in the sample are in the case of the **TCF** (reviewed for PNG), which sets aside funds for this type of short term assistance, in the **support provided to NAOs** (reviewed for PNG), who are supposed to manage/oversee this type of TA. It also comes out of the **Nigeria EFCC** case, for which some assessment studies were carried out by consultants.

³² From a look at the EFCC website, the organisation also seems to receive some other ‘peer/twinning type support’ from European/British bodies, but this does not seem to be related to the EC assistance provide.

³³ This was the case especially for the CB components of the three GBS cases reviewed (Burkina Faso, Tanzania and Zambia), for which there was very little information on the TC component in the available documentation (Identifications fiches, FAs and TAPs).

³⁴ It is interesting to note that for this joint EC-UNODC the design and formulation of the TC component seems to have been much more thorough than for any of the other cases reviewed. Apart from the various assessment studies carried out, the Contribution Agreement for instance includes a provision stipulating that ‘all recruitment will include technical skills testing as well as in-depth reference checking’ and that all long-term TA appointments will first be for a 3-months probationary period. This in-built quality control is not visible in any of the other activities reviewed.

³⁵ (1) **NAO Support PNG** – integrated EU-PMU. (2) **Malawi Rule of Law** – parallel Technical Facilitation Unit

(3) **EFCC Nigeria** – parallel UNODC PMU, to become integrated.

³⁶ (1) **Decentralisation Mali (PARAD)** – 3 LT TA provided to 3 partner institutions, plus intermittent backstopping support and short-term TA as required. (2) **Mali roads** – relatively large TA team, consisting of 9 principal experts (of which 4 are long-term TAs) provided to 2

Ownership of and demand for TC

It was **not clear who in practice had asked for the TC component** to be defined as it was, or for the TA provided, **and whether other uses of funds or other forms of TC had been considered**. Rather, it appears that a **mix of long and short-term TA coupled with training is the normal response to capacity weaknesses**, with little consideration being given, at least in the standard documents available, to other means of supporting PG capacity.³⁷

As such, it was also **not possible to tell** from the documents reviewed **to what extent the TC was 'owned' by the PG** or donor-driven, and to what extent partner governments were involved in its formulation. The overall TC budgets and TA costs were reflected in the relevant documents³⁸ and as such available to the PGs, especially where the PG managed the procurement procedure under decentralised management (in all cases where the EC's IRTP was used), but it is unclear whether the PGs would have had an opportunity to advocate a different use of resources at an earlier stage of project design. By the same token, while the documentation for all projects/programmes referred to the national policies or sector programmes which they are aimed to support, the true extent of alignment of the assistance provided with national objectives cannot be judged from the documents alone.³⁹

Donor coordination

As regards another key Paris principle⁴⁰, the overall level of **coordination with other donors** in the projects and programmes reviewed varied - ranging from multi-donor budget support⁴¹ to EC support provided to sectors with some degree of donor coordination⁴² to pure EDF projects.⁴³ The **TC component of the projects, however, did not seem to be directly coordinated** with other donors, **except** in the case of the **joint project with UNODC** in Nigeria (for which the EC provides the majority of the funding).⁴⁴ This is implemented by the UNODC, which has responsibility for procuring most of the technical and other services, while the EC mobilised some of the short-term assistance required for assessment and other studies directly through the FWC.

TC procurement

Procedures used

From the information available on TC procurement in the cases, all of the cases used one of the two main procedures stipulated in the PRAG for recruiting short and long term expertise, the **framework contract** (for contract values below €200,000 and with a duration of less than 12 months) and the **international restricted tender procedure** (compulsory for contracts above €200,000), respectively.⁴⁵ The exception to this is the case of the **joint EC-UNODC project in Nigeria**, for which UNODC is responsible for the procurement of most of the services and presumably can and does use UN procedures for this.⁴⁶

Procurement issues

While little substantive information was available on the use of the **FWC procedure** in the cases reviewed, a consultation of AIDCO's contracts database revealed some of the difficulties in the use of the **international restricted tender procedure**. These included **cancellations** of the procedure after step one due to an insufficient number (or quality) of applications received,⁴⁷ the subsequent splitting into different contracts⁴⁸ and the **number**

institutions, and short term expertise as required; and (3) the **TCF in PNG**, which as far as necessary will be handled by the EU-PMU (financed under the NAO support project) and the Delegation (recruitment of short-term expertise through the FWC).

(4) The **General Budget Support** cases also do not seem to have PIUs.

³⁷ Not surprisingly perhaps given the restrictions of the regulations procedures and the obligation to provide assistance through service contracts.

³⁸ Including in the Financing Agreements between the EC and the PG

³⁹ A independent monitoring report was available in one case only, for the **Mali decentralisation** programme, which the short ROM report describes as 'solidly anchored in national policy'.

⁴⁰ As most of the Financing Agreements predate the Paris Declaration of 2005 or were agreed in its immediate aftermath, there is no direct reference to the Declaration in any of the documents, though some of its key principles – alignment, coordination, harmonisation – are 'mentioned'. Likewise, there is no reference to the Paris targets.

⁴¹ Burkina Faso, Tanzania, Zambia

⁴² Mali decentralisation and Mali transport

⁴³ Such as the NAO support and the TCF in PNG

⁴⁴ Nigeria EFCC

⁴⁵ None of the cases had any references to the use of other procedures, such as the simplified procedure, the negotiated procedure or direct award.

⁴⁶ Unfortunately, no further information on the procurement process in this case was available to the reviewers. It is known that some of the short term consultants for the various assessment studies were recruited by the EC through the FWC AMS/451, the predecessor to the current FWC-Beneficiaries.

⁴⁷ E.g. Mali PARAD and Mali transport.

of procedures which have to be carried out for one project/programme alone⁴⁹. All of these seem to result in generally **very long delays in the mobilisation of the TC (TA)** sought, to the extent that in at least three of the cases⁵⁰ (from the information available) the **long term TA teams were not actually in place yet while project implementation had already started** a while ago. To take the Mali Transport project as an example, the contracts with the two service-provider companies were signed **2 years and 2 months** (for the TA part) and **2 years and 8 months** (for the training part) after the Financing Agreement had been signed⁵¹, meaning that implementation of the TC component could only start half way (TA part) and more than half way (Training part) into the 5 year implementation period. None of the cases appears to have made use of the **suspension clause**, which would have allowed an earlier start of the procedure.

Management of TC component/TC procurement

Given that **decentralised management** is the default mode for the management of EDF assistance (except where budget support is provided or where the framework contract has to be used for mobilising services, both always under centralised management), the **NAOs were the contracting authority** for the 'capacity building assistance' recruited through large service contracts in nearly all the cases discussed (except the EC-UNODC project), including the CB component of the sector programme in Mali (PARAD) and the GBS cases (at least the Zambia and Burkina Faso cases). This said, and given the complexity of the EU's procurement procedures, it is not surprising that the partner governments and NAO offices in particular require technical assistance to be able to use the procedures, as exemplified by the TA and EU -PMU provided to support the NAO in PNG (à see Box 2 below) or the role of the TAs in the Malawi Rule of Law case, which includes assistance to the government in using EC procedures.

Box 2: NAO support – the EU-PMU in PNG⁵²

The current NAO support project in PNG (which is likely to be similar to NAO support projects in other ACP countries) is designed to strengthen the capacities of the NAO system (the NAO, the Deputy NAOs, line institutions and the NAO support unit) in order to achieve (i) improved strategic planning, (ii) enhanced governance capacities, (iii) better administered projects and programmes and (iv) improved monitoring.

The role of the NAO support unit (EU-PMU) is: (a) financial management and control, (b) control of contracts and procedures, (c) M&E of projects and internal proceedings, (d) programming & coordination of programmes, and (e) project asset management.

The PMU in this particular case is led by a National Project Director (NPD), who is assisted by 2 further seconded civil servants and 8 locally recruited project staff, as well as one international long-term TA (Programme Advisor) and occasional short-term TA as required. After criticisms of too much reliance on TAs and the identification of weaknesses in the NAO system in past evaluations of the support provided to PNG, the main role of the TAs under the current project is to 'transfer knowledge and backstop/support the National Project Director and local project personnel.'

Some observers feel that rather than using and supporting the NAO system in ACP countries it may be better for the Commission to support capacity building in the line ministries dealing with projects and programmes directly.

Use of international and local/regional human resources

As regards the use of **international versus national human resources**, it is noticeable (from the consultation of the contracts database) that the **vast majority of the companies** short listed after an international restricted tender procedure in the cases reviewed were **EU firms** (in the old Member States), sometimes listed together with local partners, and that all of the contracts for which award notices were available had been won by one of these firms. As the situation is likely to be similar for the expertise recruited through the framework contract (all? of the consortia in it are led by EU firms), and as the EC is not allowed to stipulate where it would prefer international or local/regional TA, this seems to indicate that international TA predominates in EC projects and programmes. The use of local human resources is evident where they are employed as project/PIU staff, either seconded from government departments or specifically recruited for the project.

⁴⁸ Mali PARAD

⁴⁹ To mobilise the TA for the institutional support component of the decentralisation sector budget support provided to Mali, **5 international restricted tender procedures** have already been carried out/started, while none of the service contracts for training had even been tendered yet.

⁵⁰ Both Mali cases and the Malawi case

⁵¹ As such, the procedure took significantly longer than the already long 6-8 months minimum time which have to be anticipated for TC mobilisation through international restricted tenders.

⁵² Based on review of case documentation for the current PNG support project.

Note:

No further information was found in the documents reviewed regarding procurement-related issues which have been raised in interviews with staff and other places (e.g. ECA report), such as the quality of the selection process or the replacement of the TA personnel actually selected by other experts once a contract has been signed.

TC implementation

Given the shortage of monitoring or similar reports available to the reviewers and the fact that for at least three of the cases the TA assignments do not even seem to have started yet, the case review provided only very limited information on actual TC implementation and effectiveness.

TA roles and effectiveness

It is unclear to what extent TAs actually play the roles foreseen in project design/the terms of reference (which as indicated above mostly seem to combine implementation -including management of a PIU -, advice and CD), and to what extent the manager/controller function predominates over mentoring and other CD tasks. It is also not known whether in the cases reviewed the terms of reference have to be adjusted after the long delays in mobilisation, to what extent TA personnel has to be replaced once in place⁵³ and how effective the assignments are.⁵⁴

Perhaps the most interesting point raised in the project documentation available in this regard comes from the EFCC case, for which the Contribution Agreement tries to minimise the risks of 'bad TA' by stipulating that 'all recruitment will include technical skills testing as well as in-depth reference checking' and that all long-term TA appointments will first be for a 3-months probationary period.⁵⁵

TA management and accountability

Regarding the management and accountability of the TAs, this varied by case. In general, the **day-to-day management** of TAs seems to be the responsibility of the **TA team leader**⁵⁶ or the TA or national **director of the PIU**⁵⁷. **Overall accountability** (which formally should be to the relevant contracting authority, i.e. mostly the PG in the ACP cases) in the cases normally was to the relevant **partner institution** and the **project steering committee** (PSC) where one existed,⁵⁸ but in at least two cases also to the EC Delegation specifically.⁵⁹ PSCs are normally made up of a number of representatives from relevant PG bodies and the Commission, but it is unclear from the documentation available how active a role they play in practice in the cases reviewed.⁶⁰

Monitoring and evaluation

Based on the available case information, ongoing monitoring of TAs generally seems to be **linked to the monitoring of the outputs** of the relevant project component or project⁶¹, and generally seems to fall under the overall responsibility of PG or the PSC. The specific **monitoring of TAs** seems to be mainly **through their reports**⁶² (which some of the ECA annexes and the interviews held indicate are frequently not submitted on time or at all). In some of the cases, the long-term TAs were to propose (further) indicators once in place.⁶³ Clearly one of the issues here is to what extent monitoring of TAs does in practice take place, including of the sometimes very many short-term assignments.

For most of the cases reviewed it was not possible to tell to what extent monitoring leads to improvements during the implementation of a project/programme, though in the case of the NAO support provided to PNG an *evaluation* during the current phase of the assignment led to suggestions for reorganisation. The evaluations of previous project phases, where applicable, did seem to be taken into account in overall project design, but in most cases

⁵³ It has been said that very often project implementation only truly starts once the originally selected lead TA has been replaced...(the reference was to about 'half of the cases' in the West African region, and 80% of cases in Nigeria.

⁵⁴ With the exception of the Mali PARAD case, for which the ROM monitoring report 2006 judges the TA (provided under the previous phase) to be of very high level and well-integrated into GoM structures.

⁵⁵ See Contribution Agreement, Annex

⁵⁶ e.g. both service contracts for the Mali transport project

⁵⁷ A TA in the parallel PIU cases - Malawi Rule of Law and EFCC - and a national project director in the integrated EU PMU in PNG.

⁵⁸ EFCC, PARAD, Malawi Rule of Law.

⁵⁹ Burkina Faso BS, NAO support PNG.

⁶⁰ Information from EC staff indicates that at least in some cases a formally constituted PSC does not meet in practice.

⁶¹ e.g. NAO support PNG

⁶² This was visible in the documentation for three of the cases, namely Mali PARAD, Mali Transport and EFCC Nigeria.

⁶³ e.g. Malawi rule of law, Mali transport

did not seem to include any major points on TC/TA.⁶⁴

3.2.2 Findings from the ALA Cases

3.2.2.1 Asia

Cases reviewed

This section is based on a review of the available project documentation for five cases in Asia, relating to 2 projects and 3 programmes (see Table 3 below), as well as the ECA's review of the TC component of the budget support provided to Vietnam (most of which is covered in the section on Budget Support below).

Table 3: Asia cases reviewed

Name	TC managed by?	PIU(s)?	Description of TA	Comments
Institutional Support Project (ISP) Vietnam (2005-2009)	Centralised management	Yes	TA to National Assembly Office § 2 LT TA (team leader and senior expert) § Pool of ST TA (unallocated) § Local TA (not part of TA team)	§ UNDP and Danida are also active in the legislative/judicial sector
European Technical Assistance Project for Vietnam (ETV2, 2005-2008)	Centralised management	Yes (7 in total)	TA at MPI and MoF § 1 team leader and 8 part-time LT TAs § ST TA as required	§ Service contract agreed with 2 firms (for components 1-5 and 6), leading to coordination & management difficulties ⁶⁵
CB component to BS Vietnam	Centralised management	Yes (at SAV)	3 components, 1) TA to MoF (through MDTF) 2) TA to SAV § 4 ST key experts, tasked with advisory work to the PG, supporting internal reform and change processes and training § Four junior ST international experts § Vietnamese experts 3) TA to SBV § 4 LT TAs	§ TA provided through 2 service contracts and a WB-managed MDTF 2) TA to SAV § Problems between SAV and TAs § Level of PG involvement in SAV assistance seen to be low by the Delegation ⁶⁶ § TA seen as 'moderately effective' by the Delegation ⁶⁷ -limited absorptive capacity
Multi-donor support to Health, Nutrition, and Population Sector Programme in Bangladesh (Phase II, 2003-2010)	GoB (GoB rules)	Yes (3 at MoH)	Several TA components (not all EC funded) § Funded from pool fund and recruited by recruited by GoB under GoB rules 1) Programme Support Office (PSO) at MoH - core team of 6 national and international TAs (at MoH) 2) 2 further units at MoH for contracting non-state service providers § Other TA: 3) TA to Financial Management Unit (financed by a bilateral donor) 4) Support to 2 units in MoH working on diversification of health financing and the health information system (bilateral donor, provision in kind)	§ Long term TA 1) and 2) recruited by GoB through GoB procedures (contract for PSO signed in July 2007)

⁶⁴ At least none are referred to in the documents reviewed (which did not include actual evaluation reports). Aga in the only exception to this visible in the documents was the evaluation of phase II of the NAO support provided to PNG, which found that there was too much reliance on consultants.

⁶⁵ ECA Vietnam annex, page 25 and page 29.

⁶⁶ E-questionnaire. Case 5.

⁶⁷ Ibid.

Name	TC managed by?	PIU(s)?	Description of TA	Comments
Basic Education Capacity Trust Fund (BEC-TF) Indonesia 2007-2012 (with WB and NL) (in preparation for a SWAp that may start in 2009)	WB? (Joint Management through administration agreement with WB)	Yes (several)	§ WB team leader for BEC-TF § 20% of TA can be provided by WB staff § includes a WB-Rapid Response TA facility § TA will assist in carrying out local capacity assessments and defining capacity building strategy	§ TA not yet in place § 1st phase will be WB- executed, 2 nd & 3 rd by Gol (after CB at central and local government level) § TA aimed to help local governments define their capacity needs and build capacity in preparation for the SWAp. § A district budget support facility may pilot district BS
Health Sector Policy Support Programme Philippines 2006-2010	Centralised management	No	EC TA § 13 TAs to Dept of Health (DOH) & Dept of Budget (DOB) § 16 Local Reform Implementation Coordinators to local government authorities § Various short term TAs	§ EC TA for HSPSP not yet in place? § EC contributes to BS and a WB-managed MDTF, and also provided start up TA for PFM-capacity building. It also contributes to 2 ASEM Trust funds. § Other donors provide additional TA (incl. e.g. GTZ, WHO), and EC TA is supposed to maintain close working relationships with TA provided by other donors

Proportion of TC in projects and programmes is high

From the five cases for which sufficient data was available (Philippines SPSP, Vietnam ISP, ETV2 and BS, Indonesia capacity trust fund), it appears that the **proportion of TC in projects and programmes in Asia**, and the **overall amount** spent on it, is much higher than in the ACP. This in part stems from the fact that three of the cases had a clear TC/ institutional/capacity support focus (both the Vietnam cases and the Indonesia case), but probably also reflects the overall smaller EC aid budgets in Asia and the requirements of governments such as that of Vietnam (which generally has an interest in accessing donor -funded foreign expertise, though under its own conditions and control...).

- The proportion of TC in the cases ranged from 23% (for the EC contribution to Vietnam BS) to 38.55% (Indonesia basic education capacity trust fund: budget for TA, studies, workshop and training counted) to nearly 60% (59.3% Philippines Health SPSP) .⁶⁸ For both of the Vietnam CB projects (ISP and ETV2), the European TA component was 31.9% (ISP, excluding costs for local T A) and 54.5% (ETV2) respectively.
- In monetary terms the TC -costs budgeted were €4.5 million (Vietnam BS), €8.6 million (Philippines SPSP) and €15 million (Indonesia BEC -TF). For the ISP and ETV CB -projects, the European TA costs were €2.55 million (of a total ISP budget of €8 million) and €6 million (ETV2, of a total EC contribution of €11 million).

The typical TA/TC picture

In terms of the 'typical picture' which emerges from the cases reviewed , TC in Asia included:

- **Larger long-term international TA teams** (which in one case - ETV2 - were present only part-time, i.e. intermittent TA), consisting of at least two long-term TAs (Vietnam ISP) to 13 long term international TA positions (plus 16 local implementers) in the case of the Philippines health SPSP (which includes support at provincial level)

...supported by:

- allocated and unallocated **local and international short-term expertise**
- Various forms of **training** (e.g. Vietnam ISP and Philippines).

In all but one or two cases (the Philippines health SPSP ; possibly also the Vietnam BS case) the assistance is **managed by a programme support office** or a **project task force**, i.e. a PIU. Both of the Vietnam PTFs are formally run by a national project director (with the assistance of TA) and could be classed as 'integrated' ⁶⁹. The multi-donor supported Bangladesh health PIU likewise seems to be integrated: it is based at and seems to be under the responsibility of the Ministry of Health (which recruited the TC), but it is unclear if the PIU director is a

⁶⁸ Vietnam ISP

⁶⁹ The ECA report on the ISP case raises an important point in this regard that is an issue for the EC across the world: having an NPD but insisting on EU procedures is little more than a token gesture towards ensuring ownership: See EC A statement of *Preliminary Findings arising from the audit of Technical Assistance in the context of Capacity Development in Vietnam* (letter to Louis Michel dd. 25 Jan 2007), pp. 48-49: "The UNDP maximize their use of national systems, rather than impose their own organization/administration systems, in order to underscore Vietnamese ownership. In this context they considered that making a Vietnamese national the Project Director while insisting on the use of EU procedures was little more than a token gesture towards ensuring ownership."

national or a consultant. It is also unclear who will manage the PIU to be established at the Ministry of Education for the multi-donor support to the basic education sector in Indonesia (which in its first phase consists of a capacity building trust fund), but there appears to be a high degree of donor -(and especially WB) involvement overall in programme management (à See Table 7 on the PIUs in the case review below.)

Perhaps as a result of the nature of the assistance reviewed – which in many cases was to support sector programmes – it was also noticeable in the Asia cases that there seemed to be a **higher degree of cooperation with other donors** than in the ACP cases, including through (World Bank -managed) **trust funds** (Indonesia education sector, Vietnam Budget support, Philippines HSPS).

TC and project/programme design and formulation

TC needs and objectives

Most of the assistance seems to have been or is likely to be preceded by some form of **TC needs assessment**. Further definition of TA needs then seems to be left to the TA teams.

- This was the case at least three in the three *Vietnam cases* (ISP, ETV2 and BS), for which, however, the capacity needs studies carried out by framework contractors had to be reviewed subsequently (including by the TAs recruited), due to substantial delays in the inception phase and questions about the quality of the studies.⁷⁰ With regard to the latter, the ECA report on Vietnam notes the **absence of an adequate analysis and justification of the TA requirements** (in terms of amount and composition) in the reports,⁷¹ and criticises the absence of an overall assessment of the institutional capacity strengths and weaknesses of the country.⁷²
- For the other cases in the sample, a general **institutional capacity study** was carried out for the *Bangladesh* health sector support. For the *Philippines*, **broad** health sector support **needs** were identified by the partner before formulation of the TOR, followed by a **TA mapping exercise** identifying specific needs thereafter, and a PFM diagnostic assessment was commissioned by the EC. In the *Indonesia* case, one of the tasks of the TA which will be provided to local governments and the Ministry of Education through the Trust Fund is to help them carry out **local capacity assessments**, define capacity development plans and a capacity development strategy, in preparation for implementation of a SWAp, which is envisaged to start in 2009. From the documentation available it is unclear however what sort of needs assessment took place before this TA was put in place.

It is not clear to what extent such needs assessments or other reflections considered other forms of strengthening partner capacity. As was then case in the ACP cases, a mixed formula of **international long and short-term TA, some local TA and some training** through workshops, study tours etc. seems to be the usual response.

The **objectives** of the TC component provided generally were a **combination of broad generic objectives** (supporting PG reforms, and poverty reduction) **and specific objectives**, which were usually listed as the specific expertise/advice required to improve capacity in a certain field and the results to be obtained.

Ownership of and demand for TC

As in the ACP cases, it was also normally **not clear who had asked for the TC, and who 'owned' it**.

- The information available indicates that generally there is a strong demand for (specific) European TA from the Government of *Vietnam*⁷³ and that the GoV welcomes the assistance provided at least in the case of the ISP.⁷⁴ However, the same government is also known to have a very critical attitude towards TA, and in the cases requested a reduction in the long-term TA envisaged for ETV2, was critical of the use of so much international TA and would have liked to play a stronger role in recruiting it.⁷⁵
- Similarly, the description of the BEC-TF in *Indonesia* indicates that the "*Gol/Ministry of Education has stressed the high-value added of a flexible TA facility and requested this to be continued and scaled up under the BEC-TF*",⁷⁶ but it is unclear to what extent there is a real demand for the other TA to be provided through the trust fund (which includes preparation for meeting the conditions for a SWAp)⁷⁷.

⁷⁰ ECA report on Vietnam, p.15.

⁷¹ ECA report on Vietnam, p.12, p.24

⁷² ECA report on Vietnam, p.7

⁷³ ECA report on Vietnam, p.43

⁷⁴ Questionnaire returned by the Delegation

⁷⁵ ECA, p. 24; p.7-8; e.g. p.56.

⁷⁶ Annex 2, *Description of Operations, Basic Education Sector Trust Fund*, p.5

⁷⁷ While clearly the information available for this particular case is insufficient, there are cases where TA linked to large funding programmes is accepted in order to be able to become eligible for accessing those funds.

- The experience of the support to the *Bangladesh* health sector under Phase 1 of the activity seems to be a case where there was no real interest or political support for the TC provided after a change in government had taken place.⁷⁸ While this no longer seems to be a problem for Phase 2 (for which the Ministry of Health seems to have taken the lead after a new, technocratic government came to power) the email received from the Delegation on this case highlights an important issue encountered by many donors: namely, that partner government institutions may not always be in a good position to provide a realistic assessment of their most urgent needs (those most in need are often least able to define them) .

Donor coordination and alignment

For the sample of Asia cases reviewed (which includes three sector programmes – Bangladesh and Philippines health, Indonesia education – and a case of budget support Vietnam), the documentation indicates a **high degree of alignment** of the assistance with the policies of the PGs,⁷⁹ and **of donor coordination** . This **includes coordination of the TC** provided, which is provided jointly in two cases and in close cooperation with other donors TA in one:

- In *Bangladesh*, the Program Support Office (established by the PG under WB rules) for the health sector support programme in which a core team of 6 TAs is based is financed by pooled support
- The education sector capacity building support in *Indonesia*, so far funded by the EC and the Netherlands, will be financed through a WB-run Multi-Donor Trust Fund, and is designed to prepare for a SWAp, for which donor coordination has started (e.g. through the Education Sector Working Group).
- In the case of the *Philippines* health sector programme (the first sector programme in that country) , the sizeable EC TA provided to the Departments of Health and Budget (13 TAs) and to 16 local authorities (16 TAs) will be complementary to the TA provided by other donors and is expected to liaise with it. EC -funding to the health sector is provided through sector budget support and a WB -managed multi-donor trust fund, and donor coordination is to be facilitated through a multi-donor Joint Appraisal Committee .

For the Vietnam ISP and ETV2 cases (both pure EC projects), some coordination with other donors in the respective areas was envisaged in the project documentation but the ECA reports indicates that it is weak in practice.⁸⁰

TC procurement

The information available on the procurement process in the cases varied, especially since the procurement did not seem to have been completed (or even started?) in at least 2 of the cases (Indonesia and – FA not yet signed, and Philippines – contract not yet awarded) . The ECA annex on the Vietnam cases in contrast included some interesting points.

Procedures used/ Management of TC component

In the Asia cases reviewed, TA was or will be procured either through one of the EC's main procedures (the **International Restricted Tender Procedure** or the **Framework contract**) or under **World Bank rules** . In the Philippines case, the tender doc for the EC -provided long term TA also mentions that the **negotiated procedure** might be used for the procurement of additional services from the same company.

- In four of the cases, the long -term TA service contracts seem to have been procured using the **international restricted tender procedure** under **centralised management** , i.e. with the EC acting as the contracting authority (Vietnam ETV2, ISP and Budget Support and Philippines HSPS), despite the fact that in at least one of the cases the PG had asked to be the contracting authority (Vietnam BS). This picture ties in with the information received during at least one interview which indicates that in practice, **90% of the TC components in Asia are still procured by the EC under centralised management**
- In the case of the basic education trust fund in Indonesia (implementation not yet started) the **World Bank** seems to be responsible for procuring the TA, and in fact can provide up to 20% through its staff . In the case of the multi-donor pooled-support to the health sector in Bangladesh the **Ministry of Health** recruited most of

⁷⁸ See email from Delegation.

⁷⁹ The Indonesia Basic Education Capacity Trust fund aims to prepare for a SWAp compatible with its Medium Term Strategic Plan on the education sector. Similarly, in the Philippines and Bangladesh health sector cases and the Vietnam institutional support project in the legal sector assistance is provided in support of partner governments' sector reforms.

⁸⁰ **ISP**: no formal coordination mechanisms at working level by November 2006, and no steps had been taken to implement what had been agreed. Overlap with DANIDA and UNDP was not addressed during the formulation phase: "sufficient account was not taken of the work of the other bilateral and multinational donors in the legislative/judicial reform area and, in particular, of two of the most important donors (UNDP and DANIDA). The practical possibilities for synergy, the avoidance of overlap or granting the aid through joint or multi-lateral projects was not explored." (ECA report on Vietnam, p. 44).

ETV2: Overlap with the multi-donor trust fund (managed by the World Bank) which funds support at the MoF, and which the EC also pays into through the BS CB component.

the LT TAs itself, using its **own procedures**.

- At least in the three Vietnam cases and in Indonesia, the EC also procured short-term TA outside the main service contracts through the **FWC**, especially for project identification and formulation.

Procurement issues

The actual procurement of TA in the Asia cases through the International restricted tender procedure (for which information was available) seems to have gone more smoothly than in the ACP cases, presumably in part because the process was managed by the Commission and not by the PG having to use complex EC procedures. Thus, in both the ISP and the ETV2 cases (in the former the suspension clause was used) the Commission awarded the contract 6 months after the start of the procedure.⁸¹

However, in both cases the start of project implementation and the mobilisation of TAs was severely delayed as a result of a number of other factors, including:

- the **time lapse between first project proposal and actual agreement** on what is to be done, resulting, inter alia, from the **need for repeated identification missions** and from **disagreement between the Government of Vietnam and the Commission on the content of the TC package** to be provided (ETV2) and the location of the project (ISP).
- the **withdrawal of key experts** after the contract had been awarded (ISP, ETV2 and Vietnam BS), changes of key TAs clearly risk nullifying the results of the TA selection process (which is largely based on the quality of the CVs of the key experts proposed)

As indicated by the above point on the need for repeated identification missions, all the Vietnam cases also seem to have suffered from **poor quality work by framework contractors**.

Box 3: European Technical Assistance Project Vietnam (ETV2)⁸²

In the ETV2 case, the two TA contracts were awarded 2 years and 3 months (in July 2005) after the FA had been signed (in April 2003), after a 6-month tender procedure but following earlier lengthy delays in the preparation stage of ETV2, which was agreed as a follow-up project to ETV1 in September 1996 already.⁸³ These severe delays resulted, inter alia, from

- delays in and the need for **repeated identification missions** (TOR first drafted in December 1998, first mission in March/April 2000, second mission in June/July 2002)
- the **necessity to adapt TA design** (especially TA roles) to the requirements of the 2002 Financial Regulation (which prohibits project leadership by TAs)⁸⁴ after the FA had already been signed (which was in April 2003), and
- the **negotiations on a substantial reduction of LT TA** in favour of an increased training/study budget initiated by the GoV.

After the contract had been awarded (July 2005) and agreed with the winning European companies (August 2005), a further delay resulted from the **unavailability of the selected Team Leader** and the necessity to replace him (which took a further 4 months), resulting in the start of implementation in early 2006 only, i.e. nearly 3 years after the signature of the FA and 9 years and 4 months after the second phase of the project was agreed. This was further compounded by the **replacement of two members of the TA team** once the contracts had been signed, who were withdrawn because their performance was judged to be inadequate.⁸⁵

Box 4: Institutional Support Project (ISP), Vietnam⁸⁶

In the ISP case, which was first proposed in 2002, there were significant delays in project preparation as a result of the **inadequate work of two different framework contractors** (2003 and 2004),⁸⁷ and discussions with the government over which agency would be the appropriate executing authority. The actual contract was awarded only 6 weeks after (November 2005) the signature of the FA (October 2005) because the **suspension clause** was used to start the tender procedure early (in May 2005). However, there was a subsequent delay in the mobilisation of the TA as a result of the **withdrawal of the**

⁸¹ The procedure for the CB component of the Budget to Vietnam went as follows: (see ECA report on VN, pp. 57-58):

§ Underestimation of the fee rates (as a result of wrong estimations by the identification mission) reduced competition. "As a result of the insufficient number of bidders, both tenders [support to State Audit Office, SAV, and support to State Bank, SBV] had to be cancelled".

§ The forecasts were issued on 14 April 2005. Tenders were issued on 2 June and 14 July 2005. After cancelling the tenders, the Commission then entered into direct negotiations, and awarded the two contracts (SAV and SBV) in early November 2005. Contracts for SBV were signed in December, but several key experts were unavailable. One of the replacements only started in March 2006.

⁸² See ECA report on Vietnam, pages 21-31

⁸³ See ECA report Vietnam, p. 22

⁸⁴ See ECA report on Vietnam, p. 25-6

⁸⁵ See ECA report on Vietnam, p.28.

⁸⁶ See ECA report on Vietnam, pages 42-51.

⁸⁷ ECA report on Vietnam, p. 44-45

selected Team Leader after contract signature (December 2005), and whose replacement took up the post in February 2006.⁸⁸

In the only other case reviewed where the IRTP was used it seems to have taken longer than the minimum 6 -8 months required in the Philippines case, where TC procurement started in June 2006 but still seems to be ongoing 15 months later (November 2007), despite the planned contract start date of January 2007.

In the case of the health sector support in Bangladesh, where the Government is responsible for TC procurement, the contract for the programme support office at Ministry of Health was also only agreed in July 2007, four years after the start of the programme (and 2 years after donor funding had been available), mostly it seems because of a 'lack of interest' by the former government in power at the time.⁸⁹

Selection of TAs:

- The Philippines case indicates that the selection process for experts may go beyond the review of their CVs and that "**experts may be interviewed by phone**"⁹⁰ No similar information was found for the other case documentation.⁹¹
- The Vietnam cases indicate some partner **dissatisfaction with the selection process** : In the ETV2 case, the Government would have liked to have stronger representation in the tender evaluation committee (by both the relevant ministries, MoF and MPI) but was only allowed one representative⁹², while in the Budget Support case the Commission awarded the contract to the service provider considered to have less appropriate experience in the partner agency's evaluation dossier while the losing provider had been rated as excellent by it.⁹³

Use of international and local/regional human resources

- Interviews with EC staff indicate that there is a **local TA market** in many of the Asian countries, including India, the Philippines, Vietnam and Indonesia, and at least in the case of Vietnam the PG authorities are said to frequently express the wish to make more use of local technical assistance.⁹⁴
- Where the use of **local TA** is foreseen in projects run under EC procedures (Vietnam ISP, Philippines HSPS), it is unclear how these will be recruited in compliance with EC rules (which do not allow the Commission to specify the desired origin of TAs). It is **budgeted for as a separate component**.

TC implementation

Note: only very limited information was available on this section

TA roles

Given the large size of many of the TA teams in the cases reviewed, the **roles** to be played by long-term TAs varied widely, but generally included a **mixture of implementation and advisory tasks and training**. The implementation tasks beyond supporting the PG in the implementation of the assistance provided (e.g. Philippines HSPS) included **TA team management, assistance in defining TA /CD needs, coordinating TAs and reporting to the donors** (example taken from Bangladesh PSO), and **ensuring compliance of the overall programme with EC Financial Regulations** (Vietnam).

The TA teams mobilised through the service contracts generally included a **team leader** and **several thematic specialists** (e.g. on tax issues or health financing), as well as short-term expertise to be provided as required.

Given the fact that in three of the cases the TA teams did not yet seem to be in place (Philippines and Indonesia) or had only just been selected (Bangladesh), it is unclear to what extent the TAs will play the roles envisaged in practice. For the three Vietnam cases, however, the ECA report on its mission in November 2006 notes that the

⁸⁸ See ECA report on Vietnam, p.28 and 48

⁸⁹ See email from Bangladesh Delegation.

⁹⁰ TOR, p.26

⁹¹ A handwritten comment on the ECA report that was sent by mail from Vietnam mentions that there was a teleconference in the case of the ISP. The ECA section of the report where the comment was made (p. 14 para 27) says that "the Delegation did not systematically arrange face-to-face interviews with key experts..."

⁹² ECA report on VN, p. 27

⁹³ ECA report on VN, p. 57

⁹⁴ ECA report on Vietnam, p.7-8. The e-questionnaire returned by the Delegation in Dhaka indicates the same for Bangladesh (see Table 1, Case 2, point 9)

TAs spend a lot of time on planning and administrative tasks,⁹⁵ and criticises that while the Vietnamese authorities consider CD as the sole objective of TC “the Commission continues to use TA for **project management** purposes, including as part of the Commission’s financial control system for each project and programme, albeit within the limits set by the 2003 Financial Regulation.”⁹⁶

TA effectiveness

Framework contractors: The ECA report on the Vietnam cases indicates that the preparatory work for project implementation carried out by framework contractors during the design and identification stages was often insufficient and had to be repeated, a fact which it in part seems to attribute to the over-reliance of Delegations on short-term consultants who in practice are unfamiliar with both the country context and EC procedures.⁹⁷

Long-term TA: As for the long-term TA in the Vietnam cases, the questionnaire returned by the EC Delegation rates the quality of the TA as ‘adequate’ for both the ISP and the ETV2 cases, and describes the effectiveness of the TA provided as ‘moderate’ in the ISP case and as ‘**effective as regards project implementation and management**’ concerning EVT2. The Court of Auditors report on the same cases, in addition to the comments reflected above on the often administrative, planning and management rather than CD roles played by TAs and the necessary withdrawal of experts because of inadequate performance, criticises the likely negative effects of the long delays in project implementation and notes that at the time of the mission ‘**little if any capacity development outputs**’ had been achieved.⁹⁸

The only other case for which information on TC effectiveness is available is the first phase of the health sector support in Bangladesh (1998-2003). On this, an e-mail from the Delegation describes the TC results of that phase as ‘modest’, as a result of the ‘irrelevance of TC for capacity building’ due to high government staff turnover and because some of the ‘temporary’ gap-filling capacity provided by TC was never replaced by genuine government capacity. The diagnostic concluded before the second phase of the support found that the TC had been inefficient due to lack of ownership and because it had not been demand-driven.

TA management

The management of the TAs provided varied in the cases.

- In the Vietnam and the Philippines cases, overall responsibility for the TA team formally rested with the **TA Team Leader**, who was answerable to the EC and the (**national**) **Project Director** (leading the PIU in the ETV2 and the ISP cases), although the actual management structures at least in the ETV2 case were less clear (in the TAP and in practice), as observed by the ECA.
- In Bangladesh, the government-procured TA is to work in a Programme Support Office which will be led by a Director, but it is not clear from the documentation whether this will be a national or a consultant ..
- In the case Indonesia basic education trust fund, it was not evident from the documentation who will manage the various TAs provided, including to the PIU which the Ministry of Education is to establish. It is clear though that the World Bank will play a prominent role, especially in Phase I which will be WB-executed (Phase II and III are to be executed by the GoI): a WB staff member acts as the Task Team leader for overall programme management, procurement has to follow WB rules and be agreed by the WB procurement officer in Jakarta, 20% of TA resources budgeted can be used to mobilise WB staff and the Bank will manage and maintain a flexible TA facility for ad hoc requirements.

TA accountability

Formal accountability of the TAs did appear to be to the partner government in all the cases reviewed, either to :

- the **heads of the host department** (Ministry of Health - Bangladesh, Department of Health - Philippines),
- the **national Project Director** (Vietnam ISP) and/or
- a **steering committee** (Vietnam ISP, ETV 2 Vietnam, BEC-TF Indonesia), in which the donors normally participated⁹⁹.

However, at least in four cases the **TA Team Leader also was to report directly to the donor:**

⁹⁵ ECA annex on Vietnam, p.16. In the ETV2 case, the TA team leader estimated at the time of the Court’s mission that **70% of TA resources are spent on planning and administrative tasks, and only 30% on technical advisory activities** (p.30 and p. 31)

⁹⁶ ECA report on Vietnam, p.19-20.

⁹⁷ ECA report on Vietnam, p.11-12.

⁹⁸ ECA report on Vietnam, p.18.

⁹⁹ In both of the Vietnam cases and the Philippines, the EC was invited to meetings of the (overall) PSC or (in case of the Philippines) the Technical Coordinating Group as an observer with the right to speak. In Indonesia, the EC has an advisory position in the Management Committee and a ‘full’ position in the PSC (which provides strategic guidance).

- the EC in the case of the Philippines HSPSP, Vietnam ISP and ETV2, and also in practice as regards the Budget-support CB-TA (according to information from the Delegation, no project documentation available)
- the WB – in the case of at least some of the TA under the BEC-TF in Indonesia.

Monitoring and evaluation

The quality and effectiveness of the TA is intended to be specifically monitored in most of the cases. Often the indicators seem to be quantitative in nature (number of courses held, timely mobilisation of experts, etc) or simply the achievement of the overall project/programme results:

- Philippines - expected results act as performance indicators
- Indonesia - indicators of progress are specified in Description of Operations
- Vietnam ETV2 - development of a Project Progress Monitoring Plan with OVIs (Objectively Verifiable Indicators) was expected, but this had not been done by the time of the ECA mission (Nov 2006)
- Vietnam ISP - relevant OVIs defined in the Logical Framework
- Vietnam BS – the logical framework includes a number of indicators that the ECA describes as “*rather objectives than indicators*” and “*a measure of project output rather than outcome*”.¹⁰⁰

3.2.2.2 Latin America

Cases reviewed

Table 4 below lists the six Latin American cases reviewed, of which two were projects (Bolivia roads and Nicaragua institutional support) and four were programmes (Bolivia FONADAL, PROCOIN and PROHISABA and Honduras PROADES). Two of these included sector budget support (Bolivia PROHISABA and Honduras PROADES).

Table 4: Latin America cases reviewed

Name	TC managed by?	PIU(s)?	Description of TA	Comments
Support for Bolivia's New Alternative Development Strategy through FONADAL (FONADAL – Yungas)	§ Centralised management of procurement § Managed by Partner Government. The responsible body for the management is MACA (Ministry of agriculture and Rural affairs), through VDA (vice-ministry of alternative development)	Yes	4 main experts to strengthen FONADAL, mainly in the areas of § administrative systems and financial controls, § instruments of institutional planning, monitoring and evaluation, § managing the short term experts § improve institutional relations with beneficiaries and other strategic partners TC mix: § 1 international LT TA and ST TAs § Local TAs for specific tasks § Studies, info exchange and training	§
Trade development and Investment promotion programme (PROCOIN), Bolivia 2003 - 2008	§ Centralised management of procurement § Management is <u>shared in practice</u> , though the highest authority of the PIU (which is accountable for implementation and management of the whole programme including the TA) is the <u>national director</u> .	Yes	§ TA is present in the 4 components of the programme and also to make the PIU operative. § The role of (both the local and European) TAs related to the PIU is implementation and management, whereas the role of TA related to the programme activities is advisory, i.e. capacity building.	§ PIU is seen to be very inefficient. Its design was unclear. The programme has not created real ownership by the partner. In practice, it is not being carried out under national responsibility as foreseen. § Too much TA?

¹⁰⁰ ECA report Vietnam, p.62.

Name	TC managed by?	PIU(s)?	Description of TA	Comments
Programme to support Physical Regional Integration – bi-oceanic road “Santa Cruz – Puerto Juarez”, Bolivia	<p>§ Centralised management of procurement for International long term TA, decentralised for other</p> <p>§ Management is shared in practice: the main adviser (European) manages the TA, and for each different task there is a Government body in charge, normally different departments of the SNC, and the Ministry for Sustainable Development and Planning for the environmental part.</p> <p>§ The PIUs (in which the TAs are integrated) are under the control of these GoB departments.</p>	Yes (2)	<p>TA in <u>SNC</u> (road authority) PIU:</p> <p>§ Long term international TA: Main adviser and Contract engineer</p> <p>§ Long term local TA: Road engineer and Forest engineer</p> <p>§ Short term TA</p> <p>There is another PIU for the environment part of the project integrated into the <u>Ministry for Sustainable Development and Planning</u> (financed by BID).</p> <p>§ International TA will assist this PIU.</p>	<p>§ TA quality is deemed to be very good and efficient.</p> <p>§ However, international TA physically away from PIU has led the management of the project.</p> <p>§ The MTR (p2), in its key observations and recommendations, finds that it is time to comply with the FA prerogatives regarding the functioning of the PIU to achieve effective local management of the project</p>
PROHISABA (Health sector support programme), Bolivia 2002-2007	<p>§ Centralised management of procurement</p> <p>§ The PIU is responsible for the day-to- day management of the TAs.</p> <p>§ The PIU in turn is accountable to GoB and the European Commission.</p>	Yes	<p>§ Implementation responsibility (delegated to the National director and his team, which forms the PIU, made up of the International & local TA and local personnel).</p> <p>§ Programme is co-managed by two directors: the national director and the European TA director, who share responsibility towards the GoB and the European Commission.</p>	<p>§ PIU was co-managed by a national director and the director of European TA. These arrangements led to lack of ownership of the project by the partner government. The first addendum to the FA duly substituted the PIU for a team composed by the national director, local staff and International TA.</p>
Decentralisation Support Programme in Honduras (PROADES), 2005 - 2009	<p>§ Centralised management of procurement</p> <p>§ TA at the disposal of the GoH.</p>	No	<p>§ TA advises and supports the GoH in the development and implementation of the PRODEL, through institutional capacity building at central and local level and the strengthening of Honduran Civil Society.</p> <p>§ 3 main LT TAs,</p> <p>§ + the possibility to contract short term experts if needed.</p>	<p>§ ToRs are clear: TA's main mission is advisory and it is vital that experts be good facilitators and team players and able to integrate well with local staff (rather than mere advisers) so as to guarantee the success of TA.</p>
Institutional support programme to development policies in Nicaragua	<p>§ Centralised management of procurement</p> <p>§ PG to manage project, programme coordinator (TA) to coordinate the activities of the other 4 experts (not yet started)</p>	No	<p>§ Mix of TA foreseen, but mostly LT TA (5 experts)</p> <p>§ Objective of TA: to reinforce the capacity of the GoN to coordinate, manage and lead, in order to develop and implement the PAPS</p> <p>TA to:</p> <p>§ Support CD</p> <p>§ Support cooperation between different ministries, civil society and donors</p> <p>§ Manage, support and supervise the PAPS, and link them to Nicaragua's strategy for Growth and poverty reduction</p>	<p>§ TA not yet started after annulled tender procedure in 2004! (no financially compliant offers)</p> <p>§ Pure TA project to support Nicaragua's strategy for economic growth & poverty reduction in the framework of its National Development Plan, through reinforcement of support programmes to SWApS (the PAPS) in various sectors</p>

Overall TC use

- **Four of the six activities reviewed in these cases had a PIU**, all of which could be classed as at least formally 'integrated', after the shift from co -direction (under which the PIU had a national and a European director) to national direction , under which the PIU is led by a national director, who is normally supported by international TA in an advisory function .¹⁰¹

¹⁰¹ This shift seems to be in part a result of the 2002 Financial Regulation for the Budget which forbids TAs 'the exercise of public authority or use of discretionary powers' (cf ECA Vietnam report, p.19-20)

The typical TA/TC picture

- The **proportion of TC in Latin America in projects and programmes is larger than in the ACP**, given that the overall aid envelopes are smaller. Projects and programmes tend to have 1 or 2 long term TA (s), plus short term TA as required.
- The roles of the long-term TA are defined in advance, and usually include a mix of implementation, technical advice and 'capacity development' tasks.
- The TA provided normally includes at least 1 international long term TA and ad hoc short term TA s for more specific tasks, both with a **mixture of advisory/implementation roles**. Many activities also have a separate budget for local TA. The international TA is normally managed by a **team leader**, who is part of the PIU and sometimes its co-director (during the first part of the Bolivia health programme). However, the TAs are **normally accountable to the partner government**.

TC and project/programme design and for mulation

TC needs and objectives

- The documents do not mention whether specific capacity/TC needs assessments were carried out. However, overall assessments of the status quo in the country, related to the project/programme goals, are normally carried out to check the relevance of the project/programme, and these include some assessment of the capacity of the partner government.
- Normally TC/TA is part of the project or programme, but the **concrete reasons for why it is needed are lacking** in the documentation. Although normally not clearly mentioned as such, capacity building in the partner country and assisting in the implementation of projects/programmes seem to be the implicit reasons for TA/TC. The objectives appear rather generic.
- **Alternatives to TA are never considered** in the project documentation. Some programmes include training, but as another component alongside TA, not as an alternative to it.
- Where there is a **PIU**¹⁰², there is normally no clear, concise justification - beyond overall project implementation/management - as to why it was needed/created. Implicitly, however, **PG capacity** in these cases seems to be deemed to be insufficient (despite the apparent absence of in-depth capacity assessments), which seems to be the justification for the PIUs.

Ownership of and demand for TC

- No document says who actually asked for TA/TC.
- The amount of TA is always clearly stated in the project budget, which suggests that partner governments are aware of the financial costs. However, it is not clear to what extent they would have had a choice to use the funding provided otherwise.

Donor coordination & alignment

- Given that the majority of the documents predate it, there is no reference to the Paris Declaration as such. However, many of its principles are mentioned in the design of the programmes and the different documents:
 - *Harmonisation*: the activities of other donors are (at least on paper) taken into consideration in the design of projects/programmes.
 - The need for *ownership* by the partner is normally taken into account. Where there is lack of ownership (evident in 2 cases), there are recommendations to correct the course, and at least in one case these seem to have been followed up (the health programme in Bolivia, with the change from PIU co-direction to national direction only).
 - *Alignment*: the programmes are normally based on the country's strategies and policies.
 - There are no references to *managing for results* and *mutual accountability*,

TC procurement

Procedures used

- Procurement in the cases reviewed was mainly through the International Restricted Tender Procedure. The contracting authority is normally the EC (centralised management).
- The **selection of consultants** tends to be **CV-based** (although telephone interviews may happen to test candidates' language skills)¹⁰³.

¹⁰² Of the six cases reviewed, 4 (the 4 Bolivian cases) had PIUs.

¹⁰³ Interview information.

Management of TC component/TC procurement

- The TC component in the Latin American cases reviewed is normally managed by **centralised management** by the Commission (which usually finances the TA alone):
"Contracts are concluded by the Beneficiary (partner), except for the following ones, which are concluded by the European Commission on behalf of the Beneficiary: services, including international technical assistance contracts; external monitoring, evaluation and audit".
 This ties in with the information received during interviews with EC staff.
- However, the **partners tend to be quite involved**, e.g. in the selection of TAs (they sit on the evaluation committee...).
- Some partner governments (or sometimes the integrated PIUs) also contract the local TAs/ short term experts. They also participate by providing the national PIU director and local staff.

Use of international and local/regional human resources

- There are separate budget headings for local TA – it is unclear how this ties in with the current rules.

TC implementation

TA roles and effectiveness

- The **roles which TAs are expected to play** are usually clear in the ToR, as are their profiles: normally they are to carry out **advisory and implementation functions**. The roles expected tend to be broad.

TA management and accountability

- General/formal accountability of TAs and the PIUs is usually (though not always) clear. The rule is that **accountability is to the partner government**. However, TAs are sometimes also accountable to the EC¹⁰⁴.
- It is worth highlighting however that the **day-to-day management arrangements** and the concrete accountability of TAs (who reports to whom, who is responsible for what) are often not clearly defined. The only fixed accountability is that of TAs (or the PIUs) to the partner government (as indicated), yet the arrangements as to how they should report are sometimes unclear.
 - The management arrangements are rather broad, with reporting forms and obligations unclear, and it is not easy to determine who is accountable to whom. The project documentation normally states who is the **authority in charge of the overall project/programme** - which in most cases is the direct beneficiary body of the partner government¹⁰⁵ - and thus in charge of PIU or TA (just as a component of the programme); However, the command chains are sometimes opaque and it is difficult to know who actually manages whom day-to-day.

Monitoring and evaluation

- The TA is not monitored separately from the projects/programmes, and there are no concrete indicators to actually measure and evaluate the effectiveness of TA. It is thus difficult to assess quality of the TA separately from the overall project/programme.
- The *2007 country evaluation* of the support provided to Bolivia does not find any general (project specific) problems with the use of TC/TA, but explains the negative aspects of the system of co-direction and the rationale for moving to national direction.
- The available *mid-term evaluations and monitoring reports* and similar documents (of which only a few were available) normally focus on the overall programme effectiveness and not on the TA/TC. However, they provide insights into the effectiveness and use of human resources and the interaction between partner governments and TAs which are useful:
 - Some projects have suffered from lack of good **management and ownership** by the partner country, and **changes of policies** which hamper the work of TAs and lead to delays. There also appear to be many **changes of personnel** and project/programme directors, which cause shifts in the workloads and affect overall effectiveness. These changes are more common in locally recruited staff or partner government secondees, but also concern international TAs.¹⁰⁶
 - However, TA in other programmes is judged to be very effective.

¹⁰⁴ Bolivia Health programme, PIU was co-directed and accountable to both partner Government and the EC (FA p 18), though it was changed later. Concretely: "Co-direction is accountable to the overall authorities that are the beneficiary and the EC of carrying out the programme".

¹⁰⁵ For example, Bolivia road programme: "Servicio Nacional de Caminos (Government body in charge of roads) is the beneficiary of the programme and also the executive agency to carry out the programme. So is responsible for implementation and the authority in charge... To carry out its responsibility, the executive agency shall create a PIU which integrates within it..."

¹⁰⁶ PROCOIN MTR p 27 "contractor renewed all the team at the beginning of 2005 and a new team leader was to incorporate in May 2007"

- At least in one case (Bolivia health sector), it seems to be clear that the observations made by the MTR were taken into account - they led to a change in the PIU (from co -management to national management), and thus to a redesign of the project.

3.2.3 Findings from the ENP Cases

Cases reviewed

The review of ENP TC cases is based on a small sample on which only very limited documentation was available (2 health sector programmes in ENP South and 3 cases from ENP East, mainly from Moldova). It is complemented by some information from the ECA review of TA - which included Moroccan and Algerian case examples, information from the EC Delegation in Jordan returned in the e -questionnaire and some information from the Commission's website on cooperation with the TACIS countries. The cases reviewed are listed in the Table below.

Ø Further information (which we could not review for timing reasons) might be available in the TACIS evaluation (completed in 2005) and some other country and thematic evaluations (e.g. Egypt, 2004; Morocco, 2003; Economic cooperation with the MEDA region, 2003). It might also be worth studying the ECA cases for Morocco and Algeria in more detail. The information on twinning gathered by E5 could also be included in this section.

Table 5: ENP cases reviewed

Name	TC managed by?	PIU(s)?	Description of TA	Comments
ENP South				
EC support to Health Sector Reform Programme (HSRP) Phase II (1999-2004, extended to 2006) Egypt (sector budget support)	6 of 7 contracts managed by decentralised management (by MoH) 1 contract (monitoring of EC assistance) by centralised management	No	§ EC funded TC = €3.6m (of €190m total, i.e. 1.89%) 1- <u>7 TA contracts</u> funded from EC assistance, for § monitoring of EC assistance (concluded in 2001) § architectural services (2 contracts, concluded in 2004) § training (4 contracts, concluded in 2006) 2 - Ministry of Health hired <u>private sector consultants</u> directly for phase II (Phase I had a large team of 50 consultants provided jointly by donors) 3- TA provided by other donors	§ Joint sector support provided by EU, WB, USAID and ADB § End of term evaluation for EC assistance provided from 1999-2004 notes, inter alia, limited communication between the TA EC and USAID teams on one component (Output 2- health sector restructuring and management strengthening) ¹⁰⁷
Health Sector Modernisation Programme (HSMP) Syria (FA April 2002- April 2009) Note: § EC support to HSMP consists of financial and technical assistance, as the 7 (S)BS criteria could not be met ¹⁰⁸	Centralised management for initial TA contract and FWC-consultants for mid-term review Decentralised management by MoH-PMU for later TA	3 integrated PMUs (1 central at MOH, 2 local)	1 - EC funded TC to MoH = €5.5m (of €30m total, i.e. 18.33%) for 5 years from 2002 to Nov 2007 § <u>TA team</u> (GTZ-led) consists of 6 LT TAs (<u>Team Leader, Finance and Technical Advisors</u>) working in the PIU and <u>ST TA</u> as required § TA tasks include: developing a Global Work Plan 2004-2007 and to provide management and training support to the implementation of the programme 2 - <u>Second large TA contract</u> (of €4.9m, apparently with separate EC funding) for assistance to the newly established Centre of Strategic	§ MTR expressed concern over number of (costly) international short-term consultancies, especially in first 2 years, and limited absorption capacity of MoH ¹⁰⁹ § High administrative burden and transaction costs resulting from need to comply with EC procedures for procurement of additional services and supplies ¹¹⁰ § A third tender for monitoring of the programme from 2004-2007 was forecast but then cancelled, and seemingly replaced by monitoring through a FWContractor (whose 6

¹⁰⁷ Egypt ETR (2005), p. 24, pt 7.4.5

¹⁰⁸ Syria HSMP MTR, p 18

¹⁰⁹ Syria HSMP MTR, p. 7

¹¹⁰ Syria HSMP MTR, pp.7-8

Name	TC managed by?	PIU(s)?	Description of TA	Comments
			<p>Health Studies (CSHS) concluded by MOH- PMU in 2006</p> <p>§ TA (from 2 UK universities and a Dutch management consultant) is to assist CSHS in training, research and policy development</p> <p>3- 6 <u>ST consultants</u> procured through FWC carried out the Mid-term review of the programme in Nov/Dec 2006</p> <p>4- Other TA services provision also likely</p>	<p>consultants carried out the Mid-Term review)</p> <p>à See also the table on PIUs in section 3.3 below for more information on how the TAT and the PMU function</p>
ENP East				
Support to the National Coordinating Unit (NCU) – example of Moldova	Centralised management (use of FWC)	Yes (NCU is a PIU)	<p>§ TC Budget for 1 year (Sept 2005- August 2006): €200,000 (TC=100%)</p> <p>§ Current TA provided by European Training Foundation (procured through FWC)</p> <p>§ EC NCU support is mainly used to fund small contracts for short-term TA as required (procured through the FWC), as well as training, staff travel and logistics support</p> <p>§ Very few NCUs have permanent TA attached to them</p>	<p>§ NCUs were set up (and still exist) in all former TACIS countries to provide support to the <u>National Coordinator</u> of EC assistance at key stages in the programming cycle. As such NCUs played a similar role to the NAO offices</p> <p>§ Their continued relevance today is being questioned</p> <p>§ à See also Box 5 below for a further discussion of NCUs</p> <p>§ The contract database includes a forecast for a tender for services up to €2.5 m to the NCU and the Twinning Programme Administrative Office (PAO) from 2006 which was subsequently cancelled in mid-2007.</p>
<p>Food Security programme (<u>targeted budget support</u> provided in the past from the FS thematic budget line)</p> <p>[Summary review for § <u>Moldova</u> – assistance under FSP to be in completed 2007</p> <p>§ <u>Armenia</u> - closed</p> <p>§ <u>Georgia</u> - closed]</p>	Centralised management	No	<p><u>TA component:</u></p> <p>§ <u>Georgia</u> – 1m of 20m (provided over 2 years, 2005-2006), i.e. 5%</p> <p>§ <u>Armenia</u> - 1m of 20m (provided over 2 years, 2003-2004), i.e. 5%</p> <p>§ <u>Moldova</u> - ?</p> <p><u>Objective:</u></p> <p>§ to support reforms in PFM, social sector (childcare institutions and social assistance) and rural development (agriculture, rural infrastructure)</p> <p>TC provided:</p> <p>(1) <u>TA teams</u> in key line ministries (normally to Ministry of Finance and Ministry of Agriculture) charged with § overall monitoring and reporting</p> <p>§ support to PG for the implementation of the BS (including on meeting the conditionalities, and policy and technical advice)</p> <p>(2) <u>Ad hoc expertise</u> on demand (e.g. assisting in the formulation of sector strategies or on specific technical issues), which in the past was provided through the Individual experts system (no longer possible since 2007) and now by FWCContractors</p>	<p>§ FSP support Armenia and Georgia is already closed, while for Moldova 2007 is the last year of implementation under the FSP</p> <p>§ For Moldova, support is to be succeeded by a social assistance programme (see below)</p> <p>§ End of term review of the Armenia FSP support provided in 2004 refers to capacity weaknesses in one of the TA teams</p> <p>§ à See also Table 9 and Box 8 below on other TACIS FSP cases</p>

Name	TC managed by?	PIU(s)?	Description of TA	Comments
Planned Assistance to reform in Moldavian social assistance sector Moldova (<u>untargeted sector budget support</u>) – pipeline programme in 2007	Centralised management foreseen	No	<p>§ EC TA component = €1m (of €21m total for 2007, i.e. 4.76%)</p> <p>§ EC TA to complement large DFID TA project (€6 m) at <u>Ministry of Social Protection, Family and Child (MSPFC)</u> which started at the end 2006. This aims to develop the policy and institutional framework for social assistance services provision (and will help the MSPFC to meet the conditionalities)</p> <p>§ EC TA to focus on building a monitoring system and strengthening reporting capacity in the relevant ministries and to provide ad hoc expertise in areas not covered by DFID support</p>	<p>§ EC assistance not yet started</p> <p>§ To build on EC assistance previously provided through the FSP (see above)</p> <p>§ Programme is based on PRSP, and is linked to other assistance in area of social assistance, PFM and PAR, supported by multiple donors</p>

TC use in the ENP region & TC picture:

It is difficult to generalise on the basis of the information available, but various forms of TC and technical assistance clearly play and have played an important part in the overall assistance provided to the 16 countries in the ENP region.

To gain a better understanding of this, It is important to **distinguish between the two sub -regions** ENP East and ENP South, which used to be covered by two different instruments (TACIS and MEDA) until the end of 2006:

(a) ENP East

- ENP East includes half of the 12 countries formerly covered by the TACIS programme¹¹¹ (which was initiated in 1991 and ended at the end of 2006). As the name implies (TACIS stands for technical assistance to the Commonwealth of Independent States), assistance to the TACIS region used to consist of a **very high proportion of TA** (as much as 80%, we've been told) and other TC and only limited financial assistance, provided from a number of sources, including the **food security and human rights budget lines**.
- TA used to be provided as a **stand-alone activity** - with the overall objective of “*enhancing the transition process*” in these countries¹¹² - but this has **gradually changed**, especially since last TACIS Regulation No. 99/2000 (which covered assistance from 2000 -2006) and the evaluation of the assistance provided under it during the period 2000 -2004.¹¹³ This noted that TACIS assistance was “*characterised by a large number of ‘stand alone’ technical assistance projects, particularly in the area of institutional and administrative reform*”, which often “*achieve good results at project level but have less impact at sector and national policy level partly due to a lack of continuity and coherent long -term planning.*”¹¹⁴
- **TA now supposed to be linked to policy processes / sector budget support:** In line with this, the aim under the new financing instrument, the ENPI, is to no longer provide TA that is not linked to a broader policy process. As outlined in the CSP Moldova, the objective is to “*move away from mainly focusing on TA projects*” and instead “*building on the positive experiences with the Food Security Programme*” (through which budget support used to be provided to a number of TACIS countries) to increasingly channel resources “*through the state budget linked to the fulfilment of pre -defined conditionalities and accompanied by targeted technical assistance*”. As the same CSP states, it is hoped that “*This will increase ownership and reduce transaction costs for the government*”.¹¹⁵
- **Twinning:** The countries of the ENP East region (together with the pre -accession countries) also were some of the first to receive (mainly short -term) technical assistance provided by EU member state officials through the various twinning instruments (Twinning, Twinning light, TAEX and SIGMA).
- Technical assistance to TACIS countries used to be coordinated by a **National Coordinating Unit** (see Box 5 below)

¹¹¹ Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine

¹¹² http://ec.europa.eu/external_relations/ceeca/tacis/index.htm

¹¹³ TACIS evaluation report (5 volumes), January 2006

¹¹⁴ See CSP Moldova 2007-2012, page 12.

¹¹⁵ See CSP Moldova 2007-2012, page 12.

Box 5: The NCU Moldova

Similar to the function of the NAO offices in ACP countries, National Coordinating Units (NCU) supporting the **National Coordinator** of EC assistance used to be set up (and still exist) in all former TACIS countries. Their role was to **coordinate EC assistance** provided to the countries, **assist in key stages of the programming cycle** and **sign the single financing agreement** between the country concerned and the Commission, implementing the respective Annual Programme of activities. From 2000, "to reflect the increasingly mature political relationship and Government ownership of aid planning, programming and coordination", the role of NCUs was to become more strategic, and EC support to them was to be limited to:

- "supporting **active and effective government participation** in the preparation of Indicative and Action Programmes"
- "ensuring that the **wider range of national participants**... including civil society and the private sector, can secure effective access to planning and implementation"
- "promoting and facilitating **effective coordination of the EU-programme by the national authorities with other national and international programmes**"¹¹⁶

In contrast to the NAO offices, **very few NCUs now have permanent TA attached to them**. Rather, small NCU support projects provide **short-term (EU and local) technical expertise, training, travel and logistics support** as required (apparently funded from one budget line for support to all TACIS NCUs until 2004/2005 and from the national allocations thereafter).

The **continued role and relevance of NCUs is being called into question**, given, inter alia, (i) the multiplicity of separate donor coordination units, (ii) the fact that NCUs cover NIP-issues only and not all areas cooperation laid out in the Action Plans and (iii) a change in assistance provision under the ENPI, which means that from 2007 onwards separate financing agreements will be signed for each action and most likely not with the NCU but with the relevant line ministry. NCUs may also be merged with the **Twinning Programme Administrative Offices (PAOs)** which are to be set up to coordinate twinning activities, and whose role they are already supposed to play during a transition period.

(b) *ENP South*

- The ENP South region includes 10 North African and Middle Eastern countries formerly covered by the MEDA programme¹¹⁷ (which was launched in 1995 and was based on Regulation 1488/96).
- From the information available, the overall **use of TC appears to be more similar to the picture emerging from the ALA countries**, with TC having been and being provided in support of broader government sector programmes and consisting of a combination of **long- and short-term technical assistance and training** (e.g. large training component in Egypt health sector support).
- What is different, as one commentator put it, is that the approach to cooperation with the MEDA countries appears to be based on a **greater sense of 'partnership'** (rather than donor-recipient relations) than traditional cooperation with e.g. the ALA countries, as reflected for instance in the more widespread use of decentralised management of assistance in the cases reviewed.

ENP East and South

For both the ENP East and South countries, it is important to bear in mind that given their special status as '**neighbours**' to the EU, the **development assistance** provided in line with the NIPs (based on the CSPs) is **only a proportion of the overall cooperation** of the Commission and the MS' with these countries. Thus, the overall **ENP Action Plans** which have been agreed with the countries, and the regional programmes, concerned cover a number of other areas of cooperation, such as security policy, energy, migration and border management, reflecting the concept of the '**policy mix**'.

TC and project/programme design and formulation

TC needs and objectives

- *ENP South*: Unclear from information available what sort of assessment led to the provision of TC, but reference is to PG capacity weaknesses. Accordingly, the objectives of the TC provided are to strengthen the capacity of the relevant partner institutions (including through large training programmes in the Egypt case), and to assist in the tasks required for the implementation of the programmes and thereby facilitate the achievement of overall results.
- *ENP East*: Insufficient information on assessment of 'TC needs', except that TA is seen as "*an extremely useful complement to sector budget support*".¹¹⁸ TC objectives are assignment specific (e.g. build a monitoring system).

¹¹⁶ Source: TACIS Financing Proposal for "Support to National Coordinating Units" 2004.

¹¹⁷ Algeria, Tunisia, Libya, Egypt, Morocco, Israel, Palestinian Authority, Jordan, Syria, Lebanon

¹¹⁸ Action Fiche for Moldova Social Assistance programme, p. 3, based on experience with support provided through the FSP.

Ownership of and demand for TC

- *ENP South*: It is unclear from information available, who demanded the TC or 'owns' it. Egypt case has a reference to 'difficult integration of TA into the Ministry of Health team' (Phase II). After the presence of a large TA team in Phase I, the Government in Phase II also apparently chose to hire its own (private sector) consultants itself to provide assistance to the Ministry, rather than accept TA for it.
- *ENP East*: Insufficient information, except that the ROM report for the NCU support speaks of "a ' *good level of mutual understanding and cooperation between the Contractor and the Project Partners* '".¹¹⁹

Donor coordination:

The degree of donor coordination varied in the cases, as indicated below:

- Syria: many donors in the health sector, but no signs of coordination of EC assistance with that of other donors.
- Egypt: a jointly funded health sector programme (WB, EC, USAID and ADB), but no information on whether present EC TA (Phase II) is coordinated with others. Phase I TA apparently was provided jointly. Review of Phase II notes insufficient communication between EC and USAID TA teams.¹²⁰ It also notes that as regards the TA provided "some duplications and overlappings have been noticed between and among the HSRP partners".¹²¹
- Moldova: While the 2006 ROM report on the support provided to the NCU coordinating EC assistance found that: "There is an absence of structured relationships between Government and [the] donor community",¹²² there is **evidence of more donor coordination on presently planned activities, including on the TC provided**. Thus, the EC's planned Social Assistance Programme, which is to provide sector budget support to the social assistance sector, explicitly takes into account a large TA project by DFID which supports the line ministry in question (the Ministry of Social Protection, Family and Child). The programme is based on a PRSP supported by multiple donors, and linked to other assistance in the PAR and PFM sectors (at least in the programme documentation – the action fiche). The GoM and the main donors have also adopted a *Development Partnership Framework* (May 2006) which makes the PRSP and the EU Action Plan the overall framework for assistance.
- It is unclear from the information available on the budget support provided through the FSP to Armenia, Georgia and Moldova if or to what extent this assistance and the TC provided thereunder is coordinated with other donors.

Alignment

- *ENP South*: Both the health **sector support programmes** reviewed support(ed) government policy in the health sector (in the case of Egypt through sector budget support, while in the Syria case this turned out to not be possible), and as such appear to be aligned to Government priorities. It is not clear to what extent the same judgement can be made for the TC provided (the answer is likely to vary according to the specific assignment¹²³).
- *ENP East*: A monitoring review of TACIS assistance to Moldova 2003-2005, quoted in the CSP 2007-13, found that while 'the majority of TACIS projects was " **perfectly in line with national priorities** ", they were **not always "affiliated to concrete initiatives by the government** ', which had a negative impact on project sustainability'...and the 'commitment of partner institutions'.¹²⁴ In contrast, the planned social assistance programme which will provide untargeted SBS is based on the PRSP written by the Government, and a resolution by the government on "increasing the efficiency of the social assistance system" from October 2005. As targeted budget support programmes, it is also assumed that the FSP support to Armenia, Georgia and Moldova overall is aligned with PG priorities, although it is unclear to what extent this also applied to the TA provided (whose role includes helping the government meeting the conditions for BS).

TC procurement

Procedures used/ Sources of TC:

- **Several IRTPs** were conducted for each of the *ENP South* cases (Syria and Egypt health sector support), and overall appear to have gone relatively smoothly, taking some **9-12 months in total**. The IRTPs were

¹¹⁹ ROM report on support to the NCU Moldova (2006), pt 3 and pt 2.

¹²⁰ Egypt ETR (2005), p. 24, pt 7.4.5

¹²¹ Egypt HSRP ETR, p. 21, pt 7.3.17

¹²² ROM report on support to the NCU Moldova (2006), pt 4.

¹²³ In the case of the Egypt HSRP, the ETR finds that the "integration of TA in the HSRP/MoHP team has been "a difficult process." Page 40.

¹²⁴ CSP Moldova, 2007-2013, p.12

conducted both under centralised and decentralised management, and in the case of the TA team for the Syria HSMP started before signature of the FA with a **suspension clause**. There were also 2 cancelled IRTPs which were then repeated a year later in the Egypt case, and one contract not concluded because no compliant tenders were received (Egypt). For the *ENP East* cases, it is presumed that the long-term TA teams were also mobilised through IRTPs.

- **Use of framework contractors** : In the cases, FWCs were used for:
 - carrying out reviews of the assistance provided (e.g. Syria health sector programme and Armenia and Georgia cases),
 - providing short-term TA services to the Moldova NCU
 - other project cycle related tasks (such as studies, see e.g. overview of activities in Moldova)
 - other short-term assistance and advice to the PGs (e.g. Georgia FSP, see also Moldova overview of activities)
- Experts procured through the **individual experts system** used to provide expertise under the FSPs in Moldova, Armenia and Georgia. EC staff feel that overall the **quality of the consultants hired in this way was higher** than that of experts provided through companies.

Management of TC component/TC procurement

- Management of TC, as well as of the overall programmes, was **centralised** in all the *ENP East* cases, probably not least because they concerned examples of **budget support** (for which the funding is always managed centrally until the funds have been transferred to the PG, though the TC component can be managed decentrally...but isn't in the cases reviewed) and of short-term technical assistance provided through the **FWC** (which also is always managed by centralised management).
- For the *ENP South* region, interviews with EC staff indicate that TC is managed both by **centralised and decentralised management**, and that the management mode used **varies by country and by partner government ministry** therein (though 'on paper, all are ready for decentralised management'). While at least some staff have stated that even where project management is decentralised TA still tends to be procured by the EC (i.e. centralised management), the picture emerging from the review is mixed, with many IRTPs being conducted by the PG (or a PMU) under decentralised management. (See Table 5 on the review cases above and Table 6 below, which summarises information by country obtained from interviews and other sources for the ENP South region).

Table 6: Centralised/decentralised management in ENP South (the former MEDA countries) ¹²⁵

Country	Management mode for TC procurement	About the procedures?
Algeria	§ Nearly all centralised by EC Delegation	§ ECA report cases: Government PIUs have to use EC procedures
Egypt	§ Mostly decentralised management of IRTPs in the health sector case reviewed	§ EC procedures
Jordan	§ Decentralised (in all cases reported by the Delegation in the context of the e-consultation)	§
Lebanon	§ Centralised and decentralised management - depends on Ministry in charge	§
Morocco	§ Both centralised and decentralised management are used, depending on the support provided ¹²⁶	§ Morocco's procedures are stricter than those of the EC (used to have double control by EC and PG until 2004 – resulting in slow process)
Syria	§ Both centralised and decentralised management of IRTPs in health sector case reviewed	§ EC procedures
Tunisia	§ Almost all procurement is said to be done by decentralised management ¹²⁷	§ Tunisia's procedure are stricter than EC procedures

¹²⁵ Table based on information obtained from EC staff, the case review, the ECA reports and returned e-questionnaires.

¹²⁶ Information from EC staff: **Centralised management**: supervision of support to reform programmes; private sector programme PIU. **Decentralised management**: professional training, twinning, health, education and infrastructure programmes.

¹²⁷ E-questionnaire cases: 2 decentralised management with ex ante controls, 1 with ex post controls, 2 centralised management (including one BS). Not clear if this applies to all project components, including TC...

Use of international and local/regional human resources

- The MTR for the Syria health sector programme states that “ **more efforts to recruit local or regional expertise could also have been made** ”.¹²⁸ It also finds that “ *Regrettably, the HSMP has made insufficient use of the services of regional and international consultants with proven experience in similar health sector reform environments.* ”¹²⁹ The Egypt end of term review makes a similar assessment.¹³⁰
- Local technical experts supported the implementation of the FSP in Armenia.

TC implementation

TA/TC effectiveness

ENP South

- The MTR of the HSMP in Syria mentions **initial delays before** “the required administrative, organisational and managerial infrastructure of the Programme was put in place and **the team to technical advisors (TAT)** [recruited in August 2002] **could become functional** ”, resulting in programme implementation to only start in 2004.¹³¹
- The same report also mentions **difficulties in absorbing the numerous reports produced by the consultants**, including those by the “numerous external [short-term?] consultancy missions carried out particularly during the first two years”:
*“There is a tendency that external expert advice is being called too easily and rapidly, not taking into account the (limited) absorption capacity of the MOH.”*¹³²
*“There are **insufficient systems and procedures to ensure that consultancy reports (and the implications thereof for policy development) are being systematically reviewed.** This also applies for technical progress reports prepared by the TAT.*”¹³³
- The end of term evaluation of the Egypt health programme support provided by the EC from 1999 -2004 makes a similar point:
*The “**technical papers and reports are very often excellent in quality and relevance. Their scarce dissemination and the difficult access that constrains their use as reference materials is also hiding the real value of ECTAT and its contribution to the overall reform programme**”*¹³⁴
- The evaluation of the Egypt HSRP also finds the **mix of TA provided not matching the complex needs to the system**:
***Traditional TA** based on individual consultants who are deployed on long term, and short term consultants who are called in, according to a somehow non-sequential and only partly logical order, **does not match the complex needs of the system.** Nor it reflects the **availability of local expertise** that may be hired from different sectors than health (Finance, Higher Education, Syndicates), from **International Organisations**, such as primarily WHO, from various **Member States’ relevant institutions**, that the project has not been able to fully identify and mobilise”*¹³⁵

It further states that:

*“**TA is overall not perceived as very impacting, in spite of recognised technical capabilities.** This is possibly due to a somehow formal attitude and a difficult integration process in the HSRP/MoHP team”*¹³⁶

Despite this, it notes that:

*“**TA in the format delivered so far has been successful**, although some duplications and overlappings have been noticed between and among the HSRP partners. Overall however, **knowledge and technology transfer** seem to have been successfully accomplished to the extent that now the HSRP is conversant with potential and limitations of donor support and is ready to take a fully directive role”*¹³⁷

- See also Box 6 below on information received on short-term technical assistance in Morocco (not a case study)

¹²⁸ Syria HSMP MTR, p. 30

¹²⁹ Syria HSMP MTR, p. 7

¹³⁰ Egypt HSRP ETR, p. 16, pt 7.2.10. See quote in ‘TC effectiveness’ section below.

¹³¹ Syria HSMP MTR, p. 6

¹³² Syria HSMP MTR, p. 7

¹³³ Syria HSMP MTR, p. 30

¹³⁴ Egypt HSRP ETR, p. 13

¹³⁵ Egypt HSRP ETR, p. 16, pt 7.2.10

¹³⁶ Egypt HSRP ETR, p. 40, pt 8.6.

¹³⁷ Egypt HSRP ETR, p. 21, pt 7.3.17

Box 6: The use of short-term TA in Morocco¹³⁸

As an email received from EC staff highlights, it is important to distinguish between:

- (a) short-term technical assistance recruited for short fixed term missions (such as for identification or other studies), and
- (b) TAs mobilised on a regular basis for short-term assignments in the context of a long term service contract, e.g. in support of a reform programme.

The latter are generally perceived to be of very high quality, at least in the experience of the Morocco Delegation in a number of sectors, including health, public administration, maritime and aerial transport and fiscal matters. Their competencies and international experience mean that the roles played by such TAs are not limited to supervision and assisting partner institutions in meeting conditionalities, but rather that they are called upon by the partner government to play an advisory role.

ENP East

- The ROM report (2 pages) for the TA provided to the NCU in Moldova grades the **quality of the assistance** overall as '**good**'. It finds that there is a '*good level of mutual understanding and cooperation between the Contractor and the Project Partners*', and sees '*no communication problems between the project parties*'.¹³⁹ It does, however, find that "*the overall impact of the project is lower than it could be*", probably because of a "*lack of institutional coordination, absence of national plans in some fields, low absorption capacity of the respective government bodies, etc.*"¹⁴⁰
- The end of term review of the support provided in 2004 to Armenia in the context of the FSP makes the following observations on weaknesses in one of the TA teams:

*It was evident that the **capacity within the social sector team fell short of what was required** to handle the **complex technical issues** and **difficult personal relations** involved, compounding the difficulties that had arisen as a result of the delayed start of the project (by about nine months). The Review concurred with the conclusion of the EC Delegation and local EC-FSP team that a stronger more experienced Team Leader was required.*¹⁴¹

TA management and accountability

- Syria: Given that the FA was agreed before the 2002 Financial Regulation (which led to a shift from co-direction to national direction), the **TA team leader** is designated as the programme **co-director** and is responsible for the management of the TAs. The TA team overall is accountable to the **PMU** (whose weekly meetings are chaired by the national co-director, the Minister of Health) and an inter-ministerial **Steering Committee**. The MTR speaks of **ineffective communication between the TAT and the MOH**.¹⁴²
- Insufficient information was available for the other cases.

Monitoring and evaluation

- Both the mid-term review and other monitoring missions of the Syria HSMP and the end of term review of the Egypt HSRP¹⁴³ made a number of recommendations on broader programme implementation and specifically on the TC provided. It is unclear to what extent these have been taken into account.
- The review missions on the Armenia and the Georgia budget support provided through the FSP also address the TA provided specifically. One of their key recommendations seems to be the importance of ensuring continuity of the services provided once the relevant contracts expire. To take the example of the TA provided to the Ministry of Finance and Economy (MFE) in Armenia:

*The Review cannot stress too strongly the **need to keep a strong presence and close liaison with all the agencies of Government directly concerned with the new programme**, EC-FSP 2005/2006, i.e. MFE, MoA, SCWM, MLSA, and NSS, as well as with other agencies and donors. Mr Dubost, who because of his past responsibilities in Armenia is already **well known to Ministers and senior officials**, has over recent months become **fully acquainted with developments** handled by Mr Hadziyiannakis in connection with MFE, MLSA, and SCC, and familiar with the personalities and issues involved. **Although a replacement for Mr Hadziyiannakis has been recruited**, he is unlikely to be in post until the autumn, and **may, for any number of reasons, as in the past, fail to materialize**. It is vital, therefore, that Mr Dubost be assigned responsibility for the whole programme, at least until such time as any new incumbent at MFE has become sufficiently familiar with the programme to assume his share of responsibility*[Footnote: it

¹³⁸ Based on email received from EC staff.

¹³⁹ ROM report on support to the NCU Moldova (2006), pt 3 and pt 2.

¹⁴⁰ ROM report on support to the NCU Moldova (2006), pt 4.

¹⁴¹ Investissement Développement Conseil (IDC), *Mid-term and Final Reviews of the 2002 EC Food Security Programme in Armenia - EC-FSP 2003 (FY2004) Final Review Mission (February 2005), Summary Report*. March 2005. Page 4-5.

¹⁴² Syria HSMP MTR, p. 30

¹⁴³ Egypt HSRP ETR, p. 41-2

would seem that, if at all practical, the services of Mr Hadziyiannakis **might be retained through an intermittent short term contract** to assist this process.]

*Further, because the programme is to end after EC-FSP 2005/2006, to be replaced by a new mechanism, Mr Dubost's contract will not be renewed when his current contract comes to an end in March 2006, and no replacement will be recruited. To avoid another hiatus at this time, it is recommended that Mr Dubost's services be continued through some form of short term contract at least until the end of 2006, and that he remain responsible at least for MoA, SCWM, and NSS (assuming the new recruit is in place and operating effectively in MFE and MLSA). **Experience from Armenia prior to October 2001 and other countries points to the strong negative effects of periods without the presence of a strong and effective Technical Assistant.***¹⁴⁴

3.3 Project implementation units (PIUs)

In the cases reviewed, 14 of the 25 cases (à see Table 7 below) had a project implementation unit or similar structure for at least one component. Most of these could be classed as integrated¹⁴⁵, using the four DAC criteria reflected in Box 7 below. This leaves 11 cases in the review without a PIU. In these, implementation was frequently supported by large TA teams (à see Table 8 below).

There were some regional differences in the use of PIUs in our sample. Most of the assistance activities in Asia and Latin America had at least one PIU, and most of these PIUs were at least formally integrated (**national project offices** or **project task forces**). In contrast, only three of the nine ACP cases used PIUs, probably at least in part as a result of the fact that most ACP countries tend to have at least one EU assistance related PIU, the EU-PMUs or EDF cells supporting the NAO offices. There were two PIUs in the small sample of ENP cases, including a National Coordinating Unit with similar functions to the EDF cells (assistance in the coordination/management of EC assistance) .

- Of the **three ACP PIUs** in the case review (which covered nine ACP cases in total) , two could be classed as parallel (Malawi Rule of Law and EFCC Nigeria) and one as integrated (EU -PMU in PNG). Both of the parallel units were managed by TAs at present, though it was envisaged in the project documentation and the 2006 activity report that the UNODC-PMU in the Nigeria EFCC case would be integrated into the government system, possibly by the end of 2007. A specific justification for why a PIU was created available in one case only (EFCC case).
- Of the **five Asia cases** with PIUs (of six cases in total), as indicated above (à see 3.2.2.1), the PIUs in both of the Vietnam cases (ISP and ETV2) could be classed as 'integrated' and are at least formally run by a national project director (with the assistance of TA) . The multi-donor supported Bangladesh health PIUs also seemed to be integrated. It was unclear who would eventually manage the main PIU (or the district PIUs) for the multi-donor support to the basic education sector in Indonesia (to be established by the PG but not in place yet), but overall programme management was by the WB.
- **Four** of the six **Latin America** cases had PIUs, most of which appeared to be integrated.
- Little information was available on the **ENP cases**, but **two** of the five cases had PIUs. These included the integrated central programme management unit at the Ministry of Health in Syria (plus 2 further local PMUs), and the 'special case' of the National Coordinating Unit (NCU) in Moldova.

à Please see Table 7 below for further information on each of these PIUs (in so far as this was available), including on the four DAC criteria for classifying a PIU as parallel or integrated.

¹⁴⁴ See: Aide Memoire - Final Review Mission (February 2005), European Commission Food Security Programme 2003, Armenia, page 11-12.

¹⁴⁵ 9 PIUs in the case review could be classified as integrated and 3 as parallel. For a further 2 cases, the information available was too limited to make a judgement

Box 7: Current OECD - DAC definition of PIUs ¹⁴⁶

The current DAC definition of PIU is as follows.

A project implementation unit (PIU) is **a dedicated management unit designed to support the implementation and administration of projects or programmes**. PIUs can be 'parallel' or 'integrated', as defined below:

Parallel PIU:

A PIU is parallel when it is created **outside existing country institutional structures**. PIUs are said to be parallel when they meet at least three of the four criteria set out below:

§**Q1**: Is the PIU accountable to the external funding agencies or donor rather than to the country implementing agencies (ministries, departments, agencies etc)? (YES/NO)

§**Q2**: Are the terms of reference for externally appointed staff determined by the donor (rather than by the country implementing agencies)? (YES/NO)

§**Q3**: Is most of the professional staff appointed by the donor rather than the country implementing agencies? (YES/NO)

§**Q4**: Is the salary structure of staff higher than those of civil service personnel. (YES/NO)

Integrated PIU:

Ø If there are **fewer than 3 'yes' answers**, then the PIU qualifies as integrated.

¹⁴⁶ OECD Secretariat. 2007. *Indicator 6. Suggested amendments*. 21 September 2007.

Table 7: PIU examples in the case review

Project / PIU name	Parallel/ integrated ¹⁴⁷	Managed by	Q1: accountable to?	Q2: TOR drafted by	Q3: PIU staff appointed by	Q4: Salary structure higher?	PIU tasks	Other comments
ACP								
NAO Support PNG - EU-PMU at NAO office	Integrated	§ NPD	§ PG § Delegation	§ Unclear (Previous TAs?)	§ PG	§ Unclear § Bonus paid to 3 seconded civil servants	§ Role of TA includes ensuring compliance with EC rules	
Malawi Rule of Law - Technical Facilitation Unit (TFU)	Parallel	§ TA team leader (‘externalised direct labour’)	§ PG § PSC (PG & Donors)	§ Unclear (donors?)	§ PIU	§ Unclear	§ TFU is responsible for 1 project component	§ 2nd (smaller) project component is implemented by government by direct labour
EFCC Nigeria ¹⁴⁸ - UNODC PMU (located in the EFCC)	Parallel, to become integrated	§ 2 TAs (Project Coordinator and Project Operations Manager)	§ PSC (PG & Donors)	§ Unclear (but looks like the donors (UN)	§ Unclear; § 9 staff in total § 2 internat. TAs § 7 national (EFCC) staff (appointed by the PG?)	§ Unclear	§ Operationally responsible for the running of the project under the guidance of the PSC initially... § .. to be reduced to oversight and advisory responsibility at the end of the project § ... PMU to gradually transfer knowledge & technical management skills to EFCC staff through mentoring and on the job training...	§ Joint project with UNODC (UN rules?) § Justification for PIU is weak PG capacity § EFCC gradually to take on daily project management from the PMU
Asia								
Bangladesh health sector support programme phase 2 (2003-2010)- § PSO (Programme Support Office) at Ministry of Health § (plus 2 units for contracting non-state service providers, also at MoH)	<u>Phase 1:</u> 1. Integrated, 2. parallel <u>Phase 2:</u> 3. Integrated again	<u>Phase 1:</u> § 1. PG? § 2. WB <u>Phase 2:</u> § a Director (unclear if a TA or a national)	<u>Phase 2:</u> § PG (MoH)	<u>Phase 2:</u> § WB § TOR for additional TA to be drafted by PSO	<u>Phase 2:</u> § PG (MoH)? (national and international TA)	<u>Phase 2:</u> § Likely	Tasks of PSO include § Assistance and support to MoH in prep, management and coordination of sector reform programme § Assistance in coordination and performance of al TA § Preparing donor reports § Ensuring CB is integral part of all long-term TA	§ Integrated PIU in 1 st sector programme (1998-2003) was moved to a PSO in WB after a crisis in prog. management after a change in GoB § To improve ownership, PSO under 2 nd prog. fully integrated in Ministry of Health, which recruited the consultants using its own procedures (contract signed July 2007) § PSO funded by multi-donor pooled support § Core TA team of 6 national and international consultants

¹⁴⁷ The classification is based the 4 DAC criteria (Q1-Q4) and our best estimate from the information available (e.g. information on salary structures was normally not available)

¹⁴⁸ The Court of Auditors annex on Nigeria notes that the 2006 EAMR report states that “all currently ongoing EDF projects (about 20) are managed through PIUs”. See Annex 5, page 4.

Project / PIU name	Parallel/ integrated ¹⁴⁷	Managed by	Q1: accountable to?	Q2: TOR drafted by	Q3: PIU staff appointed by	Q4: Salary structure higher?	PIU tasks	Other comments
Indonesia basic education capacity trust fund (BEC-TF) - PIU at Ministry of National Education (MoNE) – not operational yet	Unclear (much donor involvement and lead by WB in Phase I)	§ PIU led by? § Overall Task Team Leader for BEC-TF is WB-appointed WB staff member	§ PSC (consisting of PG and donors) provides strategic guidance § Technical-level Management Committee (MC) (donors and PG, chaired by WB) - approves annual work plan; oversight, review & monitoring.	§ Unclear (donors?) § PIU to be established by PG (MoNE)	§ Unclear	§ Likely	§ PIU is to administer grants to local governments	§ PIU at MoNE to be funded by WB-EC-NL trust fund § District PIUs also to be established to support district CB § Support will include a rapid response TA facility managed by WB for TA on critical programme and policy issues (at request of MoNE) § WB staff will work for BEC-TF (20% of TA budget) § Programme administration component managed by WB § WB procurement rules apply
Vietnam European TA project (ETV2, 2005-2008) Overall Project Task Force(PTF)	Integrated	§ NPD, assisted by TA (European Team Leader)	§ PG & EC § Commission has observer status in the PSC	§ Unclear	§ EC & PG	§ Yes	§ Technical expertise, § Project management and coordination (administrative and preparatory tasks) § Reporting (w PG) § Recruitment of local and ST TA § Training	§ The Overall PTF has a large TA team at MoF and MPI. (9 LT, 8 of which are part-time + ST experts). § There are a further six project task forces (total staffing of all 7 PIUs is 30 seconded staff and 24 contractual staff) ¹⁴⁹
Vietnam Institutional Support project (ITP) 2005-2009 (PTF) Project Task Force at National Assembly Office	Integrated	§ NPD § TA team leader assists only & has no decision-making power.	§ PG (GoV PSC)	§ Unclear § PIU TA for ST TA	§ EC (int TA) § PG (national staff) § PIU TA for short-term TA	§ Yes § top-ups paid to national staff ¹⁵⁰	§ TA team's role include ensuring compliance with EC rules	§ The consultant also appointed a European project director for the ST TA which was only dropped after complaints from the HoD
CB component to Vietnam BS – State Audit Office - PIU ¹⁵¹	Unclear	§ No information	§ No information (but ownership by PG is seen to be low)	§ No information	§ No information	§ No information	§ TA tasks are advisory, supporting internal reform and domestic change processes and training	§ E-questionnaire returned by the Delegation regards the ownership by the PG of the TA provided to be low

¹⁴⁹ ECA; p.9¹⁵⁰ But due to be phased out as a result of the Hanoi Core Statement. ECA Vietnam report, p.48.¹⁵¹ Information from EC Delegation.

Project / PIU name	Parallel/ integrated ¹⁴⁷	Managed by	Q1: accountable to?	Q2: TOR drafted by	Q3: PIU staff appointed by	Q4: Salary structure higher?	PIU tasks	Other comments
Latin America								
Bolivia FONADAL (Alternative Development Strategy)	Integrated	§ National director	§ PG (FONADAL)	§ Jointly	§ Most appointed by PG § 4 main TAs		§ Preparation of all operational, technical, administrative and financial documentation § Organisation, monitoring and supervision of the implementation of the activities § Administration and accounting § Participating in tender evaluations; § Ensure the secretariat of the Consultative Committee.	
Bolivia PROCOIN (Trade and Investment), 2003-2008	Integrated	§ National director	§ PG (MCEI)	§ Jointly (however unclear in practice)	§ Mainly by PG		§ The role of the TA (both local and European) related to the PIU is implementation and management . § The role of the TA related to the programme activities is advisory , i.e. capacity building.	§ PIU management deemed very bad: PIU is seen to be very inefficient. Its design was unclear. The programme has not created real ownership by the partner. In practice, it is not being carried out under national responsibility as foreseen.
Bolivia Transport project (Programme to support physical regional integration – bi-oceanic road Santa Cruz-Puerto Juarez) - PIU at national road authority (SNC)	Integrated	§ PIUs managed by PG (but overall management is shared in practice, TA team leader manages TA)	§ PG (SNC)	§ Jointly (unclear however)	§ Both PG and EC (Internat. and local TA and local staff)		§ PIU at SNC is the body in charge of the project - it manages, controls and coordinates the tasks outlined in the FA, to carry out the project § There is another PIU at the Ministry of Environment and Planning responsible for the environment part of the project	§ International TA, physically away from PIU, has led the management of the project. § The MTR (p2), in its key observations and recommendations, suggests that it is time to comply with the FA prerogatives regarding the functioning of the PIU to achieve effective local management of the project
Bolivia PROHISABA (health SSP), 2002-2007	Integrated in theory, parallel in practice	§ Co-direction first, then national direction (after the MTR)	§ PG (Ministry of Health and Sports) and EC. § Later to PG only.	§ Jointly (unclear however in practice)	§ Both PG and EC		§ Implementation as well as advisory tasks § Programme documents state that administrative and management tasks such as payments/contracts are the responsibility of the beneficiary and are not to be carried out by TAs)	§ The change from co-direction to national direction was initiated in part because the MTR noted a lack of PG ownership under the former arrangement

Project / PIU name	Parallel/ integrated ¹⁴⁷	Managed by	Q1: accountable to?	Q2: TOR drafted by	Q3: PIU staff appointed by	Q4: Salary structure higher?	PIU tasks	Other comments
ENP								
Syria health sector modernisation programme (HSMP) – central PMU (CPMU) at Ministry of Health (MOH) (2002-2009)	Integrated	§ <u>National Programme Co-Director</u> (the Minister of Health) and <u>TA team leader Co-director</u> (in original 2001 design) § "Ineffective communication between MOH and TAT" ¹⁵²	PG: § MoH § Inter-Ministerial SC	§ Unclear	§ Initial TA team (6 TAs) was procured by EC on behalf of PG § PMU includes a number of deputy Ministers	§ Unclear (apart from TAT whose salaries are likely to be higher)	§ Technical implementation and management of operational accounts of HSMP § De facto also decision-making on HSMP in weekly CPMU meetings (chaired by the Minister of Health) § Too much time spent on administrative and financial support tasks , and insufficient MOH and TAT staff with substantial knowledge of EC rules and regulations ¹⁵³	§ MTR states that organisational and management structure defined in FA has not proven to be efficient and effective ¹⁵⁴ § Position of <u>National Programme Coordinator</u> (reporting directly to the Minister) was created later to coordinate operational plan and activities of HSMP and follow up their implementation – apparently leading to improvements § The HSMP also has 2 local PMUs in 2 pilot governorates for whom at least some staff was contracted through the TA budget. The MTR questions the rationale for this
National Coordinating Unit (NCU) Moldova (as an example of a NCU)	Appear Integrated (into the Ministry of Economic Development in Moldova case)	§ Headed by a <u>national Executive Director</u>	§ PG? § National Coordinator for EC assistance (normally a senior member of the PG administration)?	§ ? § TA TOR: likely the EC (as centralised management)	§ Normally no LT TA § Only ST TA for specific tasks § Staffed by national officials	§ Likely, and one of the reasons for criticism of NCU model	PIU objectives: § Increase Moldova's capacity to make best use of EC and international assistance ¹⁵⁵ PIU tasks § Assisting GoM in coordination, identification and diversification of (EC) technical assistance § NCUs used to sign the single financing agreement for the country's annual programme of actions.	§ NCUs were set up (and still exist) in all former TACIS countries to coordinate EC assistance to the countries. § à See Box 5 for a further description of NCUs

¹⁵² Syria HSMP MTR, p. 30

¹⁵³ Syria HSMP MTR, p. 7-8

¹⁵⁴ Syria HSMP MTR, p. 7. For an overview of the structure, see p.31-32 of the MTR.

¹⁵⁵ Service contract forecast for support to the NCU (2006).

Table 8: The cases with no PIUs

Project/ Programme name	Comments
ACP	
TCF PNG (Short-term TC facility)	No separate PIU, but probably handled by the EU-PMU on behalf of the NAO (most procurement likely to be by EC Delegation through the FWC)
Decentralisation Mali (PARAD)	LT and short-term TA at 3 partner institutions
Mali transport	Large TA team
Budget Support Burkina Faso	?
Budget Support Tanzania	Short-term TA/TC
Budget Support Zambia	?
<i>Budget support Chad (ECA case)</i>	LT and ST TA
<i>Budget support Uganda (ECA case)</i>	1LT TA, ST TA and training
Asia	
Philippines Health SPSP	Very large TA team (13 LT TA, 16 local reform implementation coordinator), ST expertise as required (on health reform and PFM)
Budget support Vietnam	PIU at one of 3 PG partners (the State Audit Office), other two partners (MoF and State Bank Vietnam) receive TA (TA team of 4 LT TA at SBV, MoF through MDTF)
Budget support Kyrgyz Republic	2 TA teams (MoF and MoLSD)
Budget support Tajikistan	2 TA teams (MoF and MoA)
Latin America	
Nicaragua institutional support project	Pure TA project (not yet started?)
Honduras PROADES (Decentralisation SBS)	3LT TA and ST TA
ENP	
Egypt Health Sector Reform Programme (Phase II)	Many TAs at least under Phase I; Phase II has EC TA only for specific tasks.
Budget support provided through the FSP to Moldova, Armenia and Georgia	Resident TA teams at key ministries – Ministry of Agriculture and Ministry of Finance - plus other TA as required.
Planned budget support to Moldova (through Social Assistance Programme)	DFID has a large TA project with the host ministry, and EC plans to provide additional TA services as required

3.4 TC in the context of Budget Support¹⁵⁶

Given the many perceived and actual weaknesses of traditional development assistance, including the frequent lack of ownership by the partner government, the unpredictability of assistance, the fact that most donor projects and programmes are not reflected in national budgets, the complexity of donor procedures etc., many partner governments prefer budget support, and the EC has become a keen advocate of this modality.

The requirements of this aid modality, including those stemming from the conditionalities which have to be satisfied for budget support to be released, seem to have resulted in a **new use of and demand for technical assistance** (by both partner governments and donors) specifically in support of budget support operations, such as for PFM or statistical expertise. For the budget support provided by the EC, the **majority of GBS programmes** seem to routinely **include a CB component**.¹⁵⁷

Case sample:

The sample of Budget support cases reviewed here includes a number of such cases, though the documented information available on each of them, and on the TC component specifically, is rather limited. The information available relates to:

¹⁵⁶ Readers of this section are advised to also consult directly two documents in particular: A note from the EC Delegations in Eastern and Southern Africa on *Budget Support related Capacity Building: A summary of Eastern and Southern African experience* (2005) and the information provided on the *Budget Support Programmes in Central Asia - Tajikistan and Kyrgyz Republic* (2007) by EC staff and TAs.

¹⁵⁷ Source: Interviews with EC staff working on BS, cases reviewed, list of CB activities linked to BS compiled in 2006.

- **3 ACP GBS cases** in Africa – Burkina Faso, Tanzania and Zambia - plus **2 Court of Auditors cases** on the TC provided in the context of budget support to Uganda and Chad, and a note on budget support related - capacity building in Eastern and Southern Africa and related data on the CB components to the budget support provided.¹⁵⁸
- The **Court of Auditors** summary of the GBS -TC component in Vietnam
- **2 SBS cases in Central Asia** - Tajikistan and the Kyrgyz Republic (now covered by DCI but formerly by the TACIS instrument) – which received targeted sector budget support under the **Food Security Programme (FSP)** and for which one set of notes was obtained from two TAs working in the programmes and an EC official.¹⁵⁹
- **3 further cases of past sector budget support through the FSP** in formerly TACIS and now ENP I countries (Moldova, Armenia, Georgia – reviewed as one case); and their **successor programme** in Moldova, a programme providing untargeted SBS for social assistance reform

Table 9: TC components to budget support reviewed

Budget support to:	Volume of TC/CB component (as proportion of overall support)	TC component managed by?	TC provided through the CB component?	Comments
ACP				
Burkina Faso 2005-2008	€6.4 million (originally €1.5m) (of €180.5 million) CB = 3.5 %	NAO/ responsible ministry – decentralised management (direct decentralised operations)		§ TC component was increased from €1.5million to €6.4 million
Tanzania PRBS03 2006-2008	€1 million (of €57 million) CB = 1.75%	? ST TC to be mobilised through FWC where possible (= centralised management)	§ Short-term TC foreseen, including on statistical support/ data collection, and assistance to <i>National Audit Office</i>	§ There are several related CB projects, including one supporting PFM reform ¹⁶⁰
Zambia 2007-2008	€2 million (+ €60 million GBS) CB = 3.2 %	decentralised management	§ Unknown what kind of TC is provided; § Objective is CB at <i>Central Statistics Office (CSO)</i> , improving capacity to produce adequate and reliable statistics	§ IMF and CIDA have provided TA to the CSO in the past § The EC funds some related CB projects ¹⁶¹
Chad PRBS 2003-2006 ¹⁶²	€4 m (of €50m) CB = 8%	?	§ LT TA & ST TA (through FWC and individual experts facility)	§ Difficulties finding suitable experts § LT TA (met expectations) § ST TA (mixed results)
Uganda PABSIV 2001-2005 ¹⁶³	€1.19 m budgeted (of €74.7m) CB = 1.59% actual TC contract € 0.92 m (2004-2005)	?	§ 1 LT TA in tax policy & ST TAs to Tax Policy Department (in MoF) § Training and study visits	§ Difficulties finding highly specialised tax expertise § Team leader left at request of GoU § TA reporting problems
ALA				
Vietnam (PRSC3): 2004-2009 ¹⁶⁴	EC contribution: direct BS €15m + CB €4.5m CB = 23% TC provided through: § WB multi-donor trust fund (MDTF) - €1.5m (2 years, 2005-2007) § 2 TA service contracts: €1.2m and €1.4 m (22 months, 2006-2007)	§ WB for MDTF (TA to MoF) § The 2 service contracts for TA to SBV and SAV are managed by the EC by centralised management (PG authorities would prefer to be contracting authorities themselves)	§ TA to MoF (PFM CD): through WB-managed MDTF § TA to <i>State Bank Vietnam (SBV)</i> : 4 LT TA § TA to <i>State Audit Office (SAV)</i> (in a PIU): 4 key experts § ST TA (through FWC) for preparation of TC to SBV and SAV (incl prep of TOR)	§ ETV 2 TA support is also provided to the MoF (but not linked) § Insufficient number of bidders for both service contracts – cancellation of procedures § Delegations final choice of TA team to SBV questioned (incl too few working days) § 2 of 4 experts to SBV declared unavailable after contract signature § SAV project behind schedule

¹⁵⁸ Budget Support related Capacity Building: A summary of Eastern and Southern African experience (2005)

¹⁵⁹ Budget Support Programmes in Central Asia - Tajikistan and Kyrgyz Republic (2007)

¹⁶⁰ 3 are listed on the 2006 overview of institutional support projects linked to budget support operations, more in the TAPs (p.4)

¹⁶¹ See 2006 overview of institutional support projects linked to budget support operations.

¹⁶² ECA report Chad, pp. 18-23.

¹⁶³ ECA report Uganda, pp.26-33.

¹⁶⁴ ECA report Vietnam, pp. 52-64.

Budget support to:	Volume of TC/CB component (as proportion of overall support)	TC component managed by?	TC provided through the CB component?	Comments
Kyrgyz Republic (FSP) 1996-ongoing	€ 9 million p.a. of which € 0.55 million for TA CB = 6.1%	?	§ TA teams to MoF and Ministry of Agriculture/Ministry of Labour and Social Development (MoLSD) <u>TA team in MoF:</u> § Ensure more active involvement of MoF in policy dialogue § Advise on policy-making § Assist in PFM reform <u>TA team in MoLSD:</u> § Assist GoK to implement activities	Opinion of a TA: § '[e]ffective implementation of the budget support programmes requires strong representation of the EC in the MoF' and 'given the current capacity in the MoLSD [the support] cannot be implemented effectively without strong TA from the EC' § TOR for future TA should have more technical focus on PFM issues, increased focus on policy dialogue and overall monitoring of the programme
Tajikistan (FSP) 1996-1997, 2002-ongoing	?	?	§ TA teams to MoF and Mo Agriculture	§ Current TA makes a number of recommendations for improvement (see Box 4 below)
ENP				
Moldova Armenia Georgia (provided through the FSP)	Georgia: 1m of 20m (provided over 2 years, 2005-2006) i.e. 5% Armenia: 1m of 20m (provided over 2 years, 2003-2004) i.e. 5% <u>Moldova</u> :?	Centralised management	§ TA teams to MoF and Mo Agriculture § Ad hoc expertise as required	§ Georgia and Armenia programmes already closed, Moldova to end in 2007
Planned Assistance to reform in Moldavian social assistance sector Moldova	EC TC: € 1m of € 21m total for 2007 i.e. 4.76%	Centralised management foreseen	§ EC TA to complement large <u>DFID TA project</u> (€ 6 m) at Ministry of Social Protection, Family and Child (MSPFC) § EC TA to focus on building a monitoring system and strengthening reporting capacity in the relevant ministries and to provide ad hoc expertise in areas not covered by DFID support	§ Not yet started

TC design and formulation

In all of the cases, the technical cooperation/ technical assistance was **directly linked to the overall budget support as an 'institutional support/capacity building component'**, and not provided as a separate activity with its own objectives and time frames. This fact, partially resulting from the greater administrative simplicity of having to agree only one Financing decision and Financing Agreement, seems to have caused some discussion among Delegation and HQ staff, as the former especially feel that if a CB component is justified it would be better managed and designed as a separate activity, rather than added "as an 'afterthought' with insufficient analysis and programming."¹⁶⁵ Given the logic of budget support of leaving it up to the partner government to decide how funding is used, it is also questionable to what extent this practice of linking a CB component directly to the budget support provided (or, viewed from a different perspective, slicing off a portion of BS for the provision of TC) is in line with the spirit of budget support assistance, i.e. whether the partner government would really choose to spend the 2-5% set aside for TC on this or would allocate it otherwise.

In line with the criticism raised by Delegation staff, and from the case materials reviewed (FAs, TAPs, Identification fiches and QSG checklists for 3 ACP cases) it indeed appears that where TC is to be provided as a component to budget support the **main design documents and agreements** (especially the Financing Agreement and the TAPs) are **much less specific about what the TC/TA foreseen is to be used for** than for projects or programmes, probably at least in part as a result of the fact that the Delegations do not have time to

¹⁶⁵ See Note on: *Budget Support related Capacity Building: A summary of Eastern and Southern African experience*, page 2.

thoroughly prepare what is essentially a small component of a large complex programme. While this lack of specificity leaves a lot of flexibility in the actual definition of what kind of TC may be provided, the lack of advance planning means that the **TC can easily be out of sync with the time frames of the actual budget support**, especially if the often long period required for the mobilisation of long term TA is taken into account. As the case of the support provided to the Uganda Tax Policy Department reviewed by Court of Auditors reveals, this can lead to a high intensity of activities toward the end of implementation and, in that particular case, 'workshop fatigue' by the beneficiary¹⁶⁶.

Other points relating design and formulation from the (limited) information available include the following:

- **Institutional support to budget support operations** seems to consist of **a combination of long and short-term technical assistance**, with the possibility of some training foreseen in some of the project documentation. Complementary assistance may be provided through different projects.¹⁶⁷ While for the ACP cases reviewed more short than long-term technical assistance seemed to be provided, the note from the Delegations in Eastern and Southern Africa indicates that in the region 65% of resources are spent on long term and 35% on short term TA. The Asian cases all included long-term TA.
- TC is mainly used to assist in fields such as **public financial management (PFM)**, **PRSP monitoring and evaluation** (poverty analysis and producing statistics and information) and **macroeconomics**.¹⁶⁸
- There seems to be **little direct justification** for why TC or TA might be provided (in due course) in the documents consulted, mainly for the ACP. Instead, there are references to PG capacity weaknesses, especially in areas such as data collection and PFM, and it is to counter these that some 'TA could be deemed necessary'.¹⁶⁹ For the TA accompanying the Vietnam BS, an institutional needs assessment was carried out for the TA procured by the Commission by a framework contractor, but the quality of this seems to have been questionable¹⁷⁰.
- There was also no justification of the **amount** set aside for the CB component, which seemed to change in the course of the formulation process (e.g. big increase in the TC component from €1.5 to €6.4 million in the case of BS to Burkina Faso). Interviews with EC staff indicate that the overall amount set aside for the institutional support component is often not used up, and may then be transferred into the BS component through a rider at the end of implementation.
- It was also **not possible to tell** from the documentation available **who had in fact asked for the CB component** to be included, and to what extent the PG had been involved in decisions on this aspect.
- Not surprisingly for budget support operations, there seems to be a significant amount of overall **coordination with other donors**, but the extent to which this also applies to the TA or training provided is unclear (no indications in the documents that there is much coordination, a fact which the Court of Auditors review seems to confirm¹⁷¹). By the same token, while the budget support operations themselves are aligned with PG policies and use PG procedures, the degree of **'alignment' of the TC** to government priorities is unclear, and normally EC procedures (mainly the framework contract and the international restricted tender procedure) have to be used for procuring it.

TC procurement

Hardly any information was available on the procurement of TC in support of the BS operations reviewed, other than the fact that the FWC should be used, where possible, to procure the short-term TA.¹⁷² However, the note on the CB components to BS in Eastern and Southern Africa and the Court of Auditors' BS cases (Chad, Uganda and Vietnam) raise a number of points which are reflected below:

Procurement issues

Time lag before TA arrives : A short summary compiled by EC Delegations in Eastern and Southern Africa reveals that on average the time lag between signature of the Financing Agreement for BS and the signature of

¹⁶⁶ See for instance the Court of Auditors *Statement of preliminary findings arising from the audit of TA in the context of Capacity Development* for the Uganda mission, p.32.

¹⁶⁷ In many countries the EC also supports other activities which are broadly linked to the overall budget support provided, as indicated in the *2006 overview of institutional support projects linked to budget support operations* and reflected in Table 5 above.

¹⁶⁸ Information obtained from interviews and note on *Budget Support related Capacity Building: A summary of Eastern and Southern African experience*, page 2.

¹⁶⁹ See for instance the TAP for the Tanzania BS programme, p.14

¹⁷⁰ See the Court of Auditors *Statement of preliminary findings arising from the audit of TA in the context of Capacity Development* for the Vietnam mission, p. 54-5.

¹⁷¹ See for instance the Court of Auditors *Statement of preliminary findings arising from the audit of TA in the context of Capacity Development* for the Uganda mission, p.28.

¹⁷² This 'recommendation' is consistent with the fact for the three ACP cases no International Restricted Tender Procedures are published on the contracts database, indicating that all expertise recruited for them to date has been short-term.

the service contract for long term TA is **21 months** (i.e. 1 year and 9 months!), ranging from 8 months in Madagascar and 14 months in Rwanda to 22 months in Malawi and 41 months in Uganda (i.e. 3 years and 5 months!). This in part reflects the difficulties encountered by national institutions in the ACP countries (where decentralised management is the norm) when using the complex international restricted tender procedure.

The Court of Auditors Annexes on the BS cases reveal great **difficulties of finding suitable experts on the market**, especially (but not only) among the FWC contractors, resulting in many failed tenders, significant delays in TC mobilisation and dissatisfaction with the experts procured.¹⁷³

- Some of the Delegations dealing with this problem regret that they can no longer use the **individual experts system**, which in the past seems to have provided better quality experts/more appropriate choices of personnel and was more attractive for experts to work through (functioning through individual employment contracts with the EC).¹⁷⁴
- They also suggest that the use of **seconded specialists** from national (European) administrations (especially from treasury, tax, customs or budget departments) might be more suitable for finding the appropriate expertise required in support of BS operations.¹⁷⁵
- The note on the CB assistance provided in Eastern and Southern Africa from the Delegations there on the other hand suggests that the **individual experts system** was an inefficient tool for the recruitment of experts (e.g. lacking guarantees for replacement of experts).
- It also suggests that while finding the specific (PFM and regional) expertise required in support of budget support operations is very difficult through the FWC, in specific cases good experts have been found through it. The note recommends that **best practice for using the FWC procedure** is to allow the short listed consortia **sufficient time to identify experts** (longer than the minimum period of 14 days), and to request identification of **at least one local expert to assist the international experts**.¹⁷⁶

The ECA Vietnam case highlights the issue of **selected experts being declared unavailable after contract signature** with the consultancy company, which can lead to delays and calls into question the selection of the company in the first place (given that the 'most important single criterion in the technical evaluation of tenders for service contracts is the evaluation of the CVs of the long term experts proposed'¹⁷⁷)

Management of TC component/TC procurement

At least in two of the ACP cases¹⁷⁸, the CB component to the BS is to be formally implemented by the PG by **decentralised management** (though the actual BS itself has to be handled by centralised management until the point at which the funds are transferred to the government and become the latter's responsibility), though given the 'compulsory' **use of the FWC procedure** (which requires centralised management by the Commission) it is unclear what the involvement of the PG is in practice.

In the Vietnam case, implementation is by the PG for the assistance provided by the World Bank -managed Multi-Donor Trust Fund (MDTF), and by **centralised management** by the Commission for the two service contracts for TA to the State Bank and the State Audit Office, despite the fact that both institutions requested to be the contracting authorities themselves.¹⁷⁹

TC implementation

No information on implementation was available from the ACP cases reviewed in the context of this study, but the Court of Auditors BS cases, a short summary of the budget support programmes in Tajikistan and the Kyrgyz Republic and other complementary sources of information provide some insights.

TA roles and effectiveness

From the limited information available, especially the long -term TAs provided seem to play a **number of roles** which include **assisting** governments to implement the activities foreseen (presumably carrying out a lot of the tasks required in at least some of the cases), **advising** on policy and strategy, **facilitating coordination** and

¹⁷³ See: *Court of Auditors Annex 1: Chad*, on the TA provided in support to the EC's budget support to Chad (esp. pp.20-21), and the *Court's report on its Uganda mission*, esp. pp.29-31. *ECA Annex Vietnam*, p.57.

¹⁷⁴ E.g. *ECA annex on Chad*, p.20-21.

¹⁷⁵ E.g. *ECA annex on Chad*, p.20-21.

¹⁷⁶ *Budget Support related Capacity Building: A summary of Eastern and Southern African experience*, page 3.

¹⁷⁷ See *ECA Annex on Vietnam*, p.14 and p.58.

¹⁷⁸ Burkina Faso, Zambia

¹⁷⁹ See the *Court of Auditors Statement of preliminary findings arising from the audit of TA in the context of Capacity Development* for the Vietnam mission, p. 56.

mediating between various PG agencies and at least in some cases **liaising closely with the Delegations** on any implementation issues encountered (see Box 8 below).

EC staff have highlighted in this regard that where TA is provided in support of BS operations there is a risk that PGs see the support as 'just another project' and 'delegate' some of their responsibilities to the TAs.

TA effectiveness

The ECA reports indicate that the 'effectiveness' of the TA assignments in the budget support cases is **rather mixed**. For the Vietnam case, for instance, the absence of a permanent TA team leader for the assistance provided to the State Bank and the reduced number of expert days available compared to that originally foreseen is seen to negatively effect the project, and the Court judges that overall [in the four projects assessed in Vietnam, including the BS] '**little if any capacity development outputs**' have been achieved.¹⁸⁰ (For the same case, the Delegation describes the TA quality as adequate and the TA provided overall as moderately effective.) For Chad, the long-term TA said to have 'met the expectations of the government', while the appreciation of the short term TA seems to have been mixed (with one contract in fact being terminated). The mixed results obtained in this case are in part linked to bad coordination with connected activities (e.g. absence of software licences and IT equipment)¹⁸¹.

In contrast, the information received on the budget support programmes in Tajikistan and the Kyrgyz Republic seems to judge the contribution of technical assistance in both cases as effective and necessary for the implementation of the budget support, which has been provided through the Food Security Programme since 1996. (See Box 8 below)

Box 8: TA in the context of the Budget Support programmes in Tajikistan and the Kyrgyz Republic¹⁸²

The advantages listed of the implementation structure in support of the budget support provided, which consists of TA teams and national staff working in the Ministry of Finance and the Ministry of Agriculture (not through a PIU) include the following:

1. **Institutional memory:** Despite rotation of the expatriate staff every 2/3 years, continuity is provided by the national staff. The long term involvement and knowledge of the main sectoral issues helped both the EC and the Government in the development, design and formulation of the sector budget support programmes for the period 2007-2009.
2. **Better understanding the "political and informal" environment** The presence of TA in line ministries helps the EC to better understand the political and informal context in which the budget support is provided, including resistance to change.
3. **Inter-sectoral mediation:** The TA teams often act as a "go between" or catalyser between the sector ministry and the powerful Ministry of Finance in a system where a top-down approach, with limited interactions between the management structure and subordinated departments, prevails.
4. **Coordination:** The TA teams placed in line ministries play a very important role in **pooling internal resources** and improving internal coordination. The TA teams are also considered as an **extension of the Delegation**, providing "real time" information on any problems, constraints or unexpected events and thus contribute to an early warning system that enables the Delegations to be pro-active rather reactive.
5. **Strengthening the core elements of the sector programme:** The TAs support the government in improving its sector policy, strategy, coordination and budget, and as thus give the EC and the MS confidence to support the sector programme, including through more budget support.

The current TA's suggestions for improvement of the programme in Tajikistan in particular, to mitigate the (perceived) constraints of a lack of government commitment to the reform and a lack of basic skills in the relevant agencies, include the following:

'Both problems cannot be solved by increased number of TA consultants. What we need is a proper mix of:

1. **Political influence/pressure:** international conventions/initiatives signed by the government, high level study tours, influence on investment climate and international rating of the state, visa regime, budget support leverage, political lobbying – everything managed by the EC Delegation with the support from headquarters, a "central" TA office in the MoF and consultants.
2. **Specific, high quality TA services:** mobilised for specific, well defined tasks within the SPSP and managed by the EC Delegation, with the support and often at the request of the "central" TA office in the MoF. Here, the recommendation would be to use rather **concrete, very specific consultancy services** mobilised under the framework contract than big TA projects.
3. **Mid-level TA: local experts** supporting the government in every day implementation of the reform, experts/trainers who are able to improve the basic skills of the government staff during every-day hand in hand work in MoF and line ministries.

¹⁸⁰ ECA Annex on Vietnam, p.57-8, and p.18.

¹⁸¹ See: Court of Auditors Annex 1: Chad, p. 22-3.

¹⁸² This box is based on information provided by EC staff and TAs to the two BS programmes in question.

As much as possible TA should be provided by this level. Only the most complicated tasks demanding, extensive international experience and/or high end skills shall be acquired at the international market. Mid-level TA should be attached to the central TA office in the MoF and other TA projects. The **most cost efficient solution would be to mobilise this TA directly at the local market by the EC Delegation** (without intermediation of international consulting companies) however, as far as I know this option is currently not possible. Maybe headquarters could think how to give this facility to the Delegations.

4. **Efficient administration/management of the whole exercise:** The EC Delegation should perform this function. However, it should be supported by strong coordinative function of the “central” TA office in the MoF.’

TA management and accountability

Judged from the ECA annexes, the actual **reporting** by the TAs engaged to support BS operations seems to vary in practice. While the Chad case indicates that experts report on their work systematically (to whom though?) and present their results at the end of their mission, which are then discussed between the authorities and the Delegation, the Uganda and Vietnam cases mention quite a few problems in the reporting by TAs (regarding their quality and delays in submission).

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- Revision of Financing Agreement (March 2005)
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a) Cases

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- Communication with EC staff (August 2007)
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Annex 2: Checklist of questions

EC TC Review Checklist for document review of case examples

1. BASIC DESCRIPTION OF TC/TA	
Key facts	
Project/programme name	
Country (ACP/ALA/ENP)	
Financial volume (overall/of TA component)	
Implementation period of project/programme; implementation period of TC/TA component	
Nature of TA/TC assignment	
Component of project, programme of Budget Support / pure TC project / joint programme with other sectors	
Sector	
Type of TC: Long term / short term / training / other / mixture	
International/regional/local experts?	
Project implementation unit (PIU)	
Is there a PIU?	
Parallel (outside gov't structure) or integrated?	
Role of TA	
Advisory (technical advice/capacity development) / implementation	

Project Implementation Unit	
Q1: Accountable to?	
Q2: TOR drafted by?	
Q3: Staff appointed by?	
Q4: Salary structure higher?	

2. What kind of documents were reviewed?

3. What do the docs say

1. Design and formulation

1.1. Is there anything significant regarding TC/capacity development in the broader **project design**?

§ Was a capacity needs assessment carried out?

§ To what extent are the **aid effectiveness/Paris Declaration** commitments referred to and taken into account?

- Is there any **coordination** with the activities of other donors? Is it a **joint programme**? If so, what kind? Pooling? Contribution to other agencies activities? Etc...
- Is it **aligned** with the gov't policies? To what extent is the **partner gov't involved** in the design?
- If not, why not? (e.g. pooling difficult because of rules...)

1.2. TA/TC design:

§ **TA/TC needs**

- What, if any, justification is given for the (amount of) TC/TA provided? In which doc?

§ **Ownership of TC:**

- Is it clear who asked for the TA/TC? (Was there a partner gov't demand for TC or was it the EC that proposed it? (If the latter, who in the EC? - the Delegation, who in HQ?) etc..)

§ **TA costs**

- Are the TA costs clear to the partner gov't? Reflected in its budget?

§ **TC Objectives:**

- What objectives does the TC have? Are they clear or generic?

§ **Alternatives to TA personnel**

- To what extent are 'TC methods' other than TA personnel considered? (training, twinning etc. – if the docs are mainly about these you might need to adapt the question list slightly)

§ **Describe/give overview of management arrangements**

– **TA roles**

- Is it clear what **roles** TA personnel are expected to play?
- How detailed are the TOR in the various docs?

– If there is a **PIU**

- Is a justification given for why a PIU is created?
- ... what kind of PIU is it?

2. TA/TC procurement (tendering and contracting)

○ **Under which (procurement) rules was TA/TC procured?**

§ Centralised/decentralised management?

§ Which procurement procedure?

- using the **Framework Contract** (for procuring services up to 200,000 €) or
- the **International restricted tender procedure** (above 200,000 €)

○ Who procured the TA? The gov't/the EC?

§ **Who is the contracting authority?** [i.e. Is TA managed by centralised management (EC is contracting authority) or decentralised management (partner gov't or delegate body is contracting authority)]

§ **Who pays the TA?** (the EC or the gov't)

○ Are any other specific issues mentioned regarding the procurement process(es)?

§ E.g. couldn't get the quality/type of experts wanted, ...

§ Difficulties with procedures...

3. TA/TC implementation

3.1. TA/TC management

§ Who is responsible for the **day-to-day management** of the TA?

- Gov't/Managing Contractor?/ EC?/Shared in practice?

§ Who are the TAs **accountable** to? (partner gov't ministry officials/ the EC Delegation/ Steering Committee/etc...). Who do they report to? In what form? How often?

If it is a **PIU**...

§ How is the PIU managed? Who is the PIU accountable to?

§ Who has responsibility for managing TA personnel?

3.2. TA /TC effectiveness

- § Are there any comments on the **quality of TATC** provided during implementation? Does the assignment respond to actual needs? Is it seen to be effective/useful?
 - If quality is judged negatively, what is the reason for this?
 - Are there any comments on the **preparation** of TAs who arrive? Is this adequate?
 - § What do the TAs do in practice – i.e. **what roles do they play** in practice during the assignment? A mix of administrative/procedural /management tasks together with some advice? ...
 - § Are there any comments on the **timeliness** of the assignment
 - ...The time it took to **mobilise** TA and how this might have affected the effectiveness of the assignment?
 - ...The implementation period available
 - § Are there comments on necessary changes of TA personnel
 - § Are the TOR of the TAs sufficiently specific and up to date when TAs arrive or do they have to be changed? If so, are they changed in practice? If not, why not?
- If it's a PIU
- § Are there any comments on the effectiveness of the PIU modality?

3.3. TATC monitoring & evaluation?

- § Is the quality and effectiveness of the TA (as opposed to that of the overall programme and project) monitored specifically?
- § Is monitoring helping to improve TA assignments?
 - Are the findings of mid-term evaluations and other monitoring taken into account? Do they change project/programme design?

4. Post-implementation

- § TA results/achievements:
 - Where a project/programme has finished, what do post-implementation evaluations say about the success/effectiveness of the TC provided?
 - About sustainability?

Annex 3: Main points on TC in the different regions

This matrix is a first listing of some features of TC in the different regions. It could be filled out more in due course, especially when more information becomes available through the electronic consultation of EC Delegations.

Point made	ACP	Asia	LA	ENP
Project Management				
Existence of NAO office or similar function	§ NAO § Typically supported by 1 LT TA + several short-term TAs, plus local staff etc...)	§ No NAO-type office; but many PIUs § Depending on the nature of the project, different partner government institutions are involved.	§ No. Many PIUs instead.	§ NCUs (former TACIS countries) § Similar function in MEDA? (interview information, not evident from cases reviewed)
Project management by?	Various options...including by TAs (see below) § In practice mostly by consultants (TAs)?	National project direction (ND)	National project direction (ND)	National project direction
Project management by TAs possible? (private indirect decentralised management)	§ Yes, management by TAs is possible (private indirect decentralised management)	§ No, but in practice TAs often fulfil substantial administrative tasks, esp. with regard to ensuring compliance with EC procedures	§ No	§ No longer
PIUs...(in the cases)	§ 2 PIUs in the cases (out of 12 cases), one integrated and two parallel, of which one to become integrated over time.	§ 4 PIUs of which one (Bangladesh) was parallel for at least some time. Others were integrated.	§ 4 PIUs (the 4 Bolivian programmes/projects). Intention to create on for the Chilean case.	§ 1 in ENP South § 1 in ENP East (the NCU)
Centralised/ decentralised management?	§ Decentralised for whole project/programme the norm, except where FWC is used (or audit or evaluation studies)	§ Both possible, but TA mostly (90%) under centralised management (in the cases reviewed)	§ Both possible, but TA mostly under centralised management (in the cases reviewed)	§ Both are used in <u>ENP South</u> region (EC's approach in MEDA reflects greater 'partnership' than cooperation with many other countries?) § All <u>ENP East</u> cases had centralised management
Other?	§	§	§	§

Point made	ACP	Asia	LA	ENP
TC picture				
Typical TA picture?	§ 1-2 LT TA § ST TA § training	§ Larger LT TA teams § ST TAs § Training	§ 1 LT TA § Several short-term TAs	§ ENP South: TA teams (LT and ST TA) § ENP East: unclear/varied: TA teams, but also more use of ST TA it seems?
TA roles foreseen?	§	§	§ Both implementation and advisory	
No. of international TAs per project/ programme	§ Restricted to 1 LT TA per €15m	§	§ 1-2 LT TA	§
Proportion of TA per project/ programme	§ Restricted to a maximum of 20-25% (Caribbean) § Range 5-8% in our cases	§ 40% based on average figures from Philippines and the 3 Vietnam cases	§ % of TA (as prop. of project/ prog) higher than in ACP, given the smaller size of projects/ programmes	§ ENP East: used to be extremely high (80%), situation now unclear §
Average cost of international TA/month	§ €20,000	§ €20,000 for Vietnam ISP and (+/-) for BS. We estimate a similar figure for int'l TA in the Philippines	§	§
Facility for funding ad hoc TC (TA, training, seminars, etc)	§ TCF (most ACPs)... but limited to project cycle related activities?	§ BA-credit (Budget)	§ BA-credit (Budget)	§ Exists in some cases? e.g. General Technical Assistance Facility (GTAF) in Moldova
Budget support linked with TC?	§ Yes, normally a CB component of ca. 3% (?) (average) is added... (= defensive management by HQ?) § But: CB component often not used up § CB component not well defined § Huge time lag TC/rest of prog	§ Yes	§ No cases in our review	§ <i>ENP East</i> : Old TACIS BS cases (provided under the FSP) had TA linked to BS in key ministries
TA in programmes	§ TA for capacity-building as part of overall SPS or PRBS.	§ TA for capacity-building as a substantial part of specific project	§	

Point made	ACP	Asia	LA	ENP
Procurement issues and TA sources				
EC procedures used (...running smoothly or delays/issues?)	§ IRTP and FWC § Many delays in the use of the IRTP (by PGs)	§ IRTP (with suspension clause), FWC and negotiated procedure for additional services § IRTP used by EC generally fast, delays afterwards (replacement of key exerts) § FWC: poor quality work in many cases	§ IRTP	<u>ENP South:</u> § Several IRTPs (some with suspension clause) <u>ENP East:</u> § Much use of the FWC
Use of local procedures possible? Actually used?	§ Yes, possible. § Not in the cases reviewed.	§ Yes, possible. § 1 case: GoBangladesh procured TC itself under own procedures	§ Yes, possible.	Yes, possible.
Use of other donors' procedures?	§ 1 case (Nigeria –UNODC)	§ Several cases (WB procedures)	§	
Coordination/ pooling with others?	§ Not common in the cases reviewed... (one case managed by UNODC)	§ Yes... including of TC provided (Indonesia, Bangladesh, Philippines)	§ Not evident in the cases	§ Yes? in some case (Egypt HSRP Phase I?); Coordination with at least DFID on Social Assistance Programme Moldova
Use of local TA/ existence of local TA market?	§ Use of local project staff... § ...but cannot specify where want to use local TA § Use of local TA did not appear to be common in the cases (but may just not be visible in the documentation)	§ Yes, local market exists and is being used... § Budgets specify local TA costs – how does this tie in with FR?	§ Budgets specify local TA costs – how does this tie in with FR?	<u>ENP South:</u> § Criticism that local TA not used enough <u>ENP East:</u> § ?
Nationality rule for TAs	§ More restricted than for Budget countries (mainly ACP or MS)	§ Untied	§ Untied	§ Untied
Preference to dev/c operators?	§ Preference has to be given to equally qualified ACP experts and firms...	§ "special consideration to be given..." (DCI)	§ "special consideration to be given..." (DCI)	§ No
	§	§	§	§

Point made	ACP	Asia	LA	ENP
Use of twinning/ public sector expertise possible?	§ Not normally under EDF9, except with derogation (e.g. Ghana Audit) § Unclear what will happen under 10 th EDF	§ Yes (DCI)	§ Yes (DCI)	§ Yes, and has been in the past (at least in the TACIS region) § ENPI twinning will be coordinated by Twinning Programme Administrative Offices (PAOs)
Other?	§	§	§	§
Implementation issues				
TA roles played	§	§ Much time spent on administrative and management tasks	§ Mix of implementation and advisory roles	
TA effectiveness	§	§	§	
TA management & accountability	§	§	§	
TA M&E	§	§	§	