**Czech-UNDP Trust Fund Evaluation Report**

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# Executive summary

**Overview**

This evaluation has been commissioned by the Czech-United Nations Development Programme (UNDP) Trust Fund (CTF) that is funded by the Ministry of Foreign Affairs of the Czech Republic (MFA) and is implemented byUNDP Regional Bureau for Europe and the Commonwealth of Independent States (UNDP/RBEC)through Istanbul Regional Hub (IRH)**.** The evaluation measures the effectiveness and efficiency of CTF activities in relation to the stated objective and expected outputs, assesses the relevance of the CTF, including its design, and contains lessons and recommendations that can improve its sustainability and impact.

The CTF supports continuing triangular development cooperation in Europe and the Commonwealth of Independent States (ECIS) aimed at transfer of Czech transition-related knowledge, expertise and experience around the main 4 priority areas: environmental protection, good/local governance, economic transformation, and HIV/AIDS prevention. The CTF’s expected output is increased capacity of experts and public officials in ECIS through transfer of knowledge and experience from the Czech Republic’s transition to democracy and market economy as well as of the EU accession process. Typically, the activities involve study tours, workshops, feasibility studies, trainings, and formulation missions, based on selected proposals from UNDP COs.

The CTF has a relatively small annual budget, with average yearly contribution of USD 515,000 between 2014-2017, to operate with, where more than 50% of disbursements are directed towards energy, environment and agriculture area.

**Evaluation focus and methodology**

The evaluation focused at functioning of the CTF as a whole and covered activities implemented under the current CTF cycle (2014-2017). Geographically, as the evaluation could not realistically cover all countries supported by the CTF, it focused on the following countries: Armenia, Kosovo, Kyrgyzstan, Moldova, Montenegro, Serbia, and Tajikistan.

The evaluation assessed all CTF components, outputs and outcomes. Its specific objectives were to:

* Assess relevance of the CTF activities, including the Fund design. Evaluate the relevance for the regional Programme for ECIS.
* Measure the effectiveness and efficiency of the CTF activities in relation to the stated objectives and its contribution to the regional programme framework.
* Draw lessons that can improve effectiveness and sustainability of the CTF activities.
* Produce recommendations on how to improve management of the CTF and its impact, including monitoring and measuring of CTF outputs and activities.

The evaluation was undertaken from early April to early June 2017 by an independent expert. In addition to multiple e-mail exchanges and skype calls with CTF management, the Czech MFA, Czech experts and companies, diverse UNDP COs staff and beneficiaries, the consultant visited Serbia and Montenegro to conduct semi-structured interviews with UNDP COs and beneficiaries.

This evaluation is based on the belief that evaluation should be supportive and responsive to the CTF needs, rather than become an end in itself. The evaluation followed the UNEG Norms and Standards as well as the UNEG Ethical Guidelines for Evaluation.

One of the major data gaps is that consistent high quality results-focused reports/data were not available for all CTF activities. Other limitations included difficulties in attributing the direct influence of analytical and advisory CTF activities to broader national level UNDP results because CTF-funded interventions were often a part of a larger programme of support and resourcing and timing restrictions, which limited the ability to conduct full and in-depth assessment of all CTF interventions.

**Findings**

The consultant assessed the CTF concept and design and found that it included a high level of flexibility and strong capacity for rapid response to better address emerging issues and changing circumstances. Such a high degree of flexibility proved to be very successful and allowed the CTF to respond quickly and effectively to rapidly changing circumstances of the region, emerging challenges and opportunities.

The CTF Project document, however, does not includes specific measures to assess the CTF’s progress towards the intended output “Increased capacity of experts and public officials in ECIS countries through transfer of Czech knowledge and experience from transition to democracy and market economy as well as EU accession process.” The CTF design does not put sufficient emphasis on achieving these intended long-term outputs. As a result, the work planning processes are more focused on processes and activities such as timely identification and deployment of Czech expertise, procurement of services and organization of visibility events.

CTF activities are relevant as they are aligned with geographic priorities of the Czech development cooperation, as countries of Eastern Europe and Central Asia are traditionally at the centre of its focus as well as its thematic priorities, including the transfer of Czech knowledge and transition experience, and private sector support and involvement. The CTF activities are aligned and supportive of the overall programmatic framework and planned results of UNDP’s 2014-2017 Strategic Plan and Regional Programme Document.for Europe and CIS for 2014-2017.

Unlike some other Funds where the funding use reflects the donors’ policy priorities and not necessarily recipient countries’ needs, the CTF was addressing the most important development needs identified by the national partners in partnership with UNDP COs. Due to partnership with UNDP at the regional and CO level, the CTF supported activities of development importance, consistent with country and global development priorities and aligned with UNDP mandate and strategies.

One of the indirect results to which the CTF has contributed was building beneficiaries’ appreciation and trust of national partners in the Czech Republic for their genuine efforts to address their development priorities. All interviewees highly praised Czech experts for their commitment, willingness to go far beyond the TOR requirements and continue providing advice without having a formal contractual relation.

Central to success of the CTF was its ability to mobilize knowledge and know-how and feed into resolving specific development objectives identified by UNDP COs in consultation with national counterparts. The CTF has been successful in promoting Czech “know-how” and innovation that is extremely important to the region but very hard to achieve.

The CTF, however, did not systematically apply consistent knowledge management (KM) strategies; it was challenged to ensure that its knowledge transfer activities contribute to achieving broader outcomes and make impact. The experience of CTF demonstrated thatknowledge and “know how” production is an interactive process, in which Czech experts interact with national partners and develop locally relevant solutions to development challenges.

There are insufficiently quantifiable and measurable outcome indicators that limited the CTF ability to achieve and assess systemic outcomes of its interventions. Some activities did not result in expected outcome that can be attributed to insufficient analytical work prior to activity design, limited Czech expertise, too high UNDP COs’ expectations, and inadequate focus on results.

The consultant finds that success of capacity building through knowledge transfer depends on a number of factors:

* Availability of Czech expertise with sufficient understanding of recipient country’s realities;
* Availability of Czech best practices and lessons learned from the Czech Republic’s accession to the European Union that is relevant to many countries of the region;
* Knowledge of Russian or national language skills of Czech experts.
* Institutional, political and capacity readiness of national partners to learn, translate Czech knowledge into local realities and act.
* Success in operationalization and localization of Czech know how and knowledge.

To enhance focus on results, CTF management recently introduced a more comprehensive and results-focused application form that requires COs to identify expected outputs, outcomes, and elaborate how activities are linked to wider COs’ projects, outline the follow up activities and monitoring processes, including impact assessment. The consultant reviewed a number of applications received from COs that were based on a new template and found that a new format helped COs to stay better focused and clearly elaborate linkages between inputs, outputs, outcomes and capture some expected impact. It can be expected that the quality and focus on results will improve as well. In addition, the activities can now be monitored by experts from the IRH.

Overall, the CTF demonstrated its ability to manage and deploy financial resources, identify and recruit Czech development expertise, and establish and maintain strong working relations with UNDP COs and national beneficiaries. The CTF is managed frugally and has a very lean management structure. Analysis of the CTF budget expenditure indicates that the Fund spent the budget allocations on time. The CTF structure created efficient governance for the Fund. Both managers of the Fund had to multitask and combine separate functions such as strategy-setting, analytical, approval and monitoring functions. While this is laudable that most resources are directed at activities and beneficiaries, it is causing some functions such as monitoring and evaluation, knowledge management and CTF promotion, not being carried out extensively.

Close partnership arrangement with the IRH and UNDP COs was one of CTF’s key achievements that positively contributed to its efficiency and effectiveness. The consultant highly praises the CTF management for enhancing its collaboration with the IRH by establishing formal arrangements and fora supporting informal exchanges, understandings and relationships. The CTF established excellent partnership relations with selected UNDP COs in planning, implementing, and monitoring CTF-supported activities. Such partnerships helped to identify the most relevant Czech experts and enhance sustainability and effectiveness of supported activities as partners routinely shared updates on the activities progress.

Given that CTF was working in too many areas and its budget was relatively small, it was unable to build more long-term relations with such key players as EU, UN sister agencies and international NGOs operating in the ECIS as well as key Czech national ministries with significant expertise in areas supported by CTF. There is no doubt that stronger and long-term relations with selected Czech and international partners who could bring complimentary specific technical expertise and knowledge of the region, could have helped CTF to advance technically sound and evidence informed responses to challenges faced by ECIS.

**Lessons learned**

The main lesson learned is that in the face of a highly competitive market of international development consultants, declining donors’ resources and increasingly diverse UNDP COs needs, the CTF has to be more results oriented and address both the demand and supply side of its activities. The consultant identifies the following lessons learned:

* CTF can achieve systemic changes by focusing on a limited number of priorities. Achieving strategic and long lasting impact is challenging if CTF pursues multiple objectives and is spread too thin. CTF can achieve more results if it focuses on those areas where there is a supply of internationally recognized Czech expertise and a strong ECIS countries’ demand for Czech “know-how” and expertise.
* It is important to focus on sustainable results, beyond activities. Achieving long-term impact is possible when individual CTF-supported activities are based on a simple but well developed log frame matrix where outcomes, outputs and indicators are properly identified and monitored and the necessary changes are made to ensure matrix relevance.
* "Best practice" breakthroughs in the Czech Republic may not work in an entirely different country setting. While Czech expertise and experience can illuminate options for reform in ECIS countries, Czech solutions have to be adapted to local realities to be successfully implemented.

**Recommendations**

CTF is well-established, well-respected, and valued by the MFA, UNDP COs and beneficiaries. UNDP neutrality, impartiality and presence in all ECIS countries coupled with the CTF’s ability to quickly mobilize and deploy high quality Czech expertise are major advantages of the CTF for the next CTF Project cycle. UNDP COs’ knowledge of local realities and ability to engage into very complex and often sensitive development matters opens multiple opportunities for the CTF engagement.

**Recommendation 1: Enhance focus on results**

The following strategies outline how focus on results can be enhanced through improved CTF accountabilities, strategic planning and improved M&E.

* Focus on a limited number of areas of support. The CTF is advised to identify priorities, countries to focus on and support modalities in close consultation with the MFA, Czech Development Agency and UNDP IRH to reduce duplication and maximize the impact. It is advisable, in particular, to promote activities involving a number of countries, especially in the field of environment where there is a significant Czech expertise and where multiple COs implement comparable programmes/projects.
* Deepen partnerships with the private sector that can be seen as an equal partner of development actors.
* Plan activities strategically with involvement of COs and IRH experts with at least one year planning window. Consider establishing a special budget line for long-term multi-country activities. Actively promote CTF across all COs that can learn from experiences of other COs that have benefitted from Czech expertise.
* Encourage Czech experts to make their training and advice more practical and tailored to targeted country realities. Beneficiaries greatly appreciated support with operationalization of advice provided and expressed a need to strengthen practical aspects in those instances where the advice provided was too generic or only reflected Czech experience without customization to local realities.
* Further elaborate accountabilities of IRH, UNDP COs and CTF for supporting activities at the country level. Although the CTF is mainstreamed into UNDP operational processes, including procurement, such mechanisms as M&E are not explicitly elaborated for activities supported by CTF and it focuses mostly on inputs and outputs with very little attention to outcomes. Streamline results into monitoring, evaluation and reporting mechanisms. Establish a standardized activity-level M&E framework, including consistent formats for final reports, lessons learned summaries, mini log frames, with a focus on outcomes.
* Give more extensive and elaborate consideration to sustainability principle. Develop a more robust follow up process, supporting COs in ensuring that sustainability strategies/approaches outlined in their applications, are implemented.
* Ensure long-term financial and management stability of the CTF. Consider increasing the CTF budget to at least $1 million per year and ensure that the CTF managers stay for at least 3 years in their positions. It is difficult to ensure sustainability and impact of the CTF-supported activities if the funding is very limited and the CTF management does not have sufficient time to plan strategically for at least two years and to be involved in all stages of the CTF project cycle management to successfully capture lessons learned, which could be transformed into innovative initiatives and practices. Similarly, significant time investment is required for building and maintaining new partnerships, especially with private sector.

**Recommendation 2: Develop a comprehensive knowledge transfer system, with more extensive use of on-line tools**

Knowledge is a key asset of the CTF and the intersection of that knowledge with the UNDP COs and countries’ needs is one of its critical comparative advantages. However, the results and lessons learned from these activities are not systematically identified, captured or generated to inform broader learning or regional knowledge for all ECIS countries.

The CTF should develop a knowledge management strategy and in consultation with the MFA and IRH determine what knowledge generated by Czech experts has to be transferred, to whom and which means of knowledge transfer should be utilized. There is a wide range of capacity building and knowledge transfer strategies that can be considered by the CTF, but the consultant suggests exploring the following:

* Some innovative activities were able to achieve great impact in spite of their smallness. These activities could be showcased as innovative approaches that might be replicated in other countries, be treated as lessons learned or be an example of which ingredients are needed for an activity to be successful.
* The existing CTF website can be expanded to collect and systematize various “know-how” products developed by Czech experts. In addition, a more comprehensive website that contains knowledge products will facilitate exchange among beneficiaries and the information and knowledge-sharing along thematic, sectoral or other lines.
* Explore use of social media such as Facebook and Twitter to support information exchange, dissemination and application.
* Require Czech experts to produce short summaries of their work that should be easily accessible in terms of format, language and length, highlight their achievements and make them available on the CTF website. Develop videos, webinars and online resources based on Czech experts’ work implemented in ECIS that are relevant to a number of ECIS countries and make them available on the CTF website.
* Require beneficiaries who attended learning events (e.g. study tour) to provide other national colleagues with a brief, written summary of key learnings and lessons learned and make a short presentation to decision makers and staff of relevant national institutions.
* It is advisable to translate relevant materials into national languages only if COs are committed to widely disseminate them and follow up with national counterparts.

**Continue building a pool of Czech experts.**

Once a range of areas of CTF focus is reduced and priorities for Czech experts’ engagement are identified for the next few years, CTF is advised to establish a pool of Czech experts and invest into their capacity building. More specifically, CTF may consider implementing the following activities for experts who do not have sufficient ECIS experience:

* Establish pool of well-recognized Czech experts and companies in narrowly defined areas who have the necessary country and language skills and actively promote them among COs by showcasing their work to the UNDP COs and IRH. It is not advisable to offer support in those areas where there is no internationally competitive Czech expertise is available.
* Facilitate yearly face-to-face events or online forums of Czech experts involved in the CTF-funded work and IRH colleagues and other relevant parties to disseminate effective practices and share lessons learned. Support professional learning communities among Czech experts who in addition to technical expertise will be able to discuss countries’ political and economic context and practical lessons learned. Some more experienced experts can be requested to develop and deliver webinars on practical hints of being an international development expert working in ECIS.