

ANNEX 4 TERMS OF REFERENCE

FINAL EVALUATION OF THE FINNISH-FUNDED PROJECTS IN KOSOVO IN 2016

BACKGROUND OF THE EVALUATION

Since the end of the conflict in June 1999, the reconstruction of Kosovo has been in progress with the help of local efforts and significant donor support. In February 2008, Kosovo's Parliament declared Kosovo's independence. Despite the progress, big challenges remain unresolved particularly in social and economic areas. Poverty is widespread, the unemployment rate is high – especially among youth and women – there are significant environmental issues, and the level of corruption is alarming. In addition to these challenges, Kosovo is ethnically divided. The four municipalities in Northern Kosovo are mainly populated by Serbs. The area is still not fully integrated into Kosovo structures, which contributes to the fragility of Kosovo. In addition, there are Serb-majority enclaves in Southern Kosovo. According to the OECD classification, Kosovo is a lower middle income country, and it is eligible to receive official development aid.

The independent state of Kosovo strives for European integration in all areas. In the strategic documents of Kosovo, sustainable economic development, employment and welfare are raised as priorities in the development of Kosovo along with the rule of law.

Finland has supported Kosovo's development since 1999. The support for the recovery was planned to be of limited duration. During the whole period of time until now Finnish support was directed to many different sectors. In the years 2009–2013 Finland implemented the so called Development Policy Framework Programme in the Western Balkans. The Programme was built around the following interlinked themes: 1. Stability and Security, 2. Aid for Trade, 3. Environment, and 4. Social sustainability. Kosovo was Finland's country-specific priority in the Programme.

Gradually, Finland's Kosovo project portfolio was scaled down and concentrated on fewer sectors. In the recent years Finland's development cooperation with Kosovo has been focused on **projects contributing to Kosovo's economic development and job creation, taking into account the gender aspect and vulnerable groups as cross-cutting objectives**. One of the projects is specifically targeted to combat gender-based violence in Kosovo. In the final phase of the Finnish development cooperation in Kosovo the geographic area of supported projects has been extended also to Northern Kosovo, which is expected to contribute to the integration of the northern municipalities into Kosovo structures.

In 2016 and 2017 all projects supported by Finland in Kosovo are foreseen to be finished, and Finland's bilateral development cooperation in Kosovo will come to an end.

PREVIOUS EVALUATIONS

The Kosovo Country Programme was evaluated in 2008. Later on, there were mid-term reviews/evaluations of almost all Finnish-funded projects conducted. In 2013–2014 the projects in Kosovo were included in the Evaluation of Finland's development cooperation in fragile states (Peace and Development in Finland's Development Cooperation: *Case Study of Finland's Regional Programme in the Western Balkans*). The Case Study focused on the evaluation of Finland's Development Policy Framework Programme for the years 2009–2013. The evaluation concluded that results-oriented design would have enhanced the effectiveness, efficiency, and potential final impact of the Programme. In

addition, the Programme's time horizon was too short to achieve sustainable outcomes. According to the evaluation, cross-cutting objectives of the Finnish development policy were not taken into account adequately. The evaluation recommended establishing a workable plan for a gradual phasing out of Finnish support in coordination with other donors. Unfortunately, budgetary cuts in Finnish development cooperation resulted in cancellation of planned activities in Kosovo, and recommendations of the Peace and Development Evaluation were not fully taken into account.

The current evaluation is planned to be an overall final evaluation of the Finnish support in Kosovo, with a special emphasis on the **impact** of the Finnish-funded development projects in Kosovo. The development cooperation of the last couple of years will be evaluated in more detail.

THE PROJECT PORTFOLIO TO BE EVALUATED

There are six Finnish-funded bilateral projects being implemented in Kosovo in 2016. The projects are implemented by local institutions with a technical support provided by UN organisations and the European Centre for Minority Issues for one project. The project portfolio consists of the following projects:

Aid for Trade (AFT) project aims to enhance capacities of relevant decision-makers of the Ministry of Trade and Industry (MTI) staff to develop and implement evidence-based and pro-poor trade and industrial policies, support small and medium enterprises' (SMEs) access to market, information and finance, and farmers operating in the Economic Region South (ERS) and Mitrovica region, in raising productivity, employment and entrepreneurship, in a gender-responsive manner contributing to improved livelihoods.

The activities of the project include e.g. surveys, reports and assessments; support to policy development – especially industrial policy platform; draft law on tourism; capacity building; information system development; training and staff development for the private sector to designing export-marketing plans, gathering information on export markets, international quality management standards; support farmers with direct investment, advisory services and trainings. Moreover, project initiated dialogue and cooperation between central and local government in relation to economic and rural development. The project is implemented by UNDP in close cooperation with MTI, and it will come to an end by the end of 2016.

Diaspora Engagement in Economic Development of Kosovo (DEED) The overall objective of the programme is to enhance the contribution of the Kosovo diaspora to poverty reduction in the short-term and to sustainable, gender equitable local economic development in the long run. The objective will be reached through facilitating and encouraging investment and saving behaviour among migrants and remittance receiving households. In order to address the objective, the programme foresees intervention through three key methods: 1) strengthened capacities of Kosovo authorities to implement the National Strategy for Diaspora 2013–2018; 2) increased capacities of relevant stakeholders to facilitate migrants' investments in Kosovo; and 3) strengthened capacities of remittance recipients, diaspora business networks and Kosovar authorities to increase the positive impact of migration on the socio-economic environment of Kosovo. The project is implemented by the UNDP and the IOM with the Ministry of Diaspora being the main beneficiary, and it is expected to be finished in the end of 2016.

Active Labour Market Programmes 2 (ALMP2) The project's main objective is to improve the capacities of the labour market institutions to design relevant gender responsive policies at central level and to deliver integrated services at local level,

focusing on the most vulnerable groups among the unemployed. To this end, the intervention will strengthen and ensure the sustainability of the links between labour market actors – employers, job-seekers, policy-makers, public employment services and vocational training and educational institutions – through: 1) improving the human resource capacities and provision of continued direct implementation of active labour market measures for vulnerable groups – with a particular focus on youth and women – and further technical support for the capacities of implementing institutions; and 2) the enhancement of the labour market knowledge base in order to ensure evidence-based decision-making among labour market actors. The project is implemented by the Ministry of Labour and Social Welfare with technical support provided by UNDP. ALMP2 is expected to be finished in February 2017.

UN Joint Programme on Domestic/Gender-Based Violence in Kosovo (GBV) The objectives of the Programme are: 1) to raise awareness of DV and enhance access to services for survivors of domestic violence in pilot communities; 2) to strengthen formal/informal service chain of DV prevention, protection and reintegration services through catalytic interventions in pilot municipalities; 3) to enhance the economic independence of (potential) survivors of domestic violence and provide counselling for families and perpetrators; and 4) to disseminate programme results, capitalising on lessons learned for scale-up in other municipalities. The focus of the current phase of the programme (1 April 2015 to 31 March 2017) is in Kosovo North. The programme is implemented through UN Kosovo Team of five UN organisations including UNDP, UNFPA, UN Women, OHCHR and UNICEF.

Support to implementation of the Forest Policy and Strategy in Kosovo The overall objective of the project is to increase the contribution of the forest sector to the national economy through sustainable use of forest resources, taking into account the multipurpose forestry including the economic, social and environmental benefits as well as its contribution to climate change mitigation. The components of the project are: 1) institutional support to the implementation of forest policy and strategy; 2) integrated forest management and practices; and 3) forest sector and climate change. The current phase of the FAO project (2015-2016) is designed to ensure sustainability of the project results and, in partnership with UNDP, to extend project activities to the northern part of Kosovo with the aim to contribute to the process of reconciliation, through economic activities, and harmonisation of the forest management practices. The national implementing partner of the project is the Ministry of Agriculture, Forestry and Rural Development. The expected end date of the project is 31 December 2016.

Support to Minority Communities during and after the Decentralisation Process, Project Extension 2014-2016. The project aims to provide the Serb-majority municipalities in Kosovo with sustainable solutions on improving their local socio-economic perspectives by both empowering local governments as well as local communities. The project is implemented by the European Centre for Minority Issues (ECMI) and is expected to be finished by 31 January 2017.

In addition to multi-bilateral projects Finland also supports the civil society of Kosovo through the Embassy of Finland. The Embassy's Funds for Local Cooperation are allocated to NGO projects, especially focusing on human rights. The Funds for Local Cooperation complement the portfolio of bilateral projects funded by Finland.

OBJECTIVES OF THE EVALUATION

The overall final evaluation of the Finnish-funded project portfolio will be conducted in order to assess the impact of Finnish development cooperation in Kosovo. In the past couple of years the focus of the cooperation has been on the economic development of

Kosovo. In the evaluation special emphasis is put to the contribution of Finnish-funded projects to the *economic development and employment* in Kosovo.

In 2014-2015 the Finnish support has been focused on the *integration of Northern Kosovo* into Kosovo structures, and the project activities are extended to the northern municipalities. The evaluation will assess whether the work with Northern Kosovo has contributed to reconciliation and national integration.

Finnish funded projects are implemented mainly by local ministries with technical support provided by UN organisations. In many projects collaboration between different organisations is needed. This applies specifically to the GBV programme which is implemented jointly by five UN organisations. The evaluation shall assess the usefulness of this kind of *collaborative project implementation*.

Cross-cutting objectives of Finnish development cooperation are taken into account in all Finnish funded interventions. The level of inclusion of CCOs in the Kosovo project portfolio shall be assessed especially from the perspective of human rights and gender equality.

Also, the evaluation shall assess possibilities of transition to other forms of cooperation after the bilateral cooperation has ended, and give recommendations on further steps.

The results of the evaluation will be used by the MFA as a part of results monitoring. The MFA is accountable for the development cooperation to the Parliament and to the public in Finland.

The lessons learnt can be used by Kosovo Government, and also by UN organisations when implementing new projects with other donors. The lessons learnt may also be used by MFA in other countries of cooperation.

SCOPE OF THE EVALUATION

Overall Evaluation of the Kosovo project portfolio shall focus on the years 2014–2016, i.e. the period after the Framework Programme of 2009-2013. Practically *all the current Finnish funded projects* aim at the improvement of Kosovo's economy, inclusive growth and livelihoods of Kosovars. Therefore, it was decided not to conduct separate final evaluations, but one overall evaluation of the whole project portfolio. In addition to former cooperation, the geographical area of the development work is extended to Kosovo North, and *the emphasis has been shifted to Northern Kosovo*. The impact of the projects both in the South and in the North shall be assessed.

Two components of current projects will be evaluated separately: The DEED programme Diaspora Investment Fund and the ALMP2 project Self-employment programme. Consequently, these components will be excluded from the overall evaluation.

ISSUES TO BE ADDRESSED

The main issues should be studied against the evaluation criteria below. The evaluation team may also take up other issues.

Relevance

- How has the Finnish development cooperation facilitated transition from bilateral government-to-government cooperation towards other broad-based relations?
- To what extent are the project portfolio's objectives consistent with beneficiaries requirements and the priorities of the government of Kosovo and Finland?

- What is the added value of the Finnish-supported projects in comparison with the EU assistance and other bilateral donors' support?

Impact

- To what extent have the objectives of the Finnish funded projects been achieved *including the cross-cutting objectives of Finnish development policy*?
- What are the intended /unintended, short-term/long-term, positive/negative impacts of the Finnish support (disaggregated by gender where applicable)?

Sustainability

- Is there a solid base for maintaining the project results after the external support has come to an end, including possible continuing financing by the Government of Kosovo or other financiers?
- Are the achievements economically, institutionally, technically, socio-culturally and environmentally sustainable (disaggregated by gender where applicable)?

Effectiveness

- To what extent have the Finnish funded projects achieved the objectives described in the project documents, why/why not?

Efficiency

- Can the financial and human resources put into the projects be justified by the results and their quality, quantity and timeliness?
- To what extent have the management structures of the projects been efficient, especially in projects implemented through several organisations?

Aid effectiveness and coherence

- How well have the projects promoted ownership, alignment, management for development results and mutual accountability?
- How coherently have other programmes and other policies taken into account in implementation of the projects, and how this has possibly affected the project portfolio?

Additional issues to be addressed

- To what extent has the support to Northern Kosovo contributed to the reconciliation and integration of the northern municipalities to Kosovo structures?
- What are the pros and cons in implementing projects jointly by different organisations in Kosovo (GBV, DEED, Forestry Programme), how do the projects contribute to the *Delivering as One UN* policy?

METHODOLOGY

Before starting the field work, the evaluators will study the documents related to the evaluation. They will also propose an approach and formulate a more detailed evaluation methodology. It is expected that the evaluators will use multiple methods, both quantitative and qualitative, and the validation of results must be done through multiple sources. The approach to the evaluation shall be participatory. The evaluation data shall be disaggregated by relevant categories.

THE EVALUATION PROCESS AND TIME SCHEDULE

Tentatively, the evaluation will start in November 2016, and the final evaluation report is expected to be available in February 2017.

After the kick-off meeting, inception phase and desk study, the evaluation team shall do field work in Kosovo. The field work will tentatively be done in November-December.

The evaluators shall propose a detailed work plan.

REPORTING

The evaluation team shall provide an inception report, presentation of field findings, draft final report, final report, and presentation of evaluation findings. The final report shall not exceed 40 pages (plus annexes) with clear findings and conclusions, recommendations and lessons learned.

EXPERTISE REQUIRED

The composition of the expert team is not predetermined but the proposed composition of the team is one international and one national expert. One person shall be nominated as a Team Leader.

The team shall have expertise in:

- programme evaluations and planning especially in the sector of economic development
- integrating cross-cutting objectives, particularly gender equality, into project planning, implementation, monitoring and evaluation
- quality assurance of evaluation.

TENTATIVE BUDGET

The total available budget for the evaluation is EUR 50 000, excluding VAT, which cannot be exceeded. The budget shall include the fees of the experts and the reimbursements.

MANDATE

The evaluation team is entitled and expected to discuss matters relevant to this evaluation with pertinent persons and organisations. However, it is not authorised to make any commitments on behalf of the Government of Finland.

ANNEXES:

- MFA evaluation manual, link:
<http://formin.finland.fi/public/default.aspx?contentid=288455&contentlan=2&culture=en-US>
- Evaluation report quality checklist (OECD/DAC and EU standards), link:
<http://www.uneval.org/document/detail/607>
- HRBA guidance note
<https://foorumi.mfa.uhnet.fi/ws/keo20/HRBA/HRBA%20guidance%20note.pdf#search=HRBA%20guidance%20note>