



# **FINAL EVALUATION REPORT**

**of the project**

**“Support to the Development of Red Bridge Border Crossing Point  
between Azerbaijan and Georgia”**

**UNDP Project ID / contract number: IC / 00092997**

**Evaluation time frame and date of the project: 1 August – 31 August 2018**

**Region and countries included in the project: Azerbaijan and Georgia**

**Executing Agency / Implementing Partner and other project partners: UNDP**

**Evaluation Expert:**

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## Acronyms and Abbreviations

AA	Association Agreement
EC	European Commission
EU	European Union
ENP	European Neighbourhood Programme
BCP	Border crossing point
BM	Border management
DCFTA	Deep and Comprehensive Free Trade Area
EAP	Eastern Partnership
GRS	Georgia Revenue Service
IBM	Integrated Border Management
IP	Intellectual Property
IPR	Intellectual Property Rights
OSCE	Organisation for Security and Cooperation in Europe
PCA	Partnership and Cooperation Agreement
SCC	State Customs Committee of Azerbaijan
SPS	Sanitary and Phyto-Sanitary
TA	Technical Assistance
TBT	Technical Barriers to Trade
TFA	Trade Facilitation Agreement
ToR	Terms of Reference
ToT	Training of Trainers
TRA	Trade Related Assistance
TRIPs	Trade Related Intellectual Property Aspects
UN	United Nations
UNDP	United Nations Development Programme
UNECE	UN Economic Commission for Europe
WTO	World Trade Organisation
€	Euro

## Executive Summary

Within the current project, the Evaluation Expert had a key task of Final Evaluation of the project “Support to the Development of Red Bridge Crossing Point between Azerbaijan and Georgia” to reveal major lessons learned during the implementation of this project and formulate practical and concrete recommendations for the future technical assistance. The objective of the Final Evaluation, which has been foreseen in the Technical and Administrative Provisions of the Project Financial Agreement (FA), aims to provide the relevant external co-operation services of the European Commission (EC), the beneficiaries and the wider public with sufficient information to:

- Make an overall independent assessment about the past performance of the project, paying particular attention to the impact of the actions against its objectives, project design, results achieved, project implementation and adaptive management;
- Identify key lessons learnt and to propose, if appropriate, practical recommendations for the future relevant activities.

The desk analyses of the Evaluation Expert addressed the following issues mentioned by the Terms of Reference (ToR) and provided in this Final Evaluation Report:

- introduction, explaining the context and purpose of the project;
- detailed methodology to the overall assessment of the project progress towards results proposed by the Expert and the tools used by the Evaluator, identifying the list of questions applied in the Field Phase and all the preparatory steps taken by the Expert;
- set of evaluation questions and sub-questions and detailed answers to these questions with information gathered from the meetings and interviews as well as documentary analyses;
- the work plan for the mission (with list of people interviewed, surveys undertaken, dates of meetings and overall evaluation mission itinerary);
- Conclusion with recommendations.

The purpose of the evaluation project was to independently assess all the provided documents and information obtained from various sources by the Evaluation Expert and present all the findings in a format of the Final Evaluation Report, as required by the ToR. Considering the volume of information (Narrative and progress Reports, Annexes to them, and internet sources with various products, list of legal issuances, developed modules, syllabus and curricula for the academic studies), the best approach for the assessment and analyses was to answer questions proposed in such a way as to take into account the six evaluation criteria of the EC i.e.: (1) relevance, (2) efficiency, (3) effectiveness, (4) impact, (5) sustainability, (6) coherence and EC value added.

The responses to the evaluation questions focus on the results of the three components of the project - - as well as the good practices and weaknesses revealed. From the conducted mission it was clear what information supplied for the assessment was sufficient for verification in order to answer all the presented questions fully and what methodological tools should be used for these purposes:

- key documents review (list of the reviewed documents is provided in Annex X to the Final Evaluation Report);
- meetings and interviews with the main project stakeholders,

- field visits / telecommunication meetings during the evaluation mission in Baku, contacts with the authorities and partners responsible for implementation of the project in the countries participating in the project.

For the evaluation purposes, all factors that contributed to the successful implementation of the project “Support to the Development of Red Bridge BCP between Azerbaijan and Georgia are outlined as issues to be taken into account also for similar projects on trade related technical assistance.

Essential element and starting point ensuring success is relevance of the action. For the project under evaluation, the need for improving security and facilitating mobility of people and goods across non-EU borders in EaP countries has been identified well before the commencement of the project. Request for assistance from Georgia and Azerbaijan has been made seeking support to approximate border management rules and adopt best practices in line with EU border management standards.

The project strategy provided the most effective and appropriate route towards expected results and the following important lessons from implementation of other projects have been incorporated into the strategy of the project under evaluation:

- assistance in a sensitive area such as border management had to be developed through a constant and often time-consuming dialogue with beneficiary governments (both project managers of the UNDP in the regional offices of Tbilisi and Baku have been working daily on implementation of the project full time);
- combination of the national and bilateral / regional approach – when common activities for capacity building have been organised, in particular, regional approach ensured coherence and encouraged harmonisation of global procedures among beneficiary countries, while with national approach, projects had to be tailor-made and reply to the needs of each country;
- the provision of equipment had to be linked to training sessions dedicated to the equipment's use and maintenance, therefore, project had one specific component with training activities;
- development and use of Train of Trainers concept and involvement to the whole chain of the process including selection of the trainers to the certified ToT programme;
- planning and organisation of the activities with the respective SCC of Azerbaijan and RS of Georgia with their active engagement to ensure “ownership” of the project;
- effective use of the available financial resources, allocation of the resources to the needs as outlined by the beneficiary and assistance in a particular area with a mid- to long-term perspective to ensure sustainability.

So, important recommendation for the design of the future projects is to make careful assessment of needs and take into account on-going interventions (if any), to avoid overlapping and confusion in relation to planned activities.

The choice of this Border Control Point was not random. There have been several reasons for providing assistance and support from technical and capacity building perspective to this BCP. First of all, the Republic of Azerbaijan and Georgia have both very specific and strategic location - on the crossroad of Europe and Asia. It was noted that the Red Bridge crossing point plays an important role in creating the business hub in the South Caucasus Region and making the trading liaison between Europe and Asia. Meanwhile the Republic of Azerbaijan and Georgia are the parts of the Silk Road, a system of trade routes connecting China to Europe. In this regard, the border crossing points Siniq Korpu/Red Bridge was highlighted as the main streamline point for providing a continuous, reliable, and direct land transport service between Europe and Asia.

The Project Strategy and, in particular, the Project Design have contributed very positively to the effective and timely progress towards results and overcoming challenges and remaining barriers for achieving the project objectives.

The project logical framework was an important tool for monitoring purposes and assessment of the progress made, as it allows timely revision and attention to specific components of the project. Analyses of this logframe were helpful to illustrate how all targets of the project have been achieved. For example, for achieving the first result, i.e. enhanced capacity and infrastructure of both Azerbaijan SCC and Georgian RS in the management of the SPS related issues, three specific indicators have been proposed:

- the number of common capacity building activities carried out (as there were no common capacity building activities in the area of SPS between the two countries);
- the Red Bridge BCP to meet the international and EU SPS standards and function on both sides of the border (as SPS checks at this BCP were not conducted in full compliance with international and EU regulations);
- awareness on EUMSs best practice on SPS control at BCPs and systematic SPS training activities for the staff.

As to the project implementation and adaptive management, during the interviews with the project stakeholders, especially beneficiary (the SCC and RS officials who were taking part in training activities and study tours) excellent work of the executing agency (UNDP) in organising events has been communicated. The following aspects have been impressive and very much appreciated:

- timely contacts / communication in relation to planned activities;
- prompt and clear messages with expectation of concrete information / reporting;
- quality of experts engaged and completeness of information provided;
- contents, coverage of the aspects under discussion, choice of specific topics and practical experience sharing – highly relevant and appropriate, replying to the needs of the beneficiaries;
- outstanding translation / interpretation (which is a key factor to success in organising any bilateral multilingual activities);
- visibility aspects – communications in press releases, taking pictures, recording minutes of the meetings, etc.;
- overall logistics and accommodation arrangements for the participants – this project was noted by majority of the interviewed persons as having been of very high standard.

All activities of the project have been well documented by the Project Team and recommendation can be made to use the positive results of the Red Bridge on other BIPs - on a continual basis and shared/ transferred to appropriate parties who would learn from the project and potentially replicate and/or scale it in the future (however, such replication would also require additional financial support, but in general there is wiliness to continue such work and indeed with the ToT methodology work further).

A number of project elements should be mentioned as particularly successful, among them the training activities, when in relation to each of the outlined indicators more has been achieved than planned. The same can be said on construction, as in addition to the fence, an administrative building for trade facilitation was completed by the project. One of the notable identified ways in which the project can further expand those benefits is to continue networking and exchange of information among the beneficiaries from both countries as well as respecting authorities in the countries where Study Tours have been taking place.

Over the time of project implementation 38 Modules in Georgia have been developed and academic materials for the teaching in the Customs Academy in Azerbaijan, also confirming that those documents would be used even after the completion of the project. However, what is actually important in assessing the importance of the EU project is the fact that the contents of those Modules and teaching materials would have been rather different without this Project and support of the EU Experts. A lot of provisions have been included into the final documents, thanks to useful collaboration and joint work of the European experts and customs officers of the RS in Georgia and SCC in Azerbaijan.

During the meetings and interviews arranged with the major stakeholders it was clear that the project under evaluation have developed and leveraged the necessary and appropriate partnerships with direct and tangential stakeholders – the State Customs Committee of Azerbaijan and the Georgian Revenue Service.

The work-planning process of the project has been results based, for example, secondary legislation has been elaborated in Georgia with the support of the project and linked to the seminars and workshops conducted. Without training activities providing practical / technical assistance, completion of the legal initiatives of the Government would not have been possible or, if possible, not with the same level of expertise and alignment with the EU and best international practices and requirements. Moreover, practical implementation of those Guidelines and Border Control Procedures has been ensured with the support from the European Experts working on the project under evaluation.

During the evaluation mission of the Expert there has been general interest and enthusiasm of the participants of the workshops and study tours, people willingly answered questions, were pleased with the project activities and certainly suggested continuation of the future engagement, in case of possible technical assistance. Moreover, requests have been made during such interviews to include the necessary information into the Final Evaluation Report on how important and valuable advice of the European Experts provided by the project have been for the national customs services (information on the legislation developed and manuals for border inspection posts have been provided in the various sections of this Evaluation Report).

Therefore, it can be concluded in this Evaluation Report that active stakeholders involvement and public awareness highly contributed to the progress towards achievement of project objectives. All reports of the project, as well as documents developed with the assistance of the Experts engaged in the course of the have been shared with the Project Board. Any management changes have been reported by the project management and shared with the Project Board too. The Project Team and project partners took their respective obligations in relation to reporting requirements seriously and all information in relation to the project activities has been well documented (this can be seen from the list of documents examined by the Evaluation Expert – in particular, the Progress Report and Narrative Report). All lessons learned and derived from the adaptive management process have been documented (mainly, as reports and press releases), shared with key partners and internalized by partners.

During the interviews conducted by the Evaluation Expert various stakeholders expressed their views that the Project has been extremely valuable and very much appreciated by the Project Partners particularly from the perspective of sustainability as work conducted and results achieved would be now the basis for daily work of both – the RS and SCC.

The risks to sustainability identified in the Project Document can be considered as relevant and appropriate, but they did not hamper the implementation of the project. The project is almost completed, results outlined by the project logframe, have been not only achieved, but even more has been delivered, there are legitimate expectations that financial and economic resources for operating the laboratory, using the fenced area as well as the Trade Facilitation



Operation Unit at Red Bridge BCP, once the EU grant assistance ends, will be available. This has been confirmed by the project beneficiaries during the interviews and meetings conducted.

As to continuation of collaboration between the Project Partners – the SCC of Azerbaijan and the RS of Georgia, some recent joint events provided undeniable evidence of the established collaboration and networking between the officials of the two countries that the Evaluation. Ties created during the project activities between two customs institutions would continue no matter if there will be further external support. However, EU experience and technical assistance in organisation of joint events would certainly have very positive impact on the work coordination at the BCP. So, cooperation and organisation of conferences, seminars, workshops and joint events between the SCC and RS is highly appropriate and can be recommended among the future activities.

Over the 30 months of the Project implementation some opportunities for future development have been already identified by the Project Beneficiaries. In this sense, given the existence of UNDP competent staff, as well as a positive institutional understanding established between the customs agencies of both countries – Azerbaijan and Georgia, considering the need for further expansion of technical expertise, “peer to peer” collaboration and training of SCC and RS staff on protection and enforcement of IPRs at the border could be suggested.

Within the technically specialized Integrated Border Management framework, it appears fully appropriated to continue providing technical assistance focusing on trade facilitation and, among other issues, intellectual property protection.

Among concrete fields of collaboration, some that may be mentioned here are actions that will help continue augmenting awareness of IBM & IPRs in both Georgia and Azerbaijan, increase institutional strengthening both institutions – the SCC and the TS, assist in the implementation of new procedures and continue with the creation of tools and instruments which facilitate trade at the border.

A non-exhaustive list of joint technical activities could include:

- Execution and follow up on the Results of the current project in relation to the Trade Facilitation Centre (equipment, establishment of the electronic database for exchanging of information, Quality Management Systems);
- Further work and regional cooperation on SPS & TBT requirements as element of food security and food safety as well as control of compliance at the border;
- Capacity building and assistance to the border inspectors with training on the use and trouble shooting of available or newly procured equipment, appropriate use of tools and technical and financial resources (overall objective of modernisation and efficient management at the BCP);
- One of the options for laboratory support could be its accreditation towards ISO standards, training of the laboratory staff on efficient management and planning);
- Specific capacity training (using ToT methodology) in relation to IPR enforcement actors (for both customs and police);
- Hosting workshops and seminars and training for members of the customs on IPRs.

Specific interest and attention given to enforcement of Intellectual Property Rights can be explained by a number of factors. First of all, the EU’s strategy to enforce IPR in non-EU countries is in place since 2014. The objective of this strategy is to promote better intellectual property standards in non-EU countries and stop the trade in IPR-infringing goods. Selling fake and counterfeited goods not only harms the sales of EU exporters, but also undermines the trusts of consumers. Considering that industrial, as well as agricultural products and

foodstuffs with protected geographical denominations are crossing the border at the BCP “Red Bridge” such technical assistance and specific training would be highly relevant and appropriate. From the international perspective, Georgia is WTO Member with TRIPs Agreement commitments as well as a Member of the Lisbon Agreement on the Protection of Appellations of Origin, while Azerbaijan is negotiating accession to the WTO and very mindful of the TRIPs Agreement provisions, with understanding that intellectual property rights need access to effective, solid and predictable legal system and particular attention at the borders.

The EU interest in providing such help and technical assistance is explained by the need of effective Intellectual Property (IP) enforcement not only in the EU but also at the borders of other countries when such goods are crossing them, due to commercial-scale counterfeiting and piracy causes:

- financial losses for right holders and legitimate businesses, both in the European Union and in other countries;
- lack of IP protection undermines the EU’s and other countries advantages in innovation and creativity, harming businesses and people;
- counterfeited and fake goods cause risks to consumer health and safety, and the environment.

Important and interesting experience of the EU legislation would be recently adopted Regulation (EU) No. 608/2013 of the European Parliament and of the Council of 12 June 2013 concerning customs enforcement of intellectual property rights. If considered appropriate in the light of this evaluation and after completion of this project, it could be a priority for the future cooperation.

Businesses of Azerbaijan, Georgia and the European Union are looking forward to fast and efficient procedures at the border and effective protection and enforcement of IP rights in relation to trademarks and designs. To sum up, from a technical perspective, time, budget and other contextual circumstances permitting, there is ample leeway to expand EU cooperation in the future.

Final, but nevertheless, crucial aspect of the project was facilitation of trade between Georgia and Azerbaijan. While Georgia is already a WTO Member, Azerbaijan continues negotiations on WTO membership (WTO membership is a pre-condition for DCFTA negotiations – the latest meetings of the Working Group have been taking place in Baku in July 2018).

It should be highlighted that the priorities of the government of Azerbaijan related to trade and trade facilitation are outlined in the Development Concept “Azerbaijan – outlook for the future 2020”, State Program on “Socio-Economic Development of Regions of the Republic of Azerbaijan for 2014-2018” as well as in the CIB Program – IRP 1 “Working towards further deepening of bilateral economic and trade relations with EU” (i.e. chapter 3.5 on SPS).

The activities of the project “Support to the development of Red Bridge Border Crossing Point between Azerbaijan and Georgia” were very much linked to the WTO Trade Facilitation Agreement, Agreement on the Application of the Sanitary and Phytosanitary measures requirements and helped Azerbaijan to improve the situation from the perspective of trade promotion and trade facilitation.

## **1. Introduction**

### **1.1. Purpose of the Final Evaluation and objectives**

The purpose of the Final Evaluation of the project “Support to the development of Red Bridge Border Crossing Point between Azerbaijan and Georgia” is to assess progress towards the achievement of the project objectives and results as specified by the Project Document, focusing on the relevance and sustainability of outputs as contributions to mid-term and long-term objectives, reviewing the project’s strategy, its risks to sustainability and providing recommendations, which should feed into the on-going trade facilitation dialogue between Georgia, Azerbaijan, EU and subsequently into the programming process.

The specific objective of the project is to carry out an independent evaluation of the project “Support to the development of Red Bridge Border Crossing Point between Azerbaijan and Georgia”, is clearly formulated by the ToR.

This Evaluation Report provides evidence-based information that is credible, reliable and useful. The Evaluator reviewed all relevant sources of information including documents available during the preparation phase (i.e. the UNDP Initiation Plan, the Project Document, project reports, project budget revisions, national strategic and legal documents, and other materials that the evaluator considered useful for this evidence-based review – full record of consulted documents is presented in Annex 8 to this Report).

### **1.2. Scope of the evaluation and methodology**

The scope of evaluation covers project design, project strategy, results outlined in the Logframe, progress made towards achievement of outlined results, management arrangements undertaken and planning of work during the implementation of the project, mechanisms of financing and allocation of financial and human resources, project monitoring and evaluation systems, engagement of the stakeholders from the both sides – Azerbaijan and Georgia, reporting requirements and internal, as well as external, communication. Evaluation criteria of relevance, effectiveness, efficiency, impact and sustainability, plus coherence and added value are taken by the Evaluation Expert as priority in making assessment of the achieved results of the project after almost 3 years - from the period of September 2015 (design of the project) till September 2018 (when the project ends).<sup>1</sup>

The Methodology of the Evaluation Expert proposed assessment of the technical successes and achievements of the project, as well as challenges faced during the implementation of the project, presenting all information in a balanced and objective manner based on the documentation of the project and information provided by various stakeholders during the interviews and meetings.

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<sup>1</sup> These are DAC criteria, meaning in practical terms:

- Relevance, including the extent to which various problems and needs addressed by the project were relevant; relevance of the value added brought to the project;
- Impact: intended impact corresponding to each overall objective; unintended impact (if appropriate);
- Effectiveness: the extent to which the aims and objectives of the projects have been achieved;
- Efficiency: the extent to which the available resources were transformed through the projects' processes into the expected results;
- Sustainability: the extent to which achievements of the projects have been sustained and are likely to be sustained in the future. Among other things, this assessment will allow to identify several recommendations how to ensure the sustainability of main achievements of the projects.

The core idea of the Methodological approach of the Evaluation Expert was to follow a collaborative and participatory approach ensuring close engagement with the UNDP Country Office, EUD, project team, government counterparts (project beneficiary) and other key stakeholders. Stakeholder involvement included interviews (individual and group) conducted by the Expert during the mission (list of meetings organised and people interviewed is provided in Annex 7 to the Final Evaluation Report). In addition, the Evaluation Expert ensured that lessons learned from the successes and failings of the project are formulated into very practical advice and guidance for the identification, conceptualisation and design of future interventions (see relevant section of the Final Evaluation Report with practical recommendations provided).

### **1.3. Structure of the Final Evaluation Report**

In accordance with the ToR, the Final Evaluation Report consists of the four parts. The first part “Introduction” provides brief information about the project under evaluation, explains the purpose of the final evaluation and objectives, outlining the scope and methodology used by the Evaluation Expert. The second part of the report gives background context and project description and strategy.

The major, i.e. third part of the Evaluation Report is findings of the Evaluation Expert, which has the following four categories of project progress analyzed by the Expert:

**I. Project Strategy**, in particular, project design: the problem addressed by the project and the underlying assumptions; the effect of any incorrect assumptions or changes to the context to achieving the project results as outlined in the Project Document; the relevance of the project strategy and whether it provided the most effective route towards expected / intended results. Relevance of the project to country needs and priorities is highlighted, as well as ownership of both Azerbaijan and Georgia assessed. Results Framework / Logframe: a critical analysis of the project’s logframe indicators and targets is undertaken by the Evaluation Expert, focusing on the “SMART” the end-of-project targets (Specific, Measurable, Attainable, Relevant, Time-bound).

**II. Progress Towards Results** section reviews the logframe indicators against progress made towards the end-of-project targets using the Progress Towards Results Matrix and colour code progress in a “traffic light system” based on the level of progress achieved; assign a rating on progress for each outcome; make recommendations from the areas marked as “Not on target to be achieved” (red).

**III. Project Implementation and Adaptive Management** is also assessed in this section of the Evaluation Report. The overall effectiveness of the project management as outlined in the Project Document is reviewed by the Evaluation Expert, in particular, focusing on the issues of any changes made and their clarity, responsibilities and reporting lines clearly explained, decision-making process transparent and undertaken in a timely manner.

Specific attention is given to the work planning of the project under review: certain slight delays in project start-up and implementation, identify the causes and examining how they have been resolved during the implementation; work-planning processes results-based with suggestion of ways to re-orientate work planning to focus on results. Also examination of the use of the project’s results framework / logframe as a management tool has been conducted and changes made to it since project start were taken into account during the evaluation. The financial management of the project, with specific reference to the cost-effectiveness of interventions have been checked too.

In the course of the final evaluation the Project-level Monitoring and Evaluation Systems were examined. Engagement of all stakeholders and project management, participation and public awareness have been examined by the Expert answering specific questions of the ToR, based on the information obtained from the interviews, documented evidence of actual results of the project.

Important sources of information for evaluation of this project are reports of the project (progress, narrative and final), press releases, training materials and Modules, reports of the experts (see complete list of documents reviewed attached to this Report in Annex 8), interviews of the relevant stakeholders (UNDP, SCC, RS, etc. – list of people met and interviewed is also attached to this Report in Annexes 6 and 7).

**IV. Sustainability of the project results** section validates whether the risks identified in the Project Document, Annual Project Review/PIRs and the ATLAS Risk Management Module are the most important and whether the risk ratings applied are appropriate and up to date. In addition, the financial, socio-economic, environmental, institutional framework and governance risks to sustainability are carefully evaluated and reflected in the Final Evaluation Report of the Expert.

The forth part of the Final Evaluation Report provides evidence-based conclusions and recommendations, in light of the findings. It includes the ratings of the project's results and brief descriptions of the associated achievements in Evaluation Ratings & Achievement Summary Table (as provided by the ToR).

Important to underline that the Final Evaluation Report is supported by Annexes as requested by the ToR with detailed technical information explaining the findings of the expert and proving that they have been evidence-based, credible and reliable.

## **2. Project description and background context**

The project under evaluation supported the implementation of the concept of Integrated Border Management on the borders between two countries – the Republic of Azerbaijan and the Republic of Georgia, according to European and international standards and best practices, with the dual objective to secure the borders and to facilitate the legal passing of persons and goods. The objectives of the project were achieved by providing joint training on BCP sanitary and phyto-sanitary (SPS) controls, as well as developing the necessary infrastructure and equipment on both sides, namely a secured customs area in Azerbaijan and SPS control facilities in Georgia, including sampling equipment.

It is clear that other cross-cutting issues and points were within the scope of the project, such as environmental, socio-economic dimensions, institutional and policy factors, as project was targeting capacity building of the two major governmental bodies. It should be underlined that all the activities of the project followed EU standards and best practices laid out in the Schengen Catalogue and IBM guidelines. In particular, the following can be communicated by the Evaluation Expert:

- Good governance and human rights: the project under evaluation had no negative impact on minority and vulnerable groups. On the contrary, by introducing EU norms, it promoted good governance in both countries.
- Gender balance: the project activities promoted gender balance by ensuring that women's participation in training activities is encouraged.

- Environment: capacity building components of the programme (constriction of fence, administrative building and laboratory) took into consideration the environmental sustainability of projects. Infrastructure activities respected environmental concerns.

Final, but nevertheless, very important aspect of the project was facilitation of trade between Georgia and Azerbaijan. While Georgia is already a WTO Member, Azerbaijan continues negotiations on WTO membership (WTO membership is a pre-condition for DCFTA negotiations). The priorities of the government of Azerbaijan which are related to trade and trade facilitation are outlined in the Development Concept “Azerbaijan – outlook for the future 2020”, State Program on “Socio-Economic Development of Regions of the Republic of Azerbaijan for 2014-2018” as well as in the CIB Program – IRP 1 “Working towards further deepening of bilateral economic and trade relations with EU” (i.e. chapter 3.5 on SPS). The activities of the project “Support to the development of Red Bridge Border Crossing Point between Azerbaijan and Georgia” were very much linked to the WTO Trade Facilitation Agreement, Agreement on the Application of the Sanitary and Phytosanitary measures requirements and helped Azerbaijan to improve the situation from the perspective of trade promotion and trade facilitation.

Before the project, on the Azerbaijani side, from a customs perspective, the two key challenges were identified:

- The need to improve SPS sampling at the border (while central national SPS laboratories were in place and a national framework has being established, BCPs remained to be a weak point in the system as the SCC did not have adequate equipment to collect and store samples; errors in sampling often lead to incorrect results, or required repeated sampling which further delayed waiting times at borders – this was considered a real obstacle for traders);
- Lack of a secure customs clearance area (absence of a secure customs clearance area outside of the BCP meant that shipments which could not be cleared immediately hold up processing for all shipments – another real and concrete example of factors that hugely impede the process of movement at the border). Need for secure ‘overflow’ area for secondary checks was essential element for facilitation of border flows, in line with OSCE recommendations<sup>2</sup>. The SCC had plans to establish a dedicated terminal area at Red Bridge (in line with their action plan), however, establishing fencing was identified as a kick-start for the process and a base for the Government to continue more specific investments.

Georgian side also had challenges related to establishing facilities for EU standard SPS verification at the BCP. Therefore, project focused primarily on sanitary, veterinary and phyto-sanitary part of the customs, which was identified as the segment needing most support within the Georgian customs, not least given the obligations of EU-Georgia association agreement as well as supporting trade facilitation with Azerbaijan.

From the above, it can be concluded that the project targeted real problems and needs of the beneficiaries: on Azerbaijan side there has been no fenced off control area, so passing of vehicles has been hugely inconvenient; on Georgian side no SPS facilities necessary for ad hoc controls have been in place, so that also caused barriers for proper inspection of goods; both sides at the Red Bridge crossing point had limited awareness on EUMSs best practices and SPS control and wished to upgrade their knowledge and expertise in full compliance with international and EU best practices and requirements. So, focus of the activities of the project were on strengthening the training capacities of the beneficiary countries, with SPS and inter-agency and international cooperation as leading principles to ensure smooth legal movement

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<sup>2</sup> OSCE Handbook of Best Practices at Border Crossings, 2012 (“Options for the Design of BCP’s”).

of people and goods between the borders. Logically, corruption problem as well as respect for human rights received the necessary attention throughout the activities of the project.

Specific objectives of the project were support institutional development and capacity building of the Georgian RS and SCC of Azerbaijan, including building capacity to carry out SPS controls and exchange of information as appropriate as well as to improve their operational capacities through provision of better infrastructure and modern technology.

The following results have been indicated by the Project Document:

- Improve capacity of both Azerbaijani SCC and Georgian RS in the management of SPS related issues through strengthening systematic SPS control, assessment of training needs, development of ToT modules (to ensure systematic SPS trainings for staff and new recruits), availability of certified trainers in SPS issues; incorporation of SPS related issues to the curriculums of the national customs academies of both countries to ensure sustainability;
- Improve secure traffic flow on the Azerbaijani side of the Red Bridge achieved through improved SPS controls of Azerbaijani SCC and the establishment of fenced-off control area according to the baseline indicators and statistical info provided by SCC;
- Improve secure traffic flow on the Georgian side of Red Bridge achieved through improved SPS inspection facilities according to the baseline indicators and statistical info provided by RS.

The project “Support to the development of Red Bridge Border Crossing Point between Azerbaijan and Georgia” had following two components:

**Component 1:** Joint Training in EU SPS border check norms for key personnel of Azerbaijani SCC and Georgian RS.

The training activity covered in particular four topics:

- General SPS Control Checks at EU Border Inspections Posts (general topic - for all);
- Phytosanitary (Plant Health) Issues (specific for Phytosanitary Inspectors);
- Veterinary (animal health) Issues (specific for Veterinary Inspectors);
- Food Safety (for all).

This component of the project was building its work on the existing training activities of Azerbaijan and Georgia customs authorities, carried out with additional technical support.

**Component 2:** Infrastructure and equipment support to Azerbaijani SCC to facilitate movement and increase security at Red Bridge. This included:

- Completion of a fence around the customs area on the Azerbaijan side to ensure that goods that are to be cleared are under constant control of the authorities;<sup>3</sup>
- Procurement of EU standard laboratory sampling equipment permitting Azerbaijan SCC to efficiently collect and store SPS samples to be verified in central laboratories.

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<sup>3</sup> This recommendation was provided in line with the provisions of the OSCE Handbook of Best Practices at Border Crossings, 2012 ("Options for the Design of BCP's, p. 137).

**Component 3:** Infrastructure and equipment support to the Georgian RS to facilitate movement and increase security at Red Bridge. This included:

- Construction of the SPS facilities at the border, i.e. laboratory, development of the Technical Specifications for the construction of the laboratory and sampling equipment;
- Procurement, delivery and installation of equipment for the Red Bridge BCP, in line with the needs of the Georgian RS.

It should be pointed out that all three components have been interlinked and interconnected, as laboratory equipment required training on use and maintenance of the procured equipment, activities for training have been conducted jointly.

The concrete results expected after implementation of the project are the following:

- Red Bridge BCP meets international and EU SPS requirements and best practices and functional on both sides of the border;
- SPS facilities are constructed and equipped;
- Awareness, upgrade of knowledge and expertise on EU best practice of conducting SPS controls at BCPs of the staff of the SCC and RS;
- Fenced off control area is constructed;
- Systematic training activities for SCC and RS staff on implementation of SPS control on border checkpoint, customs conventions, SPS new sampling equipment.

Project implementation arrangements are provided by the Project Document indicating that UNDP Country Office in Azerbaijan has the overall responsibility for implementation of the project and liaison with the EU Delegation in Azerbaijan.

UNDP managed the overall budget and procurement of inputs required for implementation of the action – respectively UNDP Country Offices in Baku and Tbilisi. UNDP was also responsible for monitoring of the implementation of the action by the project team, for timely reporting of the progress to the EU as well as organising this external final evaluation of the project. UNDP Project Managers supported co-ordination and networking with other related initiatives and institutions in the countries, as well as exchanged information internally.

Two project teams have been established for the daily management of the action, carried out by the Project Management Unit. Each team - one in Georgia and one in Azerbaijan, has been composed of a Country Manager, two national experts, a Financial / Administrative Assistant, part-time infrastructure engineer and a driver. The role of the Country Manager was to lead Project Team, report directly to nominated individuals within their respective UNDP Country Offices.

The UNDP's main national counterparts associated with the implementation of the action were:

- in Azerbaijan – the State Customs Committee;
- in Georgia – the Revenue Service.

For the proper implementation of the action, a Project Steering Committee was established and was meeting regularly (not less than once a year), to monitor the progress and results achieved in line with the logframe of the project and guide the implementation.



The Project Steering Committee Members has been composed of the representatives of the SCC, RC, UNDP and EC (complete list of participants of the PSCM is among documents examined by the Evaluation Expert).

In relation to project timing it should be noted that original planning was suggesting action up to 48 months (considering that two components of the project were construction, which requires time indicated). However, project was planned to be implemented within 24 months – from January 2016 till December 2017. Extension of the project was requested without additional financial means and granted till the end of September 2018. Extra 9 months have been necessary to complete the construction (which was slightly delayed, starting in March – April and not January 2016 due to the weather conditions – rainy season). Granting such additional time for the project completion was appropriate and fully justified, it also allowed better planning and organisation of the additional training activities on SPS.

### **3. Findings of the Evaluation Expert**

#### **OUTLINE OF THE SCOPE OF THE FINAL EVALUATION**

The scope of the final evaluation covers all activities undertaken in the framework of the project – from the design stage till the time of the Final Evaluation Report drafting – August 2018. The Evaluation Expert provides an overview of the planned outputs of the project and progress made to achieve the actual outputs, assessing the actual results to determine their contribution to the attainment of the project objective.

#### **3.1. Evaluation of the Project Strategy**

It is fully appropriate to start evaluation of the project from revealing the reasons for initiation of that project and underlying assumptions. Back in 2014, the need of improving security, reducing smuggling and human trafficking and facilitating mobility of people across non-EU borders in EaP countries has been identified. Request for assistance has been made seeking support to approximate border management rules and adopt best practices in line with EU border management standards.

A number of projects were funded under this initiative, based on proposals submitted by EaP countries. In this context, the Governments of Georgia and Azerbaijan have submitted a proposal for “Implementation of Infrastructure at the *Red Bridge* Crossing Point” to be considered for funding under the EaP IBM Flagship Initiative in 2014. This proposals was carefully assessed and defined into a project. Despite substantial investments and development of transport and logistics infrastructure on both sides of the BCP, along the major transnational connection, carriers and passengers were still facing long queues and waiting times at that Border Crossing Point. Removal of non-infrastructure related bottlenecks and uniform approach towards integrated BCP management was identified as a necessity in this respect.

The assumptions of possible negative impacts on the project in relation to interest and engagement of the project beneficiaries, as well as stability of the political situation, have been correctly pointed out. However, in the course of implementation of the project political situation has been stable in Azerbaijan and Georgia and did not pose any impediments for the project realisation. Both beneficiaries have been fully engaged and motivated, so project planning and achievement of results as have been foreseen in the logframe have been de facto

realised. In addition, it should be pointed out that there were no incorrect assumptions or changes to the context for achieving the project results as outlined in the Project Document.

It should be underlined that successful and prompt implementation of the project under evaluation relied and expected active participation of both countries involved. Such risk was identified as low to medium (considering the involvement of both services – the Georgia Revenue Service and the State Customs Committee of the Republic of Azerbaijan in the project design). In general, risks linked to the wider political and institutional aspects, such as institutional weaknesses or lack of political will, were also noted and taken into consideration, but implemented by the UNDP with support of the EU Delegations in the respective countries those risks also did not hamper the project outcomes.

The project strategy is a description of the understanding how the results would be achieved, clearly explained by the Project Document. As the overall objective of the project under evaluation was to support the Governments of Azerbaijan and Georgia in securing their borders and facilitating the legal passing of persons and goods at the Red Bridge Border Crossing Point (BCP), the necessary assessment of the situation was conducted and concrete needs have been outlined. First of all, as the majority of goods crossing this inspection post are agricultural products and foodstuffs (at seasons over 70% of total consignments are with agricultural produce), the priority for the training was sanitary and phyto-sanitary (SPS) controls, as well as developing the necessary infrastructure and equipment on both sides, namely a secured customs area in Azerbaijan and SPS control facilities in Georgia, including sampling equipment.

The project strategy provided the most effective route towards expected results, which were the following:

- Improved capacity of both Azerbaijani SCC and Georgian RS in the management of SPS related issues.

This result was planned to be achieved through:

- assessment of training needs,
- strengthening systematic SPS control,
- development of Train of Trainers Modules (to ensure systematic SPS trainings for staff and new recruits), availability of certified trainers in SPS issues;
- incorporation of SPS related issues to the curriculums of the national customs academies of both countries to ensure sustainability.

The second result of the project was:

- Improved secure traffic flow on the Azerbaijani side of the Red Bridge.

In order to achieve this result it was necessary to improve SPS controls of Azerbaijani SCC by establishing fenced-off control area according to the baseline indicators and statistical info provided by SCC.

- Improved secure traffic flow on the Georgian side of Red Bridge.

The following important lessons from implementation of other projects<sup>4</sup> have been incorporated into the strategy of the project under evaluation:

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<sup>4</sup> One of the projects that could be mentioned in that respect is TRACECA (Transport Corridor Europe-Caucasus-Asia), an EU-funded assistance programme involving the European Union and 14 member states of the Eastern

- 1) assistance in a sensitive area such as border management had to be developed through a constant and often time-consuming dialogue with beneficiary governments (both project managers of the UNDP in the regional offices of Tbilisi and Baku have been working daily on implementation of the project full time);
- 2) combination of the national and bilateral / regional approach – when common activities for capacity building have been organised, in particular, regional approach ensured coherence and encouraged harmonisation of global procedures among beneficiary countries, while with national approach, projects had to be tailor-made and reply to the needs of each country;
- 3) the provision of equipment had to be linked to training sessions dedicated to the equipment's use and maintenance, therefore, project had one specific component with training activities;
- 4) development and use of Train of Trainers concept and involvement to the whole chain of the process including selection of the trainers to the certified ToT programme;
- 5) planning and organisation of the activities with the respective SCC of Azerbaijan and RS of Georgia with their active engagement to ensure “ownership” of the project;
- 6) effective use of the available financial resources, allocation of the resources to the needs as outlined by the beneficiary and assistance in a particular area with a mid- to long-term perspective to ensure sustainability.

Although lessons learned from other project evaluations a specific reach, many references were useful and relevant for the current project and for this reason were incorporated into the design of the project. This was a very positive factor contributing to the successful implementation of the project.

The project under evaluation can be presented as an example of addressing the country priorities and needs. The project strategy clearly outlined the country priorities providing detailed overview of economic and social situation analyses and justification.

First of all, the Republic of Azerbaijan and Georgia have both very specific and strategic location - on the crossroad of Europe and Asia. The Red Bridge crossing point plays an important role in creating the business hub in the South Caucasus Region and making the trading liaison between Europe and Asia. Meanwhile the Republic of Azerbaijan and Georgia are the parts of the Silk Road, a system of trade routes connecting China to Europe. In this regard, the border crossing points Siniq Korpu/Red Bridge was highlighted as the main streamline point for providing a continuous, reliable, and direct land transport service between Europe and Asia.

It is essential for the evaluation to explain why and how priorities of the Republic of Azerbaijan were taken into account while suggesting the design and strategy for implementation of activities for achieving outlined results. This can be seen in a number of arguments provided below:

- Choice of the location – BCP “Red Bridge” lies on a strategically important crossroad within the scope of geographical location in relation to international trade and transport corridor. Therefore, efficient development of transit area, effective integration into global economy, development of transport links have been identified as one of the important priority directions of the economic policy of the Republic of Azerbaijan.

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European-, Caucasian- and Central Asian regions. It had a permanent secretariat, in Baku, Azerbaijan, and a regional office in Odessa, Ukraine. Since 2009, the organisation has been entirely financed by member countries.

- Objective of trade facilitation - modernization of customs infrastructure plays an important role in the integration process of international trade. Sufficient development of import-export operations and integrated processes cannot be considered without the existence of operative and secured customs services. In this regard sustainable development of customs area is the significant part for the international integration process. One of the important mechanisms for supporting the economic development and stability are the initiatives concentrated on the simplification and harmonization of customs procedures and supply chain security.
- National sector development priorities – National policy of Azerbaijan with plan up to 2020<sup>5</sup> states Transport sector and its development as a priority, therefore, the customs administration of the Republic of Azerbaijan within the scope of the national governmental programs conducts a number of activities in relation to the modernization of customs system. The objectives in this particular area are oriented on the simplification and harmonization of customs formalities and procedures on the BCPs and on inland customs offices.
- Azerbaijan has a multi-vector policy, where one of the priorities is EU cooperation, therefore, full engagement of the beneficiary in the EU funded project was one of the important tasks of the State Customs Committee of the Republic of Azerbaijan is the modernization process of BCPs in light of international standards and using best European practices. The State Customs Committee of the Republic of Azerbaijan was delegated the power of the management of the “single window” system, so the choice of the beneficiary of this project was logical and correct, proving that implementation of the project would be successful.

The Republic of Georgia has its own priorities, but was fully engaged in the process of design and implementation of the project. Moreover, priorities of Georgia and country needs have been taken into account. That can be proved by the following factors:

- Georgia has signed an Association Agreement with the EU in June 2014 with priorities of adoption of a new Integrated Border Management Strategy and Action Plan covering the period from 2014-2018, so training activities of the project under the evaluation directly contributed to the country needs and priorities within the IBM objectives.
- Choice of the project beneficiary - Georgia Revenue Service (Tax and Customs Administration – SPS Border Control Agency) of the Ministry of Finance of Georgia conducting the whole customs procedures including veterinary, sanitary and phytosanitary control on the border needed specific SPS training to upgrade their knowledge and fully fit to execute mandate for the SPS controls at the border.
- National priority of Georgia - development and modernization of modern border crossing points while meeting the international standards had been one of the most important priorities for the country. The border crossing point “Red Bridge” on the border with the Republic of Azerbaijan has been always one of the busiest border crossing points taking an important role for the transit cases as well. The recommendations and the assessments being conducted within a number of previous EU funded projects have been considered and particular attention was paid to continuation of the work initiated by the Twinning Project on “Strengthening the National Customs and Sanitary, Phyto-Sanitary Border Control in Georgia”. Divergence matrix between the Georgian and EU legislation on SPS field regulatory legislation and SPS border control study procedures were developed and need in

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<sup>5</sup> At the national level in Azerbaijan construction / renovation / modernization process of five land BCPs of international level have been finalized in accordance with the State Programme on Development of the Customs System of Azerbaijan Republic within 2007-2020.

implementing recommendations has been identified. So, the project under evaluation was a direct reply to the needs fully justified.

- In terms of infrastructure required for border inspection points, it was determined in accordance to the analysis of monitoring results of movement of SPS goods through border inspection points. On the border inspection points a number of infrastructures design have been developed (construction projects), and list of necessary equipment for control was prepared.

So, from the above provided points it can be concluded that the project concept was fully in line with the national sector development priorities and plans of the countries in question and the project indeed addressed the country priorities. Specific objectives of the project were to support institutional development and capacity building of the Georgian RS and SCC of Azerbaijan, including building capacity to carry out SPS controls and exchange of information as appropriate as well as to improve their operational capacities through provision of better infrastructure and modern technology, so the choice of the concrete beneficiaries was logical and appropriate.

The decision-making process engaged both beneficiaries, i.e. the Georgian RS and SCC of Azerbaijan, and required coordination of Project Managers of the UNDP – based in Baku and in Georgia. Interviews and meetings conducted with all project partners confirmed that interests and perspectives of those who would be affected by project decisions, as well as those who could affect the outcomes were taken into account. Each stage of the process of the project implementation was well documented and process of taking decisions was transparent. Timely and regularly press releases have been prepared, so information was contributed fully and shared with the wider audience. Interest from the general public to this project was linked to the special significance of security of the international supply chain for the detection of threats and the prevention of illicit trafficking of arms, drugs and other illegal goods, contributing to international terrorism.

In relation to project design and overall process of preparation of the project documents there were no concerns expressed and no specific issues for improvement signalled during the evaluation. One of the reasons for that could be pointed out – clear definitions of the obligations of the parties in the agreed documents – such as Cost Sharing Agreement signed between the UNDP and SCC. Such document guaranteed obligations and financial contribution of both partners for the execution of the project activities (similar document was signed between the UNDP and Georgian RS).

The project logical framework is an important tool for monitoring purposes and assessment of the progress made, as it allows timely revision and attention to specific components of the project. Analyses of this logframe would be helpful to illustrate how all targets of the project have been achieved. For example, for achieving the first result, i.e. enhanced capacity and infrastructure of both Azerbaijan SCC and Georgian RS in the management of the SPS related issues, three specific indicators have been proposed:

- 1) the number of common capacity building activities carried out (as there were no common capacity building activities in the area of SPS between the two countries);
- 2) the Red Bridge BCP to meet the international and EU SPS standards and function on both sides of the border (as SPS checks at this BCP were not conducted in full compliance with international and EU regulations);
- 3) awareness on EUMSs best practice on SPS control at BCPs and systematic SPS training activities for the staff.

These indicators are specific – they are clear and well understood by the beneficiary, measurable – such as number of training activities (at least 10 common capacity building activities to be carried out) or people to be trained (at least 10 AZ staff and 10 GE staff to

participate in the study visits to EUMS) and concrete (SPS control equipment based on international standards procured, installed and available) – they are all included into the logframe, indeed, attainable, relevant and time-bound – the time line of the project is provided.

Similar analyses can be provided for achieving results 2 and 3 of the project, i.e. infrastructure and support to Azerbaijan SCC to facilitate

The specific objectives of the project under evaluation to support institutional development and capacity building of the Georgian RS and SCC of Azerbaijan, were clear and practical, as it anticipated that at the end of the project the following three concrete results would be achieved:

- Improved capacity of both Azerbaijani SCC and Georgian RS in the management of SPS related issues;
- Improved secure traffic flow on the Azerbaijani side of the Red Bridge;
- Improved secure traffic flow on the Georgian side of Red Bridge.

The logframe outlined what activities have to be implemented to achieve each of the results and plan supporting the logframe indicated the timing. For example, project office establishment was done promptly during the initial phase of the project – during the 3<sup>rd</sup> and 4<sup>th</sup> months, recruitment of the staff – during the 5<sup>th</sup> and 6<sup>th</sup> months. At the same time project activities have started too, with implementation extended without extra budget – up to September 2018.

The project results framework did not include wider development effects, for example, gender equality and women’s empowerment, but actual results and statistics showed that a number of women were trained (as well as interviewed by the Evaluator – among them Veterinary and Phytosanitary Border inspectors from Georgia, as well as Project Manager of the UNDP Country Office), so, it can be concluded that in addition to the outlined specific results, indirect positive effects of the project implementation are certainly taking place.

For the future projects monitoring purposes, the Evaluation Expert can suggest additional indicators of gender of participants – in order to highlight a gender equality dimension of the projects, as well as a number of employees engaged by the direct beneficiaries, which would help to monitor and report on improved governance and certainly income generation (as in the new constructed facilities more people would be employed and that is an important element for the evaluation of the sustainability, relevance and effectiveness of the EU developmental actions).

### **3.2. Assessment of Progress Towards Results**

As required by the Terms of Reference, the review of the logframe indicators against progress made towards the end-of-project targets is made by the Evaluation Expert, presented in a Table format, using the Progress Towards Results Matrix and colour code progress in a “traffic light system” based on the level of progress achieved; assigning a rating on progress for each outcome.

Project Strategy	Indicator	Baseline Level	Level in 1 <sup>st</sup> PIR (self-reported)	Midterm Target	End-of-project Target	Midterm Level & Assessment	Achievement Rating	Justification for Rating
The overall objective of the project is to facilitate the movement of persons and goods across border between Georgia and Azerbaijan, while at the same time maintaining secure borders through the enhancement of bilateral and multilateral co-operation among the target countries, and EU Member States.	Protocol on preliminary data exchange signed.	2015 Protocol not signed	2016 Protocol signed – when?	2017	2018 Protocol to be signed		5 (S)	
	Common capacity building activities carried out.	No common activities are taking place.	3 bilateral WS on different EU best practices on Phyto-sanitary, Veterinary and Food Safety border control issues. Over 200 AZE SCC inspectors working at BCPs were trained in 6 national trainings delivered by EU experts from Latvia, Lithuania and national experts. 60 GEO Revenue Service representatives working at the BCPs, were trained in four national trainings. 45 officials were trained in “Procedures for import control of food and feed of non-	More than 300 Azerbaijan officials from SCC participated in 13 events organized by the project. AZE SCC officials participated in 2 study visit, 3 bilateral trainings, 8 national trainings/workshops. More than 160 Georgian officials from Revenue Service of Ministry of Finance participated in 19 events organized by the RBIBM project (in 2 study visits, 2 Training of trainers	At least 10 common capacity building activities carried out	More than 50% achieved	6(HS)  Excellent performance result has been achieved	From the Progress & Narrative reports as well as other documents provided for evaluation it can be seen that common capacity building activities have been carried out during the implementation of the project.

			<p>animal origin” by Georgian instructors and 15 in “Modern Border Control Procedures by Electronic Means” by EU experts from Poland.</p> <p>2 Study visits for AZE and 2 Study visits for GEORRS were organized during the reported period.</p>	<p>activities, 3 bi-lateral workshop, 8 national workshops and 4 national trainings).</p>				
	<p>SPS Control equipment procured and delivered.</p> <p>SPS facilities functional on both sides of the border.</p>	<p>2015</p> <p>SPS Checks at Red Bridge are not conducted in full compliance with the EU regulations.</p>	<p>2016</p> <p>Tender announced in August 2016, equipment purchased</p>	<p>2017</p> <p>Handover ceremony of HPLC laboratory and IT equipment is on 18 January 2017 at Baku State Customs Administration building</p> <p>Training conducted or inspectors on the new</p>	<p>2018</p> <p>Red Bridge BCP to meet international SPS standards (equipment available and used)</p>	<p>Timely procedures for equipment procurement have been initiated, good progress towards achieving indicated target</p>	<p>6(HS)</p> <p>Excellent performance result has been achieved (well before the end of the project)</p>	<p>SPS equipment based on international standards procured, installed and available for use. Important to note that training for using equipment has been conducted during the project well before the final phase – this is excellent performance.</p>



<p>The specific objectives of the project are to</p> <p>[O1]: Develop closer co-operation among the Georgian RS and Azerbaijani SCC, especially in the area of SPS;</p>	<p>Information related to SPS control is exchanged on a regular basis between Georgia and Azerbaijan;</p> <p>Public Awareness is raised on SPS controls</p>	<p>2015</p> <p>No legal act on co-operation</p> <p>To be defined in 2015 (survey)</p>	<p>2016</p>	<p>2017</p>	<p>2018</p> <p>Legal act on co-operation adopted and in force</p> <p>To be verified in 2018 (survey)</p> <p>+5%</p>	<p>All the activities conducted logically were leading to the establishment of the co-operation</p>	<p>5(S)</p> <p>Result has been achieved</p>	<p>See above information in the joint activities of the SCC and RS – study tours and workshops.</p>
<p>[O2]: Facilitate trade between Georgia and Azerbaijan</p>	<p>Trade turnover between the countries increased</p>	<p>To be defined in 2015 (trade statistics)</p>	<p>2016</p> <p>At least 525</p>	<p>2017</p> <p>At least 600 traffic per day</p>		<p>NA</p>	<p>4(MS)</p> <p>Result has been achieved</p>	<p>Statistics provided by the customs during the evaluation mission</p>
<p>The following results will be achieved:</p> <p>[R1]:Improved capacity of both</p>	<p>SPS staff participate in Study visits in</p>	<p>No systematic SPS training</p>	<p>2016</p> <p>3 bilateral WS on different EU best practices on Phytosanitary, Veterinary and Food Safety border control issues.</p>	<p>2017</p> <p>More than 300 Azerbaijan officials from SCC participated in 13 events organized by the project.</p>	<p>2018</p> <p>At least 10 common capacity building activities carried out</p>	<p>More than 50% achieved</p>	<p>5(S)</p> <p>Excellent performance, result has</p>	<p>From the Progress &amp; Narrative reports as well as other documents</p>

Georgian RS and Azerbaijani SCC in the management of SPS related issues;	EUMS  SPS staff of customs agencies is trained in SPS topics.	of staff  No systematic SPS training of staff	Over 200 AZE SCC inspectors working at BCPs were trained in 6 national trainings delivered by EU experts from Latvia, Lithuania and national experts. 60 GEO Revenue Service representatives working at the BCPs, were trained in four national trainings. 45 officials were trained in “Procedures for import control of food and feed of non-animal origin” by Georgian instructors and 15 in “Modern Border Control Procedures by Electronic Means” by EU experts from Poland. 2 Study visits for AZE and 2 Study visits for GEO RS were organized during the reported period.	AZE SCC officials participated in 2 study visit, 3 bi-lateral trainings, 8 national trainings/workshops. More than 160 Georgian officials from Revenue Service of Ministry of Finance participated in 19 events organized by the RBIBM project (in 2 study visits, 2 Training of trainers activities, 3 bi-lateral workshop, 8 national workshops and 4 national trainings).			been achieved	provided for evaluation it can be seen that common capacity building activities have been carried out during the implementation of the project.
[R2]: Improved secure traffic flow on the Azerbaijani side of the Red Bridge achieved through	Fenced off control area constructed according to international standards	2015  Ad hoc SPS control  No fenced	2016  Identification of the proper land territory  October 2016 –	2017  September 2017 – tendering process for the bid “Construction of Customs Trade	2018  Completion of work on the construction of Customs Trade Facilitation Operation Unit at RB BCP is	More than 70% achieved	6(HS)  Excellent performance result has been achieved	Result 2 of the project has been achieved and in addition, completion of

improved SPS controls of Azerbaijani SCC and the establishment of fenced-off control area;	Construction of Customs Trade Facilitation Operation Unit at RB BCP  Systematic SPS control according to international standards is in place	off control area  No regular exchange of information	announcement of the tender;  Checks of the completed work – 23-26 December 2016	Facilitation Operation Unit at RB BCP”	expected in September 2018.  Fenced off control area constructed and secured sampling area in place; necessary trainings for SCC on sampling equipment conducted.		In addition, completion of work on the construction of Customs Trade Facilitation Operation Unit at RB BCP is expected in September 2018.	work on the construction of Customs Trade Facilitation Operation Unit at RB BCP is expected in September 2018 (check up visit was conducted in June 2018).
[R3]: Improved secure traffic flow on the Georgian side of Red Bridge achieved through improved SPS inspection facilities.	SPS facilities and equipment are in place  Systematic SPS control according to international standards are in place	2015  SPS facilities and equipment are outdated or do not exist, ad hoc SPS control	2016  Tender announced in August 2016, equipment purchased	2017  Training conducted or inspectors on the new	2018  Red Bridge BCP to meet international SPS standards (equipment available and used)	Timely procedures for equipment procurement have been initiated, good progress towards achieving indicated target	6(HS)  Excellent performance result has been achieved (well before the end of the project)	SPS equipment based on international standards procured, installed and available for use. Important to note that training for using equipment has been conducted during the project well before the final phase – this is excellent

								performance.
[R4]: Project management	NA	2015 – start of the project implementation	2016 Prompt and efficient daily management of the project activities, reporting on time	2017 Prompt and efficient daily management of the project activities, reporting on time	2018 Prompt and efficient daily management of the project activities, reporting on time	Timely and efficient progress towards achievement of the indicated results	5(S)  Excellent performance, satisfaction of the project beneficiary	Management of project and implementation of all activities according to UNDP and beneficiary requirements.

**Indicator Assessment Key**

Green= Achieved	Yellow= On target to be achieved	Red= Not on target to be achieved
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The project will be finalised and completed after the evaluation mission of the Expert will be done (end of August 2018). However, there are no barriers for the achievement of the project objectives in the remainder of the time. Moreover, it can be seen in the relevant sections of the Final Evaluation Report that all stated objectives have been achieved and even additional actions have been completed with the available budget.

Certain aspects of the project have been particularly successful, among them training activities when in relation to each of the outlined indicators more has been achieved than planned. The same can be said on construction, as in addition to the fence, an administrative building was completed by the project. One of the notable identified ways in which the project can further expand those benefits is to continue networking and exchange of information among the beneficiaries from both countries as well as respecting authorities in the countries where Study Tours have been taking place.

### **3.3. Project Implementation and Adaptive Management**

The overall effectiveness of project management as outlined by the Project Document has been very high and was very much appreciated by the beneficiary. During the project implementation no changes have been made to the project management. By just one example, it is possible to illustrate the effectiveness of the project management with information from the Progress Report, the Narrative Report as well as other reporting documents of the project, showing that the total number of activities taking place has been always in surplus to those indicated by the logframe:

- During 2016, more than 40 representatives of AZE SCC and 23 representatives of the Revenue service of MoF of Georgia, participated in three bilateral workshops (two in Azerbaijan and one in Georgia) on different EU best practices on Phytosanitary, Veterinary and Food Safety border control issues.
- Over 200 AZE SCC inspectors working at BCPs were trained in 6 national trainings delivered by EU experts from Latvia, Lithuania and national experts.
- 60 GEO Revenue Service representatives working at the BCPs, were trained in four national trainings.
- 45 officials were trained in “Procedures for import control of food and feed of non-animal origin” by Georgian instructors and 15 in “Modern Border Control Procedures by Electronic Means” by EU experts from Poland.
- 2 Study visits for AZE and 2 Study visits for GEO RS were organized during the reported period. Both AZE/GEO customs inspectors visited Poland. Also AZE SCC officials visited Lithuania (by invitation of Lithuania State Food and Veterinary Control) and GEO RS officials visited Latvia to get acquainted with EU best practices on customs, sanitary, phytosanitary and veterinary controls. Based on 4 study visits 12 Azerbaijan SCC officials and 16 Georgian officials from Revenue Service of MOF familiarized customs, SPS, veterinary control procedures on spot.

From the start of the project by the end of 2017:

- more than 300 Azerbaijan officials from SCC participated in 13 events organized by the project (*in the Logframe – 10 common activities have been indicated*);
- AZE SCC officials participated in 2 study visit, 3 bi-lateral trainings, 8 national trainings/workshops;
- more than 160 Georgian officials from Revenue Service of Ministry of Finance

participated in 19 events organized by the RBIBM project (in 2 study visits, 2 Training of trainers activities, 3 bi-lateral workshop, 8 national workshops and 4 national trainings).

Responsibilities in terms of reporting have been very clear (record of all documents assessed during the evaluation mission showed that proper and detailed reporting has been taken care by the Experts engaged in implementing activities, project officials and Project Managers of the UNDP office).

During the interviews with the project stakeholders, especially beneficiary (the SCC and RS officials who were taking part in training activities and study tours) excellent work of the executing agency (UNDP) in organising events has been communicated. The following aspects have been impressive and very much appreciated:

- a) timely contacts / communication in relation to planned activities;
- b) prompt and clear messages with expectation of concrete information / reporting;
- c) quality of experts engaged and completeness of information provided;
- d) contents, coverage of the aspects under discussion, choice of specific topics and practical experience sharing – highly relevant and appropriate, replying to the needs of the beneficiaries;
- e) outstanding translation / interpretation (which is a key factor to success in organising any bilateral multilingual activities);
- f) visibility aspects – communications in press releases, taking pictures, recording minutes of the meetings, etc.;
- g) overall logistics and accommodation arrangements for the participants – this project was noted by majority of the interviewed persons as having been of very high standard.

From evaluation point of view it is difficult to suggest improvements to the project management of such high quality and only one recommendation can be made by the Evaluator – to record the procedures or possibly share such success in management with other actions. However, as a rule the answer is not in the procedural requirements followed, but true dedication of the people working on the project – so, both UNDP Country Managers and Project Officers of Azerbaijan and Georgia devoted much time and efforts to the success of this assignment and results of their daily work and commitment have been visible and made difference to the realisation of the project results to the satisfaction of the beneficiary and efficient implementation of the project.

Also it should not be forgotten that the Project Beneficiaries (the State Customs Committee and the Revenue Service) provided offices in their respective premises, which facilitated the work on the project for the UNDP officers and experts delivering expected work. Notes of the conducted meetings (including Steering Committee Meetings) showed high-level engagement of the officials from both sides. This factor certainly contributed to the prompt and successful realisation of the planned activities and achieving of the expected results.

As was communicated earlier, providing description of the project, the overall planning of start-up and implementation of the project has been slightly delayed. Indeed, such delay was beyond the control of the beneficiary or implementing agency, i.e. UNDP – due to the weather conditions the construction has started not in January 2016, but later in April 2016 – this time was used for the prompt commencement of the project. It can be clearly considered as not detrimental for the overall project implementation. Additional time was granted

without extra costs and this time was wisely used to complete the work initiated and conduct extra seminars and training activities, pursuing the objectives of the project.

The work-planning process has been results based. Only one example can be provided by the Evaluator to show how training activities have been helpful for the achievement of the overall objective of the project and taken into account for the legislative initiatives in Georgia. The following secondary legislation has been elaborated with the support of the project and linked to the seminars and workshops conducted:

1. Government Decree N° 567 On border control procedures of food and feed of non-animal origin
2. Attachments of Decree 567
3. Decree of the Head of The Revenue Service of Georgia N° 35631 on Adoption of Procedural Guidelines on Border control of food and feed of non-animal origin
4. Decree of the Head of The Revenue Service of Georgia N° 36169 on Adoption of Procedural Guidelines on phytosanitary controls
5. Decree of the Head of the Revenue Service of Georgia N° 36170 on Adoption of Procedural Guidelines on Veterinary control.

Without training activities providing practical / technical assistance, completion of the legal initiatives of the Government would not have been possible or, if possible, not with the same level of expertise and alignment with the EU and best international practices and requirements. Moreover, practical implementation of those Guidelines and Border Control Procedures has been ensured with the support from the European Experts working on the project under evaluation.

The Project Logframe is an important management tool used by the Executing Agency from the start of the project, which did not suffer any substantial changes. The only modifications that have been made were in relation to additional time given – 9 months – from January till September 2018. It has been already stated by this Report how many training activities have been completed. What can be added as an impressive result is number of Manuals (in total 38) developed in Georgia:

***Phytosanitary***

1. *SOP on Phytosanitary Border Control Procedures*
2. *Manuals on phytosanitary border control work organization*
3. *Document inspection rules in Phytosanitary Border Control*
4. *Manual on Identity Check of products of phytosanitary origin*
5. *Manual on Sampling procedures of products of phytosanitary origin*
6. *Manual on Control procedures of wood pallets and wood packaging at the border*
7. *Manual on Health control and sampling procedures for cut flowers, herbs and leaves*
8. *Manual on Health control and sampling procedures for potatoes*
9. *Manual on Health control and sampling procedures for fruits and on the ground vegetables*
10. *Manual on Health control and sampling procedures for seeds and cereals*
11. *Manual on Health control and sampling procedures for bulbs and tubers*

***Non-Animal***

12. *Manual on border control procedures of food/feed of nonanimal origin*
13. *Document inspection rules of food/feed of nonanimal origin*
14. *Manual on Identity Check of food/feed of nonanimal origin*
15. *Manual physical Check of food/feed of nonanimal origin*
16. *Manual on Sampling procedures of food/feed of nonanimal origin*
17. *Manual on filling of border control documents of food/feed of nonanimal origin*
18. *Manual on sampling procedures and analyses for detection level of mycotoxins in food of nonanimal origin*

19. *Manual on Sampling procedures for cereals and products*
20. *Manual on sampling method for crop products and the products produced by utilization of crops.*
21. *Manual on sampling method for dried fruit, including, raisin and products produced from it, except dried fruit of fig.*
22. *Manual on sampling method for dried fig, peanuts and nuts*
23. *Manual on sampling method for spice*
24. *Manual on sampling method for vegetable oil*
25. *Manual on sampling method for micro-biological examination (Salmonella spp, Enterobacteriaceae)*
26. *Manual on Sampling and analysis for food and feed of non-animal origin on pesticides*
27. *Manual on Sampling and analysis for food and feed of non-animal origin on Microbiology and physico-chemical analysis*

**Veterinary**

28. *Manual on border control of products subject to veterinary control (except live animals)*
29. *Manual on Document inspection*
30. *Manual on Identity Check*
31. *Manual on Physical check*
32. *Manual on veterinary border control of live animals and requirements for border inspection posts*
33. *Manual on conditions and sampling methods for honey and honey products*
34. *Manual on conditions and sampling methods for egg and egg products*
35. *Manual on conditions and sampling methods for milk and milk products*
36. *Manual on conditions and sampling methods for food fish and sea products*
37. *Manual on conditions and sampling methods for meat, meat-products and meat food sub-products*
38. *Manual on conditions and sampling methods for issuing of permission on import/export products subject to veterinary control*

The above-provided information on the results achieved helps with the assessment of the cost-effectiveness of the interventions. There has been only one budget revision, when extension of the project has been granted. Timely audits of the project financial arrangements have been done and no fraudulent activities or misuse of the funds have been detected to the knowledge of the Evaluation Expert.

The project had the appropriate financial controls, including reporting and planning, that allowed management to make informed decisions regarding the budget and allow for timely flow of funds. Beneficiary confirmed that all planned activities were taking place and necessary arrangements in terms of remuneration have been in place.

In accordance with the financial agreement, this project has been co-financed – the SCC and RS contributions have been 266.000 Euro each respectively. This mechanism of co-financing has being used strategically to help the objectives of the project. The Project Team meeting with all co-financing partners took place regularly in order to align financing priorities and annual work plans (consider the list of documents received for evaluation with record of the SCM and participants of those gatherings).

The project had the following monitoring tools in place: project reporting, project meetings, the regular SCMs. These tools provide the necessary information about the project implementation and involve all project partners. For example, on the spot check visit was organised to the Red Bridge Border Check Point was organised on 11-12 June 2018 with participation from the EU Delegation, UNDP Project Managers from Baku and Tbilisi and both beneficiaries – the SCC and the RS. The main objectives of this mission were to the to check construction of the fence around customs area on the side of Azerbaijan, to check construction of the Trade Facilitation Operation Unit (TFOU) on the same side; to check construction of the SPS facilities on the Georgian side; to check project visibility on the overall construction site; to discuss the outcomes of the training activities and methodology Training of Trainers, to hear the participants feedback after trainings (materials dissemination, language on trainings, manuals, certificates etc.); to meet construction



engineers and discuss design and technical aspects of construction, time and overall implementation process and to meet main stakeholders for discussing future plans and sustainability of the project. No financial points for the cost-effectiveness or financial mismanagement have been raised during this evaluation mission.

During the meetings and interviews arranged with the major stakeholders it was clear that the project under evaluation have developed and leveraged the necessary and appropriate partnerships with direct and tangential stakeholders – the State Customs Committee of Azerbaijan and the Georgian Revenue Service. The local and national government stakeholders support the objectives of the project – information about the project has been well provided and visibility objectives have been met. The Project main stakeholders continue to have an active role in project decision-making and support efficient and effective project implementation. During the evaluation mission of the Expert there has been general interest and enthusiasm of the participants of the workshops and study tours, people willingly answered questions, were pleased with the project activities and certainly suggested continuation of the future engagement, in case of possible technical assistance. Moreover, requests have been made during such interviews to include the necessary information into the Final Evaluation Report on how important and valuable advice of the European Experts provided by the project have been for the national customs services (information on the legislation developed and manuals for border inspection posts have been provided in the various sections of this Evaluation Report).

Therefore, it can be concluded in this Evaluation Report that active stakeholders involvement and public awareness highly contributed to the progress towards achievement of project objectives. All reports of the project, as well as documents developed with the assistance of the Experts engaged in the course of the have been shared with the Project Board. Any management changes have been reported by the project management and shared with the Project Board too. The Project Team and project partners took their respective obligations in relation to reporting requirements seriously and all information in relation to the project activities has been well documented (this can be seen from the list of documents examined by the Evaluation Expert – in particular, the Progress Report and Narrative Report). All lessons learned and derived from the adaptive management process have been documented (mainly, as reports and press releases), shared with key partners and internalized by partners.

Internal project communication with stakeholders was regular and effective, first of all, because, project partners have been involved in the process of decision making (such as planning of the workshops and study tours, engagement of European Experts, etc.), secondly, via the regular meetings with the UNDP Project Officers and Project Managers, effectively using monitoring tools of reporting and Steering Committee Meetings (when officials of higher levels have been informed). In such situation the key stakeholders were not left out of communication and regular feedback was communicated. Without doubts, this communication with stakeholders contributed to their awareness of project outcomes and activities and investment in the sustainability of project results.

For the project communication, no specific project web site was created or specific public awareness campaigns have been organised. However, information about the project was provided on the UNDP web site and, in the opinion of the Evaluation Expert, such activities would be sufficient due to the nature of the project. Indeed, there is no need to communicate constantly to the general public the detailed technical progress on construction – it is simply sufficient to initiate the process, report on its progress as foreseen by the logframe and complete it in time. As for the training activities and study tours, the necessary

communication and awareness about workshops have been in place. For example, special note books / folders with appropriate design and logos have been printed and distributed to the participants, banners have been used at the events and that can be seen from the numerous pictures taken by the organisers. From that it can be concluded that proper means of communication have been established to express the project progress and intended impact to the relevant public. It could be recommended to engage even further the general media, for example, publish articles in the newspapers or periodicals, the Evaluation Expert was not informed of any such initiatives of the UNDP, but that would be contributing to awareness raising in general, as this project also very relevant for the current WTO accession process of Azerbaijan.

### **3.4. Assessment of Sustainability**

The sustainability criterion relates to whether the positive outcomes of the Project and the flow of benefits are likely to continue after external funding ends and non-funding support interventions.

The Logical Framework and methodology for implementation of the Project have indicated that the sustainability of the action would depend essentially on the interrelation with the national policy process and continued interest of the beneficiaries in strengthening their capacity at the Border Inspection Posts (including the use of build constructions, as well as using knowledge received during the training and study tours). The quality of expertise provided by EU Experts, active engagement of the beneficiary and the involvement of UNDP as implementing Agency were crucial for the credibility and effectiveness of the Project.

So, the question was posed on whether there was an interest among the stakeholders to build upon the outputs of the Project and continue cooperation. In fact, there are already various points to be expressed by the Evaluation Expert in proving the sustainability of the Project.

It should be highlighted in relation to Component 1, the fact that all the legislative changes have been made during the time of the Project in Georgia and implementing regulations and guidelines have been developed as Results of the Project, very much confirms the sustainability element, as those documents have been used by RS and SCC during the work in process of developing procedural provisions. Comments to the developed document have been received from the EU experts.

Over the time of project implementation 38 Modules in Georgia have been developed and academic materials for the teaching in the Customs Academy in Azerbaijan, also confirming that those documents would be used even after the completion of the project. However, what is actually important in assessing the importance of the EU project is the fact that the contents of those Modules and teaching materials would have been rather different without this Project and support of the EU Experts. A lot of provisions have been included into the final documents, thanks to useful collaboration and joint work of the European experts and customs officers of the RS in Georgia and SCC in Azerbaijan.

It should be highlighted that the legal frameworks in both countries have been changing (in Azerbaijan a new Food Safety Agency has been established). The idea was to take that into account and ensure that new changes also incorporate the knowledge and project outputs. So, from practical perspective those Manuals, Guidelines and procedures for the controls at the border provide a solid foundation in relation to understanding the SPS protection and facilitation of trade. During the evaluation mission, various stakeholders expressed their views that the Project has been extremely valuable and very much appreciated by the Project

Partners particularly from the perspective of sustainability as work conducted and results achieved would be now the basis for daily work of both – the RS and SCC.

The risks to sustainability identified in the Project Document can be considered as relevant and appropriate, but they did not hamper the implementation of the project. The project is almost completed, results outlined by the project logframe, have been not only achieved, but even more has been delivered, there are legitimate expectations that financial and economic resources for operating the laboratory, using the fenced area as well as the Trade Facilitation Operation Unit at Red Bridge BCP, once the EU grant assistance ends, will be available. This has been confirmed by the project beneficiaries during the interviews and meetings conducted.

There are no social or political risks that could be identified at present that may jeopardize sustainability of project outcomes. The high level of stakeholder ownership and engagement that will guarantee that the project outcomes and benefits will be sustained. Indeed, the key stakeholders see that it is in their interest that the project benefits continue to flow, i.e. knowledge received improving capacity building and infrastructure completed and equipment procured. There is sufficient public / stakeholder awareness in support of the long term objectives of the project, the statistics from the Red Bridge border inspection post has showed significant improvement, so this situation is likely to continue.

### 3.5. Table - Evaluation Ratings & Achievement Summary Table for “Support to the Development of RB BCP between AZE and GEO” Project

Measure	Rating	Achievement Description
<b>Project Strategy</b>	N/A	
<b>Progress Towards Results</b>	Objective Achievement Rating: 6 - Highly Satisfactory (HS)	From the Progress & Narrative Reports as well as other documents provided for evaluation it can be seen that common capacity building activities have been carried out during the implementation of the project and overall objective of the project have been achieved (consider the trade statistics too).
	Outcome 1 Achievement Rating: 6 - Highly Satisfactory (HS)	From the interviews conducted, as well as Progress & Narrative Reports and other documentation of the project provided for evaluation it can be seen that common capacity building activities have been carried out during the implementation of the project.  All joint activities of the SCC and RS – study tours and workshops have been organised efficiently and timely. Importance of such activities and positive impact is explained in the relevant sections of this Final Evaluation Report (among such aspects legislative initiatives and development of Modules and Guidelines can be mentioned).

	Outcome 2 Achievement Rating: 6 - Highly Satisfactory (HS)	SPS equipment based on international standards procured, installed and available for use. Important to note that training for using equipment has been conducted during the project well before the final phase – this is excellent performance.  Result 2 of the project has been achieved (construction of fence in 2017)and in in addition, completion of work on the construction of the Customs Trade Facilitation Operation Unit at RB BCP is expected in September 2018 (check up visit was conducted in June 2018).
	Outcome 3 Achievement Rating: 6 - Highly Satisfactory (HS)	SPS equipment based on international standards procured, installed and available for use. Important to note that training for using equipment has been conducted during the project well before the final phase – this is excellent performance.
<b>Project Implementation &amp; Adaptive Management</b>	6 - Highly Satisfactory (HS)	The overall effectiveness of project implementation and adaptive management has been very high and was very much appreciated by the beneficiary.
<b>Sustainability</b>	4 - MS	The sustainability of each of the three project components is very high. The risks to sustainability identified in the Project Document were considered as relevant and appropriate, but they did not hamper the implementation of the project. The project is almost completed, results outlined by the project logframe, have been not only been achieved, but even more has been delivered, there are legitimate expectations that financial and economic resources for operating the laboratory, using the fenced area as well as the Trade Facilitation Operation Unit at Red Bridge BCP, once the EU grant assistance ends, will be available. This has been confirmed by the project beneficiaries during the interviews and meetings conducted.

#### 4. Conclusions and Recommendations

In this final section of the Evaluation Report, the Expert would like to present concise conclusions, which would be important for understanding the value and effectiveness of the project and may be useful for the design and implementation of the future projects. In brief, factors that contributed to the successful implementation of the project “Support to the Development of Red Bridge BCP between Azerbaijan and Georgia are outlined as issues to be taken into account also for similar projects on trade related technical assistance.

Essential element and starting point ensuring success is relevance of the action. For the project under evaluation, the need for improving security and facilitating mobility of people and goods across non-EU borders in EaP countries has been identified well before the commencement of the project. Request for assistance from Georgia and Azerbaijan has been made seeking support to approximate border management rules and adopt best practices in line with EU border management standards.

The project strategy provided the most effective and appropriate route towards expected results and the following important lessons from implementation of other projects have been incorporated into the strategy of the project under evaluation:

- 7) assistance in a sensitive area such as border management had to be developed through a constant and often time-consuming dialogue with beneficiary governments (both project managers of the UNDP in the regional offices of Tbilisi and Baku have been working daily on implementation of the project full time);
- 8) combination of the national and bilateral / regional approach – when common activities for capacity building have been organised, in particular, regional approach ensured coherence and encouraged harmonisation of global procedures among beneficiary countries, while with national approach, projects had to be tailor-made and reply to the needs of each country;
- 9) the provision of equipment had to be linked to training sessions dedicated to the equipment's use and maintenance, therefore, project had one specific component with training activities;
- 10) development and use of Train of Trainers concept and involvement to the whole chain of the process including selection of the trainers to the certified ToT programme;
- 11) planning and organisation of the activities with the respective SCC of Azerbaijan and RS of Georgia with their active engagement to ensure “ownership” of the project;
- 12) effective use of the available financial resources, allocation of the resources to the needs as outlined by the beneficiary and assistance in a particular area with a mid- to long-term perspective to ensure sustainability.

Although lessons learned from other project evaluations a specific reach, many references were useful and relevant for the current project and for this reason were incorporated into the design of the project. This was a very positive factor contributing to the successful implementation of the project.

So, important recommendation for the design of the future projects is to make careful assessment of needs and take into account on-going interventions (if any), to avoid overlapping and confusion in relation to planned activities.

The choice of this Border Control Point was not random. There have been several reasons for providing assistance and support from technical and capacity building perspective to this BCP. First of all, the Republic of Azerbaijan and Georgia have both very specific and strategic location - on the crossroad of Europe and Asia. It was noted that the Red Bridge crossing point plays an important role in creating the business hub in the South Caucasus Region and making the trading liaison between Europe and Asia. Meanwhile the Republic of Azerbaijan and Georgia are the parts of the Silk Road, a system of trade routes connecting China to Europe. In this regard, the border crossing points Siniq Korpu/Red Bridge was highlighted as the main streamline point for providing a continuous, reliable, and direct land transport service between Europe and Asia.

It was essential for the evaluation to explain why and how priorities of the Republic of Azerbaijan were taken into account while suggesting the design and strategy for implementation of activities for achieving outlined results. This can be seen in a number of arguments provided below:

- Choice of the location – BCP “Red Bridge” lies on a strategically important crossroad within the scope of geographical location in relation to international trade and transport corridor. Therefore, efficient development of transit area, effective integration into global economy, development of transport links have been identified as one of the important priority directions of the economic policy of the Republic of Azerbaijan.
- Objective of trade facilitation - modernization of customs infrastructure plays an important role in the integration process of international trade. Sufficient development of import-export operations and integrated processes cannot be considered without the existence of operative and secured customs services. In this regard sustainable development of customs area is the significant part for the international integration process. One of the important mechanisms for supporting the economic development and stability are the initiatives concentrated on the simplification and harmonization of customs procedures and supply chain security.
- National sector development priorities – National policy of Azerbaijan with plan up to 2020<sup>6</sup> states Transport sector and its development as a priority, therefore, the customs administration of the Republic of Azerbaijan within the scope of the national governmental programs conducts a number of activities in relation to the modernization of customs system. The objectives in this particular area are oriented on the simplification and harmonization of customs formalities and procedures on the BCPs and on inland customs offices.
- Full engagement of the beneficiary - One of the important priorities for the State Customs Committee of the Republic of Azerbaijan is the modernization process of BCPs in light of international standards and using best European practices. The State Customs Committee of the Republic of Azerbaijan was delegated the power of the management of the “single window” system, so the choice of the beneficiary of this project was logical and correct, proving that implementation of the project would be successful.

The Republic of Georgia has its own priorities, but was fully engaged in the process of design and implementation of the project. Moreover, priorities of Georgia and country needs have been taken into account. That can be proved by the following factors:

- Georgia has signed an Association Agreement with the EU in June 2014 with priorities of adoption of a new Integrated Border Management Strategy and Action Plan covering the period from 2014-2018, so training activities of the project under the evaluation directly contributed to the country needs and priorities within the IBM objectives.
- Choice of the project beneficiary - Georgia Revenue Service (Tax and Customs Administration – SPS Border Control Agency) of the Ministry of Finance of Georgia conducting the whole customs procedures including veterinary, sanitary and phytosanitary control on the border needed specific SPS training to upgrade their knowledge and fully fit to execute mandate for the SPS controls at the border.
- National priority of Georgia - development and modernization of modern border crossing points while meeting the international standards had been one of the most important priorities for the country. The border crossing point “Red Bridge” on the

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<sup>6</sup> At the national level in Azerbaijan construction / renovation / modernization process of five land BCPs of international level have been finalized in accordance with the State Programme on Development of the Customs System of Azerbaijan Republic within 2007-2020.

border with the Republic of Azerbaijan has been always one of the busiest border crossing points taking an important role for the transit cases as well. The recommendations and the assessments being conducted within a number of previous EU funded projects have been considered and particular attention was paid to continuation of the work initiated by the Twinning Project on “Strengthening the National Customs and Sanitary, Phyto-Sanitary Border Control in Georgia”. Divergence matrix between the Georgian and EU legislation on SPS field regulatory legislation and SPS border control study procedures were developed and need in implementing recommendations has been identified. So, the project under evaluation was a direct reply to the needs fully justified.

The Project Strategy and, in particular, the Project Design have contributed very positively to the effective and timely progress towards results and overcoming challenges and remaining barriers for achieving the project objectives.

The project logical framework was an important tool for monitoring purposes and assessment of the progress made, as it allows timely revision and attention to specific components of the project. Analyses of this logframe were helpful to illustrate how all targets of the project have been achieved. For example, for achieving the first result, i.e. enhanced capacity and infrastructure of both Azerbaijan SCC and Georgian RS in the management of the SPS related issues, three specific indicators have been proposed:

- 4) the number of common capacity building activities carried out (as there were no common capacity building activities in the area of SPS between the two countries);
- 5) the Red Bridge BCP to meet the international and EU SPS standards and function on both sides of the border (as SPS checks at this BCP were not conducted in full compliance with international and EU regulations);
- 6) awareness on EUMSs best practice on SPS control at BCPs and systematic SPS training activities for the staff.

As to the project implementation and adaptive management, during the interviews with the project stakeholders, especially beneficiary (the SCC and RS officials who were taking part in training activities and study tours) excellent work of the executing agency (UNDP) in organising events has been communicated. The following aspects have been impressive and very much appreciated:

- h) timely contacts / communication in relation to planned activities;
- i) prompt and clear messages with expectation of concrete information / reporting;
- j) quality of experts engaged and completeness of information provided;
- k) contents, coverage of the aspects under discussion, choice of specific topics and practical experience sharing – highly relevant and appropriate, replying to the needs of the beneficiaries;
- l) outstanding translation / interpretation (which is a key factor to success in organising any bilateral multilingual activities);
- m) visibility aspects – communications in press releases, taking pictures, recording minutes of the meetings, etc.;
- n) overall logistics and accommodation arrangements for the participants – this project was noted by majority of the interviewed persons as having been of very high standard.

All activities of the project have been well documented by the Project Team and recommendation can be made to use the positive results of the Red Bridge on other BIPs - on a continual basis and shared/ transferred to appropriate parties who would learn from the

project and potentially replicate and/or scale it in the future (however, such replication would also require additional financial support, but in general there is willingness to continue such work and indeed with the ToT methodology work further).

A number of project elements should be mentioned as particularly successful, among them the training activities, when in relation to each of the outlined indicators more has been achieved than planned. The same can be said on construction, as in addition to the fence, an administrative building for trade facilitation was completed by the project. One of the notable identified ways in which the project can further expand those benefits is to continue networking and exchange of information among the beneficiaries from both countries as well as respecting authorities in the countries where Study Tours have been taking place.

Over the time of project implementation 38 Modules in Georgia have been developed and academic materials for the teaching in the Customs Academy in Azerbaijan, also confirming that those documents would be used even after the completion of the project. However, what is actually important in assessing the importance of the EU project is the fact that the contents of those Modules and teaching materials would have been rather different without this Project and support of the EU Experts. A lot of provisions have been included into the final documents, thanks to useful collaboration and joint work of the European experts and customs officers of the RS in Georgia and SCC in Azerbaijan.

The work-planning process of the project has been results based, for example, secondary legislation has been elaborated in Georgia with the support of the project and linked to the seminars and workshops conducted. Without training activities providing practical / technical assistance, completion of the legal initiatives of the Government would not have been possible or, if possible, not with the same level of expertise and alignment with the EU and best international practices and requirements. Moreover, practical implementation of those Guidelines and Border Control Procedures has been ensured with the support from the European Experts working on the project under evaluation.

During the meetings and interviews arranged with the major stakeholders it was clear that the project under evaluation have developed and leveraged the necessary and appropriate partnerships with direct and tangential stakeholders – the State Customs Committee of Azerbaijan and the Georgian Revenue Service.

During the evaluation mission of the Expert there has been general interest and enthusiasm of the participants of the workshops and study tours, people willingly answered questions, were pleased with the project activities and certainly suggested continuation of the future engagement, in case of possible technical assistance. Moreover, requests have been made during such interviews to include the necessary information into the Final Evaluation Report on how important and valuable advice of the European Experts provided by the project have been for the national customs services (information on the legislation developed and manuals for border inspection posts have been provided in the various sections of this Evaluation Report).

Therefore, it can be concluded in this Evaluation Report that active stakeholders involvement and public awareness highly contributed to the progress towards achievement of project objectives. All reports of the project, as well as documents developed with the assistance of the Experts engaged in the course of the have been shared with the Project Board. Any management changes have been reported by the project management and shared with the Project Board too. The Project Team and project partners took their respective obligations in



relation to reporting requirements seriously and all information in relation to the project activities has been well documented (this can be seen from the list of documents examined by the Evaluation Expert – in particular, the Progress Report and Narrative Report). All lessons learned and derived from the adaptive management process have been documented (mainly, as reports and press releases), shared with key partners and internalized by partners.

Internal project communication with stakeholders was regular and effective, first of all, because, project partners have been involved in the process of decision making (such as planning of the workshops and study tours, engagement of European Experts, etc.), secondly, via the regular meetings with the UNDP Project Officers and Project Managers, effectively using monitoring tools of reporting and Steering Committee Meetings (when officials of higher levels have been informed).

During the evaluation mission, various stakeholders expressed their views that the Project has been extremely valuable and very much appreciated by the Project Partners particularly from the perspective of sustainability as work conducted and results achieved would be now the basis for daily work of both – the RS and SCC.

The risks to sustainability identified in the Project Document can be considered as relevant and appropriate, but they did not hamper the implementation of the project. The project is almost completed, results outlined by the project logframe, have been not only achieved, but even more has been delivered, there are legitimate expectations that financial and economic resources for operating the laboratory, using the fenced area as well as the Trade Facilitation Operation Unit at Red Bridge BCP, once the EU grant assistance ends, will be available. This has been confirmed by the project beneficiaries during the interviews and meetings conducted.

There are no social or political risks that could be identified at present that may jeopardize sustainability of project outcomes. The high level of stakeholder ownership and engagement that will guarantee that the project outcomes and benefits will be sustained. Indeed, the key stakeholders see that it is in their interest that the project benefits continue to flow, i.e. knowledge received improving capacity building and infrastructure completed and equipment procured. There is sufficient public / stakeholder awareness in support of the long term objectives of the project, the statistics from the Red Bridge border inspection post has showed significant improvement, so this situation is likely to continue.

As was outlined above, legal frameworks, policies, governance structures and processes at present did not pose any risks that may jeopardize sustenance of project benefits. On the contrary, example of Georgia provided very positive results of development and adoption of national legal issuances as part of the project component 1 activities. In relation to Azerbaijan, it can be hoped that in the future provided SPS information would be used not only for the academic studies, but also becomes part of the legal framework thanks to transparency and technical knowledge transfer in place. There are no environmental risks that may jeopardize sustenance of project outcomes: capacity building components of the project (constriction of fence, trade facilitation unit and laboratory equipment) took into consideration the environmental sustainability of projects. Infrastructure activities respected environmental concerns.

As to continuation of collaboration between the Project Partners – the SCC of Azerbaijan and the RS of Georgia, some recent joint events provided undeniable evidence of the established collaboration and networking between the officials of the two countries that the Evaluation

Expert is pleased to share that information in this Section of the Final Evaluation Report. In the opinion of the Evaluation Expert, ties created during the project activities between two customs institutions will continue even without any external funding of the EU Commission. However, support in organisation of joint events would certainly have very positive impact on the work coordination at the BCP. So, cooperation and organisation of conferences, seminars, workshops and joint events between the SCC and RS is highly appropriate and can be recommended among the future activities.

Over the 30 months of the Project implementation some opportunities for future development have been already identified by the Project Beneficiaries. In this sense, given the existence of UNDP competent staff, as well as a positive institutional understanding established between the customs agencies of both countries – Azerbaijan and Georgia, considering the need for further expansion of technical expertise, “peer to peer” collaboration and training of SCC and RS staff on protection and enforcement of IPRs at the border could be suggested.

Within the technically specialized Integrated Border Management framework, it appears fully appropriated to continue providing technical assistance focusing on trade facilitation and, among other issues, intellectual property protection.

Among concrete fields of collaboration, some that may be mentioned here are actions that will help continue augmenting awareness of IBM & IPRs in both Georgia and Azerbaijan, increase institutional strengthening both institutions – the SCC and the TS, assist in the implementation of new procedures and continue with the creation of tools and instruments which facilitate trade at the border.

A non-exhaustive list of joint technical activities could include:

- Execution and follow up on the Results of the current project in relation to the Trade Facilitation Centre (equipment, establishment of the electronic database for exchanging of information, Quality Management Systems);
- Further work and regional cooperation on SPS & TBT requirements as element of food security and food safety as well as control of compliance at the border;
- Capacity building and assistance to the border inspectors with training on the use and trouble shooting of available or newly procured equipment, appropriate use of tools and technical and financial resources (overall objective of modernisation and efficient management at the BCP);
- One of the options for laboratory support could be its accreditation towards ISO standards, training of the laboratory staff on efficient management and planning);
- Specific capacity training (using ToT methodology) in relation to IPR enforcement actors (for both customs and police);
- Hosting workshops and seminars and training for members of the customs on IPRs.

Specific interest and attention given to enforcement of Intellectual Property Rights can be explained by a number of factors. First of all, the EU’s strategy to enforce IPR in non-EU countries is in place since 2014. The objective of this strategy is to promote better intellectual property standards in non-EU countries and stop the trade in IPR-infringing goods. Selling fake and counterfeited goods not only harms the sales of EU exporters, but also undermines the trusts of consumers. Considering that industrial, as well as agricultural products and foodstuffs with protected geographical denominations are crossing the border at the BCP “Red Bridge” such technical assistance and specific training would be highly relevant and appropriate. From the international perspective, Georgia is WTO Member with TRIPs Agreement commitments as well as a Member of the Lisbon Agreement on the Protection of Appellations of Origin, while Azerbaijan is negotiating accession to the WTO and very mindful of the TRIPs Agreement provisions, with understanding that intellectual property

rights need access to effective, solid and predictable legal system and particular attention at the borders.

The EU interest in providing such help and technical assistance is explained by the need of effective Intellectual Property (IP) enforcement not only in the EU but also at the borders of other countries when such goods are crossing them, due to commercial-scale counterfeiting and piracy causes:

- financial losses for right holders and legitimate businesses, both in the European Union and in other countries;
- lack of IP protection undermines the EU's and other countries advantages in innovation and creativity, harming businesses and people;
- counterfeited and fake goods cause risks to consumer health and safety, and the environment.

Important and interesting experience of the EU legislation would be recently adopted Regulation (EU) No. 608/2013 of the European Parliament and of the Council of 12 June 2013 concerning customs enforcement of intellectual property rights. If considered appropriate in the light of this evaluation and after completion of this project, it could be a priority for the future cooperation.

Businesses of Azerbaijan, Georgia and the European Union are looking forward to fast and efficient procedures at the border and effective protection and enforcement of IP rights in relation to trademarks and designs.

To sum up, from a technical perspective, time, budget and other contextual circumstances permitting, there is ample leeway to expand EU cooperation in the future.

Final, but nevertheless, crucial aspect of the project was facilitation of trade between Georgia and Azerbaijan. While Georgia is already a WTO Member, Azerbaijan continues negotiations on WTO membership (WTO membership is a pre-condition for DCFTA negotiations – the latest meetings of the Working Group have been taking place in Baku in July 2018).

It should be highlighted that the priorities of the government of Azerbaijan related to trade and trade facilitation are outlined in the Development Concept “Azerbaijan – outlook for the future 2020”, State Program on “Socio-Economic Development of Regions of the Republic of Azerbaijan for 2014-2018” as well as in the CIB Program – IRP 1 “Working towards further deepening of bilateral economic and trade relations with EU” (i.e. chapter 3.5 on SPS).

The activities of the project “Support to the development of Red Bridge Border Crossing Point between Azerbaijan and Georgia” were very much linked to the WTO Trade Facilitation Agreement, Agreement on the Application of the Sanitary and Phytosanitary measures requirements and helped Azerbaijan to improve the situation from the perspective of trade promotion and trade facilitation.

## **Annexes to the Final Evaluation Report**

**ANNEX 1 - Final Evaluation ToR**

**ANNEX 2 - Final Evaluative Matrix**

**ANNEX 3 - Example Questionnaire or Interview Guide used for data collection**

**ANNEX 4 – Evaluation Rating**

**ANNEX 5 – Evaluation Mission Planning**

**ANNEX 5A – Work Plan for the Final Evaluation Mission**

**ANNEX 6 – Evaluation Mission Itinerary**

**ANNEX 7 – List of persons interviewed**

**ANNEX 8 – List of documents reviewed**

**ANNEX 9 - Signed UNEG Code of Conduct form**

**ANNEX 10 - Signed evaluation final report clearance form**