Draft Evaluation Report

FINAL EVALUATION

of the Project

"Support to the Creation of a More Transparent, Efficient and Service-Oriented Public Administration"
CRIS NUMBER: IPA/2018/397-645

Submitted on 1 November 2021

Evaluator: Olivera Purić

Contents

LIST OF ABBREVIATIONS

AP	Action Plan
AURUM	Action Plan for the Implementation of the Public Administration Reform
CAPI	Computer-Assisted Personal Interviews
CPD	Country Programme Document
CROO	Tax Administration's Employment Records
CSO	Civil Society Organization
DAC	Development Assistance Committee
DIM	Direct Implementation Modality
DSM	Digital Single Market
EBRD	European Bank for Reconstruction and Development
EGD	eGovernment Development Index
EU	European Union
EUD	Delegation of the European Union
G2B	Government to Businesses
G2C	Government to Citizens
G2G	Government to Government
HR	Human Resources
HRMA	Human Resources Management Authority
eID	Electronic Identification
LSG	Local self-governments
MONSTAT	Statistical Office of Montenegro
MPA	Ministry of Public Administration
MPADSM	Ministry of Public Administration, Digital Society and Media
OECD	Organisation for Economic Co-operation and Development
PA	Public Administration
PAOP	Public Administration Optimisation Plan
PAR	Public Administration Reform
PFM	Public Finance Management Reform

SBS	Sector Budget Support
SDG	Sustainable Development Goal
SIGMA	Support for Improvement in Governance and Management
SISEDE	Single Information System for Electronic Data Exchange
TA	Technical Assistance
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNEG	United Nations Evaluation Group
UOM	Union of Municipalities

1. EXECUTIVE SUMMARY

The evaluator finds that in a nutshell the project has set a strong foundation for *creation of a more transparent, efficient and service-oriented public administration* in **Montenegro**. Particular successes included UNDP's flagship support focused on setting up and building the Single Information System for Electronic Data Exchange (SISEDE).

Geared by the European Union accession drive, Montenegro is undergoing a vital stage of institution building with adaptations of policy, legal and institutional structures to maximize the reform gains across all sectors.

Within the scope of the public administration framework Montenegro has been implementing, two umbrella strategies until 2020, the 2016-2020 Public Administration Reform (PAR) Strategy and the 2016-2020 Public Financial Management Reform Programme.

Further, the PAR Strategy was accompanied by the Public Administration Optimisation Plan (PAOP) for the 2018-2020 period envisaging a set of short-term to medium-term actions aimed at optimising central and local level administrations, more specifically, optimizing staff numbers and putting in place optimal administrative structures that efficiently respond to the needs of citizens and businesses, reducing at the same time the pressure on the central and local budgets. This effort was planned to be complemented by improved HR planning and advancement of competences across the public sector, and a consistent approach to the merit-based recruitments and dismissals at both national and local government levels, underpinned by the adoption of the new Law on Civil Servants and State Employees.

Within the wider public optimization framework, digital transformation of the administration and the provision of electronic services are in the focus of the work of the Public Administration Reform.

The Ministry of Public Administration, overseeing the implementation of PAR was committed to implement strategic objectives in cooperation and coordination with other institutions involved in the process. Having horizontal impact on the entire state administration, PAR's measures and actions are implemented throughout the entire administration at both central and local levels.

The Government of Montenegro is committed to overcome the challenges of implementation of Public Administration Reform. It is necessary to continue with the optimization of public administration, reduce the duration of administrative procedures, be more agile and with a greater degree of digitalization, but also do everything to improve the access of citizens and the civil sector to public information aiming to have government that is more purposeful and in the function of solving the problems of citizens.[1]

The final evaluation of the project shows that overall the project has had numerous achievements in strengthening public administration reform in Montenegro. The evaluator recognises the momentum that has been generated through the project for leveraging partnerships and introducing innovations. The project has responded adequately to the partners' needs, strengthening partnerships between different national partners including state institutions at both central and local levels. In particular, reforms with regards to upgrading of the single information system for data exchange among state registers have proven to be catalytic in setting the agenda in the respective fields as well as contributing to programmatic development and successes.

More specifically, the evaluator finds that project design reflects the UNDP positioning whereby the UNDP has a strong comparative advantage within the Public Administration sector and is recognized by the national partner as the only viable partner in the Public Administration Reform Sector. Regarding the strategic positioning the evaluator finds that the project has a clear results framework,

---

[1] https://www.gov.me/clanak/sjednica-savjeta-za-reformu-javne-uprave-u-novom-sazivu

based on a coherent narrative and profile that is also linked to the CPD, and is attractive to national partners, donors, and other development partners. The evaluator also finds that the regular and open communication did allow for sufficient flexibility that allowed UNDP to align the project with the changing local political, legal and institutional context and design additional activities that were more suited and more achievable given the realities of the operational context. National partners highly valued the project staff's capacity, expertise, experience as well as commitment. The project staff is also recognized as the ones that encourages innovative thinking and provide space for creative input and that value input from stakeholders and partners across the sector. The evaluator recognises that all project partners are satisfied with the flexibility and responsiveness of UNDP to their needs. This has positioned UNDP as a preferred partner. However, it is perceived among some partners that UNDP has not fully maximised strategic cooperation and partnerships. The evaluator also finds that the project has very strong sustainability potential though the project duration was originally projected for 24 months. Finally, although the EU accession process provides the key reform agenda for Montenegro, there are additional international commitments, which Montenegro is obligated to fulfil. The evaluator finds that the project could have been more closely aligned to the 2030 Agenda and the Sustainable Development Goals, which provides UNDP's thematic niche for strategic positioning as a policy partner.

The evaluator recommends that in terms of future project design, UNDP improve the strategic linkages between the project components and partners through designing it in an innovative manner as a "platform project" where UNDP is gathering strategic partners around the same goal, without being at the centre of the project design. This project design is particularly applicable in complex thematic areas, such as public administration reform, which has multiple stakeholders and multiple development challenges. In order to provide some strategic direction, the evaluator recommends that the future programming use eGovernance as an enabler for programming in the area of public administration reform. To strengthen communication of results the evaluator recommends that project staff take a strategic, solution-orientated approach, which will further position the project and move from the communication of activity results towards communication of the strategic impact of results. Regarding the project approach the evaluator recommends that UNDP enhance its strategic approach in future programming in addressing partners needs and institutional priorities though adaptive programming, based on the experiences gained during the implementation of the project. The evaluator also recommends that during the next programmatic phase the issues of sustainability and national ownership are looked at in a more comprehensive way from the planning stage. Finally, to elevate the strategic position of the project, it is recommended that UNDP use the 2030 Agenda as a cohesive element in exploring and maximizing organic synergies between the project components and partners.

This evaluation report provides an analysis of the context, together with the methodology that was applied, as provided in Chapters 2 and 3 respectively. Since the project's outcome is aligned with UNDP's CPD outcome and that CPD, including this outcome, was evaluated in 2020, the evaluator has not evaluated or rated it again. However, the CPD evaluation has been used to inform and guide the findings and recommendations included in this report. The evaluator evaluated each output of the project in accordance with the OECD/DAC evaluation criteria of relevance, effectiveness, efficiency, impact and sustainability and individual ratings have been provided under Chapters 5 and 6 respectively. Overall, it is found that the performance of each output aligned at a high level, with slightly lower ratings for effectiveness (Output 1) and sustainability (Output 1 and Output 2). In terms of relevance, impact and effectiveness each output, and the project overall, has scored maximum marks and it is noted that the project had a consistently high, and upwards delivery trajectory. The general findings and recommendations presented in Chapter 7 provide a reflection of the common strengths and weaknesses of all project outputs. The evaluation report also provides lessons learnt (Chapter 7) and best practice examples (Chapter 8).

Overall, the project has received a total of 37/40 and the individual rankings in accordance with the OECD/DAC criteria is provided below:

Relevance	8 out of 8	Highly Successful
Effectiveness	7 out of 8	Successful
Efficiency	8 out of 8	Highly successful
Impact	8 out of 8	Highly Successful
Sustainability	6 out of 8	Successful

1.1. ACKNOWLEDGEMENTS

The evaluator would like to thank the UNDP Country Office, Programme and Project staff in Podgorica for their assistance during the evaluation and in preparing this report. The constructive comments received from the project team have helped to shape the final recommendations in the report.

In addition, the evaluator would like to thank all persons interviewed during the evaluation, including representatives from national government and donor agency for their openness and willingness to share information.

2. INTRODUCTION

2.1. DEVELOPMENT CONTEXT PUBLIC ADMINISTRATION REFORM AND EUROPEAN UNION ACCESSION

The development context of Montenegro is dominated by the European Integration process. Accession to the EU is Montenegro's economic and political priority and the major driver of development and reform[2]. As recognised in successive EU progress reports, the country's progress to meet EU accession requirements is well underway, with additional steps necessary in the areas of governance, public administration reform, judiciary, good neighbourly relations and fundamental rights.[3] Currently, Montenegro has successfully opened all EU negotiation chapters, out of which three have been provisionally closed. The country received positive soundings from Brussels as a frontrunner in accession.[4]

Further, the country opted for the new accession methodology that will be accommodated within the existing negotiation framework. Namely, on 25 March 2020, the Council of the European Union endorsed the Commission communication on 'Enhancing the accession process - A credible EU perspective for the Western Balkans' of 5 February 2020, aiming to reinvigorate the accession process by making it more predictable, more credible, more dynamic and subject to stronger political steering.[5] In May 2021, the application of the new methodology was elaborated more precisely with regards to Montenegro and Serbia.[6] The new process is based on objective criteria, rigorous positive and negative conditionality, and reversibility. Its credibility is reinforced through an even stronger focus on fundamental reforms, starting with the rule of law, the functioning of democratic institutions and public administration as well as the economies of the candidate countries.[7]

Democratic governance remains as the one of the important pillars of the EU accession agenda, which places a strong focus on changing the way in which policy-making processes and public administration in general are functioning.

Public administration reform is considered to be one of the three fundamentals of the Enlargement Strategy, alongside the rule of law and economic reform. Similarly, the 2014-2020 Indicative Country Strategy Paper identifies the reform of the public administration as one of the key sectors to be supported.

---

[2] The European Union (EU) opened accession negotiations with Montenegro in June 2012. See: Council of the European Union, 3180th Council meeting General Affairs, available at: https://data.consilium.europa.eu/doc/document/ST-11690-2012-INIT/en/pdf .

[3] Montenegro 2019 Report SWD (2019) 217 final Montenegro 2020 Report SWD (2020) 353 final Report 2019 and 2020

[4] https://europeanwesternbalkans.com/2020/09/11/the-european-commission-expects-a-new-type-of-government-in-montenegro /

[5] https://www.consilium.europa.eu/en/press/press-releases/2021/05/11/enlargement-new-enlargement-methodology-will-be-applied-to-montenegro-and-serbia/

[6] Application of the revised enlargement methodology to the accession negotiations with Montenegro and Serbia, 8536/21

[7]The new approach seems to be more complex, more political, and more demanding for both sides. At the same time, the methodology seems to address some of the criticisms directed towards lack of effectiveness of democracy and rule of law in candidate countries. Conditionality remains the core element of the merit-based accession process. The Commission will better define the conditions set for candidates to progress, in particular through its annual report. For the purpose of introducing further dynamism into the negotiating process and fostering cross-fertilisation of efforts beyond individual chapters the negotiating chapters will be organised in thematic clusters. In addition, according to the proposed methodology, if candidate country moves on reform priorities agreed in negotiations sufficiently, this should lead to closer integration of the country with the EU, work for accelerated integration and "phasing-in" to individual EU policies, the EU market and the EU programmes.

Geared by the accession drive, Montenegro is undergoing a vital stage of institution building with adaptations of policy, legal and institutional structures to maximize the reform gains across all sectors.

The most recent EU progress report for Montenegro 2020[8] recognized positive progress across governance areas, albeit noting that public administration overall is still moderately prepared for EU accession.[9] In particular, the report notes progress in the implementation of the law on civil servants; the medium-term policy-planning framework, merit-based recruitment, human resource management and rationalizing of the organization of the state administration and marks them as areas that continue to advance well. The report also emphasized the weak results within the optimization of the state administration, despite the fact that the EU, the Ministry of Public Administration and UNDP invested in this, stating that "strong political will is needed to effectively ensure the de-politicization of the public service, the optimization of the state administration."[10]

National Priorities

Within the scope of the public administration framework Montenegro has been implementing, two umbrella strategies until 2020, the 2016-2020 Public Administration Reform (PAR) Strategy and the 2016-2020 Public Financial Management Reform Programme.

The Montenegrin Public Administration Reform Strategy 2016-2020 (PAR Strategy) was prepared with the aim to continue the public administration reform (after the implementation of the first strategy AURUM 2011-2016). The PAR Strategy encompasses the entire public administration system, which, in Montenegro, includes the state administration, local self-government units and organisations with public powers. The PAR Strategy 2016-2020 is not related to the broader public sector (public health, education, social welfare, culture, etc.), except in the segment of personnel planning. In relation to the development of more effective public services, the PAR Strategy 2016-2020 follows the key objectives defined in the National Action Plan for the Implementation of 2020 South East Europe Development Strategy. In this regard, one of the main indicators of the progress in this area, until 2020, was the improved ranking of Montenegro in the Worldwide Governance Indicators (in relation to the Government Effectiveness Index).

The specifics of local self-government concerning its territorial, functional and financial status have been elaborated in more detail in a separate chapter of the PAR Strategy. As one of the strategic goals, PAR envisages better human resource management and the establishment of an effective system to monitor and optimise the number of staff and appraise their performance. In other words, public administration optimisation was a key reform effort envisaged by the PAR Strategy. Optimisation was set to cover a number of elements important for modernising the state at large: optimised effectiveness, increased efficiency, reduced costs, staff downsize and better public service delivery. An integral part of the PAR Strategy was the separately developed Public Finance Management Reform (PFM) Programme 2016-2020 (Goal 4.5. of the PAR Strategy).

Further, the PAR Strategy was accompanied by the Public Administration Optimisation Plan (PAOP) for the 2018-2020 period envisaging a set of short-term to medium-term actions aimed to optimise central and local level administrations, more specifically, optimizing staff numbers and putting in place optimal administrative structures that efficiently respond to the needs of citizens and businesses, reducing at the same time the pressure on the central and local budgets (e.g., shared services). This effort was planned to be complemented by improved HR planning and advancement of competences across the public sector, and a consistent approach to the merit-based recruitments and dismissals at

---

[8] https://ec.europa.eu/neighbourhood-enlargement/system/files/2020-10/montenegro_report_2020.pdf
[9] Montenegro Progress Report 2020, p. 6
[10] Montenegro Progress Report 2020, p. 5

both national and local government levels, underpinned by the adoption of the new Law on Civil Servants and State Employees.

Within the wider public optimization framework, digital transformation of the administration and the provision of electronic services are in the focus of the work of the PA reform. The PAR strategy's first key effort was to ensure the full implementation of the Law on Administrative Procedure, which was reformed in 2016 and 2017. Further, PAR envisaged the introduction of a national interoperability framework for the state authorities, increase of the scope of eServices at central and local government level and development of eParticipation and advancement of Open Data. The second umbrella document in this respect was the Strategy for Development of Information Society 2016-2020, with complementary strategic goals and indicators. Montenegro has been assessed as being one of the countries where infrastructure and human capital development is more advanced than online services provision while also having a high eGovernment development index (EGD).[11] The efforts undertaken by the Montenegrin government have yielded noteworthy results. The Single Information System for Electronic Data Exchange (SISEDE) platform, was established in 2018, ensuring communication between existing systems and faster exchange of information between citizens and officials, enabling the provision of services electronically and the automated exchange and use of large amounts of data stored in state registers. Further, electronic services for citizens and businesses were developed based on business process reengineering[12], which, coupled with increased interoperability, enhanced the efficiency of the state authorities and state administration bodies. However, additional efforts need to be put into ensuring wider application of the eID documents and electronic identification, which is a precondition for introducing more eServices with higher levels of eService maturity.[13]

The Ministry of Public Administration, overseeing the implementation of PAR was committed to implement strategic objectives in cooperation and coordination with other institution involved in the process. Having horizontal impact on the entire state administration, PAR's measures and actions are implemented throughout the entire administration at both central and local level.

The MPA published reports on the implementation of the reform twice per year (mid-term report and annual report). The last government Report on the Implementation of the PAR Strategy 2016-2020 was adopted in March 2021. In addition, MPA also published the "Public Administration Optimization Plan Progress Report" (covering the period from September 1th until December 31th) ", the "Report on the implementation of the public administration optimization plan 2018-2020 for 2020, with reference to the implementation of the entire document" and the "Montenegro's 2018-2020 Public Administration Optimization Plan: An overview of the Impact of Short-term Actions in 2018", both parts of PAR program goals.

The follow up meeting was organized in April 2021 in order to monitor the implementation of the conclusions, i.e., defined goals from the eighth meeting of the PAR working group held in October 2020.

The meeting discussed progress in the area of the strategic framework for public administration reform and financial sustainability of reforms, policy development and coordination, public administration optimization, implementation and amendments to the Law on Civil Servants and Employees, Human Resources Management, Free Access to Information, Law on Public Administration, especially in the part of the Register of state bodies and institutions as well as the provision of public services. Also, the plan and manner of drafting the new Public Administration Reform Strategy 2022-2026 were presented at the meeting, which implies a participatory and inclusive approach during all phases of the Strategy development.[14]

---

[11] 2020 UN eGovernment survey
[12] Montenegro Human Development Report 2020, p.91
[13] Ibid
[14] https://www.gov.me/clanak/par-grupa-razmatran-napredak-u-oblasti-reforme-javne-uprave

Public Administration Reform continues to be a key priority for the Government.[15] In March 2021, the Ministry of Public Administration, Digital Society and Media started wide consultations regarding the new Public Administration Strategy for the 2022 – 2026 period,[16] while the new Council for Public Administration Reform, a key political body supporting the PAR was formed in July 2021.[17]

Minister Srzentić pointed out that Public Administration Reform does not only mean the adoption of numerous laws and other regulations and public policies, but also their implementation, adjustment, in order to be more purposeful and in the function of solving the problems of citizens. The challenge of implementation is a challenge that all governments of the world have and are constantly striving to overcome. It is necessary to continue with the optimization of public administration, reduce the duration of administrative procedures, be more agile and with a greater degree of digitalization, but also do everything to improve the access of citizens and the civil sector to public information.[18]

2.2. LINKAGES OF THE PROJECT WITH THE (UN)DP STRATEGIC FRAMEWORK

The national development priorities have shaped UNDP's Country Programme Development Programme for 2017-2021, providing a strategic framework for UNDP to proactively support government efforts to implement reforms in response to EU accession demands.

The UNDP Country Programme for Montenegro (2017-2021) is closely aligned with the national development priorities laid out in the Government of Montenegro's Development Directions (2015-2018 and 2018-2021) and sector policies and normative framework, and the 2017-2021 United Nations Development Assistance Framework (UNDAF). The Country Programme also responds to Montenegro's EU accession priorities across all sectors including Public Administration Reform (PAR) and Public Finance management (PFM).[19]

It is against this backdrop that the "Support to the Creation of a More Transparent, Efficient and Service-Oriented Public Administration" (herein after the project) was implemented in the framework of the Sector Budget Support "EU Support to Public Administration Reform in Montenegro."

To support the implementation of the Public Administration Reform Strategy 2016-2020 and more specifically the strategy objectives related to the provision of services and civil service system and human resources management, the project addressed the optimisation of public administration human resources, in line with European integration needs, state budget constraints and efficient, citizen-centred service delivery.

In the framework of the overall priorities the project focused on:

- The development and implementation of the optimisation plan and related legal framework adjustments and capacity building, in view of the optimisation of the number of public employees at the local level.
- The upgrade of the Single Information System for the exchange of data among state registers, with aim of improving quality and efficiency of public services.

The project was initially planned to last for 24 months from 23rd May 2018 **to** 23rd May 2020 but was extended until 23rd October 2021.

---

[15] https://www.aktuelno.me/crna-gora/strateski-prioritet-vlade-reforma-javne-uprave/
[16] https://www.gov.me/clanak/srzentic-cilj-je-da-izgradimo-javnu-upravu-jednakosti-pristupacnosti-inkluzivnosti-transparentnosti-i-otvorenosti
[17] https://www.gov.me/clanak/sjednica-savjeta-za-reformu-javne-uprave-u-novom-sazivu
[18] Ibid
[19] The Independent Country Programme Evaluation for Montenegro, UNDP Independent Evaluation Office, 2020, page 6

> **Its outcome is linked with the UNDAF/CPD outcome**
>
> By 2021, people-centred, accountable, transparent, and effective judiciary, Parliament, public administration and independent institutions ensure security, equal access to justice and quality services to all people.

Within the general objective to contribute to sustainable growth and to improve competitiveness through the creation of a more transparent, efficient, and service-oriented public administration the project has two outputs:

Output 1. Support the implementation of the National Optimisation Plan at local level.

Output 2. Upgrade the Single Information System for the exchange of data among state registers.

The project is expected to achieve results in two results areas

> **Result Area 1:**
>
> Number of employees in the public administration at the local level is optimised in line with the efficient service delivery requirements, European Accession process needs and state budget constraints.
>
> In order to reach the target of minus 5% employees in local self-government units (including public services) compared to the baseline[20] , by December 2018 and minus 10% by December 2019, as indicated in the PAR Strategy and Sector Budget Support "EU Support to Public Administration Reform in Montenegro", this Action will contribute to the optimisation through the development and implementation of the optimisation plan and ensuring complementary capacity building of MPA.

> **Result Area 2:**
>
> Strengthening the interoperability as a set of horizontal IT systems that support the provision of public services within the public administration (G2G), citizens (G2C) and businesses (G2B) through upgrade of SISEDE.
>
> In order to simplify public administrative procedures, this action envisages further development of the existing SISEDE in order to connect 7 different state electronic registers. The successful exchange of the data among state registers will contribute to the quality, transparency, and accessibility of public services, leading to a more business friendly administration, more competitive economy, as well as trust and economic benefits for the end users of the services.
>
> The project is managed and implemented by UNDP CO Montenegro within the DIM modality, in line with the UNDP Programming for Results Management User Guide.

---

[20] 12 174 employees in local self-government units, local public services and public enterprises established by local self-government units.

2.3. SCOPE AND OBJECTIVES OF THE EVALUATION

The purpose of the evaluation was to provide information about the results of the "Support to the Creation of a More Transparent, Efficient and Service-Oriented Public Administration" project implementation in order to inform the continuation or up scaling of the initiative.

The objective was to conduct the evaluation of the project with the specific aims such as:

- Assessment of the project results achieved against planned objectives, targets, and indicators, including the aspects of effectiveness and efficiency of the intervention and sustainability of project benefits beyond the lifetime of the project
- Reflections on the state of play now and capacities of the main actors as compared to the beginning of the project implementation and in relation to that, provision of recommendations and guidance for future programming in the public administration reform area.
- Identification and consolidation of good practices, lessons learned and including the provision of recommendations on processes, management, partnerships, and other aspects of project implementation that would benefit future engagement of UNDP in public administration area.

In line with the OECD/DAC principles and the UNEG, the final evaluation assessed the relevance, effectiveness, efficiency, impact, and sustainability of the project. It assessed what worked and why and the report highlights intended and unintended results, and provides strategic lessons to guide decision-makers and inform stakeholders.

The Evaluator reviewed, analysed and provided conclusions and recommendations on the following:

- The contribution of the project to the implementation of relevant national strategic frameworks.
- The degree to which the project activities listed in the Project Document have been successfully implemented and desired outputs achieved.
- What factors contributed to effectiveness or ineffectiveness.
- The efficiency of the project approach in delivering outputs.
- Assessment of external factors affecting the project, and the extent to which the project has been able to adapt and/or mitigate the effects of such factors.
- The approach to project management, including the role of stakeholders and coordination with other development projects in the same area.
- The extent to which the target beneficiaries have benefited from the project activities.
- The level of beneficiaries' and partners satisfaction with programme implementation and results.
- The potential for continuation or up scaling of the initiative.

3. METHODOLOGY

3.1. STRATEGY AND APPROACH

The evaluation was guided by the basic methodology as set out in the ToR and the strategy objectives of the Public Administration Reform Strategy 2016-2020 related to the provision of services and civil service system and human resources management as well as the framework of the Sector Budget Support "EU Support to Public Administration Reform in Montenegro."

The evaluation was multi-faceted, and the methodological approach used mixed (qualitative and quantitative) methods, as the best vehicle for meeting the evaluation needs. The evaluator ensured that the evaluation was conducted through a participatory and consultative process, which included all relevant national stakeholders, the international community, and the project beneficiaries. The methodological approach was synthesized into an Evaluation Matrix (see Annex 1), which guided the evaluator and provided an analytical framework for conducting the evaluation. The evaluation matrix set out the relevant evaluation criteria, key questions and sub-questions, data sources, data collection methods/tools, indicators, and methods for data analysis. The evaluation's principal guide was the project document and in particular the Results and Resources Framework containing its log frame and Monitoring and Evaluation framework, which contained indicators, targets and "means of verification" (i.e. data and documents) for the project's outputs. This allowed the evaluator to conduct a critical analysis of the Project's log frame indicators and targets.

The evaluator identified a cross-section of data sources in order to optimise data collection and ensure triangulation. A large focus of the evaluation was on obtaining qualitative data through interviews with relevant stakeholders and beneficiaries. These included, representatives of national partners at central and local level, civil society organisations; and international organisations, UNDP senior management and relevant project staff; A full list of interviews conducted can be found at Annex 3. The evaluator conducted as many interviews as possible in order to ensure the integrity and the comprehensiveness of the evaluation. Wherever possible data gathered, both qualitative and quantitative was triangulated, through cross verification from more than two sources. For interviews, this was done through posing a similar set of questions to the multiple interviewees. (See Annex 2) For the document review it was accomplished through crosschecking data and information from multiple sources to increase the credibility and validity of the material.

Given the relatively short time period of the project from May 2018 to October 2021, and cognizant of the long-term nature of public administration reform assistance, the evaluator also analysed the potential for further outcomes to which the project may contribute in the longer term. Further, the evaluator is aware that it is widely accepted that progress in the public administration reform does not follow a linear trajectory. The evolution of change is complicated and often unpredictable given the huge complexity that is inherent to it, even more so given the EU accession process. Public administration reform, by its nature, is multi-faceted, having multiple causes, various possible solutions, different potential outcomes, and multiple stakeholders. A linear approach to the evaluation based on the benchmark of results against indicators was insufficient to grasp the nature of the results produced and to identify the key facilitating and constraining factors. Thus, the methodological approach selected by the evaluator allowed for a non-linear approach, which enabled an evidence-based analysis of the relevance, efficiency, effectiveness, impact, and sustainability of the project's interventions to improve the management of public finances at all levels.

Coupled with this, the evaluator adopted a political economy approach that recognized the local context and the incentives faced by the actors engaged in it, i.e., the internal and external factors that determine success. This helped the evaluator to understand potential gains and losses from the project, as well as to identify who has vested interests and the social and cultural norms that need to be taken into account. Applying political economy analysis helped answer why things are the way they are and helped unpack the enabling environment by understanding the political economy drivers behind public administration reform in Montenegro.

The non-linear, sequential methodology for conducting the evaluation of the project consisted of three principal phases:

Phase 1 – Desk research and document review

Phase 1 was focused on the desk research, document review and preparation of the Inception Report, including the evaluation matrix and the data collection tools and instruments. The desk research and document review included, but not be limited to: the project document including its results and resources framework, annual work plans, monitoring & evaluation plan; Project progress (annual, semi-annual reports) and financial reports; Minutes of project board meetings; EU progress reports; Relevant Government policies and strategies; and other international donor reports, projects and programmes in the sector. The Evaluation Matrix provided an overview of data collection tools and data sources.

Output: The data collection tools and instruments

Phase 2 – Fieldwork and Data Collection, Analysis and Validation

Phase 2 formed the largest part of the evaluation and consisted of the evaluator conducting the interviews with relevant stakeholders and project beneficiaries, including those detailed above. The evaluation approach was as participatory as possible, throughout the review period, to ensure that the final beneficiaries of the project were really given the possibility to express themselves. The approach was inclusive, in order to guarantee the effective participation of all beneficiaries. As with all participatory approaches, the key to success is to be flexible and innovative in the use of appropriate tools, and to be willing to adapt to local circumstances. Due to the on-going COVID 19 restrictions the majority of interviews were conducted online. Upon conclusion of the fieldwork portion of the Evaluation, the Evaluator debriefed the UNDP CO on her principal findings, conclusions, recommendations, and lessons learned.

Output: Preliminary findings and recommendations, debrief with project /programme staff and senior management.

Phase 3 – Drafting, Revision and Finalisation

Phase 3 was focused on validating the data, findings and recommendations and drafting the evaluation report. The evaluator firstly prepared a draft report and submitted it to UNDP for comments. After the provision of comments and suggestions from UNDP, the evaluator revised the draft Report, addressing all received comments and suggestions and finalizing the evaluation Report.

Output: Draft evaluation report; Final Evaluation Report containing as a minimum an Executive Summary (maximum 3 pages), an overview of the evaluation mandate, and the review's main findings and recommendations.

3.2. REVIEW CRITERIA, KEY EVALUATION QUESTIONS AND RATING SCALE

The ToR specified a number of specific review criteria and key review questions as detailed below. These have also been incorporated and reflected in the evaluation matrix.

- The contribution of the project to the implementation of relevant national strategic frameworks.
- The degree to which the project activities listed in the Project Document have been successfully implemented and desired outputs achieved.
- What factors contributed to effectiveness or ineffectiveness.
- The efficiency of the project approach in delivering outputs.
- Assessment of external factors affecting the project, and the extent to which the project has been able to adapt and/or mitigate the effects of such factors.
- The approach to project management, including the role of stakeholders and coordination with other development projects in the same area.
- The extent to which the project recognised changing context in which it operates (public administration reform in Montenegro) and provided tailor-made activities in order to satisfy the new context and map opportunity spaces
- The extent to which the target beneficiaries have benefited from the project activities.
- The level of beneficiaries' and partners satisfaction with programme implementation and results.
- The potential for continuation or up scaling of the initiative.

In agreement with UNDP, the evaluator evaluated the project against a 4-fold rating scale as described below:

Legend:
Highly Satisfactory (4)
Satisfactory (3)

Moderately satisfactory (2)

Unsatisfactory (1)

Scoring of Project Performance:

Rating	Performance description
4 Highly satisfactory (Always/almost always)	Performance is clearly very strong in relation to the evaluation question/criterion. Weaknesses are not significant and have been managed effectively.
3 Satisfactory (Mostly, with some exceptions)	Performance is reasonably strong on most aspects of the evaluation question/criterion. No significant gaps or weaknesses, or less significant gaps or weaknesses have mostly been managed effectively.
2 Moderately satisfactory (Sometimes, with many exceptions)	Performance is inconsistent in relation to the question/criterion. There are some serious weaknesses. Meets minimum expectations/requirements as far as can be determined.
1 Unsatisfactory (Never or occasionally with clear weaknesses)	Performance is unacceptably weak in relation to the evaluation question/criterion. Does not meet minimum expectations/requirements.

3.3.   CHALLENGES AND LIMITATIONS

Due to the COVID 19 pandemic restrictions the evaluation was conducted as a virtual evaluation. All interviews were conducted via Zoom application.

Further, some of the key stakeholders, are no longer the Government officials and consequently not included into the current reform processes thus unable to provide relevant forward-looking perspective.

While not specifically a challenge or limitation, it should be noted that the project's outcome is aligned with UNDP's CPD outcome. As the CPD, including this outcome, was evaluated in 2020, the evaluator has not evaluated or rated it again. However, the CPD evaluation has been used to inform and guide the findings and recommendations included in this report.

4. OUTCOME LEVEL FINDINGS AND RECOMMENDATIONS

4.1. THE INDEPENDENT COUNTRY PROGRAMME EVALUATION FOR MONTENEGRO

UNDP CPD 2017-2021 envisaged a partnership with the EU, where, at the local level, UNDP planned to support the development of capacities of local self-government units to implement new mechanisms and provisions coming from the PAR and PFM; to strengthen cooperation between municipalities and civil society; as well as to increase citizen engagement.

The main findings of the Independent Country Programme Evaluation for Montenegro[21] regarding **public administration at the central and local level, and quality of public services for all people[22],** focusing on enhancing human rights show that the operational framework for work on these issues was rather conducive, with EU accession (chapter 23 and 24 negotiations) and the horizontal reforms serving as key drivers of PA reforms in the country. Further, the government was open and supportive of reforms across the sector.

Additionally, the Independent Country Programme Evaluation specified a number of findings that are related to UNDP's work within the sector recognizing that UNDP has made positive contributions in supporting the Montenegrin government's efforts to promote democratic governance and Public Administration Reform in the country in pursuit of EU accession requirements.[23]

UNDP's work during the current CPD cycle was led by EU accession priorities under this pillar, especially on policy-making and service provision. Within these efforts, UNDP invested in expert policy and capacity-building support towards reform of the public administration (PAR) and public finance management (PFM) and provided support to eGovernance models, with a wider focus on improving public service delivery, especially for poor and excluded communities.[24]

The independent Country Programme Evaluation also underlined that UNDP's focus within the democratic governance related outcome was appropriate and well targeted.[25]

Specifically, when it comes to the contribution to the development implementation of the Plan of optimization of public administration, it was pointed out that the latter was affected by multiple factors beyond the scope of the Project.[26] These included the level of commitment to optimization, understanding of the optimization scope and reach, optimization alternatives and in particular lack of accurate data that would enable measuring and tracking optimization results.[27]

Within efforts to support the public administration reform and in alignment to the PAR strategy, UNDP worked with the Ministry of Public Administration (MPA) on the enhancement of the interoperability of information systems within public administration towards improvement of public service provision. The establishment and functionality of the Single Information System for Electronic Data Exchange

---

[21] The Independent Country Programme Evaluation for Montenegro', UNDP Independent Evaluation Office , 2020

[22] CPD Outcome 1**:** By 2021, accountable, transparent and effective judiciary, public administration at central and local level, Parliament and independent institutions ensure security, development, equal access to justice and quality public services for all people[22], focusing on enhancing human rights.

[23] The Independent Country Programme Evaluation for Montenegro', UNDP Independent Evaluation Office , 2020, page 18

[24] Ibid

[25] Ibid

[26] The Independent Country Programme Evaluation for Montenegro', UNDP Independent Evaluation Office , 2020, page 19

[27] Zehra Kacapor-Dzihic (2020); Mid-term Evaluation of the Public Administration Reform Strategy 2016-2020 in Montenegro, European Commission, Podgorica; Izvještaj o realizaciji plana optimizacije javne uprave 2018-2020 za 2020. godinu, sa osvrtom na implementaciju cjelokupnog dokumenta, str.11, 29 (Report on the implementation of the public administration optimization plan 2018-2020 for 2020, with a review of the implementation of the entire document, p. 11, p.29)

(SISEDE) platform has resulted in less complicated data exchange between various state institutions, with Podgorica, the largest local self-government unit and the Health Insurance Fund being connected to SISEDE.[28]

Independent Country Programme Evaluation for Montenegro recognised specifically UNDP's flagship support focused on setting up and building the SISEDE.[29] The SISEDE enables communication among existing systems and faster and reliable exchange of information between databases and institutional systems across the public administration enabling more efficient delivery of services, particularly those, which require collation of information and data from variety of sources. SISEDE was established in 2018, ensuring interoperability between 5 key electronic state registers at the time it became operational. In 2019, as part of the upgrade of the Single Information System project, an additional 5 key electronic state registers were connected.[30] Key informant interviews with representatives of government, public agencies, CSOs and development partners praised both the SISEDE and eServices contributions. Also, there is a vision by the MPADSM to deepen the eService system within the next cycle of the PAR strategy that is being developed for the period of 2022-2026.[31]

With regards to the support to local self-government (LSG) units within the scope of the Government's PAR strategy UNDP undertook a complex task of 'localizing the aims of the PAR Strategy.' This included efforts to promote and implement some of the PAR measures (i.e. awareness raising on the optimization of public administration, changes in systems for recruitment, as well as local revenue control), which were multi-faced and somewhat fragmented due to the wide scope of Public Administration Reforms. Gains achieved are still fragile and limited to targeted municipalities and have not taken root across the country.[32]

Funded by the EU, the most critical intervention of the project was to support the sensitive area of optimization, which implied laying off a large number of PA staff across agencies, along with a moratorium freeze on new employment. This intervention was braced with scepticism at the local level as the PAR Strategy included the obligation of all local authorities to conduct an analysis of the numbers of employees and to adopt local optimization plans.[33]

UNDP also assisted in building vertical communication between LSGs and central government (more specifically, assisting them to engage in vertical and horizontal communication and exchange on lessons learned and approaches to optimization. Further, inter-municipal cooperation and exchange of information was supported through discussions convened and facilitated by UNDP.

The project specific contribution was clearly recognized by the Independent Country Programme Evaluation whereby is noted that the UNDP worked closely with the MPA and the Union of Municipalities to promote the efforts and support the Working Group for optimization of the number of employees in public sector towards 'localization' of the optimization efforts. Further, UNDP supported analytical work to establish the optimum number of employees required across public administration at LSG level by collecting data on employees across all the local entities (administration authorities, independent bodies, public institutions, state local enterprises). Within these efforts, and in order to address the unreliability of data from LSGs, the project developed a web application

---

[28] Ministry of Public Administration, Digital Society and Media (2021); Final Report on Implementation of the Public Administration Reform Strategy 2016-2020, 2019, p.25

[29] The Independent Country Programme Evaluation for Montenegro,, UNDP Independent Evaluation Office , 2020, p21

[30] As of September 2020, ten registers are interoperable via SISEDE. Central population register; Criminal record; Employment record; Registry of number of children in educational institutions; Register of taxpayers; Central registry of business entities; Registry of property rights holders; Register of the Health Insurance Fund; Central pension fund register; and Register of social benefits.

[31] The Independent Country Programme Evaluation for Montenegro', UNDP Independent Evaluation Office, 2020, page 21

[32] The Independent Country Programme Evaluation for Montenegro', UNDP Independent Evaluation Office, 2020, page 23

[33] Government of Montenegro (2015); Public Administration Reform Strategy 2016-2020, p.54.
http://www.srju.gov.me/ResourceManager/FileDownload.aspx?rid=268749&rType=2&file=PUBLIC%20ADMINISTRATION%20REFORM%20STRATEGY%20IN%20MONTENEGRO%202016-2020.pdf

through which MPA is using data from SISEDE obtained from Tax Administration's Employment Records (CROO) on the number of employees at the local level. Updated in real time, this data provided the most accurate and reliable information with confirmed interest and support from both MPA and the Tax Administration.[34]

4.2. THE OUTCOME LEVEL SPECIFIC FINDINGS AND RECOMMENDATIONS

The general and specific findings of the Independent Country Programme Evaluation for Montenegro were corroborated by key informants interviewed within the scope of this evaluation, who noted that project's contribution laid strong foundations for future UNDP strategic presence and engagement within the Public Administration and in particular eGovernance.

The outcome level specific findings and recommendation are as follows:

Finding:
The evaluator finds that the Project both significantly and distinctly contributed to the achievement of the CPD Outcome 1 by enhancing public administration capacity to organize, process and deliver public services in a more coherent and interoperable manner.

Finding:
The evaluator finds that the coherent narrative of the Project is an added value that should guide and serve as the front-runner for the future programming in the democratic governance area.

Recommendation:
UNDP's role in relation to PAR should shift from being responsible for project implementation to more of a technical support and advocacy role.

Recommendation:
Coordination with the EU and national partners at central and local level should be capitalized on going forward, especially after the end of the project, to ensure both reinforcement of the results achieved to date, and continued improvements in PAR.

Recommendation:

---

[34] The Independent Country Programme Evaluation for Montenegro', UNDP Independent Evaluation Office, 2020, page 23

UNDP should continue to advocate for adequate budgets to support key project results. Core UNDP Resources should be invested to ensure that project results are not jeopardized and remain sustainable.

Recommendation:

UNDP should prioritize any available funds and fundraising to further embed project results in the system, contributing to greater ownership and sustainability.

Recommendation:

UNDP should further maximise the synergies that the Project provides across the Country Programme and external programme initiatives.

5. OUTPUT 1 LEVEL FINDINGS AND RECOMMENDATIONS

5.1. IMPLEMENTATION OF THE PUBLIC ADMINISTRATION OPTIMISATION PLAN: RESULTS AND CHALLENGES

The Government of Montenegro adopted the Public Administration Optimisation Plan (hereinafter: PAOP) in July 2018 with a view to strengthening public administration effectiveness and achieving its full functionality. For the local level, PAOP envisaged 9 short-term and 13 medium-term measures, scheduled for implementation in the second half of 2018, and the whole of 2019 and 2020. The measures aimed at downsizing staff in public administration at the local level by 5% by the end of 2018, and by 10% by the end of 2020.

One of the key PAOP messages is that optimisation is not primarily aimed at downsizing staff, but rather the process includes a range of reform actions. These activities, among other things, pertain to slowing down recruitment, enhancing personnel planning and up-skilling, establishing optimal organisational setups in local administrations, and fostering inter-municipal cooperation with a view to increased efficiency, cutting costs, and ultimately better services for citizens. Such a narrative, although accurate, poses a challenge for the optimisation process by asking: if downsizing is not the primary aim of optimisation, how come that the progress in achieving the set downsizing targets of 5% and 10% is a precondition for Sector Budget Support provided by the European Union for the public administration reform in Montenegro?[35] Additionally, the targets set so high push the Government to focus primarily on their achievement, which ultimately, according to PAOP, is not the purpose of optimisation.

As noted by the PAR Evaluation,[36] the concept of optimisation was understood in a very linear or even simplified manner, so the indicators selected were very quantitative, focusing on measuring the cuts across the public administration as an indicator of success in terms of optimisation. This was found to be a big weakness of the approach to this sector area as it was found to be unrealistic and, in many cases, counterproductive.

This is mainly due to the fact that the definite baseline in terms of the number of public administration employees was not available at the time of the design of the Strategy. The underlying reasons for this lay in an unclear definition of public administration, but the problem can also be attributed to difficulties in terms of records on public administration employment, particularly at the local level. Moreover, the goals set in the Strategy were not underpinned by previous functional analysis and were thus provisional rather than realistic. When it comes to local self-government units, the optimization plan, for them, was a recommendation and not an obligation, they were slow in implementing the new legislative framework on civil servants and state employees particularly when it comes to the adoption of HR plans.

Namely, within the overall PAR exercise, the MPA first initiated a cumbersome process of creating a full database of employees in public administration as envisaged by the Optimisation Plan. This process included the collection of data from central and local level on employees across their ranks,

---

[35] "Achieving these targets is directly linked with the transfer of two variable tranches amounting to €8 mil within the framework of the sector budget support provided by the EU'', PAOP Progress Report for the period 01 January to 31 March 2019. However, in November 2019 only 2,077,000 EUR instead of the requested 4,000,000 EUR were paid. The discrepancy is attributed to various definitions of performance indicators in the SBS and the PAR. The remaining part of the tranche was redirected to UNDP for the implementation of the project E-services and digital infrastructure as COVID-19 response measure IPA / 2020 / 421-435. The additional 4,000,000 EUR has not yet been paid and the assessment of the fulfillment of the indicators is in progress.

[36] Zehra Kacapor-Dzihic (2020); Mid-term Evaluation of the Public Administration Reform Strategy 2016-2020 in Montenegro, European Commission, Podgorica, p 23

mostly through the distribution of questionnaires on numbers, which were to be filled in and returned to the MPA in due course. The weakness with this approach was the lack of full definition of what constitutes public administration employment, which resulted in ambiguities and differences in data, particularly in LSGs. Consequently, the results in terms of numbers were not accurate or reliable, and were reportedly criticized by civil society, which claimed that the numbers are not exact numbers of public administration in Montenegro.

In addition to employment cuts, the Optimisation plan envisaged more stringent measures on controlling new employment within the public administration, with more focus on ensuring staffing plans are in place and prepared by each respective institution within the budget planning process. This was highlighted as a positive measure of the government both in documents and in stakeholder interviews, which emphasised that such a measure is preventive in nature as institutions are hesitant to request new employment unless absolutely necessary and justified. However, the staffing plans were not systemically prepared across all sectors, particularly by the LSGs, which compromised the final results. The evaluation found that even the municipalities, which managed to adopt new systematisation acts failed to decrease the number of systematised positions in the required amount of 10-30% compared to the last systematisation act. Other delays have been encountered as regards the adoption of the systematisation acts of state administration bodies, which led to the late adoption of the Human Resource Plan for state administration bodies and Government services.[37]

Another issue that proved to be difficult to tackle by the Optimisation Plan was the practice of on-going employment with the use of short-term contracts (Temporary and occasional contracts) and service contracts.[38]

The optimisation effort also included the Public Call for consensual termination of employment with severance pay for employees at all central and local level bodies, as per the Decision on Severance Pay in the Case of Mutually Agreed Termination of Employment in Public Sector. This Decision was in force until 31 December 2020. Although severance payments were introduced by the Montenegrin Government as a positive solution, according to SIGMA comments this measure was not set to bring sustainable effects but had the potential to pose a huge burden to the state budget.[39]

The most recent EU progress report for Montenegro 2020 recognised positive progress across the governance area, albeit noting that public administration overall is still moderately prepared for EU accession. Progress was particularly notable in the implementation of the Law on Civil Servants and State Employees; the medium-term policy-planning framework, merit-based recruitment, human resource management and rationalizing of the organization of the state administration, all being marked as areas that continue to advance well. However, the report also emphasized the weak results within the optimization of the state administration, despite the fact that the EU, the Ministry of Public Administration and UNDP invested in this effort, singling out the need for effective de-politicization of the public service." These results were acknowledged by the Montenegrin Government in its 2021 Report on the Implementation of the 2018-2020 Public Administration Optimization Plan, underlining that instead of the planned decrease, the total number of public sector employees had increased by 8% compared to the 2017 baseline. The Montenegrin government partially accounted for the increase attributing it to the needs of the educational system, the parliamentary elections in August 2020 and their outcome. However, the Government has re-voiced its strong commitment to the implementation of PAR, including the setting of a sound legislative framework for the functioning of the entire public administration system, inter alia, through the adoption of the Law on Government, which is currently lacking. Further, the Government has clearly recommended putting the future PAR

---

[37] Ibid, p. 49
[38] Ministry of Public Administration (2019); Report Implementation of the Optimization Plan 2018-2020 for period April-June 2019, p. 49.
[39] SIGMA Comments on the measures included in the "Proposal for optimisation of public administration" (chapter 3.5. of the "Draft Optimisation Plan")

reform on the level of local self-governments within the framework of bottom-up approaches, increased ownership and relevant functional analysis.

Key informant:
"UNDP provided very sophisticated and professional facilitation of the workshops. This is, in my opinion, the main reason we had concrete and useful conclusions applicable in our daily work."

Key informant:
"We need time to sit together and reflect not only time to act."

Key informant:
"The project team was highly responsive to our needs, flexible and proactive in offering possible solutions. It was two-way communication".

Key informant:
"Sometimes the process is equally as important as the content. UNDP is very good in ensuring the full participation of all partners at central and local level."

Key informant:
"Special emphasis was given to the participatory approach and transparency. All local self-government participated at the workshops. This is very good practice. Usually only a few representatives are creating policy."

5.2. OVERVIEW OF THE OVERALL RESULTS PER OUTPUT ACTIVITIES

The Overview of overall results per activities as reported at the Project Board meeting on July 26 2021 are as follows:

Output 1: Support the implementation of the National Optimisation Plan at local level

- **A.1.1 Strengthening internal coordination capacities of the MPA, with regard to the optimisation of the number of employees in the public administration**
    - On the job support provided by the local consultant hired through the project
    - 6 workshops with the Chief Administrators, Mayors and HR officers in municipalities
    - Section on the Ministry website on optimization with FAQ
    - Public speaking training for senior management in MPA on the challenges of optimisation

- **A.1.2 Support to the Working Group on optimization at local level established by the MPA, including capacity building**
  - Two local consultants were engaged
  - Workshop on the development of the Optimization plan of the employees in public sector, which was organised with SIGMA on June 4-5, 2018, in Bečići.

- **A.1.3 Analysis of the legal framework on state local enterprises and identify possible obstacles/solutions to optimization at local level**
  - The comprehensive Analysis with recommendations was developed and translated in English

- **A.1.4 Collection of data at local level (administration authorities, independent bodies, public institutions, state local enterprises) according to SIGMA methodological guidelines, and if necessary, improvement of the quality of the available data on civil servants and state employees at local level**
  - On the job support provided by the local consultant hired through the project
  - Web application was developed through which MPADSM will use the data from Tax Administration's Employment Records (CROO) on the number of employees at the local level.

- **A.1.5 Analysis of data at local level and proposal of actions to achieve the targets**
  - Analysis of the effects of short-term measures of the Public Administration Optimisation Plan 2018-2020 was developed in March 2019
  - Assessment of the Progress Achieved under the 2018-2020 Public Administration Optimisation Plan at the Local Level

- **A.1.6 Fostering inter-municipal cooperation, based on the best international practices**
  - Analysis of possible areas and mechanisms of cooperation among the local government-units was developed in February 2019.
  - Presentation for the representatives from all local self-government units, UoM, ministries and civil sector was organised on March 12, 2019

- **A.1.7 Coordination with other working groups on optimization (SIGMA, World Bank, EU Member States)**
  - Besides regular bilateral meetings, the more formal coordination meeting related to the optimization of the public administration in Montenegro was organised on September 28, 2018

- **A.1.8 Development of software for electronic testing for the local self-government units**
  - This activity was introduced during the project implementation
  - Upgrade of existing software solution within HRMA for the electronic testing of the candidates to the needs of 25 LSGs
  - Development of the database of the questions and answers in cooperation with UoM and HRMA

> **Finding:**

> The project responded adequately to identified implementation challenges related to the political context of the optimisation at the local level. The analytical work and innovative tool supported the shift of optimisation paradigm from the linear (descries the number of staff) to substantive (the optimal resources need for service delivery).

5.3.   OUTPUT 1 IMPLEMENTATION HIGHLIGHTS

Output 1 Implementation Highlights include: The detailed **Assessment of the Progress Achieved under the 2018-2020 Public Administration Optimisation Plan at the Local Level** aims to identify the challenges that pre-existed or arose during the PAOP implementation, offering recommendations and solutions, but also take stock of the positive outcomes and the lessons learned in the process.

It is noteworthy that achieving the set target, as well as other reform goals, largely depends on the many challenges that arose before the PAOP entered into force. The challenges primarily refer to the set **staffing** baseline and were further exacerbated by **imprecise reporting by local self-governments** on PAOP implementation. Additionally, the Ministry for Public Administration recognised the **misunderstanding** of some of the PAOP measures by the local self-governments, and the noncompliance with the provisions and the commitments stemming from the new legislative framework for the local civil service system,[40] which was partly caused by the lack of political will to pursue optimisation in some local self-governments.

Finally, PAOP set the same measures for all local self-governments and all their services – public companies and institutions. **The same scope of measures could not have been applicable to all**, given the great variance in the size, staff breakdown and, in particular, the financial status of these entities. Moreover, given that PAOP measures are not applicable to the state-owned enterprises, it remains unclear how the same could have been applied to similar companies at the local level that enjoy a higher degree of autonomy in reference to the central government policies.

In order to overcome the numerous obstacles in the process of collecting data from local self-government units, and to increase the reliability of the data on the number of employees, **the web application** was developed through which MPADSM will use the data from Tax Administration's Employment Records (CROO) on the number of employees at the local level.** This data is updated in real time and should serve as the most accurate monitoring system.

All relevant institutions are included by using the Tax Identification Number; however, it is possible to add new institutions if needed. The list of institutions can be searched and filtered by municipality. By clicking on the institution, all employees are displayed on the right including the name and surname, date they were insured, type of insurance and number of working hours per week.

 The analysis of employment data includes the presentation of graphical data on:

- Number of employees by institutions compared by dates for every update of the employee records
- Overview of the number of employees by municipalities
- Overview by institutions with the largest number of employees.

The employee difference is a listing of all employees who are present in the employee records on one date and are not present on another. The list can be filtered by municipality and institution.

---

[40] The Law on Local Self-Government (Official Gazette of Montenegro 2/2018, 34/2019, 38/2020) and the Law on Civil Servants and State Employees (Official Gazette of Montenegro 2/2018, 34/2019)

The Decree on Criteria and Procedure for Testing the Knowledge, Capability, Competence and Skills for Work in State Authorities stemming from the Law on Civil Servants and State Employees is applicable for the local self-government units as well. For many municipalities, **developing the software for the electronic testing of the candidates** to be employed poses a challenge in financial, technical, and human resources terms. After intensive consultations with relevant stakeholders, it was agreed that the most efficient solution is to upgrade the software solution, previously developed by the company Smart Tech d.o.o. for the Human Resource Management Authority for this purpose.

In addition, the trainings for the relevant staff from all local self-government units who would be responsible for the software usage were organised. The training was based on a user-friendly manual, with detail explanation how to use the software, for all different categories of users, based on their privileges (software administrators, regular users, etc.). Together with Union of Municipalities, UNDP and HRMA, the workshop in relation to development of the database of the questions and answers relevant for the candidates applying for positions at the local self-government units was conducted.

5.4.   THE SPECIFIC FINDINGS, RECOMMENDATIONS AND RATINGS

Finding:
The evaluator finds that the Project successfully mitigated the suboptimal implementation of the 2018 - 2020 Public Administration Optimisation Plan at the local level whereby the set targets were overly ambitious and consequently not met by identifying the challenges that pre-exist and / or arose during the PAOP implementation, offering recommendations and solutions including the lessons learned that should inform the concept of the optimization within the 2022 – 2026 Public Administration Strategy and developing web based solutions for the baseline identification and accurate monitoring of the numbers of the employees.

Recommendation:
UNDP should build upon evidence-based analysis in order to position itself as the lead partner in the strategic dialogue (with national and development partners) related to the public administration reform.

Recommendation:
During the next programming cycle UNDP should proactively expand the partnership base during all phases of the project development and implementation in order to obtain and process accurate feedback that will feed into the project design and help adjustment of the project implementation when and where needed (i.e. going beyond obvious like ministry in charge and cast a wide net).

Evaluation Criteria	Evaluation Assessment	Ranking
Relevance	The evaluator finds that this output is highly relevant. It is aligned with national priorities as presented in the PAR Strategy and in its Action Plans (AP PAR 2016-2018, and AP PAR 2019-2020), contributing to the Strategy objectives	4

	related to the provision of services and civil servants and human resource management.

More specifically the output is contributing to the implementation of the Optimisation Plan and related legal adjustments.

The output is also highly relevant for the EU accession priorities of Montenegro, in particular towards ensuring the governments' ability to provide public services and to foster competitiveness and growth and meeting prerequisites towards EU accession.

Further, the output corresponds fully with CPD Outcome 1: By 2021, accountable, transparent and effective judiciary, public administration at central and local level, Parliament and independent institutions ensure security, development, equal access to justice and quality public services for all people, focusing on enhancing human rights. Further, the output corresponds to UNDAF Democratic Governance Strategic Outcome: By 2021, people-centred, accountable, transparent and effective judiciary, Parliament, public administration and independent institutions ensure security, equal access to justice and quality services to all people. | |
| **Effectiveness** | The evaluator finds that the overall effectiveness of the implemented output activities is achieved at a satisfactory level. As reported by the Project the output indicator targets for 2018 and 2019 were not met. However, the evaluator took note of the number of measures that includes the identification of main challenges but also forward-looking solutions that the Project proactively took to ensure implementation of the Public Administration Optimization Plan at the local level. The mitigation response that the Project adequately provided in the challenging legal, institutional and political context of the public administration optimisation at the local level was further reflected in the refinement of output indicator targets for 2020 and 2021.

The 2020 output indicators are set as:

1) Analysis for optimization and sustainability of local public enterprises and public | 3 |

	institutions established by municipalities developed; and	
	2) Analysis of the bottlenecks in the implementation of the Public Administration Optimization Plan of Montenegro 2018-2020 at the local level developed and	
	The output indicators for 2021 are set as:	
	1) Web application through which MPA will use the data from Tax Administration's Employment Records (CROO) on the number of employees at the local level developed and launched	
	2) Analysis on possibilities for inter-municipal cooperation developed is fully met.	
Efficiency	The evaluator finds that there was high value for money related to this output. Furthermore, the benefits of the custom-made analytical and web-based solutions completely outweigh the "costs" of their development. The output was efficient due to communication and coordination issues among the national partners and UNDP. The project always responded promptly to implementation issues raised by national partners and successfully managed the risks. The delivery rate of this output has witnessed a mixed trajectory with delivery in 2018, in 2019 and 2020. As reported, the delivery rate in 2021 is on track.	**4**
Impact	This output has had significant impact in relation to the public administration reform deepening the understanding of the challenges and solutions for the human resources optimisation at the local level. It has also had wide-ranging capacity development impact on the local self-governments and Ministry itself, in streamlining the human resource management processes as well as standardisation of the relevant practices in order to better respond to the needs of citizens and business.

Additionally, the methodological implications and consequently the execution of the optimisation of human resources at the local level are successfully addressed by the development of tools and instruments that both thematically and technically advanced national partners (i.e. Web application through | **4** |

	which MPADSM will use the data from Tax Administration's Employment Records (CROO) on the number of employees at the local level) and as well as developing of the software for the electronic testing of the candidates to be employed).	
Sustainability	The evaluator finds that the project has addressed sustainability, particularly through ensuring that the human resource optimisation remains a relevant topic for the incoming 2022 - 2026 PAR Strategy. Furthermore, the project implementation informed the change of the optimisation paradigm by refocusing from the downsizing the number of employees towards defining the optimal resources needed for the efficient, transparent and service oriented public administration at the local level An additional element of sustainability is the potential of the scaling up of the web applications, that will result in the comprehensive and accurate monitoring system of number of employees for both national and local level.	**3**
Overall	This output is on the right track with potential for further successes and scaling up in the next programming phase.	**18/20**

Legend:
Highly Satisfactory (4)
Satisfactory (3)
Moderately satisfactory (2)
Unsatisfactory (1)

6. OUTPUT 2 LEVEL FINDINGS AND RECOMMENDATIONS

6.1. THE UPGRADE OF THE SINGLE INFORMATION SYSTEM FOR THE DATA EXCHANGE AMONG STATE REGISTERS: RESULTS AND CHALLENGES

With respect to the interoperability and digitalization of public services, Montenegro has notably enhanced its normative framework, but also its service delivery capacities and the procedures, setting a strong and sustainable basis for future efforts.[41] As early as 2017, the country started making positive trends in terms of the implementation of the new, reformed Law on Administrative Procedure, as an overarching normative document aimed at achieving more effective public services. Gearing the efforts towards eServices, an important legislative package was adopted, including the Law on eGovernment; Law on Amendments to the Law on electronic identification and the Law on Amendments to the Law on Identity Card.[42]

Stakeholders interviewed within the scope of the evaluation emphasised that the political commitment to enhance the system of eServices has been strong, which represented a driver for progress in this area. The EU support through the SBS and other forms of technical assistance (TA) has been instrumental to progress in this area too.

It further made efforts towards increasing the number of eServices on the eGovernment Portal, and in 2018, it set up an information system for electronic data exchange, etc.

The PAR reform efforts were complemented by the Strategy for Development of Information Society for the 2016-2020 period, which also envisaged a number of key strategic directions, aimed at improving existing and developing new eServices, interoperability, adjustments and developments of the eID systems and mechanisms, open data and digital single market (DSM). The strategy was broader than the eGovernment alone, covering additionally the necessary infrastructure for broadband access, information security, human capital, but also sectoral development goals in the fields of healthcare, education, business, participation, research, and development. The strategic goals set therein related to eGovernment included 5 operative goals divided into 25 activities. The Montenegrin Government reports[43] that 66% of planned activities were fully implemented, with an additional 24% being partially implemented. More importantly, it also reported growing trends when it comes to all 5 observed indicators.[44] The strategy is seen as an overarching framework within which eServices would be also enhanced, inter alia for the decrease the level of administrative barriers for the procedures such as business registration, paying taxes, issuance of construction permit, electric connection, real estate registration. The strategy, together with the PAR, represented a sound overarching framework within which eServices would be enhanced, inter alia for the decrease the level of administrative barriers for the procedures such as business registration, paying taxes, issuance of construction permit, electric connection, real estate registration.

The government took on the initiative to develop the Digital Transformation Strategy, which would provide for investments in the improvement of the business environment and citizen services overall. In addition, the Working Group established to work on digitalisation prepared Procedures for defining,

---

[41] Zehra Kacapor-Dzihic (2020); Mid-term Evaluation of the Public Administration Reform Strategy 2016-2020 in Montenegro, European Commission, Podgorica, p 29
[42] Ministry of Public Administration (2020); Report on Implementation of the Action Plan for the Public Administration Reform Strategy 2016-2020, 2019, p.6
[43] Ministry of Public Administration, Digital Society and Media (2021), Završni izvještaj o sprovođenju Strategije razvoja informacionog društva 2016-2020 godine jul 2021, p.. 27
[44] Ibid

developing and processing eServices, which includes a step by step procedure to recognize the service and then to verify it, in order to ensure quality recognition and tracking of eServices.[45]

While these efforts were found to contribute to bringing progress in terms of the enabling business environment and citizen access to services, there is still a lack of clear definition of "digitalisation" and "society," most notably the scope of the strategic intervention among the general population of Montenegro.

Stakeholder interviews note that the local level service provision will depend to a great degree on LSGs' capacity to invest and maintain such services and importantly on interoperability of LSG systems with central ones.

Overall, stakeholder interviews emphasise the fact that the focus on eServices has been welcome and needed as an avenue of modernisation of the civil service, however, the actual provision of eServices depends on extensive preparatory work in terms of enhancing the interoperability of systems, and other prerequisite to make the system work better.

It is important to note that supported IT and interoperability systems that were modelled and integrated into the MPA and individual institutions' and LSGs' structures have been institutionalised, but their sustainability depends on a number of factors in the medium to long term, including but not limited to, financial and human resources at MPA and also other institutions to maintain and upgrade the IT systems and equipment as well as the ability to overcome challenges in staff turnover, where the inability to pay competitive salaries is an important factor.

The new Government was established in December 2020, but actual counterparts necessary for successful project coordination and execution (new directors of directorates, state secretaries and operation teams) in most government institutions were only appointed in February or March 2021. As reported by the project team there were important changes in senior management in MPADSM. One of the main counterparts at the Ministry, the head of the eServices department, was promoted to another position and a new person was appointed in May 2021. Although the UNDP Project Manager established cooperation with the new managing team of MPA immediately, significant delays in the implementation of the project activities were caused, while all team members gained enough knowledge of the main aspects and functionalities of SISEDE platform and necessary actions. Key informants recognised the contribution of this output to overall reform efforts:

Key informant:
"The Public Administration Reform comes down to the reform of a business process. The automation is de facto optimization."

Key informant:
"UNDP brings innovation into the Public Administration Reform"

Key informant:

---

[45] Ministry of Public Administration (2020); Report on Implementation of the Action Plan for the Public Administration Reform Strategy 2016-2020, 2019, p.20

"UNDP exercised the ability to recognize both the complexity of problems at the local level and the need for systemic yet tailor made solutions."

Key informant:

"The project team has needed technical expertise that goes beyond a general management approach. A technical approach is key for smooth implementation".

Key informant:

"UNDP understands the wider context of the interoperability. It goes beyond establishing and maintenance of the system and inter-institutional connections and requires the alignment of the overall framework with EU requirements."

6.2. OVERVIEW OF THE OVERALL RESULTS PER OUTPUT ACTIVITIES

The Overview of overall results per activities as reported at the Project Board meeting on July, 26. 2021 are as follows:

Output 2. Upgrade the Single Information System for the data exchange among state registers

- **A.2.1 Analysis of the legal framework and identification of possible shortcomings and obstacles for connecting and utilising the SISEDE**
  - The analysis was conducted in October 2019.
  - Montenegro has undertaken the necessary legal reforms to recognise electronic transactions exist. However, there is still a need for different by laws, which have not yet been adopted or are not complete. Partly due to this absence of implementing acts and partly to lack of understanding or resistance to some changes, proper implementation of legislation is more of an issue than the legislative work.

- **A.2.2 Identification and analysis of business processes in the institutions responsible for keeping the data registers necessary for the further implementation of SISEDE**
  - The analysis was conducted in October 2019.
  - The analysis gives an overview of the business processes, and it explains the SISEDE solution, and its implementation needs and puts it into the context of public service digitisation. The analysis follows with the perception on obstacles gives an overview of public services digitisation obstacles from Estonian digitisation **experience, also from a view of Montenegro public institution leaders and public service providers responsible for development of services.**

- **A.2.3 Connecting registers by the end of the action**
  - Over 24 institutions expressed interest. 17 institutions are fully approved and got access granted to SISEDE.
  - **Currently 10 registers (including 7 key registers) are available via SISEDE.**

- Two more registers are in process of creation and connection (Monstat – Statistical office of Montenegro and Customs Administration).

- **A.2.3.1 Development and implementation of selected eServices for citizens and businesses as the most needed, implemented based on the SISEDE and integrated registers**
  - eServices developed:
    - Registration of business entities
    - Online Enrolment of children into kindergarten and elementary schools
  - The following eServices are still to be developed by October 2021:
    - Online Payment of real estate taxes
    - Registering birth and death
    - Changing the address within the country.
    - Online request for marriage ceremony and issue of marriage certificated (to be developed at municipality level for Capital City)

- **A.2.3.2 Training for the use of the SISEDE**
  - During the period September 2020 – February 2021 four trainings were held with members of eServices department in MPADSM on various aspects of SISEDE to strengthen internal Ministry administration and maintenance capacities.
  - Since May 2021 there were some organizational changes in the Ministry in the eServices department and the new Head of eServices department was appointed. Additionally, SISEDE administration is now performed by one person only, the project team is raising the awareness within the Ministry senior management to ensure the process goes smoothly.

- **A.2.3.3 Verify if the Ministries involved need additional equipment to connect to the SISEDE**
  - As government institutions have been expressing interest to connect to SISEDE, during approval process, the Ministry's eServices team and technical personnel of those government institutions have been successfully determining technical readiness and needs for any additional software or equipment.

- **A.2.4.1 Development of additional functionality for the SISEDE, such as: insight of citizens in their own data, ability to file requests for data changes, insight into specific logs - whether someone is unauthorized viewing information about citizens, etc.**
  - Depending on results and data gathered by above detailed monitoring platform, MPA will be able to assess the possibility development of further modules, such as insight of citizens in their own data and ability to file requests for data changes.

- **A.2.4.2 Creation of a catalogue of all services at national and local level which should be supported by the SISEDE**
  - The catalogue of eServices was developed in October 2019 and the Ministry of Public Administration approved it.
  - The catalogue includes Public Service Portfolio Management practices in the context of Montenegro, providing an overview of the best practices from Estonia and EU.
  - The analysis is finalised with the catalogue of public services, which should be supported by SISEDE as a first priority.

- **A.2.5. In cooperation with the Ministries in charge of the registers and MONSTAT, support the improvement of the quality of administrative data, in line with EU statistical standards and European best practices**

- **A.2.5.1 Analysis on key registers contents quality from the point of view of official statistics needs**

  - One international and two local consultants have been working on various tasks regarding more efficient use of administrative data by analysis of seven administrative registers, which resulted in detailed report prepared in May 2020.
  -

- **A.2.5.2 Analysis on the scope of register coverage from the point of view of official statistics needs**
  - One international and two local consultants have been working on various tasks regarding more efficient use of administrative data by analysis of seven administrative registers, which resulted in detailed report prepared in May 2020.

- **A.2.5.3 Official statistic accesses the registers via web services (SISEDE)**
  - The web services to enable MONSTAT full access to the quality data from registers for the official statistics needs will be developed, tested and adopted by end of October 2021.

- **A.2.6 Improving the system in the area of automatic services generation for institutions**
  - With a view of automatization and ease of use of the SISEDE, several activities will be undertaken by end of October 2021.
  - Firstly, a detailed analysis of the current SISEDE solution in terms of upgrading it for the purposes of the more efficient and automatic generation of service by institutions that exchange data will be conducted.
  - Secondly, functional specification of the process to enable more efficient development of services by institutions that exchange data will be performed.

- **A.2.7 Survey on needs of citizens and businesses for specific eServices**
  - The survey with citizens and businesses in Montenegro has been conducted in order to find out more on their attitudes as well as the use of eServices offered.
  - Data was collected through a face-to-face interviewing technique and using CAPI.
  - The survey results were presented to the representatives of the Ministry of Public Administration at the meeting September 16, 2019.

- **A.2.8.1 Devising, developing, and implementing an instrument for measuring the citizen satisfaction level with services provided through SISEDE**
  - International consultant for developing and implementing an instrument for ranking institutions that provide services to citizens through SISEDE is being recruited.
  - The methodology will be piloted and presented by end of October 2021.

- **A.2.8.2 Devising, developing, and implementing an instrument for ranking institutions that provide services to citizens through SISEDE**
  - International consultant for developing and implementing an instrument for ranking institutions that provide services to citizens through SISEDE is being recruited.
  - The methodology will be piloted and presented by end of October 2021.

6.3. THE OUTPUT 2 IMPLEMENTATION HIGHLIGHTS

The project over delivered in terms of the number of registers available via SISEDE. Currently 10 registers (including 7 key registers) are available via SISEDE.

- Central population register
- Criminal record
- Employment record
- Registry of number of children in educational institutions
- Register of taxpayers
- Central registry of business entities
- Registry of property rights holders
- Register of the Health Insurance Fund
- Central pension fund register
- Register of social benefits

In addition, two more registers are in the process of being created and connected (Monstat – Statistical office of Montenegro and Customs Administration). MPADSM is constantly working on establishing interoperability between other institutions and registers.

After the establishment of the new government[46] and most of their new operational teams, UNDP team organized meetings with the Ministry of Interior, Ministry of Health, Capital City and other interested parties. **The following eServices have been developed** with plan to have pilot versions developed, tested and adopted by mid October 2021:

1. **Online registration of birth and death** - data exchange between Register of the Health Insurance Fund, the Ministry of Interior and Register of Social Benefits.

2. **Online address changing within the country** – data exchange between the Ministry of Interior (Central Population Register) and Cadastre (Address register).

3. **Online marriage registration** (Municipality Podgorica – Capital City) – apply online for marriage ceremony and issue / verification of marriage status – data exchange between the Municipality Podgorica – Capital City, the Ministry of Interior (Central Population Register), Register of social benefits.

4. **Online Payment of real estate taxes** - Register of property rights – Cadastre.

Provision of public services for citizens and the private sector generally involve payment of administrative and other taxes. Ideally, eServices would offer functionality to users to pay these taxes online, as one of the steps in the eService process.

The project supported and encouraged the development of eServices by various government institutions. A **set of new web services was developed on the IT system of the Tax administration** to enable and ensure the exchange of data from the registers of the Tax Administration and the Central Registry of Business Entities through SISEDE for these institutions:

- Union of Municipalities - for needs of new local revenues software.

- Ministry of Finance - Public Procurement Directorate – for needs of new software of public procurement.

---

[46] 4th December 2020.

- Official gazette – for improvement of current system to exchange with Central Registry of Business Entities.

- Administration for Inspection Affairs – for need of a new Unified inspection information system software.

The **web services to enable MONSTAT full access to the quality data from registers for the official statistics needs** will be developed, tested, and adopted by end of October 2021. It will cover the following activities:

Development of web services data that would enable the following options:

- Access to 7 key registers
- Access to all individual variables/ data within those seven registers
- Access to metadata of those registers (classification or codex - explanation of information in registers)
- Possibility to connect data from different registers
- Possibility to consume chosen data.

6.4. THE SPECIFIC FINDINGS, RECOMMENDATIONS AND RATINGS

Finding:
The evaluator finds that the Project constructively captured the momentum regarding increased interest in eGovernance and the political commitment to enhance the system of eServices and deliver results at the next level and maximising impact.

Finding:
The evaluator finds that thanks to adopting an adaptive programming approach the Project served as the cohesive factor within the Democratic Governance portfolio, the overall Programme and had synergy with other strategic initiatives within the public administration reform.

Finding:
The evaluator finds that though the eServices are available, and the key registers are connected via SISEDE the full utilisation and interoperability is yet to be achieved.

Finding:
The evaluator finds that communication with national partners regarding delays in implementation could be further strengthened in order to ensure maximisation of results.

Recommendation:
The results in the area of eGovernance and/or digitalisation should inform the UNDP proposition value in the next programming cycle.

Recommendation:
UNDP should closely monitor and steer the utilisation of eServices and interoperability of key registers through the next programmatic cycle.

Recommendation:
UNDP should use its leverage with national partners to discuss all pending issues, including delays, at the appropriate level. Further, UNDP should proactively address all potential risks and anticipated challenges trough regular communication and exchanges with both national partners and donor(s).

Evaluation Criteria	Evaluation Assessment	Ranking
Relevance	The evaluator finds that this output is highly relevant. It is aligned with national priorities as presented in the PAR Strategy and in its Action Plans (AP PAR 2016-2018, and AP PAR 2019-2020), contributing to the Strategy objectives related to the provision of services and civil servants and human resource management. More specifically, the output is substantively contributing to the upgrade of the Single Information System for the exchange of data among state registers, with aim of improving quality and efficiency of public services, The output is also highly relevant for EU accession priorities of Montenegro, in particular towards ensuring governments' ability to provide public services and to foster competitiveness and growth and meeting prerequisites towards EU accession The output corresponds fully with CPD Outcome 1: By 2021, accountable, transparent and effective judiciary, public administration at central and local level, Parliament and independent institutions ensure security, development, equal access to justice and quality public services for all people, focusing on enhancing human rights as well as with	4

	UNDAF Democratic Governance Strategic Outcome: By 2021, people-centred, accountable, transparent and effective judiciary, Parliament, public administration and independent institutions ensure security, equal access to justice and quality services to all people.	
Effectiveness	The evaluator finds that the overall effectiveness of the implemented output activities is highly successful. As reported by the Project output indicator targets for 2018, 2019 and 2020 are met while the meeting of the 2021 output indicator target is on track. The evaluator took note that the Project faced delays in the implementation caused by the late acceptance test of the SISEDE. The formal acceptance of the SISEDE technical solution was confirmed by the MPA on October 18th, 2018. Only then the precondition was met to initiate output activities. Additionally, due to COVID-19, coordination and implementation of tasks 2.3, 2.3.1., 2.3.2, 2.3.3, 2.4.1. 2.4.2 has been slowed down. However, the evaluator finds that delays were mitigated and that the, in some aspects, the Project even over delivered with **currently 10 registers (including 7 key registers) available via SISEDE with** two more registers that are in process of creation and connection (Monstat – Statistical office of Montenegro and Customs Administration). However, the full utilisation of eServices and SISEDE depends on future implementation in practice.	**4**
Efficiency	The evaluator finds that there was high value for money related to this output. The delivery rate of this output has witnessed a mixed trajectory with delivery in 2018, in 2019 and 2020. As reported, the delivery rate in 2021 is on track. A more systemic approach regarding the proactive communication of the challenges in the implementation as well as management of the political and thematic risk would even further enhance effectiveness.	**4**
Impact	This output has had significant impact in relation to the public administration overall quality and accessibility of public service delivery by providing for the simplification of	**4**

	administrative procedures for both citizens and businesses. The achieved interoperability among key electronic state registers is one of the key prerequisites for the advancement in the provision of services. Further, the capacity development of the national partners is clearly linked to operationalisation, selection and implementation of eServices based on the selected registers and their effective usage.	
Sustainability	The evaluator finds that the project has systemically addressed sustainability during the project implementation by supporting national partners to identify and implement the missing components related to connection of the key registers and functioning of eServices. Additionally, the project signature services generated strong institutional buy in. Currently, over 24 institutions expressed interest and 17 institutions are fully approved and gained access granted to SISEDE.	3
Overall	This output is on the right track with potential for further successes and scaling up in the next programming phase.	19/20

Legend:
Highly Satisfactory (4)
Satisfactory (3)
Moderately satisfactory (2)
Unsatisfactory (1)

7. CROSS CUTTING FINDINGS AND RECOMMENDATIONS

7.1.   FINDINGS AND RECOMMENDATIONS FOR FUTURE PROGRAMMING

The project design reflects UNDP positioning

UNDP has a strong comparative advantage within the Public Administration sector and is recognized by the national partner as the only viable partner in the Public Administration Reform Sector, particularly in relation to eGovernance, human resource management including performance management, accountability and transparency of services. That position should be leveraged and capitalized on in the next programming cycle.

The understanding of the importance of the mainstreaming of the position of the UNDP as the key partner of Government of Montenegro in the public administration reform sector for the next programmatic cycle should inform the investment of CORE funds.

In addition to a clearly defined thematic focus UNDP should strategically use the existing momentum to elevate from a stand-alone project to a programmatic platform.

Recommendation:

It is recommended to explore linkages and synergies with other projects so that this project can be elevated as a programmatic platform. The evaluator recommends that in future programming, UNDP improve the strategic linkages between the project components and partners through designing it in an innovative manner as a "platform project" where UNDP is gathering strategic partners around the same goal, without being at the centre of the project design. This project design is particularly applicable in complex thematic areas, such as public administration reform, which has multiple stakeholders and multiple development challenges. This offers on the one hand the possibility for donors to access and cover more partners within the same framework and on the other hand facilitates horizontal cooperation among national partners. However, the complexity of partnerships requires both individual tailor-made approaches towards certain project components but also a strategic overview of the entire intervention. There is a risk that although the projects are within the same framework they operate as silos.

Strategic Prioritisation

The evaluator finds that the project has a clear results framework, based on a coherent narrative and profile that is also linked to the CPD, and is attractive to national partners, donors, and other development partners.

As stated, the Project successfully mitigated the suboptimal implementation of the optimisation plan at the local level (output 1) and facilitated the interconnectivities between key state registers via SISEDE (output 2). The evaluator also finds the there is space for some programmatic revision and strategic re-focusing in terms of reformulating future outputs and the rationale behind the project, in order to ensure that the outputs are delivered and contribute to higher-level outcomes in a coherent manner, and that the project is successfully implemented.

Indicators should be revised to better capture the achievements of the project and their contribution to higher-level outcomes. There should be greater emphasis on qualitative indicators, which capture

the voice of people, and in particular the most vulnerable, which would provide a clear pathway between activity – output – outcome – impact, as well as show progress towards change. In view of the fact that the project is constantly evolving to needs and context, it is recommended that the project set tailor made outcome level indicators, that would provide the goalposts for the project, while the output level indicators could be more flexible and adapted to circumstances as they change. It is recommended to revise the project efficiently so that the Project Board could approve the revisions, and in the most cost-effective and efficient manner.

Recommendation:

It is recommended that the project review its strategic direction allowing for some prioritisation of activities, while retaining its ability to be flexible and opportunistic. In order to provide some strategic direction, the evaluator recommends that the future programming use eGovernance as an enabler for programming in the area of public administration reform.

However, using eGovernment as the enabler requires going beyond the IT systems, tools and Infrastructure, because this does not automatically result in the streamlining and re-organization of government functions and transformation of roles and responsibilities. This needs to be part of a larger transformation process that underpin the human resource management, transparency and accountability.

At the same time during the next programmatic cycle a more holistic approach, that aims to balance a focus on internal reform with a concern for the changing relations between public administrations and citizens and business, will be needed. Functional assessments, as a tool of structural reform, need to provide the analytical basis and guide for programming and implementation. That includes identifying: a) redundant functions; b) duplication between and within institutions at central and local levels; c) missing functions as well as the review of the match between the function and the staff engaged in performing.

Communication of Results

The evaluator finds that communication with the national partners and donor took place on a regular, even daily basis. Crucially, the regular and open communication did allow for sufficient flexibility in terms of adapting the project activities in a substantial manner during the project implementation period. This allowed UNDP to align the project with the changing local political, legal and institutional context and design additional activities that were more suited and more achievable given the realities of the operational context.

The evaluator finds that communication mechanisms are very strong, however, communication could be further strengthened, through improving dialogue and the exchange of information, to ensure the quality assurance of the project results. UNDP needs to be continuously involved in dialogue with the project partners proactively addressing the challenges and limitations. A regular and active exchange with partners, with transparent communication of both positive and negative experiences will lead to sustainable partnership relations.

The evaluator finds that UNDP has successfully integrated the project into its wider portfolio, however it should go beyond just the communication of results and develop a strategic communication plan to raise the partnership profile.

> **Recommendation:**
>
> The communication between the project and partners should reflect work processes and achieve complementarity and increase programmatic synergies. The evaluator also recommends that project staff take a strategic, solution-orientated approach, which will further position the project and move from the communication of activity results towards communication of the strategic impact of results.

Project Expertise

National partners highly valued the project staff's capacity, expertise, experience as well as commitment. The technical knowledge and skills of the project staff are assessed as excellent and fit for the task at hand. The project staff is also recognized as the ones that encourages innovative thinking and provide space for creative input and that value input from stakeholders and partners across the sector.

In addition to the support provided in implementation of the project activities the national partners find that the project staff were always ready to assist above and beyond in the development of policies, leadership skills, partnering abilities and institutional absorption capabilities in order to achieve and sustain development results.

At the same time the evaluator finds that the external experts did not always provide the needed technical support at the right level. As per the national partners' view the external experts did not always have sufficient local contextual knowledge. Consequently, this created situation where some of the analytical findings and recommendations were not fully implementable.

> **Recommendation:**
>
> In the future special attention should be given to the process of selecting external consultants. The external consultants should be carefully selected with appropriate local and regional expertise and experience so they could provide expertise calibrated to the local context.

Project Approach

The evaluator recognises that all project partners are satisfied with the flexibility and responsiveness of UNDP to their needs. This has positioned UNDP as a preferred partner. However, the downside of this approach is that the assistance provided can be perceived as fragmented and developed on an *ad hoc* basis. It is perceived among some partners that UNDP has not fully maximised strategic cooperation and partnerships. This can potentially dilute UNDP's positioning as a policy partner since it prevents the adequate strategic profiling of the organisation, meaning that UNDP is sometimes perceived as an *organiser of events or provider of a logistical support* while it is striving to be recognised as a leader, or master in public administration reform in Montenegro.

Further, the changing normative, institutional, and political context within which the project was implemented required implementing partners to keep funding modalities that allowed for a more responsive, flexible and adaptive approach to programmatic activities.

While the project has already taken steps towards developing a more partner-orientated focus, in the next phase the project should move this a step beyond. This should include building a higher degree

of trust, adequately communicating and managing expectations and limitations, seizing opportunities and creating solutions.

Recommendation:
UNDP needs to enhance its strategic approach in future programming in addressing partners needs and institutional priorities though adaptive programming, based on the experiences gained during the implementation of the project. This highlighted the need for responsive, flexible, and adaptive implementation based on the changing context and as such, UNDP should consider a move towards even more adaptive programming. This will allow for the shifting of priorities and resources where results are not being achieved. This approach will require strong and measurable system-based indicators and rigorous monitoring, including a regularly updated risk management framework to make adjustments to programming on a regular basis, but will allow for the potential of better results with the same resources. These should be systematically programmed and budgeted to allow for review, reflection and adaptation as required. The next phase of the project should be looking more at incubating and seeding in the public administration reform sector. This means the project is investing resources in multiple, concurrent small level pilots that may be based on successful approaches from within Montenegro or from external sources with similar contexts, and then to see which are able to be adapted to work in this country and in this political system. It is also recommended that during incubating and seeding UNDP further explore the cooperation with civil society organisations that could be instrumental in testing certain solutions and providing real time data that could be feed in into the project implementation.

Sustainability

The evaluator finds that the project has very strong sustainability potential though the project duration was originally projected for 24 months (May 2018 - May 2020) and then extended until October 2021.

The ensured long-term relevance related to UNDP support to the Government of Montenegro in developing the new PAR strategy 2022 - 2026, generated systemic institutional buy-in and operationalisation of the EU Sector Budget Support financing instrument present strong evidence of the achieved sustainability.

However, the evaluator finds that although the project partners have been long-standing UNDP partners, partnership modalities were not maximally explored. The commitment of partners, including their financial commitment, is necessary to achieve greater sustainability of the project results and full national ownership of the project.

From the very first stages of the project design process, consideration should be given to the project's exit strategy, and to the sustainability aspects of each of the project's activities. These should be detailed in the project document, but regularly reviewed throughout the implementation period, to capture changing realities and ensure that maximum national ownership is achieved. The exit strategy should specify the transition arrangements to sustain and/or scale-up results, as relevant. It should describe how national capacities would be strengthened and monitored as relevant.

Recommendation:
In the next programmatic phase, it is strongly recommended that the issues of sustainability and national ownership are looked at in a more comprehensive way from the planning stage. UNDP should strive to synchronise capacity development process with the Government strategic and planning processes. It may be feasible to incorporate the capacity development process at the level of programmes/projects, across the formulation, implementation and review. Approaching capacity development through this process lens provides a rigorous and systematic way of supporting it; improves the consistency, coherence and impact of efforts; and helps promote a common frame of reference for a programmatic response to capacity development and the sustainability prospects.

The 2030 Agenda

While the project is highly relevant and tailored to the national context, including the EU Accession process and in particular political criteria related to the public administration reform, there is potential to position the project more strategically within the national and global sustainable development context. Although the EU accession process provides the key reform agenda for Montenegro, there are additional international commitments, which Montenegro is obligated to fulfil. The evaluator finds that the project could have been more closely aligned to the 2030 Agenda and the Sustainable Development Goals, which provides UNDP's thematic niche for strategic positioning as a policy partner.

Montenegro has pledged itself internationally to meet the goals and targets of the 2030 Agenda, and any future programming should be positioned in such a way to assist Montenegro in fulfilling these international commitments. Particular reference should be made to SDG 16 and in particular targets 16.6 - *Develop effective, accountable and transparent institutions at all levels*; and 16.7 - *Ensure responsive, inclusive, participatory and representative decision-making at all levels; and their corresponding indicators.*

Recommendation:
It is recommended to use the 2030 Agenda as a cohesive element in exploring and maximizing organic synergies between the project components and partners. This would also contribute to raising the profile of future project activities and results at the national level and assist Montenegro in meeting its international obligations, as well as strengthening UNDP's strategic position as the key partner.

7.2.   LESSONS LEARNT

Catalytic Impact and Interconnectivity

Project achievements laid the groundwork for further UNDP public administration reform programming and built trust among partners and beneficiaries.

The project has been instrumental in furthering the UNDP role in the public administration reform implementation and in particular eGovernance programming, in inviting a strong donor interest, and in mobilising core resources for continued programming. Further, the project also resulted in

jumpstarting other related initiatives within the sector such as the cooperation with the Competitiveness Council and EBRD related to the eService of the online business registration [47].

Lesson learnt:

Through synergetic layering of the groundwork, trust-building and piloting of different activities and approaches, the project was catalytic in furthering UNDP and public administration reform programming and in inviting strong donor interest

The project achievements also provided the basis for exploring higher-level policy options including the opportunities for improving the policy making process related to **interconnectivity between the eGovernance and key areas of the public administration reform.**

Capacity Building

The project partners recognise and appreciate the capacity development related comprehensive assistance received during the project implementation.

Though the project did not have a capacity development component *per se* a significant effort was invested in the capacity development of national partners at both central and local level. The project conducted a number of workshops, on the job support, as well as development of IT tools and services that were tested, finalised and piloted, with the potential for further expansion and roll-out during future programming.

The success of the project capacity development support should be considered against the lack of the institutional continuity at both central and local level whereby UNDP is having a facilitative role related to the management of change processes.

The fast-changing institutional environment requires that once potential implementing partners have been identified during the planning phase, a capacity assessment of each partner should be undertaken to assess their respective strengths and weaknesses and activities should then be tailored accordingly. This will result in each partner implementing activities based on their expertise and will maximise resources.

Lesson learnt:

The capacity development of national partners at the systemic, organisational and individual levels should be seen as an investment in both future programming and as a means of maximising partnerships. The capacity development should be seen as a long-term effort that needs to be embedded in broader change processes that are owned and driven by those involved, that are context-specific and that are as much about changing values and mindsets through incentives, as they are about acquiring new skills and knowledge. Also, UNDP should make a distinction between functional and technical capacities and support the development of both. The exact mixture of capacities to be addressed through a capacity development response will depend on the outcome

---

[47] As informed by the Project's staff regarding the online business registration e-service developed / implemented by UNDP, there was indirect cooperation with the EBRD. Namely, with EBRD support Competitiveness Council conducted an analysis of existing processes and the necessary documents for the classic registration of the company, and made a proposal to simplify the process, which was used to technically develop the eService.

of a capacity assessment. This will further contribute towards the long-term sustainability of the project results.

Monitoring, evaluation and learning

The evaluator finds that the project gathers considerable data, which is presented in an easy to use manner in the progress reports and posted on both UNDP and national partners webpages.

However, despite a sound approach to monitoring and evaluation the evaluator finds that there is no systematic mechanism to capture lessons learned and incorporate them into the project implementation, especially with regards to risk assessment, political economy and context analysis.

The project is being implemented iteratively and having to constantly react to challenges on the ground and the complexities of the political and social reality, meaning that there is limited time to reflect, to conduct background analysis, consultations and/or to dedicate time to risk management.

With regards to risks, the evaluator notes that a project's risk log is only as good as the analysis behind it and without regular analysis, the risk log becomes something of a dead tool.

Lesson learnt:

The project requires standardised mechanisms for learning, in particular from its monitoring and evaluation efforts that can be reflected both in the project implementation, as well as fed into the CPD programmatic cycle. The next project cycle should factor in a midterm evaluation as a way to (re)adjust the course of action during the project implementation towards transformative results.

Knowledge codification

The project should perceive a principled but pragmatic approach going forward. The already recognised flexible and adaptive ways of operating by the project team in the previous context is definitely an advantage that should be maximised.

The project should focus its knowledge management work on understanding what does and does not work in the above areas, collecting, analysing and using evidence from a global, regional and country perspective, and from external and internal experience including the relevant research organisations and think-tanks.

UNDP could consider the establishment of continuous sharing of work in progress and open reflection on on-going activities, through a knowledge management platform, as a key principle of its business. Further the project should emphasize linking knowledge management activities directly to measurable results.

Lesson learnt:

The project should develop a systematic mechanism to capture lessons learned and preserve the project results to the extent possible. This includes preparation of analysis, case studies, lessons learned reports, document gathering etc.

Robust analysis and assessment

The evaluator finds that while preliminary consultations were undertaken at the project design and development phase with both national partners and the EUD, the consultation phase could have been more extensive.

Had it been, the information and data gained through consultations would have fed into the design, which would have made it more context specific and tailored to the realities on the ground, and in particular regarding the support to the optimisation at the local level more realistic and achievable.

The indicators were largely quantitative indicators based on the achievement of activities and taken as a given set from the PAR strategy. The focus on largely quantitative, activity-based indicators resulted in the monitoring system being overly linear and not being sufficient to capture progress that the project made in terms of progress towards the outcomes and the impact. While some indicators were modified during the project implementation period, they were modified rather than being changed substantially and remained focused at the quantitative, activity level. Qualitative indicators that measure changes in attitude and perceptions would have provided more in-depth information and if they were adequately measured would have better captured the project's progress and results. Further, the outcome formulation was closely aligned with CPD Outcome 1 and paired with the generic World Bank Governance Indicator.

In designing the future project, UNDP should ensure that robust analysis and assessment are undertaken to feed into the project design process. This should include thorough contextual and political analysis, which is regularly updated throughout the lifespan of the project, and which addresses political economy considerations. In addition, a detailed stakeholder analysis should be undertaken to assess stakeholder levels of power and interest with regards to the proposed project in order to best identify engagement strategies.

Lesson learnt:
As a result of the analysis and assessments undertaken a more informed project can be designed, which is realistic and attainable given the operational realities, the opportunities, and constraints on the ground. A small set of high quality, measurable indicators should be developed and reviewed to ensure that the indicators are not only clearly defined but are also representative, reliable, and feasible. A greater use of qualitative indicators that measure perceptions and behaviours at the outcome level, as opposed to quantitative indicators that measure activities at the output level, will likely better capture project progress and results, as well as contributions towards the outcomes and impact.

8. BEST PRACTICE EXAMPLES

8.1. ADAPTIVE MANAGEMENT

The project team successfully mitigated a number of methodological and normative challenges related to the implementation of the optimization plan at the local level.

8.1.1. Success story: Closing the gap between the political reality and the project implementation

The implementation of the Optimization Plan started with an out-of-date and incomplete starting point (set as a total of 12,174 staff at the local level) which made the achievement of the defined reduction indicator of 5% by the end of 2018 and 10% by the end of 2020 respectively, practically unattainable.

In order to mitigate the challenges related to the implementation of the Public Optimisation Plan UNDP developed the Analysis of the bottlenecks in the implementation of the Public Administration Optimization Plan of Montenegro 2018-2020 at the local level.

The Analysis captured a key paradox. Namely, one of the key messages of the Optimization Plan is that the main purpose of optimization is not to reduce the number of employees, but the process itself implies a wide range of reform activities. These activities include, among other things, slowing down the employment process, improving staff planning, strengthening staff capacity, establishing an optimal organizational structure in local self-government, as well as strengthening inter-municipal cooperation, all in order to increase their efficiency, cost rationalization and ultimately better service to citizens.

The discourse set in this way, although accurate, creates a special challenge to the optimization process and raises the question: If the reduction of the number of employees is not the main purpose of optimization, how is the realization of the set indicator of reduction of the number of employees is related to the utilisation of the Sector Budget Support provided by the European Union?[48]

In addition, as noted by the Analysis, the high percentage of target value motivates the Government to focus its efforts primarily on achieving it, which ultimately, as the Plan defines, is not the purpose of the optimization process.

The lessons learned underlined the need to resolve the issue of optimization as a commitment or recommendation, strengthen communication between the Government and the local self-government even after monitoring the implementation of the Optimization Plan and revision of the "zero points" of the Optimization Plan is necessary. The comprehensive set of implementable recommendations to the Government, relevant Ministries, and local self-governments was developed.

The Analysis provides a clear road map for the optimization conceptualization and implementation and presents an essential input for the incoming 2022 – 2026 Public Administration Reform Strategy.

The analytical assistance calibrated sufficiently to the specific context and realities on the ground, as the response to the challenges in the project implementation that provides informed rational for suboptimal results is a good sample of the needed adaptive management.

---

[48] "Achieving these targets is directly linked with the transfer of two variable tranches amounting to €8 mil within the framework of the sector budget support provided by the EU'', PAOP Progress Report for the period 01 January to 31 March 2019.

At the same time, it is a strong testimony of UNDP's expertise deployed at the appropriate level and fit for purpose.

8.1.2. Success stories: Innovative tools for reliable data

The data collection process from local self-government units had a number of challenges including the basic reliability of the data on number of employees. In order to overcome this a web application was developed through which MPADSM will use the data from the Tax Administration's Employment Records (CROO) on the number of employees at the local level. This data is updated in real time and should serve the most accurate monitoring system. All relevant institutions are included by using the Tax Identification Number, and it is also possible to include additional entities. The list of institutions can be searched and filtered by municipality. By clicking on the institution, all employee's related data are displayed including the name and surname, date they were insured, type of insurance and number of working hours per week. The web application is tested by both MPADSM and the Ministry of Finance. Thanks to this innovative and system-based tool developed by the Project, the accurate data and real time monitoring system are available for the next phase in development and implementation of the Public Administration Strategy for 2022 – 2026. Further, the web-based application has a potential to be scaled up and used at the central level.

8.2. TOWARDS SUSTAINABILITY

While the project implementation lasted only three years (May 2018 – October 2021) elements of sustainability are clearly present.

8.2.1. Success story: Online Enrolment into the educational system

Development and implementation of selected eServices for the most needed, implemented based on the SISEDE and integrated registers was among the top priorities of the Project implementation. Development of eService – Online Enrolment of children into kindergarten and elementary schools was completed in May 2020. Additionally, the eService is scaled up and available for the enrolment into high schools and University. This is a long-lasting digital solution, which makes the school enrolment process quick and easy - both for parents and school administrations, making parents just 10 clicks away from enrolling their children into school. Prior to the establishment of this service the Ministry of Education, in cooperation with UNDP, prepared the functional analysis with findings covering both hardware and software as well as with recommendations for the system improvement. The functional analysis provided a very detailed overview of the system. Further, the recommendations from the functional analysis are repeated within the Strategy for the Digitalisation of the Educational System with the aim to preserve the continuity of all services and systems.

8.2.2. Success story: Increase in institutional buy in

Though the Ministry of Public Administration was the main partner for the project implementation the Project extended its partnership base through its interaction with a number of institutions at the central and local level. The project signature services generated strong institutional buy in. Currently, over 24 institutions expressed interest and 17 institutions are fully approved and gained access granted by SISEDE. The Project exercised a holistic approach through the cooperation with MONSTAT in supporting the quality of administrative data in line with EU statistical standards and best practices, analysing from the point of a statistical needs the key registry contents, quality and the scope of register coverage. The increase in the institutional buy-in should be considered in the context of the

political will of government authorities to officially allow exchange of data stored in the state registers. The momentum of the institutional buy-in was upheld even during the Parliamentary elections in August 2020 and establishment of the new Government.

8.2.3. Success story: The project results feed in and shape the next strategic cycle

The project focus areas such as optimisation and digitalisation / eServices remain priorities for the new strategic framework.

UNDP continues to be the strategic partner of the Government of Montenegro in the process of preparation of the new Public Administration Reform for the period of 2022 – 2026. Through organisation of a number of thematic focus groups, including both citizens and business, as well as dialogue with national partners at the central and local levels, UNDP is steering the process towards full transparency and participation of all relevant stakeholders. Feedback, critical views, innovative solutions collected and / or identified through the process should inform the Strategy development. At the same time, having a thorough understanding of the shortcomings of the current Strategy, UNDP is uniquely positioned to make recommendations for future improvements. UNDP, based on the support provided regarding the utilisation of the Sector Budget Support mechanism will continue to develop national partners capacities to meet the technical requirements of the European Union as well as international standards.

It is a common understanding that the focus in the next cycle of public administration reform should be on the area of administrative services, through the segment of further development of electronic services on the one hand, and improvement of traditional services on the other hand. Administrative services must be additionally connected to optimisation in a broader sense, organisation of work and rationalisation of the number of employees in the state administration.

8.3. CAPACITY DEVELOPMENT FOR THE EFFICIENT, TRANSPARENT AND SERVICE ORIENTED PUBLIC ADMINISTRATION

The Project provided holistic capacity development assistance calibrated to the development context of the Public Administration Reform in Montenegro

8.3.1. Success story: Away from the capacity substitution trap

The project provided capacity development support with the aim to assist the national partners at central and local level in the public administration reform process. However, the number of comprehensive workshops that are traditionally equated with capacity development, those organised by the project went a step further.

On the job support, calibrated to the Ministry of Public Administration's thematic needs and specific demands was provided related to both project outputs. The project supported the demanding and complex process of the collection of data on civil servants and state employees at the local level in line with the SIGMA methodological guidelines. The support included regular communication with all local self-government units (administration authorities, independent bodies, public institutions, state local enterprises) but also the strengthening of the Ministry's internal capacities with the regard to the optimisation of the number of employees in the public administration. As the result of extended awareness and recognition of the importance of innovation a number of innovative tools and practices were developed. The web application that is using the data from Tax Administration's Employment Record on the number of employees at the local level is available and provides for real time data and accurate monitoring system. Additionally, the software for the electronic testing of candidates for

local self-government is developed and is in use. The software is linked to the database of the questions and answers provided through the cooperation of UoM and HRMA. The Project also facilitated the codification of frequently asked questions and answers identified during the process of the implementation of the optimization plan at the local level. As a result, the set of question and answers related to the legal rational behind the optimisation and practical implications for the local self-government units are posted on the Ministry's webpage serving as a valuable source of knowledge and best practice.

Similarly, the capacity advancing support that was provided in relation to Output 2 of the project through the analytical effort related to the identification of legal shortcomings and obstacles for connection and utilization of the SISEDE, relevant business processes and connecting the registers by the end of action. The capacity advancing resulted in the project over delivering whereby currently 10 registers (including the seven key registers) are available via SISEDE.

The key elements that contributed to the transformational shift were the deep understanding of the thematic specificities and the continuity of the support provided in the changing political context. Namely the support was provided in line with the needs of the public administration's administrative capacities in the framework of the EU negotiations focusing on the quality and the accessibility of public services. Despite institutional changes caused by the election of the new Government and its subsequent appointment in December 2020, and the delay in the appointment of key counterparts at the operational level (new state secretaries, directors of the directorates etc.), the Project was able to provide much needed institutional memory and reflection.

The capacity development with defined thematic focus and tailored to the Ministry's organizational needs provided during the Project implementation, serves a development purpose and leads to change that is implemented and achieved by those it is meant to benefit, which ensures ownership and sustainability.

ANNEX 1:

Support to the Creation of a More Transparent, Efficient and Service-Oriented Public Administration - Evaluation Matrix

Criteria/Sub-criteria	Questions to be addressed by evaluation	What to look for	Data sources	Data collection methods
Relevance	To what extent were the objectives of the project consistent with the national priorities of Montenegro with the needs and interests of citizens?	• Alignment with national strategies/policies • Degree of participatory consultation in design stage • The level of acceptance for and support to the Project by relevant stakeholders?	• National policy and legal documents including relevant strategies and action plans • UN/DP Strategic Documents incl. CPD • Project Document • Amendments to the Delegation Agreement • Project Progress Reports • Project Quality Assurance Report • Relevant evaluation reports • Relevant national and international surveys • Knowledge products	• Desk research and document review • Key informant interviews • Focus group discussions • Questionnaires
	What is the degree to which the project activities were overlapping with and/or complementing other interventions in the domain?	• Other initiatives and projects in the field • Donor complementarity and overlap		
	To what extent was the project appropriately responsive to political, legal, economic, institutional, etc., changes in Montenegro throughout the project period?	• Degree of context analysis in design stage and throughout project • Design and implementation of M&E framework • Identification of risks and update of risk log throughout project		
Effectiveness	To what extent did the Project contribute to the	• The direct and indirect results (at overall	• National policy and legal documents including	• Desk research and document review

	attainment of objectives and outputs initially expected in project Document?	objective / impact level) of the project implementation and their sustainability • Level of progress against indicators	relevant strategies and action plans • UN/DP Strategic Documents incl. CPD • Project Document • Amendments to the Delegation Agreement • Project Progress Reports • Project Quality Assurance Report • Relevant evaluation reports • Relevant national and international surveys • Knowledge products	• Key informant interviews • Focus group discussions • Questionnaires
	To what extent were the Project's objectives and outputs synergetic and coherent to produce development results? What kinds of results were reached?	• Expected and unexpected results of the project – any additional results achieved or any results not met – why/why not? • In what way have the project activities contributed to achievement of the outcomes?		
	What were the constraining and facilitating factors and the influence of the context on the achievement of results?	• Was the project modified during the course of the implementation – why? • In what way did the Project come up with innovative measures for problem solving? • What good practices or successful experiences or transferable examples were identified?		
Efficiency	Were the implementation modalities appropriate and cost-effective?	• Were project resources focused on the set of activities that were expected to provide significant results? • Was the project implemented within	• Project Progress Reports • Financial reports	• Desk research and document review • Key informant interviews • Focus group discussions • Questionnaires

		deadline and cost estimates? • Were the resources allocated sufficient/too much?		
	Did the staffing structure and management arrangements ensure cost-efficiency, value-for-money, and effectiveness of implementation strategies and overall delivery of results?	• Was the project fully staffed and were the staffing/management arrangements efficient? • Were procurements processed in a timely manner?		
	Was there good coordination and communication between partners in the project?	• Did UNDP choose the best implementing partners? Were there any institutions that should have been included in the project but weren't? • How often did the project board meet? Were there any issues raised regarding implementation? If so, how and to what extent were these addressed by UNDP? • Did UNDP and its partners solve any implementation issues promptly?		
Sustainability	Was the Project supported by national institutions?	• What is the level of national ownership of the project interventions?	• National policy and legal documents including relevant strategies and action plans	• Desk research and document review • Key informant interviews

	• Did the project provide for the handover of any activities?	• UN/DP Strategic Documents incl. CPD • Project Document • Amendments to the Delegation Agreement • Project Progress Reports • Project Quality Assurance Report • Relevant evaluation reports • Relevant national and international surveys • Knowledge products	• Focus group discussions • Questionnaires
Do the partners have sufficient financial capacity to keep up the benefits produced by the Project?	• Did the project manage to procure Gov. co-financing for any of the deliverables? • Were initiatives designed to have sustainable results given the identifiable risks?		
Did Project design take into account strategies to ensure sustainability? Were strategies used in from the beginning of Project implementation? Was there an adequate strategy for capacity building?	• Was there an exit strategy for the Project? Did it take into account political, financial, technical and environmental factors? • How did UNDP address the challenge of building national capacities? What are the perceived capacities of the relevant institutions for taking the initiatives forward?		

ANNEX 2 a

Support to creation of a more transparent, efficient and service-oriented public

administration

Project evaluation

PROTOCOL for INTERVIEWS with PARTNERS **-guiding questions -**

PROFILE

1. **Which institution/organisation do you work for and what is your position?**

2. **How long have you been working for this institution/organisation?**

a) 0-1 years
b) 1-2 years
c) 2-3 years
d) 3+ years

THEMATIC

3. **How would rate the relevance of the project to the national priorities of the Montenegro?** (1=highly relevant, 2=relevant, 3=neutral, 4= not very relevant, 5=irrelevant)

If 4 or 5, please explain the reasons why:

4. **How would you rate the relevance of the project to the priorities of your institution/ organization?** (1=highly relevant, 2=relevant, 3=neutral, 4= not very relevant, 5=irrelevant)

If 4 or 5, please explain the reasons why:

5. **In what ways has the project contributed to the national priorities of the Montenegro?**
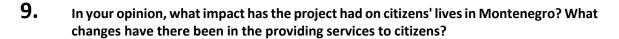
Please explain

6. **In what ways has the project contributed to the achievement of the goals of your institution / organization and your day-to-day work?**

Please explain

7. **In your opinion, what were the most significant results of the project?**

Please explain

8. **In your opinion, what were the most significant success factors?**

9. **In your opinion, what impact has the project had on citizens' lives in Montenegro? What changes have there been in the providing services to citizens?**

Please explain

10. **In your opinion, what impact has the project had on the overall public administration reform implementation?**

Please explain

11. **In your opinion, what impact has the project had on the implementation of the national optimisation plan at local level?**

Please provide specifics.

12. **In your opinion, what impact has the project had on the upgrade on the Single Information System for data exchange among state registers?**

Please provide specifics.

13. **Did the project contribute to increasing the relevant data collection and/or quality of data at the local level? Please provide specifics.**

Please provide specifics.

14. **How has the project contributed to the creation of the institution's internal policy regarding optimisation and/or Single Information System for Data exchange among state registers?**
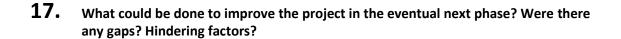
Please provide specifics.

15. **How has the project contributed to the institution's capacity building?**

Please explain.

16. **In your opinion what is the potential created by the project (improving the effectiveness of public administration, increasing transparency, etc.)?**

Please explain.

---

17. **What could be done to improve the project in the eventual next phase? Were there any gaps? Hindering factors?**

Please explain

PARTNERSHIPS AND SUSTAINABILITY

18. **Was the project inclusive of all relevant stakeholders and partners?**

Yes/No

Please explain

---

19. **What is the level and nature of the interaction between your institution and other relevant stakeholders /partners?**

Please explain.

---

20. **What changes have there been in the coordination with other partners working in the same area (SIGMA, WORLD BANK etc.)? Please explain.**

Please explain

[ ]

21. **How would you rate the visibility and communication of the project?** (1=very good, 2=good, 3=neutral, 4=poor, 5=very poor)

Please explain your rating:

[ ]

22. **In what ways are the activities of the project sustainable in the future? How could this be improved? Please explain.**

Please explain

[ ]

MANAGEMENT

23. **How would you rate your communication and collaboration with UNDP and the project team? (1=very good, 2=good, 3=neutral, 4=poor, 5=very poor)**

If 4 or 5, please explain the reasons why:

[ ]

24. **Is relevant information shared with you in a timely manner?**

Yes/No

Please explain

25. **How familiar are you with UNDP rules and procedures**? (1=very familiar, 2=familiar, 3=neutral, 4=unfamiliar, 5=very unfamiliar)

Please explain

26. **Do you have any other comments/suggestions for improving the functioning of the UNDP project/programme team?**

Please explain

27. **Please provide any other comments, suggestions or feedback that has not been covered above.**

ANNEX 2 b

Support to creation of a more transparent, efficient and service-oriented public administration

Project evaluation

PROTOCOL for INTERVIEWS with PROJECT BOARD MEMBERS

-guiding questions -

PROFILE

1. **What is your professional position? (institution/organisation/title)**

```
[blank box]
```

2. **For how long have you been a Project Board member of the _Support to creation of a more transparent, efficient and service-oriented public administration_ project?**

   a) 0-1 years
   b) 1-2 years
   c) 2-3 years
   d) 3+ years

FUNCTIONING OF THE PROJECT BOARD

3. **How do you rate the functioning of the Project Board?** _(1=very good, 2=good, 3=neutral, 4=poor, 5=very poor)_

If 4 or 5, please explain the reasons why:

```
[blank box]
```

4. Are all relevant stakeholders represented in the Project Board?

Yes/No

If no, please provide details of which stakeholder you feel should be included

---

5. Are the meetings held on an adequate basis?

Yes / No

If no – do you think the meetings to be held more or less frequently?

---

6. How frequently has the Project Board been asked by the project management to conduct a project review?

Please explain the outcome(s)

---

7. How frequently has the Project Board been asked by the project management to consider project plans and revisions?

Please explain the outcome(s)

---

8. **How do you rate cooperation between the project management and the Project Board?** *(1=very good, 2=good, 3=neutral, 4=poor, 5=very poor)*

If 4 or 5, please explain the reasons why:

9. **How do you rate communication between the project management and the Project Board?** *(1=very good, 2=good, 3=neutral, 4=poor, 5=very poor)*

If 4 or 5, please explain the reasons why:

10. **How familiar are you with UNDP rules and procedures?** *(1=very familiar, 2=familiar, 3=neutral, 4=unfamiliar, 5=very unfamiliar)*

If 4 or 5, please explain the reasons why:

11. **Are the Project Board meetings well prepared?**

Yes / No

If no – what could be done to improve the preparation?

12. **Is relevant information shared with you in a timely manner?**

Yes / No

If no – please explain

```



```

13. **Do you receive all financial data in a timely manner?**

Yes / No

If no – please explain

```



```

14. **Do you have any other comments/suggestions for improving the functioning of the Project Board – please explain**

```



```

ADDITIONAL QUESTIONS FOR PROJECT DONOR ONLY

15. **To what extent were the objectives of the project are consistent with the national priorities of with the needs and interests of citizens?** *(1=very good, 2=good, 3=neutral, 4=poor, 5=very poor)*

Please elaborate

```



```

16. **What is the degree to which the project activities were overlapping with and/or complementing other interventions in the domain?** *(1=very good, 2=good, 3=neutral, 4=poor, 5=very poor)*

Please elaborate

17. **To what extent was the project appropriately responsive to political, legal, economic, institutional, etc., changes in Montenegro throughout the project period?** *(1=very good, 2=good, 3=neutral, 4=poor, 5=very poor)*

Please elaborate

18. **To what extent did the Project contribute to the attainment of the overall and specific objectives and outputs initially expected in Project Document?** *(1=very good, 2=good, 3=neutral, 4=poor, 5=very poor)*

Please elaborate

19. **To what extent were the Project's the overall and specific objectives and outputs synergetic and coherent to produce development results? What kinds of results were reached?** *(1=very good, 2=good, 3=neutral, 4=poor, 5=very poor)*

Please elaborate

20. **What were the constraining and facilitating factors and the influence of the context on the achievement of results?**

Please elaborate

21. **Were the implementation modalities appropriate and cost-effective?**

Yes / No

Please elaborate

22. **Did the staffing structure and management arrangements ensure cost-efficiency, value-for-money, and effectiveness of implementation strategies and overall delivery of results?**

Yes / No

Please elaborate

23. **Was there good coordination and communication between partners in the project?**

Yes / No

Please elaborate

24. **Was the Project supported by national institutions?**

Yes / No

Please elaborate

```



```

25. **Do the partners have sufficient financial capacity to keep up the benefits produced by the Project?**

Yes / No

Please elaborate

```



```

26. **Did Project design take into account strategies to ensure sustainability from the beginning of Project implementation?**

Yes / No

Please elaborate

```



```

27. **Was there an adequate strategy for capacity building of the national partner and other relevant stakeholders?**

Yes / No

Please elaborate

```



```

ANNEX 3

List of Interviews

Name	Organization
Partners	
Goran Jovetić	Former State Secretary in the Ministry of Public Administration
Jadranka Vukčević	Directorate for Local Self-Government
Bojana Bajić	Directorate for eGovernment
Mirjana Begović	Directorate for eGovernment
Zorana Popović	Directorate for eGovernment
Eleonora Šturanović	Municipality of Nikšić
Zoran Radošević,	Municipality of Pljevlja
Marina Matijević	Ministry of Education, Science, Culture and Sports
Dejan Abazović	Former State Secretary in the Ministry of Public Administration
Jelena Marković	Statistical office of Montenegro and Customs Administration - MONSTAT
Majda Savićević	Statistical office of Montenegro and Customs Administration - MONSTAT
Džemal Lekić	CIS Podgorica
Dragan Čabarakapa	DevClub
Eleonora Formagnana	Delegation of the European Union, Montenegro
Timo Ligi	SIGMA
UNDP	
Daniela Gašparikova	UNDP Montenegro, Resident Representative
Tomica Paović	UNDP Montenegro, Team Leader/Programme Analyst, Democratic Governance & Economy and Environment
Jelena Mrdak	UNDP Montenegro, Programme Manager, EU Accession and Public Administration Reform
Srđan Vujić	UNDP Montenegro, Project Manager
Boris Rebić	UNDP Montenegro, Project Coordinator
Aleksandra Vavić	UNDP Montenegro, Project Assistant
Ivana Bogojević	UNDP Montenegro, Consultant