United Nations Development Programme

Government of North Macedonia

**Final Project Evaluation: “Building Municipal Capacity for Project Implementation”**

**(Project number 00105769)**

**Final Evaluation Report**

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Contents

[Glossary 4](#_Toc111553050)

[1. Executive summary (4 pages) 5](#_Toc111553051)

[1.1. Project information table 5](#_Toc111553052)

[1.2. Project Description 5](#_Toc111553053)

[1.3. Findings 6](#_Toc111553054)

[1.3.1. Relevance 6](#_Toc111553055)

[1.3.2. Efficiency 6](#_Toc111553056)

[1.3.3. Effectiveness 6](#_Toc111553057)

[1.3.4. Impact 6](#_Toc111553058)

[1.3.5. Sustainability/Ownership 7](#_Toc111553059)

[1.3.6. Gender perspective 7](#_Toc111553060)

[1.4. Lessons learned 7](#_Toc111553061)

[1.5. Recommendations 7](#_Toc111553062)

[1.5.1. Relevance 7](#_Toc111553063)

[1.5.2. Efficiency 8](#_Toc111553064)

[1.5.3. Effectiveness 8](#_Toc111553065)

[1.5.4. Impact 8](#_Toc111553066)

[1.5.5. Sustainability/Ownership 8](#_Toc111553067)

[1.5.6. Gender perspective 8](#_Toc111553068)

[2. INTRODUCTION 9](#_Toc111553069)

[3. Projects description 9](#_Toc111553070)

[3.1.1. Context and challenges 9](#_Toc111553071)

[3.1.2. Project Approach and Objective 9](#_Toc111553072)

[3.1.3. Expected Results and Key Outcomes 10](#_Toc111553073)

[3.2. Main stakeholders 12](#_Toc111553074)

[3.3. Projects implementation structure 12](#_Toc111553075)

[3.4. Project timing and milestones 12](#_Toc111553076)

[4. Evaluation scope and objectives 13](#_Toc111553077)

[4.1. Key players 15](#_Toc111553078)

[5. Methodology 15](#_Toc111553079)

[5.1. Approach 15](#_Toc111553080)

[5.2. Data analysis 16](#_Toc111553081)

[5.3. Limitations 18](#_Toc111553082)

[6. Findings and lessons learned 18](#_Toc111553083)

[6.1. Relevance. The extent to which the provided support and the outcomes are suited to local and national needs, development priorities and organizational policies, including project design/formulation (result framework/log frame) and its adaptation to the changes over time. 18](#_Toc111553084)

[Rating scale: very satisfactory 18](#_Toc111553085)

[6.1.1. Municipal Development Index (MDI) 19](#_Toc111553086)

[6.1.2. Functional Analysis (FA) 21](#_Toc111553087)

[6.1.3. Technical Documentation Fund (TDF) 21](#_Toc111553088)

[6.2. Efficiency. The extent to which results were delivered with the least costly resources possible, including the project implementation and adaptative management assessment. 22](#_Toc111553089)

[Rating scale: very satisfactory 22](#_Toc111553090)

[6.3. Effectiveness. The extent to which the products (outputs) and effects (outcomes) of the provided support were achieved or how likely they will be achieved. 24](#_Toc111553091)

[Rating Scale (outputs): very satisfactory. 24](#_Toc111553092)

[Rating scale (outcomes): satisfactory 24](#_Toc111553093)

[6.3.1. Municipal Development Index (MDI) 24](#_Toc111553094)

[6.3.2. Functional Analysis (FA) 27](#_Toc111553095)

[6.3.3. Technical Documentation Fund (TDF) 28](#_Toc111553096)

[6.4. Impact. Considering the causal factors and preconditions, the extent of the project's long-term (positive or negative) effects. 31](#_Toc111553097)

[Rating scale: satisfactory 31](#_Toc111553098)

[6.5. Sustainability/Ownership. The likely ability of an intervention to continue to deliver benefits for an extended period after completion, particularly the improvement of the capacity and potential of project stakeholders for the project sustainability and their commitment (including financial) 32](#_Toc111553099)

[Rating scale: satisfactory 32](#_Toc111553100)

[6.5.1. Municipal Development Index (MDI) 32](#_Toc111553101)

[6.5.2. Functional Analysis (FA) 32](#_Toc111553102)

[6.5.3. Technical Documentation Fund (TDF) 32](#_Toc111553103)

[6.6. Gender perspective. The extent to which the project has been formulated and implemented takes into account the different needs and characteristics of women and men, their degree of participation in decision-making, and the impact of the projects on women's empowerment and gender equality. 34](#_Toc111553104)

[Rating scale: Highly satisfactory 34](#_Toc111553105)

[6.7. Lessons learned (positive or negative) or promising practices to provide empirical evidence that can inform future responses and possible follow-up actions. 35](#_Toc111553106)

[6.7.1. Project management 35](#_Toc111553107)

[6.7.2. Municipal Development Index 35](#_Toc111553108)

[6.7.3. Functional Analysis 35](#_Toc111553109)

[6.7.4. Technical Documentation Fund: 36](#_Toc111553110)

[6.7.5. COVID-19 related lessons 36](#_Toc111553111)

[7. Conclusions and recommendations 36](#_Toc111553112)

[7.1. Conclusions 36](#_Toc111553113)

[7.1.1. Relevance 37](#_Toc111553114)

[Rating scale: very satisfactory 37](#_Toc111553115)

[7.1.2. Efficiency 37](#_Toc111553116)

[Rating scale: very satisfactory 37](#_Toc111553117)

[7.1.3. Effectiveness 38](#_Toc111553118)

[Rating Scale (outputs): very satisfactory. 38](#_Toc111553119)

[Rating Scale (outcomes): satisfactory. 38](#_Toc111553120)

[7.1.4. Impact 39](#_Toc111553121)

[Rating Scale: satisfactory 39](#_Toc111553122)

[7.1.5. Sustainability/Ownership 39](#_Toc111553123)

[Rating Scale: Satisfactory 39](#_Toc111553124)

[7.1.6. Gender perspective 40](#_Toc111553125)

[Rating Scale: Highly satisfactory 40](#_Toc111553126)

[7.1.7. Lessons learned 40](#_Toc111553127)

[7.2. Recommendations 41](#_Toc111553128)

[7.2.1. Relevance 41](#_Toc111553129)

[7.2.2. Efficiency 41](#_Toc111553130)

[7.2.3. Effectiveness 42](#_Toc111553131)

[7.2.4. Impact 45](#_Toc111553132)

[7.2.5. Sustainability/Ownership 45](#_Toc111553133)

[7.2.6. Gender perspective 46](#_Toc111553134)

[Annexes 46](#_Toc111553135)

[Annex 4: Evaluation Matrix 48](#_Toc111553136)

[Annex 5. List of Interviews 61](#_Toc111553137)

[Annex 6. Potential surveys questions 62](#_Toc111553138)

# **Glossary**

|  |  |
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| BMCPI | Title of the Project “Building Municipal Capacities for Project Implementation” |
| BRD | Bureau for Regional Development |
| CO | Country Office |
| EBRD | European Bank for Reconstruction and Development |
| ET | Evaluation Team |
| EU | European Union |
| FA | Functional Analyses |
| FE | Final Evaluation |
| FER | Final Evaluation Report |
| IR | Inception report |
| IT | Information Technology |
| MDI | Municipal Development Index |
| MISA | Ministry of Information Society and Administration |
| MK | Republic of North Macedonia |
| MLSG | Ministry of Local Self-Government |
| MoEPP | Ministry of Environment and Physical Planning |
| NGO | No Governmental Organization |
| OECD DAC | Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development (OECD) |
| PRODOC | Project Document |
| PT | Project Team (of UNDP) |
| Q | Quarter (of year) |
| SDG | Sustainable Development Goals |
| SEK | Swedish Krona |
| SIDA | Swedish Agency for Development and Cooperation |
| TDF | Technical Documentation Fund |
| ToR | Terms of Reference |
| UNDAF | United Nations Development Assistance Framework |
| UNDG | United Nations Sustainable Development Group |
| UNDP | United Nations Development Programme |
| USAID | United States Agency for International Development |
| USD | United States Dollars |
| ZELS | Association of the Units of Local Self-Government |

## **Executive summary (4 pages)**

The final evaluation of the project “***Building municipal capacity for project implementation***” (BMCPI) has two objectives: 1. Assessing the current relevance, efficiency, effectiveness, impact and sustainability of the project, with particular attention to understanding and documenting lessons learned and cross-cutting issues, particularly gender; 2. Identifying helpful knowledge elements to be used for designing future interventions for improving the municipal capacity to apply and implement local development projects based on the experience gained during the implementation of the current project.

## Project information table

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Project 2 Title:** | ***Building municipal capacity for project implementation*** | | | |
| **Project number** | 00105769 | **PAC meeting date:** | | N/A |
| **Implementing Partner** | UNDP | **Start Date** | | 01/01/2019 |
| **Project number** | 00106869 | **Planned closing date:** | | July 2021 |
| **Country:** | North Macedonia | **Date project manager hired:** | | N/A |
| **Region:** | RBEC | **Inception Workshop date:** | | 7/6/2021 |
| **Focal Area:** | Democratic Governance | **Midterm Review date:** | | N/A |
| **Contributing Outcome** | UNDAF: *By 2020, national and local institutions are better able to design and deliver high-quality services for all users, in a transparent, cost-effective, non-discriminatory and gender-sensitive manner* | | | |
| **Gender marker** | 2 | **If revised, proposed closing date:** | | 31/08/2022 |
| **Project Financing:** | **USD** | | **SEK (UN Exchange rate for November 2019 1USD = 9.724 SEK)** | |
| Initial budget (Swedish government) | 1,543,338 | | 14,172,500 | |
| **Final budget:** | 2,576,463 | |  | |
| **[1] Donor (Swedish government):** | 2,314,665 | | 20,934,175 | |
| **[2] UNDP:** | 148,894 | |  | |
| **[3] Municipalities:** | 112,904 | |  | |
| **PROJECT TOTAL COSTS [1+2+3]** | 2,518,462 | |  | |

## Project Description

The BMCPI project is set to address local development's main challenges and increase municipal capacities in preparing and designing local development projects, equiping municipalities with the technical documentation basis and a set of new knowledge and skills required to make the best use of available funding mechanisms for the implementation of a wide range of environmental, social, and other types of priority infrastructure. The project aims to **Creating a Municipal Development Index (MDI) to serve as an instrument for tracking the progress of municipalities toward the achievement of the Sustainable Development Goals (SDGs) (C1), introducing the Functional Analysis (FA) of the local governance system to enhance development capacity (C2) and establishing a “technical documentation fund” for local development projects** (TDF), piloted to showcase a model financial instrument for preparing comprehensive technical documentation for the highest priority infrastructure recovery and development projects. The TDF targets municipalities and regional development centres selected for project support through competitive procedures. In response to the COVID-19 crisis, the TDF was upgraded to include the health care system in the country, due to the growing pressure for health care services and the arising funding opportunities for improving the conditions in the health care facilities across the country.

## Findings

## Relevance

The relevance of the BMCPI project is still very high, adequately addressing the needs of beneficiary municipalities and institutions, and well-positioned in ongoing and planned complementary projects and other initiatives, benefiting from and contributing to synergies with several other relevant interventions. The primary identified problem was not considering the consequence of many small procurements, which caused a high workload for the PT and created an asymmetry in the time/energy distribution of the PT among the different project components. The dynamic relevance has been very high in a highly challenging environment characterised by multiple uncertainties and rapid context evolution, primarily in response to the Covid-19 crisis, local elections, as well as the other ongoing economic, energy and security crises.

## Efficiency

Despite the complications caused by COVID-19 and the very high implementation workload, the project's overall performance is excellent. The Project is about completing the key activities and achieving the intended results and objectives within the allotted time. In June 2022, approximately 91% of the project time, the budget execution is 100%. The enthusiastic, motivated and qualified team of UNDP and the implementation mechanisms proved efficient, ensuring a constant and attentive follow-up of the activities with the stakeholders involved. But procurement workload management represented a fundamental challenge in the current BMCPI phase. The costs of the project activities and products have been in line with national standards and lower than other projects of similar size and degree of complexity known to the ET.

## Effectiveness

The Project’s effectiveness at the level of outputs/products is highly satisfactory. The outcome/effects level effectiveness is still early to be achieved as all three Project lines of intervention (the Municipal Development Index -MDI-, the Functional Analysis -FA-, and Technical Documentation Fund -TDF-) would require additional time to bring about more lasting changes.

MDI piloting is considered comprehensive and composed of all relevant indicators of local development, providing a preliminary ranking of municipalities regarding their development levels. The MDI development process showed challenges (among them, the complexity of the MDI, data requirements and quality assurance and data validation) that the project attempts to address through a highly participatory and dynamic process. FAof the country’s local self-government system at a more general or systemic level was developed, piloting the approach among selected municipalities and regional centres. The TDF positively tested and piloted a model financial instrument to prepare comprehensive technical documentation for the highest priority infrastructure recovery and development projects. The project selected and supported 55 calls.

Municipalities show high heterogeneity (urban-rural, differences in qualified staff) in their capacities to implement the TDF model in the future and the future, TDF will not be able to adopt a ‘one size fits all approach to providing the necessary financial and technical support (*Stratification’ of TDF support*)

## Impact

Even if the outcome/effects level effectiveness is still early to be achieved so far, the ET considers there is a viable foundation for achieving the project's intended impact and that the impact is the logical consequence of the project's sustainability and ownership. The degree of institutionalisation impact of the project is still partial, especially for municipalities with insufficient technical and specialised staff.

## Sustainability/Ownership

The overall sustainability of the benefits and effects of the project is good. The sustainability of the MDI is high, thanks to the interest shown by the municipalities. The following BMCPI projects will not support the FA, but other complementary UNDP or institutional projects could facilitate the realisation of other FA.

The institutionalisation of the TDF in the municipalities is an ongoing process, not completed by the project. The extremely high interest of the municipalities in the TDF as the proper answer to their needs represents the essential element for the sustainability of this critical component. At the same time, the conditions are related to strengthening municipal capacity in preparing TORs for design and review of technical documentation, quality assurance instruments, and fundraising for project implementation. It is also under definition the future role of the BRD (that demonstrated total commitment) to host the TDF since municipalities see an essential part of the centres for regional development and the thematic ministries.

## Gender perspective

All institutions count on gender policies, the implementation of which is not homogeneous between them. Even if a gender analysis to better address the need of women and people living in vulnerable situations is lacking, the Project consistently pays attention to gender and vulnerable population priorities, ensuring data disaggregation in MDI and TDF and active participation of women in all the processes, including in training and the inclusion of gender awareness aspects in the central ToR for the technical documentation for different infrastructure projects.

## Lessons learned

The extraordinarily high workload (high number of procurement procedures) and staffing challenges must be resolved as early and efficiently as possible (asymmetries in workload distribution may affect overall project results). Project design needs to consider internal absorption capacities to prevent delays. Need of adaptive capacity and implementation efficiency for a more rational provision of the necessary design and review services.

MDI. The role of the procedures in trust building among municipalities; the need to simplify and digitise the MDI to overcome challenges to data collection; the identification of sustainability and impact critical factors.

FA. The project's limited scope influences the implementation of recommendations for FAs, the importance of the participatory approach and the need for comparative analysis for the selection process.

TDF. The virtually unlimited demand for high-quality technical documentation; the low quality of the technical documentation; the need for additional assistance in the project implementation; the lack of a unified country-wide approach to formulating TORs and of customisation of the technical documentation; the importance of the prior screening of available documentation, and data and the need of solid quality assurance mechanisms; the expectations of support between small and large municipalities.

COVID-19: the importance of hybrid communication for favourable implementation rates under restrictions; the online evaluation of tenders; prioritising activities during periods of limitations to accumulate results

## Recommendations

## Relevance

MDI. The Project to finalise the formulation of an outline of the legal (step-by-step) process for adoption of MDI; Co-design and communicate a (potentially legally binding) Protocol; Work toward further simplification/streamlining of the MDI model; Providing supplementary training targeting responsible municipal personnel based on the final/agreed MDI model; Work toward ‘automation’ and ‘digitation’ of the process

FA. Supporting the implementation of AF with other projects or programmes of UNDP or institutions (municipalities, ministries, and other national entities).

**TDF.** Placing stronger emphasis on renewable energy and energy efficiency projects considering the energy crisis; Expect beneficiaries to be more involved in (not only informed about) Project implementation. One example would include participating in selecting projects for funding under TDF.

## Efficiency

Support smaller numbers or more significant projects and stratify the project as per the above recommendations; Distribute the procurement workload between UNDP and the beneficiaries, transferring funds to better-capacitated municipalities to carry out their procurements; Carry out pre-qualifications for design/review services based on clustering by types of projects.

## Effectiveness

MDI. **S**upporting automating/digitising the process, developing clear protocols for data provision/exchange and cooperation among the key institutions, providing training by external experts and making the municipal contribution to MDI a legal responsibility:

FA. Since FAs are not planned to be part of BMCPI’s next phase, invest the necessary time in proper coordination with other FA processes and ensure inclusiveness and transparency in the process of preparation of FA.

TDF. *Strengthen the support functions/services* (Fundraising for project implementation, quality assurance of technical documentation, preparation of TORs for design and review services, support for identification of suitable project ideas). *Hosting of TDF* by introducing a collaborative platform involving several different institutions. ‘*Stratification’ of TDF support, according to* the differences in capacities among municipalities in the country, *Transition of TDF* from UNDP to Government-led management *through a* clearly articulated and communicated plan through a phased and gradual approach where the share of responsibilities for TDF implementation will be gradually transferred from UNDP to the key responsible institutions (e.g., BRD, municipalities).

## Impact

Continue the ongoing processes by fully considering the lessons learnt and the stakeholder feedback. The outline of the *legal/institutional process* for incorporation of TDF in the system (of BRD) still needs to be defined and communicated before the start of the follow-up phase. TDF’s scope of work can extend beyond the sole support to provide technical documentation. Other support needs that may be satisfied through the future TDF work may include fundraising, procurement processes, contract management and related.

## Sustainability/Ownership

MDI. Identify, according to municipal characteristics, an action sheet that allows, starting from the most relevant indicators, to achieve the coverage of the typical indicators by municipal capacities over time. Automate the updating of the MDI with the data available from national institutions.

TDF. Evaluate the likelihood that a regional centre, the RDB or a ministry could support the municipalities in disseminating funding opportunities, models of documents to be submitted to the different donors, and a pool of shared experts (possibly financed with national funds). Analyse the possibility of activating mechanisms that facilitate clusters of municipalities, defined according to sectors, themes or municipal characteristics, to apply jointly.

## Gender perspective

Conduct a gender and vulnerability analysis to identify differentiated needs for the most vulnerable categories, such as women, people with disabilities, children, elders, and migrants. Ensure that MDIs, FAs and TDFs include gender aspects promptly. Provide evidence of the effects of inclusion of gender awareness aspects through the gender-disaggregated data in the main Terms of References for the technical documentation for different infrastructure projects addressing it as part of the next phase of BMCPI despite the inherently limited possibilities in infrastructure development projects. Introductory training based on best practices/examples and available guidance documents can be shared with future contractors (design/review companies) to improve gender mainstreaming outcomes.

## **INTRODUCTION**

The present Final Evaluation Report (FER), prepared after the phase of analysis of the primary and secondary data collected before and during the field phase, presents the description of the Swedish Agency for Development and Cooperation (Sida) funded United Nations Development Programme (UNDP) Project “Building Municipal Capacity for Project Implementation” BMCPI Project, the scope and objective of the evaluation, evaluation approach and methods, the data analysis, the findings, conclusions of the evaluation as well as the recommendations and lessons learned, considering cross-cutting issues[[1]](#footnote-2).

The final evaluation of the project has a twofold objective. The first is to assess the current relevance of the project, the efficiency of its implementation, the effectiveness in achieving the expected outputs and outcomes, the impact such outputs have achieved or are achieving for the different target groups and beneficiaries, and the sustainability of the project once completed. In the evaluation, particular attention has been devoted to understanding and documenting lessons learned and cross-cutting issues, particularly gender.

The second, in the framework of a learning perspective that characterises the evaluation, is to identify helpful knowledge elements to be used for designing future interventions for improving the municipal capacity to apply and implement local development projects based on the experience gained during the implementation of the current project.

## **Projects description**

## Context and challenges

Local self-government continues to face significant challenges in improving the quality of life of its citizens. The country faces many difficulties in attempting to pursue a more ambitious local development agenda, some of which include:

* Lack of municipal-level statistical data that could be used to prioritise the distribution of available funds and track development progress.
* The fragmented capacity of municipal administrations to plan, design and implement development policies and projects and maximise the impact of the available funds.
* Insufficient up-to-date urban planning and technical documentation are necessary to enter appropriate investment cycles.
* Inadequate institutional structure and share of responsibilities among institutions of the local governance system
* To optimise benefits from using available funding instruments (e.g., EU, other international financial institutions, government budgets/programs), municipalities need to significantly strengthen their capacity to prioritise, formulate and implement development projects.

## Project Approach and Objective

The Sida-funded “Building Municipal Capacity for Projects Implementation” (BMCPI) project is set to address some of the most pressing issues faced by the local government institutions in their efforts to improve the living conditions of their citizens. It aims to address local development's main challenges and increase municipal capacities in preparing and designing local development projects.

The project aims to introduce Municipal Development Index (MDI) and the country's local self-government system's comprehensive systemic-level functional analyses (FA).

The project's central and most investment-heavy component is the so-called Technical Documentation Fund (TDF), piloted to showcase a model financial instrument for preparing comprehensive technical documentation for the highest priority infrastructure recovery and development projects. The TDF targets municipalities and regional development centres selected for project support through competitive procedures.

Altogether, these interlinked processes (TDF, MDI, and FA) will be instrumental in prioritising support to those municipalities struggling the most regarding socio-economic development.

In response to the COVID-19 crisis, the TDF was upgraded to include the health care system in the country. This was motivated by the growing pressure for health care services and the arising funding opportunities for improving the conditions in the health care facilities across the country. For this purpose, the Ministry of Health is supported by BMCPI to secure high-quality technical documentation for selected health care centres' reconstruction and adaptation needs.

The principal idea behind the project concept is to equip municipalities with the technical documentation basis and a set of new knowledge and skills required to make the best use of available funding mechanisms for the implementation of a wide range of environmental, social, and other types of priority infrastructure (e.g., EU, Government funding instruments, donations and loans provided by donors and International Financial Institutions – IFIs).

The activities under this project are fully aligned with the efforts of the local self-governments to become better able to pursue their development agendas in line with the Sustainable Development Goals (SDGs), including promoting more balanced socio-economic growth.

## Expected Results and Key Outcomes

Over a period of three years, the project is expected to provide the following main results:

**Component 1: Creating a Municipal Development Index (MDI) to serve as an instrument for tracking the progress of municipalities toward the achievement of the Sustainable Development Goals (SDGs)**

A 1.1 Design of the Index, including determination of vital and non-key indicators; weight attribution; and formula calculation

A 1.2 Research and assessment on data availability and plans to collect new/missing data

A 1.3 Consultations with peers, partners, and the public

A 1.4 Data collection, processing, and calculation of the Index

A 1.5 Public presentation of the Index

A 1.6 Preparation of policy recommendations based on the Index, especially for balanced regional development

**Outcome level (1):**

Assist **authorities in making sound decisions** in distributing development funds, facilitating more balanced socio-economic growth using the MDI for tracking municipalities' progress toward achieving the Sustainable Development Goals (SDGs).

**Component 2. Functional analysis of the local governance system to enhance development capacity**

Activitiesfor municipalities and regional development centres:

A 2.1 Agreement on functional analysis methodology aligned with the MISA approach

A 2.2 Data collection and processing, quantitative and qualitative analysis

A 2.3 Preliminary findings presented and consulted with the partners and other interested parties

A 2.4 Finalization of the study, presentation of the findings and recommendations to the public

A 2.5 Work with pilot municipalities/regional development centres to implement recommendations

Activities for the Bureau for Regional Development (BRD) and the Ministry of Local Self-Government

(MLSG):

A 2.6 Conducting a functional analysis aimed at reaching a clear understanding of BRD and MLSG functions, identifying gaps and overlaps, and recommending internal structural changes

A 2.7 Supporting the BRD and MLSG in adapting their internal organisations according to the recommendations from the functional analysis; and

A 2.8 Supporting the BRD and MLSG in improving the operational flow of work processes, aiming at higher efficiency in creating policies and monitoring their implementation in coordination with an array of other government bodies.

**Outcome level (2):**

**Enhance the development capacity** of municipalities, regional development centres, BRD, and MLSG through Functional Analysis (FA) of the local governance system with particular emphasis on assessing the ability of the system to deliver the development agenda at the local level to generate guidance on structural changes the system needs to undergo to improve the effectiveness of the development agenda.

**Component 3. Establishment of a “technical documentation fund” for local development projects**

A 3.1 Research and analysis of the (potential) sources of funding for local development projects requiring technical documentation

A 3.2 Assignment of the Fund management responsibilities

A 3.3 Transfer of knowledge and experience on sustainable urban/rural planning and development (drawing, if and where relevant, from the experience of the Swedish International Centre for Local Democracy and other good practices) to municipal/regional counterparts

A 3.4 Snapshot review of the existing local development strategies, programs, and priority lists, to identify priority development projects and classify them according to maturity, and eligibility for Government and other sources of funding

A 3.5 Design and approval of Fund’s statutes, documents, and forms: eligibility of applicants and types of documentation to be co-financed; evaluation criteria; co-financing rates; calls for applications and application forms, methods of communication; grant agreements; reporting procedures and conditions; and other requirements

A 3.6 Communication to the potential beneficiaries – national and local public presentation events

A 3.7 Launch of a call for applications (for individual municipalities or a group of municipalities through inter-municipal cooperation)

A 3.8 Tendering and preparation of technical (and other) documentation

A 3.9 Mobilization of resources to ensure the sustainability of the Fund

A 3.10 Compilation and sharing of lessons learned and good practices

**Outcome level (3):**

**Improve the capacities** of the municipalities, regional centres, and health care centres (prioritising the less developed municipalities) to access funding sources, prototyping a Technical Documentation Fund (TDF) as a model financial instrument to prepare comprehensive technical documentation required for accessing different funding sources (e.g., grants, loans or other funding opportunities provided by international and national sources).

Initially set at 1,543,338 USD, the project budget increased to 2,518,462 USD and included additional Sida, UNDP and municipal co-funding.

## Main stakeholders

According to the ToR, the evaluation process included the participation of stakeholders :

* The Donor (Sida)
* Project Team (key UNDP Programme, Project, and Communications staff)
* Ministry of Local Self-Government (MLSG)
* Ministry of Health (MoH)
* Bureau for Regional Development (BRD)
* Ministry of Information Society and Administration (MISA)
* Two regional development centres
* Eight municipalities
* The Association of the Units of Local Self-Government (ZELS)
* Key project experts (TDF, MDI, FA)

## Projects implementation structure

The originally envisaged Project Team (PT) design foresaw only one project manager and one project assistant. At later stages (toward the project's mid-term), the team was strengthened by a project specialist with experience in infrastructure projects, mainly in response to the needs of the TDF-related activities. Under such a setup, the project manager has been responsible for managing the overall conduct of the project, implementing activities by mobilising goods and services, checking on progress and plan deviations, ensuring that changes are controlled and problems are addressed, monitoring progress and risks, and reporting on progress including measures to address challenges and opportunities. The project specialist is responsible for the TDF's technical aspects, and the project assistant is responsible for administrative support to project implementation. Currently, the project does not have a project specialist since the former project specialist assumed the project manager's role. Considering the current project manager's combined technical and management competencies, the project did not hire a new project specialist. Additional administrative support has been made available at different stages of project implementation in response to the fluctuating demands.

In addition to these positions, the project management structure involves a part-time Gender Specialist (responsible for ensuring attention has been paid to gender cross-cutting issues throughout the project activities) and a part-time Communication Officer providing proper visibility of the action. Finally, the project is being supported by the UNDP Operations Department (finance, HR, procurement). Additional support is provided by the individual consultants (key and the non-key experts) and contractors hired on a need basis.

The project board is composed of the Senior Beneficiary (Ministry of Local Self-Government (lead institution), Municipalities (represented by ZELS), Ministry of Information Society and Administration), Executive (UNDP Resident Representative) and the Senior Supplier (SIDA representative). The UNDP Programme Officer and the Good Governance Unit provide the project assurance.

## Project timing and milestones

|  |  |
| --- | --- |
|  | BMCPI |
| Milestone | Date |
| Project Document Signature Date | 01/01/2019 |
| Project start date | 01/01/2019 |
| Planned Closing Date of the Project | 30/06/2021 |
| Actual Closing date of the project | 31/8/2022 |
| Project Inception Workshop | 7/6/2021 |
| Duration of FE | June – July 2022 |
| Date of full FE completion | 20/7/2022 |

## **Evaluation scope and objectives**

According to the UNEG Norms and Standards for Evaluation[[2]](#footnote-3), an evaluation is “an assessment, conducted as systematically and impartially as possible, of an activity, project, program, strategy, policy, topic, theme, sector, operational area or institutional performance. It analyses the level of achievement of both expected and unexpected results by examining the results chain, processes, contextual factors, and causality, using appropriate criteria such as relevance, coherence, effectiveness, efficiency, impact, and sustainability. An evaluation should provide credible, useful, evidence-based information that enables the timely incorporation of its findings, recommendations, and lessons into the decision-making processes of organisations and stakeholders”.

More specifically, the Final Evaluation (FE) focused on but did not limit the following primary goals:

* To assess the Relevance, Impact, Effectiveness, Efficiency, Sustainability, and Gender perspective against the project’s results framework.
* Assess the utility and effects of supporting the intended purpose and objectives.
* To assess the capacity and potential of project stakeholders to absorb, upscale, and sustain project results.
* To assess the level of involvement of local stakeholders in the project and their understanding, including financial and other commitments towards achieving the sustainability of project interventions.
* To analyse lessons learned that can inform future responses and possible follow-up actions.

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| Criteria | Definition and central questions |
| Relevance | The extent to which the provided support and the outcomes are suited to local and national needs, development priorities and organisational policies, including project design/formulation (result framework) and its adaptation to the changes over time.  Central questions:   * Is the project still relevant, and has it been well designed to address the current challenges that municipalities face about access different funding sources and properly distributing development funds according to the citizen's needs?   What room for improvement is there for future design projects to be implemented on the same issue? |
| Efficiency | The extent to which results were delivered with the least costly resources possible, including the project implementation and adaptative management assessment.  Central questions:   * What is the project's implementation level, considering the complications caused by COVID-19? * Are the costs of the activities in line with national standards and have the resources been used in the best way to benefit the target groups? |
| Effectiveness | The extent to which the products (outputs) and effects (outcomes) of the provided support were achieved or how likely they will be achieved  Central questions:   * Is the project achieving the expected products and services with the required quality? * Are the effects generated by the project effectively contributing to improving the capacities of municipalities to track the progress toward the SDGs, enhance development capacities through a Functional Analysis (FA) of municipalities, regional development centres, BRD, and MLSG and establish a Technical Documentation Fund (TDF) for local development projects? * Is the project contributing to unintended negative or positive effects? |
| Impact | Considering the causal factors and preconditions, the extent of the project's long-term (positive or negative) effects  Central question:   * Is the project generating the expected long-term effects on the target groups, such as evidence-based decision making in distributing development funds, enhancing development capacities through Functional Analysis (FA) to improve the effectiveness of the development agenda and accessing funding sources prototyping a Technical Documentation Fund (TDF)? |
| Sustainability/Ownership | The likely ability of an intervention to continue to deliver benefits for an extended period after completion, particularly the improvement of the capacity and potential of project stakeholders for the project sustainability and their commitment (including financial)  Central questions:   * Do the target groups (municipalities, regional development centres, BRD, and MLSG) have the technical and financial capacities to sustain, disseminate and scale up the project results? |
| Gender perspective and other cross-cutting issues | The extent to which the project has been formulated and implemented considers the different needs and characteristics of the population living in vulnerable situations, particularly the women, their degree of participation in decision-making, and the impact of the projects on women's empowerment and gender equality.  Central questions:   * Has the project been designed and implemented promptly to respond to the needs of the most vulnerable groups, such as women, people with disabilities and those living in extreme poverty and exclusion? |

The FE methodology follows the OECD DAC evaluation criteria[[3]](#footnote-4) and UNDG Guidance[[4]](#footnote-5) and has been conducted by the principles outlined in the UNEG “Ethical Guidelines for Evaluation”[[5]](#footnote-6). The Evaluation Team (ET) used gender-sensitive methodologies and tools to ensure the incorporation of cross-cutting issues, particularly gender equality and women's empowerment, in the FER.

## **Key players**

The FE has been developed by a team composed of one national evaluation expert and one international team leader. The national evaluation expert worked under the guidance of and support of the lead international evaluation expert at all evaluation stages. The team adopted a participatory approach and a close engagement with UNDP staff at project, country, and regional levels and stakeholders with project responsibilities, facilitating the participation of all other stakeholders in respect of ethical standards (local and national authorities, municipalities, project experts).

## **Methodology**

## Approach

The FE assessed the achievement of the project's results through a participatory, results-oriented methodology implemented within the established standards.

The findings are based on the ET's triangulation of quantitative and qualitative data from primary (interviews) and secondary sources (documents, reports, studies, surveys) collected during the inception and field phase.

The PT has been consulted and involved throughout the evaluation process. The PT facilitated the understanding of the dynamics, challenges, and opportunities that arose during the implementation, which was particularly useful given the constraints and the limitations to the evaluability (time, language spoken by different stakeholders, and conditions faced by the experts). By the consumptive and participatory approach of the evaluation, the PTs shared project documents, participated in the definition of the methodology and supported the ET from the revision and identification of the stakeholders to the organisation of agendas. The PT supported the realisation of the survey to municipalities. The survey allowed the ET to collect evidence and to have a preliminary analysis to know and quantify the contributions of the municipalities benefited by the project.

The project was evaluated to assess its Relevance, Impact, Effectiveness, Efficiency, Sustainability/ownership, Impact and Gender perspective against the project-level result framework:

* **Relevance**. The extent to which the provided support and the outcomes are suited to local and national needs, development priorities and organisational policies, including project design/formulation (result framework/log frame) and its adaptation to the changes over time.
* **Efficiency**. The extent to which results were delivered with the least costly resources possible, including the project implementation and adaptative management assessment.
* **Effectiveness**. The extent to which the products (outputs) and effects (outcomes) of the provided support were achieved or how likely they will be achieved.
* **Sustainability/Ownership**. The likely ability of an intervention to continue to deliver benefits for an extended period after completion, particularly the improvement of the capacity and potential of project stakeholders for the project sustainability and their commitment (including financial)
* **Impact.** Considering the causal factors and preconditions, the extent of the project's long-term (positive or negative) effects.
* **Gender perspective**. The extent to which the project has been formulated and implemented takes into account the different needs and characteristics of women and men, their degree of participation in decision-making, and the impact of the projects on women's empowerment and gender equality.

The evaluation also assessed **lessons learned** (positive or negative) or promising practices to provide empirical evidence to inform future responses and possible follow-up actions.

Findings present the strengths and weaknesses of each criterion, as identified by the evaluation questions (Annex 4: Evaluation Matrix). For the defined purposes of the evaluation, the ET rated each criterion and question according to a rating scale: Serious problems, Problems, Satisfactory and Very Satisfactory.

The conclusions reshape the findings from a more strategic and less punctual point of view to elaborate and present the recommendations in line with the expectations of the evaluation as indicated in the ToR: “The evaluation shall document the learning achievements and positive examples and provide recommendations to enable UNDP and Sida on possible follow-up interventions. The evaluation also highlights areas where the project performed less effectively than anticipated, the rationale behind that, and the related recommendations to be considered in similar future interventions”, including lessons learned. Lessons learned can be positive or negative and can relate to any of the elements and criteria considered in the evaluation: relevance, efficiency, effectiveness, effectiveness, sustainability, gender approach, including implementation mechanisms and management.

The project assessment, the rates of the six criteria, and lessons learned in chapter **5. Findings and lessons learned**. The conclusions and recommendations are presented I chapter **6. Conclusions and recommendations**.

## Data analysis

The FE was developed following four evaluation methods.

1. The **documentation review** of the project-related documents (see Annex 3. List of available documents) started during the Inception Phase and continued during the field and reporting phases. It permitted the identification of the relevant aspects of the project, guided the evaluation design, and guaranteed a reliable official source of information (including indicators and progress reports), complementing the data collected through interviews and a household survey.
2. The **evaluation matrix** (Annex 4: Evaluation Matrix) with the primary evaluation questions and prepared according to the OECD-DAC evaluation criteria and the Indicative Evaluation Questions indicated in the ToR by the ET, the UNDP, and the PTs, was the base for the interview the stakeholders and to analyse the documents. The evaluation matrix guided and informed the data analysis findings presented in **5. Finding and lessons learned**.
3. The list of stakeholders to interview was developed with the PT: **remote interviews** with 23 people were conducted with key informants related to the Project (Annex 5: List of interviews). The international expert participated in many interviews, except for the ones the interviewees couldn’t express themselves in English, conducted exclusively by the national expert. The national expert participated and was active in all stakeholder interviews.
4. The **selection of municipalities** – the largest stakeholder group – was made through the application of a set of pre-defined criteria, namely i) size and type of municipality (large-small & urban-rural), ii) geographical location (east-west), iii) municipal participation in other project components (FA & MDI), iv) type of supported project (e.g., Environmental and Water Infrastructure, Social Infrastructure, and Communal, Transport and Business Infrastructure, v) dominant ethnic composition of communities. This selection is believed to have provided the necessary diversity in ensuring balanced municipal feedback on the critical Project-related results, processes, and prospects (the list of interviewed municipalities is also provided in Annex 5: List of interviews.
5. To supplement the findings from the interviews, the ET carried out a **survey** targeting the key representatives of the municipalities and regional centres that have benefited from the TDF and were part of the MDI-related processes. The project management agreed with the survey questions and supported its implementation, sending the invitations and the reminders to the 51 municipalities and two regional centres that participated in project[[6]](#footnote-7). A total of 62 people took part in the survey (the full survey results are provided in Annex 6. Survey results). The ET attributes such a high response rate to their interest in the Project and the excellent cooperation with the PT, which was also observed during the interviews.

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| ***Type of municipality*** | ***Current number of employees in the municipal administration*** |
|  |  |

**Figure 1.** Distribution of survey responses by size of municipality and size of municipal administration

1. The information gathered through reviewing the primary and secondary sources (interviews and documentation) was organised and **classified** by the experts to extract helpful information responding to the evaluation questions by criteria. **Triangulation of Sources** has been an integral part of the analysis of the information collected, to substantiate the findings, used to check the reliability of evidence, assuring at the same time robustness and sufficient flexibility to highlight standard features and specific nuances that may apply to the same evaluation questions.

The evaluation followed the United Nations Evaluation Group (UNEG) Ethical Guidelines for Evaluation[[7]](#footnote-8) and under the Do No Harm (DNH) approach, which provides professional standards and ethical and moral principles.

The UNDP Country Office supported the ET by providing information (sharing documents, meeting the ET, and participating in workshops and interviews), arranging interviews with stakeholders and the household survey, and timely commenting on the deliverables.

## Limitations

The relatively short timeline for the FE (6.5 weeks, from 6 of June to 20 of July 2022) did not represent severe limitations. Thanks to the constant and punctual support of the PT and the CO to the ET and the efficient interviews organisation provided by the PT, the ET managed to coordinate and implement all necessary activities quickly and efficiently.

The limitations due to possible language difficulties on the part of the stakeholders to be interviewed and for the documentary review also did not represent a problem, except on some occasions, where the national expert did the interviews in Macedonian.

The COVID-19 pandemic did not determine limitations since all interviews were developed remotely.

## Findings and lessons learned

## Relevance. The extent to which the provided support and the outcomes are suited to local and national needs, development priorities and organizational policies, including project design/formulation (result framework/log frame) and its adaptation to the changes over time.

## Rating scale: very satisfactory

The overall Project’s intervention logic was found to be highly relevant. All three components have been introduced based on an earlier comprehensive needs assessment and a profound understanding of the context. The BMCPI intervention is well positioned in a broader diverse landscape comprising many ongoing and planned complementary projects and other initiatives[[8]](#footnote-9). Being part of such a programme-based approach, the Project benefits from and contributes to synergies with several other relevant interventions.

The project’s relevance is expected to extend in the future. The Project prototyped results that provide a viable proof-of-concept and a foundation for their scaling-up to benefit the key partners and beneficiaries.

The project's relevance seems not to be well reflected in the initial Project design (ProDoc), which appears to lack comprehensiveness in the intervention logic and the implementation approach. However, although somewhat simplistic, it is logical and provides flexibility in the implementation.

One of the primary design deficiencies in the built-in high workload stems from the procurement-heavy implementation of the TDF-backed activities. Implementing many relatively small procurements for preparation and review of technical documentation seems to have generated an extremely high workload distributed mainly among the PT and UNDP procurement unit. This appears to have created an asymmetry in the time/energy distribution of the PT among the different Project components. This might have been somewhat positive from the Project’s (financial) delivery perspective since the TDF was envisaged to consume most of the available funds.

Thanks to the flexibility of its design, and the ability of the team to absorb the high workload (especially at the later stages of the project lifespan), the Project was able to adapt to the contextual changes stemming from a few key factors, namely i) Covid-19 crisis, ii) increased stakeholder demand for TDF support, iii) restructuring of the PT, and iv) emergence of new projects pursuing similar objectives. The first two factors resulted in an increase in the Project budget as an indicator of its relevance, but also of an increased workload that was successfully assumed by the team. The Project budget increased from the initial app. USD 1.5 million to the app. USD 2.5 million[[9]](#footnote-10) in response to the Covid-19 challenges and the higher-than-expected demand by municipalities and regional centres for support in preparing technical documentation as part of TDF. More specifically, besides its initial local development orientation, the TDF was upgraded to include the healthcare system in the country through the provision of technical documentation for improving selected critically important healthcare centres under increased pressure for Covid-related services for which the Ministry of Health identified funding opportunities.

Acknowledging that the desired results depend on the active involvement of a remarkable number of stakeholders at national, regional, and local levels, the Project has engaged in diligent stakeholder cooperation efforts[[10]](#footnote-11). The activities under the Project seem to align with the local self-governments' efforts to become better able to pursue their development agendas in line with the Sustainable Development Goals (SDGs), including promoting more balanced socio-economic growth.

## Municipal Development Index (MDI)

The ET considers the MDI as very relevant with the potential to further increase its relevance in the future. The MDI prototyping resulted in several lessons used in its improvement and set the stage for its institutionalisation in the future. The several iterations of the MDI model refinement have been instrumental in addressing some of the challenges noted by the beneficiaries, the most significant of which are i) the complexity of data collection about the complex initial MDI model, ii) quality assurance of data and verification of data validity, iii) comparability of the data provided by the application of different methodologies.

The following complementary charts show the feedback of the key stakeholders on the MDI based on their experience from data collection and provision, as well as opinions about the relevance of the MDI-generated results.

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| --- | --- |
| ***How complicated was it for you to provide the necessary data for calculating the Municipal Development Index?*** | ***How much additional effort was required for your municipality to be able to respond to the requests for providing data for the needs of the Municipal Development Index?*** |
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**Figure 2.** Challenges faced by municipalities in providing input to MDI

Almost one-quarter of all municipalities (24.2%) found the initial MDI model very complicated. The remaining three quarters find it not to be complicated (11.3%) or find it to be complex by achievable (64.5%). Almost 30% said they needed to invest a considerable additional effort in data provision, while 61.3% find the additionally required action to be tolerable. Less than 10% see the extra effort as not significant – these are the municipalities with better data management systems that can be considered examples for the others.

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| --- | --- |
| ***How would you rate the quality of the data that your municipality provided for the needs of the Municipal Development Index?*** | ***To what extent do you think that the results of the calculation of the Municipal Development Index realistically reflect the real situation with the degree of development of the municipalities?*** |
|  |  |

**Figure 3.** Perceived quality of data and MDI results

Nearly 60% of all respondents consider that the data they provided is of poor or questionable quality that cannot be verified. These are likely the municipalities to which the data required were either unavailable or not accessible. Despite this, nearly 80% of them find the results to be generally realistic or realistic, and only 16% find them not to be practical and suggest significant improvements.

Based on the interviews, it is expected that the ongoing iteration of the MDI with the use of the new 2021 census data will help broadly address the data availability/accessibility and quality issues. Updating the MDI using the latest census data will be an excellent achievement of the project that will reinforce the MDI's relevance. The expected MDI scores can be considered as the further baseline/reference[[11]](#footnote-12) against which the municipal development progress can be tracked in the subsequent phases of the Project.

Overall, MDI is considered a highly relevant tool with excellent prospects – including in improved distribution of funds from central to local levels not only based on the ‘relative ranking’ of municipalities but also based on individual ‘thematic’ needs that can be revealed by the application of the specific indicators in all MDI components (Infrastructure, Economy, Environment, Institutional, Education, Health, Social, Cultural, Sport, and Safety). The MDI model and approach adjustments improved its relevance and confidence-building among the stakeholders. This provides the foundation for MDI’s future upgrade and institutionalisation.

## Functional Analysis (FA)

All functional analyses (national, regional, and local) were demand-driven and based on earlier needs assessments. The interviewed partners expressed satisfaction with the quality of the deliverables provided by the Project experts.

One of the deliverables (*Policy paper on decentralisation reform*) already serves as a guiding document on balanced development addressing the urban-rural divide, fiscal decentralisation, municipal capacity development and improvement of transparency and accountability. It has already played an essential role in *a)* the amendments to the Law on Financing of the Local Self-government Units and *b)* the transfer of additional competencies from the central to the local level as part of the alignment with the new Programme on Sustainable Local Development and Centralization (2021-2026).

The FAs have been carried out democratically through the involvement of the respective administration, who were able to provide their feedback via carefully designed questionnaires and interviews. The proposed adjustments in the institutional setups seem to align with the expectations of the beneficiaries[[12]](#footnote-13).

Although the implementation of the recommendations of the FAs has been beyond the scope of the Project, UNDP is already using them to design and implement other projects. By this, the Project reinforces the relevance of the FAs, ensuring longer-term impacts from earlier efforts.

## Technical Documentation Fund (TDF)

Based on the consolidated feedback from all stakeholders, TDF is seemingly a highly relevant line of intervention for the Project. Virtually all interviewees expressed great satisfaction with the TDF idea/purpose/model, the Project’s implementation approach, and the overall cooperation with the PT. Nearly participants in the survey find the TDF’s support to the very relevant (Figure 4). This was also verified during virtually all interviews with stakeholders at national and local levels, as well as the regional development centres.

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| ***How important is it for your municipality to have access to support in the preparation of technical documentation for infrastructure/development projects?*** |
|  |

**Figure 4.** Relevance of TDF based on municipal feedback

The TDF seems to fill a significant gap in the landscape of available funding instruments for preparing technical documentation and implementing infrastructure/development projects. The TDF approach ensured high quality of technical documentation, whose achievement seems to be a significant challenge. The fact that TDF provided not only financial means but also a ’basic package’ of technical assistance makes the difference from the other financial instruments.

By absorbing the exceptionally high workload stemming from the implementation design, the BMCPI team could ‘protect’ the relevance of TDF, maintaining very high satisfaction levels.

The TDF relevance will extend in the future, bringing many opportunities for further improvement and gradual transition from a UNDP-backed to partner/beneficiary-led implementation throughout all stages of the (construction) project cycle. The recommendations for such change are provided in the next section of this Report.

## Efficiency. The extent to which results were delivered with the least costly resources possible, including the project implementation and adaptative management assessment.

## Rating scale: very satisfactory

The Efficiency assessment reveals the extent to which the Project achieved its results relative to the resources deployed. It discusses resource efficiency in the overall project implementation and adaptive management.

With the closing date set at the end of August 2022, the Project is at the mature stages of implementation. Despite the very high implementation workload, the Project is about to complete the key activities and achieve the intended results and objectives within the allotted time. In some cases, such as the TDF, it is about to achieve results beyond the initially set indicators (a total of 64 sets[[13]](#footnote-14) of technical documentation are being completed vis-à-vis the originally planned 35).

The implementation intensity seems to have varied throughout the Project’s lifespan in response to staff changes and internal restructuring, as presented in the chart below. (Figure 5. BMCPI Delivery Analysis).

The overall Project implementation costs are reasonable and lower compared to other Projects of similar size and degree of complexity known to the ET. The following table provides the expected/most likely costs distribution by the critical project categories and the overall project management (including standard UNDP general management costs and project staff costs)[[14]](#footnote-15).

**Table 1.** Costs distribution among project components & management costs

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| --- | --- | --- |
| **Project Component / Expenditure Category** | **Amount (USD)** | **% of total budget** |
| Project Management | 266,841 | 11% |
| MDI | 65,883 | 3% |
| FA | 57,034 | 2% |
| TDF | 1,651,262 | 71% |
| TDF HEALTH | 290,183 | 12% |
| **Total:** | **2,331,203** | **100%** |

Most of the costs were used for tangible results under the TDF component that bring an immense follow-up investment potential (e.g., implementation of the infrastructure projects). In the TDF component, the Project was able to generate savings that were used to provide an increased number of technical documentation sets while not increasing the management costs.

Regarding individual cost categories, the most prominent are those for consultancies that include design and review services required under the TDF. Most of the required expertise was sourced nationally at more affordable price levels. Such a cost structure is believed to provide an excellent value-for-money situation from the Donor and municipal co-funding perspective.

As regards management costs, it is worth mentioning that a relatively small team successfully assumed the very high workload with only two continuous positions – Project Manager and Project Assistant. Hence their relatively low share in the overall expenditures (11%). Only intermittently, the Project benefit from an additional Project Specialist (experienced in infrastructure project management) and a second Project Assistant (hired only during the high workload from administrative procedures – procurement, contract management and payment. Such favourable dynamics (from a cost efficiency point of view) were facilitated by staff changes, the wish not to increase the management costs, and most importantly, the ability of UNDP to identify qualified staff during the later phases of the project and to provide internal support to assist internal transition needs.

A closer look into the implementation pace of the Project revealed considerable variations in the implementation efficiency. The following chart quarterly and cumulative costs of the Project plotted against its implementation lifespan. This is then combined with the staff changes that reflect the PT’s restructuring at different stages.



***Legend*:** FN – Filip Nelkovski, JS – Jovanka Stojanova, MDj – Marijan Djima, EL – Emira Lama, BT – Bratislava Tanaskovikj

**Figure 5.** Overview of Project’s quarterly and cumulative expenditures in relation to internal restructuring dynamics

The chart shows a protracted slow start of the project during the first 1.5 years of implementation (Jan 2019 – June 2020). The rapid increase in delivery can be observed starting from the second half of 2020, which can be attributed to the strengthened internal capacities of hiring a Project Specialist/Civil Engineer. Following the departure of the first Project Manager, the Project Specialist assumed these duties starting from Q2 of 2021. The vacant Project Specialist position wasn’t filled considering the new Project Manager's combined qualifications in infrastructure and project management. This resulted in avoiding additional project management costs contributing to the overall value-for-money outcomes.

Since the appointment of the new Project Manager, the Project sees consistently high delivery rates, with peaks coinciding with the completion of the technical documentation under the two calls and the health care centre support arrangements. Even with the increased Project budget (resulting from additional Sida funding[[15]](#footnote-16), municipal co-funding, and internal UNDP funds), the new Project management structure remained stable, which provides further evidence for the overall implementation and cost efficiency.

The Project results were not affected by the Covid-19 situation thanks to the adaptive measures taken by UNDP and the PT. The implementation was adapted in a way to prioritise activities that can be completed even under higher restrictions (e.g., fieldwork for the needs of technical documentation[[16]](#footnote-17)) and intensify activities that required more significant stakeholder participation when conditions would permit (e.g., workshops, public events, training were implemented after effective results were accumulated and when the state authorities removed covid-19 related restrictions).

Aiming to improve its efficiency in response to the high workload, the Project has generated multiple lessons to be considered in the next phase. These are provided in the subsequent Recommendations & Lessons Learnt sections of the Report.

## Effectiveness. The extent to which the products (outputs) and effects (outcomes) of the provided support were achieved or how likely they will be achieved.

## Rating Scale (outputs): very satisfactory.

## Rating scale (outcomes): satisfactory

The effectiveness analysis is about understanding to what extent the results (products or outputs, and effects or outcomes) of the intervention were achieved or how likely they will be achieved in future. The analysis of results achieved against the original plans revealed considerable effectiveness of the Project. This was verified during the interviews and based on the results of the municipal survey.

Overall, the Project’s effectiveness at the level of outputs/products can be assessed as highly satisfactory. The outcome/effects level effectiveness is still early to be achieved as all three Project lines of intervention (MDI, FA, and TDF) would require additional time to bring about more lasting changes. Nevertheless, the results achieved so far, backed by the lesson learnt, provide the foundation for a breakthrough in the outcome/effects levels during the upcoming next phase of BMCPI.

## Municipal Development Index (MDI)

MDI represents an objective system for tracking the performance and overall development progress of municipalities based on a series of parameters and indicators.

MDI was piloted as an instrument for tracking municipalities' progress toward achieving the SDGs. Based on the collection and analysis of extensive statistical data, MDI has provided a preliminary ranking of municipalities regarding their development levels. This advance is particularly relevant since the data available in the country is insufficient in terms of thematic and territorial coverage (almost non-existent at the municipal level, collected at the regional level by the State Statistical Office, and according to the needs of ministries and national institutions).

The established MDI model is perceived as comprehensive and composed of all relevant indicators of local development. The country-wide exercise mobilising all municipalities to provide the necessary data to calculate MDI was efficiently completed. To address the data collection difficulties identified by stakeholders, the Project facilitated simplifying the MDI model (e.g., from the initial ~200 indicators, the subsequent two iterations of MDI used ~80 and ~50 indicators, respectively).

The model refinement was carried out through the participation of different stakeholders at national and local levels and contribution to ownership building. The MDI model has been refined through a series of iterations[[17]](#footnote-18), where required input data needs were adjusted based on their availability, accessibility, and capacity of municipalities to provide them in the required format. The entire MDI development process and the related data collection by municipal administration revealed many challenges that the Project attempts to address through a highly participatory and dynamic process.

However, the stakeholder feedback suggests a need for further improvement of the MDI in terms of data requirements and quality assurance and data validation. A large share of the municipalities found it difficult to provide reliable data, which raises the question of the confidence in MDI beyond this pilot phase.

When asked which data categories were the most demanding and challenging to cover with data, municipalities indicated economy, institutional, environmental, social and safety/security as the ones that would require the most attention in the future (Figure 6).

In conclusion, at the output level, the MDI seems to have generated actual results and knowledge that would be instrumental in achieving the desired outcomes. The outcomes would require further MDI improvement, collaborative space creation for future use, and proper institutionalisation within the national system.

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| ***Which data (by category) was the most difficult to provide for your municipality (specify 5 answers)?:*** |
|  |

**Figure 6.** Data categories contribution to MDI and their difficulty to supply with data (the higher the percentage, the more difficult to provide the necessary data)

Based on relevant feedback and accumulated experience, the Project is revising the MDI model/methodology and computing the new municipal ‘developments scores’ using the 2021 census data. This new input is expected to bring a qualitative improvement in the overall MDI calculation based on which the model can be ‘institutionalised’ following the ongoing extended pilot phase[[18]](#footnote-19).

While the ultimate purpose of MDI is to serve as a tool for trend analysis of local government development and performance, the Project has already successfully piloted its application in the prioritisation of municipalities considered for support under the TDF.

Two survey questions provide complimentary feedback of municipalities to consider for the follow-up adjustments and institutionalisation of MDI.

The actions proposed by the municipalities to improve the MDI-related processes -in order of priority based on the frequency of answers- are:

1. Automatize/digitise the process
2. Simplify the MDI model (reduce the number of indicators)
3. Focus only on indicators for which there are existing data for all municipalities
4. Prioritise the use of national-level databases
5. Prioritise the use of municipal databases
6. Introduce external data validation & quality assurance control
7. Unify the data generation methodologies to ensure their comparability

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| ***What do you think should be done to improve the process of calculating the Municipal Development Index in the future (you can circle multiple answers)?*** |
|  |

**Figure 10.** How to improve MDI

To ensure active participation of municipalities (and other stakeholders) in the MDI processes, the municipalities' answers -in order of priority based on the frequency of answers- are:

1. Automatize/ digitise the process
2. Develop clear protocols for data provision/exchange and cooperation among the key institutions
3. Provide training by external experts
4. Make the municipal contribution to MDI a legal responsibility.

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| ***How to ensure the (pro)active contribution of municipalities and other institutions in the calculation of the Municipal Development Index?*** |
|  |

**Figure 11.** How do ensure active stakeholder contribution to MDI calculation

## Functional Analysis (FA)

A comprehensive **Functional Analysis** (**FA**) of the country’s local self-government system was achieved at a more general or systemic level, piloting the approach among selected municipalities and regional centres.

The Project brought about several deliverables as part of this component, including:

* Preliminary Functional Analysis of the Ministry of Local Self-Government
* Recommendations of the FA articulated in the Policy paper on decentralisation reform
* Report and a Rulebook for internal organisation and systematisation

By providing the necessary expertise, the Project led a process of an in-depth review into MLSG’s challenges, overlapping responsibilities, possible disproportionate number of employees, and at the same time, (un)availability of technical knowledge. The corresponding reports were prepared to feed into the redesign of MLSG, aiming at strengthening the coordination and efficiency of the institution to respond to its functional requirements.

This work has aligned with the existing country’s legal environment. The corresponding recommendations in the reports are based on shared principles such as legality, equality, prohibition of discrimination, proportionality, legal security and reliance on legitimate expectations and the principle of administrative procedure based on the rule of law.

All these deliverables, including a revised organigram, were presented and handed over to the authorities for further consideration in reform agenda[[19]](#footnote-20). The Recommendations of the FA articulated in the Policy paper on decentralisation reform were included as part of the new Programme on decentralisation sustainable development 2021-2026 and the amendments of the Law on the financing of the local self-government units (amendments in Parliament).

Besides this national-level application of the FA, the Project supported a pilot application of FA at regional and local levels in line with the existing organisation of the country’s local self-government system. For this purpose, BMCPI partnered with four municipalities (Vevcani, Veles, Gostivar and Berovo) and two regions (Southeast and Northeast Planning regions). The expert reports for all beneficiaries have been produced along with recommendations for improved organisational setup in line with the functional responsibilities that would apply to all municipalities and regional development centres. The documents have been handed over to MLSG following stakeholder consultations[[20]](#footnote-21). NOTE: No specific follow-up FA-related activities are foreseen under the planned upcoming phase of BMCPI.

Like MDI, the stakeholders recognise the FAs as fully fit-for-purpose at output levels. The outcome achievement is not in the design of the BMCPI intervention as it falls beyond its power to influence (e.g., due to the political dimension of institutional restructuring). Nevertheless, the products/outputs of BMCPI are already used as inputs to other projects that would catalyse the desired systemic changes over the following years.

## Technical Documentation Fund (TDF)

TDF is the central and most investment-heavy component of the Project. It has been piloted to showcase a model financial instrument for preparing comprehensive technical documentation for the highest priority infrastructure recovery and development projects. The TDF targets municipalities and regional development centres selected for support through transparent and competitive procedures.

The principal idea behind the project TDF concept is to introduce a long-term funding instrument that will enable municipalities to prepare technical documentation and gain new knowledge and skills required to make the best use of available funding mechanisms for the implementation of a wide range of environmental, social, and other types of priority infrastructure (e.g., EU, Government funding instruments, donations and loans provided by donors and IFIs).

Following intense and comprehensive preparations (preparation of TDF methodological papers, applications, guidance for applicants, and a multitude of consultations), the Project selected many beneficiaries through two separate Calls.

The total number of all projects supported under both Calls is 55, most of which are for Environmental and Water Infrastructure (20 projects), followed by Social Infrastructure (18 projects) and Communal, Transport and Business Infrastructure (17 projects).

Most of these projects comprising a preparation of comprehensive technical documentation have been completed and handed over to the partner institutions. Only four are underway but in the final stages of practice, and only two more projects are at procurement stage[[21]](#footnote-22).

To provide all this diverse and comprehensive technical documentation, the Project had to organise a remarkable number of about 100 individual procurement procedures, most of which took place from the second half of 2020 until today. Consequently, coordinating so many contractors and partners/beneficiaries is a tremendous effort, especially in the context of the lack of data and the overall limited administrative capacity at the municipal level.

This is solid evidence of the PT’s extremely high efficiency (especially following the restructuring of the PT in mid-2020). However, this brings lessons that need to be considered when designing the subsequent phase of BMCPI. Two logical possibilities to be considered include *i)* limiting the number of supported projects (e.g., having a smaller number of large projects rather than many small projects) and *ii)* adopting an approach of gradual transfer of implementation responsibilities from UNDP to the project partners (e.g., municipalities, regional centres, BRD) as part of a capacity development process.

The overall high interest in TDF confirmed by the number of applications demonstrates the need for such a financial instrument at the national level. This is the key to turning TDF into a long-term mechanism that, once institutionalised, will provide long-term access to municipalities for generating the necessary technical documentation they can use to apply for funding**.**

*TDF Health Care Component*: Thanks to a budgetary increase, the Project supported the preparation of comprehensive technical documentation for reconstructing the nine selected healthcare facilities across the country. All nine technical documentation sets have been completed and handed to the Ministry of Health. Fundraising efforts are underway, and part of the reconstruction activities have already commenced.

Preparing these nine more projects further increased the number of procurement cases and the coordination and quality assurance requirements that seem to be successfully undertaken.

Besides the technical documentation, the TDF was organised as a capacity development activity, providing the municipal administration with new knowledge and skills needed to improve efficiency in the future. Thanks to the newly prepared technical documentation, part of the capacity development support were concentrated on the necessary fundraising activities that municipalities can engage in. For this purpose, several pieces of training were organised targeting key municipal staff. However, it seems that such support will be required in the future, which needs to be considered when finetuning the scope of the TDF model before its institutionalisation.

The Project organised a high-level event dedicated to TDF to support these fundraising efforts. The event brought together the highest levels of government, municipalities, and the prominent donors and international organisations present in the country, represented by their ambassadors and other high officials. The event allowed participants to engage in a round-table discussion on possible follow-up investments, discussions on lessons learnt with insights into how to improve infrastructure investments to promote inclusive economic and social benefits. Most importantly, the event reinforced the idea and provided insights into the future of the TDF as a long-term financial instrument supporting the preparation of technical documentation for municipalities and other potential beneficiaries.

Finally, the TDF implementation has generated many lessons from dealing with the most pressing challenges in providing high-quality technical documentation and preparing grounds for the subsequent project implementation.

The results achieved under the TDF are remarkable from the output evaluation perspective. They exceed the original plans due to high implementation efficiency, the high demand for TDF support by partners/beneficiaries and the budgetary increases of the project.

As part of TDF, the Project invested in the app. USD 2 million in preparation of 64 sets of high-quality technical documentation for projects of the cumulative value of the app. USD 130 million. This provides the partner institutions with a solid foundation for initiating an intense investment cycle in the coming period. Part of these projects are already funded and underway, as reported by the municipalities and the health care representatives during the interviews. This contributes primarily to the overall outcome level achievements of the Project, although there is remarkable additional potential to be utilised during its upcoming phase.

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Nearly 42% of municipalities find that the TDF-related activities resulted in their staff learning/capacity development achievements. Almost 42% found the learning opportunities somewhat used, and nearly 10% had a limited learning opportunity (Figure 7).

This suggests that the Project can adapt its implementation approach to maximise the learning opportunities in the upcoming phase. This can be done in conjunction with the transition plan for TDF implementation as presented in the Recommendations section of the Report.

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| --- |
| ***To what extent did the municipal employees involved in the implementation of the activities supported by the TDF strengthen their capacities in managing the key phases of the project cycle in infrastructure projects?*** |
|  |

**Figure 7.** The use of learning opportunities under the TDF

One feature that makes TDF different from other (solely) financial instruments for technical documentation is its integrated approach. Besides the financial means, the municipalities/regional centres seem to benefit significantly from the technical assistance through critically essential phases of the (construction) project cycle. The following figure reflects the priority needs of municipalities when it comes to the support functions/services the future TDF should provide. In order of priority (based on frequency answers), they include:

1. Fundraising for project implementation
2. Quality assurance of technical documentation
3. Preparation of TORs for design and review services
4. Support for identification of suitable project ideas
5. Support for obtaining construction and other permits
6. Support to the supervision of construction activities
7. Support to communication/coordination with selected contractors
8. Support for procurement procedures

The first four functions also resonate with the ideas of the ET and are recommended to be considered a high priority.

|  |
| --- |
| ***What types of support (in addition to financial resources) would you like to receive in the future from the TDF?*** |
|  |

**Figure 8.** The type of support to receive in the future TDF

Regarding the need expressed by municipalities for the quality assurance of technical documentation, some reasons were identified during the FE: *i)* the deficiencies in the public procurement legislation and procedures[[22]](#footnote-23), *ii)* the practice where the independent review services are provided through the selected design company, *iii)* poor quality of TORs for design/review services, and *iv)* limited competences of responsible staff to review technical documentation and verify its quality. The first two reasons may fall beyond the scope of BMCPI, but not the second ones.

## Impact. Considering the causal factors and preconditions, the extent of the project's long-term (positive or negative) effects.

## Rating scale: satisfactory

The Impact analysis measures the project’s long-term positive and adverse effects. Considering the intervention logic and implementation design, the main project impacts are expected to occur in future, especially when the sustainability/ownership aspects are fully satisfied. However, the work done so far provides a viable foundation for achieving the project's intended impact. This applies to its three key components – MDI, FA and TDF.

To facilitate the impact, there is a need to continue the ongoing processes by fully considering the lessons learnt and the stakeholder feedback.

Considering their interrelation, the impact aspects of BMCPI primarily depend on the sustainability/ownership considerations described in the next chapter. The essential processes must be further supported toward the necessary sustainability achievements, which will materialise with higher levels of impact. The synergetic relatedness with the other complementary initiatives would be essential.

The degree of institutionalisation of the project is not the same for all municipalities. It depends on the institutional capacity of each municipality's technical and specialised human resources. Unfortunately, most of them regret such a robust institutional weakness that they do not consider that they can already count on the necessary capacities, showing only a partial and incipient institutional impact.

## Sustainability/Ownership. The likely ability of an intervention to continue to deliver benefits for an extended period after completion, particularly the improvement of the capacity and potential of project stakeholders for the project sustainability and their commitment (including financial)

## Rating scale: satisfactory

This part assesses the likelihood of the intervention to continue delivering benefits for an extended period after its completion. It focuses on the viability of the foundation created so far in terms of quality of deliverables, clear plans for their future use, capacity-building achievements, and stakeholder commitment (including) financial to their future use.

## Municipal Development Index (MDI)

The MDI prototyping, its resultant improvement, the clear stakeholder communication, and its incorporation into governmental policies and regulations are the key founding elements of its sustainability. The evaluation revealed high interest among stakeholders in maintaining and using the MDI in future as part of the policy- and decision-making processes for balanced regional development. The commitment seems high despite the additional efforts required to provide the data. The entire process made stakeholders more aware of the need to improve general data management (generation, storage, exchange).

MLSG expressed commitment to being the ‘host’ of MDI in the future and to be the critical authority that will regulate the data flow, quality assurance and validation. This is clearly articulated in their most crucial strategic policy documents of the Government[[23]](#footnote-24). This reinforces the sustainability prospects of MDI, its institutionalisation, and its future role in future development planning.

## Functional Analysis (FA)

The fact that FAs were demand-driven and positive feedback on their overall relevance and quality provides evidence about the sustainability projects of the corresponding recommendations. Although these fall beyond the current and future phases of BMCPI, their implementation will be facilitated by other complementary UNDP or institutional (municipalities, ministries) projects.

## Technical Documentation Fund (TDF)

The extremely high interest in providing support in the preparation of technical documentation is the key driver to its sustainability. The overall TDF methodology comprising clear prioritisation, identification of project ideas, selection of projects, formulation of terms of references for preparation of technical documentation and carrying out the procurement procedures provide the foundation for the continuity of TDF as part of the national system. However, considering the complexity of the ‘support package’ required beyond the sole financial means, the transition of TDF from UNDP to the relevant national institutions needs to be carried out through a phased approach described in the Recommendations section.

There seems to be a very high commitment among the key institutions to continue TDF. As one of the potential hosts of TDF, the BRD expressed readiness for financial responsibility and to undergo internal setup changes. By this, it will be ready to absorb the TDF with its key support functions/services as articulated by the municipalities (Figure 10).

|  |
| --- |
| ***What types of support (in addition to financial resources) would you like to receive in the future from the Technical Documentation Fund (you can circle multiple answers)?*** |
|  |

**Figure 10.** Other requested TDF functions/services beyond financial means

The chart shows the highest support needs in preparing TORs for the design and review of technical documentation, quality assurance instruments, and fundraising for project implementation. This needs to be reflected in the TDF’s scope of work and the corresponding institutional arrangement.

Regarding the sustainability considerations, it is worth mentioning that besides the BRD, a large share of municipalities finds the regional development centres and the thematic line ministries as possible hosts of TDF or institutions that can contribute to the overall objectives of the TDF (Figure 11).

|  |
| --- |
| ***In which institution do you think the Technical Documentation Fund should be integrated as a permanent instrument for financing (and support) in the key phases of infrastructure project management?*** |
|  |

**Figure 11.** Municipal perceptions on the most suitable host of the TDF

Figure 11 above shows the municipal expectations about the institutional platform for hosting the TDF. While the current plans suggest that BRD (that demonstrated total commitment) should host the TDF, it should be noted that municipalities see an essential role of the centres for regional development and the thematic ministries. It seems that part of these functions/services are already available in different institutions, and the BRD (if decided to be the host) can play the role of a *hub* that will bring together and coordinate these services in a most meaningful way[[24]](#footnote-25). Such an approach would help avoid duplication of functions/services already available in the ‘system.’ Alternatively, incorporating all these functions into a single institution may require considerable new expertise and employment. When it comes to the core thematic expertise in different types of infrastructure projects, the future TDF should consider outsourcing options.

At the same time, 32% of the answers provided by the municipalities indicate the Centres for Regional Development as the ones that should manage the TDF. However, the Centres for Regional Development are also eligible for technical documentation projects, as well as project preparation and implementation, not funding/advertising of project calls, as defined in the Balanced Regional Development Act. Significant systemic changes are required for the Regional Development Centres to play this role, which is currently not in line with the country's current regional development organisation.

Overall, the critical Project lines of interventions contribute to excellent sustainability prospects. The necessary foundation is in place, but their achievement will depend on further support (e.g., as part of the next phase). Without this, there are high risks toward the sustainability agenda (e.g., to MDI and TDF) as their use is still not routinised at the level of the key institutions. Completing the legal basis, clarifying the required institutional responses and further targeted capacity building are the critical areas of intervention to be considered during the implementation of the next phase, as suggested under the Recommendations section.

## Gender perspective. The extent to which the project has been formulated and implemented takes into account the different needs and characteristics of women and men, their degree of participation in decision-making, and the impact of the projects on women's empowerment and gender equality.

## Rating scale: Highly satisfactory

This part summarises the findings on the extent to which the Project has been formulated and implemented concerning the different needs and characteristics of women and men, their degree of participation in decision-making, and its effect on women's empowerment and gender equality.

The gender mainstreaming objectives and principles seem to be consistently addressed across the main intervention lines, especially incorporating gender aspects into the technical documentation preparation. The Project worked to ensure the active participation of women in different processes, including capacity development opportunities. This is reflected in the list of interviewees greatly balanced by sex.

Some other examples include the requirement of submission of gender-disaggregated data as part of the municipal applications under the TDF and the inclusion of gender awareness aspects in the main Terms of References for the technical documentation for different infrastructure projects. However, there is very little evidence that there has been a follow-up evaluation if this has been considered in evaluating possible alternatives for infrastructure projects and their final design.

The Project emphasised integrating more and higher weighted gender-based indicators in the MDI model. This has been done during the MDI iterations where the MDI refinement involved enhanced use of gender statistics and gender-based indicators as much as possible.

Overall, the Project has demonstrated high gender awareness. Gender mainstreaming specialist has supported the PT to address, document and report on gender achievements.

## Lessons learned (positive or negative) or promising practices to provide empirical evidence that can inform future responses and possible follow-up actions.

The following section provides a summary of the critical lessons generated throughout the implementation of the project so far. They are based on the input from the PT and supplemented by the views of the ET. The lessons are formulated to support/complement the Recommendations section of the report.

They are divided by the Project’s main components, including Project Management and Covid-19-related lessons for easier reference.

## Project management

1. The overall Project design resulted in an extraordinarily high workload assumed by the key implementation staff. This is primarily attributed to the high number of procurement procedures and subsequent coordination of contractors and partners/beneficiaries. The Project’s time and resources were extensively consumed by the implementation needs of the municipal and regional projects supported under the First and the Second Call of the TDF, as well as the provision of technical documentation for the nine health care centres. In this direction, the Project has been providing critically crucial technical expertise and capacity development support in prioritising and elaborating project ideas, defining the scope of design and review services, and throughout the entire process of preparation of technical documentation. These may be among the causes of staff retention issues and team restructuring. Fortunately, the latest team, thanks to the internal UNDP support, was able to absorb the workload and bring the main processes to a successful closure.
2. Any staffing challenges must be resolved as early and efficiently as possible to ensure a balanced implementation pace and workload distribution throughout the project’s lifespan.
3. Asymmetries in workload distribution among different project components may come at a specific cost to the overall project results.
4. The design of project activities/processes needs to consider internal absorption capacities (e.g., procurement) to prevent delays and uneven workload distribution during the project's lifespan and among project staff.
5. Good planning of expected projects involving the preparation of technical documentation and their clustering allows for the more rational provision of the necessary design and review services (e.g., through pre-qualifications, the establishment of pools of service providers by types of infrastructure projects). This would result in greater adaptive capacity and implementation efficiency.

## Municipal Development Index

1. The trust-building among municipalities on the MDI requires clear procedures, data quality control & validation and methodological compatibilities in data generation and MDI calculation.
2. The municipal contribution to the MDI involves an additional workload and requires significant coordination efforts. Simplifying and digitising the MDI would help overcome data collection challenges, reduce data generation and interpretation subjectivities, and address the lack of motivation of assigned municipal staff.
3. The long-term application of MDI will likely depend on the following key factors: making the municipal contribution legal responsibility, digitising the MDI, and providing technical support in the gradual upgrade of databases on the most critical indicators.

## Functional Analysis

1. It is often beyond the power of the project to influence the implementation of recommendations of FAs as they may involve political interests and sensitivities.
2. FAs need to be made in a participatory manner through the administration's involvement in questions. This will facilitate the enabling environment for their future implementation.
3. FAs can benefit from analysis of different alternatives (e.g., institutional setup possibilities), which can be compared against a set of criteria, including the economic. This would facilitate the selection process and the commitment toward their implementation.

## Technical Documentation Fund:

1. Municipalities have virtually unlimited demand for high-quality technical documentation, including for regional initiatives.
2. One of the beneficiaries’ main challenges when preparing technical documentation is the low quality of the final products. The quality often fails to achieve the requirements of the critical donors/financing institutions, resulting in significant difficulties in the fundraising efforts and the subsequent project implementation. Part of the reasons rests in the public procurement procedures, the poor quality of TORs and preliminary technical review.
3. Besides funding technical documentation, municipalities (mainly the smaller/rural and those with a limited number of qualified staff) need additional assistance throughout the main steps in the project implementation.
4. There is no unified country-wide approach to formulating TORs for different infrastructure projects. This is one of the reasons for significant variations in the quality of produced technical documentation.
5. The technical documentation is not customised in line with the specific requirements of the critical funding mechanisms.
6. Initial screening of available documentation and data is the key to ensuring the timely preparation of good quality technical documentation. Data/documentation availability should be vital in identifying project ideas for preparing technical documentation.
7. Robust quality assurance mechanisms need to be in place to ensure proper technical documentation. This often requires efforts beyond the regulated standard review (e.g., through the involvement of additional external experts, stakeholder validation).
8. The expectations on the type of support TDF can provide differ between the small and large municipalities.

## COVID-19 related lessons

1. Hybrid communication helps maintain good implementation rates even under restrictions.
2. If well organised, online evaluation of tenders can be as productive as in-person evaluation.
3. When preparing technical documentation, one can prioritise activities that do not require physical interaction during periods of restrictions. This would accumulate results that can be used as a basis for more intense stakeholder involvement at later stages.

## **Conclusions and recommendations**

## **Conclusions**

Launched in 2019, the Project is in its final implementation stages. The largest share of the objectives and targets are being met, and a foundation is being created for possible follow-up activities. Based on a review of available reports, the Project seems to have made significant progress and is set to achieve the main envisaged results on all components despite the complex combination of contextual complexities and uncertainties challenging its objectives.

Thanks to the overall implementation efficiency, the ability of the Project to adapt to the contextual changes, the commitment of the Project staff and the general internal support provided by UNDP, the Project is set to achieve the maximum results as initially envisaged.

The Project has successfully triggered interest among the key beneficiaries and facilitated their commitment, which will be critical in ensuring the sustainability of the essential Project-supported initiatives (MDI, FA & TDF).

The capacity-building results so far (e.g., in terms of municipal capacity for dealing with technical documentation and permitting issues, partners’ growing interested and readiness to make maximum use of MDI and TDF) and encouraging in the sense that the Project will be even better positioned to bring about lasting and tangible results.

It is of great importance that the design of the expected next phase of the project capitalised on the experiences so far. The recommendations provided above need to be considered and broken down into further detail as part of the follow-up interventions. These are provided to ensure scaling-up of results and reinforce the sustainability prospects, particularly of TDF and MDI.

## **Relevance**

## Rating scale: very satisfactory

The relevance of the BMCPI project is still very high, adequately addressing the needs of beneficiary municipalities and institutions, and well-positioned in ongoing and planned complementary projects and other initiatives, benefiting from and contributing to synergies with several other relevant interventions.

The Project is designed in a way to contribute to an enabling environment where the most minor developed municipalities will be prioritised in the future distribution of development support while at the same time increasing their capacities for planning and implementing infrastructure/development projects. At the same time, the primary identified problem was not considering the consequence of many small procurements, which caused a high workload for the PT and created an asymmetry in the time/energy distribution of the PT among the different project components.

The dynamic relevance, the capacity of the Project to adapt to the context and emerging needs during its implementation, has been very high in a highly dynamic environment characterised by multiple uncertainties and rapid context evolution, primarily in response to the Covid-19 crisis, local elections, as well as the other ongoing economic, energy and security crises. The flexibility of the design and the PT permitted to manage and appropriately include the response to the crisis caused by COVID-19, the increased demand for TDF support, the changes in the TP itself and the emergence of new projects with similar purposes.

Under such circumstances, the flexible Project design and the coordinated response of UNDP, the key project partners and the Donor extended and reinforced its overall relevance.

Overall, the target groups of the project consider FA, TDF and MDI highly relevant tools with excellent prospects, even if the MDI presents some challenges for the municipalities that are critical, especially those with less technical capacity, such as its complexity and the incomplete availability of data.

## **Efficiency**

## Rating scale: very satisfactory

Despite the complications caused by COVID-19 and the very high implementation workload, the project's overall performance is excellent. The Project is about completing the key activities and achieving the intended results and objectives within the allotted time.

The enthusiastic, motivated and qualified team of UNDP and the implementation mechanisms proved efficient, ensuring a constant and attentive follow-up of the activities with the stakeholders involved. But procurement workload management represented a fundamental challenge in the current BMCPI phase.

In June 2022, approximately 91% of the project time, the budget execution is 100%, thanks to the appropriate changes of the Project Manager, showing consistently high delivery rates with peaks coinciding with the completion of the technical documentation under the two calls and the health care centres support arrangements. The costs of the project activities and products have been in line with national standards and lower than other projects of similar size and degree of complexity known to the ET.

## **Effectiveness**

## Rating Scale (outputs): very satisfactory.

## Rating Scale (outcomes): satisfactory.

The Project’s effectiveness at the level of outputs/products can be assessed as highly satisfactory. The outcome/effects level effectiveness is still early to be achieved as all three Project lines of intervention (the Municipal Development Index -MDI-, the Functional Analysis -FA-, and Technical Documentation Fund -TDF-) would require additional time to bring about more lasting changes.

MDI piloting is considered comprehensive and composed of all relevant indicators of local development. It permitted the collection and analysis of wide-ranging statistical data, providing a preliminary ranking of municipalities regarding their development levels. The MDI development process showed challenges (among them, the complexity of the MDI, data requirements and quality assurance and data validation) that the project attempts to address through a highly participatory and dynamic process.

**Functional Analysis**

FAof the country’s local self-government system at a more general or systemic level was developed, piloting the approach among selected municipalities and regional centres, including the FA of the Ministry of Local Self-Government, recommendations for a policy paper on decentralisation reform, and a report and a rulebook for internal organisation and systematisation, in-depth reviewing MLSG’s challenges, overlapping responsibilities, a possible disproportionate number of employees, and (un)availability of technical knowledge. It also piloted the application of the FA at regional and local levels with four municipalities (Vevcani, Veles, Gostivar and Berovo) and two regions (Southeast and Northeast Planning regions).

**Technical Documentation Fund**

The TDF positively tested and piloted a model financial instrument to prepare comprehensive technical documentation for the highest priority infrastructure recovery and development projects. The project selected and supported 55 calls: Environmental and Water Infrastructure (20 projects), followed by Social Infrastructure (18 projects) and Communal, Transport and Business Infrastructure (17 projects), thanks to the high efficiency of the PT and, thanks to a budgetary increase, reconstruction of 9 Health Care facilities.

The ET identified some opportunities for improvement for the design of the subsequent phase of the project: *i)* limiting the number of supported projects (e.g., having a smaller number of large projects rather than a large number of small projects) and *ii)* adopting an approach of gradual transfer of implementation responsibilities from UNDP to the project partners (e.g., municipalities, regional centres, BRD) as part of a capacity development process.

The Final Evaluation also identified some priority areas that limit the effectiveness of the TDF and which the communities regret as challenges: fundraising capacity, quality assurance, preparation of ToR and identification of project ideas (*Functions/services*).

The current plans suggest that BRD should host the TDF, and municipalities see an essential role of the centres for regional development and the thematic ministries. The BRD can play the role of a hub to avoid duplication of functions/services that are already available. BRD does not count on the institutional capacities and resources to play such a role (*Hosting of TDF*).

Municipalities show high heterogeneity (urban-rural, differences in qualified staff) in their capacities to implement the TDF model in the future and the future, TDF will not be able to adopt a ‘one size fits all approach to providing the necessary financial and technical support (*Stratification’ of TDF support*)

Until now, municipalities and regional centres were provided with guidance on identifying priority project ideas, defining design requirements, analysing the regulatory context, and filling out comprehensive applications for TDF. This has been the most significant learning-by-doing capacity opportunity for beneficiaries. Following the selection of the most successful applications, most of the remaining work was almost entirely taken up by UNDP/BMCPI, including:

* Development of detailed TORs
* The organisation of procurement procedures
* Contracting of designers/reviewers
* Managing contracts with designers/reviewers.

The beneficiaries had a limited role in these processes, which make up an essential part of the entire project development & implementation cycle, ensuring high-quality technical documentation and set examples, but a clearly articulated and communicated plan for the transition of TDF from UNDP to Government-led management is still under construction (*Transition of TDF*)

## **Impact**

## Rating Scale: satisfactory

Even if the outcome/effects level effectiveness is still early to be achieved so far, the ET considers there is a viable foundation for achieving the project's intended impact and that the impact is the logical consequence of the project's sustainability and ownership. The degree of institutionalisation impact of the project is still partial, especially for municipalities with insufficient technical and specialised staff.

## **Sustainability/Ownership**

## Rating Scale: Satisfactory

The overall sustainability of the benefits and effects of the project is good. The sustainability of the MDI is high, thanks to the interest shown during the project implementation and confirmed in the interviews during the FE field phase by the municipalities to continue updating and strengthening the use of the MDI for the decision-making process and by the MLSG to host the MDI in future and to be the critical authority that will regulate the data flow, quality assurance and data validation.

The following BMCPI projects will not support the FA, but other complementary UNDP or institutional projects could facilitate the realisation of other FA.

The institutionalisation of the TDF in the municipalities is an ongoing process, not completed by the project. The extremely high interest of the municipalities in the TDF as the proper answer to their needs represents the essential element for the sustainability of this critical component. At the same time, the conditions are related to strengthening municipal capacity in preparing TORs for design and review of technical documentation, quality assurance instruments, and fundraising for project implementation.

It is also under definition the future role of the BRD (that demonstrated total commitment) to host the TDF since municipalities see an essential part of the centres for regional development and the thematic ministries.

## **Gender perspective**

## Rating Scale: Highly satisfactory

All institutions count on gender policies, the implementation of which is not homogeneous between them. At the same time, a gender analysis to better address the need of women and people living in vulnerable situations is lacking.

The Project consistently pays attention to gender and vulnerable population priorities, ensuring data disaggregation in MDI and TDF and active participation of women in all the processes, including in training and the inclusion of gender awareness aspects in the central ToR for the technical documentation for different infrastructure projects.

Nevertheless, there is very little evidence that there has been a follow-up evaluation if this has been considered in evaluating possible alternatives for infrastructure projects and their final design.

## **Lessons learned**

Several lessons were identified by the PT and the ET, from project management to COVID-19-related issues, for each of the three project components.

**Project management**

The extraordinarily high workload attributed to the high number of procurement procedures and subsequent coordination of contractors and partners/beneficiaries, staffing challenges need to be resolved as early and efficiently as possible; asymmetries in workload distribution may affect overall project results; project design needs to consider internal absorption capacities to prevent delays; need of adaptive capacity and implementation efficiency for a more rational provision of the necessary design and review services.

**Municipal Development Index**

The role of the procedures in trust building among municipalities; the need to simplify and digitise the MDI to overcome challenges to data collection; the identification of sustainability and impact critical factors.

**Functional Analysis**

The project's limited scope influences the implementation of recommendations for FAs, the importance of the participatory approach for FAs, and the need for comparative analysis for the selection process.

**Technical Documentation Fund**

The virtually unlimited demand for high-quality technical documentation; the low quality of the technical documentation as an effect of public procurement procedures, poor quality of TORs and inadequate technical review; the need for additional assistance in the project implementation besides funding technical documentation; the lack of a unified country-wide approach to formulating TORs; the lack of customisation of the technical documentation with specific requirements; the importance of the prior screening of available documentation, and data and the need of solid quality assurance mechanisms for the preparation of good quality technical documentation; and the expectations of support TDF can provide between small and large municipalities.

**COVID-19**: the importance of hybrid communication for favourable implementation rates under restrictions; the online evaluation of tenders; prioritising activities during periods of limitations to accumulate results

## **Recommendations**

## **Relevance**

The ET acknowledges that stakeholder involvement in decision-making/grant awards can often be sensitive. However, considering the overall idea of TDF transitioning, such an approach is also encouraged subject to all necessary ‘protective instruments’ (e.g., clear and transparent procedures, roles and responsibilities).

**Municipal Development Index**

The actual incorporation of MDI in the system (to be hosted by MLSG) is expected to happen as part of the follow-up phase of BMCPI. A few aspects to be considered in this process are:

* The Project to finalise the formulation of an outline of the legal (step-by-step) process for adoption of MDI; once communicated and agreed upon, this can be incorporated into the Project’s work plan from the outset.
* Co-design and communicate a (potentially legally binding) Protocol indicating the data sources, unified data generation methodologies and the share of responsibilities in maintaining the MDI in the future.
* Work toward further simplification/streamlining of the MDI model based on data availability/accessibility by prioritising the use of high-quality, comparable data rather than a high quantity of data with questionable quality. The ultimate/desired MDI model can be seen as a ‘guiding vision’, which will be achieved once the missing data generation and management aspects are addressed.
* Consider providing supplementary training targeting responsible municipal personnel based on the final/agreed MDI model. This can be done as an experience-sharing exercise where the few municipalities that did well in providing their data can be used as examples/models.
* Work toward ‘automation’ and ‘digitation’ of the process to reduce subjectivity and address possible lack of motivation of municipal staff to participate by providing data.

**Functional Analysis**

* Evaluate the feasibility of supporting the implementation of AF with other projects or programmes of UNDP or institutions (municipalities, ministries, and other national entities).

**Technical Documentation Fund**

* Placing stronger emphasis on renewable energy and energy efficiency projects considering the energy crisis[[25]](#footnote-26)
* Expect beneficiaries to be more involved in (not only informed about) Project implementation. One example would include participating in selecting projects for funding under TDF.

## **Efficiency**

To address the procurement workload management, the ET suggests the following possibilities:

* Support smaller numbers or more significant projects and stratify the project as per the above recommendations
* Distribute the procurement workload between UNDP and the beneficiaries, transferring funds to better-capacitated municipalities to carry out their procurements.
* Carry out pre-qualifications for design/review services based on clustering by types of projects

Reducing the procurement workload would have multiple benefits for UNDP and the Project. Most importantly, it is in line with the idea of transferring responsibilities toward beneficiaries, as well as addressing the asymmetry in staff workload distribution among different Project components (Outcomes/Outputs).

## **Effectiveness**

**Municipal Development Index**

To facilitate the further improvement of the quality of the MDI, the ET suggests supporting automating/digitising the process, developing clear protocols for data provision/exchange and cooperation among the key institutions, providing training by external experts and making the municipal contribution to MDI a legal responsibility:

* The actual incorporation of MDI in the system of MLSG is expected to happen as part of the likely follow-up phase of BMCPI. The necessary analytical work, stakeholder involvement, and experience are among the critical foundational elements of the MDI’s institutionalisation. However, the outline of the *legal/institutional process* for this still needs to be defined and communicated before the start of the follow-up phase to facilitate its long-term purposeful and sustainable use.
* To address the challenges to data provision for MDI's needs, the Project should consider ‘automatisation’ of the processes by extracting data from relevant available databases. This would enable addressing the possible subjectivities and lack of motivation of responsible staff to contribute to MDI.
* Such an ICT-oriented solution will allow public access to MDI-based ranking to ensure greater transparency.
* Clear, preferably legally binding protocols defining the share of responsibilities in feeding the MDI model need to be considered as part of the MDI’s institutionalisation
* This needs to be combined with supplementary training targeting municipalities and other relevant institutions on providing data in a unified and comparable format.

The combined effects of these measures are believed to facilitate further improvement of the quality of the MDI, which will increase the confidence among the key stakeholders. This is particularly important in future when the MDI will be actively used to support decision-making about the distribution of financial and other support from central to local levels. Compared to the past implementation approach, the difference would be applying a phased approach to the MDI evolution (from a simpler to a more complex model about growing data availability) by prioritising the use of good quality comparable data. This contrasts with applying a more comprehensive (desired) model that will generate results of questionable quality and limited comparison potential.

**Functional Analysis**

UNDP’s plan for using FA work and results as inputs to other UNDP projects is the key to ensuring the desired impacts. Since FAs are not planned to be part of BMCPI’s next phase, this section provides only the following two FA-related recommendations that are entirely based on the stakeholder feedback during interviews:

* Invest the necessary time in proper coordination with other FA processes, which seem to be growing thanks to the support of many donors/projects. This would help enhance learning from other examples, unifying the approach and ensuring horizontal and vertical harmonisation.
* Ensure inclusiveness and transparency in the process of preparation of FA and exercise sensitivity to the possible political dimension of the requests coming from higher levels in Government (FAs can be seen as instruments for internal politically driven restructuring)

**Technical Documentation Fund**

The recommendations provided below are with a view to the future of TDF as a vital instrument that will provide financial and technical assistance to the key stakeholders (municipalities, regional centres) in securing high-quality technical documentation, finishing the preparatory activities and fundraising for the implementation of infrastructure/development projects.

The actual incorporation of TDF in the system (of BRD) is expected to happen as part of the likely follow-up phase of BMCPI. The necessary analytical work, stakeholder involvement, and experience are among the critical foundational elements of the TDF’s institutionalisation. However, the outline of the *legal/institutional process* for this still needs to be defined and communicated right after the start of the follow-up phase to facilitate its long-term purposeful and sustainable use.

The Project to consider a gradual transfer of TDF-backed implementation responsibilities from UNDP to the partner institutions (e.g., BRD, municipalities, regional centres)

TDF's scope of work extends beyond the sole support to the provision of technical documentation. Other support needs that may be satisfied through the future TDF work may include fundraising, procurement processes, contract management and related.

More specific:

1. **Strengthen the support functions/services**

The future TDF should provide to municipalities to address the following priorities, accordingly to what the municipalities consider as priorities:

1. Fundraising for project implementation
2. Quality assurance of technical documentation
3. Preparation of TORs for design and review services
4. Support for identification of suitable project ideas

The support to *fundraising capacity* can be made through continued training as already initiated by the Project. This can be further upgraded to on-the-job training by using real case studies (TDF-supported municipal projects) that the Project can use as examples for the future. The selected case studies should belong to the most common categories/types of (infrastructure) projects, which can then play the role of type-specific models to be used in future.

Strengthen the *quality of technical documentation* through a learning-by-doing hands-on approach (e.g., training, preparation of sample TORs, manuals/guidance documents) in conjunction with the plan for the transition of implementation responsibilities from UNDP to the partners/beneficiaries of the Project. Ideally, this should be carried out. External coaching support and expertise can be provided for an on-the-job learning process.

1. ***Hosting of TDF***

An in-depth functional analysis of the (future) TDF can provide the necessary entry points toward its institutionalisation by introducing a collaborative platform involving several different institutions. The ongoing USAID-backed study on institutional setup alternatives for BRD may be a good opportunity for UNDP to ensure that these models consider the future requirements of BRD as a possible TDF host/hub to bring together and coordinate these TDF services and avoid duplication of functions/services. But it would require considerable new expertise and employment or outsourcing options.

1. ***‘Stratification’ of TDF support***

Considering the differences in capacities among municipalities in the country, it is unlikely that the future TDF will be able to adopt a *one size fits all* approach to providing the necessary financial and technical support. These differences can be addressed by stemming from the ‘not well customised’ decentralisation process*)* introducing different levels of support targeting other municipalities, and *ii)* considering inter-municipal cooperation options/regional approaches where municipalities will bring a mutually beneficial variety of knowledge and skills.

The leading cause behind the differences in municipal capacity for project implementation seems to be the differences in the numbers of qualified staff, not necessarily the size of the municipality and the size of the municipal administration. This suggests that the future TDF considers at least two levels/layers of support, namely, *i)* support for small and more straightforward projects addressing basic municipal needs – targeting smaller/rural municipalities and municipalities with limited qualified staff, and *ii)* support to larger/complex/regional/innovative projects that would be open to more developed municipalities, regional initiatives, and innovative projects[[26]](#footnote-27). This can be reflected in the planned calls under TDF that will generate the necessary experience before finalising and institutionalising the TDF model.

1. ***Transition of TDF***

A clearly articulated and communicated plan for the transition of TDF from UNDP to Government-led management is the key to its enduring relevance and overall sustainability. This should also entail the legal and institutional process for integration of TDF within the national system (BRD and other hybrid options).

It is recommended that the transition is achieved through a phased approach where the share of responsibilities for TDF implementation will be gradually transferred from UNDP to the key responsible institutions (e.g., BRD, municipalities).

Table 2 below provides the key elements of the proposed transition plan. It shows the evolution of the roles and responsibilities of UNDP and the key stakeholders throughout the main steps of the TDF process.

With each following call for applications, UNDP should reduce its role in the actual project implementation. The missing expertise among beneficiaries may be complemented by external coaching/peer-to-peer support that will enable the on-the-job capacity development throughout the critical phases of the (construction) project cycle.

Following the application process, BMCPI can select and categorise the main projects to be considered for support. Based on the type of projects, BMCPI can organise a team of coaches/expert pool, for example:

* Civil engineering (e.g., hydraulic, structural)
* Environmental Management
* Geology/geotechnical engineering
* Architecture
* Mechanical Engineering
* Electrical Engineering
* Urban planning
* Economics and others as needed.

Municipalities/regions can be divided into groups by the type of projects. They will be assigned with the relevant coaches/experts who will assist them in preparing the detailed Terms of References for the necessary design and review services. This process will significantly help standardise TORs by type of projects at the national level[[27]](#footnote-28). This process can result in sets of guidance documents and model TORs which can be discussed at professional levels and distributed across the country (e.g., through the ZELS and the Chamber’s networks.

**Table 2.** Proposed transition plan for TDF (Call 1 | Call 2 | Call 3)

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **TDF: Key Phases & Activities** | | | | | | | | | | | | | | | | | | | | | | | |
|  | **Opening of Call for Applications** | | | **Project identification** | | | **Evaluation of applications** | | | **Preparation of TORs** | | | **Procurement procedure** | | | **Contract Management** | | | **Funding source** | | | **Quality Assurance** | | |
| **UNDP** | **L** | **S** | **S** | **S** | **S** | **/** | **L** | **L** | **S** | **L** | **S** | **S** | **S** | **S** | **S** | **S** | **S** | **S** | **L** | **L** | **S** | **L** | **L** | **S** |
| **BRD** | **S** | **L** | **L** |  | | | **S** | **S** | **L** |  | | |  | | |  | | |  | **S** | **L** | **S** | **S** | **L** |
| **Beneficiaries** |  | | | **L** | **L** | **L** |  | | | **S** | **L** | **L** | **L** | **L** | **L** | **L** | **L** | **L** | **S** | **S** | **S** | **S** | **S** | **S** |
| **MLSG** |  | | | **S** | **S** | **S** | **S** | **S** | **S** |  | | |  | | |  | | |  | | |  | | |
|  |  | | |  | | |  | | |  | | |  | | |  | | |  | | |  | | |

**Legend: L** – Lead Role (takes primary responsibility); **S** – Support Role (e.g., coaching, external expertise, guidance documents)

Ideally, carrying out the procurement procedures and implementation of the projects (preparation of technical documentation) should be done directly by the beneficiaries that, for this purpose, can receive funding from the Project. However, flexibility should be foreseen in cases of significantly lower capacity among particular potential beneficiaries.

Regardless of which procurement platform (public or UNDP procurement), the UNDP coaches should be available for consultations, advice, and harmonisation of approaches. To ensure proper quality assurance for the technical documentation, the Project should keep the contracting of the review services as the key instrument for assuring the necessary quality.

The transition process should be backed by ‘soft’ capacity development support targeting beneficiaries in terms of communication and visibility, which would be the key to the future positioning of TDF.

## **Impact**

To facilitate the impact, there is a need to continue the ongoing processes by fully considering the lessons learnt and the stakeholder feedback.

* The actual incorporation of TDF in the system (of BRD) is expected to happen as part of the likely follow-up phase of BMCPI. The necessary analytical work, stakeholder involvement, and experience are among the key foundational elements of the TDF’s institutionalisation. However, the outline of the *legal/institutional process* for this still needs to be defined and communicated before the start of the follow-up phase to facilitate its long-term purposeful and sustainable use
* The Project to consider a gradual transfer of TDF-backed implementation responsibilities from UNDP to the partner institutions (e.g., BRD, municipalities, regional centres)
* TDF’s scope of work can extend beyond the sole support to provide technical documentation. Other support needs that may be satisfied through the future TDF work may include fundraising, procurement processes, contract management and related.

## **Sustainability/Ownership**

The new BMCPI Project aims to achieve an effective institutionalisation by the municipalities of the benefits generated by the Project.

**Municipal Development Index**

* Identify, according to municipal characteristics, an action sheet that allows, starting from the most relevant indicators, to achieve the coverage of the typical indicators by municipal capacities over time.
* Automate the updating of the MDI with the data available from national institutions (according to several stakeholders interviewed, these are the most challenging to access) to accelerate the collection and cataloguing of data, minimise errors, leaving municipalities with more human and financial resources to complement the MDI with the data they have to produce locally.

**Technical Documentation Fund**

* To this end, the ET suggests identifying different modalities according to the municipalities' capacities to know and apply to the calls of national and international organisations that finance local development initiatives.
* Evaluate the likelihood that a regional centre, the RDB or a ministry could support the municipalities in disseminating funding opportunities, models of documents to be submitted to the different donors, and a pool of shared experts (possibly financed with national funds).
* Analyse the possibility of activating mechanisms that facilitate clusters of municipalities, defined according to sectors, themes or municipal characteristics, to apply jointly.

## **Gender perspective**

Conduct a gender and vulnerability analysis to identify differentiated needs for the most vulnerable categories, such as women, people with disabilities, children, elders, and migrants.

Ensure that MDIs, FAs and TDFs include gender aspects promptly, defining a checklist that MDI databases, functional analyses, and technical documentation should have, such as the disaggregation by sex and vulnerabilities of the population to perform intersectional analysis and gender-oriented specific activities, results, and budget to adequately address the identified needs aimed at improving the living conditions of the vulnerable population groups.

Please provide evidence of the effects of inclusion of gender awareness aspects through the gender-disaggregated data in the main Terms of References for the technical documentation for different infrastructure projects addressing it as part of the next phase of BMCPI despite the inherently limited possibilities in infrastructure development projects. Furthermore, introductory training based on best practices/examples and available guidance documents can be shared with future contractors (design/review companies) to improve gender mainstreaming outcomes.

## Annexes

Annex 1. Terms of Reference

Annex 2: BMCPI: Expected Results (from PRODOC)

Annex 3. List of available documents

Annex 4. Evaluation Matrix

Annex 5. List of Stakeholders (interviews)

Annex 6: Potential survey questions

Annex 7. Content of the Final Evaluation Reports

**Annex 3: List of documents**

**BMCPI Project**

* Project Document
* Project progress reports (narrative & financial) for 2019, 2020 and 2021
* Cost-sharing Agreement between Sida and UNDP & 2 amendments to the initial Agreement
* Budget analysis organized by quarters and table of all project staff
* Municipal Development Index (MDI)
  + A conceptual framework for municipalities
  + Final report & Update to the Final report of the Municipal Development Index
* Functional Analysis (FA)
  + Final Report on Functional Analysis of MLS (2019)
  + Functional Analysis of the Ministry of Local Self-Government
  + Policy paper on decentralisation reform
  + Report for internal organisation and systematisation
  + The rulebook for internal organisation and systematisation
  + Piloting of FA at the local level, four municipalities (Vevcani, Veles, Berovo, Gostivar) and two regions (Southeast & Northeast), Report on finding and recommendation
* Technical Documentation Fund, TDF
  + Application form for technical documentation (first and second Call)
  + Guidelines for applicants
  + Sample technical documentation (for municipalities, regions, health care centres)

## 

## **Annex 4: Evaluation Matrix**

The evaluation matrices for the two projects are presented below. The questions have been elaborated based on those proposed in the ToR.

Abbreviations used in Methods for data analysis: **TS=** Triangulation of Sources; **TCA**= Triangulation, Comparative Analysis; **PTRA**= “Progress towards results analysis”

**Evaluation Matrix BMCPI Project**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Criterium** | **#** | **Key questions** | **Specific sub- questions** | **Data source** | **Data collection methods/Tools** | **Indicator/success standards** | **Criterium** | UNDP PT | Donor (Sida) | Ministry of Local Self-Governance | Bureau for Regional Development | Ministry of Information Society and Administration | Association of the Units of Local Self-Government | Partner Municipalities | Partner regional development centres | Ministry of Health / Health Care Centres | Key project experts |
| **RELEVANCE** | 1 | To what extent the project was designed to respond to the emerging key needs of partners and beneficiaries? | To what extent the project was designed, to respond to the analysis made at the project design phase and (if relevant) to the changing context? | PRODOC, Planning document, Interviews | Document review, interviews, Survey | Correspondence of the design with the identified needs and in context. | TS | **X** | **X** | **X** |  |  |  |  |  |  | **X** |
| 2 | To what extent did the project respond to the emerging key needs of partners and beneficiaries? | PRODOC, Planning document, Interviews | Document review, interviews | Correspondence of project adaptations to new needs of partners and beneficiaries | TS | **X** |  | **X** | **X** | **X** | **X** | **X** | **X** | **X** |  |
| 3 | Have the assumptions been well identified to achieve the expected effects? | Did the project’s result framework/theory of change clearly articulate assumptions about why the project approach is expected to produce the desired change? | PRODOC, Framework, Planning document, Interviews | Document review, interviews | Proof that the resulting framework adequately incorporates the assumptions for the expected changes | TCA | **X** |  | **X** |  |  |  |  |  |  |  |
| 4 | Has the project shown itself to be well adapted to changes in context or programming? | Have any changes been made to the project’s design during the implementation? If yes, did they lead to significant improvements? | PRODOC, Planning document, Annual reports, Interviews | Document review, interviews | Correspondence of design changes to new needs that have arisen during implementation | TCA | **X** | **X** |  |  |  |  |  |  |  |  |
| 5 | To what extent did the pandemic affect the relevance of the project to the beneficiaries? Did the modifications made to implementation in pandemic circumstances influence the relevance of the project to the beneficiaries? | PRODOC, Planning document, Annual reports, Interviews | Document review, interviews | Evidence of beneficiaries affected by COVID-19. Correspondence of design and implementation changes with new circumstances due to the pandemic | TCA | **X** | **X** | **X** |  |  |  |  |  |  |  |
| 6 | Will the project issues remain relevant over time? | Are the key project areas/results (TDF, MDI, FA) expected to remain relevant in future? What actions need to be taken to ensure continued relevance of the key project results? (\*) | PRODOC, Planning document, Annual reports, Interviews | Document review, interviews | Correspondence of project results and strategy (TDF, MDI, FA) with identified needs for the future. | TCA | **X** | **X** | **X** | **X** |  |  | **X** | **X** |  | **X** |
| 7 | How can implementation be improved to further enhance project capacity building? | Did and (if so) how did the project use the capacity development opportunities aiming at stakeholders? What adjustments in the implementation approach should be considered for their improved use in the future? (\*) | PRODOC, Planning document, Annual reports, Interviews | Document review, interviews | Evidence that the project has effectively utilized capacity building opportunities targeted at stakeholders | TCA | **X** |  | **X** | **X** | **X** | **X** | **X** | **X** | **X** | **X** |
| **EFFICIENCY** | 8 | Has the project been implemented efficiently, with appropriate and functioning management tools? | To what extent did the project achieve the results in its proposed timeline? | Result Framework, Planning document, Annual reports, Indicators System, Interviews | Document review, interviews | Evidence that the time schedules have been respected and the activities have been implemented and the outputs achieved | TS | **X** | **X** | **X** | **X** |  |  | **X** | **X** | **X** |  |
| 9 | Have all implementing partners used human resources provisioned for this project to their maximum efficiency? | Result Framework, Annual reports, Indicators System, Interviews | Document review, interviews, Survey | Evidence of the efficient use of human resources in relation to costs, time and outputs. | TS | **X** | **X** |  |  |  |  | **X** |  |  |  |
| 10 | Overall, did the project’s management arrangements and implementation strategy provide value for money? Have resources been used efficiently? | Financial tables, Annual Reports, Interviews | Document review, interviews | Evidence of the efficient use of financial resources in relation to the quality of the outputs | TCA | **X** | **X** |  |  |  |  |  | **X** | **X** |  |
| 11 | Is there any duplication of efforts? Were coordination, management and financing arrangements clearly defined? | Planning document, Annual reports, Interviews | Document review, interviews | Evidence that management arrangements have not led to unnecessary duplications | TCA | **X** | **X** | **X** |  |  |  |  |  |  | **X** |
|  | How did the project deal with the staff changes? What effects did these changes have on the overall project implementation and results? (\*\*) | Financial tables, Annual Reports, Interviews | Document review, interviews | Evidence of efficiency related to staff changes | TCA | **X** |  |  |  |  |  |  |  |  |  |
|  | How did the PT address the challenge of the high procurement intensity? How did you balance between the project activities and the high procurement demand? (\*\*) | Financial tables, Annual Reports, Interviews | Document review, interviews | Evidence of efficiency related to procurement | TCA | **X** |  |  |  |  |  |  |  |  |  |
| 12 | How does the overall cost efficiency of intervention look like (per key project components – MDI, FA, TDF)? (\*) | Financial tables, Annual Reports, Interviews | Document review, interviews | Level of cost efficiency of the intervention per component | TS | **X** |  |  |  |  |  |  |  |  |  |
| 13 | How has the COVID-19 pandemic been managed to facilitate efficiency and were there any lessons learned in relation to implementation mechanisms? | How the Covid-19 restrictions and protective measures affected the efficiency of the implementation? | Result Framework, Planning document, Annual reports, Indicators System, Interviews | Document review, interviews | Level of impact on efficiency due to pandemic COVID-19 | TCA | **X** | **X** | **X** | **X** |  |  | **X** | **X** | **X** | **X** |
| 14 | Is the monitoring and generation of evidence/data for learning and management efficient? | Are there lessons learnt from the procurement and contract management processes that need to be considered in the future? (\*\*) | Financial tables, Contracts and procurements, Interviews | Document review, interviews | Evidence of lessons learned from procurement and contract management | TCA | **X** |  |  |  |  |  |  |  |  |  |
|  | How well did the project collect and use data to monitor results? How timely was data collection? What challenged incurred and what lessons can be used for the future? | Monitor and Evaluation System, Indicators, Annual reports, Interviews | Document review, interviews | Level and quality of data production and evidence of potential problems occurred. | TS | **X** |  | **X** | **X** |  |  |  |  |  | **X** |
| 15 | What are the key lessons learnt on the implementation efficiency to be considered in a possible follow-up project phase? | Monitor and Evaluation System, Indicators, Annual reports, Interviews | Document review, interviews | Assessment of lessons learned regarding project efficiency | TCA | **X** | **X** | **X** |  |  |  |  |  |  |  |
| 16 | How did the MDI model evolve in response to data availability and verification of data relevance by stakeholders, as well as the new census data? (\*) | Annual reports, Interviews, Expert Reports | Document review, interviews | Assessment of the capacity of the MOI to evolve according to new data | TCA | **X** |  | **X** |  |  |  |  |  |  | **X** |
| **EFFECTIVENESS** | 17 | Is the project achieving the expected outcomes and coverage? | To what extent did the project achieve its intended objectives? | Result Framework, Planning document, Annual reports, Monitoring System, Indicators System, Interviews | Document review, interviews, Survey | Evidence that the effectiveness indicators have been achieved with the expected quality | Triangulation, contribution analysis, “Progress towards results analysis” | **X** | **X** | **X** |  |  |  | **X** | **X** | **X** | **X** |
| 18 | If applied, did the FAs produce the expected effects? (\*\*) | Annual reports, Indicator System, Interviews | Document review, interviews | Evidence that FAs have achieved the expected effects (e.g., improved institutional setup and organizational performance) and with the expected quality | TS | **X** |  | **X** |  | **X** |  | **X** | **X** |  | **X** |
| 19 | How effective and clear the project’s targeting strategy was in terms of geographic and beneficiary targeting? | Annual reports, Indicator System, Interviews | Document review, interviews | Level of territorial and beneficiary coverage compared to the expected level | Triangulation, contribution analysis, “Progress towards results analysis” | **X** | **X** | **X** | **X** |  |  |  |  |  |  |
| 20 | Do capacity building have to improve for the future to make the project must effective, and how? | Who should be in charge of MDI and how to regulate the share of responsibilities among institutions for its future application? (\*\*) | Annual reports, Interviews | Document review, interviews | Evidence of plan for MDI institutionalization | TCA |  |  | **X** | **X** |  | **X** | **X** |  |  | **X** |
| 21 | What kind of support you think the TDF should be able to provide to applicants (municipalities, regional centres) in the (infrastructure) project cycle (\*\*):  - From project idea to TORs - Procurement of services (design and review) - Quality assurance of produced technical documentation - Permitting - Fundraising for project implementation - Supervision of project implementation | Annual reports, Interviews | Document review, interviews | Coincidence between types of support and identified needs | TCA | **X** |  | **X** | **X** |  | **X** | **X** | **X** |  | **X** |
| 22 | How to ensure effective use and overall sustainability of MDI in the future? | How to simplify and 'automatize' the process of MDI preparation? Have you considered 'digitalization' of the process? (\*\*) | Annual reports, Interviews | Document review, interviews | Coincidence between the MDI purpose and stakeholder capacity to feed into it. | TCA | **X** |  | **X** |  |  | **X** | **X** |  |  | **X** |
| 23 | How to ensure that municipalities and other state institutions provide correct and timely data for MDI calculation? (\*\*) | Annual reports, Interviews | Document review, interviews | Coincidence between the MDI purpose and stakeholder capacity to feed into it. | TS |  |  | **X** |  |  | **X** | **X** |  |  | **X** |
| 24 | Are there any existing databases at national and local level that need to be considered/updated for the needs of objective MDI calculation? (\*\*) | Annual reports, Interviews | Document review, interviews | Evidence for the existence of the databases | TCA | **X** |  | **X** | **X** |  | **X** | **X** |  |  | **X** |
| 25 | To what extent the FAs have been used by beneficiaries to address internal institutional/organizational challenges? | Were in and in which way were the FAs used by the beneficiaries/partner institutions (MLSG, pilot municipalities, regional centres)? (\*\*) | Annual reports, Interviews | Document review, interviews | Evidence and level of use of the FAs by beneficiaries/institutions | TCA | **X** |  | **X** |  | **X** |  | **X** | **X** |  | **X** |
| 26 | How have challenges, including the COVID-19 pandemic, been managed to enable the effectiveness of the project? | What challenges arose during implementation, and how did the PT respond to these challenges? | Annual reports, Indicator System, Interviews | Document review, interviews | Level of response given to the challenges raised during implementation | TCA |  |  |  |  |  |  |  |  |  |  |
| 27 | With the view to Covid-19 circumstances, to what extent the online activities conducted to respect the social distance, were effective, versus the classical face to face ones? What are the lessons learnt from the implementation that can be used for future possible crisis situations (e.g., pandemic, economic, security crisis)? | Monitor and Evaluation System, Indicators, Annual reports, Interviews | Document review, interviews | Level of implementation of activities under COVID-19, compared to pre-COVID-19 level | TCA | **X** | **X** | **X** |  |  |  | **X** | **X** | **X** |  |
| 28 | How the project has been coordinated with partners and other agencies | To what extent did the project complement work with different agencies, have a strategic coherence of approach? | UNDAF, Annual reports, Indicator System, Interviews | Document review, interviews | Coincidence of approach between the work of different agencies | TS | **X** | **X** | **X** |  |  |  |  |  |  | **X** |
| 29 | How effective was the cooperation among supporting and implementing partners? | Annual reports, UN reports, Indicator System, Interviews | Document review, interviews | Evidence of effectiveness of cooperation with partners | TS | **X** |  | **X** | **X** | **X** | **X** | **X** | **X** | **X** |  |
| 30 | Were positive lessons learned or good practices identified in relation to effectiveness? | How novel or innovative was the project approach? Can lessons be drawn to inform similar approaches elsewhere and be considered for possible follow-up interventions? | Monitor and Evaluation System, Annual reports, Interviews | Document review, interviews | Evidence of lessons learned for replicability and scalability of the project | TCA | **X** | **X** | **X** | **X** |  |  | **X** | **X** | **X** | **X** |
| 31 | What good practices or successful experiences or transferable examples have been identified? | Monitor and Evaluation System, Annual reports, Interviews | Document review, interviews | Evidence of successful and transferable project practices | TCA | **X** | **X** |  |  |  |  | **X** | **X** |  | **X** |
| 32 | What lessons can be used to improve effectiveness of MDI, FA and TDF as part of a possible follow-up complementary project? (\*) | Monitoring and Evaluation System, Annual reports, Interviews | Document review, interviews | Identification of lessons to improve the effectiveness of MDI, FA and TDF | TCA | **X** | **X** | **X** |  |  |  | **X** | **X** |  | **X** |
| **SUSTAINABILITY/ OWNERSHIP** | 33 | Are the project effects institutionally and financially sustainable? | To what extent the achieved results are likely to sustain over time? What are the factors that enable or impede the sustainability of the results? | PRODOC, Planning document, Annual reports, Monitoring and Evaluation System, Interviews | Document review, interviews, Survey | Level of match between the needs for sustainability and the response capacities of institutions/municipalities | TCA | **X** | **X** | **X** |  |  | **X** | **X** | **X** |  | **X** |
| 34 | What, if any, catalytic effects did the project have (financial and non-financial)? | Monitor and Evaluation System, Annual reports, Interviews | Document review, interviews | Identification of catalytic effects of the project | TS | **X** | **X** | **X** |  |  |  | **X** | **X** | **X** |  |
| 35 | What costs is this process expected to generate and how & who should provide the necessary funds? (\*\*) | PRODOC, Annual reports, Interviews | Document review, interviews | Identification of future sources of funding for sustainability | TCA | **X** |  | **X** |  |  |  |  |  |  | **X** |
| 36 | To what extent has the project explored and taken advantage of co-funding from other sources? | Annual reports, Interviews | Document review, interviews | Identification of alternative sources of co-funding from other sources | TCA | **X** |  |  | **X** |  |  |  |  |  |  |
| 37 | Has the project achieved ownership, commitment and adequate articulation with other initiatives to enable its sustainability? | How strong the commitment of the beneficiaries and stakeholders is to sustain the results of the project? | Monitor and Evaluation System, Annual reports, Interviews | Document review, interviews | Alignment of the level of commitment of the beneficiaries and stakeholders with those necessary to guarantee the continuity of the project's effects. | TS | **X** | **X** | **X** | **X** |  |  | **X** | **X** |  |  |
| 38 | Has the ownership of actions been transferred to the targeted project audience? Do beneficiaries have the capacity to take over the results of the project, to maintain them and can they use the learning from the project in their future initiatives? | Monitor and Evaluation System, Annual reports, Interviews | Document review, interviews | Alignment of the level of ownership of beneficiaries and stakeholders with those necessary to ensure the continuity of the project's effects. | TS | **X** |  | **X** | **X** | **X** |  | **X** | **X** |  |  |
| 39 | How has the project strengthened the capacity of project stakeholders? | Monitor and Evaluation System, Annual reports, Interviews | Document review, interviews | Evidence of capacity building of stakeholders | TS | **X** |  | **X** | **X** |  |  | **X** | **X** | **X** | **X** |
| 40 | Has the project sought and achieved synergies with other projects (within and outside UNDP’s portfolio) and how has this impacted project sustainability? | UNDP portfolio, Annual reports, Interviews | Document review, interviews | Level of achievement of synergies with other projects for sustainability | TCA | **X** |  | **X** | **X** |  |  |  |  |  |  |
| 41 | What are the most relevant aspects to be considered in the future for the sustainability, replicability and scalability of the project's effects? | What possible next steps should be taken to replicate, scale-up and ensure sustainability of the key results (MDI, FA, TDF)? (\*) | Monitor and Evaluation System, Annual reports, Interviews | Document review, interviews | Identification of key elements to ensure sustainability of MDI, AF and TDF | TS | **X** |  | **X** | **X** |  |  |  |  |  | **X** |
| 42 | What steps (including legal) need to be taken for TDF to be institutionalized (become part of existing institution)? (\*\*) | Monitoring and Evaluation System, Annual reports, Interviews | Document review, interviews | Identification of key elements ensuring institutionalization of MDI, EFs and TDFs | TS |  |  | **X** | **X** |  |  |  |  |  |  |
| 43 | What would be the best organizational arrangement for TDF (sector, unit, other)? (\*\*) | Monitoring and Evaluation System, Annual reports, Interviews | Document review, interviews | Existence and quality of the organizational arrangement identified for TDF | TCA |  |  | **X** | **X** |  |  |  |  |  |  |
| 44 | If the future TDF model would require functions for which the potential host institution would not have sufficient staff, how will the employment of new staff be addressed? (\*\*) | Monitoring and Evaluation System, Annual reports, Interviews | Document review, interviews | Existence and quality of a plan for new staff employment | TCA |  |  | **X** | **X** |  |  |  |  |  |  |
| **IMPACT** | 45 | Is the project generating the expected impact? | What has been the positive and negative, intended, and unintended, long-term effects of this project? | Result Framework, Planning document, Annual reports, Monitoring System, Indicators System, Interviews | Document review, interviews | Evidence of long-term effects of the intervention, in line with expected outcomes | Triangulation, contribution analysis, “Progress towards results analysis” | **X** |  | **X** | **X** |  |  |  |  |  |  |
| 46 | What aspects can be improved so that the impact of the project or future similar projects can have a greater impact? | What follow-up projects/initiatives need to be considered to ensure enhanced impact, replication and/or scaling-up of project results? | PRODOC, Planning document, Annual reports, Monitoring and Evaluation System, Interviews | Document review, interviews | Identification of potential projects/initiatives | TCA | **X** | **X** | **X** | **X** |  | **X** | **X** | **X** |  | **X** |
| 47 | What pre-conditions need to be met (e.g., among) stakeholders for better impact? | PRODOC, Planning document, Annual reports, Monitoring and Evaluation System, Interviews | Document review, interviews | Identification of pre-conditions to be met | TCA | **X** |  | **X** | **X** |  |  | **X** | **X** |  |  |
| 48 | Are there project components with more limited impact that should be re- evaluated/reconsidered/phased out in future interventions? | Monitor and Evaluation System, Annual reports, Interviews | Document review, interviews | Assessment of the impact of components and identification of those with lower impacts | TCA | **X** | **X** | **X** | **X** |  |  |  |  |  |  |
| 49 | What possible contextual changes could favour greater impact and what contextual changes could dimmish impacts of the project’s three main areas of intervention (MDI, FA, TDF)? (\*) | PRODOC, Planning document, Annual reports, Monitoring and Evaluation System, Interviews | Document review, interviews | Identification of the changes needed to favour the impact of MDI, FA and TDF | TCA | **X** |  | **X** | **X** |  |  |  |  |  |  |
| 50 | What legal/institutional steps need to be taken to officialise MDI? (\*\*) | Monitoring and Evaluation System, Annual reports, Interviews | Document review, interviews | Identification of steps needed to formalize MDI | TCA |  |  | **X** |  | **X** |  |  |  |  |  |
| **GENDER** | 51 | Have gender aspects been duly considered in the design and implementation of the project? | To what extent were gender considerations mainstreamed throughout the project? Was gender mainstreaming underpinned by appropriate budget allocations specific to Gender Equality and Women’s Empowerment (GEWE)? | PRODOC, Planning document, Annual reports, Monitoring and Evaluation System, Interviews | Document review, interviews | Proof of gender mainstreaming in the project, including allocation of funds for GEWE | TCA | **X** |  |  |  |  |  |  |  |  |  |
| 52 | Was a gender-based needs analysis done to identify separate products and effects for men and women? (\*\*) | PRODOC, Planning document, Annual reports, Interviews | Document review, interviews | Existence of gender analysis | TS |  |  |  |  |  |  |  |  |  |  |
| 53 | Have strategies been put in place to take such differences into account in implementation to maximize the potential effectiveness of the project? (\*\*) | PRODOC, Planning document, Annual reports, Interviews | Document review, interviews | Level of implementation of gender strategies | TS |  |  |  |  |  |  |  |  |  |  |
| 54 | How has the pandemic affected or hindered the participation and contribution of women and girls in this project in general? | Monitor and Evaluation System, Annual reports, Interviews | Document review, interviews | Level of impact on women's participation as an effect of the pandemic | TCA | **X** |  |  |  |  |  |  |  |  |  |
| 55 | Are there any gender mainstreaming lessons to be considered as part of a possible follow-up intervention in the key project areas? | Monitor and Evaluation System, Annual reports, Interviews | Document review, interviews | identification of lessons from gender mainstreaming | TCA | **X** |  |  |  |  |  |  |  |  |  |
| 56 | How were the gender mainstreaming requirements addressed in the project’s three key components (MDI, FA, TDF)? (\*) | Monitoring and Evaluation System, Annual reports, Interviews | Document review, interviews | Identification of how gender mainstreaming has been implemented in the project for MDI, FA and TDF Translated with www.DeepL.com/Translator (free version) | TS | **X** |  |  |  |  |  |  |  |  |  |

## **Annex 5. List of Interviews**

|  |  |  |
| --- | --- | --- |
| Person | Title | |
| Mr. Sami Bushi | UNDP Programme and Monitoring & Evaluation Associate | |
| Ivan Petrovski | Program Officer SIDA/Embassy of Sweden | |
| Biljana Gugoska Cvetanovska | Programme Officer |
| Jovanka Stojanova | Project Manager |
| Mirko Trajanovski | Communication Specialist |
| Andrijana Stojanova | MLS, State Councilor/ BMCPI Project Board member |
| Ramiz Rexhepi | Director of BRD |
| Miroslav Grozdanovski | MIOA, Senior Associate/ BMCPI Project Board member |
| Ivana Serafimova | Advisor / BMCPI Project Board member |
| Jadranka Stefkova | ZELS, Municipality of Veles (*public transport study*) |
| Elen Kaculacka | Municipality of Berovo (*2 tech. documentation: bridge + multipurpose public building*) |
| Besim Imeri | Municipality of Tearce (*tech. documentation: wastewater treatment systems for a few communities*) |
| Kika Aleksova | Municipality of Kavadarci (*tech. documentation for water supply and sewerage networks*) |
| Aneta Ristovska | Municipality of Demir Kapija (*tech. documentation for sewerage networks and WWTPs*) |
| Dashmir Osmani | Municipality of Gostivar (*tech. documnetation for 2 pedestrian bridges)* |
| Selman Reçi | Municipality of Cair (*tech. documentation for a Photovoltaic systems for 9 (nine) schools & kindergartens*) |
| Bosko Cvetkovski | Mayor, Municipality of Lozovo (*tech. documentation for a green market*) |
| Fatmir Saiti | Director, Polog Planning Region (*tech. documentation for a regional stray dog shelter*) |
| Tatjana Temelkovska | Director, Vardar Planning Region (*tech. documentation for a regional stray dog shelter*) |
| Elena Petrovska | Project manager/Project Implementation Unit |
| Jana Belceva Andreeva | UNDP Expert / MDI |
| Toni Popovski | UNDP Expert / FA |
| Jovan Pejkovski | UNDP Expert / FA |
| Vladimir Grozdev | UNDP Expert / TDF |

## **Annex 6. Potential surveys questions**

**Air pollution Survey**

**(Beneficiaries of initiatives developed in the framework of Component 3)**

Indicative Questions (to be agreed with UNPD Project Staff):

1. How do you consider the project's improvements to your home?

1. Very positive
2. Positive
3. Scarce
4. None
5. Negative

2. Do you consider your home's air quality and general well-being?

1. Much improved
2. Improved
3. Improved a little
4. Not improved
5. Worsened

3. He believes that the health of those living in his household, thanks to the project, has:

1. Much improved
2. Improved
3. Improved a little
4. Not improved
5. Worsened

4. He believes that the costs for heating his home, thanks to the project, have:

1. Reduced a lot
2. Reduced
3. Lowered a little
4. About the same
5. Increased
6. Increased a lot

5. Can you keep the home improvements and heating system provided by the project working in the future?

1. Yes, with certainty
2. Probably
3. Difficult
4. Certainly not
5. Don't know

**BMCPI Survey)**

**(Technical Documentation Fund**

Indicative Questions (to be agreed with UNPD Project Staff):

1. For what category/type of project do you get support from the TDF? How important is for your municipality the support in the preparation of technical documentation for infrastructure/development projects
2. Very important
3. Somewhat important
4. Not important
5. How useful did you find the BMCPI/TDF support in addressing your municipality’s needs for providing technical documentation?
6. Very useful
7. Somewhat useful
8. Not useful
9. To what extent did the municipal staff involved in the TDF-supported project build additional capacity
10. Large extent
11. Moderate extent
12. Limited extent
13. Can you prioritise the types of support you would like to receive in the future from the TDF (please rank in order of priority)?
14. Preparation of TORs for design and review services
15. Support for procurement procedures
16. Communication/coordination with selected contractors
17. Quality assurance of technical documentation
18. Provision of construction and other permits
19. Fundraising for project implementation
20. Support for the supervision of construction activities
21. Other (please specify)
22. In which institution do you think the TDF needs to be incorporated as a permanent funding/support instrument:
23. Bureau for Regional Development
24. Ministry of Local Self-Government
25. Regional Development Centre
26. Relevant/thematic line ministries (Environment, Transport, Social Policy…)
27. Other (please specify)

**Municipal Development Index**

1. How complicated was for you the provision of data for the needs of the MDI computation
2. Very complicated
3. Complicated but doable
4. Not complicated at all
5. How much extra effort was for your municipality to contribute to the MDI?
6. Significant additional effort
7. Tolerable additional efforts
8. Insignificant additional effort
9. Which data needs (by category) did you find most difficult to provide (number them in order of difficulty: from to least challenging to deliver)?
10. Infrastructure
11. Economy
12. Environment
13. Institutional
14. Education
15. Health
16. Social
17. Cultural
18. Sport
19. Safety
20. How would you assess the quality of data you provided for the needs of MDI?
21. Excellent quality
22. Questionable quality
23. Low quality (we needed to make rough assumptions due to lack of records)
24. How do municipalities and other state institutions provide correct and timely data for MDI calculation (provide more than one answer if needed)?
25. Make the municipal contribution to MDI a legal responsibility
26. Provide training by external experts
27. Develop clear protocols for data provision/exchange and cooperation among the key institutions
28. Digitalize/automatise the process
29. Other (please specify)

1. The Terms of Reference (ToR) for the FE are presented in Annex 1. Terms of Reference. [↑](#footnote-ref-2)
2. “UNEG Norms and Standards for Evaluation. Revised edition: June 2021”, section 4.4.3 “Evaluation inception report (in http://www.unevaluation.org/document/detail/1914) [↑](#footnote-ref-3)
3. https://www.oecd.org/dac/evaluation/daccriteriaforevaluatingdevelopmentassistance.htm [↑](#footnote-ref-4)
4. http://www.uneval.org/document/guidance-documents [↑](#footnote-ref-5)
5. http://www.unevaluation.org/document/detail/2866 [↑](#footnote-ref-6)
6. The survey was carried out only with the municipalities, since the relevant institutions have already been covered by the interviews. [↑](#footnote-ref-7)
7. UNEG (2005). http://www.unevaluation.org/ethicalguidelines [↑](#footnote-ref-8)
8. For example, *Empowering Municipal Councils*, *COVID Crisis: Municipalities as drivers of sustainable development.* [↑](#footnote-ref-9)
9. Mostly because of supplementary Donor contributions, but also UNDP and municipal co-funding [↑](#footnote-ref-10)
10. The critical project partners are the Ministry of Local Self-Government (MLSG), the Bureau for Regional Development, the Ministry of Information Society and Administration (MISA), and the Association of the Units of Local Self-Government (ZELS), the regional development centres and virtually all municipalities. In addition, the project partnered with the Ministry of Health and the individual selected health care centres. [↑](#footnote-ref-11)
11. Due to greater consistency, and application of unified data generation methodologies that would allow for better comparability of results [↑](#footnote-ref-12)
12. Only for the national level FA (involving MLSG, BRD and the Inspectorate) concerns were expressed over the transparency of the process of preparation and subsequent implementation of the corresponding recommendations. This was directed toward the MLSG leadership, in light with the potential political dimension of the process, and not toward the BMCPI project. [↑](#footnote-ref-13)
13. Including all municipal and regional projects and projects for nine health care centres that were added at later states thanks to the Project’s cost extension. [↑](#footnote-ref-14)
14. This is based on the actual costs incurred so far, as well as the best possible projections until the end of the Project (Aug 202) [↑](#footnote-ref-15)
15. Increased twice in response to increased demand for TDF support as well as the Covid-19 situation. [↑](#footnote-ref-16)
16. Geodetic surveys, geo-mechanical investigations, limited interaction with stakeholders in open [↑](#footnote-ref-17)
17. MDI was calculated 2 times in 2019, 2020, and MDI calculation is underway for 2021 with the use of the new census data. [↑](#footnote-ref-18)
18. The foreseen adjustments of the MDI indicators will consider with the indicators of the Programme for Local sustainable Development and Decentralization, and the Programme for Regional Development as key national strategic documents. [↑](#footnote-ref-19)
19. NOTE: to check if they have been used by the authorities as expected [↑](#footnote-ref-20)
20. NOTE (same as above) to check if they have been used by the authorities as expected [↑](#footnote-ref-21)
21. These projects are going to be implemented thanks to budgetary savings. The project is planned to be finished before the closure of the current implementation phase. [↑](#footnote-ref-22)
22. The selection of contractors based on a *reverse/negative auction* results in unrealistically low amount contracts resulting in poor performance of design/review companies. [↑](#footnote-ref-23)
23. MDI is a priority measure under the Programme for Sustainable Local Development and Decentralization 2021-2026. In addition, a letter from the Minister of Local Self Government confirms the need for MDI and an effective system for data collection. [↑](#footnote-ref-24)
24. BRD’s anticipated accreditation for using EU funds will be instrumental in introducing quality standards and quality assurance mechanisms, which has been a critical functionality requirement of TDF. [↑](#footnote-ref-25)
25. The project for Municipality of Chair can serve as a positive example [↑](#footnote-ref-26)
26. Good example of such projects is the feasibility study for transport optimisation in Veles and the regional centres for stray dogs in Polog and Vardar regions. [↑](#footnote-ref-27)
27. The significant discrepancies in the technical requirements/TORs among beneficiaries often undermine the quality of technical documentation verified during the interviews. [↑](#footnote-ref-28)