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ASSESSMENT OF DEVELOPMENT RESULTS **CROATIA**

EVALUATION OF UNDP CONTRIBUTION



HUMAN DEVELOPMENT effectiveness COORDINATION
efficiency COORDINATION AND PARTNERSHIP sus
NATIONAL OWNERSHIP relevance MANAGING FO
sustainability MANAGING FOR RESULTS responsiveness
DEVELOPMENT responsiveness NATIONAL OWNER
NATIONAL OWNERSHIP effectiveness COORDINATION
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ASSESSMENT OF DEVELOPMENT RESULTS: CROATIA

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FOREWORD

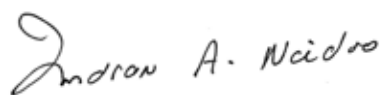
As part of its annual programme, the Independent Evaluation Office conducted an Assessment of Development Results (ADR) for Croatia in 2012. The evaluation covered the country programme period between 2007 and 2013. The programme had six portfolio areas: social inclusion, regional development/local development, environmental governance, justice and human security, business competitiveness, and support to national development priorities. The ADR examined UNDP's contribution to development results by programme outcome as well as its strategic position in the country.

This evaluation was conducted under two unique circumstances. Croatia was due to become a member of the European Union (EU) as of 1 July 2013 after a decade of preparation. The country was also due to complete its transition to the state of a net contributor country in the UNDP classification, meaning that it would no longer receive core funds from the organization. Given these unique circumstances, the ADR aimed at taking stock of lessons learned that could be shared with other countries pursuing EU membership and also at exploring ways forward for the Country Office as it moves into a transitional phase following the EU accession.

The evaluation found that the country programme, through its various portfolios, has provided a strong foundation for UNDP's continued work in the country for the remaining phase of the country programme. The objectives pursued

under all six programmatic areas were relevant to the emerging needs of the country in fulfilling EU requirements, and also responded to the direct needs of target groups, such as persons with disabilities and other vulnerable populations of society, and local and regional authorities and communities in the war-affected and other underdeveloped areas. The country programme was generally delivered in an efficient manner during the programme period. The effectiveness of the portfolios and sustainability of results achieved so far varied among programme portfolios, due in part to challenges in counterparts' capacity and resources as well as in programme design. The evaluation acknowledged extensive capacity-building efforts made in various portfolios, as well as the Country Office's efforts in promoting gender equity through numerous activities. It recommended the adoption of a stronger results framework and performance measurement in the programmes, to effectively measure the achievement of intended objectives.

As UNDP moves into a transitional phase, I hope this evaluation will be used to further enhance the value of its services and provide options for consideration in the remaining phase of the programme.



Indran A. Naidoo
Director
Independent Evaluation Office

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ACRONYMS AND ABBREVIATIONS

ADR	Assessment of Development Results
ASSC	Area of Special State Concern
CAP	Common Agricultural Policy
CIS	Commonwealth of Independent States
COAST	Conservation and Sustainable Use of Biodiversity in the Dalmatian Coast through Greening Coastal Development
CODEF	Central Office for Development Strategy and Coordination of EU Funds
CPAP	Country Programme Action Plan
CPO	Croatia People's Ombudsman
CSO	Civil Society Organization
CSR	Corporate Social Responsibility
EU	European Union
GBSP	Green Business Support Programme
GDP	Gross Domestic Product
GEF	Global Environment Facility
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
HRK	Croatian Kuna
ICTY	International Criminal Tribunal for the former Yugoslavia
IMPACT	Training Centre of the National Foundation for Civil Society
IPA	Instrument for Pre-Accession
IPARD	Instrument for Pre-Accession Assistance for Rural Development
JIM	Joint Inclusion Memorandum
LAG	Local Action Group
LEADER	Bottom-up method of delivering support for rural development through implementing local development strategies
MFAEI	Ministry of Foreign Affairs and European Integration
MFEA	Ministry of Foreign and European Affairs
NGO	Non-Government Organization
NHDR	National Human Development Report
ODA	Official Development Assistance
RBEC	Regional Bureau for Europe and CIS Countries of UNDP
ROAR	Results-Oriented Annual Report
SALW	Small Arms and Light Weapons

SEC	State Election Commission
UN	United Nations
UNDP	United Nations Development Programme
UNV	United Nations Volunteers
WB	World Bank
WVS	Witness and Victims Support

EXECUTIVE SUMMARY

The Independent Evaluation Office of the United Nations Development Programme (UNDP) conducted an independent country-level evaluation in Croatia. The Assessment of Development Results (ADR) attempts to capture and demonstrate evaluative evidence of UNDP contribution to development at the country level. This ADR examined UNDP Croatia's country programme for the period between 2007 and 2011, which was later extended by two years to 2013. The objectives of the ADR were to:

- Provide substantive support to the Administrator's accountability function in reporting to the Executive Board.
- Support greater UNDP accountability to national stakeholders and partners in the programme country.
- Serve as a means of quality assurance for UNDP interventions at the country level.
- Contribute to learning at corporate, regional and country levels.

The ADR was conducted in 2012 in collaboration with the Government of Croatia, UNDP Country Office and the Regional Bureau for Europe and the CIS (RBEC). Given that Croatia was due to join the European Union (EU) in July 2013 and the UNDP country programme was to complete by the end of 2013, results of the ADR were expected to contribute to stocktaking lessons learned from the programme operations and provide an input to strategic decisions on UNDP operations in Croatia after the country's EU integration.

The ADR examined two key issues. First, UNDP's contribution to development results by programme outcome was examined by focusing on four criteria, including relevance, effectiveness,

efficiency, and sustainability. Second, UNDP's strategic position in the country was examined from three aspects: UNDP's overall responsiveness and relevance to meeting the development priorities of the country; its use of comparative strengths and partnership; and the degree to which UNDP has been able to promote core UN values such as gender equity, human rights and capacity-building.

UNDP PROGRAMME

Croatia has gone through a significant transition in the past two decades. The war between 1991 and 1995 left the country with heavy loss of life and severe disruptions to the socio-economic lives of the people. Croatia applied for EU membership in 2003, and through a series of negotiations that started in 2005, the country officially joined the organization as of 1 July 2013. The country programme examined in the ADR reflects six programme portfolios that were designed to meet the emerging needs of the country: social inclusion; regional/local development; environmental governance; business competitiveness; justice and human security; and support to national development priorities. The business portfolio phased out in 2011 and its activities were absorbed into other programme areas involving the private sector in the latter part of the country programme.

The Country Office carried out 47 projects between 2007 and 2012, accounting for a total expenditure of about US\$46 million. The programme expenditure was largest for environmental governance, with more than 50 percent of the total expenditure, followed by the local development portfolio, which represented about 25 percent.

FINDINGS

The country programme, delivered through its various portfolios, was relevant to meeting the emerging needs of the country.

Overall, the objectives of and approaches taken by each of the programme portfolios were in direct alignment with national development priorities, EU accession requirements and relevant UN conventions. For example, social inclusion aimed at the development of the Joint Inclusion Memorandum (JIM) and other social policies, with particular emphasis on the protection of persons with disabilities, minorities and victims of gender violence. It addressed critical concerns expressed in such major platforms as the National Strategy for Equal Opportunities of Persons with Disabilities and the UN Convention on the Rights of Persons with Disabilities. Environmental governance had two outcomes: the climate-change component which focused on the use of energy-efficient technologies in the residential and service sectors; and the biodiversity component focusing on the promotion of green actions among key sectors driving the coastal development in the country. These efforts were in conformity with relevant national strategies, EU directives and supported implementation of Croatian international commitments set by the Kyoto Protocol.

The programme portfolios attempted to strategically choose their responses to meeting respective national development priorities. However, the degree to which they have achieved their intended objectives varied.

The preparation of the JIM pursued in the earlier phase of social inclusion was highly participatory, including both central and local administrations, and civil society organizations. The portfolio's second phase focused on the transformation of social-care system and the implementation of projects for persons with disabilities, Roma, women victims of gender-based violence, returnees, and HIV/AIDS. UNDP ensured that the needs of target groups were reflected in the process by conducting critical analytical-based work,

contributed to raising awareness and the visibility of the country's vulnerable populations. The integration of results into national strategies has been limited, however, due to limited capacity and resources at the national and regional government levels. With the slow progress in the development of the national policy for regional development, dozens of small-scale interventions under local development addressed direct needs of the war-affected and other underdeveloped regions of the country, including the successful introduction of the LEADER approach for rural development. The portfolio, however, lacked a clear linkage between the numerous outputs and the overarching national-level outcome aiming at socio-economic development of those regions.

Under economic governance, energy-efficiency efforts made strong input into national policies and strategies, and successfully distributed lessons learned from the Croatia experience to several countries in Europe and Central Asia. The biodiversity component of the portfolio actively engaged national and county-level efforts to support biodiversity-friendly development. Although there was progress with regard to commercial support on biodiversity, the results were still limited at the time of the ADR. Under the business competitiveness portfolio, tools such as the Corporate Social Responsibility Index and Regional Competitiveness Index promoted the concept of corporate governance and contributed to the overall outcome of the engagement of the private sector in national and regional sustainable development. But the use of these indices appeared limited among relevant counterparts.

Justice and human security focused on, among others, witness and victims support and capacity-building of the People's Ombudsman Office as part of the justice component, and community security, arms control and the state election process in the security component. The portfolio produced tangible results, which have been incorporated in national strategies and in lessons for other countries. The national development priorities portfolio initially aimed at the capacity-building of the Government to plan and implement effective

development policies. The portfolio appropriately shifted its focus in the latter part of the programme to regional knowledge sharing of Croatia's EU accession experience with other countries seeking to join the organization, including support to the 'centre of excellence' in the Ministry of Foreign and European Affairs. The evaluation noted that more sustained results may have been achieved if the needs of recipient countries were clearly identified and the effectiveness of capacity-building efforts was measured.

The portfolios were generally implemented in an efficient manner and demonstrated flexibility when met with operational challenges. Sustainability varied among portfolios.

The social inclusion portfolio was efficiently implemented and the planned outputs were delivered in a timely manner. At the same time, given the scale and complexity of social policy reforms, further capacity-building of national stakeholders, including civil society organizations, as well as their commitment would be needed to continue the reform process. UNDP staff's timely and professional responses under local development, its local presence with the field offices, and active engagements with local authorities have contributed to meeting the direct needs of local communities in the Areas of Special State Concern and other underdeveloped areas of the country. The portfolio represented a collection of dozens of diverse, small-scale activities, such as the provision of infrastructure-related and social services, as well as business development. Except for the establishment of local action groups, the portfolio lacked a coherent, long-term strategy that could strategically contribute to the socio-economic recovery of the target regions.

The energy-efficiency efforts have produced sustainable results with regard to public-sector energy management, with substantial buy-in from different levels of government. Support to biodiversity protection has been well adopted by county development agencies. Private-sector businesses have appreciated the additional funding channel presented by the project, but it is not

clearly established that this facility can be sustained or scaled up once project support is completed. Justice and human security has been able to maximize its results by utilizing various strategic approaches, including the establishment of strong partnerships with line ministries and focus its interventions on capacity-building and policy-oriented actions, as well as on local ownership. While the seminars, training and related activities conducted under the national development priorities portfolio were reported as having been received well by participants, lack of performance measurement tools made it difficult to measure the sustainability of the results.

UNDP's comparative strengths included its ability to identify and respond to the local needs, technical expertise, and partnerships with a wide range of stakeholders.

One of UNDP's recognized advantages over other development players in the country was demonstrated in the local development portfolio, where a combination of UNDP staff's expertise, local presence (e.g. Zadar Field Office) and critical partnerships with local stakeholders, including county government authorities, has produced successful activities to meet specific needs of local communities. It represented a good example of how a concentration of multiple activities and interventions in a single county can gradually create a trusting relationship with local communities and provides a promise for long-term cooperation. The portfolio supported regional cooperation in EU integration, including training on cross-border cooperation jointly organized with UNDP Bosnia and Herzegovina.

UNDP has promoted various UN values from human development perspectives. Gender equality has been promoted with numerous advocacy activities, but its integration into the actual programming portfolio appeared limited.

All portfolios have addressed key UN values, which included the involvement of vulnerable and disadvantaged groups in the programme activities, support to human rights and equity issues,

regional sharing of lessons, and focus on capacity-building. The evaluation also acknowledged the Country Office's efforts in promoting gender equity, for example, through various high-level conferences and advocacy activities, including collaborative events held with the Office of the President, as well as a joint UN programme to fight against domestic violence. The social inclusion portfolio has visibly promoted the rights of women, persons with disabilities, Roma, children and other socially excluded groups. It worked on gender disaggregated data collection and support to vulnerable groups among women (e.g. elderly and those with disabilities) as well as on HIV/AIDS training with focus on gender-based discrimination. In more recent activities, the portfolio also focused on the inclusion of men as part of the campaign against gender-based violence. In other programmatic portfolios, however, there was limited evidence in the programme design of adopting a systematic, strategic approach to addressing gender equity as part of achieving their respective, intended outcomes.

CONCLUSIONS

Conclusion 1. UNDP's relevance and efficiency over the programme period provide a foundation for continued work in Croatia. While effectiveness and sustainability have varied, sturdy building blocks have been put in place for the remaining programme period. UNDP has positioned itself well in the country, with some weaknesses in national policy impact, measurement of capacity-building performance and gender mainstreaming.

Conclusion 2. The social inclusion portfolio has played a significant role in the development of informed and participatory approaches to strategic planning and a systematic approach to monitoring the implementation of social inclusion policies in Croatia.

Conclusion 3. The local development portfolio has successfully responded to the urgent needs of less-developed areas. UNDP's overall effects on the development of a long-term strategy and capacity-building were more evident during the

second half of the programme, when support to preparing rural areas for EU accession became the focus of the portfolio.

Conclusion 4. The environmental governance portfolio has provided valuable and effective support to the Government and other partners to address important issues in the fields of biodiversity and climate change.

Conclusion 5. While the business competitiveness portfolio provided moderate effectiveness and sustainability, the Corporate Social Responsibility Index it created, along with the Regional Competitiveness Index, provided important tools towards measuring development progress and meeting outcomes.

Conclusion 6. The justice and human security portfolio has made a substantial contribution to the creation of national capacities in fulfilling Croatia's obligations deriving from the negotiation process with the EU in Chapters 23, 24 and 31. It has also addressed national priorities in the post-conflict transition (e.g. disarmament, control over legal and illicit weapons, community policing etc.) and the EU accession process in areas of judiciary, fundamental rights and security.

Conclusion 7. The change of focus from a nationally oriented capacity development in the early programme period to a more regional-based knowledge-sharing focus in the later programme was appropriate for the national development priorities portfolio – and in compliance with UNDP's regional policies, national needs and needs of neighbouring countries.

RECOMMENDATIONS

Recommendation 1. UNDP should prepare for transitioning its development activities in Croatia during 2013.

Recommendation 2. UNDP activities in Croatia beyond 2013 should continue only in areas where Government, central, local or regional, or other relevant partners: (i) demonstrate their strong

endorsement and active engagement for sustainable results through institutional and/or financial commitments; and (ii) request UNDP's technical assistance to carry out agreed activities within a time-bound framework. East-East knowledge sharing and supporting absorption capacity for EU funds should be a priority.

Recommendation 3. UNDP should strengthen its capacity to effectively apply performance monitoring and results-based frameworks, and, when embarking on new projects, encourage Croatian partners to embrace robust performance monitoring and results-based frameworks.

Recommendation 4. Following this ADR, UNDP should undertake an analysis of its capacity-building strategy for the country programme, with a view to strengthening its portfolio outputs and outcomes for the remainder of the programme period.

Recommendation 5. With regard to the social inclusion portfolio, UNDP should increase the sustainability of its activities by focusing on the strengthening of capacity-building among national institutions for the implementation of planned reforms in social policies.

Recommendation 6. UNDP should promote the work done so far in war-affected and less-developed areas under the local development portfolio, and focus further on advocating at the central political level for the need to prepare those areas to make use of the challenges and opportunities that await after EU accession through, for example, case studies, absorption capacity analysis, and public debates.

Recommendation 7. UNDP should find a way to promote the model of long-term local support in the area of local development by its field offices that have been successfully developed during the programme and encourage the Government to treat the model as a pilot for areas where local needs for support are specific.

Recommendation 8. The environmental governance and climate change team should build upon its current portfolio, by taking appropriate measures to help ensure the sustainability of its results.

Recommendation 9. The Corporate Social Responsibility Index and Regional Competitiveness Index produced as outputs in the country programme should be made continuous use of and promoted across portfolio activities and beyond.

Recommendation 10. The justice and human security portfolio should focus on ensuring the sustainability and 'irreversibility' of finalized reforms and those in progress. This should be done through: (i) further capacity-building of key national stakeholder institutions; (ii) strengthening of the partnerships with and transfer of UNDP legacy to civil society organizations active in this sector; and (iii) by involving national partners in the dissemination of good practices to other countries in the region.

Recommendation 11. Continued support should be provided to the fledgling 'centre of excellence' established by the Ministry of Foreign and European Affairs as well as to other Croatian institutions seeking to share best practices.

Chapter 1

INTRODUCTION

The Independent Evaluation Office of the United Nations Development Programme (UNDP) conducted an Assessment of Development Results (ADR) in Croatia in 2012. An ADR is an independent country-level evaluation aimed at measuring UNDP's contribution to development results and its strategic positioning in the country. This introductory chapter presents the purpose and scope of the evaluation, methodology and approaches used, and an overview of the structure of the report.

1.1 PURPOSE OF EVALUATION

The overall goals of the ADR are to support UNDP's accountability for development results to its Executive Board, national stakeholders and partners in the programme country and to the public, as well as to contribute to learning at the corporate, regional and country levels. Results of the ADR are expected to be fed into the formulation of a new country programme.

The ADR for Croatia was conducted under two unique circumstances. First, the country was due to become a member of the European Union (EU) as of 1 July 2013, after a decade of preparatory work, which shaped virtually every government policy. Second, the country was due to complete its transition to the status of a Net Contributor Country (NCC) in the UNDP classification system, and thus move to a self-funding basis, without eligibility for funding from core resources, at the beginning of 2014. In light of this background and based on the terms of reference of the evaluation (Annex 1), the specific objectives of the ADR are summarized as follows:

- Provide an independent assessment of the progress made towards achieving the expected outcomes envisaged in the programme document under the evaluation period.
- Provide an assessment of how UNDP has positioned itself in the country to respond to national development challenges and priorities.
- Take stock of best practices and lessons learned from the programme period, especially those that might be shared with other countries pursuing EU membership, and explore possible ways forward for the Country Office as it moves into a transitional phase following EU accession and Croatia's transition to NCC status.
- Present key findings and forward-looking recommendations useful for Country Office management and the Regional Bureau, particularly as an input to strategic discussions on UNDP operations in the country and countries facing similar challenges in the region.

1.2 SCOPE OF EVALUATION

The evaluation was designed in accordance with the established practice for ADRs.¹ The ADR examined UNDP Croatia's programme performance and its strategic position under the current programme period as reflected in its two programmatic documents:

- Country Programme Document for 2007-2011 (extended to 2013).
- Country Programme Action Plan (CPAP) for 2007-2011 and 2012-2013.

1 UNDP Independent Evaluation Office, 'ADR Method Manual' (January 2011) and 'ADR Guidelines' (draft January 2011).

There were six programme portfolio areas in the 2007-2011 period, covering social inclusion, regional development, environmental governance, business competitiveness, transitional justice and human rights, and support to national development priorities. After the programme extension of 2011 by two years, the country programme was modified for the remainder of the programme period to address five thematic areas of importance: social inclusion, sustainable local development and regional disparities, environmental governance and climate change, justice and human security, and development cooperation and knowledge sharing on European integration. A list of projects examined during the evaluation is attached to the report (Annex 4). According to Country Office data, 47 projects were carried out during the 2007-2012 period, of which 18 were active at the time of analysis in October 2012, accounting for a total expenditure of nearly \$46 million.

The emphasis of the ADR was to assess the country programme as defined by its results-framework, focusing on the changes expected from UNDP interventions (outcomes) during the programme period. Any programme activities that may have been implemented by the Country Office outside the defined results framework, and of relevance to the country programme, were included in the assessment.

The evaluation covered programme activities funded from both core and non-core resources.² As with many high-middle-income or middle-income countries, core resources made up a small share of programme expenditure, with most funding mobilized from government or donor sources.

1.3 METHODOLOGY AND APPROACH

The evaluation was carried out by drawing on national and regional expertise provided by a team of four independent external experts,

including two consultants from Croatia. An overview of evaluation questions and criteria, data collection and analysis, and the evaluation process and management is presented below.

1.3.1 EVALUATION QUESTIONS AND CRITERIA

The ADR asked the following key evaluation questions based on its terms of reference:

- Whether UNDP has played a relevant role in assisting the country address its development challenges based on the comparative strength that UNDP brings to the country.
- Whether UNDP rendered such assistance in an effective, efficient and sustainable manner and to what extent UNDP's assistance yielded development results.
- Whether UNDP has responded appropriately to the evolving country situation and government goals by transforming its role and approaches.

In accordance with the 'ADR Method Manual', the above questions were addressed by assessing UNDP's contribution to development results from two perspectives, namely, UNDP's programme performance in its thematic intervention areas, and UNDP's strategic position in the country. The following criteria were used for their respective analysis:

For UNDP's contribution to development results through thematic/programmatic areas:

- *Relevance*: The extent to which UNDP's programme activities and projects are relevant to existing development needs.
- *Effectiveness*: The extent to which the intended results have been achieved or are likely to be achieved.
- *Efficiency*: The extent to which the programme has been planned, managed and

² See Section 3.3 Overview of Programme Portfolios for specific amounts of contributions from the Government (\$17 million), UNDP (\$8.6 million) and donors (\$19.9 million) for the period 2007-2012.

delivered in a manner that its performance is maximized, through an appropriate use of human and financial resources, design and implementation.

- *Sustainability*: The likelihood that results generated through UNDP interventions will continue upon completion of its support.

For UNDP's contribution through its strategic positioning:

- *Strategic relevance and responsiveness*: Relevance of UNDP's interventions to national development challenges and priorities, and its responsiveness to emerging changes in the country.
- *Use of partnerships, networks and UNDP's comparative strengths*: The degree to which UNDP has explored and established effective collaboration with other partners in development, and used its own comparative strengths, to address development needs.
- *Promotion of UN values*: The extent to which UNDP's policy dialogues have contributed to the development and strengthening of the human development perspective and other core UN values, such as gender equality and human rights.

To address the above two perspectives in the ADR, an evaluation design matrix was developed at the outset, detailing the evaluation criteria and subquestions (Annex 5).

1.3.2 DATA COLLECTION AND ANALYSIS

The ADR team used a variety of data collection methods, including desk reviews, interviews and field visits. Desk reviews of material included statistics, past evaluation reports prepared by the Country Office and the Independent Evaluation Office, and other numerous reference materials collected throughout the evaluation. The list of documents consulted and reviewed is presented in Annex 3. Interviews were conducted with relevant individuals and groups both at headquarters and in the field, including UNDP staff

members, government officials representing the ministries and institutions in portfolio practice areas, counterparts in local government at the country and municipality levels, bilateral and multilateral donors, civil society organizations, the private sector and beneficiaries. Fieldwork included site visits to key programme activity areas. The full list of people met during the evaluation is presented in Annex 2.

Data and information collected from the evaluation were used for the analysis and synthesis of findings for the final presentation of conclusions and recommendations. Results of interviews and observations from field visits were summarized and content-analysed immediately after the data-collection phase. Throughout the evaluation, information sources were cross-validated and the reliability of data was assessed.

1.3.3 EVALUATION PROCESS AND MANAGEMENT

A preparatory mission was conducted by the evaluation manager at the Independent Evaluation Office between 30 January and 3 February 2012, after which the terms of reference were developed. The ADR team leader conducted his scoping mission from 29 May to 1 June, which included an evaluability assessment and the development of a detailed evaluation plan. The inception report prepared after the scoping mission was shared with the Country Office and the Regional Bureau for Europe and the CIS (RBEC) for comments. The evaluation team conducted a field-based data collection mission between 10 September and 1 October 2012. At the end of the mission, a data analysis and validation session was held, at which time a list of key preliminary findings was shared with the Country Office. After the evaluation team prepared the draft report, a set of reviews were conducted by the Independent Evaluation Office peers and an external evaluator. The report was then shared with the Country Office and RBEC on 4 December 2012 for their initial feedback. The revision process was completed in September 2013, when the final comments from the Country Office were received on 19 August

2013. The final joint stakeholder workshop was organized on 20 January 2014, where key messages from the evaluation were shared and discussed with the national reference group, a group of national stakeholders relevant to the country programme. The workshop was attended by over 80 participants, representing senior government officials, civil society organizations, UN agencies and other development partners (See Annex 7 for a list of participants at the final stakeholder workshop).

1.4 STRUCTURE OF THE REPORT

The report comprises six chapters. Following the present introduction, Chapter 2 provides an

overview of the country's development context and challenges, national responses to those challenges, as well as the development environment in which UNDP operates. Chapter 3 presents the structure and nature of UNDP's response and strategy in addressing national development needs, including the overview of the country programme framework. The next two chapters present the assessment of UNDP's contribution to development results: Chapter 4 examines UNDP's contribution through its programmatic interventions, and Chapter 5 examines UNDP's strategic positioning in the country. Finally, Chapter 6 presents a list of conclusions and recommendations, drawing on findings and evidence presented in the previous chapters.

Chapter 2

DEVELOPMENT CHALLENGES AND STRATEGIES

This chapter presents an overview of the development context within which UNDP operates. It particularly focuses on the three most important development challenges facing Croatia during the programme period 2007-2013: (i) the lingering consequences of the 1991-1995 war; (ii) Croatia's efforts to join the European Union; and (iii) the prolonged economic crisis that began in 2008.

2.1 CROATIA'S POST-CONFLICT LEGACY

Following Croatia's declaration of independence from the former Socialist Federal Republic of Yugoslavia on 25 June 1991, a brutal war ensued resulting in heavy loss of life and injury, especially to the civilian population. Some 15,000 soldiers and 6,605 civilians died, and more than 1,703 are still missing. Hundreds of thousands were forced to flee their homes, and Croatia also received huge numbers of ethnic Croats fleeing the war in Bosnia and Herzegovina. An estimated 550,000 people were displaced within Croatia in 1991-1992; some 400,000 refugees from Bosnia and Herzegovina took refuge in Croatia in 1992-1995; and between 1991 and 1995 around 250,000 minority Serbs fled Croatia.³ The social consequences of this massive upheaval are still being felt today.

Roughly one-third of the country's territory was affected by combat, which caused significant damage to infrastructure and housing. The Danube town of Vukovar was completely levelled during a three-month siege in the fall of 1991. An estimated 13,000 sq km of Croatia's territory was left contaminated with landmines. Although

demining efforts had reduced this area to under 700 sq km by 2012, progress remained slow and Croatia does not expect to be completely mine-free until 2019. Destruction took place mainly in areas that had already faced socio-economic challenges before the war, and this remains an important constraint on their opportunities for development.

Since the cessation of hostilities in 1995, the Croatian Government has invested heavily in reconstruction, including the rebuilding of nearly 150,000 war-damaged houses. Only half of the ethnic Serbs who fled during the war ultimately returned to Croatia, and many of those who returned continue to face difficult living conditions. The villages to which they return are often remote and sparsely populated with mainly elderly residents. Reconciliation between ethnic groups remains a challenge. Whereas ethnic Serbs made up 12.2 percent of the Croatian population before the war, their share had fallen to 4.4 percent in the 2011 census.

Croatia's independence was recognized by the UN on 22 May 1992. The country's first experiences of the UN were in the shape of five different peacekeeping operations, including nearly 39,000 military personnel deployed under the UN Protection Force (UNPROFOR) to Croatia and Bosnia and Herzegovina. UNICEF and UNHCR provided humanitarian assistance from the first days of the war. In this context, UNDP was a relative latecomer to Croatia, and it was initially a challenge for the organization to establish a distinctive development identity independent from the legacy of UN humanitarian and peacekeeping activities.

3 UNHCR, 'Regional Housing Programme Fact Sheet for Croatia', 2012.

2.2 CROATIA'S PURSUIT OF EU MEMBERSHIP

After the national elections in 2000, Croatia took steps to enhance its international standing and embarked on political and economic reforms designed to align its system with European standards and practices. By the start of UNDP's 2007-2011 country programme Croatia had achieved significant progress across all areas. Croatia was then already a member of the World Trade Organization (WTO) and the Central Europe Free Trade Agreement (CEFTA).

Throughout the programme period, the dominant national objective for Croatia was accession to the EU, a process that influenced all aspects of policy-making and development in the country. Having submitted its application for membership in 2003, Croatia was granted the status of a candidate country in 2004. Negotiations were arduous and significant delays were caused both by Croatia's reluctance to cooperate fully with the UN International Criminal Tribunal for the former Yugoslavia (ICTY) and a territorial dispute with Slovenia, which halted negotiations for nearly a year.

Negotiations were successfully completed in June 2011 and the Accession Treaty that was signed in December 2011 set a membership date of 1 July 2013, pending ratification by all Member States.

The EU's *acquis communautaire* defined the direction and dynamics of the necessary institutional and legislative reforms to be implemented by Croatia in all sectors. Thirty-five chapters defined the framework for negotiations and included issues such as freedom of movement, sectoral policies and foreign and financial policies. Parallel to the

accession negotiations, the EU engaged Croatia in a broad political and cultural dialogue that involved both civil society and the private sector.

Croatia faced stricter conditions for membership than any previous applicant country. Chapter 23 was introduced specifically for Croatia, based on a perceived need for applicant countries to show a proven track record in fighting corruption and creating an independent judiciary before being allowed membership.⁴ Croatia was the first country to face this requirement. In addition, Croatia was the first country required to meet criteria both to open and close each negotiating chapter. It was required to show a track record of implementation on certain legal commitments, whereas previous applicants had merely been required to adjust their legislation.

Although negotiations on all chapters were challenging, three chapters posed the most difficulties. They were Chapter 23, on the judiciary and fundamental rights; Chapter 24, on justice, freedom and security; and Chapter 8, on competition. Progress reports issued by the European Commission regularly encouraged Croatia to work harder to meet its benchmarks for these chapters.⁵ Of particular concern were the efficiency of the judiciary, the handling of domestic war crime cases and the fight against corruption, as well as the protection of minorities and the progress of refugee return.⁶ Two other challenges were the elimination of subsidies to shipbuilding and the need for border controls at the Neum corridor, the stretch of Bosnia and Herzegovina that divides southern Croatia into two pieces.

During the course of negotiations, Croatia made particularly visible progress in addressing corruption at the highest levels. A raft of cases opened

4 European Commission, 'Communication from the Commission to the European Parliament and the Council: Enlargement Strategy and Main Challenges 2010-2011', 9 November 2010; and 'Interim Report from the Commission to the Council and the European Parliament on Reforms in Croatia in the Field of Judiciary and Fundamental Rights (Negotiation Chapter 23)', 2 March 2011.

5 See, for example, European Commission, 'Interim Report on Reforms in Croatia in the Field of Judiciary and Fundamental Rights (Negotiation Chapter 23)', 2 March 2011, COM (2011) 110.

6 European Commission, Communication from the Commission to the European Parliament and the Council, 'Monitoring Report on Croatia's Accession Preparation', Brussels 24 April 2012.

by the special anti-corruption prosecutor culminated in the arrest in December 2010 of former Prime Minister Ivo Sanader, who had headed the Government from 2003 to 2009, and the indictment of the Christian Democratic Union (HDZ), which had ruled Croatia for most of its first two decades of independence.

Even after concluding accession negotiations, Croatia was subject to periodic monitoring by the European Commission. In October 2012, Croatia was presented with a list of 10 tasks that were required for completion before a green light could be given for membership. Among these were: completing the privatization of Croatia's shipyards; reducing the case backlog in the judicial system; completing the construction of border crossing points at the Neum corridor; and increasing the number of border police. In a final monitoring report issued in March 2013, the EC deemed all these tasks to be completed.

Ratification by current Member States also proceeded smoothly. The one exception was Slovenia, where a new dispute threatened to block timely ratification. However, this was settled by March 2013, and the last obstacle to Croatia's membership of the EU on 1 July 2013 was cleared.

Milestones in Croatia's progress towards full EU membership are presented in Box 1.

In support of Croatia's preparations for EU membership, pre-accession assistance of approximately Euro 1 billion was made available through the Instrument for Pre-Accession (IPA) for the period from 2007 through June 2013.⁷ IPA funds were meant to be used to strengthen administrative capacity to manage the far larger amounts of EU funding to which Croatia would have access after joining the EU. IPA had five components: (i) technical assistance and institutional capacity building, (ii) cross-border cooperation, (iii) regional development, (iv) human resource development, and (v) rural development. By the end of 2012, Croatia had managed to contract about 60 percent of the total IPA allocation, while the proportion actually spent was only 33 percent.

A 2011 report by the European Court of Auditors, which reviewed Croatia's absorption capacity, confirmed that the readiness of regional and local authorities to exploit EU funding was low. The uptake of funding earmarked for rural development was particularly slow. The report recommended that capacity-building be strengthened in order to further develop the authorities' ability

Box 1. Milestones in Croatia's Progress Towards EU Membership

February 2003: Croatia submits its application for EU membership.

April 2004: The European Commission issues a positive opinion on Croatia's application.

June 2004: Croatia gains the status of candidate country.

February 2005: Croatia enters into the Stabilization and Accession Agreement with the EU.

October 2005: Start of accession negotiations (35 chapters, each covering a specific area of policy).

June 2011: An inter-governmental conference closes the accession negotiations.

October 2011: European Commission adopts a favourable opinion on Croatia's accession to the EU.

December 2011: Signing of the Accession Treaty.

January 2012: A national referendum in Croatia approves the treaty, with 66 percent support.

March 2013: A final European Commission monitoring report clears Croatia for membership.

July 2013: Croatia joins the EU after ratification by all current EU Member States.

Source: European Commission, Memo/11/688, 'Key Findings of the 2011 Progress Report on Croatia', Brussels, 12 October 2011.

7 European Court of Auditors, Special Report No. 14/2011, 'Has EU Assistance Improved Croatia's Capacity to Manage Post-Accession Funding', (pursuant to Article 287(4), second subparagraph, TFEU), European Union, Luxembourg, 2011, p.8.

to manage procurement procedures in line with EU standards, support project development and build a portfolio of mature projects able to fully absorb the increased post-accession funding.⁸

The Government responded in 2012 by increasing the number of staff responsible for preparing projects for EU funding, but the experience of previous new Member States suggested that a long learning process lay ahead.

Like other EU Member States, Croatia will have to align with the Europe 2020 Agenda for Smart, Sustainable and Inclusive Growth, which is the successor to the EU Lisbon Agenda (2000-2010) and is focused on growth, jobs and social cohesion. The 2020 Agenda sets out three mutually reinforcing priorities: (i) smart growth aimed at developing an economy based on knowledge and innovation, (ii) sustainable growth that promotes a more resource-efficient, greener and competitive economy, and (iii) inclusive growth that fosters high employment leading to a more socially and regionally cohesive economy.⁹ It will be a major challenge for Croatia to achieve these objectives.

2.3 SOCIO-ECONOMIC AND ENVIRONMENTAL CHALLENGES AND STRATEGIES¹⁰

With a gross national income per head of \$13,530 in 2011,¹¹ Croatia qualifies as a high-income economy and, since 2011, as a country of “very high human development” according to UNDP’s Human Development Index (HDI).

The main development challenge is thus not that of absolute poverty but of inequality and social exclusion. This challenge takes a number of different forms.

For a small country of 4.4 million people, Croatia experiences significant regional disparities. The wealthiest regions (counties) have a GDP per head three times larger than the poorest ones,¹² and this gap has not narrowed over time¹³. Differences in income are accompanied by different levels of quality of social services and quality of life, which vary significantly between Zagreb, Varaždin and Rijeka, on the one hand, and Lika, parts of Slavonia and the Dalmatian hinterland, on the other. The map of less-developed regions closely matches the map of Croatia’s war-affected areas, or Area of Special State Concern (ASSC).

Croatia suffered a severe shock during the 1992-1995 war and the related collapse of most industries with the disintegration of Yugoslav markets. But in the late 1990s, it resumed relatively steady economic growth, and GDP rose by an average of 4 percent per year between 2000 and 2007. However, with the onset of the global financial crisis in 2008, the economy plunged into recession and has yet to recover. GDP fell by 5.9 percent in 2009, 1.4 percent in 2010, 0.4 percent in 2011, and 2 percent in 2012. A further decline is forecast for 2013.

Croatia’s economic troubles owe much to European-wide trends, but there are underlying structural causes as well. The business environment

8 Ibid. p.18 and p.32.

9 World Bank, ‘Croatia Policy Notes. A Strategy for Smart, Sustainable and Inclusive Growth’, February 2012, p.22.

10 The data on this section are primarily based on the Situational Analysis in the country programme 2007-2011; UNDP Strategic Notes 2008-2011; World Bank/UNDP, ‘Croatia: Social Impact of the Crisis and Building Resilience’, 2010; World Bank, ‘Croatia Policy Notes. A Strategy for Smart, Sustainable and Inclusive Growth’, February 2012; the Economic Intelligence Unit’s Croatia Report, May 2012; World Bank, ‘Coping with External Headwinds’, 26 June 2012, Slides.

11 World Bank, <data.worldbank.org/indicator/NY.GNP.PCAP.CD>.

12 Croatian Bureau of Statistics, ‘GDP for Republic of Croatia, Statistical Regions at Level 2 and Counties, 2009’, 14 March 2012.

13 UNDP and National Competitiveness Council, Regional Competitiveness Index of Croatia 2010, Available online at <www.konkurentnost.hr>.

remains difficult, with Croatia scoring poorly on many rankings. In the World Bank's 'Doing Business' index, Croatia improved from 124th in the world in 2006 to 84th in 2013. However, it still lagged behind all the EU Member States, including Slovenia at 35th and Romania at 72nd, and also less-wealthy neighbours such as Montenegro at 51st – while on par with Albania and Serbia, ranked 85th and 86th, respectively.¹⁴

Throughout the programming period, the overall shortcomings included: overly rigid labour legislation, which kept costs artificially high and contributed to a flourishing grey economy; an excessive degree of state ownership, even in sectors appealing to investors, such as tourism; and an abundance of red tape that made such requirements as registering a business or securing a building permit time-consuming and costly.¹⁵ In addition, an overextended pension and benefits system deprived the economy of funds for investment. Labour force participation rates, at 53 percent, were the lowest in Europe.¹⁶ Business interest in corporate social responsibility surged during Croatia's growth years, as companies looked to adopt European standards, but pro-business reforms, even when set as an official priority, were slow to materialize.

Prior to and during the programme period, Croatia steadily increased its borrowing. External debt as a share of GDP rose from 62 percent in 2002 to 82 percent in 2008 and almost 110 percent in 2012. This rising debt burden led Standard & Poor's to downgrade Croatia's credit rating to junk status in December 2012, noting that "structural and fiscal reforms implemented so far have been insufficient to foster economic

growth and place public finances on a more sustainable path". The IMF warned in February 2013 that "the current trajectory of public debt remains unsustainable".¹⁷

The prolonged economic malaise has yielded high rates of registered unemployment, rising from 13 percent in 2008 to 21.1 percent in December 2012. High unemployment has driven an increase in poverty. However, Croatia's social welfare system is relatively weak in mitigating the impact of poverty. According to the World Bank, social transfers reduced the 'at risk' share of the EU population to just 16.4 percent, whereas in Croatia it fell only to 20.6 percent.

This outcome points to a wider issue: Croatia spends 2.9 percent of GDP, among the highest shares in the region, on social welfare. However, this is generally paid out to entire categories of beneficiaries without focusing on those in need. Targeting is poor and means testing is limited. Care for vulnerable groups is excessively centralized, with services concentrated in the capital, Zagreb, and overly focused on institutions.¹⁸

The greatest risk of social exclusion in Croatia is experienced by the country's Roma population, which numbers an estimated 30,000. Unemployment among Roma runs at 65 percent; only 10 percent of Roma finish secondary school; and prejudice against Roma is widespread.¹⁹

Croatia's strategy to address this array of socioeconomic challenges was articulated in the Joint Memorandum on Social Inclusion that was agreed between the Croatian Government and European Commission (JIM) in 2007. The JIM

14 <www.doingbusiness.org/rankings> (accessed 8 April 2012).

15 Two examples are European Bank for Reconstruction and Development, 'Strategy for Croatia', 25 June 2013 and World Bank, 'Croatia Policy Notes', February 2012.

16 World Bank DataBank at <databank.worldbank.org/data/views/reports/tableview.aspx>.

17 International Monetary Fund, 'Croatia – Staff Visit Concluding Statement', 25 February 2013. Available at <www.imf.org/external/np/ms/2013/022513.htm>.

18 World Bank, 'Croatia Policy Notes', February 2012.

19 Based on a 2011 survey conducted by UNDP, the World Bank and the European Commission in 12 countries of Central and Southeastern Europe, including Croatia. For the data, see <europeandcis.undp.org/data/show/D69F01FE-F203-1EE9-B45121B12A557E1B>. An analysis of the data for Croatia is forthcoming in 2013.

and subsequent national implementation plans set a range of priorities. They included addressing long-term unemployment and expanding employment of vulnerable groups; overcoming regional disparities in social services and living standards; improving the efficiency and equity of social welfare benefits; pursuing the decentralization and deinstitutionalization of social services; furthering the social inclusion of national minorities and fighting discrimination of all sorts; and securing equal rights for people with disabilities.

With approximately 15 percent of the country's GDP coming from tourism revenues, environmental preservation is high on the country's development agenda.²⁰ CO₂ emissions fell from 3.82 Mt in 1990 to 2 Mt in 1995, and they have never since achieved their pre-war level. Protected areas already account for 12 percent of the country's land surface and 2 percent of its coastal waters.²¹ To conform with EU directives on natural habitats, 37 percent of Croatia's land surface and 17 percent of its marine territory will receive special protection under the EU's Natura 2000 system, which is designed for nature conservation.²²

Achieving EU standards in environmental protection is a challenge, requiring both massive investment and the adoption of more comprehensive and consistent environmental legislation. The World Bank estimated in 2007 that Croatia would need to invest Euro 6 billion to 12 billion to bring

its environmental standards up to EU levels with particular emphasis on the need to address poor water quality management, solid waste management and air quality control. During the programme period, progress has been made with regard to air quality, industrial pollution control and climate change; but major effort is still needed in the water sector and nature protection.

Strategies, action plans and legislation have been adopted to address energy efficiency,²³ biological and landscape diversity, and nature protection. With regard to climate change, legislation has been implemented in connection with Kyoto flexible mechanisms and there is now a National Allocation Plan for greenhouse gas emissions allowances. The creation of the Fund for Environmental Protection and Energy Efficiency in 2003 introduced substantial financial resources for activities in the areas of environmental protection, energy efficiency, renewable energy resources and other environmental investments by the public and private sector. However, as in many areas in Croatia, practical implementation has often fallen short even of legislated norms. For example, the 2010 target for electricity produced from renewable sources (other than hydropower) was set at 5.8 percent, but in reality, less than 1 percent has actually been achieved.²⁴

Given the above context, UNDP has developed a response and strategy as presented in the next chapter.

20 World Bank, Croatia Overview.

21 State Institute for Nature Protection, at <www.dzpp.hr/eng/protected-areas/protected-areas-in-croatia/protected-areas-in-croatia---national-categories-1137.html>.

22 See *Natura 2000 in Croatia* at <www.natura2000.hr/Home.aspx>.

23 Notably the Act on Energy End-Use Efficiency (OG 152/08), the Physical Planning and Building Act (OG 76/07, 38/09) and the Ordinance on Energy Certification of Buildings (OG 36/10).

24 Government of the Republic of Croatia, 'Energy in Croatia 2011', Ministry of Economy, Zagreb.

Chapter 3

UNDP'S RESPONSE AND STRATEGY

This chapter presents how UNDP has developed its responses to development challenges and priorities outlined in the previous chapter. First, the evolution of UNDP's strategy in the country is summarized. The second part of the chapter describes the current country programme, by presenting a brief overview of the goals set for each of the programme portfolios and their respective programme structure.

3.1 UNDP IN CROATIA²⁵

UNDP has been present in Croatia since 1996 and reached Country Office status with the appointment of a Resident Representative in 2001. Two country cooperation frameworks were implemented during the 2001-2003 period and followed by the introduction of the first country programme in 2004-2006.

Prior to the initiation of the 2007-2011 country programme, UN agencies, including UNDP, had a focus on activities oriented to overcoming the consequences of the 1991-1995 war: demining, refugee return, investigating and prosecuting war crimes, inter-ethnic reconciliation and protection of human rights. For UNDP, the focus shifted during the 2004-2006 country programme to more forward-looking development initiatives, such as capacity-building for good governance, promoting sustainable livelihoods in war-torn areas, i.e. the ASSC, improving environmental governance and sustainable management of natural resources, and promoting civil society development.

Before UNDP's arrival, the UN's image was shaped by the large peacekeeping presence

during the 1990s, the war crimes trials conducted by ICTY, and the refugee return facilitated by UNHCR. But as the conflict receded into the past, development issues emerged more clearly. This shift enabled UNDP to mobilize a pool of funding for its programme activities and to overcome the mixed reputation that the UN family had inherited from the wartime years. A strong team of development professionals was recruited to address national development challenges.

During the programme period, the number of UNDP staff and the size of annual budgets both grew substantially. By the end of 2011, UNDP employed a total of 95 staff. Annual development expenditure grew from around \$1.6 million in 2004 to an average of around \$9 million in the later years of the programme. An audit of the UNDP Country Office in April 2010 ranked its efficiency and performance as 'partially satisfactory'. The audit raised eight issues which were all addressed with satisfaction by the end of 2012.²⁶

3.2 UNDP'S COUNTRY PROGRAMME 2007-2011 EXTENDED TO 2012-2013

Based on the development challenges and the national strategies for development described in Chapter 2, UNDP and the Croatian Government signed a Country Programme Action Plan (CPAP) for 2007-2011. The CPAP addressed six strategic national development goals: (i) reducing social exclusion and aligning social policies with European standards and ratified UN and other international conventions, as well as conferences; (ii) regional development, with an emphasis on

²⁵ This section builds primarily on the 2004-2006 and 2007-2011 country programmes, and Strategic Notes 2007 and 2011.

²⁶ Croatia Country Office, UNDP.

absorption capacity and socio-economic recovery in the ASSC; (iii) the promotion of biological and landscape diversity conservation and energy efficiency; (iv) measures to improve the competitiveness of the business environment; (v) measures to contribute to justice reform and human security; and (vi) measures to improve national capacities for strategic planning, absorption of development funds and performing an international role as an emerging donor.

Following the completion of the programme period, the country programme was extended by two years and a new CPAP was formulated (2012-2013). This CPAP addressed slightly revised national development goals: (i) promoting social inclusion; (ii) strengthening sustainable regional development, with an emphasis on absorption capacity and socio-economic recovery in the ASSC and other underdeveloped areas; (iii) promoting biodiversity conservation, renewable energy sources and energy efficiency; (iv) measures to contribute to justice reform and human security; and (v) measures to assist Croatia in its sustainable development and cooperation efforts particularly through sharing its knowledge and expertise on European integration with countries in the South East Europe region.

The extension of the country programme was based on: (i) the Government's acceptance that a number of programmes that were already scheduled and funded for would continue into 2013 and that UNDP's assistance to counterparts in preparing for EU accession was still welcome, and (ii) that an extension would give UNDP additional opportunities to codify and share successful experiences from Croatia with other countries in South East Europe and beyond. In addition, the extension was designed to allow for a discussion on the nature of a possible UNDP presence in Croatia after the completion of the extended country programme at the end of 2013. For the UNDP Country Office, one of the key targets for 2012 was to complete preparations for a smooth transition to a UNDP presence after 2013, and to secure government approval for a range of ongoing projects.²⁷

3.3 OVERVIEW OF PROGRAMME PORTFOLIOS

The country programme was translated into a series of different portfolios. Expenditure for each portfolio for the 2007-2012 period is presented in Table 1.

Table 1. Total Expenditure per Portfolio 2007-2012 (in US\$)

Portfolio	Projects	Total Exp.	UNDP	Government	Donor/other funding
Social Inclusion	10	2,391,000	1,363,000	145,000	883,000
Local Development	12	11,447,000	1,919,000	2,234,000	7,294,000
Environmental Governance	7	26,543,000	1,071,000	14,799,000	10,673,000
Business Competitiveness	3	607,000	359,000	0	248,000
Justice and Human Security	8	3,574,000	2,889,000	13,000	672,000
National Development Priorities	7	1,218,000	978,000	157,000	83,000
Total	47	45,780,000	8,579,000	17,348,000	19,853,000

Source: UNDP Croatia Country Office, October 2012. The table reflects the expenditure linked to the programme activities assessed in the ADR (excluding the MDG Fund project).

²⁷ UNDP Croatia Strategic Note for 2012, approved by RBEC in 2012.

From Table 1 it can be seen that the environmental governance portfolio has constituted more than half the expenses of the total programme, followed by the local development portfolio constituting 25 percent, and the rest divided between the remaining four portfolios. UNDP funding accounted for just 18.7 percent of total expenditure. Resources from other donors provided 43.4 percent. The government share of total expenses was relatively high, amounting to 38 percent during the 2007-2012 period. Government financial support primarily targeted the environment governance portfolio, covering 56 percent of total expenses (focused mainly on the energy-efficiency programme), and 20 percent for the local development portfolio (mainly through contributions at the county and municipal levels). UNDP funding accounted for a larger share of the budgets of the justice and human security, and national development portfolios. The Global Environment Facility (GEF) provided 40 percent of the total expenses of the environment governance portfolio, which were focused on two large-scale projects which both began in 2006: \$7 million for the Conservation and Sustainable Use of Biodiversity in the Dalmatian Coast through Greening Coastal Development (COAST) project and \$4.4 million for the energy-efficiency programme.

All of the portfolios were able to extend and expand their activities under the UNDP component of an MDG Achievement Fund project that was carried out over two years in the 2009-2011 period, funded by the Spanish Government. The project aimed to bridge the socio-economic divide between the richer and poorer parts of Croatia and involved community work in the ASSC. UNDP was responsible for \$1.55 million of a total \$3 million budget, with UNICEF, UNHCR and IOM participating as well under UNDP coordination. The project was evaluated in September 2011.²⁸

A detailed breakdown of the portfolios, budget and expenses covering the entire programme period 2007-2012 is presented in Annex 6.

3.4 SOCIAL INCLUSION

3.4.1 OUTCOMES, INDICATORS AND OUTPUTS

The expected outcome of the social inclusion portfolio for 2007-2011 was that the Joint Inclusion Memorandum (JIM) and future social policies were developed with broad participation of targeted vulnerable social groups. This was extended with a focus on specified target groups for the 2012-2013 country programme²⁹, including “persons with disabilities, minorities (with an emphasis on Roma), and victims of gender-based violence”.

The outcome indicators for 2007-2011 were: (i) JIM based on reliable and representative data and target vulnerable groups; (ii) number of community-based services for vulnerable groups; (iii) number of major policy consultations between the Government and stakeholders that include an evaluation. Indicators for the 2012-2013 period were: (i) number of analytical papers and technical assistance exercises provided to social policy makers and implementers; (ii) functional review of the system of the social welfare developed.

The expected outputs for the 2007-2011 and 2012-2013 periods were defined as:

- a) Social exclusion mapping completed and key indicators for monitoring social policies developed (for 2012-2013: Social exclusion data and inclusion policy options improved and key indicators for monitoring social policies developed).
- b) Department for Social Welfare is better able to design social policies and strategies that respond to community needs (for

28 MDG Achievement Fund, ‘Closing the Chapter: Social Inclusion and Conflict Transformation in War Affected Areas of Croatia’, Final Evaluation, September 2011. Available at <www.mdgfund.org/sites/default/files/Croatia%20-%20CPPB%20-%20Final%20Evaluation%20Report_0.pdf>.

29 In addition to these social-policy-related interventions, UNDP also set out to support the operations of the UN Theme Group to help further develop and disseminate sound HIV/AIDS policy.

2012-2013: Analytical and monitoring tools for social sector enhanced).

- c) Action plan drafted for the deinstitutionalization of services for state and non-state residential institutions.
- d) Local initiatives that reduce vulnerability of targeted groups are implemented.
- e) Advocacy against gender-based violence sustained and expanded (only for 2012-2013).
- f) Strengthened National AIDS Commission and UN theme group.
- g) Knowledge hub for HIV/AIDS Surveillance and monitoring and evaluation provides full technical assistance.

3.4.2 PROJECTS AND ACTIVITIES

The outputs were organized in four groups of activities, as defined in annual work plans from where also indicators were developed:

- i. Activities aimed at strengthening the social inclusion policies and their alignment with EU requirements (outputs b, c and f).
- ii. Provision of analytical and monitoring tools for the social and health sectors (output a).
- iii. Empowerment of socially excluded groups (outputs d and e).
- iv. Regional and subregional cooperation and expertise exchange (output g).

The portfolio consisted of two major projects: (i) Social Exclusion and Vulnerable Groups (2007–2012) and (ii) the Right to Live in a Community: Social Inclusion and Persons with Disabilities (2007–2012). The latter acted as an umbrella for numerous subprojects and activities, and, together with a small Provision of Analytical Tools project (2007) encompassed the majority of the activities in relation to policy-making support, analytical tool provision and direct support to target groups. Total spending for the portfolio up to the end of 2012 was nearly \$2.4 million, with UNDP

providing 57 percent of the total, and other donors accounting for 37 percent.

In the beginning of the programming period UNDP's support to the social inclusion area was firmly focused on three areas: (a) the provision of the analytical basis and technical support for preparation of the JIM; (b) the development of participatory models for its implementation and monitoring; and (c) direct support to target groups in a number of smaller pilot projects. Activities undertaken in this period ranged from conducting wide stakeholder consultations with social service providers, CSOs, private sector, support groups, beneficiaries and their families, to preparation of a National Human Development Report (NHDR) containing an assessment of socially excluded groups and those at risk of social exclusion in order to provide input into the JIM.

Since an overarching framework for social inclusion policies had been developed with the successful adoption of the JIM, UNDP, after 2009, targeted different areas of social policy monitoring and implementation and continued to support various target groups, with special emphasis on persons with disabilities, ethnic minorities and victims of gender-based violence. Strengthening Local Development and Inclusion of Vulnerable Groups in Croatia, implemented in partnership with United Nations Volunteers (UNV), aimed to create links between social inclusion and local development. In 2012, UNDP took on preparation of a Functional Review of the Social Care System aimed at supporting the Government and other stakeholders in gap analysis and designing measures in the context of Croatia's EU membership, i.e. preparation of the National Programme of Reforms for the period 2014–2020.

The portfolio provided support to the Office for Human Rights and the Rights of National Minorities in devising an improved monitoring and evaluation framework for addressing the social exclusion of the Roma minority. The need for reliable data on the status of Roma was addressed through an in-depth survey, which in 2012 formed the basis of a funding agreement

with the Open Society Foundations for an integrated community-based programme targeting needs in education, employment and housing in Međimurje County, which has Croatia's largest Roma population.

Support was also provided to the Ministry of Social Policy and Youth and the Ombudswoman for People with Disabilities in advocating for equal rights for persons with disabilities, including through an innovative campaign (which drew its inspiration from a similar earlier effort by the energy-efficiency programme) to convince all the municipalities in Croatia to sign a Mobility Charter, pledging equal access to all facilities and services for people with disabilities. By February 2012, the mayors of 108 of Croatia's 127 municipalities had signed the charter, and the portfolio was developing a programme of 'disability audits' to be conducted by people with disabilities.

A new feature of the social inclusion portfolio since 2010 has been a concerted focus on gender equality, particularly on the issue of violence against women. According to a report published by UNDP in 2010, domestic violence affects as many as one in three families in Croatia (as is the case of much of the rest of Europe) and up to 40 percent of Croatians know at least one victim of domestic violence.³⁰ Working together with other UN agencies, UNDP developed a sustained multi-year advocacy campaign, Living Life without Violence, in partnership with numerous stakeholders, including the Ministry of Interior, NGOs, and, most prominently, the President of Croatia. In 2011, at the initiative of the UN Country Team, the President was named a member of the Secretary-General's Network of Men Leaders committed to combating violence against women. With UNDP support, the President convened his own network of men leaders in 2012. This focus was sustained through cross-portfolio work in justice and human security, and ultimately yielded a full-fledged project

in 2012 to address the neglected legacy of sexual violence from the 1991-1995 war.

Other issues central to gender equality were also addressed through high-level events, including the lack of parity in compensation; the small percentage of women holding elected office, particularly at local levels; the opportunities for rural women in business; and the challenges faced by women with disabilities. For many of these events, UNDP mobilized the support of the President and prominent civil society groups. In addition, the social inclusion portfolio spearheaded the organization of mandatory gender-sensitivity training for all UNDP staff in Croatia, including all project teams.

3.5 LOCAL DEVELOPMENT

3.5.1 OUTCOMES, INDICATORS AND OUTPUTS

The expected outcome for both programme periods, 2007-2011 and 2012-2013, was socio-economic recovery in the ASSC and underdeveloped regions of Croatia. There were no outcome indicators developed for the 2007-2011 period, while two main outcome indicators were set for 2012-2013: (i) reduction in depopulation rate in the programme area by 10 percent, and (ii) decrease in unemployment rates in the area by four percent. For the 2012-2013 programme period, UNDP developed a new set of outcome indicators that were somewhat more specific: (i) increased number of registered and certified producers and service providers in rural areas; (ii) increased number of development projects ready for implementation and applying for EU and other development funds; and (iii) increased number of institutions and individuals spreading their economic activity beyond local markets.

The expected outputs have been defined differently in CPAP 2007-2011 and 2012-2013. This

30 UNDP, 'Overview of the Domestic Violence Legal and Policy Framework', UNDP Country Office, Zagreb, 2010, Available at: <www.undp.hr/upload/file/256/128458/FILENAME/Overview_of_the_Domestic_Violence_Legal_and_Policy_Framework_in_Croatia_final_draft.pdf>.

change in output definition reflects a change in UNDP's strategic orientation: from an initial focus on direct support to reconstruction and establishment of services in the underdeveloped areas to, in the second part of the period, aiming at longer-term capacity building for local development and EU funding absorption. In the CPAP 2007-2011, the expected outputs were defined as: (i) in targeted ASSC municipalities improve key community support structures, reconstruct limited infrastructure and provide business development services; (ii) local authorities are better able to plan and implement local development policies and deliver targeted services; and (iii) European Centre for Cross-sector Partnerships offering high-quality, competitive training programmes.

3.5.2 PROJECTS AND ACTIVITIES

The first generation of activities was concentrated in three projects. These projects incorporated a number of local development actions in broader regions (covering six Croatian counties) that were the most affected by the war: Eastern Slavonia/Podunavlje region, the Lika/Dalmatian hinterland region and the Banovina-Kordun region. The three projects focused on: (i) small-scale infrastructure (re)construction, including both communal and business-related infrastructure; (ii) the provision of business (agriculture) development services, including provision of small, targeted grants; (iii) support to (re)establishment of community support structures aimed at providing specific services for the most vulnerable social groups; and (iv) support to local authorities in capacity-building for strategic planning and delivery of services, including increasing their capacities. The projects were funded through bilateral contributions from Austria, the Netherlands and Norway, with substantial co-funding by local and regional authorities.

In 2009, those projects either received additional funding for one or two years or were subsequently replaced by another project that supported the underdeveloped areas of Croatia in preparing for the EU Common Agricultural Programme and

Rural Development Policy while reducing their vulnerability to climate change. The new project was funded by the Netherlands and local and regional partners. In 2009, the focus of UNDP's work shifted from mainly direct support for infrastructure (re)construction, services provision and business development to a stronger emphasis on capacity-building for the upcoming EU policies and funding framework, strengthening producers' associations, training and education for local development institutions; preparing technical documentation for projects to be applied to other sources of funding and specialized training and service provision in water management. In addition, the portfolio started supporting the introduction of the EU approach to rural development (known as LEADER) and strengthening preconditions for increased competitiveness of agriculture production in underdeveloped areas in Croatia – through improved rural human resources capacity, infrastructure and adaptation to climate change.

Owing to its longevity and the demand-driven nature of activities at the local level, the local development programme yielded a large number of individual projects – more than 260 in all – during the review period. In the two regions where UNDP's local development activities were concentrated – Banovina-Kordun and Lika-Dalmatian hinterland – UNDP executed 144 small projects of social and community infrastructure and socio-economic development; extended direct financial support to more than 20 small and medium enterprises and cooperatives; provided training on EU funds and commercial loans for more than 100 enterprises; and assisted in the preparation of more than 20 technical documentation projects for projects to be financed with EU funds. In addition, more than 1,000 people received various forms of certified professional training aimed at the specifics of EU markets, in fields ranging from sheep breeding to vegetable growing to cheese making, as well as more generic skills, such as project design and management.

Supporting local communities in their quest for EU pre-accession funding alerted the local development team to a widespread need for technical

documentation for projects. This was a precondition for the application for almost any EU-funded project, yet preparing technical documentation was often beyond the means and capacity of even larger local communities. In a number of cases (the business zone in Udbina, for example), initial UNDP support in conceiving projects and preparing technical documentation was crucial to the success of applications for EU funding. The widespread nature of the need led UNDP to propose and design, in partnership with the then Ministry of Regional Development, Forestry and Water Management, a joint \$9 million Technical Documentation Fund with nationwide reach. An agreement was prepared for signing with the Government when the financial crisis hit in 2009, and the idea was dropped for lack of funds.

UNDP also undertook to publish a National Human Development Report for Croatia on rural development, which was originally scheduled for publication in 2010. The idea was to encourage policy makers to take best advantage of EU accession to address the development challenges faced by rural areas. The report experienced delays owing to a lack of data and sound analysis that would focus on rural development rather than agriculture, reflecting the novelty of the concept for Croatian policy makers, and it was under way at the time of this evaluation.

Furthermore, on the basis of its strong roots in the town of Vukovar, where it had already been involved in an infrastructure-based tourism-promotion project³¹, UNDP was requested by the European Delegation to undertake the Euro 1.64 million renovation and revitalization of the landmark “Workers’ Hall,” which had stood in ruins since the 1991 war, and to support the community in arriving at a consensus on its future use. The historically precise reconstruction of the building’s facades to their original appearance from the early 1900s was funded by the European Parliament as part of a regional initiative to encourage post-conflict reconciliation, and

the Ministry of Regional Development and EU Funds – through the Vukovar Reconstruction and Development Fund. The project included wide-ranging consultations with the different groups in the town to achieve a consensus on the future uses of the interior. Fund-raising was started for a second interior phase in order to complete the reconstruction and return the historic facility to full community use.

In all, expenditure for the local development portfolio over the 2007–2012 period was almost \$11.5 million, making it the second-largest UNDP programme in Croatia. Of that total, UNDP funding accounted for 16.8 percent, while a range of bilateral donors contributed 63.7 percent. The remaining 19.5 percent came in the form of government contributions, for this portfolio mainly in the form of county and municipal cost-sharing. In addition, the local development portfolio was responsible for the largest share of the \$1.55 million received under the MDG-F project.

3.6 ENVIRONMENTAL GOVERNANCE

3.6.1 OUTCOMES, INDICATORS AND OUTPUTS

The country programmes of 2007–2011 and 2012–2013 both had two outcomes, related specifically to climate change and biodiversity. The outcomes were designed to reflect government priorities and also to target areas where UNDP saw itself having a comparative advantage vis-a-vis other GEF-implementing agencies. The climate change outcome aimed to reduce the institutional barriers that prevent the use of energy-efficient technologies and practices in the residential and service sectors and encourage their adoption. The outcome for 2012–2013 was slightly changed to reflect a greater emphasis on the environment. It was intended to contribute towards national efforts to fulfil obligations under the United Nations Framework Convention on Climate Change and the Kyoto Protocol. The outcome indicators were: (i) level of public awareness of energy-efficiency

31 The Adica Eco-Ethno Centre.

technologies and benefits; and (ii) number of loan applications for the Energy Efficiency project in the service sector. The outcome built on five outputs, namely: (i) communication campaigns promoting the benefits of energy-efficient technologies and products; (ii) a partial guarantee fund to help secure financing for energy-efficient investments; (iii) support to public-sector bodies to draft a range of energy-efficiency investment proposals; (iv) a completed Energy Efficiency Master Plan for Croatia; and (v) a draft Croatian Energy Strategy.

The biodiversity outcome defined in the 2007-2011 programme was to support *greening* actions and practices among the key sectors driving integrated coastal development in Croatia. It was rephrased in the 2011-2013 programme to emphasize sustainable business practices. These efforts were also expected to facilitate improved management of protected areas and establishment of a marine ecological network and sustainable tourism initiatives. This outcome targeted four Dalmatian counties, where UNDP set out initially to work with operators in the tourism, agriculture and fisheries sectors to encourage the incorporation of biodiversity and environmental criteria into investment decisions. The outcome indicators were: (i) number/volume of loans for biodiversity-friendly initiatives; and (ii) number of local government regulations supporting biodiversity.

The outcome was built on six outputs: (i) local business operators in targeted areas will have the knowledge and skills to offer biodiversity-friendly products and services and to protect critical micro ecosystems; (ii) a national communication campaign will help raise awareness about these new biodiversity services and products; (iii) targeted banks will have the ability to design credit products for investments that aim to promote and protect biodiversity (this includes working with the Croatian Bank for Reconstruction and Development to develop guidelines and a programme of loans); (iv) production of a draft tax-incentive model to encourage biodiversity services and products; (v) county planning officials have the knowledge and skills to incorporate biodiversity and landscape criteria into development planning

processes; and (vi) UNDP will promote marine protected areas and the development of a marine biodiversity strategy.

3.6.2 PROJECTS AND ACTIVITIES

The environmental governance portfolio had two full-sized projects and three smaller projects. Although the two large projects received significant funding from GEF, they also attracted substantial co-financing from government sources and the private sector. This is particularly so for the Energy Efficiency project, which ultimately evolved into an entirely Government-funded initiative in the 2012-2013 period. Total expenditure for the portfolio was more than \$26.5 million for the 2007-2012 review period, making this UNDP's largest area of activity in Croatia.

Removing Barriers to Improving Energy Efficiency of the Residential and Service Sectors was a GEF-supported full-size project with the objective to reduce Croatia's greenhouse gas emissions by supporting the implementation of economically feasible energy-efficiency technologies and measures in the residential and service sectors. Its immediate objectives were: (i) to overcome general institutional barriers to the promotion of energy efficiency; (ii) to overcome barriers to improving energy efficiency in residential and service sectors; and (iii) to facilitate effective replication and utilization of project results and lessons learned.

UNDP's main biodiversity project in Croatia, COAST, was a GEF full-sized project, implemented by UNDP in partnership with the Ministry of Environmental Protection, Physical Planning and Construction. Its objective was to integrate biodiversity conservation in agriculture, forestry, fisheries, tourism and other production systems and sectors to secure national and global environmental benefits. It worked in four Dalmatian counties to assist a variety of eco-friendly projects in such areas as agriculture, tourism and shellfish farming.

In addition to the two main projects, a number of medium and small projects were implemented.

UNDP resources supported the preparation of a national low carbon emission development strategy and the GEF Enabling Activity support has been used to assist a revision of the National Biodiversity Strategy and Action Plan and for additional capacity-building in climate change priority areas. In 2008, the UNDP Croatia Human Development Report, 'A Climate for Change', which addressed the need to prepare for the challenges of climate change mitigation and adaptation, was produced using UNDP funds. This report provided a platform for later UNDP adaptation work in rural areas and innovative pilot projects in renewable energy.

Later, in 2012, UNDP collaborated with a private-sector supplier to install a 5kW photovoltaic system to generate electricity in the remote village of Ajderovac, which had not been reconnected to the electricity grid since power lines were destroyed during the war. The project, which was a joint effort by the environment and local development portfolios, demonstrated the potential for solar energy to provide cost-effective and environmentally sound energy solutions for remote areas of Croatia, including its many islands and mountainous villages. The Ajderovac site is part of the educational activities run by the Zadar-based Solar Education Centre, which was created by UNDP together with Zadar County and the Vice Vlatković Vocational School. The Solar Education Centre educates the public about renewable energy sources and technologies and offers certified training in the assembly and installation of different solar power systems.

3.7 BUSINESS COMPETITIVENESS

3.7.1 OUTCOMES, INDICATORS AND OUTPUTS

The initiation of the business competitiveness portfolio in the 2007-2011 country programme was based on the EU's Lisbon agenda that emphasized Corporate Governance and Corporate Social Responsibility (CSR) as critical instruments for sustained economic progress. The outcome was to have "the private sector tangibly involved in

national and regional sustainable development", and support would focus on mainstreaming and implementing Corporate Governance and CSR practices. The outcome indicators were intended to measure (i) the number of private-sector consultations; (ii) the number of companies that adapted good governance standards; and (iii) the number of public-private partnerships established. While the first indicator would be considered unclear in terms of a measurable indicator, the third could be considered clearly measurable, and the second would be applicable as a measurable indicator, if, for example, 'standards' equals acceptable CSR reporting in the Global Compact Local Network Croatia or any other national forum. An indicator that might have been useful would have been the change in investment flows to underdeveloped regions or the number of new investment projects.

Four main outputs were anticipated: (i) improved capacity of government units to develop plans and strategies facilitating private-sector development for sustainable development; (ii) preparation for public-private partnership arrangements; (iii) capacity of a core team trained to address effective public-private partnerships; and (iv) capacity of key players with a vital role in advocating, monitoring and promoting CSR.

3.7.2 PROJECTS AND ACTIVITIES

Most of the business competitiveness portfolio consisted of activities initiated during the 2004-2006 programme period, through the project on Promoting CSR and Quality Workplace, funded by UNDP, Norway and the Croatian Business Council for Sustainable Development.

A 2006 progress report presented good progress, including the establishment of a collaborative framework, development of a CSR manual, training of CSR advisers (targeting the Association of Business Consultants) and piloting of a partnership project with the Croatian Bankers' Association on provision of advice on family finance. During the 2007-2012 review period, the total expenditure of activities focused

on promoting CSR was just \$608,000, making it UNDP's smallest portfolio.

The development of the CSR Index involved several national and international stakeholders, including the University of Zagreb, Chamber of Commerce, the National Competitive Council, the Croatian Business Council for Sustainable Development and Eriksson Nicola Tesla. A network secretariat was funded by UNDP during 2009-2010 for a part-time administrator of the CSR Index, then under the auspices of the Global Compact local network for Croatia. This administration post was continued for funding by the Croatian Business Council for Sustainable Development during 2010-2011 when the Council received funding from the European Commission on establishing a CSR platform. Several CSR-related workshops were held in 2010-2011, and in 2011, a high-level conference was held in Zagreb on CSR in which the Croatian President delivered the opening speech. In 2012 UNDP sought to ensure sustainability by signing an agreement with the Employers' Association of Croatia (HUP) that designated it as the local representative of the UN Global Compact Network.

Also relevant to business was the Regional Competitiveness Index, which was produced for first time in 2007 in partnership with the National Competitiveness Council and the Chamber of Commerce. An updated version was published in 2011. The index applies the World Economic Forum methodology to Croatia's 21 counties, and later editions also look at larger regions defined according to EU methodology. The index was designed to serve as a tool for decision makers and business executives at the national and regional levels, and point to weaknesses that should be addressed and strengths to be leveraged – and with the second edition (2011) also whether counties have progressed or slipped back over time.

Like the Global Compact Network, both the CSR Index and the Regional Competitiveness Index were transferred to appropriate national counterparts. The business competitiveness portfolio was phased out in 2011, and other portfolios undertook

a range of activities involving the private sector, e.g. local development (job creation and income generation) and environment governance (sustainable small-scale businesses) and social inclusion (inclusion of disabled persons into the workforce). This is why almost all of UNDP's work with the private sector in Croatia was conducted through sector-specific portfolios, rather than as an activity under business competitiveness. An early effort in 2007 built on a regional UNDP partnership with Coca-Cola to develop a joint project with the Town of Otočac in 2007 aimed at raising awareness of the importance of clean water in the Gacka River. This project, initially focused on environmental protection, evolved into a series of innovative efforts to reintroduce indigenous species of trout and crawfish, and use this as the basis for a renewed tourism offering in the Gacka River area.

In addition to the dozens of 'green businesses' supported by the COAST project, two major partnerships were developed with private-sector companies during the programme period. In 2011, UNDP joined forces with EnergyPlus, a Croatian producer of renewable energy systems, to install a small solar power plant on a remote farm in Ajderovac to restore electricity for a returnee family. EnergyPlus provided an in-kind contribution of equipment and installation services worth two-thirds the total value of the demonstration project. At the end of 2012, UNDP initiated a project on renewable energy in partnership with Hrvatski Telecom, the national telecommunications provider, which has demonstrated a strong commitment to CSR. This project was designed to educate students on renewable energy sources by installing 10 small solar power systems – the 'Solar Sunflowers' – five each in elementary and secondary vocational schools in selected cities.

3.8 JUSTICE AND HUMAN SECURITY

3.8.1 OUTCOMES, INDICATORS AND OUTPUTS

The intended outcome of the justice and human security portfolio as defined by the country programme was to increase the level of human and

state security. During the implementation of the programme, UNDP adjusted the programme to specific country needs deriving from the negotiation process with EU and therefore introduced new areas of interventions. For this reason, outcome indicators and outputs have been changed during the course of the programme periods. Outcome indicators included the following: (i) decreased number of weapons-related crimes and decrease of illegal possession of weapons; (ii) increased capacity of the State to investigate, interdict and prosecute threats to public safety; (iii) decreased number of appeals during national and local elections; (iv) increased number and type of local stakeholders actively involved in crime prevention; and (v) Croatia's People's Ombudsman is in line with all Paris Principles and is recognized as 'A' type of national human rights institution in Croatia.

The outputs for the programme periods included the following: (i) enhanced capability of the Ministry of Interior, Ministry of Defence and other relevant entities to control legal and illicit arms; (ii) enhanced capability of the Ministry of Interior to implement crime-prevention programmes and coordinate inclusive and participative processes of prevention planning on local level; (iii) increased access to justice for individuals who suffered human rights violations or property or economic crimes; (iv) increased capacity of the State Election Commission (SEC) to conduct fair elections and to conduct research-based policy actions related to the election process; and (v) enhanced capacity of People's Ombudsman's Office to perform functions of Central Equality Body and National Prevention Mechanism.

3.8.2 PROJECTS AND ACTIVITIES

The justice and human security portfolio was divided into two main components. The justice component comprised three main project areas: Witness and Victims Support (WVS), Capacity Building of the People's Ombudsman Office

and Capacity Building of the State Electoral Commission. The security component comprised three projects: Arms Control and Security (SALW Control, Arms Collection, Arms Destruction, Stockpile Management, Legislative and Regulatory Support), Community Security (Safe Communities project, Violence Prevention and Mine Clearance) and one regional project focused on Disaster Risk Prevention. The total expenditure of the portfolio was more than \$3.5 million, with 81 percent coming from UNDP sources and 19 percent from donors.

The WVS project consisted of a wide set of activities aiming at providing effective support to victims and witnesses of crimes who were called to testify in court. Initially developed as a means to provide sufficient reassurance for victims of war crimes to appear in court to testify, the support offices broadened the scope of the services provided to cover victims of domestic violence and other violent crimes as well. The project incorporated three different types of interventions: (i) policy interventions aiming at developing strategic management capacities for the WVS; (ii) institutional interventions aiming at establishment of a WVS system in courts; and (iii) outreach interventions intending to raise public awareness of the rights of witnesses and victims and secure high visibility of services developed through the project.

By October 2012, the seven WVS offices established in county courts had delivered advice to more than 10,000 victims, according to the Croatia Country Office, and a support network of 200 volunteers assisted the small professional staff. The protection of witnesses was recognized in a Council of Europe resolution as "a cornerstone for justice and reconciliation in the Balkans".³² The achievements of the WVS project were also featured in the first edition of *The Development Advocate*, the UNDP publication designed to publicize stories of successful "transformative development results."³³

32 Council of Europe Parliamentary Assembly Resolution 1784 (2011) and Recommendation 1952 (2011).

33 See <www.undp.org/content/undp/en/home/librarypage/corporate/the_development_advocate>.

The Ombudsman project was designed to support the establishment of the Croatia's People's Ombudsman (CPO) as an effective organization providing a direct redress mechanism to citizens who felt their rights had been infringed by governmental or other administrative bodies. It consisted of three main components: (i) strengthening capacity of the CPO to fulfil its expanded mandate and responsibilities (under the new Anti-Discrimination Act, the CPO became the central equality body in Croatia); (ii) improving internal and external cooperation to ensure the coherence and effectiveness of the national human rights protection system; and (iii) improving the visibility and accessibility of the CPO in light of the new anti-discrimination legislation.

The overall goal of the project providing support to the SEC was to strengthen the capacity of the SEC to promote the integrity, inclusion, and efficiency of the democratic process. The areas of intervention were focused on: (i) enhancement of the SEC's capacity to educate and train the members of electoral bodies; and (ii) advancement of the SEC's research and analytical capacity in order to strengthen its capabilities to contribute effectively to the improvement of the electoral process and legislation.

UNDP played a crucial role in developing national capacities for reduction and control of legal and illicit arms through the Arms Control and Community Security project. This included the illegal arms collection campaign, which was first organized in September 2007–June 2008, in which citizens were persuaded to surrender guns and explosives held illegally without fear of prosecution, the national arms amnesty and the collection of weapons, explosive devices and associated ammunition. UNDP also provided significant capacity-building support and technical equipment for the Ammunition Stockpile Management to the Ministry of Defence.

The arms collection campaign was continued through the Destruction for Development project, which broadened the scope of UNDP

intervention into the area of community security and an affirmation of the prevention approach by the Ministry of Interior. It focused on capacity-building for community policing, national awareness raising designed to raise the public's receptiveness to community security, and the positive role the police can play in this process and creating safer communities. The latter was supported through the institutionalization and sustainability of Community Crime Prevention Councils, including small-scale infrastructural schemes that had a tangible link to local safety and security needs.

The Community Crime Prevention Council represents a participatory, community-owned model which involves all major community stakeholders, development agencies, local government, community police officers, NGOs and citizens working on identification of main safety concerns. They also develop solutions and address them through series of small infrastructure and/or awareness-raising projects. These included the installation of lighting and outdoor fitness equipment in areas of Vukovar, Osijek and Otočac that were judged by the community to be risks to public safety, where it had been observed that young people were gathering to consume alcohol and drugs. The continuation of the project was based on a public survey on perceptions of safety, which resulted in assistance to Ministry of Interior in establishment of 160 community crime prevention councils in different Croatian municipalities/cities, and in implementation of small infrastructure projects related to safety issues in another 11 locations in the ASSC.

3.9 NATIONAL DEVELOPMENT PRIORITIES

3.9.1 OUTCOMES, INDICATORS AND OUTPUTS

The national priorities portfolio was added to the 2007-2011 country programme at the request of the Ministry of Foreign Affairs and European Integration (MFAEI). The outcome identified

was to improve the capacity of the Government and other central-level national institutions to plan, create and implement development policies and measures, internally and as a part of international development cooperation. In the 2012-2013 country programme, the outcome was redefined based on Croatia's progress towards EU membership and now aims to support national institutions in planning and implementing development cooperation policies and programmes. This was a clear shift from general planning and implementation towards development cooperation planning and implementation. Particular emphasis was put on supporting Croatia in sharing its experiences in European integration with other countries seeking to join the EU.

Outcome indicators for the 2007-2011 country programme were: (i) Croatian Development and Cooperation and Law adopted; (ii) Training modules on EU funds for national officials developed; (iii) Central State Office for Development and Coordination of EU Funds (CODEF) able to prepare documentation for EU assistance and international agreements; and (iv) the Training Centre of the National Foundation for Civil Society (IMPACT) has a training programme in place for EU funding and management. In the country programme for 2012-2013, the outcome indicators were: (i) MFA having regular knowledge sharing programme on EU accession for other EU candidate countries; and (ii) the National Foundation for Civil Society, a major provider of support for NGOs in Croatia, is capacitated to deliver a training curriculum of EU funding and management for development programmes in its IMPACT Centre in Zadar. Both indicators are more outputs than outcome related.

The new outcome and its related outputs were suitably reformulated as Croatia moved closer to EU membership focusing almost entirely on sharing Croatia's experience. Important outcome indicators should, however, be put in place, measuring, for example, the degree to which the *acquis* knowledge are used in neighbouring countries and whether absorption capacity for EU funds is improved.

3.9.2 PROJECTS AND ACTIVITIES

Three main projects have been carried out under this portfolio: (i) Assistance to CODEF; (ii) the Emerging Donor: Support to National Capacities for Development and Cooperation project; and (iii) UNDP Knowledge Service (or Development Learning Network) project. The total expenditure for this portfolio was \$1.22 million (until end-2012), 80 percent of which was funded by UNDP.

The CODEF project starting in 2007 was driven by challenges stemming from Croatia's EU membership candidate status and the negotiation process. It involved reorganization of parts of the state apparatus to facilitate that process. UNDP was approached for support to the reorganization – particularly the profound changes of the CODEF, which was then responsible for Croatia's development strategies, management and coordination of IPA funds and international organizations, under the direct auspices of the Prime Minister's Office. Most activities centred on improving strategic planning and absorption capacity of CODEF and other central administrative entities, applying specialized training events, technical assistance to project documentation (e.g. railway rehabilitation), and legal advice for the review of legal documents pertaining to EU accession.

UNDP also provided support to the development of the Strategic Development Framework 2006-2013 and while efforts were made to implement the use of monitoring indicators produced for the Strategy, this did not materialize. UNDP's support to strengthening CODEF's administrative and EU coordinating effectiveness and efficiency was important so long as CODEF occupied an influential position in the state apparatus. Supporting activities from UNDP were phased out in 2009, and CODEF was ultimately absorbed by the Ministry of Regional Development and EU Funds after the change of government in 2011.

The Emerging Donor project was initiated region-wide to promote development cooperation in South East Europe and the CIS countries

and to strengthen their capacities to effectively deliver development assistance, based partly on the EU's requirements for members to participate in development cooperation activities. In Croatia UNDP mainly focused on providing capacity-building to the MFAEI (today Ministry of Foreign and European Affairs, MFEA), which was the coordinating body for Croatia's emerging role as a donor. While Croatia has already provided international aid to Bosnia and Herzegovina and participated in UN peace-keeping missions, its strategic, institutional and administrative capacity needed strengthening. Following UNDP support to, among others, drafting legislation to regulate the country's provision of official development assistance (ODA) to other countries and a strategy for international development cooperation, UNDP continued to support the MFAEI/MFEA in regional sharing of experience, which became the key focus and prime strategy of work for UNDP support starting in 2011.

In close collaboration with the MFEA UNDP piloted a series of seminars for stakeholders in neighbouring countries throughout 2011 and 2012 based on the lessons learned from Croatia's EU accession negotiations. The seminars used as speakers and facilitators the experts and officials who had served as negotiators in the accession process. Seven seminars were carried out together with other capacity-building exercises as of October 2012. The seminars were designed as one of many elements to be provided by a 'centre of excellence' for European integration that UNDP hoped to support the MFEA to develop – according to the country programme for 2012-2013.

In addition, starting in April 2012, two regional advisers on EU accession issues provide expert advice related to regional and rural development and the rule of law, with funding provided

by RBEC and other country offices. Demand for this expertise has proved strong from other countries seeking EU membership. In the first nine months of this project, the advisers organized nine scoping missions, seven seminars, two regional workshops and dozens of individual meetings, and some 800 civil servants and other officials from six countries participated in these activities.

A self-financing project scheme, UNDP Knowledge Sharing, also known as the Development Learning Network project, was initiated in 2007 to deliver capacity-building to central and local government and business leaders. This included collaboration between UNDP and the National Foundation for Civil Society on coordination and implementation of capacity-building events. These included certified modules on project cycle management and IPA document formulation, training in social entrepreneurship and negotiation skills. The scheme operated throughout the 2007-2010 period and teachers and facilitators were drawn from blue-ribbon European schools and universities. The partnership with the National Foundation evolved into a venture aimed at supporting cross-sector partnerships and establishing a permanent capacity in Zadar and Zagreb. Since 2011 UNDP has supported the National Foundation's IMPACT Centre in Zadar where it runs a range of free and fee-based training courses, the 2012 programme comprising mainly workshops and short-term courses on EU-related issues. The project continues in 2013 and the National Foundation envisages partnership with UNDP in the future. UNDP plans to link this work to its EU accession knowledge-sharing activities.

Following the above summary of the country programme and the operational structure, results of the assessment of UNDP performance are provided in the next chapter.

Chapter 4

UNDP'S CONTRIBUTION TO DEVELOPMENT RESULTS

This chapter presents an assessment of UNDP's contribution to development results by programmatic intervention. Each of the six programme areas – social inclusion, local development, environmental governance, business competitiveness, justice and human security, and national development priorities – is assessed against four criteria: relevance, effectiveness, efficiency and sustainability. For easy reference and overview, the outcome(s) of each portfolio is presented.

4.1 SOCIAL INCLUSION

Outcome:

Joint Inclusion Memorandum (JIM) and future social policies developed with broad participation of targeted vulnerable social groups, including persons with disabilities, minorities (with an emphasis on Roma), and victims of gender-based violence.

4.1.1 RELEVANCE

UNDP ensured high relevance of its portfolio to the national strategic goals.

Out of seven challenges identified in the JIM, the social inclusion portfolio addressed at least the following three: (1) development of an inclusive labour market and promotion of employment as a right and opportunity for all citizens; (2) accessible and adequate social services; and (3) balanced regional development and revitalization of multi-deprived areas. In addition, the actions undertaken in the social inclusion field can easily be traced in terms of relevance to national, EU, UN and other international levels, covering persons with disabilities, ethnic minorities, and gender and HIV/AIDS issues. For example,

JIM and EU policies are in line with the UN Convention on the Rights of Persons with Disabilities and the National Strategy for Equal Opportunities of Persons with Disabilities is also defined in line with the UN conventions and EU policies and instruments.

The small local initiatives that were aimed to support the target groups directly, such as the work with Roma, elderly and children with disabilities in selected counties, were designed to ensure further insight into the local situation and needs in the most vulnerable communities. It was also designed to feed back into the policy-making levels by ensuring a better bottom-up communication. While a more functional relationship between the local and regional-level capacities and the national policy development and implementation processes still remains to be developed in Croatian social policy, the project managed to provide UNDP “with insight into local challenges that can be used as illustrative examples in forthcoming advocacy of systematic solutions”³⁴.

4.1.2 EFFECTIVENESS

The effectiveness of the outcome, as set during the period 2007-2011, is recognized as being significant by all the stakeholders.

The process of JIM preparation was, according to all the sources not only effective, but also conducted on a participatory basis, with active participation of state administration, academia, civil society, institutions of social care, social partners and representatives of local and regional administration. The JIM process is quoted as an example of good practices in

³⁴ Final External Report of the Project ‘Strengthening Local Development and Inclusion of Vulnerable Groups in Croatia’, Marina Škrabalo, March 2009.

participatory policy development, e.g. in the National Strategic Reference Framework 2007-2013³⁵. UNDP played an important role in ensuring that the JIM reflected the needs of the target groups by conducting the analytical work reflected in the National Human Development Report from 2006. The outcome as formulated in 2007 was accomplished and effectiveness was high. However, the outcome was defined narrowly and did not reflect the full spectrum of activities that UNDP in reality undertook in this area. The 2012-2013 country programme was adjusted to include more activities, but with a more focused set of indicators.

Because of the very broad area and set of target groups (both the different socially excluded groups and a number of national, regional and civil society organizations working to support them), it was difficult to measure the effects of UNDP's actions. All of the persons interviewed agreed that UNDP contributed significantly to changing the understanding of social inclusion and its support to mainstreaming in the different government policies. UNDP has played a role in the development of informed policy-making and systematic follow-up on the policy implementation. UNDP also contributed to raising the visibility of different vulnerable groups. Given the magnitude of the policy field, number of different stakeholders involved and size of resources required to achieve institutional and political changes, UNDP's contribution may have been modest, yet still significant.

4.1.3 EFFICIENCY

The portfolio has been efficiently implemented and outputs have been delivered in a timely manner with quality.

UNDP's fast delivery of technical assistance was appreciated among the stakeholders and the professional attitude and commitment of UNDP staff and consultants hired to support the

national bodies are highly esteemed. Generally, obstacles in delivering the expected outputs were tackled smoothly and effectively.

From a programmatic efficiency perspective, UNDP has done well in the part of activities focusing on analytical support to policy-making and the development of monitoring and evaluation systems for policy delivery. However, the direct work with target groups foreseen in the portfolio, could not, within the financial scope available, possibly reach a significant proportion of the potential beneficiaries. UNDP was aware of that limitation and was rather aiming to demonstrate on a small scale the possible approaches and models to direct work with target groups. The work generated valuable effects in the pilot groups (e.g. the families included in the personal assistance programmes, pilot schools and mobility teams), and in the environment (e.g. communities in ASSC) and introduced innovative approaches to local NGOs.

However, activities can only be considered efficient to the extent to which those undertaken served as pilots and provided significant inputs to the wider policy implementation context. A greater effect would have been achieved with stronger focus on, for example, one county or subregional level, or in a group of targeted communities, that could have served as pilots in other parts of the country. The mid-term evaluation of the country programme in 2009 and final evaluations of a UNDP/United Nations Volunteers project both pointed out that a stronger focus on the institutional set-up, development and coordination (both horizontal and vertical), as well as capacity-building of the key national and regional institutions that act as drivers in the policy-making and delivery, would have potentially created a stronger and more sustainable effect than only a combination of analytical support and pilot actions. UNDP has followed up on those recommendations by putting their efforts

³⁵ Central State Office for Development Strategy and EU Funds, 'National Strategic Reference Framework for IPA', p.10. <www.mrrsvg.hr/userDocsImages/Publikacije/Okvir_zakladnost_strategija_HRV_final_OUS.pdf>.

in development of national implementation and monitoring procedures for social policies in the second part of the programme period.

4.1.4 SUSTAINABILITY

While UNDP successfully supported the longer-term strategic development of national policy and helped bring about a long-term positive shift towards a participatory approach to policy planning, the sustainability is limited by capacities of national institutions to continue ensuring the analytical basis for informed policy-making.

The sustainability of the portfolio results depended on the willingness and ownership as well as capacity to enable continuity in the key national and regional institutions, including their use of data, approaches and systems prepared in the projects. Both the Ministry of Social Policy and Youth and the Ministry of Health have taken ownership of the results of the projects, but their capacities to continue implementing them are limited. The capacities are limited both in terms of the ability to continue designing and procuring research and studies of the type that has been so far provided by UNDP, as well as in terms the capacities to coordinate horizontally (between different government agencies) and vertically (with regional and local level). This could have partly been avoided by adopting a stronger focus on capacity-building because institutional limitations are dictated by a number of risk factors outside of the scope of the projects' influence, such as changes in the leadership, limited resources for policy implementation and fluctuation of staff. The limits to sustainability are demonstrated by the Law on Social Welfare, which was passed in the last year of the previous Government's mandate (2011) without public consultations, even though the same Government in the previous mandate successfully acquired an inclusive participatory approach to JIM preparation and implementation.

A stronger sustainability of the pilot activities could have been achieved through a more focused

approach, potentially by restricting the direct support to target groups and local actions to one region which would serve as a visible pilot and a model that could be advocated on the national level, as well as to the future donors.

Towards the end of the programme period, UNDP proved to be looking into the future and aiming to support the Government in the continuation of the reform of the social care system, which is still in its early stages and facing numerous challenges. In this regard, UNDP is taking the approach of providing an analytical basis by undertaking the Functional Analysis of the Social Care System. This analysis promises also to represent part of the analytical base for the preparation of the upcoming National Reforms Programme for the new EU Member States. However, as with all the tools provided, their successful use depends on the ownership and capacities of the institutions.

4.2 LOCAL DEVELOPMENT

Outcome:

Socio-economic recovery in the Areas of Special State Concern (ASSC) and underdeveloped regions of Croatia.

4.2.1 RELEVANCE

The local development portfolio was highly relevant to the needs of the target groups and regions. In the absence of a clearly defined national strategic framework for regional and local development, UNDP activities focused on needs identified at the local level, through discussions with villages, towns and counties.

The local development portfolio has generally reflected the needs of the targeted regions and the strategic orientation of the country. This is related to the fact that national regional policy is framed by four territorially specific laws, including the Law on Areas of Special State Concern, as well as in the context of Croatia's orientation towards EU accession and EU's Cohesion Policy. However, the national policies remained either

very broad or targeted to larger-scale regions than those aimed by UNDP's programme. The Law on ASSC gives a framework for a system of tax exemptions and subsidies, but it does not clearly elaborate on the strategy behind the measures. The National Strategic Framework for Regional Policy had been slow to develop and the National Strategy for Regional Development had been in preparation for a number of years before it was adopted in 2010 and supported by the new Regional Development Act. Under such conditions, UNDP focused its strategy on relevance to the needs of the target areas, which it knew well because of its strong local presence in Petrinja and Zadar, rather than on the congruence with the formally defined strategic documents, which were not available until halfway through the programme period. The activities that UNDP chose to undertake fell into coherent general categories – infrastructure reconstruction; business promotion and job creation; preparation for EU accession; capacity development – that would have provided the foundation for any rural development strategy appropriate for Croatia.

Whereas earlier in the programming period, activities focused on reconstruction and recovery from war damage, during the latter part a stronger focus was given to preparing local communities for EU accession, including through the introduction of EU-standard rural development measures. The EU LEADER approach to rural development aims to help diversify rural economies and encourage participatory local development planning on behalf of different rural stakeholders across regions that encompass a number of municipalities. The Government was slow to start implementing those measures and rather focused on direct investment in bigger agricultural production enterprises. UNDP recognized an opportunity to provide a stronger basis and tools for its already clear orientation to the underdeveloped ASSC and, at the same time, to help create preconditions for successful implementation of EU rural development policy by focusing on the introduction of the

LEADER approach and the creation and support to Local Action Groups (LAGs) in less-developed areas.

Overall, the portfolio was relevant to the needs of the regions targeted and it worked towards better and more targeted implementation of national regional policy and EU policies relevant for local and regional development. The approach of the portfolio was more efficient where it could concentrate its efforts and where capacity-building was included among its activities. However, this was not always possible owing to funding limitations and the uneven nature of partnerships at the local level.

4.2.2 EFFECTIVENESS

The hundreds of small-scale interventions of the local development portfolio addressed important development needs in individual communities but fell short of making a measurable improvement in socio-economic conditions overall. The part of the programme that focused on introduction of the LEADER approach to rural development in the targeted areas proved to be highly effective.

The measurable indicators for the planned outcome (“Socio-economic development of Areas of Special State Concern and underdeveloped regions in Croatia”) were poorly chosen and overly ambitious, given that the scale of UNDP's activities was too small to reverse broader negative trends such as unemployment and depopulation, which actually worsened during the programme period.³⁶ Although the number of businesses grew in all counties (more so in Dalmatia than anywhere else UNDP worked), it is difficult to attribute this increase to UNDP's efforts. Although more precise indicators were developed for the 2012-2013 country programme, no reference was made to the sources of statistics for monitoring and evaluation. Nor were attempts made to follow on the indicators in reporting (e.g. Results-Oriented Annual Report,

36 For example, the indicator related to the number of producers and exporters.

or ROAR). The only indicator that was followed was the number of prepared sets of project documentation, which is an output, rather than outcome indicator.

The poor choice of indicators made it impossible to measure the impact of the portfolio, so the local development team worked without a clear link between the dozens of outputs of its projects and the overarching outcome (the socio-economic development of the programme areas). The portfolio was deliberately open and flexible in the activities planned in order to allow the team to respond to the emerging needs on the ground. The programme was also very output-oriented. While the numerous outputs were of high quality and all indisputably benefited the target groups and regions, their contribution to the outcome, i.e. socio-economic development of the programme areas, remains unclear.

Where the portfolio's impact was most clear was in supporting local communities in preparing for EU accession, including in introducing the LEADER approach, where UNDP played a significant role. Such activities benefited an area even wider than the targeted counties, since the models developed in Zadar and Lika-Senj counties are now being recognized around Croatia as good practice examples. Zadar County in particular offers a good example of impact that concentration of multiple activities in a single area can bring, and of the advantages of a focus on the county as opposed to village or municipal level. This case demonstrates a greater effect the portfolio would have had also in other targeted counties, if all the local operations of the different UNDP portfolios had been concentrated in fewer and narrower geographical areas. More visible and measurable effects may have been obtained as a basis for policy-level advocacy.

The impact of UNDP's interventions remained strongest at the local level, in relation to municipalities and towns, and to a number of beneficiaries in the dozens of municipalities targeted, including civil society organizations and small businesses. Cooperation and outreach at the

county level was less evident and dependent on the focus of the portfolio (Zadar as a positive example), but also the willingness and interest of the counties to cooperate. At the national level, UNDP had a limited impact, because strategic frameworks were slow to develop and the interest of responsible ministries in improving the existing approach was often insufficient.

4.2.3 EFFICIENCY

The key feature of UNDP's work is timely and swift responsiveness to the needs of the target groups and efficient delivery. This flexibility helped to meet local needs, but it meant that outputs were diverse and not part of an explicit national strategy for economic recovery.

The portfolio delivered its activities in a timely fashion and as planned, with only a few cases of delays ('National Human Development Report 2010: EU Common Agriculture Policy and Rural Development Policy' and construction of the Adica Complex in Vukovar). The general impression of the stakeholders was that UNDP represented an efficient support institution with a strong local presence ensured by the two local offices in Petrinja and Zadar. The staff in the local offices were often praised not only as highly professional, but also as knowledgeable about the local environment, quick to respond and reliable. They are seen as important stakeholders in the local development of the communities in which they work and have managed to overcome obstacles in localities where UNDP was initially met with reluctance and hostility. The organization of the project implementation was highly decentralized, and field offices enjoyed a high level of independence in organizing the selection of individual grant projects and planning local and regional activities. In part for this reason, the beneficiaries recognize UNDP as an institution that understands local needs and can provide relevant assistance.

The key question surrounding UNDP's work at the local level is whether the small numerous outputs aimed at solving specific challenges

at the local level had a broader development impact. As presented in Chapter 3, the numbers are significant, amounting to more than 260 individual projects. However, the aggregate effect of these outputs in achieving the result of the socio-economic recovery in ASSC was not clear from interviews or the programme or project reporting.

The biggest part of the local-level activities represented a combination of infrastructure-related activities, social services provision, local-level capacity-building, civil society development and business development activities which did not add up to a single, coherent strategy, aiming at setting a basis for longer-term socio-economic development of the communities involved. Some projects were of a long-term strategic nature, especially in relation to the establishment of LAGs, but in most cases, projects aimed at solving specific problems of individual communities without a clear strategic influence and mutual re-enforcement.

Geographically, projects were mostly implemented in war-affected areas in six of Croatia's 20 counties. Activities managed by the local office in Petrinja, for example, were spread across four counties (Vukovar, Bjelovar-Bilogora (one project), Karlovac and Sisak-Moslavina) in more than 20 different municipalities and about twice as many different villages within those municipalities. In many cases, smaller villages benefited from single projects that solved specific local problems. The interventions varied significantly: (i) a conference (e.g. IPARD Conference in Novska in 2009); (ii) development of local infrastructure (e.g. two bridges repaired in the war-affected areas in two villages near Glina in 2011); (iii) development of local economic strategies (e.g. for Dvor Municipality in 2011); (iv) a number of water supply strategies in different municipalities; (v) reparation of child safety by purchasing eaves for bus stops for school buses in Maljevac near Cetingrad; and (vi) a study tour for a local producer's association (e.g. ecological producers in Kutina). Projects under the local development portfolio represented different

aspects of socio-economic development in different locations.

While individual outputs have been produced, the programme has been thematically and geographically dispersed. The alternative approaches could involve, for example: (i) the aggregation of municipalities into groups (as was eventually done in 2009-2010 the case with LAGs); (ii) the establishment of clearer strategic and operational plans in all communities supported (similar combinations of interventions, so that effects are measurable); (iii) the establishment of geographically narrower pilot areas in which different types of action can be undertaken and promoted as an example to other areas or national policy developers; and (iv) a higher level of operational integration with national and regional-level strategies and institutions.

4.2.4 SUSTAINABILITY

In regard to helping rural areas prepare for EU accession, UNDP achieved highly sustainable effects that promise to remain an integral part of local and rural development policies in Croatia. The impact is less clear with smaller grants to the beneficiaries provided under business promotion schemes.

The flexible programme design with a focus on small local subprojects, which opened the gate for much welcome short-term responsiveness to needs of various target groups, did not guarantee strong sustainability of the UNDP's interventions. The small sub-projects which did a lot of good to their direct beneficiaries, like any form of direct support, have been of variable sustainability: some have generated long-term self-sustainable operations (such as the support to the trout and crawfish centre in Otočac, or the support to tourism infrastructure in Ilok, or the assistance provided to the Etnoland Dalmatian theme park), while others have yet to prove they are sustainable and depend heavily on many external factors (such as the Adica Complex in Vukovar, which has had difficulty in finding a private concessionaire to operate its facilities, or

the women's association in Gračac). In a number of cases, UNDP is remembered not so much for the magnitude of its contribution, but rather for the opportune timing of support, which helped to ensure survival and later to support sustainability.

UNDP had a much more sustainable approach when it came to supporting rural preparations for EU accession than in supporting small-scale projects. It did succeed in building the capacities for local development in those local communities that were successfully grouped in LAGs. The capacities of those local governments for implementation of the LEADER approach to rural development policy will in the long run help them better plan their developmental activities and gain access to significant EU funds earmarked for the LAGs, in particular. The ownership of portfolio results on the level of those local communities appears to be very high.

However, the effects that have been achieved at the local level require the support of regional and national levels to achieve their full sustainability. There has been limited interest of line ministries for cooperation with UNDP in capacity-building at the local level at the beginning of the programme implementation. However, at the time the ADR was being finalized, UNDP had received a proposal from the Ministry for Regional Development and EU Funds to help in producing project proposals for EU funding in less-developed areas, building on the past achievements made by the UNDP teams in local communities.

UNDP should make sure that the good local practices established by its portfolio activities and the needs identified in small, rural, underdeveloped communities as opposed to the large-scale regional planning are made visible to the national policy makers. This would help UNDP make a greater contribution to the sustainability of its own local development work, and provide the national authorities with good examples for replication on a larger scale.

4.3 ENVIRONMENTAL GOVERNANCE

Outcome (climate change):

Reduction of the institutional barriers that prevent the use of energy-efficient technologies and practices in the residential and service sectors and encourage a favourable climate for their adoption.

Outcome (biodiversity):

Support greening actions and practices among the key sectors driving integrated coastal development in Croatia emphasizing sustainable business practices.

4.3.1 RELEVANCE

Both of the major projects have followed innovative approaches, building on national and international best practices and have proved relevant to achieving their planned outcomes.

The two major activities, the Removing Barriers to Improving Energy Efficiency of the Residential and Service Sectors and COAST, are aligned with national policies and strategies and with relevant EU policies, approaches and funding opportunities. The Energy Efficiency project relates to several Croatian laws, regulations and programmes covering energy end-use efficiency and energy performance of buildings. It contributed to the implementation of the National Energy Efficiency Programme (2008-2016), the National Energy Efficiency Action Plan (2008-2010) and to the Croatian Law on End-Use Efficiency (ZUKE, NN 152/08). It was also in conformity with relevant EU directives and supports implementation of Croatian international commitments set by the Kyoto Protocol. New emissions targets have been set for Croatia as an EU member country. The Fifth National Communication to United Nations Framework Convention for Climate Change was published in January 2010, and it presented the most recent emission calculations (until 2007). Croatia will join the EU emissions trading system (ETS) on accession, so from the year 2010 onwards, monitoring and reporting on emissions from the ETS sector has become mandatory.

The COAST project and the newly approved GEF 5 project in support of the Financial

Sustainability of the Protected Areas System in Croatia fit into a complex legal environment, as does the GEF Enabling Activity support for the revision of the National Biodiversity Strategy and Action Plan, which is ongoing. Efforts have also been made to explore access to funds related to the EU Natura 2000 network.

In view of its pre-accession status, Croatia does not have a substantial ‘international assistance’ culture beyond that of EU funding. Those other agencies still active in the country, such as the World Bank and European Bank for Reconstruction and Development, are focused on high-level economic and financial reform and on major infrastructure projects. UNDP-supported activities have not therefore had major overlap with those of other non-national stakeholders, but have laid the ground for such potential investors, including the EU, particularly in the areas of energy efficiency (where major funds would be needed for investment in buildings) and environmentally sustainable agriculture.

Both projects have followed innovative approaches, building on national and international best practices and are relevant to achieving their planned outcomes. In this respect, their relevance is not purely country-specific and they present opportunities for the sharing of good practices with other countries in the surrounding region.

4.3.2 EFFECTIVENESS

The Energy Efficiency project has made strong inputs into national policies and strategies, and has successfully distributed lessons learned and scaled up and replicated energy-efficiency approaches on the basis of results achieved. The COAST project has been actively engaged in national and, particularly, county-level efforts to support biodiversity-friendly development. Although there is progress with regard to commercial support for biodiversity-friendly development, the results are still limited.

With regard to the Removing Barriers to Improving Energy Efficiency of the Residential and Service Sectors project, four outcomes have been assessed in the terminal evaluation report³⁷:

Outcome 1: Overcoming the general institutional barriers to energy efficiency. More than \$37 million of new investments in energy-efficient end-use technologies in buildings have been supported by portfolio activities covering 20 counties and 82 municipalities. Up to 16 ministries have established an energy management system and have used this platform to promote energy-efficiency investments and measures. Smart-metering pilots in a limited number of buildings have enabled real-time monitoring of energy use, while public awareness of energy-saving measures has grown markedly. Public-sector savings so far amount to at least HRK 91 million, a figure expected to rise sharply over the next two years. The approach and results have been regarded as so successful that several countries in Europe and Central Asia have actively sought to learn from the UNDP Croatia experience. This result has proved a substantial adoption of energy efficiency at national, municipal and county levels, indicating a major reduction of institutional barriers.

Outcome 2: Overcoming barriers to improving the energy efficiency of the residential sector. According to survey results included in the terminal evaluation report, there has been a substantial rise in public awareness of the availability of energy-efficiency products and to a lesser extent in actual purchases of energy-efficiency devices and materials. However, two mechanisms, the Project Development Facility and Partial Guarantee Facility, which were put into operation to encourage residential-sector investment in energy efficiency, produced few results. Overall, there has been limited progress in the residential sector. This is largely because of limitations imposed by existing legislation on decision-making processes in housing blocks, which

³⁷ See Chapter 5. ‘Removing Barriers to Improving Energy Efficiency of the Residential and Service Sectors’, Terminal Evaluation, Jiri Zemen, UNDP Country Office, 2011.

require unanimous support of residents for new investments.

Outcome 3: Overcoming barriers to improving the energy efficiency within the service sector. No surveys were undertaken to monitor hotel and public building owners' awareness of availability and benefits of energy-efficiency lighting, appliances and equipment, nor were any baselines established. However, the project target of 37 percent of owners aware of these aspects was more than 55 percent below the rate actually achieved among the general public. It was therefore assumed that it was achieved, since it would be unreasonable to assume that professional facility managers would be substantially less aware than the general public. Since no data were collected on actual purchases of energy efficiency products in this sector, it is not possible to assess achievement on this aspect.

Outcome 4: Facilitating the effective replication and utilization of the project results and lessons learned. Several strategies and plans have been set in motion, including the Energy Efficiency Strategy and the National Energy Efficiency Programme for Croatia 2008-2016. Also, the First National Energy Efficiency Action Plan 2008-2010 was approved by the Government in 2010. Furthermore, the energy and CO2 emission monitoring of project impact has been established and is operational, and substantial communication efforts have been made. This includes a project webpage containing all key project documents. Project results were disseminated by 93 public events, 83 press conferences, 56 television and 98 radio broadcasts, over 200 press articles, 50 public movie projections of 'My Energy Efficiency City', over 30 different brochures, manuals and publications published with a total circulation of more than 1.5 million. There have been strong inputs into national policies and strategies, distribution of lessons learned, scaling up and replication of energy-efficiency approaches on basis of results achieved.

Overall, the project has been very effective in promoting energy efficiency in the public sector,

where its approaches have been almost nationally adopted. The scaling up on the basis of effective dissemination of lessons learned has been successful and the use of energy management systems in public buildings has grown very substantially from an initially low level. The intention to transform the residential sector could not be achieved owing to the predominance of apartment blocks in the housing stock, with communal energy supply systems and legal requirements, which make new investment decisions difficult. The intended application to service-sector buildings, such as hotels, received relatively less attention than the Government sector and it is not possible to assess to what extent it has been effective, owing to lack of data.

With regard to the COAST project, this experienced changes of indicators against its outcomes at both the inception and mid-term review stages, which make it difficult to assess performance against the original targets. The customization of indicators to the local situation made their application useful for project management purposes. An assessment of results achieved against the revised intended contributing outputs is shown below:

Outcome 1: Biodiversity-friendly development models in the agriculture, fisheries and tourism sectors are demonstrated and promoted in four small, globally important, productive landscapes. More than 700,000 marine hectares have been used for biodiversity demonstration purposes while 1,970 hectares of land has come under organic cultivation. While there has been progress in the field of biodiversity-friendly activities in agriculture (totalling 86 percent of the value of projects supported) and some sustainable tourism enterprises are under way, minimal progress has been observed in the fisheries sector.

Outcome 2: Investment climate and market opportunities and measures for biodiversity-friendly enterprises improved across the four counties. Grants have been awarded for biodiversity-friendly agriculture (\$750,000 out of an estimated total project value of \$12,400,000) and

178 farmers have gained national eco certification in the project areas. The average value of the 79 businesses that had won support through the Green Business Support Programme has come to \$100,000, of which the average programme contribution has been \$12,000.³⁸ The loans to projects (on basis of 50 percentage guarantee scheme) have come to \$990,000. No fishermen were recorded to have adopted sustainable practices as a result of the project. Overall, there has been good progress with the county development agencies but only limited results have been observed with regard to the level of banking investment.

Outcome 3: Compliance with biodiversity-related legislation, regulations and guidelines relevant to the agricultural, fisheries and tourism has increased in all four counties. While there are no evaluable hard data for assessing this outcome, county development agencies reported that the project increased their awareness of these issues and promoted a more active approach on their part towards compliance. This is particularly so where COAST project staff have been seconded to the agency to enhance expertise and human resources in the field.

Outcome 4: National, county and local-level enabling environments (policy, legislation and regulations, planning, and institutional) are strengthened to support more biodiversity-friendly development in Dalmatia. Two local development strategies applying project-supported approach in final draft form have been prepared and six guideline documents have been published and the 'Q label' by-law for rural tourism has been adopted in the project area as has been the Strategic Guidelines for Green Business Development. There has been good production and dissemination of inventory and guideline documents. Also, active engagement in national and, particularly, county-level efforts to support biodiversity-friendly development was observed. Progress in commercial support

for biodiversity-friendly development has commenced but so far is on a limited scale.

In terms of effectiveness, the COAST project has been a catalyst in promoting biodiversity-friendly activities in agriculture and, to a lesser extent, in tourism. It has strengthened the enabling environment, particularly through a number of high-quality studies and reports. County development agencies have been convinced of the importance of the issue and are actively promoting it, including with regard to ensuring that development is in keeping with legislation, regulation and guidance. Commercial banks have made modest inputs to support appropriate business initiatives. A continuing bottleneck concerns the supply of good quality green business project proposals from appropriate business operators. The emphasis has moved towards a broader concept of sustainable development, with less emphasis on biodiversity. Indeed, the project decided to stop using biodiversity indicators, since it did not prove possible to directly link any changes on this dimension to project activities, in view of the magnitude and complexity of external factors beyond project control. To provide some indication of its contribution towards biodiversity, the project focused on business sectors with demonstrated positive impacts, such as organic olive orchards and vineyards. Given the long trajectory of change in the biodiversity sector, major results would not yet be expected. To date, the project has been moderately effective in promoting biodiversity-friendly approaches to development, which are so far on a limited scale in the project areas, but offer potential for replication elsewhere in the country.

4.3.3 EFFICIENCY

The Energy Efficiency project has overcome earlier challenges to its managerial efficiency and has also achieved substantial programmatic efficiency by adapting its focus to the most productive areas. The COAST project

³⁸ Data at the time of the evaluation.

was initially slow in awarding grants but is now seen as efficient in this respect and has adapted its approaches to take advantage of the best opportunities for collaboration. The project did a strong job of involving a wide range of stakeholders and establishing innovative partnerships, particularly with respect to the Green Business Support Programme (GBSP).

With regard to the managerial efficiency of the Energy Efficiency project, the terminal evaluation reported some inefficiency in terms of financial management, attributed mainly to the Atlas system while the evaluation team's discussions with external project stakeholders did not report any perceptions of inefficiency. Concerning programmatic efficiency, the Energy Efficiency project obtained very substantial external financing and scaled up rapidly. Further, resources were transferred from non-viable areas and re-focused on activities that did produce significant results. As such, the project's programmatic efficiency is considered high.

The programme collaborated with the local development portfolio in connection with the Solar Education Centre in Zadar County, which was jointly planned and financed by the county and UNDP. The aim of the project was to contribute to development of green rural business based on solar energy and power systems. The cost of the autonomous photovoltaic system in Ajderovac was reported to be one-third that of re-electrification through the restoration of the power supply network. In order to strengthen the impact of this project and to promote the energy-efficiency concept, it was merged with the Energy Efficiency project Info Point in Zadar County.

In terms of managerial efficiency, the mid-term evaluation evaluated the COAST programme in 2009 as slow in starting up and discussions with stakeholders reported significant delays in decisions concerning grant applications during the early period. Later grantees did not report such difficulties. Also, banks began to extend loans in 2010 and the project is now modestly advancing

on this dimension. During the early period, the project also produced a number of important study documents, which laid the grounds for future activities. Overall, external perceptions of efficiency were broadly favourable, particularly once secondees were in place. As far as its programmatic efficiency is concerned, the project collaborated with the local development portfolio in the establishment of a Local Action Group on the Zadar Islands and a number of COAST beneficiaries are members of other LAGs, which UNDP is currently establishing.

The project has contributed to increased take-up of biodiversity-friendly business activities, which have not yet generated major results for biodiversity, in view of the long time-scale of change in this sector. Some of the studies produced by COAST can be expected to have a synergistic relationship with the future GEF 5 Programme on the Protected Area System.

4.3.4 SUSTAINABILITY

The Energy Efficiency project has produced sustainable results with regard to public-sector energy management, with substantial buy-in from different levels of government. The COAST project has been well adopted by county development agencies, while banking-sector buy-in is not yet fully established, as portfolios remain small. Private-sector businesses have appreciated the additional funding channel presented by the project, but it is not clearly established that this facility can be sustained or scaled up once project support is completed.

The Energy Efficiency project was designed to produce sustainable results and appears to have done so, because of the high increase in public awareness achieved and the demonstrated commitment of counties, municipalities and government ministries. Discussions have been held with various government stakeholders concerning possible future scenarios to continue the work, and partners have agreed that the project's practices, assets and staff will be transferred to appropriate

national authorities by the end of October 2013. Work remains to be done to clarify the nature of the transfer, and it may be too early to disengage with no loss of the progress made. Yet, national capacity has been increased and many government institutions have appointed energy efficiency managers for their buildings. It is likely that the momentum to which the project has contributed will continue, because of the demonstrated cost savings in public building management that accrue from effective energy management. This momentum has enabled the project to scale up its activities to reach a broad area, although it cannot be said to cover the whole country fully effectively, since the level of participation (in terms of support for energy efficiency measures) varies considerably among counties.

The COAST programme has tried to engage the private banking sector in support of biodiversity-friendly business. At the time of the ADR mission (October 2012), 83 eco-friendly business projects had been supported. This is still at an early stage, but may be sustainable, given that some banks have established green business portfolios. The main exit strategy has been through the incorporation of green business advisers into the county development agencies, where they may continue to influence the banking community. Attempts have also been made to see if and how EU funds might be accessible in support of green business. The project is regional (within Croatia) and government counterparts have embraced the idea of testing the approach in other regions. As with the Energy Efficiency project, discussions have not yet produced any specific plan for scaling up the initiative or making it national, although national bodies, such as the National Bank for Reconstruction and Development, have received training and been engaged with the project. If the project feeds into the future GEF-supported UNDP assistance to the Protected Area System, its sustainability is likely to increase. The four-partner county development agencies are actively supporting the green-business model and there is a possibility of absorbing the UNDP advisory secondees as full staff members when the programme is phased out.

Work in environmental governance and climate change has demonstrated potential for institutional sustainability for several years. The large-scale GEF Protected Areas Project will begin at the end of 2013 and run until 2017 and will support the retention of the UNDP environment team. A number of other smaller-scale projects dealing with renewables have been proposed for EU funding, which would also benefit from acquired UNDP expertise in energy efficiency. Securing Government funding to extend or replicate the COAST approach in other regions would be worthwhile. These activities could build upon the positive reputation generated by the environmental projects from which UNDP is currently phasing out.

4.4 BUSINESS COMPETITIVENESS

Outcome:

The private sector tangibly involved in national and regional sustainable development.

4.4.1 RELEVANCE

Policies and strategic adherence to national and EU requirements were relevant while outreach to target groups, public and private sectors has been less successful.

The EU's Lisbon agenda emphasized Corporate Governance and CSR as critical instruments to overall economic progress. The incorporation of these instruments into the overall European social model has made the portfolio relevant. Corporate Governance and CSR are integrated into the European sustainable growth strategy and the Europe 2020 Plan that emphasizes smart, sustainable and inclusive growth with strong focus on employment and job creation, youth and skills development, and social consideration in public procurement. The portfolio is also in compliance with EU's March 2006 Communication document that stresses implementation of partnerships for growth and jobs through CSR. A new EU Communication document has been set in motion in 2011 in which the socially responsible

activities are emphasized. During the course of the portfolio's lifetime (2004-2011) and the administrative support to the Croatian CSR Index in the Global Compact, UNDP has collaborated with the EU and worked closely with local stakeholders to promote CSR in Croatia.

UNDP's support to the Regional Competitiveness Index shows the organization's understanding of the need for promoting economic growth while maintaining a socially responsible approach to economic development through supporting CSR activities. In this regard, UNDP succeeded well in leveraging its resources effectively, targeting both dimensions, growth and CSR. Also, the portfolio was in line with the 2006-2013 National Development Plan with respect to both economic development priorities and the promotion of CSR. The needs of portfolio target groups, the public and private sectors, may however not have been met to a satisfactory degree and therefore relevance reduced (see section 4.4.4).

4.4.2 EFFECTIVENESS

Two central indices – the CSR Index and Regional Competitiveness Index – enabled the shaping of important building blocks towards the outcome, though the portfolio could have applied better the result-based framework and been more strategic towards the outcome.

It is not possible to measure the extent to which the outcome of the portfolio has been achieved (the private sector has been 'tangibly' involved in regional and national sustainable development) because of poorly developed indicators. The portfolio could have benefited significantly by using one or several of the seven priorities for regional economic progress outlined in the Regional Competitiveness Index as outcome indicators instead of those applied. Indeed, one of the seven priorities to strengthen competitiveness is to increase investment flow in regions and counties using business partnerships and

promoting national and foreign development investments.

The portfolio has nevertheless produced outputs that have had some effect towards achieving outcome. This is substantiated through UNDP's early initiation of the business portfolio, already in 2004, and its continued support despite limited resources, as well as – and most importantly – the support to the production of the two indices. They both constitute important building blocks for an improved business environment that emphasize sustainable development.

The two early business partnership arrangements were considered as successful and "substantively significant and self-sustaining" by the mid-term review in 2009.³⁹ However, little efforts have been made to draw on these successes to make progress towards achieving outcome and only recent activities see an upscaling being applied, i.e. the Solar Sunflowers. Promotion of business partnerships could have been used to signal the need for increased flow of investment to the underdeveloped areas of the country. In this context, UNDP could have supported local counties in their efforts to attract domestic as well as foreign capital, through effective lobbying and advocacy.

The capacity development part of the portfolio cannot be assessed against the outcome since limited information has been available. UNDP has, however, in principle, aimed towards a good strategic balance in achieving the outcome by combining a broad variety of implementation modes, institutionally (public-private partnerships), provision of tools (the two indices), and human resources (capacity-building).

4.4.3 EFFICIENCY

The cost of producing the CSR and Regional Competitiveness Indices is only justified because of the high levels of national ownership and institutionalization achieved.

39 UNDP Country Programme for Croatia 2007-2011, Mid-Term Evaluation, p.20, July 2009.

Funds used for the business competitiveness portfolio were Euro 930,000, according to the ROAR 2011. The main outputs have been the two important indices for sustainable business development using internationally recognized methodologies and involving a large group of mainly key business stakeholders and provision of technical assistance in the process. A consulting company assigned to carry out the tasks for the production of both indices might have been able to do this at a lower cost. However, in such a situation the long-term participation and ownership building over the years, as well as the indices now firmly institutionalized in the Croatian business, may not have been achieved.

An effort made by UNDP to support reduction in red tape in establishing a business in Croatia was invalidated due to lack of political interest following the election in 2007, according to the mid-term review from 2009.

4.4.4 SUSTAINABILITY

Some strong business partnerships were developed, but their number was limited and the two indices, as building blocks, were not fully used by stakeholders.

The sustainability of the outcome cannot be fully assessed. There is limited information regarding the capacity development results and their possible influence on sustaining outcome. The business partnership outcome indicator on numbers of partnerships has however been achieved in that both the Coca-Cola and the Banker's Association activities have been continued since the termination of the business portfolio. More recently, stronger partnerships by private-sector companies have been developed by UNDP Croatia within a CSR and sustainable development context, but on the basis of partnerships developed in sector-specific portfolios. Owing to limited UNDP seed funding, vanishing external funding and shifting priorities, private-sector cooperation was gradually transferred to the sector-specific portfolios, with the ultimate closure of a separate business portfolio in 2011.

Output delivery (mainly the two indices) may have provided important building blocks in the overall business development for sustainable development in Croatia and reflected positively at policy level. However, the actual *use* of the indices at the national, regional and county level – and by UNDP itself – has so far been limited.

4.5 JUSTICE AND HUMAN SECURITY

Outcome:

Increased level of human and state security.

4.5.1 RELEVANCE

The interventions undertaken by the justice and human security portfolio have been highly relevant for the political context in Croatia. UNDP has successfully combined approaches which have tackled challenges deriving from war and post-war situations and challenges of the EU accession process. The portfolio focused on contributing to reform of the police and judiciary and successfully balanced upstream and downstream interventions.

The intended outcome is relevant for national and international strategic objectives of Croatia. The portfolio has been designed in line with very specific needs of the country which was going through two distinct transformation processes at the same time: (i) post-conflict reconstruction and restoration of security, and (ii) a significant institutional and legislative transition due to the accession process to EU. Areas of intervention have been highly relevant for Croatia's compliance with negotiation benchmarks in Chapter 23 (judiciary and fundamental rights), Chapter 24 (justice, freedom and security) and Chapter 31 (foreign, security and defence policy). Most importantly, all areas of intervention and approaches undertaken were focused on development of national capacities to deal with main human and state security threats and challenges deriving from post-conflict situation, such as disarmament, unequal access to justice, human rights violations and challenges

attached to further democratization and election processes.

The portfolio has directly contributed to implementation of measures from several national strategies, including (i) National Strategy and Action Plan for Control of Small Arms and Light Weapons; (ii) Action Strategy for Community Police; (iii) National Strategy for Fight Against Domestic Violence; (iv) Strategy for 2010-2012 for the Protection and Rescue System; (v) Justice Reform Strategy and Action Plan(s); and (vi) the National Programme for the Protection and Promotion of Human Rights (2008-2011).

In addition, the portfolio contributed to broader global UN goals on several levels: (i) by focusing on capacity-building of police to perform its civil function in the post-conflict transition period; (ii) by preparing for international obligations through police cooperation in peacekeeping missions; and (iii) by participating in UN peacekeeping training and transfer of knowledge to other countries in the region.

4.5.2 EFFECTIVENESS

Projects implemented and results accomplished clearly contributed to the achievement of the intended outcome. The portfolio has produced tangible and significant results and generated several good practice models that are now being transferred to other countries in the region and have been recognized by international institutions as success stories.

UNDP efforts to focus on (i) institutional capacity-building of key national stakeholders in the security and justice sector, and on (ii) establishing strong local ownership over the portfolio outputs, contributed strongly to achieve intended outcome.

The WVS project was one of the most successful and visible projects implemented by UNDP, both in terms of results and in relation to contribution to overall outcome, because it managed to integrate witness and victims' rights into key

regulatory acts. For example, the Law on Court System recognizes WVS Units as integral part of the court system and the Criminal Procedure Act recognizes the need and obligation of the courts to assist to witnesses and victims. As of October 2012, there are seven WVS units established in county courts and more than 10,000 people have received support since the project was launched. The Ministry of Justice is fully committed to the WVS project and has absorbed it into the court system with plans for broadening the service to all county courts in Croatia as well as to the Public Attorney's Office – the latter due to the new investigative role of the Public Attorney in criminal procedures. The provision of witness and victim support in criminal proceedings was identified as a vital element in the quest to enhance access to justice for its citizens and establish the rule of law.

The WVS project contributed to broader national objectives and obligations deriving from the EU accession process, especially in relation to negotiation benchmarks related to successful prosecution of war crimes and improved access to justice for vulnerable groups. This was particularly important, because Chapter 23 was crucial for closure of negotiations.

The Croatian model of witness support offices has been recognized internationally as a success story and a model for other countries. For example, the Parliamentary Assembly of the Council of Europe praised the work of UNDP in a 2011 resolution, calling the programme “a cornerstone for justice and reconciliation in the Balkans” and urging that witness support offices be established and funded across the region.

The Ombudsman project has had high effect in that outputs have been achieved and contributed strongly to meeting the outcome. There has been strong and broad institutional support from Government and civil society to the merger of the Centre for Human Rights with the Ombudsman Office. The merger has contributed to capacity-building of the CPO in relation to its research capacities and capacities to

perform its new constitutional obligation on promotion of human rights. The Law on People's Ombudsman set the regulatory basis for merger and a new structure of the CPO. This intervention has significantly contributed to meeting the benchmark in Chapter 23 regarding capacity-building of the CPO, but also it represents a unique practice of transformation of an institution that initially started as a technical cooperation project of the Office of the United Nations High Commissioner for Human Rights, i.e. the establishment of the Centre for Human Rights. In addition, the CPO has gained capacity to perform vital functions under the Anti-Discrimination Act and to come in line with EU directives on in this matter. The CPO and the Special Ombudsman Offices (covering ombudspersons for people with disabilities, gender equality and children) have increased quality and frequency of data exchange, decreased overlapping of cases and improved outreach of their services. Finally, the CPO has managed to improve performance in relation to fulfilling obligations deriving from the Paris Principles and is fully prepared for renewal of A-type national human right institution status in 2012.

The SEC project contributed considerably to the fulfilment of the new SEC's mandate as the permanent electoral body engaged in educational activities needed for successful implementation of elections and in continuous analysis of the election process involving all the relevant stakeholders in a constructive dialogue. It reached the intended outputs and decreased number of appeals during national and local elections. According to the Report of Ethics, the Commission was assessed as competent to deal with appeals and complaints in relation to election procedures.

The main effect of the security portfolio has been high and included: (i) effective control of legal and illicit arms; (ii) voluntary collection of arms; (iii) community policing; and (iv) the development of a prevention policy of the Ministry of Interior involving local communities through the establishment of Local Crime

Prevention Councils. UNDP was also involved in supporting the Government in disaster-risk reduction issues.

4.5.3 EFFICIENCY

The portfolio has adjusted its strategic approach and methodology to a scarce funding situation through strong partnerships and by securing local ownership of project results. By taking an approach based on capacity-building and policy-oriented actions and by establishing strategic partnerships with line ministries, the portfolio has managed to maximize the impact of interventions.

The justice and security portfolio has been highly efficient from a managerial and programmatic point of view. The majority of the portfolio projects have been implemented within deadlines and envisaged budget and a crucial aspect of success of the portfolio was based on strong expertise, dedication and competence of the justice and security team. Some of the most significant outputs have been achieved with limited funds due to the ability of the team to create good partnerships with national institutions, especially the Ministry of Justice and Ministry of Interior. This has enabled the UNDP team to maximize the impact of available resources and secure strong local ownership over project outputs and results.

More than 60,000 arms, 2 million bullets and 2 tons of explosives have been voluntarily collected from citizens. Weapons are rendered safe for disposal, destroyed and recycled. During the initial nine months of the campaign alone, more than 16,000 weapons were voluntarily surrendered, which in terms of direct resources invested made it one of the most effective arms-collection campaigns in UN history.

The high efficiency of the portfolio also related to the justice and security team's ability to adjust strategic approach and methodology to scarce funding situation by focusing on policy actions and capacity-building of key national

stakeholders. As such, the portfolio has managed to secure significant, visible and sustainable impact on increasing human and state security.

4.5.4 SUSTAINABILITY

The portfolio shows elements promising sustainability but due to the relatively short period of time between interventions undertaken and the assessment, there is still a certain degree of risk regarding the sustainability of capacities created in national institutions for further implementation and upscaling of programme results. The portfolio has not yet developed a clear exit strategy. There is still a need for further support of national beneficiaries in improvement and maintenance of ownership over results.

The portfolio successfully achieved institutional and, to some extent, financial sustainability as well as policy and regulatory impact. On the level of institutional sustainability the WVS project resulted in integrating the WVS Units into the regular court system while human resources developed through the project for provision of witness and victim support have been taken over by respective courts and are now financed by state budget. The Small Arms and Light Weapons and Safe Communities projects have been incorporated into regular work of the Ministry of Interior (collection of weapons, campaigning, etc.). This has resulted in the acceptance of the prevention approach at the highest policy level in the Ministry of Interior which has now launched twinning programme worth of Euro 200,000 financed by the European Commission for capacity-building of the Ministry for crime prevention. Good practice example of reaching strong institutional sustainability is the merger of the Centre for Human Rights with the People's Ombudsman Office which represents a model of rationalization and improvement of independence of national human rights institutions.

There has been significant regulatory and policy impact of the portfolio through its influence on the legislative processes and development,

including the Law on Court System, the Criminal Procedures Act and the Law on the People's Ombudsman. The most significant impact related to the emergence of the prevention approach as key policy of the Ministry of Interior representing a significant change in the perception of the role of police in stable and peaceful democracies.

In terms of financial sustainability, the portfolio has not been as successful as in other areas due to the inability of the Government to fully finance continuation of all project outputs taken over by national institutions, including the envisaged integration of WVS units in all courts in Croatia.

4.6 NATIONAL DEVELOPMENT PRIORITIES

Outcome (2007-2011):

Improve the Government's and other central-level national institutions' capacity to plan, develop and implement development policies and measures, internally and as a part of international development cooperation.

Outcome (2012-2013):

Support national institutions in planning and implementing development cooperation policies and programmes, particularly in sharing experiences in European integration.

4.6.1 RELEVANCE

The relevance of the portfolio is considered substantial in that it adequately reflects important national and EU policies and strategies, meets the needs of the target population, including the Government staff and neighbouring countries, and covers a balanced outreach.

The national development priorities portfolio was not included in the initial country programme from October 2006. Yet, it soon became clear that such a portfolio was needed to meet EU requirements for membership and to strengthen the EU accession capabilities at key national institutions.

The portfolio's activities have as their underlying dimension EU accession requirements as their guiding principle, particularly clear in the support

to the CODEF, the organization being responsible for managing and coordinating the IPA funding process, but also in the emerging donor project. There was no information on the courses delivered in the Knowledge Sharing project from 2009-2010. However, from the mid-term review, the Knowledge Sharing training was relevant as it met the needs of the broader Croatian management professionals from businesses and central and local governments.

As Croatia progressively met requirements for different *acquis* chapters throughout the negotiation process and subsequently closed them, the country's experience has become increasingly relevant to neighbouring EU candidate countries, especially Montenegro, Serbia and the former Yugoslav Republic of Macedonia. At the same time, it is important to stress that EU accession conditionalities are constantly developing and new ones are emerging, e.g. conditionalities for the social dimension will be significantly sharpened and be different from Croatia's experience.⁴⁰ As such, Croatia's experiences will over time diminish in value as these changes occur. UNDP has proposed its support for the sharing of Croatia's knowledge on European integration that the Ministry of Foreign and European Affairs is seeking to conduct through its 'centre of excellence'. The centre also aims to share expertise from Croatia's post-conflict experience and serve as a future think tank for development. UNDP's support to the centre is relevant in that it will help transfer important knowledge on EU integration to neighbouring countries that need it for their own accession processes.

UNDP's focus on addressing EU accession and capacity-building, at national (CODEF) as well as local (IMPACT) and later at regional (neighbouring countries) levels have been relevant, helping Croatia to meet its goal of EU membership and sharing its experience with interested neighbouring countries.

Relevance is further reinforced by the fact that the seminars held for participants in the neighbouring countries in EU accession procedures appear to be conducted on a demand-driven basis – based on stakeholder interviews. Finally, the role of the two regional advisers on EU accession and related activities to the neighbouring countries' central and local governments is considered highly relevant as they complement well other support activities undertaken based on specific and very important sectors of EU accession.

4.6.2 EFFECTIVENESS

Some output benefits have contributed towards meeting the outcome. Looking forward, the potential for high effectiveness exists if the focus on regional sharing of knowledge meets the needs of stakeholders and institutions.

The outcome was broadly defined for the 2007-2011 programme period ("capacity to plan and implement development policies, including international development cooperation") and sharpened in the 2012-2013 country programme focusing on the regional approach. While the portfolio did not develop adequate outcome indicators, the outputs to a large extent provided benefits towards a reasonable level of effectiveness (law adopted, training of CODEF and national officials, IMPACT EU training, regional knowledge sharing, etc.).

Regarding the Emerging Donor project, effectiveness has been moderate. Several outputs have formed building blocks in the institutionalization of the development cooperation of what is now the MFEA. UNDP's contribution in forming this process of institutionalization and staff capacity enhancement has been acknowledged by the Ministry along with UNDP's support in the seminars that provided a foundation for the establishment of the centre. At the same

40 European Parliament, 'On Enlargement: Policies, Criteria and EU's Strategic Interests (2012/2025-INI); Committee of Foreign Affairs, Rapporteur: Maria Eleni Koppa, 3 April 2012.

time, capacity-building is still needed in the MFEA, particularly in programming, implementation of ODA, management of the project cycle and establishment of better effectiveness and transparency. So while UNDP's contribution is acknowledged, the MFEA is still in the early stages of effectively fulfilling its development cooperation responsibilities.

The new approach towards sharing of experience with neighbouring country participants on EU accession issues provides an important development in the Ministry's achievement of its principles; namely provision of sustainable development, good governance and democracy, rule of law and respect for human rights – all at the same time relevant principles that are fully aligned with EU *acquis* and accession requirements. If applied, effectiveness towards outcome as currently defined could be significant.

4.6.3 EFFICIENCY

The portfolio's overall efficiency was uneven, with a high share of knowledge-sharing events highly appreciated by participants but inadequate tools for performance measurement making other assessments less clear.

Considering that many outputs were met – according to the mid-term review of the country programme from 2009 – during a relatively short CODEF project, efficiency must be considered relatively high. However, there is little quantifiable and quality documentation provided for the EU accession training to the CODEF during 2007-2008 or its subsequent application and use. The Knowledge Sharing project is rated with a relatively high efficiency, based on the fact that 14 major training events were carried out in 2007-2008 and were well received by participants. Trainers were well known international and national experts and events received extensive media coverage, and numerous regional seminars on specific EU accession chapters were organized in 2009-2011 before the organization of the EU advisers project in the first half of 2012.

According to the ROAR 2009, UNDP's contribution to the MFEA's capacity to coordinate ODA resulted in increased performance. The seminars and related activities being initiated during 2011 and followed through in 2012 have been successful and high-level support has been secured in many regional countries, e.g. Montenegro and the former Yugoslav Republic of Macedonia.

UNDP supports the Ministry as part of its regional project on new partnerships. In addition, UNDP allocated regional core resources complemented by funding from the country offices in the region to share EU accession negotiation experience from Croatia. The uptake of these advisory services suggests the potential for high efficiency: 22 missions were conducted in 2012 and received highly positive feedback in anonymous surveys conducted after each activity.

4.6.4 SUSTAINABILITY

Sustainability is difficult to assess due to lack of data regarding the early portfolio activities. Important outputs have been achieved but recent efforts of conducting seminars and supporting the 'centre of excellence' are too premature to measure in terms of sustainability. Looking ahead, however, the latter could help provide significant sustainability to the Ministry's efforts to meet its own internal objectives and EU requirements, but only if performance measurement tools are suitably applied.

The sustainability of the outcome is difficult to assess. Information of the results of the CODEF project activities has been meagre and cannot substantiate in full that these activities have contributed towards improved and sustained use of capacities to plan and implement by central administrators.

UNDP's initial support to the MFAEI provided important building blocks to the Ministry's efforts to establish and operationalize its development cooperation function. It is probably too early to assess the results of the recently initiated

EU seminar series targeting the neighbouring countries administrators in a sustainability context. In order to strengthen the measurement of sustainability, monitoring and evaluation systems should be put in place ensuring that the quality of the seminars and other project activities is high and that content is designed in a way that it can be put into practical *use* in participants' concrete

working conditions. Furthermore, any monitoring and evaluation system would make regular follow-up not only to confirm usability of activities but also to identify new needs and shape tailor-made capacity support accordingly. Delivery of lessons learned and best practices from Croatia should be identified and replicated for supporting a sustained approach for other EU accession countries.

UNDP'S STRATEGIC POSITIONING

This chapter presents an assessment of UNDP's strategic position in the country, by particularly examining UNDP's strategic relevance and responsiveness to meet Croatia's development needs, use of its comparative strengths and partnerships, and its role in facilitating policy dialogue on human development perspectives such as gender equality, human rights and capacity development.

5.1 STRATEGIC RELEVANCE AND RESPONSIVENESS

5.1.1 SOCIAL INCLUSION

The strategic approach was consistent and in line with national policies and overall needs of the target groups. Strong focus in the 2006-2009 period was on the context of EU integration, preparation and implementation of the JIM, and later on on-demand support to implementation of policies. UNDP's support to the functional review of the social care system represents a good basis for the Government to continue with the improvement of the policy implementation.

UNDP's work in the social inclusion portfolio was to a great extent focused on assistance to Croatian national authorities in the development of and follow-up on the implementation of the key elements of the social inclusion policy in the context of Croatian accession into the EU. The activities of the social inclusion portfolio have, in the first two years of programme implementation, had a strong emphasis on the JIM. In the later period – since the JIM had been successfully developed and its implementation framework defined – the programme continued to address

the preparation and implementation of a number of national strategies within the social inclusion field, e.g. deinstitutionalization and transformation of the social care system and strategies and programmes for inclusion of specific target groups, i.e. persons with disabilities, Roma, women victims of gender-based violence, returnees, HIV/AIDS positive and at-risk groups.

In addition to the policy-level work, the portfolio contained a set of projects directly targeting vulnerable groups. While these actions were all very successful in achieving their individual outputs, the integration of their results and models developed into the national system and upscaling of pilot initiatives were constrained by the capacities and resources available to the central and regional governments to apply the models on a broader level. In that respect, as mentioned in section 4.1, a stronger geographical (or potentially thematic) concentration, of the sort being applied for Roma in Međimurje County, might have generated a stronger strategic response.

With limited resources and also following donor policies, the social inclusion portfolio focused mainly on the government sector and improvement of its performance in policy-making and delivery, including ensuring participation of the civil society organizations (CSOs) in the process. However, the deinstitutionalization of social care system (which had been one of the foci of UNDP's action in Croatia) called for capacity-building of CSOs active in the provision of community services. UNDP did not aim at a systematic support to such CSOs, which was an understandable choice considering its limited resources, but also represents a constraint to the effectiveness and sustainability of the programme.

5.1.2 LOCAL DEVELOPMENT

The portfolio focused on areas in Croatia where development indicators were lowest: rural, remote and war-affected regions. While the work undertaken to prepare rural areas for EU accession had broader strategic relevance, dozens of small-scale projects of business and local infrastructure development focused on providing immediate responses to the local needs.

Generally, the strategic relevance of the portfolio was high. The national strategic framework for regional policy had been slow to develop and the National Strategy for Regional Development had been in preparation for a number of years before it was adopted in 2010 and supported by the new Regional Development Act. Therefore, UNDP's local development team prepared its programmes with regard to very general strategic orientation implied in the policy context rather than in the available strategic documents. UNDP chose to organize its activities in response to the needs of the target areas, which it knew well because of its strong local presence, and not on the congruence with the formally defined strategic documents, which had not been available until halfway through the programme period.

The portfolio focused on the areas where development has lagged behind the more-prosperous capital and coastal areas. Because of their relative poverty and significant levels of depopulation (Sisak-Moslavina and Lika-Senj County), their lack of economic opportunities aside from subsistence agriculture, or the legacy of destruction from the recent Homeland War (Vukovar-Srijem County), these areas continue to have specific needs. Furthermore, by focusing on work with the local rather than regional level in the second part of the programme period, UNDP worked to overcome the other potentially negative side effect of the Cohesion Policy – its focus on bigger scale and larger interventions that are often too complex to meet the needs of small communities. As such, UNDP recognized the approach of the EU rural policy LEADER as a useful bottom-up, participatory

tool to assist the communities within the ASSC. The identification of the LEADER approach as an upcoming form of local organization in rural areas proved to be a very relevant strategy of UNDP, as the LEADER approach ultimately entails EU funding.

However, direct support to business and infrastructure at the local level did not always have a clear connection to the national and regional strategies. This was primarily due to such strategies not existing at the time of planning of UNDP's interventions (National Regional Development Strategy) or were not being actively implemented because of lack of funding or capacities, e.g. Regional Operational Programmes at the county level. In planning and implementing its interventions, UNDP was therefore led by the need to deliver support on the ground.

The focus on rural development and local communities in itself represented an appropriate strategic response to the country context, particularly in a context where UNDP's efforts to influence broader policies were ignored. A stronger response may have been achieved if there was more focus on the policy and dialogue.

5.1.3 ENVIRONMENTAL GOVERNANCE

The two major environmental projects have been flexible in providing advice to the Government on short-term issues, while continuing to pursue their longer-term perspective. They have therefore responded in a strategically sound manner within the complex environmental governance context. Both have addressed issues that are of importance to EU accession, but have not been substantially supported with the resources or institutional support available for that process. Furthermore, they have enabled the country to progress in meeting its obligations under international conventions and agreements.

Both of the key activities in the portfolio have enabled UNDP to occupy important 'strategic niches' in key areas of environmental focus for the EU accession process.

The Energy Efficiency project addressed an important national challenge and contributed strongly towards the development of country strategies. It has played a complementary role to that of Government efforts and its outputs are now being incorporated into national strategies and institutions, while also being relevant to EU requirements and to the country's broader commitments under international conventions and protocols.

The project activities started with downstream initiatives in a number of cities, municipalities and counties. These were later scaled up to a national level. The energy monitoring and information systems developed and tested were of countrywide significance and have already been adopted by many central and local government bodies. Project design and activities were regularly revised to take account of new circumstances.

The project has responded effectively to a difficult period in national institutions in its field, during which its partner Ministry changed and the important Fund for Environmental Protection and Energy Efficiency underwent a restructuring. The national financial crisis also affected the project, since few funds are now available for Government retrofitting of buildings in support of energy efficiency. Nevertheless, it has continued to expand its influence and national and local government bodies continue to submit budget proposals for refurbishment of selected priority buildings.

The COAST project has also been strategically placed. It has helped address a sustainable development challenge, which might otherwise have been overlooked by the Government; namely how to promote economic recovery and biodiversity protection in tandem. It has contributed to new thinking and strategies, particularly at the county level and across the entire Dalmatian region, and has also produced a number of guidelines and documents of regional and national value.

The COAST project primarily focused on four counties, but its model of green businesses could

easily be scaled up nationally, particularly as new EU funding streams become available. Resources have been sufficient, given the relatively slow take-up of grants and initial lack of interest in loans. The original conceptual model, focusing on loans, was rapidly modified to focus on grants. The engagement of commercial banks, which has had modest success, could be moved upstream by the banks themselves, possibly with support from the Croatian Bank for Reconstruction and Development (HBOR).

The project has produced expert documents of value in the process of protecting biodiversity against pressures from growing urban development in the country. Its emphasis on rural entrepreneurship may have also played a minor role in discouraging the trend of rural depopulation because of lack of employment opportunities.

Both projects have been flexible in providing advice to the Government on short-term issues, but have continued to pursue their longer-term perspective. They have therefore responded in a strategically sound manner within the complex environmental governance context. Both have addressed issues that are of importance to EU accession, but which have not been substantially supported with the resources available for that process.

5.1.4 BUSINESS COMPETITIVENESS

UNDP's early support towards strengthening the private sector and sustainable businesses was strategically commendable. However, support was not fully followed up and the portfolio has not been a critical driver in addressing strategic development needs of the ASSC and underdeveloped areas of Croatia.

The engagement and devotedness of the private sector to participate in this portfolio was positive and UNDP's early recognition of and support to establish promotion of capacity development in sustainable development for businesses should be commended. More use could have been made of the two indices, but UN engagement in CSR remained visible and constructive. The ongoing

economic crisis discouraged many businesses from undertaking CSR efforts, since it was a continuing challenge to convince executives that CSR is not simply an added cost. An approach UNDP might have considered would have been to target the activities of the business portfolio towards the development needs of the ASSC and underdeveloped areas of Croatia.

5.1.5 JUSTICE AND HUMAN SECURITY

The programme responsiveness has been appropriate both towards national priorities in relation to the EU accession process, and particular beneficiaries' needs.

The portfolio managed to introduce additional initiatives and make slight moderations of those initially envisaged by the country programme on the basis of particular needs and national priorities deriving from EU accession/negotiation process, e.g. capacity-building of the CPO and the Safe Communities project.

The portfolio showed high responsiveness to strategic priorities during a very turbulent period of Croatia's accession to the EU. It has significantly contributed to main benchmarks of negotiation process deriving from Chapter 23, Chapter 24 and Chapter 31 enabling successful closure of negotiations and relative irreversibility of reforms. More importantly, the portfolio has shown a high level of responsiveness to the beneficiaries' needs which has positioned UNDP work as highly valuable in the assistance to national stakeholders and enabled strong and lasting partnerships with line ministries and agencies.

5.1.6 NATIONAL DEVELOPMENT PRIORITIES

UNDP's responsiveness has been appropriate in shifting from an early focus on Croatia's accession to the EU to sharing Croatia's accessing experience with other countries seeking membership.

Responsiveness has been appropriate in that UNDP has addressed both central and local

management skills and application capacities for EU accession. With the completion of Croatia's negotiations, the need for new EU accession countries to benefit from this experience has been taken up by UNDP and a regional 'sharing' approach has been adopted as the main strategy from 2011. Recognizing the lack of skills at regional and local levels to absorb current and future EU funds, UNDP has also responded with targeted capacity-building for a multitude of stakeholders on EU project preparation to ensure that eligibility and criteria are clearly understood and processes mastered. Responsiveness has been appropriate in shifting from an early focus on Croatia's accession to the EU to sharing Croatia's accession experience with other countries seeking membership.

5.2 COMPARATIVE STRENGTH, USE OF NETWORKS AND PARTNERSHIPS

5.2.1 SOCIAL INCLUSION

UNDP is highly regarded for its responsiveness to the needs on the ground, ability to provide expertise on demand, authority to act as a facilitator of participatory decision-making and coordination of different stakeholders. Work with CSOs remained largely on an ad hoc basis and there were few long-term partnerships with CSOs.

The capacity to respond to the needs of the moment in a swift, relevant and timely fashion with good quality technical support is seen as UNDP's key advantage in comparison to other donors or stakeholders in the public policy arena. Also, UNDP's capacity to act as a facilitator of the processes of aligning with international standards in human rights is strong compared to other actors because of the reputation and authority of the UN on human rights. Furthermore, UNDP played a role as a coordinator between different actors in the development and implementation of public policies, often using its 'convening power' to bring the Government and civil society together.

There is limited evidence as to a creation of longer-term partnerships with different stakeholders that are important for the successful implementation of social inclusion policies, in particular deinstitutionalization. The social inclusion team took a selective approach to supporting and creating partnership with the civil society organizations active in community services or policy monitoring and advocating the rights of socially included groups. There are numerous successful individual examples, such as the work with Idem NGO (supporting persons with disabilities), Status M (supporting youth and healthy, non-violent models of masculinity) and the Croatian Union of Physically Disabled Persons Associations, and the Women in the Homeland War Association on wartime sexual violence. Only in respect to HIV/AIDS prevention has UNDP provided systematic capacity and partnership building with the civil society sector in services provision to vulnerable groups.

Cooperation with businesses is notable in regard to promotion of employment of persons with disabilities through the Employer of the Year award, where the Croatian Employers' Association has been involved, but not in other areas. There has been successful takeover of models and networks established by the energy efficiency portfolio by introduction of the mobility charter and mobility of the local governments. Furthermore, the social inclusion portfolio provided significant analytical inputs to the local development portfolio in gathering the geographically segregated data on social exclusion as well as an overview of regionally available alternative social services. However, there is little evidence of the cooperation of local development and social inclusion team in joint development of programme strategies and area-based development focus.

Significant visibility and strength was provided to UNDP's activities in relation to gender-based violence prevention by very strong cooperation with the Office of President Ivo Josipović, who took a very active role in campaigning against gender-based violence and joined the UN Secretary General's Network of Men Leaders campaign, as

well as initiated his own Croatian network, modelled on the Secretary-General's network.

5.2.2 LOCAL DEVELOPMENT

UNDP's great advantage in comparison to all other actors in local development was a combination of expertise and local presence, which allowed it to be efficient in supporting the local needs. Despite efforts to create partnerships with national-level policy makers, UNDP has only started discussions with the Ministry of Regional Development and EU Funds on strategic partnership in less-developed counties at the time of the evaluation.

The greatest strength of UNDP's local development team and portfolio has been a strong and continuous local presence (through its field offices) and understanding of local needs to which responses were organized in a relevant and efficient manner. High levels of local co-financing of UNDP's activities demonstrate that it has been perceived as the significant partner in local development by the towns and municipalities it cooperated with.

UNDP's local development team faced numerous challenges posed by changes of governments and reorganization of sectors in ministries and agencies, but even more so by the lack of interest in cooperation on behalf of part of the national stakeholders for the most part of the portfolio implementation. UNDP made sustained efforts to interest some counterparts in cooperation, including the Ministry of Agriculture, but these have yet to bear fruit. The team, however, made strong partnerships where such interest existed. While choosing a route of action and partnerships that were available at the moment, UNDP again ensured that it would deliver the outputs as planned, even if its own chances for greater and more sustainable effects through a broader networking and partnership building have thus been somewhat limited.

The cooperation with counties showed various levels of strengths and quality. Zadar County is

an example of good practice in which UNDP's strengths – effectiveness and responsiveness to the local needs – helped slowly create a relationship of trust and long-term cooperation.

The portfolio supported regional cooperation in the context of EU integration through various projects, including an effective programme of training on cross-border cooperation jointly organized with UNDP in Bosnia and Herzegovina.

5.2.3 ENVIRONMENTAL GOVERNANCE

Both environmental projects have been innovative and have shown UNDP's ability to assemble high-quality teams using national expertise. They have successfully built partnerships with a broad range of national bodies to help develop the projects and share their results. The Energy Efficiency project, in particular, has also established itself as a leader in regional professional and governmental networks in the field and its approaches and experience are in high demand internationally. The COAST project has produced a number of high-quality technical documents, which are in use by government and other national agencies in the field.

The Energy Efficiency project was largely nationally conceived and designed and is said to be ahead of most other countries in Eastern Europe and of many in Western Europe. It does not appear that it sought or used advice from broader UNDP networks during its design or implementation. The COAST project relied on extensive initial research at the regional and national levels, to establish key areas of biodiversity challenges, before developing its support programme for entrepreneurs. Here also, it does not appear that it sought substantial support from external UNDP networks during its design or implementation.

There is no UN Development Assistance Framework in Croatia and no other resident partner agencies of direct relevance to the environmental activities. It is possible that there are areas of common interest between the COAST project

and a number of GEF-supported regional projects, notably in the area of marine and coastal biodiversity, but there is no evidence of systematic attempts to collaborate.

Croatia has focused on East-East collaboration, mainly in terms of sharing its own experiences in energy efficiency with countries in the Western Balkan and RBEC regions, which are seen to be less advanced in the area of energy efficiency. Most technological exchange has been in partnership with a network of more than 20 private-sector energy companies.

5.2.4 BUSINESS COMPETITIVENESS

Overall, networking and collaboration with the private sector has been good.

The UNDP Stakeholder Survey from 2009 only included three private-sector stakeholders and, as such, does not provide statistical validity for any assessment of networking or partnership building. Combined with fieldwork and interviews, some indications of UNDP's ability to establish contacts and maintain an effective network with the private sector can, however, be traced. The close collaboration with the Chamber of Commerce, the Croatian Business Council, the Employers' Association of Croatia and other business-related stakeholders as well as university and foreign expertise from the initiation of the CSR project in 2004, have been effective and mutually beneficial. The use of the Global Compact platform for the CSR Index strengthened the visibility of UNDP's engagement and dedication to sustainable development in business. Also, the realization of the second Regional Competitiveness Index in 2011 was a sign that the collaboration between the business community and UNDP was kept intact during the programme period.

5.2.5 JUSTICE AND HUMAN SECURITY

The use of comparative strength, partnerships and networks is considered moderate. Although the portfolio developed strong partnerships

with line ministries and agencies, in some areas of intervention, cooperation could have been better with civil society organizations and other UN agencies.

The success of the majority of portfolio interventions has been based on strong partnerships with national stakeholders, primarily the Ministry of Interior, Ministry of Defence and Ministry of Justice. The portfolio has also used regional UNDP resources for multiplication of outputs and methods to other countries in the region, e.g. promotion of the WVS project. UNDP has also provided significant support to the Ministry of Interior in implementation of courses initially for police officers from Croatia participating in UN peacekeeping missions, but in last few years for police officers from neighbouring countries thus contributing to regional cooperation in police matters. Memorandums of understanding have been developed between UNDP and the ministries and are used as a good cooperation model of UNDP. Less attention was given to the establishment of sustainable partnerships with civil society organizations dealing with human rights, access to justice and security issues. Also, inter-agency cooperation has been limited, particularly in relation to UNHCR, where overlapping issues were observed. The two agencies tended to work in parallel, though pursuing different mandates, in many of the same areas.

5.3 PROMOTION OF UNITED NATIONS VALUES

All portfolios have addressed key UN values. These include targeting and involving vulnerable and disadvantaged groups in activities, addressing human rights and equality issues, supporting women entrepreneurs and green businesses. Capacity-building has stood strong but its impact is difficult to assess. Cross-portfolio activities have been observed but applied inconsistently. Mainstreaming policies related to the justice and human security sector has been successful. The concept of gender equality has been advocated, but its integration into the programme portfolios appears limited.

The social inclusion portfolio has, by definition, promoted the key UN values in regard to human rights and it has successfully and visibly been promoting the rights of women, persons with disabilities, Roma, children and other socially excluded groups. The portfolio has also worked on gender disaggregated data collection and support to vulnerable groups of women (e.g. elderly and women with disabilities) and HIV/AIDS activities have included training of uniformed staff on discrimination based on gender discourse. Recently, the social inclusion portfolio has focused on advocacy and inclusion of men into prevention and reduction of gender-based violence. Future activities will include work with women and men victims of war-related sexual violence.

While the local development portfolio did support projects aimed at women entrepreneurs and other socially excluded groups, there has been little evidence of a systematic approach to gender mainstreaming. Some gender-equality efforts have been pursued, e.g. by improving social services, especially for children and the elderly, and removing obstacles for women's more active role in social and business life in rural areas. Also, the portfolio has tried to actively raise awareness of the problems women face in rural areas by co-organizing two conferences. Sustainable development has been systematically supported in the part of the programme aimed towards the green businesses.

In the environmental governance portfolio, obligations to biodiversity and climate-change agreements and conventions are referred to and, specifically, many institutions that have been participating in the Energy Efficiency project recorded reductions in greenhouse gas emissions. Gender equality does not appear to have been a strong focus of the portfolio, although efforts have been made to encourage female entrepreneurs to participate in the COAST project. Since the portfolio was designed as GEF-funded programmes, they do not have a major focus on social equity and it is considered unlikely that commercial banks will favour applications for entrepreneurial loans from the

vulnerable and disadvantaged. Energy efficiency would have social equity implications if it were widely extended into social housing, but this has not occurred.

Within the context of the business competitiveness portfolio, human development aspects have been at the core in one of the main outputs of the portfolio, namely the CSR Index. The index comprised nearly all aspects that relate to strong corporate governance concerns, e.g. human rights, equality, transparency, anti-corruption, based on the 10 principles upon which the Global Compact is built. The Global Compact Local Network for Croatia comprised 57 members in November 2012.⁴¹ Neither the Regional Competitiveness Index nor the public-private partnership activities involve specifically equality or gender-sensitive elements. The latter, however, address environmental concerns and sustainable business development and education while the former, the index, is an important tool in addressing a balanced and informed basis for challenging regional inequality and disparity. It does not, however, address gender aspects, such as women entrepreneurship.

The justice and human security portfolio has partially promoted the respect for human rights and compliance with international human rights standards mainstreamed through the CPO project and the WVS project. The latter project has also provided access to justice for vulnerable groups and partial gender mainstreaming where women victims are the major beneficiaries and WVS office staff provide information to vulnerable female victims about possibilities of additional treatment and counselling in non-governmental organizations dealing with domestic violence. It has introduced human-security approach through establishment of community crime prevention councils and safe-community plans which have tackled security threats detected by main community stakeholders. This includes prevention of gender-based violence and children

and youth violence through awareness-raising campaigns. Campaign activities were designed to promote a culture of non-violence, non-discrimination and tolerance; strengthen positive attitudes and values; and encourage a sense of cooperation and collective involvement among all actors in society in building “a community that cares”. The strong regional approach is the main value characterizing the national development priority portfolio.

Capacity-building is critical for enhancing skills and knowledge in promoting progress and improvement in the development field. It also constitutes much of UNDP support in country programmes, including that of Croatia, addressing different levels of the society (e.g. from high-level conferences to small local training events). One main issue is that the impact of capacity-building has not been measured, primarily because no system exists that assesses behavioural changes and learning.

Cross-portfolio activities have been applied in some programmes. For example, the social inclusion portfolio drew on the work of other portfolios, in particular the Energy Efficiency project. The social inclusion portfolio also shared its analytical base and data gathered through the preparation of the National Human Development Report with the local development portfolio. Local partnerships were established in areas where field offices operated, contributing to the implementation of the social inclusion portfolio activities, e.g. the establishment of disabilities charter. The cross-fertilization of the efforts was limited, however, since activities in local development and social inclusion were not conducted jointly in a pilot area in a focused manner. Also, social inclusion did not develop its regionally and locally based activities in Petrinja and Zadar, missing the opportunity to utilize the UNDP local presence in those areas. The evaluation, however, acknowledges that having a stronger programmatic focus in advance would have been

41 <unglobalcompact.undp.hr/show.jsp?page=110286> (accessed 16 November 2012)

difficult, since donor interests and local partner priorities would also have had to be met.

According to the Country Office, UNDP enhanced its efforts towards gender equality in the later years of the programme, particularly in UN-wide advocacy efforts that followed the appointment of the country's first UN Resident Coordinator in 2010. Gender equality was the chosen shared priority for UN agencies in Croatia, and numerous high-level advocacy events (organized in most cases relying on the UNDP

social inclusion team) focused on themes directly relevant to gender equality.⁴² Spearheaded by UNDP, the UN agencies also prepared a joint programme to fight domestic violence which was submitted for funding early in 2011. These efforts were combined with internal awareness raising, including a mandatory gender-sensitivity training for all UNDP staff in connection with International Women's Day in 2012. Gender equality was thus a constant focus for UNDP during the later years, even if not mainstreamed into all activities.

42 For example, the themes including: the threat of domestic violence and how to combat it; the need for greater representation of women in political and economic life; the prospects for rural women entrepreneurs; and the pay gap between men and women in Croatia. Many of these events were co-organized with the President.

Chapter 6

CONCLUSIONS AND RECOMMENDATIONS

This chapter presents key conclusions and recommendations based on the findings presented in the previous chapters. The conclusions should be seen as mutually reinforcing and conveying key UNDP strengths and challenges. Croatia is now in a transitional phase, given that the country becomes a member of EU as of July 2013 and the current UNDP country programme concludes at the end of December 2013. The recommendations below highlight areas in which UNDP could strengthen its strategic decision-making and operational modalities.

6.1 CONCLUSIONS

Conclusion 1. UNDP's relevance and efficiency over the programme period provide a foundation for continued work in Croatia. While effectiveness and sustainability have varied, sturdy building blocks have been put in place for the remaining programme period. UNDP has positioned itself well in the country, with some weaknesses in national policy impact, measurement of capacity-building performance and gender mainstreaming.

Overall, the programme has been aligned with both Government national priorities and strategies and EU accession criteria and requirements. The needs of target groups and priorities have been generally met addressing well the relevance of the programme.

The effectiveness of the programme varied across portfolios. For example, the environment and justice and human security portfolios have substantially achieved their objectives, while the local development and business competitiveness portfolios have done so to a lesser degree.

Programme financial targets have been met and outputs delivered. The programme sustainability varied and was addressed well in case of the justice and human security portfolio and less well in case of the social inclusion and local development portfolios. High institutional sustainability and policy impact have been achieved where strong Government endorsement of and engagement in projects activities existed. Financial sustainability has improved through an emerging and stronger cost-sharing at the national but mainly at the local government level. Extensive capacity-building efforts have been undertaken, but their impact has not been effectively measured. The programme needs a focused transition strategy.

UNDP has addressed local needs in an effective manner in many parts of the ASSC, and it has applied a balanced approach targeting both policy and local levels of the society. Partnership, networking and coordination have overall been successfully applied in the programme, while ownership among some Government institutions has been limited. Emerging cross-regional activities (East-East cooperation) has been strong.

Regarding the promotion of UN values, human development issues are at the core of all programme portfolios, targeting human rights, vulnerable and disadvantaged groups, CSR, regional disparities and environmental concerns. Gender mainstreaming into the programming has been limited, although UNDP has engaged in various advocacy activities on gender equality.

The momentum behind cross-sectoral activities grew towards the end of the programme period, as UNDP sought to devise practical examples to address economic growth, social equity and

environmental protection. One good example was the establishment of the Zadar County Solar Education Centre in 2011, which informed citizens about solar energy and trained Zadar residents – many of them unemployed – to become certified assemblers and installers of solar technology. The centre tackled the issue of social exclusion by installing, as a demonstration project, a solar power system to restore electricity to a remote mountain village inhabited by ethnic Serb returnees.

Conclusion 2. The social inclusion portfolio has played a significant role in the development of informed and participatory approaches to strategic planning and a systematic approach to monitoring the implementation of social inclusion policies in Croatia.

The social inclusion portfolio has been relevant for the development and implementation of national policies of social inclusion, and integrated in the process of EU accession. The focus of the portfolio on the provision of an analytical basis for strategic planning and tools for implementation, monitoring and evaluation of policies appropriately reflected UNDP's capacities and strengths. The effectiveness of the portfolio has been highly dependent on actions and commitment of other stakeholders, since UNDP has the resources to support only a relatively small proportion of the very broad set of activities needed in social inclusion policy reforms. The sustainability of UNDP's actions in the social inclusion sector has been dependent on the capacities and commitment of national stakeholders.

Conclusion 3. The local development portfolio has successfully responded to the urgent needs of less-developed areas. UNDP's overall effects on the development of a long-term strategy and capacity-building were more evident during the second half of the programme, when support to preparing rural areas for EU accession became the focus of the portfolio.

The local development portfolio had, especially in the first half of the programme period, aimed

at responding to urgent post-conflict recovery needs on the ground in the ASSC. For this, the programme is, among all the stakeholders, recognized as much needed, highly relevant and efficient. The efficiency in the delivery of the outputs, especially those concerning direct support, is recognized as the most notable positive characteristic of UNDP by all of the stakeholders. The local presence and good quality of local staff contributed significantly to such a perception.

However, the short-term responsiveness and emphasis on direct support to beneficiaries were not matched at the national level. This was in part due to the lack of a clear Government strategy for rural development that UNDP could have supported, and it was also a programmatic choice to devote funding to local initiatives. The numerous activities undertaken by UNDP in the ASSC improved people's lives in the communities affected, but did not yield measurable improvement in the ambitious indicators chosen for the outcome (socio-economic recovery in the ASSC and underdeveloped regions in the country). A stronger and more sustainable focus on capacity-building at the regional and national level was developed in the second part of the implementation period, aiming at the preparation of rural areas for EU accession. Geographical concentration of a number of different activities from the local development and other portfolios can bring clear benefits, as shown in Zadar County, where the involvement of the county institutions in the programme ensured multiplier effects and sustainability for the portfolio.

Conclusion 4. The environmental governance portfolio has provided valuable and effective support to the Government and other partners to address important issues in the fields of biodiversity and climate change.

UNDP support has played an important role in enabling the Government to address energy efficiency issues and related climate-change mitigation targets. The portfolio is well known and has proved influential at all levels of government, including through assistance in policy

development. It has scaled up from a relatively small-scale pilot in one city to cover the whole country. Concerning the greening of development processes and support to biodiversity protection, the COAST programme made strong progress with processes involving four county administrations and has catalysed interest among entrepreneurs and the private banking sector. A number of its high-quality documents on aspects of biodiversity are widely circulated. Smaller activities of the portfolio have also made useful contributions in such fields as low carbon development and adaptation to climate change. A number of partnerships for the period after 2013 (including a major GEF project) have already been agreed.

Conclusion 5. While the business competitiveness portfolio provided moderate effectiveness and sustainability, the Corporate Social Responsibility Index it created, along with the Regional Competitiveness Index, provided important tools towards measuring development progress and meeting outcomes.

The CSR and the Regional Competitiveness Indices have both proven to be important and high-quality tools in the development of sustainable businesses as well as for identifying and addressing regional disparities. However, the use of the indices among relevant national, regional and international stakeholders appeared to be limited.

Conclusion 6. The justice and human security portfolio has made a substantial contribution to the creation of national capacities in fulfilling Croatia's obligations deriving from the negotiation process with EU in Chapters 23, 24 and 31. It has also addressed national priorities in the post-conflict transition (e.g. disarmament, control over legal and illicit weapons, community policing etc.) and the EU accession process in areas of judiciary, fundamental rights and security.

The portfolio has produced tangible and significant results and proved highly relevant for

the Croatian political context (as a post-conflict and EU pre-accession country). The portfolio has been efficient, and has adjusted its strategic approach and methodology to the scarce funding situation through strong partnerships and by securing local ownership of project results. The portfolio has embedded strong institutional and financial sustainability as well as policy/regulatory impact.

Conclusion 7. The change of focus from a nationally oriented capacity development in the early programme period to a more regional-based knowledge-sharing focus in the later programme was appropriate for the national development priorities portfolio – and in compliance with UNDP's regional policies, national needs and needs of neighbouring countries.

While the overall relevance and efficiency of the national development priorities portfolio are considered well addressed, portfolio effectiveness and sustainability showed room for improvements. By emphasizing and continuing the current focus on regional knowledge sharing, strong building blocks are likely to emerge and consolidate. In this process, impact and sustained results of the portfolio activities and outputs can be achieved if: (i) the needs of neighbouring countries in EU accession are constantly reviewed and considered, and (ii) support to capacity-building activities is effectively provided and its usefulness properly measured.

6.2 RECOMMENDATIONS

Recommendation 1. UNDP should prepare for transitioning its development activities in Croatia during 2013.

UNDP should prepare a clear transitional strategy, as the current country programme is due to terminate by the end of 2013. There will be no new country programme per se following Croatia's EU membership in 2013, although the Government is expected to request that UNDP activities, such as the large-scale four-year GEF project for protected areas, continue on the

basis of a local project office. Suitable and well-prepared hand-overs and termination of projects and activities should be arranged and carried out over the period January-December 2013, and the office structure and staffing revised so that it can afford to function without UNDP core funding.

Recommendation 2. UNDP activities in Croatia beyond 2013 should continue only in areas where Government, central, local or regional, or other relevant partners: (i) demonstrate their strong endorsement and active engagement for sustainable results through institutional and/or financial commitments; and (ii) request UNDP's technical assistance to carry out agreed activities within a time-bound framework. East-East knowledge sharing and supporting absorption capacity for EU funds should be a priority.

While a transitional strategy unfolds during 2013, UNDP's presence in Croatia should continue beyond 2013 in areas where national counterparts – Government, central, local or regional, or other relevant partners – provide a strong endorsement and active engagement for sustainable results through institutional and/or financial commitments, and if they request technical assistance from UNDP to carry out agreed activities within a time-bound framework and with a clear exit strategy. As in other EU Member States where UNDP has continued its work after membership, project activities will rely on the legal foundation of the Standard Basic Assistance Agreement.

UNDP's continuous presence in Croatia is particularly justifiable in two respects: support for improving the absorption capacity for EU funds, particularly in the less-developed areas, and support to East-East cooperation, in sharing Croatia's experience and lessons learned with countries facing similar challenges. Support to absorption capacity will provide transitional assistance to national and local authorities as they seek to seize the funding opportunities opened by EU membership.

At the same time, UNDP's increasing focus on and Croatia's interest in regional knowledge-sharing activities provide for a good partnership in East-East activities. The basis for this collaboration comes from UNDP's experience in the later years of the programme when it began to provide systematic support to other EU candidates and potential candidates in their accession efforts. In its efforts to provide regional support, UNDP should work to complement rather than compete with national development actors.

Recommendation 3. UNDP should strengthen its capacity to effectively apply performance monitoring and results-based frameworks, and, when embarking on new projects, encourage Croatian partners to embrace robust performance monitoring and results-based frameworks.

Performance monitoring and result-based management skills of UNDP and Government staff at programme and project levels need to be improved, which will contribute to ensuring better overall accountability, making better use of resources and enable for more effective measurement of results/outcomes. In strengthening these skills, UNDP and the Government will meet the requirements of the important international aid effectiveness principles and goals of the Paris Declaration, which emphasizes ownership, harmonization, alignment, management for results and mutual accountability. It will also strengthen partner institutions' ability to perform better their development activities.

Recommendation 4. Following this ADR, UNDP should undertake an analysis of its capacity-building strategy for the country programme, with a view to strengthening its portfolio outputs and outcomes for the remainder of the programme period.

UNDP should identify its strengths that can be further leveraged, as well as its weaknesses that should be rectified for strengthening its strategic positioning in its development support. Particularly, efforts should be made to improve

the measurement of capacity-building performance. Strengthening this will contribute to supporting programme efficiency, effectiveness and sustainability. The analysis may also reveal other potential concerns that need to be addressed. At the same time, it is crucial that priorities are identified as part of the analysis, in order to ensure a smooth country programme transition.

Recommendation 5. With regard to the social inclusion portfolio, UNDP should increase the sustainability of its activities by focusing on the strengthening of capacity-building among national institutions for the implementation of planned reforms in social policies.

UNDP has been very successful in supporting the development of national social inclusion policies by providing the analytical foundation for policy development (as in preparation of the Functional Review of the social care system) and supporting a participatory approach to policy planning; both in the context of, and according to, the requirements of the EU accession process. The long-term effects of the social inclusion portfolio can be further improved if its focus is placed on building the capacity of the beneficiary institutions for maintenance of programme outputs and continuation of social policy reforms after accession. Within the context of a transitional strategy, lessons learned and priorities must be identified, taking into account the available resources and clear goals to be achieved.

Recommendation 6. UNDP should promote the work done so far in war-affected and less-developed areas under the local development portfolio, and focus further on advocating at the central political level for the need to prepare those areas to make use of the challenges and opportunities that await after EU accession through, for example, case studies, absorption capacity analysis, and public debates.

The local development portfolio has, by focusing on the gaps of national and regional institutions' approach to local development, pointed out the key blind spots of such an approach, stemming

from the focus of the national policies on application of EU Cohesion Policy models onto the local development in Croatia. These blind spots are created because the focus of the EU regional policy is on larger scale territorial units, which does not allow for sufficient targeting of specific development needs within such broad areas. In particular, this refers to the specific needs of the ASSC, whose stage of development and lingering effects of the war make the regional competitiveness approach somewhat too advanced for their specific needs, where basic infrastructure and improvement of social services might in some cases represent a more needed form of assistance. Furthermore, while significant capacities for strategic planning and project development now exist at the regional/county level, as well as at the local level (towns and municipalities), there is still a lack of such capacities among small and economically disadvantaged rural municipalities.

Recommendation 7. UNDP should find a way to promote the model of long-term local support in the area of local development by its field offices that have been successfully developed during the programme and encourage the Government to treat the model as a pilot for areas where local needs for support are specific.

In relation to the excellent local presence of UNDP and its strategic value, UNDP should promote the model of long-term local support it has developed. It should encourage the Government to treat the model as a pilot for the national level and areas where local needs are specific. The local presence and role that the field offices have in this respect – as motors and ongoing technical support to local development and EU funds absorption at the local level – represent a good practice that deserves recognition that would be of benefit to other regions in Croatia. Within the context of UNDP's programme transition, lessons learned and priorities of activities should be identified to ensure the best possible impact during and after 2013.

Recommendation 8. The environmental governance and climate change team should build

upon its current portfolio, by taking appropriate measures to help ensure the sustainability of its results.

UNDP is the designated implementing agency for a four-year GEF-supported biodiversity project, which starts in 2013. This gives the 'green team' the opportunity to ensure an orderly 'transition strategy', which can provide a strong platform for sustainable results. Both of its major projects, supporting energy efficiency nationally and biodiversity-friendly development of the Dalmatian region, have provided a foundation upon which follow-up UNDP-supported activities can build within this four-year time-frame. Recommended measures are: (i) continue support services in field of energy efficiency under current agreements and conclude discussions with Government stakeholders concerning their mainstreaming; (ii) finalize arrangements with Government stakeholders concerning mainstreaming of key support activities in the field of Green Business Development; (iii) prepare a management structure and institutional location for the future (GEF 5) Biodiversity Protected Area support programme; and (iv) continue development of potential activities currently in its 'soft pipeline', which can be implemented in parallel with those mentioned above.

Recommendation 9. The Corporate Social Responsibility Index and Regional Competitiveness Index produced as outputs in the country programme should be made continuous use of and promoted across portfolio activities and beyond.

The Corporate Social Responsibility Index and Regional Competitiveness Index produced as outputs in the country programme should form a critical tool for the promotion of strategic approaches and improved performance of portfolio activities in the remaining programme period and beyond, especially for the local development but also for the social inclusion and environmental governance portfolios. UNDP should publicize these tools more widely and encourage business and Government counterparts to

incorporate them into their standard toolkits for policy and strategy.

Recommendation 10. The justice and human security portfolio should focus on ensuring the sustainability and 'irreversibility' of finalized reforms and those in progress. This should be done through: (i) further capacity-building of key national stakeholder institutions; (ii) strengthening of the partnerships with and transfer of UNDP legacy to civil society organizations active in this sector; and (iii) by involving national partners in the dissemination of good practices to other countries in the region.

The impact of the portfolios' projects has been recognized and welcomed by national stakeholders. However, the processes initiated through the projects are still fragile and need additional support and incentive in order to be fully integrated into respective institutions. This is especially needed in the context of Croatia accession to EU, where conditionality on behalf of EU and international community will disappear, and the reforms will be prioritized and implemented solely on the basis of national political agenda setting. Experiences from other new Member States have shown that reform progress sometimes slows or halts after accession. The continuation of the reforms and the sustainability of results achieved should be additionally supported by transferring UNDP legacy to key national institutions, but also to civil society organizations which are active advocates and monitors of the reforms.

The identification, analysis and promotion of good practices at the regional level in cooperation with national stakeholders (e.g. by supporting the 'centre of excellence' that has been established by the Ministry of Foreign and European Affairs) should focus on the transfer of experiences relevant to satisfying the requirements of Chapters 23 and 24 and other key areas of European integration. These are now of interest not only to Macedonia, Montenegro and Serbia, but also to other South East European countries with a less immediate prospect of opening accession negotiations.

Finally, UNDP should continue to support the Police Training Centre in Valbadon in broadening its scope of services for regional stakeholders and the establishment of a regional training for trainers facility.

The portfolio team should identify what lessons have been learned and analyse the areas of activities that should be prioritized within the context of the planned transition of UNDP by the end of 2013.

Recommendation 11. Continued support should be provided to the fledgling ‘centre of excellence’ established by the Ministry of Foreign and European Affairs as well as to other Croatian institutions seeking to share best practices.

The ‘centre of excellence’ is an institutionalization of EU integration support within the Ministry of Foreign and European Affairs, targeting EU candidate countries in the Western Balkan region and other countries on other topics around the world. One of its aims is to strengthen the countries’ preparedness for EU membership. UNDP has already actively been involved in supporting these efforts. Work with the ‘centre of excellence’ should aim to strengthen Croatia’s ODA commitments, as an EU member state, and at the same time, provide additional capacity development support. Priority should be given to the regional knowledge sharing on EU integration, which should continue beyond 2013 if the conditionalities outlined in Recommendation 2 are met.

TERMS OF REFERENCE

1. INTRODUCTION

The Independent Evaluation Office of the United Nations Development Programme (UNDP) conducts independent country evaluations, entitled 'Assessments of Development Results' (ADRs), to capture and demonstrate evaluative evidence of UNDP's contributions to development results at the country level, as well as the effectiveness of UNDP's strategy in facilitating and leveraging national effort for achieving development results. The ADRs are carried out within the overall provisions contained in the UNDP Evaluation Policy.⁴³ The purpose of an ADR is to:

- Provide substantive support to the Administrator's accountability function in reporting to the Executive Board;
- Support greater UNDP accountability to national stakeholders and partners in the programme country;
- Serve as a means of quality assurance for UNDP interventions at the country level; and
- Contribute to learning at corporate, regional and country levels.

The ADR for Croatia will be conducted in 2012 in collaboration with the UNDP Country Office, the Regional Bureau for Europe and the CIS (RBEC) and the Government of Croatia. The ADR will focus on the current country programme cycles (2007-2011, extended to 2013). Given that Croatia will join the European Union (EU) in 2013, results of the ADR are expected to contribute to stocktaking lessons learned from

the programme operations and provide an input to strategic discussions on UNDP operations in Croatia after its EU integration.

2. BACKGROUND

DEVELOPMENT CHALLENGES

Croatia, officially the Republic of Croatia, declared independence from the Socialist Federal Republic of Yugoslavia on 25 June 1991 and joined the United Nations in May 1992. However, a war that followed its declaration of independence – between 1991 and 1995 – left the country with heavy loss of life, displaced persons, significant damage to infrastructure, and severe disruptions to the socio-economic lives of its population. With a population of 4.4 million, today the country enjoys comparably a high level of human development in the region: The Human Development Index (HDI) of Croatia is 0.796, which gives the country a rank of 46 out of 187 countries.⁴⁴ Croatia applied for EU accession in 2003 and officially signed the Accession Treaty on 9 December 2011. The country is on its way to full membership of the EU as of 1 July 2013. While EU integration represents an opportunity for development, the country has continued to face development challenges along with those inherent in meeting the EU legislation (*acquis communautaire*) across various chapters. These challenges include weak macroeconomic conditions, high unemployment and cumbersome business environment, sustained poverty, social exclusion of the vulnerable groups in the society, and development challenges in the area heavily damaged during the 1991-1995 war, designated as the Area of Special State Concern

43 UNDP Evaluation Policy, <www.undp.org/evaluation/policy.htm>.

44 UNDP Human Development Report (HDR) 2011, Country Profile - Croatia. The HDI of Europe and Central Asia as a region increased from 0.644 in 1980 to 0.751 today, placing Croatia above the regional average.

(ASSC).⁴⁵ Since its first release of the report on the Millennium Development Goals (MDGs) in 2004, Croatia has closely monitored the progress of its eight national goals and thirty-one targets that have been identified for the country based on the country's specific circumstances and development conditions.⁴⁶

NATIONAL STRATEGIES

Croatia's strategy for development is contained in the Strategic Development Framework 2006-2013.⁴⁷ The essential starting point of the Framework is described as economic openness, competitiveness and the need to change the traditional role of the State and to include all layers of society in the results of economic growth and development, drawing not only the government sector but also the entrepreneurs, the enterprises and the private sector. The document identifies 10 strategic areas of focus for Croatia, with a set of specific instruments and actions, in order to realize "prosperity for Croatia in a competitive market economy within the framework of a welfare state adjusted to the conditions for the 21st century": i) people and knowledge; ii) science, technology and ICT; iii) social cohesion and social justice; iv) transport and energy; v) space, nature, environment and regional development; vi) macro-economic stability and economic openness; vii) finance and capital; viii) the entrepreneurial climate; ix) privatization and restructuring; and x) the new role of the State.

UNDP'S RESPONSE AND STRATEGIES

UNDP has been present in Croatia since 1996, when the first liaison office was established

immediately following the war. UNDP Croatia became a full-fledged Country Office with a Resident Representative in 2001. The current Resident Representative (since 2010) is the first to assume the post of UN Resident Coordinator. The Country Office is composed of 95 staff members and recorded a programme delivery of approximately \$9.5 million in 2011.⁴⁸

The UNDP Country Programme Document (CPD) and Country Programme Action Plan (CPAP) are designed to be consistent with the country's Strategic Development Framework 2006-2013. The CPAP, initially prepared for the period 2007-2011, has now been extended by two years, and the new document for the period 2012-2013 is due to be approved by the Government shortly.⁴⁹ The focus of the CPAP for the two periods, 2007-2011 and 2012-2013, are very similar but the new CPAP reflects the UNDP Country Office's dual priorities, i.e. concluding the ongoing development projects with an emphasis on supporting the preparation for EU accession, and sharing Croatia's experience with other South East European countries. The focus areas, programme components and expected outcomes as defined in the two CPAPs are as follows:

CPAP 2007-2011: The document addresses six strategic national development goals: i) reducing social exclusion and aligning social policies with European standards and ratified UN and other international conventions, as well as conferences; ii) regional development, with an emphasis on absorption capacity and socio-economic recovery in the ASSC; iii) the promotion of biological and landscape diversity conservation and energy

45 Country Programme Action Plan, the Government of the Republic of Croatia and UNDP, 2007-2011.

46 Government of the Republic of Croatia, 'Overview of Achievements of the Republic of Croatia in the Fulfillment of Millennium Development Goals During the Period from 2006 to 2010', Ministry of Foreign Affairs and European Integration, Zagreb, September 2010.

47 Government of the Republic of Croatia, 'Strategic Development Framework for 2006-2013', Martina Dalić (editor), Central Office for Development Strategy and Coordination of EU Funds, Zagreb, 2006.

48 UNDP, 'Briefing Note on Croatia', Regional Bureau for Europe and the Commonwealth of Independent States, New York, 19 January 2011.

49 At the time of this writing, March 2012, the final draft CPAP 2012-2013 has been reviewed by the new Government after its recent election.

efficiency; iv) measures to improve the competitiveness of the business environment; v) measures to contribute to justice reform and human security; and vi) measures to improve national capacities for strategic planning, absorption of development funds and performing emerging donor role.

The six corresponding UNDP programme components and expected outcomes for the period are given in the CPAP results framework as follows:⁵⁰

- i. Social Inclusion
 - The Joint Inclusion Memorandum (JIM) and future social policies are developed with broad participation and target vulnerable social groups.
- ii. Regional Development
 - Socio-economic recovery in Areas of Special State Concern and under-developed regions of Croatia.
- iii. Environmental Governance
 - Institutional barriers that prevent the use of energy efficiency technologies and practices in the residential and service sectors are reduced.
- iv. Business Competitiveness
 - The private sector is tangibly involved in sustainable development.
- v. Transitional Justice and Human Rights
 - Increased level of human and state security.
- vi. Support to National Development Priorities
 - Government and other central-level national institutions in Croatia improve their capacity to plan, develop and implement development policies and measures, internally and as part of international development cooperation.

CPAP 2012-2013: The new CPAP addresses five national development goals: i) reducing social exclusion and aligning social policies with European standards and ratified UN and other international conventions, as well as conferences; ii) regional development, with an emphasis on absorption capacity and socio-economic recovery in the ASSC; iii) environmental governance and climate change; iv) justice and human security; and v) development cooperation and knowledge sharing on European integration. The corresponding five programme components and their expected outcomes are as follows:⁵¹

- i. Social Inclusion
 - The JIM and future social policies are developed with broad participation and target vulnerable social groups.
- ii. Sustainable Local Development and Regional Disparities
 - Socio-economic recovery in ASSC and under-developed regions of Croatia.
- iii. Environmental Governance and Climate Change
 - Institutional barriers that prevent the use of energy-efficient and renewable-energy technologies and practices in the residential and public-service sectors are reduced, thereby reducing greenhouse gas emissions and promoting low-carbon development models.
 - Support 'green' models for small business on the Dalmatian coast and encourage investment decisions and business practices that protect the environment and biodiversity.
- iv. Justice and Human Security
 - Increased level of human and state security.

50 CPAP 2007-2011, Annex 1, Results and Resources Framework

51 CPAP 2012-2013, Annex 1, Results and Resources Framework.

- v. Development Cooperation and Knowledge Sharing on European Integration
 - Improved capacity of Croatia's institutions to provide international development.

3. OBJECTIVES, SCOPE AND METHODOLOGY

The objectives of an ADR are to: i) provide an independent assessment of the progress made towards achieving the expected outcomes envisaged in the UNDP country programme document; ii) provide an analysis of how UNDP has positioned itself to respond to national needs; and iii) present key findings and lessons learned, as well as a set of forward-looking recommendations useful for Country Office management and the Regional Bureau in their efforts for improving the country programme operations. For Croatia, the objective of the ADR is also to inform the Bureau in terms of the UNDP Agenda for Organizational Change, particularly the development of new business models for operating in the middle-income countries.⁵²

The key evaluation questions are:

- Whether UNDP has played a relevant role in assisting the country address its development challenges based on the comparative strength that UNDP brings to the country;
- Whether UNDP rendered such assistance in an effective, efficient and sustainable manner, and to what extent UNDP's assistance yielded development results; and
- Whether UNDP has responded appropriately to the evolving country situation and government goals by transforming its role and approaches.

The ADR for Croatia will examine UNDP's programmatic activities of the current country programme cycles, i.e. 2007-2011/2013. Given Croatia's EU accession as of July 2013, it is not

expected that a new full-fledged UNDP CPD/CPAP will be prepared after the completion of the current programme cycle. In light of this fact, the ADR Croatia will particularly focus on: i) taking stock of best practices and lessons learned from the country programme, with a view to widely sharing them with other neighbouring countries in the region, particularly those aspiring for EU accession; and ii) exploring some possible ways forward for the UNDP Country Office as it transitions itself.

The overall methodology will be consistent with the 'ADR Method Manual' and the 'ADR Guidelines'.⁵³ The evaluation will assess key results, specifically outcomes – anticipated and unanticipated, positive and negative, intentional and unintentional. UNDP assistance funded from both core and non-core resources will be addressed. The evaluation has two main components: (1) the analysis of the UNDP's contribution to development results through its thematic/programmatic areas; and (2) the strategic positioning of UNDP. For each component, the ADR will present its findings and assessment according to the set criteria provided below, as defined in the 'ADR Method Manual':

(1) UNDP's contribution to development results through thematic/programmatic areas

Analysis will be made on the contribution of UNDP to development results in Croatia through its programme activities. The analysis will be presented by thematic and programme area and according to the following criteria:

- Relevance of UNDP projects, outputs and outcomes;
- Effectiveness of UNDP interventions in terms of achieving stated goals;
- Efficiency of UNDP interventions in terms of use of human and financial resources; and
- Sustainability of the results to which UNDP contributes.

52 UNDP, 'An Agenda for Organizational Change: Lifting UNDP Performance from Good to Great', April 2011.

53 UNDP Evaluation Office, 'ADR Method Manual' (January 2011) and 'ADR Guidelines' (draft January 2010).

In assessing the above, particular attention will be paid to the identification of factors influencing performance. Under each of the thematic and programmatic areas, UNDP's attention to gender equality and human rights, capacity development, regional cooperation (e.g. East-East), use of appropriate partnerships for development, as well as coordination of UN and other development assistance, should be included as part of the analysis. Best practices and lessons drawn from the interventions that can be applied to other countries and regions should be captured.

(2) UNDP's contribution through its strategic positioning

The evaluation will assess the strategic positioning of UNDP both from the perspective of the organization's mandate⁵⁴ and the development needs and priorities in the country. This would entail a systematic analysis of the UNDP place and niche within the development and policy space in the country, as well as strategies used by UNDP to maximize its contribution through adopting relevant strategies and approaches. The following criteria will be applied:

- Relevance and responsiveness of the country programme as a whole;
- Exploiting UNDP's comparative strengths; and
- Promoting UN values from a human development perspective.

During the preparatory mission, it was highlighted that results of the evaluation should serve as an input to the current debate about the direction of UNDP operations in Croatia as the country is set to become part of the EU from 2013. Options should be explored as to how UNDP could transition in the most appropriate manner, through a comprehensive assessment of UNDP's position and strategy in the country.

4. EVALUATION APPROACHES

The ADR will be conducted in close collaboration with the UNDP Country Office, RBEC, the Government of Croatia, and other national counterparts.

DATA COLLECTION

The evaluation will use a multiple-method approach that would include desk reviews of reference material, interviews with relevant individuals and groups both at the Headquarters and in the field (e.g. UNDP staff members, government officials representing the ministries and institutions in programme practice areas, bilateral and multilateral donors, civil society organizations, the private sector and beneficiaries). A survey may be used, as appropriate. A specific method for data collection will be developed through a scoping mission, which will be presented in the inception report.⁵⁵ A number of documents will be consulted, including the following:

- Country programming documents;
- Project/programme documents and reports by UNDP and the Government of Croatia;
- UNDP corporate documents (e.g. strategic plan, multi-year funding frameworks, results-oriented annual reports (ROAR), etc.);
- Past evaluation reports available at the outcome and project levels; and
- Any research papers and publications available about the country.

VALIDATION

All evaluation findings should be supported with evidence. A coherent and consistent analysis of the issues under evaluation will be conducted through the use of triangulation.

54 UNDP Strategic Plan, <www.undp.org/content/dam/undp/library/corporate/Executive%20Board/dp07-43Rev1.pdf>

55 See Section 5 on the scoping mission and the inception report.

STAKEHOLDER INVOLVEMENT

At the start of the evaluation, a stakeholder analysis will be conducted to identify all relevant UNDP partners, as well as those who may not work with UNDP but play a key role in the outcomes of the practice areas.

The evaluation will use a participatory approach to the design, implementation and reporting of the ADR. In order to facilitate the evaluation process, as well as to increase the ownership of the evaluation results, a national reference group for the ADR will be established, comprising key national stakeholders, e.g. representatives from the Government, civil society organizations, UN agencies, donors and other development partners, as well as the UNDP Country Office.⁵⁶

5. EVALUATION PROCESS

The ADR process is divided into the following five main phases:

PHASE 1: PREPARATION

- **Initiating the process** – The focal points are designated at the Country Office and the Regional Bureau and the working relationship is established with the Independent Evaluation Office with a clear understanding by all parties on the process and requirements.
- **Preparatory mission** – The task manager responsible for the implementation of the ADR at the Independent Evaluation Office will conduct a weeklong preparatory mission, holding consultations with key national stakeholders. The purposes of the mission include: i) ensure that national stakeholders understand the purpose, methodology and the evaluation process; ii) obtain stakeholder perspectives of key evaluation issues and questions to be examined; and iii) discuss an approach to be followed, the basic

time-frame in conducting the ADR and the parameters for the selection of the ADR evaluation team. A draft terms of reference for the ADR evaluation will be developed upon completion of the mission.

- **Identification and selection of the evaluation team members** – An independent evaluation team, comprising external consultants, is put together for the ADR. The use of national/regional expertise will be explored to the extent possible in close collaboration with the Country Office, the Regional Bureau and the national counterparts (See Section 6 Management Arrangement).
- **Research material** – The Independent Evaluation Office, in consultation with the Country Office and the Regional Bureau, will collect a set of reference documents and information for use by the evaluation team. The team will further identify and collect any other relevant material for its analysis throughout the evaluation.

PHASE 2: INCEPTION

- **Evaluation team briefing** – Once the evaluation team is in place, a team briefing should be conducted at the Headquarters, in the country, or through telephone/videoconferences, in order to ensure that all members are familiar with the process and expected tasks.
- **Desk review** – The evaluation team conducts desk reviews of reference material provided by the Independent Evaluation Office to familiarize themselves with the country programme and the issues to be addressed.
- **Scoping mission** – Prior to data collection, the team leader will visit the country in order to:
 - Improve his/her understanding of the UNDP programme and project

⁵⁶ See Section 6 on Management Arrangements.

portfolios, types of stakeholders involved, as well as the operational environment;

- Assess the availability of data and information;
 - Develop an evaluation plan, detailing data collection and analysis methods, including the selection of potential sites for field visits; and
 - Further identify and collect relevant documents and information.
- **Inception report** – Upon completion of the scoping mission, the team leader will prepare a brief inception report. The report will include: i) an evaluation design matrix which links each of the evaluation criteria and related questions to data sources and data collection methods; ii) selection of projects to be examined in depth; iii) locations for field site visits; iv) a stakeholder analysis of all direct and indirect stakeholders, including government, civil society organizations, UN agencies, beneficiaries, donors and any other development partners; and v) identification of required logistical and administrative arrangements, as well as possible risks and assumptions in the process.

PHASE 3: MAIN EVALUATION PHASE (DATA COLLECTION AND ANALYSIS)

- **Data collection mission** – The evaluation team will visit the country to conduct data-collection activities as defined in the evaluation plan, including interviews with relevant stakeholders, site visits and conduct of focus groups, if any. The data collection may take up to three weeks in the country. Following the planned data-collection activities, the team will remain in the country for up to one week to collectively examine, validate and analyse the data and information collected. The team will prepare a synthesis of

preliminary findings, conclusions and recommendations substantiated by evidence.

- **Exit briefing** – Prior to the team's departure, an exit briefing will be organized by the evaluation team, participated by the UNDP Country Office and key national stakeholder representatives, to present the team's preliminary results, obtain feedback and seek clarification from the stakeholders.

PHASE 4: REPORT WRITING

- **Preparation of the first draft** – The evaluation team will prepare a draft evaluation report within three weeks upon completion of the main data collection mission. The team leader will ensure that all inputs from the team members have been included in the report and submit the draft ADR report to the Independent Evaluation Office task manager. The report will be written in accordance with the terms of reference, the inception report and other established guidance documents.⁵⁷
- **Review of the draft report and revisions** – The initial (or 'zero') draft will be first reviewed by the task manager and regional coordinator at the Independent Evaluation Office, as well as an external reviewer for quality assurance. The revised report, which has reflected all comments made by the Independent Evaluation Office ('first' official draft), will be submitted for factual corrections and feedback by key client groups, including the UNDP Country Office and the Regional Bureau. Following further revisions based on comments made by the Country Office and the Bureau, the draft report is shared with the Government for its review. The team leader, in consultation with the Independent Evaluation Office task manager, will prepare an audit trail to record all comments received and indicate how the comments were taken into account.

⁵⁷ The 'ADR Method Manual', 'ADR Guidelines', and the 'Qualitative Data Analysis for Assessment of Development Results'.

- **Stakeholder workshop** – Upon completion of the final draft report, a meeting with key national stakeholders will be organized in the country to present the evaluation results and discuss ways forward. The purpose of the meeting is to ensure national stakeholders' buy-in to results observed, lessons learned and evaluation recommendations, and to strengthen the national ownership of development process and the accountability of UNDP interventions at the country level.
- The final report will take into account feedback received at the stakeholder workshop. Once finalized, the report will be edited and be sent for printing.

PHASE 5: DISSEMINATION AND FOLLOW-UP

- **Management response** – The ADR report is submitted to UNDP Administrator who will request a management response from the Regional Bureau/Country Office. The management response includes specific actions to be undertaken by the Country Office and/or

the Bureau in order to implement the recommendations of the ADR. The management response should be prepared according to the established guidelines and the template. As a unit exercising oversight, the Regional Bureau will be responsible for monitoring and overseeing the implementation of follow-up actions in the Evaluation Resource Centre (ERC).⁵⁸

- **Communication and dissemination** – The final report and its brief will be widely distributed in both hard copies and electronic version. The report and the management response are normally made available to the UNDP Executive Board at the time of its approval of a new country programme document. The Government will be responsible for the dissemination of the report within its relevant ministries and offices, as well as to other national stakeholders. The ADR report and the management response will be published on the UNDP website.⁵⁹

The overall evaluation process is tentatively scheduled as follows:

Activity	Estimated date
Collection and mapping of documentation by research assistant	Jan-Apr 2012
Preparatory mission by Independent Evaluation Office task manager	30 Jan–3 Feb 2012
Preparation of the ToR by the task manager	Feb-Mar 2012
Identification and selection of evaluation team members	Mar-April 2012
Scoping mission/preparation of the inception report by team leader	May 2012
Main data collection mission and exit briefing with stakeholders	10 Sept-1 Oct 2012
Submission of the team's initial draft report ('zero' draft)	Oct-Nov 2012
Provision of comments by Independent Evaluation Office and external reviewer	Nov 2012
Submission of the revised draft report for review by CO/RB	Nov-Dec 2012
Submission of the revised draft report for review by the Government	Dec 2012-Jan 2013
Stakeholder workshop	TBD
Final editorial check and printing	Mar 2013
Issuance of the ADR report	By the June 2013 Executive Board

⁵⁸ <erc.undp.org/>

⁵⁹ <www.undp.org/eo/>

6. MANAGEMENT ARRANGEMENTS

UNDP INDEPENDENT EVALUATION OFFICE

The Independent Evaluation Office task manager will oversee the evaluation process and ensure coordination and liaison with the Country Office, the Regional Bureau, and other concerned units at Headquarters and in the country. The evaluation will be supported by a research assistant, who will be recruited by the Independent Evaluation Office to facilitate the initial collection of reference material, as well as by a programme assistant who will provide logistical and administrative support. The Independent Evaluation Office task manager will participate in the missions, as appropriate, and provide guidance to the team throughout the evaluation for quality assurance.

The Independent Evaluation Office will meet all costs directly related to the conduct of the ADR, including the costs related to participation of the team leader and team specialists, conduct of a preliminary research, a stakeholder workshop, and the issuance of the final ADR report.

THE EVALUATION TEAM

The evaluation will be conducted by the UNDP Independent Evaluation Office, supported by an independent evaluation team consisting of the following:

- **Team leader** – An external consultant, preferably either national or regional, with the overall responsibility for providing guidance and leadership to the team during the evaluation and for coordinating the preparation of the draft/final reports. The team leader must have demonstrated capacity in strategic thinking and policy advice, ability to lead a complex evaluation, excellent drafting and communication skills, as well as substantive knowledge of development issues in the country/region under evaluation. He/

she should also be familiar with at least one UNDP programme practice area.

- **Team specialists** – A group of thematic experts, preferably either national or regional, who will support the team leader during the evaluation and provide expertise in the analysis of their respective subject are(s). The team specialists will undertake data collection activities and analysis in the country and participate in the drafting of the evaluation report. They should have substantive work experience and knowledge of the subject area(s) they are selected for, as well as familiarity with human development issues in the country/region under evaluation.

All members of the team are expected to be familiar with the EU accession process, as well as general concepts, approaches and methodology in evaluation. The evaluation team will be guided by the norms and standards for evaluation established by the United Nations Evaluation Group (UNEG) and will adhere to its ethical code of conduct as evaluators.⁶⁰

UNDP COUNTRY OFFICE IN CROATIA

The Country Office is expected to provide support to the evaluation by: i) liaising with the national Government and other stakeholders in the country; ii) assisting the evaluation team with the identification and collection of necessary reference material relevant to the country and the UNDP programme; iii) providing any logistical and administrative support required by the evaluation team during data collection; iv) reviewing the draft ADR report and providing any factual corrections required and feedback; and v) facilitating the organization of a stakeholder workshop at the end of the evaluation. All costs pertaining to the conduct of the evaluation will be covered by the Independent Evaluation Office.

⁶⁰ See 'Norms for Evaluation in the UN System' and 'Standards for Evaluation in the UN System', United Nations Evaluation Group (UNEG), April 2005, as well as the 'UNEG Code of Conduct in Evaluations in the UN System', March 2008.

NATIONAL REFERENCE GROUP

An evaluation reference group will be established in the country to enhance greater participation of national stakeholders in the ADR process and strengthen their ownership of the evaluation process and results. The reference group's key tasks include: i) participating in the preparatory phase of the ADR by meeting with the task manager and team leader and by reviewing preparatory documents (e.g. the terms of reference and the inception report); ii) providing comments and feedback to a draft ADR report, including any factual corrections required; and iii) participating in the final stakeholder workshop, if organized. The composition of the reference group will be discussed with the UNDP Country Office prior to the launch of the evaluation.

7. EXPECTED OUTPUTS

The expected outputs from the evaluation team include:

- An inception report by the team leader (maximum 15 pages)
- The draft/final evaluation report, 'Assessment of Development Results for Croatia' (approximately 50 pages plus annexes);
- An evaluation brief (two pages); and
- Presentations at the feedback and stakeholder meetings.

The final report of the ADR will follow the standard structure outlined in the 'ADR Method Manual'. All reports will be prepared in English.

Annex 2

PEOPLE CONSULTED

Antolić, Mladen, Task Manager, UNDP, Varaždin	Crnčević, Marija, Director of County Institute for Nature Protection in DNC, Dubrovnik
Bakšić, Milan, Mayor, Glin	Čupić, Ivan, LAG Laura, Biograd
Barković, Mario, City of Otočac	Ćurlin, Venko, Ministry of Regional Development and EU Funds
Baron, Dario, Assistant Minister, Ministry of Labour and Pension System	Dokoza, Hrvoje, Ministry of Environmental and Nature Protection
Belovari, Tomsilav, Ministry of Regional Development and EU Funds	Domac, Julije, Director, North-West Croatia Regional Energy Agency
Berlengi, Gojko, Project Manager, UNDP, Split	Dugandžić, M. Claudia, Head of Professional Services, Petrinja
Blažević, Ljiljana, Fund for Reconstruction and Development of Vukovar Town	Đugum, Jelena, Ministry of Agriculture
Bobanović, Mr, Organic winery and olive orchard complex in Dalmatia, Dubrovnik	Ešegović, Perica, Head, Police Station, Gračac
Bobanović, Rade, GBSP beneficiary, member of agricultural cooperative MASVIN	Ferenčić, Vesna Zelić, Director of the Witness-Victim Support Association
Bogdanović, Zvezdana, Head of Department, Ministry of Social Policy and Youth	Floigl, Marlena, Šibenik-Knin County, Sibenik
Bogović, Ivan, Mayor, Slunj	Fracassetti, Alesandro, DRR, UNDP Macedonia
Bončina, Davor, Project Manager, Petrinja	Franić, Irena, Deputy Split Region Manager for Small Businesses, SPLITSKA BANKA Societe Generale Group, Split
Bužan, Vesna Mastela, Ministry of Social Policy and Youth	Franković, Snježana, Ministry of Social Policy and Youth
Čačić, Ivan, Meteorological and Hydrological Service	Galičić, Hrvoje, Croatian Bank for Reconstruction and Development
Ćapin, Josip, Relationship Manager, Business Clients Department, SPLITSKA BANKA Societe Generale Group, Split	Gavrilović, Ana, GBSP beneficiary, MARIBIC
Čemerin, Damir, National Protection and Rescue Directorate	Gazivoda, Tin, Open Society Croatia
Cindrić, Dragoslava, Head of Local Association 'Društvo Naša Djeca', Slunj	Gogić, Milena, Office of the Ombudsman
Ciprijan, Ivan, Ministry of Agriculture	Golemović, Ivan, Engineer, Vukovar
	Guć, Ante, Split-Dalmatia County (SDC) Country Development Agency (CDA), Expert Associate, RERA, Split

Hasanbašić, Maja, Acting Director of Human Rights Centre/CPO	Levačić, Darko, Head of the Varaždin County Green Office, Varaždin
Janić, Miroslav, Mayor, Ilok	Ljubičić, Ana, GBSP beneficiary, MARIBIC
Jurčević, Ivan, UNDP Split, Faculty of Electrical Engineering, Mechanical Engineering and Naval Architecture (FESB), University of Split	Lokas, Joško, Etnoland/LAG Krka, Pakovo Selo/Drnis
Jurić, Goran, Ministry of Interior, Department for European Integration and International Affairs	Lončar, Denis, Director of the Croatian Centre for Indigenous Species of Fish and Crayfish of Carstic Waters, Licko Lesce
Kangjera, Helena, Director and GBSP secondee in Dubrovnik-Neretva County (DNC) CDA, Dubrovnik	Lonić, Davor, Head of Development Unit of Zadar County and member of Project Governing Board
Kangjera, Helena, GBSP secondee in DNC CDA, Dubrovnik	Magajne, Sandra, Programme Manager, Environmental Governance, UNDP Country Office
Karaica, Tamara, Programme Manager, Human Security project, UNDP Country Office	Mandir, Mislav, NGO Status M, Programme Coordinator
Kaselj, Ana Pavičić, Ministry of Construction and Physical Planning	Marina, Dragana, Municipal Court, Zadar
Kezele, Željka, Energy efficiency lecturer, Varaždin	Marković, Davorin, State Institute for Nature Protection
Klisovic, Josko, Deputy Minister, Ministry of Foreign and European Affairs	Markuz, Ana, head of sector for regional programmes' implementation
Kobetić, Darko, Learning Centre, IDEM	Matešić, Mirjana, Business Council for Sustainable Development
Kocmur, Nenad, Programme Manager, Local Development, UNDP Country Office	Mihinica, Snježana, Project Assistant, UNDP, Split
Kosanović, Rade, Mayor, Krnjak	Milić, Melanija, Director and GBSP secondee in DNC CDA, Dubrovnik
Kresic, Mario, Programme Manager, Justice, UNDP Country Office	Milić, Melanija, DNC CDA Director, DUNEA, Dubrovnik
Kunica, Vedran, GBSP beneficiary, MARIBIC	Miličić, Slavica, Prospero Association, Gračac
Kurtović, Jelena, GBSP secondee in SDC CDA, RERA, Split	Milović, Aiša, Project Assistant, UNDP, Split
Kuzmanović, Ana Ergović, Head of WVS Office in the County Court Zagreb	Mojzeš, Z. Vrabec, Office of the President of the Republic of Croatia
Laginja, Ivana, UNDP Field Office in Zadar	Mujo, Ivo, Assistant Head of Department for Tourism, Maritime Affairs and Entrepreneurship, DNC, Dubrovnik
Lalić, Pero, Director of Slunčica d.d. – Slunj	
Lang, Scott, US Embassy	

Nižetić, Sandro, UNDP EE project, task manager for Dalmatia – EE in buildings, Split, FESB, University of Split	Sancisi, Gabriella, Embassy of the Kingdom of the Netherlands
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Nobilo, Mario, Ambassador of Croatia to Belgium	Skoko Poljak, Dunja, Ministry of Health
Odak, Domagoj, UNDP, Split, FESB, University of Split	Škunca, Ognjen, Deputy Project Manager, UNDP, Split
Orešković, Stipe, Andrija Stampar School of Public, Knowledge HUB	Slošnjak, Anka, Ombudsman for Persons With Disabilities
Papa, Jasmina, Programme Manager, Social Inclusion, UNDP Country Office	Smolić, Viktor, Administrative Officer for Development, Slunj
Papak, Mladen, Director, Ilok	Šuto, Katarina, Head of Division for Rural Development in SDC, Zadar
Perić, Tomislava, UNDP, Split, FESB, University of Split	Tankosić, Milan, Mayor of Gračac
Peričić, Sanja, Zadar County Development Agency, Zadar	Vahtarić, Arabela, National Protection and Rescue Directorate
Pike, Terence, UNHCR	Vinton, Louisa, Resident Representative, UNDP Country Office
Pokrovac, Maja, Director of Branch Association, Croatian Employers' Associations	Vremis, Vitalie, Assistant Resident Representative, UNDP Country Office
Pomper, Bruno, Technical Assistant UNDP Varaždin	Vučetić, Tatjana, Ministry of Justice, Head of WVS Sector
Puškarić, Mirjana, Head of RC, Slunj	Wouter, Hendrik Simonis, Embassy of the Kingdom of the Netherlands
Rubić, Denis, GBSP beneficiary, TERRA MARASCAE	Zrinski-Berger, Jelena, Head of Department for Economy, Tourism and International Cooperation, Town of Varaždin
Ruklić, Gordana, Ministry of Environmental and Nature Protection	

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Annex 4

PROJECTS EXAMINED

Portfolio	Project	Start	End	Funding Sources
JUSTICE AND SECURITY				
Victims and Witness 1	52381	2006	2007	UNDP
Assistance in the Development of a Witness and Victim Support (WVS) System in Croatia	58475	2007	2011	UNDP, The Netherlands
Engaging Youth to Protect the Rights of Victims and Witnesses of Crimes in Croatia	81542	2012	2013	UNDP, The Netherlands, TTF
Destruction for Development: Engaging Communities in Fighting Crime in Support of the Ministry of Interior's Community Based Policing Strategy	51566	2006	2013	UNDP, BCPR, QUNO/SAS
Economic Revival in Mine Affected Areas	58357	2007	2008	TTF
Capacity Building of the State Election Commission in Croatia	53408	2007	2008	UNDP, UNDEF
Capacity Building of the Croatian People's Ombudsman Office	71920	2009	2012	UNDP, TTF
Response to Natural Disasters in Croatia	82181	2012	2013	UNDP, The Netherlands, TTF
ENVIRONMENT AND ENERGY				
Greening Coastal Development (GEF full-size biodiversity project, COAST)	50301	2005	2013	GEF, Gov., Regional Gov.
Climate Change Enabling Activities Phase II – Preparation of Technology Needs Assessment for CC	12170	2005	2007	GEF
Removing Barriers to Energy Efficiency in Croatia (GEF full-size EE project)	34424	2005	2011	GEF, Gov., Third parties
Support to EE – complementary to the previous GEF project, separated due to source of fund	66215	2008	2011	Third parties
EE Project	77195	2011	2012	Gov., Third parties
Preparation of 4th National Report to CBD (Global project)	57358	2008	2009	GEF
Low-Carbon Development	79972	2011	2013	Third parties
SOCIAL INCLUSION				
Strengthening Social Inclusion Policies	12171	2003	2013	UNDP, Gov.
Regional Integration Through Volunteers Exchanges for Reconciliation of the SEE	53025	2006	2007	UNDP
The Right to Live in the Community, Social Inclusion and People with Disabilities	53230	2007	2013	UNDP, Gov., TTF
Provision of Analytical and Reporting Tools for the Social Sector	51556	2006	2007	UNDP
UNDP Support to the Knowledge Hub on HIV Surveillance and M&E	51458	2006	2012	WHO

Portfolio	Project	Start	End	Funding Sources
SOCIAL INCLUSION (continued)				
HIV/AIDS UN Coordination	50409	2006	2013	UNDP, UNICEF, UNHCR
UN Theme Group PAF 3-targeting gaps	54426	2007	2012	PAF, PSF
HIV/AIDS Uniformed Services	48930	2005	2006	UNAIDS
HIV/AIDS 2006/7 Europe & CIS UNDP 1	50689	2006	2007	UNAIDS
RBEC (Outcome 10)	61381	2006	2007	UNAIDS
LOCAL DEVELOPMENT				
Eastern Slavonia–Danube Basin	49815	2006	2009	UNDP, Gov., Austria
Lika and Dalmatian Hinterland	51421	2006	2011	UNDP, Gov., The Netherlands
Banovina–Kordun Region	49865	2006	2013	UNDP, Gov., The Netherlands
HRV Adopt and Revive a River	555506	2007	2008	Coca-Cola
Gacka Project	63383	2008	2010	Coca-Cola, Gov.
MDG-Based Municipal Performance Measurement Guide: Local Service Delivery	56437	2007	2009	UNDP
Subregional: WB-Service Del SVK10	56505	2007	2009	UNDP, SNV
Strengthening Capacities EU Countries	70223	2009	2011	TTF, Donor
Every Drop Matters – Gacka River	73895	2009	2012	Coca-Cola
National and Regional Development Policy Advice	73912	2010	2012	UNDP, Gov.
Support to Underdeveloped Areas of Croatia in Preparing for the EU CAP and Rural Development Policy While Reducing Their Vulnerability to Climate Change	75529	2010	2013	UNDP Gov., The Netherlands
Arch Vukovar Town Centre – Sustainable Revival and Development of a War-Torn Community	79043	2011	2013	EU, Gov
BUSINESS PARTNERSHIPS				
Support to UN Global Compact Local Network Secretariat	38842	2004	2011	UNDP, Gov., Norway
Development of Strategic Framework for Promoting and Implementing Business Partnerships	52587	2006	2007	UNDP
Accelerating CSR, Croatia	55705	2004	2008	EU, UNDP, Norway
EU INTEGRATION AND KNOWLEDGE SHARING				
Communications and Advocacy	38956	2004	2012	UNDP
Support to National Development	51042	2006	2009	UNDP
Emerging Donor	58424	2007	2013	UNDP
Assistance with EU Accession	44722	2005	2005	UNDP
National Foundation for Civil and DLN	40090	2004	2007	UNDP, Norway
DLN Knowledge Services	58273	2007	2010	UNDP
European Centre Impact	77996	2011	2013	Gov.

EVALUATION DESIGN MATRIX

Criteria/ Sub-criteria	Main Questions to be Addressed by the ADR	What to Look For	Data Sources	Data Collection Methods
ASSESSMENT BY THEMATIC AREA				
A.1 RELEVANCE				
A.1a Relevance of the objectives	<ul style="list-style-type: none"> To what extent have UNDP interventions been relevant to achieving outcomes? Has UNDP applied an appropriate strategy towards achieving objectives (e.g. poverty reduction) and mix of modalities within the specific political, economic and social context of the country and region? 	UNDP leveraging national objectives, balancing between upstream and downstream work, strategic positioning among donors, responsiveness to changes in national priorities, partnerships and coordination and promotion of UN values	CPD, CPAP, work plans, national strategy (2006-2013), MDG, WB/EIU publications Central and local governments, donors, CSO, private sector, other UN agencies	Desk review, interviews, field visits surveys
A.1b Relevance of the approaches	<ul style="list-style-type: none"> Are UNDP approaches, resources, models, conceptual framework relevant to achieve planned outcomes? Do they follow known good practices? Are the interventions designed and resources allocated realistically? 	Leveraging of limited resources to contribute towards outcomes, maximizing strategic role by filling key gaps, innovation		
A.2 EFFECTIVENESS				
A.2a Progress towards achievement of outcomes	<ul style="list-style-type: none"> Did UNDP accomplish its intended objectives and planned results? How have the observed results been achieved? What are the factors contributing to or preventing UNDP from achieving the intended results? Did the programme implementation contribute to progress towards the stated outcome? What best practices and lessons were observed in the programme? What are the unexpected results it yielded, if any? Should UNDP continue in the same direction or should its main tenets be reviewed for the future? 	Progress measured towards outcomes, identified by stated objectively verifiable indicators or proxy verification Identifying factors, weaknesses and strength that influence the extent of outcome achievements	CPD, CPAP, work plans, project documents, outcome evaluations, monitoring sources national strategy (2006-2013), MDG, WB/EIU publications Central and local governments, donors, CSO, private sector, other UN agencies	Desk review, interviews, field visits surveys case studies observations
A.2b Outreach	<ul style="list-style-type: none"> How broad are outcomes (e.g. local community, district and region, national)? 	Changes in national policies, strategies and programmes, project results, evidence of catalytic effects		
A.2c Poverty depth/equity	<ul style="list-style-type: none"> Who are the main beneficiaries – poor, non-poor, disadvantaged and vulnerable groups, e.g. women, children? 	Target groups of programme and projects, their level of participation and reachability, and degree of inclusion of cross-cutting/ UN values in activity design and implementation		

Criteria/ Sub-criteria	Main Questions to be Addressed by the ADR	What to Look For	Data Sources	Data Collection Methods
A.3 EFFICIENCY				
A.3a Managerial efficiency	<ul style="list-style-type: none"> • How well has UNDP used its human and financial resources in achieving the results? • Have the programmes been implemented within deadlines, cost estimates? • What could be done managerially to ensure a more efficient use of resources in the country/regional context? 	Relationship between management systems and outcome achievements	CPAP, work plans, monitoring sources (audits, AWP, ROARs, etc.) Central and local governments, donors, CSO, private sector, other UN agencies	Desk review, interviews, field visits, surveys, case studies, observations, SWOT
A.3b Programmatic efficiency	<ul style="list-style-type: none"> • Were the UNDP resources focused on the set of activities that were expected to produce significant results? • Was there any identified synergy between UNDP interventions that contributed to reducing costs while supporting results? • What could be done programmatically to ensure a more efficient use of resources in the country/regional context? 	Relationship between human/financial resources existing and the quality and comprehensiveness of outcomes Accumulated experience for improved programmatic efficiency		
A.4 SUSTAINABILITY				
A.4a Design for sustainability	<ul style="list-style-type: none"> • Were interventions designed to have sustainable results given risks and did they include an exit strategy? 	Explore theories of change behind interventions, activities and partnerships, including relationships to Govt., NGO and CBO partners	CPAP, project documents, outcome evaluations, external documents (CSO/CBO/NGO, Government, etc.)	Desk review, interviews, field visits, surveys, case studies, observations
A.4b Implementation issues: capacity development and ownership	<ul style="list-style-type: none"> • To what extent is UNDP's contribution likely to be sustained in the future? • Has national capacity been developed and can national ownership be sustained, improved and maintained following completion of interventions? 	Status and activities of important government, private sector and civil society bodies; staff turnover, budgets, mandates, development challenges	Central and local governments, donors, CSO/CBO/NGO, private sector	
A.4c Upscaling of pilot initiatives	<ul style="list-style-type: none"> • If there was testing of pilot initiatives, is a plan for upscaling of such initiatives, if successful, being prepared? 	Evaluation of results achieved, existence of plans, resource allocation, national champions	CPAP, project documents, evaluations, budgets, planned activities (AWP), external documents, Central and local governments, donors, CSO/CBO/NGO, private sector	Desk review, interviews, field visits, surveys, case studies, observations, SWOT

Criteria/ Sub-criteria	Main Questions to be Addressed by the ADR	What to Look For	Data Sources	Data Collection Methods
ASSESSMENT OF UNDP STRATEGIC POSITION				
B.1 STRATEGIC RELEVANCE AND RESPONSIVENESS				
B.1a Relevance against the national development challenges and priorities	<ul style="list-style-type: none"> To what extent has UNDP been relevant to the country's priorities, national strategies and UNDP's mandate? To what extent has UNDP leveraged national development strategies with its programmes and strategy? 	Focus and responsiveness of UN as a whole and UNDP in particular to challenges and priorities of Government and to major events which changed these; duplication or redundancy in UN/donor system; ability of Government to implement its policies	UNDP policy documents, CPD, CPAP, work plans, national strategy (2006-2013), project documents Central and local governments, donors, CSO, private sector	Desk review, interviews, field visits surveys case studies observations
B.1b Relevance of UNDP approaches	<ul style="list-style-type: none"> What approaches have been used to increase its relevance in the country? Is there appropriate balance between upstream (policy-level) and downstream (project-level) interventions? To what extent are the resources mobilized adequate? 	Appropriateness of strategic priorities and thematic area selection against overall programme goal and national policies; Appropriateness and balance of resource mobilization and allocation against overall programme goal and national policies; Changes in Government policies and programmes caused by upstream policy work; Catalysed more widespread results caused by changes at ground level		
B.1c Responsiveness to changes in context	<ul style="list-style-type: none"> Did UNDP have an adequate mechanism to respond to significant changes in the country situation, in particular in crises and emergencies? To what extent has UNDP anticipated and responded to significant changes in the national development context? To what extent has UNDP responded to long-term national development needs? What are the missed opportunities in UNDP programming, if any? 	Exemplified evidence of changes in UNDP strategy and activities to meet emerging challenges, crisis and emergency response activities delivered		
B.1d Balance between short-term responsiveness and long-term development objectives	<ul style="list-style-type: none"> How are the short-term requests for assistance by the Government balanced against long-term development needs? To what extent are long-term development needs likely to be met across the practice areas? What are the critical gaps in UNDP programming, if any? 	Evidence of budget flexibility, technical expertise and responsiveness to new challenges, while delivering longer term programmes on schedule		

Criteria/ Sub-criteria	Main Questions to be Addressed by the ADR	What to Look For	Data Sources	Data Collection Methods
B.2 ASSESSING UNDP’S USE OF NETWORKS AND COMPARATIVE STRENGTHS				
B.2a Corporate networks and expertise	<ul style="list-style-type: none">Was the UNDP strategy designed to maximize the use of its corporate and comparative strengths, expertise, networks and contacts?	Partnerships, use of UN system contacts, provision of specialist expertise, coherence of UNCT, role of Resident Coordinator	UNDP strategy documents, CPD, CPAP, project documents, donor/ partner surveys, outcome and other evaluations	Desk review, interviews, field visits surveys case studies observations
B.2b Coordination and role sharing within the UN system, including associated funds and programmes	<ul style="list-style-type: none">To what extent has UNDP leveraged partnerships with other UN agencies, government, civil society organizations, donors and other development partners? Through regional (e.g. East-East) cooperation? To what extent has UNDP coordinated its operational activities with those development partners?Did UNDP help exploit comparative advantages of associated funds, e.g. in specific technical matter?	Joint activities, absence of duplication, selection of activities by comparative advantage, role of Resident Coordinator	Upstream/ downstream stakeholders, existing networks (national/ regional), other UN agencies	
B.2c Assisting Government to use external partnerships and South-South cooperation	<ul style="list-style-type: none">Did UNDP use its network to bring about opportunities for South-South exchanges and cooperation?	Evidence/examples of partnerships or collaboration		
B.3 PROMOTION OF UN VALUES FROM A HUMAN DEVELOPMENT PERSPECTIVE				
B.3a UNDP’s role in supporting policy dialogue on human development issues	<ul style="list-style-type: none">To what extent has UNDP been supporting national efforts in the achievement of the MDGs?	Evidence of activities and results in support of such monitoring; Government capacities enhanced	MDG/Gender equality/equity policy and results documents, CPD, CPAP, project documents, research, PR materials, monitoring sources, e.g. evaluations, work plans Central and local government, CSO, private sector	Desk review, interviews, field visits surveys case studies observations
B.3b Contribution to gender equality	<ul style="list-style-type: none">To what extent has the UNDP programme addressed issues concerning human rights, social and gender equity?To what extent has UNDP supported positive changes in terms of gender equality and were there any unintended effects?	Evidence of gender-focused activities, and/or gender focus mainstreamed into overall portfolio Results of these activities, intended or unintended		
B.3c Addressing equity issues	<ul style="list-style-type: none">To what extent has the UNDP programme addressed issues concerning the needs of vulnerable and disadvantaged groups?	Targeting of activities and support, UNDP CO promotional material, partnerships with civil society and private sector		

Annex 6

TOTAL BUDGET AND EXPENDITURE OF THE UNDP COUNTRY PROGRAMME 2007-2012 (IN US\$)

PORTFOLIO		2007		2008		2009		2010		2011		2012	
		Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure
JUSTICE AND SECURITY													
WVS	52381	35,000.00	35,024.18										
Small Arms and Light Weapons	51566	476,861.00	250,860.23	477,672.40	455,876.20	338,975.00	355,550.92	296,372.00	249,274.08	196,811.14	173,749.89	30,000.00	20,844.91
Econ Revival in Mine Affected	58357	201,801.03	201,801.03	87,526.57	87,526.57								
Capacity-building of SEC	53408	240,250.00	126,415.00	7,925.74	7,684.61								
Dev. Of WVS System	58475	17,000.00	17,622.25	510,687.07	456,549.60	448,975.93	445,182.01	121,745.00	121,096.93	170,765.75	170,739.18		
Capacity-building of the CPO	71920					40,000.00	36,400.43	72,400.00	31,445.49	169,040.68	85,295.41	80,000.00	57,570.37
Delivery Service for Victims	81542											65,400.00	914.00
Response to 2012 Natural Disaster	82181											100,000.00	42,634.05
Total:		970,912.03	631,722.69	1,083,811.78	1,007,636.98	827,950.93	837,133.36	490,517.00	401,816.50	536,617.57	429,784.48	275,400.00	121,963.33
ENVIRONMENT													
COAST FSP	50301	901,838.00	640,650.93	1,970,846.50	1,720,545.88	1,527,050.00	1,145,437.00	1,584,839.00	1,518,096.00	1,923,481.29	1,605,403.76	821,062.00	390,524.99
Climate Change - Phase II	12170	15,688.13	6,102.00	9840.47	9840.47								
EE FSP	34424	2,918,648.00	2,667,394.40	3,403,242.00	2,911,154.99	4,013,057.09	3,225,274.62	3,605,847.12	3,549,967.57	534,681.19	458,158.37		
Support to EE	66215			40,000.00	14,745.71	100,000.00	52,297.58	100,000.00	92094.88	30,000.00	25,430.88		
PIMS 3918 BD MSP: GLO Support UNDP1	57358			20,000.00	1,800.00	18,183.62	12,757.11	2155.00	2,155.00				
EE Project - HIO/SGE	77195									4,175,698.95	3,564,943.76	2,394,240.55	1,598,490.00
Low-Carbon Development	79972									4,280.00	1,057.83	84,966.12	37,886.08
Total:		3,836,174.13	3,314,147.33	5,443,928.97	4,658,087.05	5,658,290.71	4,435,766.31	5,292,841.12	5,162,313.45	6,668,141.43	5,654,994.60	3,300,268.67	2,026,901.07

PORTFOLIO		2007		2008		2009		2010		2011		2012	
		Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure
SOCIAL INCLUSION													
Strengthening social inclusion	12171	159,700.00	146,958.69	153,956.00	140,201.15	216,761.31	183,947.48	48,234.81	34,248.49	47,825.65	35,551.37	143,868.99	63,066.33
River See	53025	13,323.89	13,244.50										
People with Disabilities	53230	280,361.00	234,857.63	203,739.37	193,966.15	108,556.62	95,359.25	116,088.17	95,084.44	100,130.30	83,324.04	23,164.01	6,812.07
Provision of analytical tools	51556	36,700.00	34,337.79										
The Knowledge Hub Support	51458	32,923.30	32,742.73	100,706.57	74,428.63	48,500.00	38,087.40	47,559.00	35,812.99	80,472.00	39,925.65	31,988.72	15,086.94
Support to UN Theme Group 2006/2007	50409	30,413.12	30,375.64	40,000.00	39,998.36	40,000.00	39,254.80	124,158.14	121,111.62	34,425.78	34,288.13	15,000.00	3,283.21
UN Theme Group PAF3/PAF4/PSF	54426	154,980.00	115,568.40	61,251.38	53,412.67	131,898.71	92,602.61	40,190.52	27,428.98	75,443.33	49,457.37	26,793.96	21,924.98
HIV/AIDS & Unifomed Services	48930	37,139.73	37,139.73										
HIV/AIDS 2006/7 Europe & CIS	50689	49,470.00	45,863.00										
RBEC (Outcome 10)	61381					42,800.00	42,606.81						
Total:		795,011.04	691,088.11	559,653.32	502,006.96	588,516.64	491,858.35	376,230.64	313,686.52	338,297.06	242,546.56	240,815.68	110,173.53
LOCAL DEVELOPMENT													
Tourism Development in East SI	49815	1,761,528.00	1,094,937.39	1,841,480.00	1,512,119.00	350,750.22	350,705.92						
Socio-Economic Recovery – Lika	51421	1,876,362.01	1,776,212.88	642,322.99	494,136.16	236,791.72	227,627.00	389,908.00	288,546.83	132,254.47	121,537.57		
Socio-Economic Recovery - Banovina	49865	1,206,835.92	1,172,670.40	563,518.61	515,367.70	191,179.00	183,546.93	579,248.64	482,546.81	170,305.54	120,485.01	160,410.66	34,367.94
HRV Adopt and Revive a River	55506			23,217.12	20,733.71								
GACKA Project	63383			23,300.00	361.07	137,000.00	105,228.34	18,977.64	17,270.00			6,825.76	
Public Service Delivery in Wes SVK10	56437			48,680.34	31,960.91	26,000.00	15,098.40						

ANNEX 6. TOTAL BUDGET AND EXPENDITURE OF
THE UNDP COUNTRY PROGRAMME 2007-2012

PORTFOLIO		2007			2008			2009			2010			2011			2012		
		Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure
LOCAL DEVELOPMENT (continued)																			
Subregional: WB - Service Del SVK10	56505			212,347.00	125,077.00			102,000.00	96,519.17										
Strengthening Capacities for EU	70223							81,000.00	33,044.91	142,000.00	107,565.23	24,702.31	24,551.38						
Every Drop Matters - Gacka	73895									39,290.74	32,465.00	6,825.76	410.81						
Nat & Reg. Dev. Policy Advice	73912									120,352.75	56,907.76	62,045.24	61,574.75						
Rural Dev & Climate Change Support	75529									401,910.26	93,334.57	623,663.69	486,531.46			558,213.46	241,757.68		
ARCH VUKOVAR	79043											984,202.67	545,716.14			1,007,375.09	617,310.28		
Total:		4,844,725.93	4,043,820.67	3,354,866.06	2,699,755.55			1,124,720.94	1,011,770.67	1,691,688.03	1,078,636.20	2,003,999.68	1,360,807.12			1,732,824.97	893,435.90		
BUSINESS PARTNERSHIPS																			
Promoting Quality Workplace	38842	241,980.11	241,980.11	76,490.28	71,825.70			50,000.00	37,513.42	18,805.66	9,140.25	6,805.66	6,334.04						
Business Partnerships/DAS	52587	142,000.00	143,126.54																
HRV Adopt and Revive a River TUR10	55506	100,000.00	41,420.00																
Accelerating CSR, Croatia UNDP1	55705	75,295.00	52,696.00	43,887.05	41,223.00			3,298.00	146.81										
Support to National Development	51042	71,690.00	60,725.00																
Total:		630,965.11	539,947.65	120,377.33	113,048.70			53,298.00	37,660.23	18,805.66	9,140.25	6,805.66	6,334.04						
EU SUPPORT TO NATIONAL DEVELOPMENT																			
Communications and Advocacy	38956	44,991.00	32,799.00	78,423.00	72,881.04			61,551.60	40,830.87	44,081.51	37,197.00	31,323.11	30,142.75	5,882.00				2,105.11	
Support to National Development	51042	209,938.45	153,909.36	51,800.00	34,404.52			42,000.00	17,580.74										
Emerging donor	58424	100,000.00	1,245.63	20,000.00	17,083.31			50,000.00	14,330.75	14,359.68	9,196.94	17,035.19	2,604.89	380,525.00			186,488.70		
Assistance with EU Accession	44722	15,000.00	14,554.65																
National foundation for civil + DLN	40090	132,467.00	111,276.00																
DLN	58273	7,000.00	6,356.71	134,432.46	120,219.96			160,000.00	80,915.65	82,000.00	81,923.28								
IMPACT	77996											121,000.00	71,849.67	162,978.17			69,283.75		
Total:		509,396.45	320,141.35	284,655.46	244,588.83			313,551.60	153,658.01	140,441.19	128,317.22	169,358.30	104,597.31	549,385.17			257,877.56		

Source: UNDP Country Office.

Annex 7

LIST OF PARTICIPANTS AT THE FINAL STAKEHOLDER WORKSHOP, 20 JANUARY 2014

EMBASSIES

Larocque, Louise, Ambassador, Embassy of Canada
McCrimmon, William, Consul, Embassy of Canada
Lucan, Doru, First Secretary, Embassy of Romania
Sancisi, Gabriella, Deputy Head of Mission, Embassy of the Kingdom of the Netherlands
Gescher, Valentin, Counsellor, Embassy of Germany
Salaris, Marco, First Secretary, Embassy of Italy
Rossignol, Nancy, Ambassador, Embassy of Kingdom of Belgium
Rašić, Mirella, Team Leader – Political Reporting and Policy Analysis, European Commission in Zagreb
Geci Sherifi, Shkendije, Ambassador, Embassy of Kosovo
Katušić, Pero, Embassy of Switzerland

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Štimac Radin, Helena, Head, Government Office for Gender Equality
Đokić, Aleksa, Assistant Director, Government Office for Human Rights and Rights of National Minorities
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Hamer Vidmar, Nikica, Head, Independent Sector for Victims Witness Support, Ministry of Justice
Štedul, Daria-Iva Ministry of Justice
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Mastela Bužan, Vesna, Service for International Cooperation, Ministry of Social Policy and Youth
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Tankosić, Milan, Deputy Mayor, Gračac Municipality

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Vlainić, Drago, Director, Lika-Senj Regional Development Agency - LIRA

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OTHER PUBLIC INSTITUTIONS

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Vahtarić, Arabela, Head of International Relations, National Protection and Rescue Directorate

Slonjšak, Anka, Ombudswoman, Office of the Ombudswoman for People with Disabilities

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Kajtazi, Veljko, MP, Representative of national minorities, Croatian Parliament

OFFICE OF THE PRESIDENT

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Šiljak, Lea, Assistant to Adviser for Foreign Policy, Office of the President

Vrabec-Mojzeš, Zrinka, Adviser for Social Affairs, Office of the President

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