

Annex 1. Terms of Reference

Finland's Development Cooperation in Eastern Europe and Central Asia, 2014-2017. Wider Europe Initiative, Phase II

Background to the mid-term evaluation

1.1. Context of Finland's Development Cooperation in Eastern Europe and Central Asia

Finland's bilateral development cooperation programme in Eastern Europe and Central Asia has been called The Wider Europe Initiative (later WEI) since 2008. The first phase of WEI was based on Finland's Development Policy of 2007 and it was implemented on 2009-2013. The current programme, WEI II is based on the Finnish Development Policy Programme 2012

<http://formin.finland.fi/public/default.aspx?contentid=251855> and covers the years 2014–2017¹.

Finland's Development Policy Programme 2012 has four priority areas that are:

- Democratic and accountable societies that promote human rights,
- An inclusive green economy that promotes employment,
- Sustainable management of natural resources and environmental protection and
- Human development.

The programme also emphasizes the cross-cutting objectives of Finland's development policy and development cooperation:

- Gender equality
- Reduction of inequality and
- Climate sustainability

The programme states that Finland will focus its development cooperation on the least developed countries in Africa and Asia. It also says that the focus of WEI will be confined in Central Asia. Accordingly the WEI II activities are concentrated to the poorest countries of Central Asia – the Kyrgyz Republic and Tajikistan.

Finland's bilateral contribution to the region's development corresponds with the objectives and measures of the European Union. Finland's activities complement the European Neighborhood Policy and the strategic objectives of its Eastern Partnership as well as the EU's Strategy for Central Asia.

¹ Finland's bilateral development cooperation in Eastern Europe and Central Asia covers the following countries: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, The Kyrgyz Republic, Moldova, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

1.2. Description of the Finland's Development Cooperation in Eastern Europe and Central Asia, 2014-2017 (WEI II)

The implementation plan of the Wider Europe Initiative programme for the years 2014 – 2017, <http://formin.finland.fi/public/default.aspx?contentid=299262> as well as the logframe for the programme were published in February 2014 (Annexes 1-2). Total budget for WEI II is approximately 46 million euro. The budget is 14,7 million € for 2014, 10,7 million for 2015, 10,5 million € for 2016, and 10,5 million € for 2017. The budget includes interventions funded by the Ministry for Foreign Affairs and implemented by Finland's OSCE Mission in Wien (0,5 million € per year) and Local Cooperation Funds, implemented by Finnish Embassies and Roving Ambassadors (yearly about 0,6 million €).

WEI II comprises two parts: **The Green Economy Partnership Programme**, and **Democracy Support**. A list of organizations and their designated funds or interventions to be included in the evaluation is in Annex 2.

The Green Economy Partnership Programme

Within the Green Economy Partnership Programme Finland promotes an inclusive, green economy that strengthens human well-being, promotes social equality and is based on the sustainable use of natural resources. Defined sub-goals of the Green Economy Partnership Programme are:

- Promoting decent work in the Kyrgyz Republic and Tajikistan
- Developing the SME sector, especially in agricultural value chains in the Kyrgyz Republic, Tajikistan and Uzbekistan
- Promoting sustainable and equitable management of water resources in the Kyrgyz Republic and Tajikistan
- Inter-Institutional development cooperation in the Kyrgyz Republic and Tajikistan

Democracy Support

With democracy support Finland wants to support democratic institutions, access to and quality of legal services, and strengthen human rights and civil society. Defined sub-goals of the Democracy Support are:

- Strengthening the rule of law and human rights so that they meet international standards in the Kyrgyz Republic and Tajikistan
- The EHU's educational activities promote democratization efforts in Belarus

The aim of the WEI II has been to reduce the number of implemented projects from WEI phase I (excluding locally funded interventions) in order to maximize the effectiveness, better administration and more efficient follow-up.

In 2015 WEI II has reached a state where all planned projects have been launched.

The Initiative consists of

- projects which are mostly implemented by international organizations
- institutional cooperation (ICI) projects

- projects implemented by Finnish OSCE Mission in Wien, and Local Cooperation Funds implemented by Finnish Embassies and Roving Ambassadors.

The multi-bi options as cooperation instruments were seen as the most efficient options to increase Finland's active role in the region keeping in mind the limited human resources of MFA's own staff. There are only two Finnish Embassies located in these 11 countries.

1.3. Lessons learned from previous cooperation

Finland's Wider European Initiative phase I was evaluated in 2012, <http://formin.finland.fi/public/default.aspx?contentid=259635>. Based on the evaluation, the Ministry for Foreign Affairs has given out recommendations how to implement the conclusions of the evaluation. This management response (Annex 3) should be taken into account in this evaluation.

The main conclusions of the 2012 evaluation were:

- The WEI provides a comprehensive response to the complex challenges and needs of the beneficiary countries and regions, drawing on key strengths in Finland's own capacity and experience
- Interventions are seen by stakeholders as being very relevant to the needs of a wide range of beneficiary groups in the WEI countries
- The WEI has provided a cost-effective mechanism for Finland to engage in development cooperation activities that have produced tangible value with relation to the financial commitment of Finland to WEI.
- The evaluation questions whether all interventions included in the WEI should have been covered by the initiative (in relation to the declared intention for WEI to achieve a reduction in the existing number of interventions)
- The report noted deficiencies in the programming phase, which impacted on the identification of Relevance
- The development of synergies between WEI interventions could have been afforded greater attention by MFA

Finland's development cooperation with Central Asia, South Caucasus, and Eastern Europe dates back to the mid-1990s.

2. Rationale, purpose and objectives of the evaluation

Most of the WEI interventions launched in 2014 have reached their mid-term phase by 2016 and are expected to conclude by the end of 2017. This evaluation will be used by the MFA as a base for planning Finland's development cooperation from 2018 onwards.

The objectives of the evaluation are:

1. To provide evidence of the performance of the WEI phase II to date and likely performance in the future (i.e., is WEI achieving its objectives, including the cross-cutting objectives) according to the Annex 1
2. To analyze the reasons explaining success and failure in performance;

3. Special emphasis should be on evaluating the WEI II implementation approach that builds on focusing in least developed countries, use of multi-bi and inter-institutional cooperation instruments, focusing on chosen themes and objectives;
4. To provide recommendations on any interventions that will be seen as needing modifications.

3. Scope of the Evaluation

The scope of this evaluation covers Finland's development cooperation in Eastern Europe and Central Asia, 2014–2017 as indicated in the programme presentation and logframe published in February 2014, excluding however projects managed by Finland's OSCE Mission in Vienna and Local Cooperation Funds managed by Finnish embassies. The crisis in Ukraine has been escalated since launching of WEI II which has led to additional funding for Ukraine. Also activities that are funded by this additional funding are excluded from the scope of the evaluation. Detailed list of projects to be included in the evaluation is in annex 2.

Stakeholder groups to be interviewed are MFA, implementing partners, local partners and authorities, project beneficiaries, and Finnish embassies and roving ambassadors covering the region.

Field missions will take place in the Kyrgyz Republic and Tajikistan.

4. Issues to be addressed and evaluation questions

4.1. Cross-cutting objectives

An evaluation of the cross-cutting objectives is to be integrated into the evaluation criteria and questions. The WEI II are to be examined in relation to all cross-cutting objectives including

- promotion of gender equality,
- reduction of inequality
- climate sustainability

4.2. Evaluation criteria and evaluation questions

The main objective of the mid-term evaluation is to produce an overall assessment of the WEI phase II.

The evaluation should focus on following questions; however the evaluation team is encouraged to address all issues that are relevant for the success of the project.

RELEVANCE

Relevance refers to the extent to which the objectives of the programme are consistent with beneficiaries' requirements, country needs, global priorities and partners' and Finland's policies.

Policy priorities

- Are the objectives and achievements of the WEI II consistent with the policies and poverty reduction strategies of the Kyrgyz Republic and Tajikistan?

- Are the objectives of the WEI II consistent with Finland's development policy?
- Are the objectives and achievements consistent with the needs of the final beneficiaries?
- Whose poverty and inequality is the WEI II reducing?
- Whose sustainable development is it promoting?
- To what extent has the WEI II complemented the EU strategies in the region (European Neighbourhood Policy and its eastern Partnership, EU strategy for Central Asia)?

IMPACT

Impact describes how the programme has succeeded in the attainment of its overall objective, i.e. targeted impact for its beneficiaries. The evaluation will be made against the related indicators.

Achievement of wider objectives

- Has progress been made towards achieving WEI II overall objectives? Which indicators show that the intended changes are starting to take place?
- Has WEI II impacted on the lives of the final beneficiaries (women and men) through prices, employment, access, authority, assets or empowerment?

EFFECTIVENESS

Effectiveness focuses on evaluating the achievements of the programme's immediate objectives. It describes if the results have furthered the achievement of the purpose of the programme, or are expected to do so in the future. The evaluation will be made against the related indicators.

Achievement of immediate objectives

- To what extent has WEI II achieved its purpose or will it do so in the future?
- Are the results and WEI II purpose making a contribution towards reducing poverty?
- To what extent have gender equality, reduction of inequalities and promotion of climate sustainability been achieved during implementation of WEI II?

EFFICIENCY

The efficiency of a programme is defined by how well the various activities transformed the available resources into the intended results in terms of quantity, quality and timeliness. Comparison should be made against what was planned.

Value for money, other available resources and sound management

- How well have the activities transformed the available resources into the intended outputs or results, in terms of quantity, quality and time?
- Can the costs of WEI II be justified by the achievements?
- Have resources been provided and efficiently used for participation of all stakeholders (right holders), inclusiveness and other short-term process achievements?

SUSTAINABILITY

Sustainability can be described as the degree to which the benefits produced by the programme continue after the external support has come to an end.

Likely continuation of the achieved benefits

- Will the benefits produced by WEI II be maintained after the termination of external support?
- What are the possible factors that enhance or inhibit sustainability, including ownership/commitment, economic/financial, institutional, technical, socio-cultural and environmental sustainability aspects?
- Has the phasing out of external support been planned, and will the plan ensure sustainability? What would be the appropriate exit strategies to ensure sustainability?
- What is the likelihood that the achievements in human rights and gender inequalities and promotion of climate sustainability are sustained after WEI II is completed?

AID EFFECTIVENESS = EFFECTIVENESS OF AID MANAGEMENT AND DELIVERY

Implementation of the Paris Declaration principles

- Has WEI II promoted ownership, alignment, harmonization, management for development results and mutual accountability?
- Has WEI II promoted coordination and complementarity?

COHERENCE

Issues beyond development cooperation

- Have contradictions with other policies prevented the implementation and achievement of the development objectives, or are they mutually reinforcing?
- Are other policies consistent with the human rights based approach and cross-cutting objectives and their integration into WEI II?

PROGRAMME MANAGEMENT AND ADMINISTRATIVE ARRANGEMENTS

Sound management in the Ministry for Foreign Affairs and the partner organizations (executing agencies, local institutes)

- What is the quality of WEI II management, incl. monitoring and reporting, resource and personnel management, financial management, cooperation and communication between stakeholders?
- Are the roles and responsibilities between the involved institutions clear and appropriate?
- Have important assumptions been identified? Are risks appropriately managed, including flexible adaptation to unforeseen situations (e.g. political changes)?

FINNISH VALUE ADDED

- What is the added value provided by the Finnish support?
- What are the distinctive features of Finland's support?

5. Methodology

The methodology applied relies on desk studies based on the proposal itself, reports and interviews with the Ministry for Foreign Affairs, the implementing institutions and organizations, other donors and partner organizations and stakeholders/ beneficiaries in partner countries. Further, comments from the Finnish Embassy in Astana (Kazakhstan, the Kyrgyz Republic) and roving ambassador (Tajikistan, Uzbekistan) are to be taken into account.

6. The evaluation process and time schedule

The main task is carried out as a desk study supported by oral interviews and electronically received comments and field missions to four countries. The whole evaluation procedure is estimated to take no more than 6 months (including reporting).

Evaluation process will include:

- kick-off meeting (within two weeks after signing the contract)
- inception and desk-study phase (within 2 months after signing the contract)
- interviews and field missions (within 3 months after signing the contract)
- reporting and presentation of the evaluation results (within 4-5 months after signing the contract)
- approval of the final report (within 6 months after signing the contract)

7. Reporting

The evaluation team must submit to the MFA the following deliverables:

Inception report

The desk study results are included in the inception report as a concise analysis of the policies, guidelines, and other documents studied for the evaluation. The desk study report must also contain a plan for the field study, i.e. what kind of questions need to be clarified by interviews, who will be interviewed in the Ministry, who will be interviewed in the partner institutions and in the field, outline of the questions to be asked in the interviews etc.

The inception report must include detailed work methodologies, a work plan and detailed division of labour within the evaluation team, list of major meetings and interviews, detailed evaluation questions linked to the evaluation criteria in an evaluation matrix, reporting plans including proposals for tables of contents of the reports.

Presentation on the field findings

Presentation of the field findings must be given in the Kyrgyz Republic, Tajikistan and Helsinki.

Draft final report

Draft final report amalgamates the desk study and the field findings. The evaluation report presents findings, conclusions, recommendations and lessons learnt separately and with a clear logical distinction between them and integrating the evaluation results on cross-cutting objectives.

The MFA and the relevant stakeholders will submit comments on the draft final report to the consultant. The comments will be submitted two weeks after receiving the draft report.

The draft final report is commented only once. The commentary round is only to correct misunderstandings and possible mistakes, not to rewrite the report.

Final Report

The final report must be submitted within two weeks after receiving the comments. The final report must follow the report outlines agreed on during the inception phase.

Presentation on the evaluation findings

The evaluation team is expected to give a Power Point supported presentation on the evaluation findings. Each deliverable is subjected to specific approval. The evaluation team is able to move to the next phase only after receiving a written statement of acceptance by the MFA.

The reporting schedule is included in the contract.

8. Budget

The maximum available budget for this evaluation is 200 000 euro, excluding VAT.

9. Mandate

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

Annexes:

1. Suomen kehitysyhteistyö Itä-Euroopassa ja Keski-Aasiassa 2014-2017; ohjelman looginen viitekehys.
2. A list of organizations and their designated funds and interventions to be included in the Evaluation.
3. Mid-Term Evaluation of the Wider Europe Initiative 2012. Management response.

Reference and resource material:

Finland's Development Policy Programme 2012

<http://formin.finland.fi/public/default.aspx?contentid=251855>

Finland's development cooperation in Eastern Europe and Central Asia, 2014-2017. Wider Europe Initiative. <http://formin.finland.fi/public/default.aspx?contentid=299262>

Mid-Term Evaluation of the Wider Europe Initiative. Final report. 2012.

<http://formin.finland.fi/public/default.aspx?contentid=259635>

Evaluation manual of the Ministry for Foreign Affairs of Finland (including an outline for final evaluation report)

<http://formin.finland.fi/public/default.aspx?contentid=288455&nodeid=15145&contentlan=2&culture=en-US>

OECD/DAC quality standards for evaluations

<http://www.oecd.org/development/evaluation/qualitystandards.pdf>

EU Quality Assurance Grid

http://ec.europa.eu/europeaid/evaluation/methodology/guidelines/gui_qal_flr_en.htm