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Framework contract for  
**Multi-country thematic and regional/country-level  
strategy evaluation studies and synthesis**  
in the area of external co-operation

**LOT 4:**

**Evaluation of EC geographic co-operation  
strategies for countries/regions in Asia, Latin  
America, the Southern Mediterranean and Eastern  
Europe (the area of the New Neighbourhood  
Policy)**

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**Evaluation of  
European Commission's  
Cooperation with Nicaragua  
1998-2008**

**Final Report**

Volume III – Methodological Annex

Annexes 13 – 15

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The author accepts sole responsibility for this report, drawn up on behalf of the Commission of the European Communities. The report does not necessarily reflect the views of the Commission.



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## Annex 13 – Evaluation approach and tools

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### A13.1 Evaluation scope

This **Evaluation of the European's Commission's (EC) co-operation with Nicaragua** from 1998 to 2008 was commissioned by the Joint Evaluation Unit common to the Commission's Directorates-General (DG) for Development and External Relations and the EuropeAid Cooperation Office of the European Commission.

This evaluation has two main objectives as stated in the Terms of Reference (see annex 12), namely:

- to provide the relevant external co-operation Services of the EC and the wider public with **an overall independent assessment** of the EC's past and current cooperation relations with Nicaragua
- **to identify key lessons** with the aim of improving the current and future strategies and programmes of the EC.

The temporal scope of the evaluation is the EC's cooperation with Nicaragua **from 1998 to 2008**. It therefore covers the strategies set out in the 1998-2000 and 2002-2006 Country Strategy Papers (CSPs) and their implementation. It also covers implementation of non-programmable thematic budget lines that benefited Nicaragua during the period. For the 2007-2013 CSP an analysis of the relevance and design of the strategy has been made in respect of the intended effects in the priority sectors; an analysis of implementation of the 2007-2013 CSP was precluded by the fact that interventions have not yet started.

The period is characterised by (i) the Hurricane Mitch devastation, (ii) the effects of Structural Adjustment, (iii) the political changes introduced over the period by three different governments, (iv) a focus on a coordinated multi-donor approach to harmonisation and alignment, and (v) a shift to a sector budget support approach.

### A13.2 Main challenges and limits

The evaluation needed to address a number of challenges and limits that can be summarised as follows:

- The first challenge was to **reconstruct a complete overview of EC intervention in Nicaragua from 1998 to 2008**. The work carried out during these years was not recorded or compiled in a unique database or document. To overcome this difficulty an inventory was build up using five different sources. The first inventory was built up in July 2008, and later updated in March 2009 so as to ensure coverage of the whole of 2008.

- Another important challenge was the **access to complete, readily-available information** for the whole period. In spite of the goodwill and cooperation of the Commission Services at Headquarters and at the Delegation, the evaluation was hampered by the absence of a centralised information system in the institution, especially at the level of the interventions. As a consequence, there were important differences in the availability of documents from one intervention to another, recent operations being better gifted.

For the moment the archiving system relies on the initiative of individuals; and given the high rate of staff turnover there is very little or no institutional memory. The intended transfer of documents during the devolution process was not completed as planned; many documents previous to that period are still not archived and therefore not available. CRIS, although improving, is not yet a reliable instrument and still contains errors and omissions. Fundamental documents needed for the purpose of an evaluation can still not be systematically uploaded (identification and formulation reports, evaluations, annual reports). One systematic and reliable information source is ROM which however has its own limitations (it is not intended to be a system of information-sharing, it contains only Monitoring Reports and Project Synopsis)); and in that regard the Financial Agreements that are usually provided along with the monitoring reports were not available in the case of Nicaragua in the successive consultations of the team given to technicalities of database layout changes..

- **The evaluation scope** itself also constituted a challenge that was overcome by building a strong methodological framework. There were two main challenges:
  - This is a **strategic level evaluation**, not an evaluation of multiple interventions. It is therefore structured on the basis of the intervention logic which identifies the intended strategy and represents the norm against which the present situation should be evaluated and interventions should be considered. Furthermore the inventory provides a good overview of what has in practice been undertaken in the field within each area of intervention. Given that access to information on results is scattered, the team has striven for overall coverage through interviews but also through analysis of the socio-economic trends. The performance revealed by the monitoring report ratings allowed broadening of the picture although coverage is incomplete. The selection of a group of interventions (13) has allowed further examination of the concrete measures stemming from the EC strategy and an analysis of the complete project cycle from identification to implementation, monitoring and evaluation.
  - This evaluation was confronted with numerous **changes over the ten-year period**. During the period the EC strategy evolved in its overall framework and in its approach to cooperation (devolution, shift to budget support, Paris Declaration) but also in its regional dialogue and its bilateral strategies (3 CSPs). The Nicaraguan context has also evolved, influenced by external and internal factors such as three different Governments since 1998. The evaluation has tried to capture this evolution over time and to distinguish the characteristics of the different periods throughout the report.



- Finally, the evaluation coincided with a period of **high tension between the GoN and the donor community**. The mission took place in January 2009, i.e. less than two months after the EC decided to suspend its budget support modality in Nicaragua decision which marked the high point of a crisis which had been hatching since many months.

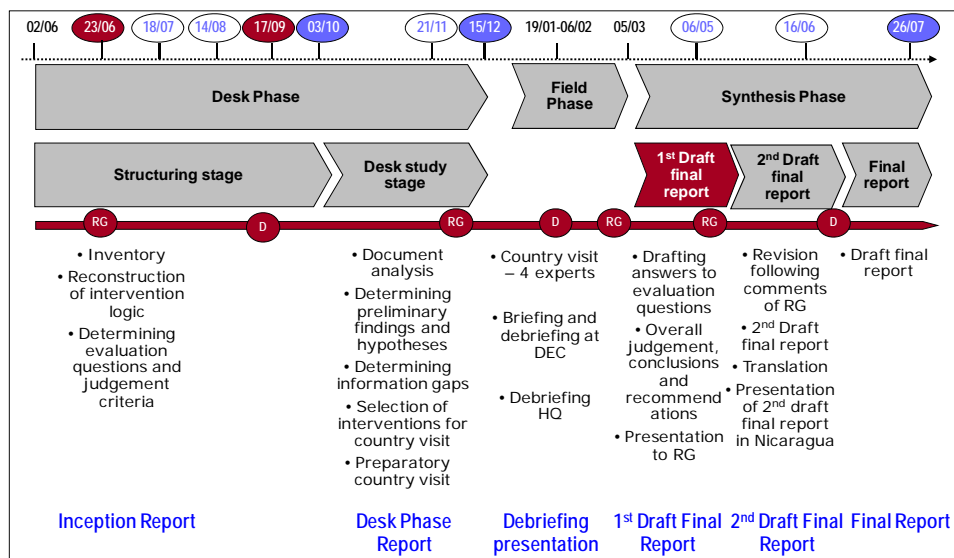
### A13.3 Evaluation process: an overview

This evaluation has been conducted in **three main phases** – Desk, Field and Synthesis – following the methodology developed by the Joint Evaluation Unit. The Desk Phase is divided in two stages: structuring and desk study.

This evaluation was managed and supervised by the Joint Evaluation Unit assisted by the Reference Group consisting of members of RELEX, EuropeAid and ECHO and the EC Delegation in Nicaragua.

Figure A13.1 below provides an overview of the **three main phases** mentioned above. It specifies for each of them the activities carried out, the deliverables produced and the meetings organised with the Reference Group (RG) and with the Delegation (D).

**Figure A13.1: Evaluation process**



The evaluation process translates a systematic approach that uses different building stones to:

- define the framework for the evaluation : Structuring stage
- collect systematically the information : desk study and field phase
- analyse the findings : Synthesis phase

#### A13.4 Describing the object of the evaluation and providing a methodological framework (structuring stage)

As a first step of the evaluation process, it was essential to provide an overview of the object of evaluation and defining with the Reference Group a common reference framework for the evaluation. This included the following:

- a description of the evolution of the **Nicaraguan context** during the period;
- **a reconstruction of the intervention logic** underlying the objectives and intended impacts pursued by the Commission during the period under study;
- **an inventory** of EC interventions in Nicaragua financed bilaterally during the period;
- a definition of **Evaluation Questions** to better focus the scope of the evaluation and give more concrete content to the evaluation criteria;
- a definition of **Judgment Criteria** and related **Indicators** for each Evaluation Question and identification of sources and tools to be used to inform these indicators.

This section presents the methods used for the reconstruction of the intervention logic, the building up of the inventory and the definition and structuring of the evaluation questions.

##### **A13.4.1 Intervention logic reconstruction method**

The intervention logic was reconstructed on the basis of documents and corresponds to the announced strategy. The intervention logic is a corner stone of the methodology. It represents the norm against which the present situation should be evaluated. The reconstructed intervention logic is summarised in an “expected impact diagram” encapsulating in one graphical presentation the effects intended to be reached by the strategic orientations announced.

The intervention logic was reconstructed on the basis of the following main documents:

- Country Strategy Paper for Nicaragua 1998-2000
- Memorandum of Understanding of March 2001
- Country Strategy Paper for Nicaragua 2002-2006 (May 2002) that covers also the MoU of 2001.
- Country Strategy Paper for Nicaragua 2007-2013 (April 2007)
- Memorandum of Understanding of April 2007

These documents offer a global view of the strategic orientations of the EC's cooperation with Nicaragua considering the conclusions of the overall EU-LAC dialogue during the period covered by the evaluation (1998-2008). They also describe the local political, economic and social context, as well as the importance of international aid in the country. They relate to three programming phases, respectively for the periods 1998-2000, 2002-2006 and 2007-2013. The first two periods fall within the scope of this evaluation, while for the last-mentioned only the beginning of the programming period (2008) is relevant.

To reconstruct the intervention logic the team carried out an interpretation work. The strategic orientations are usually presented in the texts in terms of objectives and do not

distinguish the level of each item. The evaluation team translated the objectives into effects as well as distinguished the different levels of effects.

Usually, global objectives are attained through long-term specific objectives which correspond to the priorities of the EC's cooperation with Nicaragua. In turn these specific objectives are attained through impact and medium-term operational objectives which correspond to the different intervention sectors as reflected in the programming documents. And finally the various activities or programmes financed by the EC give rise to various outputs (or immediate effects) which in turn support the operational objectives.

In the diagram, this hierarchy of objectives has been directly translated into a hierarchy of expected results and impacts. For each global objective there is a corresponding long-term impact, for each specific objective there is a corresponding impact, and for the operational objectives there are corresponding results attained through different outputs and activities.

In addition to effects, the diagrams distinguish also:

- the area/sectors of interventions (focal -in bold- and non-focal) ;
- the activities ;
- the linkage between the areas of cooperation and the pillars of GoN strategy (grey areas) ; .
- the other instruments (centralised budget-lines or horizontal/regional programmes) that could benefit to Nicaragua <sup>1</sup>. When the text relates these instruments to an area/sector of intervention there are included under this area.

The evaluation team has tried to stay as close to the texts as possible. Therefore the diagram does not reflect the opinions of the evaluation team or the real situation but the announced strategy of the above mentioned documents.

When the texts were not explicit the evaluation team has make a proposal. This is showed in the diagram with dashed lines. When over two periods the formulation has evolved the evaluation team has selected the formulation better adapted to translate the spirit of the texts.

#### **A13.4.2 Inventory of EC interventions**

As well as it was important to understand the announced strategy, it was also crucial for the purposes of the evaluation to understand what was really implemented.

The EC interventions carried in Nicaragua were not recorded or compiled in a unique database or document. To overcome this difficulty an inventory with the funds managed by Europe aid was build up using four different sources:

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<sup>1</sup> The CSP programmes the NIP ressources. These other instruments are considered in the CSP but follows different programming procedures and response to their own objectives.

- The Common Relex Information System (CRIS) database: providing information on commitments and updated information for payments, with gaps for thematic budget lines projects and no recording systematically the interventions before 2002.
- The Delegation's Tableau de Bord (2002, July 2008, December 2008): each table providing information only on open projects.
- The ROM database: providing information on projects monitored. Financial amounts are recorded at the time of the monitoring visit.
- The Central America Evaluation which compiled the interventions mentioned in the Annual Reports.

This approach allowed completing the limits of information of each source. Special attention was put in avoiding double entries. For this reason sources were treated with the following prioritisation: CRIS information was preferred to the information in the Delegation's of Tableau or others, the information in the tableau de board was preferred to the information in the ROM database or Central America Evaluation and the ROM database was preferred to the information in the Central America Evaluation.

In order to provide the most updated information in particular for the payments, the team knowing that the information in the ROM database, the Central America Evaluation and the 2002 Tableau de Board was out of date has made the choice to equalise for closed projects the commitments with the payments. This probably has lead to a slight overestimation of payments but closer to the reality than the initial out of date payment mentioned in the original source.

The team has reallocated to each intervention a sector or area of intervention -as far as possible within those mentioned in the strategy-, a sub-sector and when possible a cross-cutting issue. This has been made on the basis of the DAC sector code usually attributed by task managers but also given qualitative information collected on each intervention: project title, financing agreement, project synopsis, annual report...

ECHO funds were also considered in the overview as obtained from HOPE database.

### **A13.4.3 Evaluation questions, judgment criteria and indicators**

In order to assess to what extend the intended objectives have materialised (as represented in the expected impact diagram), the team has defined in agreement with the Reference Group 9 Evaluation Questions (EQ) which aim is to allow a more in-depth analysis and more targeted data collection. (See Annex 14-evaluation questions, judgement criteria and indicators).

Each Evaluation Question is linked to one or several DAC evaluation criteria and/or to the "3Cs" (coordination, complementarity and coherence); the value added by the EC; and three cross-cutting issues, namely gender, environment and decentralisation. The next table shows the coverage of these elements by each Evaluation Question.

**Figure A13.2: Coverage of the evaluation questions**

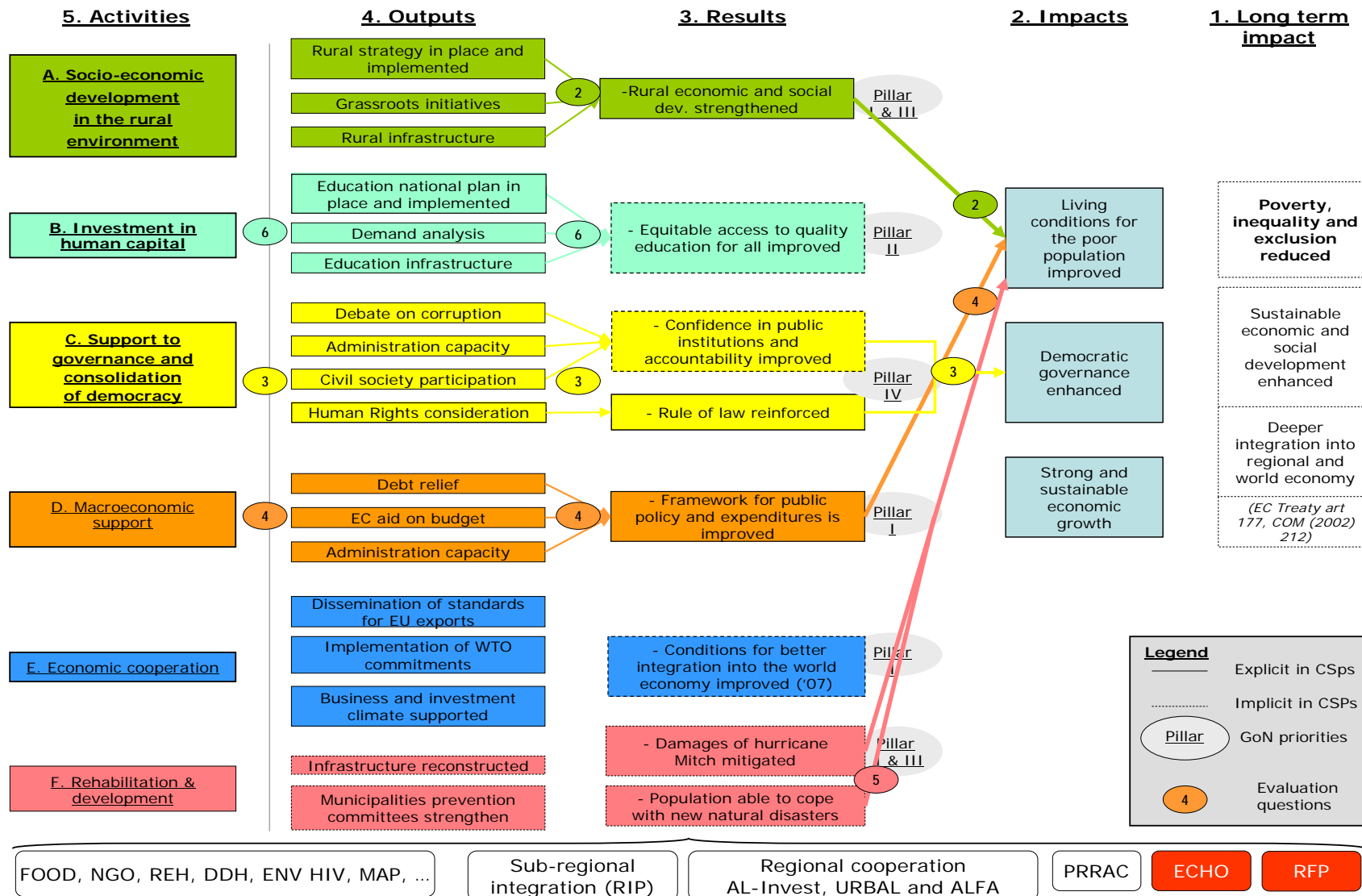
|                                       | Relevance | Effectiveness | Impact | Efficiency | Sustainability | CCI | 3Cs | EC value added |
|---------------------------------------|-----------|---------------|--------|------------|----------------|-----|-----|----------------|
| <b>EQ 1<br/>Strategy</b>              | ■         |               |        |            |                |     |     |                |
| <b>EQ 2<br/>Rural<br/>Development</b> | □         | ■             | ■      |            | ■              |     |     | ■              |
| <b>EQ 3<br/>Good<br/>Governance</b>   |           | ■             | ■      |            | □              |     |     | ■              |
| <b>EQ 4<br/>Budget Support</b>        | ■         | ■             | ■      |            | □              |     |     | ■              |
| <b>EQ 5<br/>LRRD</b>                  | ■         |               |        |            | ■              |     |     | ■              |
| <b>EQ 6<br/>Education</b>             | □         | ■             | ■      |            | □              |     |     | ■              |
| <b>EQ 7<br/>Efficiency</b>            |           |               |        | ■          |                |     |     |                |
| <b>EQ 8<br/>CCI</b>                   | □         |               | □      |            |                | ■   |     |                |
| <b>EQ 9<br/>3Cs</b>                   |           |               |        |            |                |     | ■   | ■              |

Legend: □ means a weak coverage ■ means a strong coverage

The EQs are also directly inferred from the impact expected diagram as shows the following diagram (figure A13.3). In particular EQ2, EQ3, EQ4, EQ5 and EQ6 refer to five of the six areas of intervention. These areas appear with letters from A to F in the diagram.

- In the area of rural development (EQ 2), the JCs addresses the relations between outputs and results, and between results and specific impact (C2.1)
- In education (EQ 6), the JCs address the outputs (C 6.2.) and the results (C 6.3). EQ 6 does not seek to inquire into the link between the supply of equitable education and the improvement of the living conditions of the poor population.
- In support to good governance (EQ 3), the JCs addresses the link between activities and output by evaluating how good governance has been mainstreamed into EC programmes (C3.1), evaluating the methodology followed (C3.2) and the instruments and capacities used (C3.4). It addresses the results in C3.3 and C3.5 and the specific impact in part of C3.5 also.
- In budget support (EQ 4), the link between activities and output is addressed in C4.1. The link between outputs and results is covered by C4.2 to C4.4. While C 4.5 addresses partially the link between expected results and expected specific impact (improvement of living conditions for the poor population).
- Economic cooperation is not covered by an evaluation question for three main reasons:
  - very little emphasis is given to this area in the 1998-2000 and 2002-2006 CSP;
  - consequently, budget allocation is scarce, except in the last CSP (2007) who aims to spend 22,5% of NIP on “investment and budget climate”, but with no indication that this is feasible, nor that it is a priority for the actual GoN;
  - very little has been realized (see also 3.2.1 E).

Figure A13.3: Expected impact diagram 1998-2008 – with evaluation questions



- Rehabilitation (EQ 5) looks at links with upstream (ECHO) and downstream (CSP) interventions. C 5.2 partially addresses the link between rehabilitation and the general development objectives which includes improving living conditions of the poor.

For each evaluation question the team has specified:

- the rationale and the coverage ;
- a set of judgement criterion that allow to answer the evaluation questions improving the transparency of the analysis (explicit judgment) ;
- the related indicators that will be the basis of the data collection ;
- the sources ; and,
- some explanation notes on some concepts or terms used.

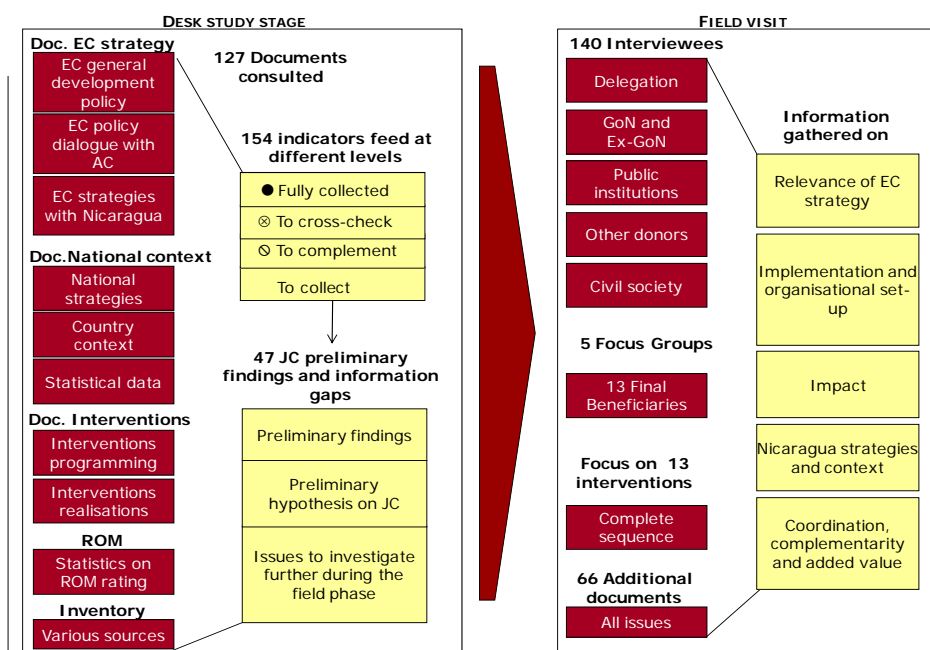
### A13.5 Data collection (Desk Study and Field Phase)

The methodological framework defined in the structuring stage gave the basis for the data collection. The collection was spread over two phases the desk study and the country mission.

#### A13.5.1 From desk study to field phase

The information sources and the tools used as well as the outputs obtained for each phase are summarised in the following Figure A13.4.

**Figure A13.4: From desk to country visit**



During the **Desk Study Stage** the team carried out

- a review of relevant documentary sources (see list of documents in annex 11),
- a preliminary visit to the EC Delegation in Nicaragua (September 2008),
- a first reality check of the methodological approach proposed in the structuring phase introducing some changes to improve coherence.
- prepared the field mission by identifying information gaps and suggesting preliminary hypotheses to be tested further based on validation of the Judgement Criteria
- proposed new tools for data collection during the field phase and in particular proposed a selection of interventions.

The results of this stage were presented in the *Desk Study report* (November 2008). This study paved the way for the country visit. For each evaluation question the team identified the situation of information of the 154 indicators through 4 categories:

- information to be collected in the field ;
- existing information requiring completing and filling out ;
- existing information requiring cross-checking ;
- existing information fully collected requiring confirmation.

The **field phase** was structured on this basis allowing completion and cross-checking of the information basis through face-to-face semi-structured interviews, focus groups with beneficiaries, collection of additional documents and a focus on 13 interventions. In addition, a briefing and a debriefing with Commission Delegation were held during the country visit.

Information gathered related to five topics:

- **The relevance of the strategy and quality of its design:** these issues primarily relate to EQ1, but also to EQ5 on PRRAC, and EQ9 on the coherence principle covered by the 3Cs. As far as consistency between strategy design and implementation of interventions is concerned, EQ7, relating to efficiency, is also significant. During the desk study, information was collected on EC strategic options and on Nicaragua context. During the field visit this information has been usefully complemented through interviews with Delegation staff, the Nicaraguan authorities, the Project Management Units and the project beneficiaries.
- **The implementation and organisational set-up:** these issues are primarily linked to EQ7 on efficiency of programme implementation and on EQ9 on the 3Cs principle. The information gathered during the desk phase was scattered and odd. During the field visit related information was collected at project level but also more broadly, taking account of the various interrelationships and the large number of stakeholders.
- **Attainment of the desired effects:** These issues primarily relate to EQs 2, 3, 4 and 6 but also concern EQ8 on CCI. Information of this type needs to be collected primarily at project level. The quantity and quality of the information obtained for each project during the Desk Phase was variable. During the field visit the team has focus its analysis on a selected list of interventions. The documentary analysis was afterwards completed through interviews with implementation stakeholders which include *inter alia* the Delegation Task Managers, PMUs, national counterparts, as well as focus group with final beneficiaries (organised on random bases).



- **Nicaragua strategies and context evolution:** These issues relates to all the questions expect to question 7. During the desk study general documents on context evolution over the period were extensively mined. The field visit concentrated in confirming the data and understanding the trends, gather the latest figures and obtain detailed information at local level. As regards national strategies, the documents were analysed during the desk study and the field mission consisted in cross-checking team understanding of this documents as well as in confirming the concretisation of this orientation in the field and take into account latest developments.
- **Coordination, complementarity and added value:** Documentation sources on coordination and complementarity were generally poor, except for the survey on monitoring the Paris Declaration. These issues were extensively investigated during the field phase through interviews with 12 donors. Added value was considered through out each area of intervention and the selected projects and was also included as a topic in donors and National Authorities interviews.

### A13.5.2 Data collection tools

The data collection was carried out through out a multi-tool approach in order to allowing cross-checking and fair coverage of the scope of the evaluation.

**Figure A13.5: Coverage of scope through multi-tool approach**

| ELEMENTS OF EVALUATION APPROACH   | AREAS OF INTERVENTION | INTERVENTIONS     | EURO        |
|-----------------------------------|-----------------------|-------------------|-------------|
| Documentary study (177 documents) | Overall               |                   |             |
| Interviews (140 interviewees)     | Overall               |                   |             |
| Inventory                         | All areas             | All interventions | All funding |
| Monitoring rates (115 Reports)    | All areas             |                   |             |
| Selection of interventions        | 4/5                   | 13                |             |

The following tools were used:

- **Documentary study:** more than 177 documents were consulted for this evaluation. In addition to intervention-specific documents, key information was identified through a review of transversal assessments and evaluation reports, as well as through a review of a wide array of strategic documents on the EC strategy for the region and the country, and on the Nicaraguan context.
- **Interviews:** more than 140 interviewees were met for this evaluation, notably through headquarters visits in Brussels and during the country mission interviews in the field. The list of interviewees is provided in annex 10. The interviews were semi structured, the aim being to inform the indicators priory identified. General data collection guides were designed per type of contact (see annex 15). Per contact each member of the team developed specific interviews guides using these guides and the information gaps identified during the desk study.
- **Inventory:** this overview of EC support provided in the country aimed at being comprehensive and covering the whole period. Therefore five sources were combined: the CRIS database, the Delegation's Tableau de Bord, the ROM database, the Tableau

de Suivi 2002, and the Central America Evaluation. ECHO funds were also considered in the inventory.

- **Monitoring reports:** the global analysis of 115 monitoring reports made possible some preliminary quantitative analysis which focused on whether programmes or projects in different sectors or in different countries tended to exhibit different characteristics in terms of performance.

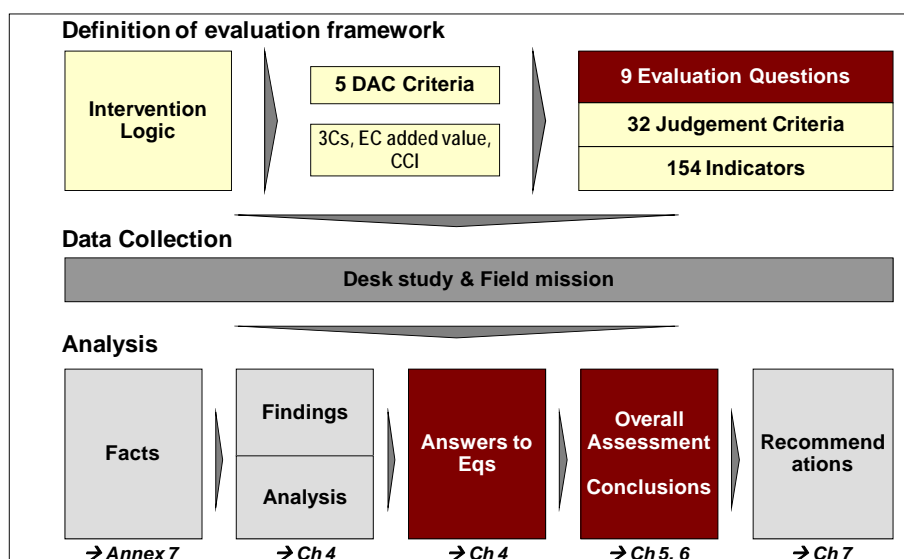
Each inventory monitored was matched with the inventory information in order to be able to use the same sectoral classification than in the inventory. The alphabetic rates were translated in numerical values and calculated over ten to provide a classical scale to the reader. Calculations have been made for each criterion and for each area of intervention allowing comparison.

- **Focus on a selection of interventions:** during the desk study, documents on interventions implemented in the country were used to acquire a general knowledge of the whole range of interventions. Based on this, 15 interventions were selected to further the analysis during the field phase. They cover the main areas of intervention and a large proportion of the funding (see annex 9 for the list and the selection criteria). For each the following sequence was applied: documentary review (including monitoring reports), interviews with different levels of stakeholders and field visits<sup>2</sup>.

### A13.6 Analysing and judging (synthesis phase)

The third phase, the **synthesis phase**, consisted of an analysis of the information collected in order to provide evidenced-based answers to the Evaluation Questions, sound Conclusions and useful Recommendations.

**Figure A13.6: A structured evaluation approach leading to evidence-based conclusions and recommendations**



<sup>2</sup> Field visits were not possible for the project Pueblos Indígenas Costa Caribe (for security reasons) and for the PRASNIC (the project closed in 2004 and recent institutional changes troubled the identification of past stakeholders).

This phase was structured as follows:

1. informing the indicators matrix (see annex 8) : sharing of information within the team, cross-checking, comparing and confirming the information gathered from the different sources;
2. identifying the limits of the analysis: data quality and unavoidable information gaps;
3. analysis : validation or invalidation of the Judgement Criteria;
4. on the basis of 1-3, answering the Evaluation Questions;
5. identifying and drafting Conclusions and Recommendations.

During this phase a Reference Group and a Seminar in Nicaragua will allow to present the results of the evaluation to the main stakeholders: EC services, National Authorities, EU Member States, representatives of civil society and other donors.



## **Annex 14 - Evaluation questions, Judgment Criteria, Indicators and Sources of information**

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The evaluation is structured around 9 evaluation questions (EQ) which aim is to permit an assessment of the Commission's past cooperation with Nicaragua based on objective analysis and verifiable indicators.

These EQs have been designed during the Inception stage and approved in the Inception report. During the desk phase the theoretical system was first used and some changes were introduced to improve the coherence.

The annex presents the 9 evaluation questions (as well as subordinated judgement criteria and indicators).

### **A14.1 Overall structure**

The nine Evaluation Questions structure the evaluation, focus on the major characteristics of the European Commission (EC) Strategy in Nicaragua, and takes into account the key issues and sectors identified through the TOR, the CSPs<sup>3</sup> as reflected in the synthesized intervention logic, the RG meeting and the comments made by the Evaluation Unit and the RG to inception report.

The evaluation questions are structured in the following way:

- EQ 1 covers the *relevance criterion* in its two dimensions: relevance of EC cooperation regarding the needs and priorities of the population, and regarding the general orientation of the EC cooperation during the period.
- EQ 2, 3, 4 and 6 cover the effectiveness, impact and sustainability criteria's (when these criteria's are relevant to the question). The main expected effects are related to the following themes: EQ2 covers rural development, EQ3 good governance, EQ4 budget support and EQ6 education. Note that the relevance criteria is reintroduced in the question on rural development in order to check whether it corresponds to a poverty reduction strategy, and into the question on education to check the reasons of the change in strategy at the beginning of the period.

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<sup>3</sup> Note that the three CSP which cover the evaluation period do not have the same importance in term of the evaluation: while the 1998-2000 CSP is a very short document which only dedicates 4 pages to the EC aid programme, the 2002-2006 CSP is a comprehensive document central to the period covered, and the 2007-2013 does not cover the evaluation period: it is only used to understand the future intended strategy and programme, since it has not yet entered its implementation phase.

**Figure A14.1 - Evaluation Questions in brief**

|   |
|---|
| <p style="text-align: center;"><b>EQ 1 on Relevance of the Strategy</b></p> <p>EQ1 To what extent (i) does the EC strategy in Nicaragua and its evolution respond to the needs and priorities of the population,(ii) is it in line with the priorities set by the successive Governments of Nicaragua in their development policies and (iii) is it in line with the European Community's development cooperation policy?</p> |
| <p style="text-align: center;"><b>EQ 2 on Rural Development</b></p> <p>EQ2. To what extent did the EC interventions in rural areas (including food security) strengthen local economic and social development and ultimately improve sustainably socio-economic conditions of poor local communities?</p>   |
| <p style="text-align: center;"><b>EQ 3 on Good Governance</b></p> <p>EQ3. How successful has the EC been in contributing to improvement of confidence in public institutions, of accountability and in the reinforcement of the rule of law, and ultimately in the promotion of good governance within the areas it has supported?</p>  |
| <p style="text-align: center;"><b>EQ 4 on Budget Support</b></p> <p>EQ4. To what extent have the EC interventions through budget support been adapted to the national context, and to what extent have they contributed to improve the framework for public policy and expenditure?</p>   |
| <p style="text-align: center;"><b>EQ 5 on Linking Relief, Rehabilitation and Development</b></p> <p>EQ5. To what extent did the EC interventions with respect to rehabilitation following Hurricane Mitch link relief, rehabilitation and development and were they coordinated with and reinforce other EC interventions ?</p>   |
| <p style="text-align: center;"><b>EQ 6 on Education</b></p> <p>EQ6. To what extent has EC support contributed to improving equitable access to quality education for all?</p>   |
| <p style="text-align: center;"><b>EQ 7 on Efficiency</b></p> <p>EQ7. To what extent have the financial and human resources been used to reach objectives in a timely and cost effective manner, and was the regulatory and administrative framework appropriate for doing this?</p>   |
| <p style="text-align: center;"><b>EQ 8 on CCIs: Gender, Environment and Decentralisation</b></p> <p>EQ8. To what extent were issues related to gender, environment and decentralisation taken into account in the design and implementation of the interventions?</p>   |
| <p style="text-align: center;"><b>EQ 9 on the 3Cs</b></p> <p>EQ9 To what extent was the EC strategy designed and implemented in coordination with Member States and other donors so as to foster complementarities? To what extent are other EC policies coherent with the EC cooperation strategy in Nicaragua?</p>  |

- For each expected effect the questions aim at evaluating the following aspects:
  - Were there any significant difference between what EC intended to do and what was achieved, and how can the difference be explained?
  - Who were the real beneficiaries of the interventions (when the question is relevant) and were they the targeted population?
  - To what extent were the objectives of the interventions reached?
  - Do these interventions have sustainable effects?
  - Do the beneficiaries (local authorities or population) consider the results of the interventions as their own (ownership of results)?
  - Has the EC added value over other donors (especially Member States) on the subject covered by the question?
- EQ 5 on rehabilitation is a special question because it focuses on the relation between emergency, rehabilitation, development and risk prevention and therefore looks at rehabilitation as part of a chain of interventions. The existence of strong relations between all these stages is treated as a question of relevance in the design and implementation of the programme. It will also be asked if sustainability aspects were considered and if the programme offers added value over other donors.
- EQ 7 covers the *efficiency criterion* and also aims at verifying the extent to which the intervention modalities were appropriate to the objectives.
- EQ 8 refers to three cross-cutting issues (gender, environment and decentralization) chosen for their importance for development in Nicaragua as stressed in the different CSPs.
- EQ 9 refers to the '3Cs'. Coordination and complementarities have a special importance in Nicaragua which is a small country very dependent on a significant number of international cooperation agencies.

## A14.2 Evaluation questions, Judgment Criteria and Indicators

### **EQ 1 :relevance of the EC Strategy**

**EQ1 To what extent (i) does the EC strategy in Nicaragua and its evolution respond to the needs and priorities of the population, (ii) is in line with the priorities set by the successive Governments of Nicaragua in their development policies and (iii) is in line with the European Community's development cooperation policy?**

#### **Justification and coverage of EQ1**

Strategies must be based on a clear identification of the needs of the country and the priorities defined by the Government, while staying in line with the objectives of the European Community's development cooperation policy. Such clear identification guides the choice of the geographical and sector distribution of the interventions, as well as the choice of beneficiaries. The link between Commission aid and national policies and local choices is important because aid ownership is a condition of effectiveness and sustainability.

The question also includes the reasons of the main past changes in the EC's strategy and whether the objectives of the interventions, their design and modalities are appropriate to the context.

Additionally, the question checks also the coherence between EC strategy in Nicaragua and its general development policy.

#### **Judgment Criteria and indicators**

|   |
|---|
| <b>C 1.1 Needs and priorities of the people are identified and are taken into account in the EC strategy</b>  |
| I 1.1.1 Existence of documents, studies, analyses describing the priorities of the people (see note 2)  |
| I 1.1.2 Reference of the EC strategy to the above documents   |
| I 1.1.3 Degree of participation of main actors and institutions (civil and public) in the elaboration of the different CSPs   |
| I 1.1.4 Evidence that the EC has analysed the participation process in the elaboration of the GoN strategies and its coherence with the priorities of the population (see note 3) |
| I 1.1.5 Evidence that the EC interventions were directed towards the poor (see note 4)  |
| <b>C 1.2 Priorities of successive governments are reflected in the EC's strategy</b>  |
| I 1.2.1 Evidences that the EC objectives reflect the sector and geographical priorities as these appear in the ERCERP and the PNDo (see note 5)                                   |
| I 1.2.2 View of national authorities on the coherence of EC-GoN strategies  |



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| <b>C 1.3 The EC's strategy is coherent with the global and regional objectives of the European Community</b>   |
| I 1.3.1 Evidence that the EC objectives as stated in the different CSPs reflect the general and regional orientations of the EC's cooperation  |
| <b>C 1.4 Changes in EC strategy are explained by changes in the Nicaraguan context, availability of new information or analysis (including evaluations results), donor/GoN coordination and/or EC policy (including regional policies)</b> |
| I 1.4.1 Explicit explanations in documents for the change in strategy  |
| I.1.4.2 Interviewees explicitly link specific changes in strategy to specific changes in the Nicaraguan or European context  |

**Sources of information:**

- GoN official documents on development strategy: ERCEP, PND0, PNDH see note 3), Nestor Avendaño: (2003). "El papel del Estado no aparece en el Plan Nacional de Desarrollo", en: Envío, n° 260, Noviembre, Managua
- Documents on communitarian development policy: European Community, Treaty Establishing the European Community ; Statement of the Council and the Commission on the Community development policy, 20 Nov. 2000 ; The European Consensus on Development, Nov 2005
- EC documents on strategy in Nicaragua: CSPS and MoU of the period; Consortium Integration: "Misión de Preprogramación del country Strategy Paper 2007-2013 de la Comisión Europea para Nicaragua" Mayo 2005
- Documents on EU-AC relations: XVIII Conference of San José, Madrid 2002, Guadalajara Summit, 2004, Framework Cooperation Agreement, 1993
- Regional (Central America) strategic documents (Communication and Central America RSP) and the DRN, Evaluation EC Regional Cooperation with Central America, 2007
- Documents on policy dialogue (declarations and/or intentions)
- Documents on people priorities in Nicaragua (if available)
- Documents on poverty : World Bank, Nicaragua Poverty Assessment, May 2008 ; Ibis Colindres, Marcial Lopez y Michel Laforge: DFID,RUTA, ODI: " La pobreza rural Más allá de las cifras. Estudios de caso en Nicaragua y Honduras", Mayo 2002; Michael Richards Hacia un Mayor Entendimiento de la Pobreza Rural en América Central: Lecciones de la Literatura sobre el Desarrollo Rural Informe para el Taller DfID-RUTA-ODI : 'Políticas de Reducción de la Pobreza Rural – Enfocando el Dialogo sobre Experiencias de Nicaragua y Honduras' 29-30 Mayo 2002, Tegucigalpa, Honduras
- Joint Evaluation GBS 1994-2004 – Nicaragua Country Report
- Interventions documents: Financing Agreements, Activity reports, ROM reports, mid-term and final evaluations
- Strategies of other donors
- Interviews with EC, GoN, ex-GoN

### Notes:

1. The team will carefully examine possible contradictions that might occur between the priorities of the people and those of successive governments. Furthermore, it should be considered that EC strategy is also strongly determined by its policy of concentration on specific focal sectors and the coordination with other donor interventions. Coordination with other donors will be examined under EQ 9 ('3Cs').
2. The priorities of the people may be difficult to establish when the PRSP process has not been built on a participatory approach, or when a participatory approach has led to a list of needs without prioritisation. Nevertheless the team must rely on existing documents, for it is not required within the framework of this evaluation that the evaluation team itself identifies those needs and priorities.
3. When judging whether the EC interventions have been directed towards the poor, the team will mostly rely on sector and geographical criteria.
4. The fact that there have been three successive and very different governments during the period of analysis (1998-2008) will make the answer to this question quite delicate. So, when comparing EC strategy with the priorities of the governments, we will focus on ERCERP which is the central document of the evaluation period. The PND0 and PNDH will be examined in as much as they show contradictions or important changes with the ERCERP.

## EQ 2: Development in rural areas

**EQ2 To what extent did the EC interventions in rural areas (including food security) strengthen local economic and social development and ultimately improve sustainably socio-economic conditions of poor local communities?**

### Justification

Rural areas have a higher proportion of poor people: more than two thirds of rural inhabitants are poor in contrast with less than one-third in urban areas. Similarly, more than 25 percent of those in rural areas are extremely poor versus about 6 percent for urban residents. But rural areas have also a greater growth potential in terms of employment and exports.

During the period of reference, interventions in favour of rural areas received large amounts of support. They included 'traditional' rural development projects regionally based but also a multitude of small projects financed through the horizontal "food security" budget line and through the rehabilitation programme (PRRAC). The 2002 CSP foresaw also substantial institutional support for rural policy. This question will assess the main lessons learnt through this past EC experience in rural development.

For the record, it will be important to note the strategic shift of the CSP 2007-2013, which proposes support for rural areas through support for the *rural aspects of other sector policies*, rather than financing direct rural development programmes. It is also important to consider that Nicaragua might face an important food insecurity problem, given the rise in food

prices and its dependency on oil. It is therefore particularly important to draw lessons for the future from past interventions in food security.

### Judgment Criteria and indicators

|   |
|---|
| <b>C 2.1 The interventions in rural development address a global strategy in line with the needs in the field</b>   |
| I 2.1.2 Evidence that EC interventions were structured around a preexistent national strategy   |
| I 2.1.2 Evidence that EC interventions respond to an integrated strategy  |
| I 2.2.3 Evidences that EC interventions are in line with the needs in the field   |
| I 2.1.4 Result of the 'relevance' criteria in the monitoring reports  |
| <b>C 2.2 The EC's interventions have contributed to establish a rural strategy conducive to poverty reduction</b>   |
| I 2.2.1 EC interventions which aim to support rural strategy design   |
| I.2.2.2 Existence, at country level, of an explicit rural development strategy  |
| <b>C 2.3 The EC's interventions have enhanced more equitable access to factors of production as well as to economic and agricultural services</b>                                 |
| I 2.3.1 Evidence of a improvement in access to land, water, financial capital for the poor  |
| I 2.3.2 Evidence that more people have access to economic <u>and agricultural services</u> (technical dissemination, information...)  |
| I 2.3.3 Evidence that more people are trained in new techniques   |
| <b>C 2.4 Interventions in rural areas have improved access of the population to social services</b>   |
| I 2.4.1 Number and type of social infrastructures constructed   |
| I 2.4.2 Level of use of these infrastructures compared to plans (schools, dispensaries, water and sanitation...)  |
| I 2.4.3 Evidences that interventions have improved access to (pre-existent) social services   |
| <b>C 2.5 EC interventions in rural areas have contributed to the reduction of vulnerability of the poor</b>   |
| I 2.5.1 Evolution of number of people under-nourished in the population (if data exists)  |
| I 2.5.2 Evidence of improvement of the people's capacity to face food insecurity: crop and income diversification, strengthening of local institutions, cooperation strategies... |
| <b>C 2.6 EC interventions in rural areas have enhanced economic growth in these areas</b>   |
| I 2.6.1 Evidences that labour productivity has grown in the areas of intervention   |
| I 2.6.2 Evidence that new agricultural techniques have been adopted   |
| I 2.6.3 Evolution of prices paid to producers   |
| I 2.6.4 Evidence of creation of non-agricultural activities   |
| I 2.6.5 Result of 'effectiveness' criteria in monitoring reports  |

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| <b>C. 2.7 The benefits of the interventions are maintained after external support</b>  |
| I 2.7.1 Existence of benefits following external support   |
| I 2.7.2 Existence of a phasing-out strategy or measures (capacity-building dimension...)                                     |
| I 2.7.3 Level of participation of beneficiaries in decisions and implementation of the interventions                         |
| I 2.7.4 Existence of a system of administration and maintenance of equipment and infrastructure financed by the EC           |
| <b>C 2.8 The EC intervention in rural development offers a value added over Member States' interventions</b>                 |
| I 2.8.1 Evidence of a visible advantage of EC in the preparation and/or implementation of interventions on rural development |
| I 2.8.2 Evidence of a common political agenda between Member States' donors on rural development                             |

**Sources of information:**

- GoN official documents on development strategy: ERCERP, PND<sub>o</sub>, PNDH
- GoN (MAGFOR): “Política y Estrategia para el Desarrollo Rural Productivo”, Managua, 2005
- MAGFOR, Análisis de la Situación Nacional de Seguridad Alimentaria y Nutricional (SAN)-2006
- National statistics and rural surveys, FAOstat
- EC documents on strategy in Nicaragua: CSPs and MoU of the period
- Strategic documents on food security
- World Bank: Report No. 26128-NI: NICARAGUA POVERTY ASSESSMENT “Raising Welfare and Reducing Vulnerability”, December 23, 2003
- World Bank Report No 39736-NI: NICARAGUA POVERTY ASSESSMENT, May 30, 2008.
- PNUD, Metas de Desarrollo, 2003
- White, A and Roca, J.PAINIC, Mid-Term evaluation, 2007
- PAINIC Analisis institucional y organizacional del sector publico agropecuario rural (SPAR), 2007
- Semestral reports from Delegation
- Interventions documents: Financing Agreements, Activity reports, ROM reports, mid-term and final evaluations
- Thematic evaluation reports : Particip, Evaluation Food Security, Nicaragua Report, 2004
- Strategies of other donors
- Other studies on rural development and documents of other donors
- Interviews with EC, GoN, ex-GoN
- Field work (interviews with beneficiaries and resource persons)

### Notes:

1. This question concerns relevance, effectiveness, impact and sustainability
2. The question relates to socio-economic conditions of local poor communities (follows the formulation of the CSPs). This concept goes beyond the poor individuals within local communities but includes them. In a community the benefits should be redistributed and accessible to all. The issue of beneficiaries and the redistribution will be investigated with caution.
3. The answers to this question will be based on a sample of interventions, carefully chosen, within the TFC, Food Security and NGO budget lines.
4. The General Budget Support with emphasis on rural development will be covered under question 4.
5. I 2.1.2 This indicator includes a “sub-indicator”: the existence and results of a policy dialogue

### EQ 3: Good Governance

**EQ3 How successful has the EC been in contributing to improvement of confidence in public institutions, of accountability and in the reinforcement of the rule of law, and ultimately in the promotion of good governance within the areas it has supported ?**

#### Justification and coverage

Although Nicaragua performs well in Latin America in terms of equality, it still is on the bad side of a world inequality scale: in terms of GINI coefficient it ranks 81 on a total of 126 countries<sup>4</sup>. Moreover this unequal society emerged in 1990 from a long internal and external conflict, before which it had had no historical tradition of participatory democracy.

In these conditions, strengthening the rule of law, decentralisation and promoting participatory democracy are crucial areas of cooperation. For this reason the issue of good governance was put high on the agenda of the international cooperation in Nicaragua as soon as the peace process offered prospects of stabilisation. Good governance was a focal sector of the EC cooperation during the entire evaluation period, a cross-cutting issue for development policy according to the Treaty establishing the EU, and in itself is one of the four pillars of the 2001 ERCERP of the GoN.

Democratic governance has many dimensions (political, economic, social, cultural, environmental, etc.). This multidimensional nature has to be reflected in development cooperation practice. Accordingly the concept of democratic governance has to be integrated into each and every sectoral programme<sup>5</sup>. The team will examine how this issue has been addressed in interventions targeting specifically good governance and as a cross-cutting issue in the other interventions.

<sup>4</sup> UNDP: Human Development Report 2008. The Gini coefficient is 43.1 for Nicaragua, but the average for the 19 countries of Latin America is 52.9. The most unequal country of the continent is Bolivia with a GC of 60.1. It is 40.8 for the USA.

<sup>5</sup> EC Communication (2006) 421 on Governance.

The Judgment Criteria concern on the one hand the general strategy followed by the EC to promote good governance through the interventions it finances, as well as the EC capacity to implement this strategy; and on the other hand the way this issue is incorporated in the programmes and projects (including the non-governance-specific) and its results.

### **Judgment Criteria and indicators**

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| <b>C 3.1 Good governance has been prioritised or mainstreamed into programmes and projects</b>  |
| I 3.1.1 Existence and weight of programmes specifically targeting good governance   |
| I 3.1.2 Explicit reference to good governance objectives in programmes and projects not specifically targeting governance   |
| <b>C 3.2 The Commission adopted a multi-actor and a multi-level approach to supporting good governance</b>  |
| I 3.2.1 Evidence that the Commission has respected the legitimate role division between public authorities and civil society in the different development processes it has supported                                      |
| I 3.2.2 Evidence of EC respect for - and dialogue with - the different actors, at the different levels of governance (national/regional/local authorities)  |
| I 3.2.3 Explicit reference in the FA to measures to ensure ownership of implementation and results (participation in decision-making, responsibilities, co-financing, capacity- building and empowerment activities)      |
| <b>C 3.3 The EC interventions promoted transparency, accountability and participation</b>   |
| I 3.3.1 Evidence that the EC interventions promoted transparency, accountability and participation in institutions with which the EC have developed initiatives institutions with which the EC have developed initiatives |
| I 3.3.2 Evidence that EC interventions respond to expressed national/local needs (but not to voiced vested interests)   |
| I 3.3.3 Evidence of effects and impact on capacities and functioning of entities in charge of control (accountability)  |
| I 3.3.4 Evidence of EC support to the public disclosure of policy debates and monitoring of results (transparency)  |
| I 3.3.5 Evolution of participation of regional and local governments, and civil society organisations in official consultations (participation)   |
| <b>C 3.4 The Commission developed an overall institutional capacity to participate in the policy dialogue and to deal effectively and efficiently with the question of governance</b>                                     |
| I 3.4.1 Quantity of human resources available in the Delegation dealing (specifically or not) with governance matters   |
| I 3.4.2 Number of governance-related sectors/groups/committees in which delegation members participate, and availability of archives (see note)   |
| I 3.4.3 Availability and effective use of relevant training opportunities on governance-related issues (European civil servants)  |
| I 3.4.4 Existence of institutional incentives (e.g. space for risk-taking) or disincentives to effective and efficient action in the field of governance (e.g. the possible negative                                      |

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| effect of disbursement pressures)   |
| I 3.4.5 Evidence of consideration of contextual political dimensions in implementation (e.g. power, vested interests, objective criteria for selection of direct beneficiaries) |
| <b>C 3.5 EC interventions have enhanced democratic governance</b>   |
| I 3.5.1 – Human rights indicators evolution   |
| I 3.5.2 – Evolution of corruption rates   |
| I 3.5.3 – Evolution of confidence of population in its public institutions and political representatives  |
| I 3.5.4 – Evidence of local authorities empowerment (policy design, human resources, financial management)  |
| <b>C 3.6 The EC intervention in good governance offers a value added to Member States' interventions</b>  |
| I 3.6.1 Evidence of a visible advantage of EC in taking into account good governance in the preparation and/or implementation of interventions                                  |
| I 3.6.2 Evidence of a common political agenda between Member states' donors on good governance  |

**Sources of information:**

- Particip, Thematic Evaluation of the EC Support to Good Governance, June 2006
- COM(2006) 421 final, Brussels 30.8.2006 Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions - Governance in the European Consensus on Development - Towards a harmonised approach within the European Union
- GoN official documents on development strategy: ERCERP, PND0,
- Anuarios estadísticos de la Procuraduría para la Defensa de los Derechos Humanos (PDDH); CEP 2002-2006, Latinobarómetro 2001-2007
- EC documents on strategy in Nicaragua: CSPs and MoU of the period
- White, A and Roca, J.PAINIC, Mid-Term evaluation, 2007
- Semestral reports from Delegation
- Interventions documents: Financing Agreements, Activity reports, ROM reports, mid-term and final evaluations
- Strategies of other donors
- Interviews with EC, GoN, ex-GoN
- Field work (interviews with beneficiaries and resource persons)

**Notes:**

1. This question does not include the budget support programmes which have their own indicators of good governance and which will be addressed in EQ 4.
2. The €5m "Institutional Support to Development Policies in Nicaragua" (PAINIC) which provided technical assistance to the government administration, will also be addressed in EQ4.
3. Indicator 3.4.2 should evaluate the involvement of the Delegation in the national debate on good governance, and check how the institutional memory is conserved and transmitted inside the Delegation.

## **EQ 4 Budget support**

**EQ4 To what extent have the EC interventions through budget support been adapted to the national context, and to what extent have they contributed to improve the framework for public policy and expenditure?**

### **Justification and coverage**

The EC first intervention related to the macro-economic framework started in November 2003 with a € 7.5 m participation in the HIPC initiative. It was followed by a series of other initiatives taking the form of Sectoral Budget Support (SBS), General Budget Support (GBS) or non financial support such as technical assistance for budget support implementation. The EQ4 covers the following interventions:

- (i) the 2003 participation in the HIPC initiative which can be viewed as a kind of budget support;
- (ii) the SBS to the 2001-2015 National Education Plan (PAPSE), which began in 2004;
- (iii) a general budget support (GBS), the PAPND, which began in 2005;
- (iv) a support to the Justice Department to help implement the new code of criminal procedure, whose preparation started in 2004 but which has not yet been implemented;
- (v) a fifth intervention (PAINIC), started in 2005, that aims at improving the macro-economic framework by offering technical assistance to prepare, implement and monitor budget support, and improve planning and policy design.

The 2007-2013 National Indicative Programme (NIP)<sup>6</sup>, offers the possibility to dedicate to budget support up to 75% of the € 214 m allocated to Nicaragua, which stresses the importance given to this instrument and its rapid growth during these last years.

The team will build on the findings of other evaluations, especially the 2006 Joint Evaluation of General Budget Support and the mid-term evaluations of PAPSE and PAINIC.

The coverage of this EQ is necessarily limited (this is not a GBS/SBS evaluation). After four years of EC experience with this instrument in Nicaragua and given the past and present difficulties associated with its use, it is proposed to focus the evaluation on the inputs (and relevance) of this form of financing, and on the direct and induced outputs<sup>7</sup>. These are the results which are observable at the Government level and in Government and Donors relations. The reasons for this focussing are twofold:

- (1) The strengthening of the Public Finance Management (including budget) is fundamental in budget support and is a condition to other higher or long term expected effects.
- (2) The past and present difficulties in budget support implementation in Nicaragua seem to be related to the first steps of the BS intervention logic (inputs/means, direct outputs and induced outputs), more than to the last stages

<sup>6</sup> The NIP covers only financial and technical assistance (FTC budget line) and economic cooperation.

<sup>7</sup> The precise meaning of the concepts are taken from the "Guidelines... on GBS", p 25 and from the Issue paper "Methodology of Evaluation of Budget Support Operations at Country Level". Note that what is called "Output (2)" in the Guidelines is referred as "Induced output" in the Issue paper.



(outcomes/results, intermediate impacts and global impacts) which are also more long term results and which may present serious problems of measurement and attribution.

By limiting the scope of this question on these lines, it is hoped to offer more practical recommendations for the future use of this instrument and a better identification of the reasons of the risks of failure of this modality in the Nicaraguan context.

### Judgment criteria and indicators

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| <b>C 4.1 The EC interventions through budget support have been adapted to the national context and in particular the implementation procedures have been adequate in regard to the country's interest</b>                                 |
| I 4.1.1 Evidence that EC interventions responded to a need (demand from the GoN, joint donor initiative, harmonization and alignment...)  |
| I 4.1.2 Evidence that conditions come from a policy dialogue (are owned by the GoN), are functional and are being respected   |
| I 4.1.3 Evidence that disbursements are on time and coordinated with GoN and other Donors   |
| <b>C 4.2 The EC interventions have improved the inclusion of external assistance into the public policy &amp; public finance process</b>  |
| I 4.2.1 Increased size and share of external funds made available through national budget   |
| I 4.2.2 Increased predictability of external funds  |
| I 4.2.3 Evidence of the quality of the policy dialogue: conducted by the GoN, conducive of government strategy, coordinated between Donors  |
| I 4.2.4 Evidence that non financial support (TA) has responded to expressed needs, has shown clear results and has been sustainable (capacity building)   |
| <b>C 4.3 The EC interventions have contributed to improving public financial management (see note 6 and 7)</b>  |
| I 4.3.1 Existence of an Action Plan to improve public finance management, which offers clear priorities and sequences   |
| I 4.3.2 Level of involvement of actors in the preparation process (who participated in the preparation? Who was consulted? Who has criticised? What publicity was given to debates and to main documents? Who has access to information?) |
| I 4.3.3 Evolution of procurement policies and activities  |
| I 4.3.4 Role of Parliament is effective in discussion and approval of budget and is based on a sufficient level of detail of information contained in budget documents (see note 8)   |
| I 4.3.5 Evolution of the role of the Court of Auditors and of its functioning (see note 9)  |
| I 4.3.6 Evolution of the institutional framework governing the Public Finance Management (PFM)  |
| <b>C 4.4 The EC interventions have contributed to improve the policy preparation and implementation, including the use of budget as a policy instrument</b>   |
| I 4.4.1 Budget execution is closer to plan on both income and expenditure side  |
| I 4.4.2 Existence/preparation of a medium-term expenditure framework or at least  |

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| of a medium-term plan   |
| I 4.4.3 Quality and availability of statistics  |
| I 4.4.4 Stability of public servants in charge of budget matters, training and capacity-building  |
| I 4.4.5 Evidence of sufficient provision for operation and maintenance of infrastructure (see note 11)  |
| <b>C 4.5 The EC interventions have contributed to orienting budget priorities towards the poor in rural areas</b>   |
| I 4.5.1 Trend in budget execution in social sectors and in pro-poor expenditures (e.g. primary schools, food security programmes, basic health care, security net, welfare programmes...) |
| I 4.5.2 Existence of “protected expenditures” in the budget (see note 12)   |
| <b>C 4.6 The EC interventions through budget support offer a value added (see note 13)</b>  |
| I 4.6.1 Evidence of a visible advantage of EC participation in the preparation and/or implementation of the different budget support interventions or related programmes                  |
| I 4.7.2 Evidence of a common political agenda between Member states’ donors in the budget support interventions   |

**Sources of information:**

- Guidelines on the Programming, Design and Management of General Budget Support, AIDCO, DEV, RELEX, January 2007.
- Methodology of Evaluation of Budget Support Operations at Country Level, Issue Paper May 2008, Evaluation Unit
- GoN official documents on development strategy: ERCERP, PNDo
- CESEP 2007 Informe del gasto en Pobreza y Alivio HIPC 2006
- World Bank, Joint Public expenditure Review (2007)
- World Bank PER 2008
- EC documents on strategy in Nicaragua: CSPA and MoU of the period
- Semestral reports from Delegation
- Interventions documents: Financing Agreements, Activity reports, ROM reports, mid-term and final evaluations - Standard Explanatory Note Closure Statement of PAPSE (2008)-
- Joint Financing Arrangement for General Budget Support Between the Government of Nicaragua and the Donor Group (JFA), May 2005
- Joint Evaluation GBS 1994-2004 – Nicaragua Country Report
- Mid-term Evaluation of PAPSE “Programme of Budget Support to Educational Sector in Nicaragua”, 2006
- Mid-term Evaluation of PAINIC “Programa de Apoyo Institucional en Nicaragua”, 2007
- Strategies of other donors
- Interviews with EC, GoN, ex-GoN, other donors, TA

**Notes:**

1. Criteria: Relevance, effectiveness, impact and sustainability.
2. EQ4 addresses the GBS (PAPND) and the SBS in education (PAPSE), both of which have been financed jointly with other donors. It will therefore be important to integrate opinions/analysis/evaluations of these donors in the answers to the question.
3. Other questions on modalities, procedures, alignment and coordination (some of “the mechanics behind BS”) will be addressed in EQ7 (efficiency) and EQ9 (3Cs).
4. The Public Expenditure Review of the WB (2007) is an important input for this question
5. Following the “Guidelines” (p.51), public finance covers two main areas which are both used here: public financial management (PFM) and the national budget.
6. C 4.3 and C4.4 these judgment criteria’s and their respective indicators apply, of course, to the evolution of public finance management.
7. I 4.3.4: in order to be checked by Parliament, the budget has to be “readable”: at the same time simple and complete.
8. I 4.3.5 This indicator amounts to answering to 2 questions: (1) has the budget execution been audited by the Court each year? (2) have the recommendations of these audits been taken into account?
9. I 4.3.6 This indicator amounts to answering essentially to 3 questions: (1) role and coordination between governmental actors in preparation of budget (including budget support), (2) role and coordination in measuring performance, (3) role and coordination in writing reports.
10. I 4.4.3 : it should be taken into account that capital expenditure in one year gives rise to an increase in current expenditures the next year (schools, hospitals, roads, bridges, water and sanitation networks, etc. all need to be operated and maintained).
11. I 4.5.2: a “protected expenditure” is an item in the budget which will does not suffer a budget cut or reduction because it relates to a high priority for the government or to a strong lobby group.
12. C 4.6 In the case of Budget support, value added has a different meaning than in sectoral support because participation to a GBS may be a value added in itself, even if it is not accompanied by a visible leadership which stems from political or technical reasons.

**EQ 5 On linking relief, rehabilitation and development**

**EQ5 To what extent did the EC interventions with respect to rehabilitation following Hurricane Mitch link relief, rehabilitation and development and were they coordinated with and reinforce other EC interventions ?**

**Justification and coverage**

The evaluation period begins with Hurricane Mitch (October/November 1998) which was one of the worst natural disasters suffered by Nicaragua in the 20<sup>th</sup> century. This led the EC to launch an emergency aid programme, small programmes through NGO’s and Food Security budget line followed by a rehabilitation programme (PRRAC) which committed more than €84m to Nicaragua alone over six years.

This issue is included in the evaluation because Nicaragua is one of the cases where the link between an emergency, rehabilitation and development can be observed and from which lessons can be drawn for the future. The rehabilitation programme alone represents 17% of total EC cooperation commitments during the evaluation period. The country is extremely vulnerable to natural disasters; it has suffered several times from hurricanes, earthquakes and volcanic eruptions. Hurricanes are becoming more frequent and violent since they are linked to climate change. Hence the importance of disaster preparedness and the need to understand how to consolidate the country's own institutions to cope with disasters.

The starting point for the question on rehabilitation is the set of conclusions of the audit by the EC Court of Auditors, especially those concerning the link between rehabilitation and development, and the integration of a rehabilitation programme into a development strategy. These are the most relevant for a long-term country evaluation and are also those which were treated in less depth by the Court's audit. Thus they are also those where the evaluation can have higher value added.

### **Judgment criteria and indicators**

|   |
|---|
| <b>C 5.1 The rehabilitation programmes had concrete relations with relief operations and specially those financed by ECHO</b>   |
| I 5.1.1 Number of operators which are the same as in ECHO   |
| I 5.1.2 Evidence that design of interventions was related to urgent needs   |
| I 5.1.3 Evidence of a link between problems generated by Mitch and rehabilitation interventions   |
| I 5.1.4 Number of times previous relief operations are mentioned in FAs of rehabilitation interventions   |
| I 5.1.5 FA of EC rehabilitation interventions mentions that the intervention is grounded in ECHO conclusions  |
| I 5.1.6 Existence of formal as well as informal relations between the two types of interventions  |
| <b>C 5.2 Rehabilitation operations had concrete relations with development programmes and the EC strategy in Nicaragua</b>  |
| I 5.2.1 Number of interventions of which the objectives include restoration of institutional capacity and rebuilding of the social fabric                                 |
| I 5.2.2 Number of interventions involving construction of new infrastructures compared with interventions entailing rebuilding of infrastructure destroyed by Mitch       |
| I 5.2.3 Evidence that interventions have had an influence on sector strategies  |
| I 5.2.4 Evidence that rehabilitation interventions are included in the CSP and that the CSP addresses explicitly the linkage issue between rehabilitation and development |
| I 5.2.5 Evidence of concrete relations between interventions (for example in water and sanitation financed through the PRRAC and through the food security budget line)   |

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| <b>C 5.3 Rehabilitation operations had concrete relations with disaster preparedness programmes</b>  |
| I 5.3.1 Number of interventions including a significant number of crisis/risk prevention and/or disaster-preparedness measures                                       |
| I 5.3.2 Number of interventions of which the objectives include enhancing the self-help capacity of the population and/or civil protection.3.2                       |
| I 5.3.3 Number of institutions oriented to disaster preparedness supported   |
| I 5.3.4 Evidence that PRRAC has concrete relations to sub-regional preparedness: common early alert system, coordination mechanism for urgent aid and rehabilitation |
| <b>C 5.4 Rehabilitation interventions have considered sustainability</b>   |
| I 5.4.1 Evidence of participation of local institutions and people in the design and implementation of interventions   |
| I 5.4.2 Existence of a phasing out/exit strategy or measures (capacity building dimension ...)   |
| I 5.4.3 Timing and external support to interventions are appropriate (complex activities are not begun a few months before ending an intervention)                   |
| I 5.4.4 Local institutions are-insuring an effective continuation when needed  |
| <b>C 5.5 The EC intervention in rehabilitation offers a value added over Member States' interventions</b>  |
| I 5.6.1 Evidence of a visible advantage of EC in the preparation and/or implementation of the rehabilitation programme   |
| I 5.6.2 Evidence of a common political agenda between Member states' donors in rehabilitation after hurricane Mitch  |

**Sources of information:**

- GoN official documents on development strategy: ERCERP, PNDo
- EC documents on strategy in Nicaragua: CSPS and MoU of the period
- Council regulation EC 2258/96, 22 November 1996 on rehabilitation and reconstruction operations in development countries
- EC, Communication from the EC to the Council and the Parliament on a Community Action Plan for the Reconstruction of Central America COM(1999)201, 28.04.1999
- COM(2001) 153 Communication from the Commission to the Council and the European Parliament Linking Relief, Rehabilitation and Development – An assessment
- European Court of Auditors, Special Report n°2008/6 European Commission Rehabilitation Aid Following The Tsunami And Hurricane Mitch, 2008
- Evaluation des Actions de Réhabilitation et de Reconstruction Financées par la EC dans les pays ACP/ALA/MED/TACIS (2003)
- Evaluation Central America, DRN, 2007
- Semestral reports from Delegation
- ECHO documents and reports
- Interventions documents: Financing Agreements, Activity reports, ROM reports, mid-term and final evaluations
- Regional (Central America) strategic documents
- Strategies and documents of other donors

- Raymond, C. and Doucin, M. for Fondation de France, *Limites et efficacité de l'ingérence politique des agences d'aide - après le passage Mitch*, 2004
- Interviews with EC, GoN, ex-GoN, beneficiaries

**Notes:**

1. The team focused the in terms of design and internal coherence of the strategy for Nicaragua. Effectiveness and impact will not be assessed, an evaluation of the PRRAC will be undertaken in the first semester of 2009.

## **EQ 6 Education**

**EQ6 To what extent has EC support contributed to improving equitable access to quality education for all?**

### **Justification and coverage**

Among human capital investments, education stands out as critically linked to poverty reduction and improved productivity. Education is a top priority for Nicaragua, particularly as it is the second country with the lowest level of education in Central America. The average years of schooling of the urban population is 6.9, compared to a regional average of 9.0; in rural areas the gap is between 3.1 and 4.9. In terms of impact on poverty, key interventions in education are universal primary education and literacy programs.

Education has been a focal sector for EC interventions during the whole period covered by the evaluation. The strategy consist in support to the Education National Plan carried out through a sectoral approach. Over the period commitments reached € 50.7 m, which represents 10% of total, and where concentrated, between 2003 and 2006, on one multi-donors sectoral budget support (PAPSE or Programa de Apoyo Presupuestario Sectorial para la Educación) whose aim was to co-finance the 2001-2015 National Education Plan. Previous EC interventions in vocational training and primary and secondary education where launched before 1998 and fall therefore out of the scope of this evaluation. It must also be noted that the rehabilitation programme (PRRAC, see EQ5) has financed many educational infrastructures.

The question will focus on the sectoral budget support (PAPSE) and will thus aim at assessing the extent by which this support contributed to improve the delivery of education services by the GoN. It will also examine the reasons and relevance of the shift in the EC strategy occurred during the period in this sector.

**Criteria and indicators**

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| <b>C 6.1 The shift in the EC intervention strategy in the education sector is based on the sector evolution, on a co-ordination between donors and is more in line with the GoN</b>      |
| I 6.1.1 Existence and modalities of coordination between EC, other donors and the GoN at the level of the conception/design/feasibility study of the intervention and its implementation |
| <b>C 6.2 The Commission's intervention in the education sector contributed to the expected outputs in four aspects of the NEP:</b>   |
| a) decentralization  |
| b) support to teachers   |
| c) secondary education reform  |
| d) support to Atlantic regions   |
| I 6.2.1 Number of schools with administrative autonomy and territorial decentralization (see note 2)   |
| I 6.2.2 Design and application of a training plan for teachers and salary increase   |
| I 6.2.3 Design and application of a new curriculum and new educational proposals for vocational training in secondary education  |
| I 6.2.4 Application of autonomous regional educational system in RAAN and RAAS   |
| <b>C 6.3 The Commission's intervention in the education sector contributed to the expected results of the NEP: enhanced equality, quantity and quality of education services</b>         |
| I 6.3.1 Evolution of enrolment, dropout and repetition rates (see note 2)  |
| I 6.3.2 Evolution of pupils/teacher ratio  |
| I 6.3.3 Evolution of enrolment in vocational training programmes after secondary education   |
| I 6.3.4 Evolution of enrolment and dropout rates in the Atlantic regions   |
| I 6.3.5 Evolution of the share of education in the general budget (see note 3)   |
| I 6.3.6 Evolution of the rate of enrolment between rural and urban areas   |
| I 6.3.7 Evolution of the literacy rate   |
| I 6.3.8 Evolution of gender equality in education (male/female rate)   |
| I 6.3.9 Evolution of completion rate in primary education  |
| <b>C 6.4 The EC intervention in education offers a value added over Member States' interventions</b>   |
| I 6.4.1 Evidence of a visible advantage of EC in the preparation and/or implementation of the education sectoral budget support programme (PAPSE)  |
| I 6.4.2 Evidence of a common political agenda between Member states' donors in the education sector  |

**Sources of information:**

- EC documents on strategy in Nicaragua: CSPS and MoU of the period
- Semestral reports from Delegation
- Living Standards Measurement Surveys (LSMS)
- World Bank Nicaragua Poverty Assessment 2008
- World Bank, PER 2008

- National Budgets
- Educational map of MECD (Ministerio de Educación, Cultura y Deportes)
- Mid-term Evaluation of PAPSE “Programme of Budget Support to Educational Sector in Nicaragua”, 2006
- Interventions documents: Financing Agreements, Activity reports, ROM reports, mid-term and final evaluations
- *Ad hoc* studies on this topic
- Reports and evaluations from other donors (e.g. World Bank)
- Interviews with EC, GoN, ex-GoN, other donors

**Notes:**

1. ‘Equitable’, in this question, refers to relations between urban and rural areas
2. This indicator and the followings are used by the PAPSE for its own evaluation
3. This indicator and the followings are established by the National Education Plan.

**EQ 7 Efficiency**

**EQ7 To what extent have the financial and human resources been used to reach objectives in a timely and cost effective manner, and was the regulatory and administrative framework appropriate for doing this?**

**Justification and coverage**

The question aims at assessing to what extent deadlines were respected and resources used in an optimal manner when implementing the interventions. It also aims at examining whether the regulatory and administrative framework has been conducive to timely and cost-effective programme implementation. In this matter, three factors might influence efficiency: (i) the quantity of the resources (J.C. 7.1), (ii) their organisational set-up (J.C 7.2) (and (iii) their alignment with GoN (J.C 7.3). Specific attention will be dedicated to the shift towards Budget Support which represented the main change in the mode of implementation of the EC cooperation programme and was very rapid (see EQ4). In particular, it will be examined whether this change has imply a time and cost effective implementation.

**Judgment criteria and indicators**

**C 7.1 The human, financial, regulatory and/or administrative resources were sufficient to reach the objectives of the interventions as planned (quantity)**

I 7.1.1 Evidence of adequacy of resources (resources are probably adequate if no clear bottleneck can be identified during the preparation and implementation phases of different programmes)

I 7.1.2 Rate of disbursement and other efficiency criteria (see notes)

**C 7.2 The institutional set-up foresees a clear distribution of roles at each level of project implementation, and a good cooperation between main actors. (organisational set-up)**



|   |
|---|
| I 7.2.1 Share of responsibilities between Headquarter and Delegation  |
| I 7.2.2 Evidence of well defined procedures, job roles and responsibilities inside the Delegation (who, exactly, is responsible in each phase of the project cycle?)  |
| I 7.2.3 Evidence of coordination (formal or informal) and information-sharing between the four operation departments (regional integration, human development, natural resources, macro-economy), between different budget lines (IFC, food security, rehabilitation, NGO), between Delegation and field staff. |
| <b>C 7.3 The EC implementation modalities respect of GoN(s) leadership (alignment: dialogue, financial resources on treasury and on budget, cooperation predictable and reliable, conditions and conditionality's in line with Nicaragua's interest, adaptation to changes)</b>                                 |
| I 7.3.1 Evidence of a constructive policy dialogue  |
| I 7.3.2 Size and share of EC Financial resources made available through the national budget and the treasury (on treasury and on budget)  |
| I 7.3.3 Evidence that EC cooperation is predictable and respectful of its engagements   |
| I 7.3.4 Evidences that the conditionalities are respectful of GoN leadership, justified by Nicaragua's interest, coordinated and consistent with and promoting GoN strategy   |
| I 7.3.5 Evidence that TA meets expectations   |
| I 7.3.6 Evidence of EC capacity to adapt rapidly to changes in the context of transparency and political neutrality (see notes)   |
| <b>C 7.4 Shift towards budget support is time and cost efficient</b>  |
| I 7.4.1 Monitoring Reports efficiency rates   |
| I 7.4.2 Time and cost of budget support programmes (see notes)  |
| I 7.4.3 Identification of exogenous implementation difficulties   |

**Sources of information:**

- GoN official documents on development strategy: ERCERP, PNDo
- EC documents on strategy in Nicaragua: CSPS and MoU of the period
- DAC/OCDE, 2006 Survey on Monitoring the Paris Declaration - Country Chapter Nicaragua
- DAC/OECD, Joint Country Learning Assessment on Harmonization and Alignment (JCLA), Report on JCLA, 2008
- Methodology of Evaluation of Budget Support Operations at Country Level, Issue Paper May 2008, Evaluation Unit
- Joint Evaluation GBS 1994-2004 – Nicaragua Country Report
- Mid-term evaluation of PAINIC (2007)
- Semestral reports from Delegation
- Interventions documents: Financing Agreements, Activity reports, ROM reports, mid-term and final evaluations
- Strategies and documents of other donors
- Interviews with EC, GoN, ex-GoN, TA staff, beneficiaries, other donors

**Notes:**

1. I 7.1.1 Resources may be adequate for one intervention modality and not for another, or for one type of intervention and not for another. Budget support, for example, requires different staff qualifications than “traditional” projects. Or the promotion of good governance needs very different resources than the enhancement of the macro-economic framework. Therefore, the use of this indicator will have to be more detailed.
2. I 7.1.2 A low level of disbursement may reflect bad planning of expenditure rather than bad execution of activities; or it may reflect the fact of have been over-optimistic in expenditure planning. Under budget support programmes, a low level of disbursement may be caused by a strict application of conditionalities.
3. I 7.1.2 Other efficiency criteria for interventions, are:
  - a. means and activities respect schedule and costs
  - b. expected results are achieved, both in quantitative and qualitative terms
  - c. the IOV (Indicators Objectively Verifiable) defined in the FA are achieved
  - d. interventions adapt to changes in needs
  - e. existence of an internal monitoring system
4. I 7.3.5 This, in turn, is an indicator of flexibility which is generally considered as a hallmark of good cooperation implementation.
5. I 7.4.2 The team will look for information both on transaction cost occurred by the donor, and by the beneficiary

**EQ 8 Cross-cutting issues**

**EQ8 To what extent were issues related to gender, environment and decentralisation taken into account in the design and implementation of the interventions?**

**Justification and coverage**

Cross-cutting issues are often considered as objectives *per se* as they are important in reinforcing the impact and sustainability of interventions. They reflect the priorities of the GoN, of the Civil Society and of the donor community and can be object of very different assessments.

Under this question, the evaluation will examine gender and environment, the two cross-cutting issues for which mainstreaming is necessary in all EC policies as established in the Treaty establishing the European Community, and which have been repeated in “The European Consensus” of July 2005. One other issue, decentralisation, will be added to the analysis given that it is explicitly mentioned as a cross-cutting issue in the 2002 and 2007 CSPs, even though it is not considered as such in EC development policy.

Decentralisation is especially relevant in Nicaragua which has a long tradition of authoritarianism followed by the Sandinista revolution, and which launched an important decentralisation process in the 1990s. Now there are 152 municipalities in the country which will organise local government elections in November. These will be the fifth consecutive municipal elections in the history of the country. Nicaragua has thus entered into a long-term process of consolidation of democracy from the bottom with slow development of local public administration. This process is very much linked to good

governance (EQ3), to rural development (EQ2) and to education (EQ6), and is an object of many debates and pressures. Its importance for democracy and development may not be underestimated.

Gender and environment are considered as important cross-cutting issues by the EC Delegation in Managua: they both are the subject of a special annex (5.1 and 5.2) in the 2007 CSP. On the gender issue, the CSP stresses the fact that gender-related violence is a growing concern as it affects a significant and growing proportion of the female population. This is particularly important when addressing development policies in the education and agricultural sectors. Concerning the environment question, the annex states that in Nicaragua almost all natural resources and ecosystems present problems of degradation, due either to inadequate use or to pollution. The lack of an environmental conscience and of financial resources to make the national institutions operational is a serious obstacle to sustainable development. It concludes that mainstreaming of environment within development projects is a better strategy than financing environmental-specific programmes since the latter face absorption capacity problems.

The objective of EQ8 is to:

- assess to what extent these three cross-cutting issues have been integrated into the formulation, implementation and evaluation of the EC interventions
- verify if the interventions have brought real value added to the observed results

#### **Judgment criteria and indicators**

|   |
|---|
| <b>C 8.1 The EC interventions have taken into account and promoted gender equality</b>                        |
| I 8.1.1 Explicit references to gender equality in the formulation of non-specific interventions               |
| I 8.1.2 Number of gender-specific actions undertaken within the non-specific interventions                    |
| I 8.1.3. Number of gender-specific interventions  |
| <b>C 8.2 The EC interventions have taken into account and promoted protection of the environment</b>          |
| I 8.2.1 Explicit references to protection of environment in the formulation of the interventions              |
| I 8.2.1 Number of environment protection measures within the implementation of non-specific interventions     |
| I 8.2.3 Number of environment-protection-specific interventions   |
| <b>C 8.3 The EC interventions have taken into account and promoted decentralisation of the State</b>          |
| I 8.3.1 Explicit reference to promotion of decentralisation in the formulation of non-specific interventions  |
| I 8.3.2 Number of measures promoting decentralisation within the implementation of non-specific interventions |
| I 8.3.3 Number of interventions targeting the promotion of decentralisation                                   |
| <b>C 8.4 The cross-cutting approach has contributed to the advancement of the issues in the country</b>       |
| I 8.4.1 Interviewees explicitly link evolution of the CCI in the country with Commission interventions        |

### **Sources of information:**

- Communication de la Commission au Conseil, au Parlement Européen, au Comité économique et social Européen et au Comité des Régions : proposition de déclaration conjointe sur la Politique de Développement de l'Union Européenne « Le Consensus Européen », Bxl, 13.07.2005. See Annex 3.3 p. 24 Vs FR
- EC documents on strategy in Nicaragua: CSPS and MoU of the period
- Semestral reports from Delegation
- PNUD, Metas de Desarrollo, 2003
- Interventions documents: Financing Agreements, Activity reports, ROM reports, mid-term and final evaluations
- Strategies and documents of other donors
- Interviews with EC, GoN, ex-GoN, TA staff, beneficiaries, other donors

### **Notes:**

1. Reference to interventions specifically promoting the issues could not be avoided. This justifies the indicators I 8.1.3, 8.2.3, 8.3.3 and 8.4.3
2. JC 8.4 on Human rights has been added following the suggestion of the evaluation unit. It should be mentioned nevertheless that the EQ3 on good governance also considers human rights issues.
2. The team will be looking for positive examples of impact of cross-cutting issues on intervention results in order to understand better how these impacts occur, but without trying to arrive at general conclusions on all the interventions taken as a whole or even on a sample of them.
3. The Reference Group has suggested extending this question to regional integration. The team agrees that it is an important issue, considering the support of the EC to regional integration processes in particular through the Regional Strategy Papers. For methodological reasons, the team has decided to include the issue under EQ 9 as one of the topics related to Coherence.

### **EQ 9 The “3Cs” (coordination, complementarity, coherence)**

**EQ9 To what extent was the EC strategy designed and implemented in coordination with Member States and other donors so as to foster complementarities? To what extent are other EC policies (thematic and regional) coherent with the EC cooperation strategy in Nicaragua and reciprocally?**

### **Justification and coverage**

The “3Cs” are mentioned in the EC policy documents as an essential mean of fostering the effectiveness of development cooperation. The Paris Declaration of 2005 put these issues on the agenda of all the cooperation agencies who signed the Declaration. For Nicaragua, which receives aid from a dozen important different donors, these issues are particularly important.

EQ9 will assess: (i) the level and efficiency of coordination and complementarities between donors; (ii) the added value of the EC cooperation that results from the coordination and

complementarities, (iii) the coherence between EC development strategies and other EU policies (energy, commercial, migration, human rights...),and (iv) the coherence between objectives and realizations of national interventions on the one hand, and the regional strategy on the other (see note 1).

**Criteria and indicators**

|   |
|---|
| <b>C 9.1 The coordination mechanisms between donors and with the GoN are effective (offer concrete results)</b>   |
| I 9.1.1 Existence and modalities of coordination between EC, other donors (especially Member States) and the GoN at the level of the conception/design/feasibility study of the interventions |
| I 9.1.2 Existence and modalities of coordination between EC, other donors (especially Member States) and the GoN at the level of implementation of the interventions                          |
| I 9.1.3 Evidence of results obtained at a formal level (sector or geographical specialisation, adoption of common methodology...) and informal (exchange of information and analysis)         |
| I 9.1.4 Evidence of harmonization of procedures between donors  |
| I 9.1.5 Evidence of alignment on national rules or procedures, or of improvements in those procedures   |
| <b>C 9.2 There is a 'de facto' complementarity between the interventions of EC and of other donors (especially EU Member States): they avoid conflicts and overlapping</b>                    |
| I 9.2.1 Identification of conflicts, duplication or overlapping between interventions of different donors as well as with GoN interventions   |
| <b>C 9.3 There is a proactive and strategic complementarity between interventions of the EC and of other doors (especially EU Member States): synergies are promoted</b>                      |
| I 9.3.1 Identification of synergies between interventions of different donors as well as with GoN interventions   |
| <b>C 9.4 EC exercises a leading and visible role in promoting cooperation and complementarities</b>   |
| I 9.4.1 Evidence of EC initiatives in order to promote cooperation and complementarities  |
| <b>C 9.5 Other EU policies are coherent with the EC development strategy in Nicaragua</b>   |
| I 9.5.1 Identification of possible contradictions between EC policies (on energy, investment, commerce, human rights, migration...) and the EC's development interventions in Nicaragua       |
| <b>C 9.6 The objectives and realisation of the interventions are coherent with the sub regional strategy</b>  |
| I 9.6.1 The sub regional objective of promoting economic integration is explicitly taken into account in the relevant interventions (see note)  |

### **Sources of information:**

- GoN: Harmonization and Alignment Action Plan 2005
- Communication de la Commission au Conseil, au Parlement Européen, au Comité économique et social Européen et au Comité des Régions : proposition de déclaration conjointe sur la Politique de Développement de l'Union Européenne « Le Consensus Européen », Bxl, 13.07.2005.
- Paris Declaration on Aid Effectiveness, Ownership, Harmonization, Alignment, Results and Mutual Accountability, 2005
- EC, Commission working paper, EU report on Policy Coherence for Development COM (2007)545 final, 20.9.2007
- DAC/OCDE, 2006 Survey on Monitoring the Paris Declaration - Country Chapter Nicaragua, 2006
- DAC/OECD, Joint Country Learning Assessment on Harmonization and Alignment (JCLA), Report on JCLA, 2004 - Prepared by The Government of Nicaragua and the country-level JCLA facilitators: EC, UNDP, the Netherlands and Japan, December 2004
- DFID, “Progress Report on Aid Effectiveness”, 2008
- World Bank, PER, 2008
- Semestral reports from Delegation
- Interventions documents: Financing Agreements, Activity reports, ROM reports, mid-term and final evaluations
- PAPSE: Evaluación de Medio Término 2006
- Joint Evaluation of GBS -Nicaragua Country Study p 99-101
- Reports and evaluations from other donors (e.g. World Bank)
- *Ad hoc* studies on this topic : Sinfiriano Cáceres y Marlon López Aragón: “Segunda Propuesta desde el Sector Agropecuario al Acuerdo de Asociación entre la Unión Europeay Centroamérica” Mesa Agropecuaria y Forestal Federación Nacional de Cooperativas (FENACCOOP), Abril 2008
- Interviews with EC, GoN, ex-GoN, other donors
- Consultation with experts or civil institutions on investment policies, commerce, energy, etc.

### **Notes:**

1. The concept of coherence is understood here as convergence between the objectives of the EC strategy and those of other EU policies (C 9.5). Special attention will be paid to the coherence with EC cooperation with Central America and the support to regional integration therefore a specific JC has been identified.
2. By “relevant” interventions we mean interventions in the economic sector and/or in border areas. These interventions can promote economic integration by encouraging trans frontier trade, business links, general exchanges, and/or by discouraging tariff or custom protection.

## **Annex 15 – Interviews guidelines**

### A15.1 Semi-structured interview guides

The following tables present contacts and subjects for discussion during the field mission. It is probable that interviewees will refer experts to other useful contacts.

| <b>DELEGATION OF THE EUROPEAN COMMISSION</b>   |
|--|
| <b>Delegate – Head of operations</b>   |
| <p>Presentation of the Evaluation : Scope, Method and Preliminary Findings</p> <ul style="list-style-type: none"> <li>▪ Delegation role</li> <li>▪ Context information <ul style="list-style-type: none"> <li>- European Commission relations with the regional/national authorities – quality of policy dialogue.</li> </ul> </li> <li>▪ Past and present European Commission strategy and interventions: <ul style="list-style-type: none"> <li>- Country strategies: changes and continuity;</li> <li>- programming process: dialogue with government, dialogue with civil society, coherence national policies and European cooperation policy overall objectives, selection of sectors (relation with EC areas of comparative advantages), zone of intervention and objectives;</li> <li>- interventions identification process: activities, modalities, management bodies;</li> <li>- implementation: feed-back from management bodies, impact of devolution.</li> </ul> </li> <li>▪ EC among other donors: <ul style="list-style-type: none"> <li>- Coordination mechanisms with EU MS, with others;</li> <li>- EC leadership;</li> <li>- Harmonisation of donor practices.</li> </ul> </li> <li>▪ Other European policies and themes: <ul style="list-style-type: none"> <li>- coherence for development within EU policies;</li> <li>- cross-cutting issues.</li> </ul> </li> </ul> |
| <b>Sectoral responsibilities</b>   |
| <p>Presentation of the Evaluation : Scope, Method</p> <ul style="list-style-type: none"> <li>▪ Context information: <ul style="list-style-type: none"> <li>- European Commission relation with the national authorities – quality of the policy dialogue;</li> <li>- Sectoral/thematic capacity of National Authorities;</li> <li>- Particularities of the activities of the European Commission in one sector/theme;</li> <li>- Harmonisation with donors.</li> </ul> </li> <li>▪ European Commission interventions: <ul style="list-style-type: none"> <li>- Programming process: dialogue with government, dialogue with civil society, coherence national policies and European cooperation policy overall objectives (Compliance with</li> </ul> </li> </ul>  |

|  |
|--|
| <ul style="list-style-type: none"><li>sectoral/thematic communications), selection of sectors (relation with EC areas of comparative advantages), zone of intervention and objectives;</li><li>- Implementation : feed-back from management bodies, beneficiary role, bottleneck, impact of devolution, alignment;</li><li>- Achievements : targeted groups, results and impacts;</li><li>- Relation with regional European Commission interventions;</li><li>- Interventions having a relation with other donors;</li><li>- Consideration of cross cutting issues (gender, environment and human rights).</li></ul> <ul style="list-style-type: none"><li>▪ Other European policies and themes:<ul style="list-style-type: none"><li>- coherence for development within EU policies;</li><li>- cross-cutting issues.</li></ul></li><li>▪ EC among other donors:<ul style="list-style-type: none"><li>- Coordination mechanisms;</li><li>- Harmonisation of donor practices.</li></ul></li></ul> |
|--|

#### NATIONAL MINISTRIES

##### Presentation of the Evaluation : Scope, Method

- National thematic policy and links to EC strategies
- Context of the intervention:
  - situation prior to the intervention;
  - perception of the intervention;
  - quality of the activities;
  - activities and answer to the needs, usefulness of the intervention;
  - consideration of the cross cutting issues;
  - context post-intervention;
  - changes produced by the intervention (negative or positive).
- Implementation:
  - activities performed;
  - relations with the PMU and the Delegation ;
  - achievements;
  - targeted groups;
  - results and impacts : geographic distribution;
  - relation with other national European Commission interventions;
  - consideration of cross cutting issues (gender, environment, human rights);
  - sustainability at the end of the support.
- EC among other donors:
  - EC relations with the national authorities – quality of policy dialogue;
  - EC sectoral comparative advantage;
  - Coordination mechanisms;
  - Harmonisation of donor practices.



**AT-PROJECT LEVEL: BENEFICIARIES**

Presentation of the Evaluation : Scope, Method

- Context of the intervention:
  - Situation prior to the intervention;
  - Perception of the intervention;
  - quality of the activities;
  - activities and answer to the needs, usefulness of the intervention;
  - consideration of the cross cutting issues;
  - context post-intervention;
  - changes produced by the intervention (negative or positive);
- Implementation:
  - activities performed;
  - relations with the PMU and the Delegation ;
  - relations with National Authorities;
  - achievements;
  - targeted groups;
  - results and impacts : geographical distribution;
  - relation with other national European Commission interventions;
  - consideration of cross cutting issues (gender, environment, human rights);
  - sustainability at the end of the support.
- EC among other donors:
  - EC relations with the national authorities – quality of policy dialogue;
  - EC sectoral comparative advantage;
  - Coordination mechanisms;
  - Harmonisation of donor practices.

**AT PROJECT LEVEL: PROJECT MANAGEMENT UNITS**

Presentation of the Evaluation : Scope, Method

- Implementation:
  - activities performed;
  - relations with Delegation;
  - relations with National Authorities.
- Achievements:
  - Targeted groups;
  - Results and impacts;
  - Relation with other regional European Commission interventions;
  - Consideration of cross cutting issues (gender, environment, human rights);
  - Sustainability at the end of the support.

## A15.2 Guidelines for the organisation of focus groups

### **Introduction**

A focus group is a structured discussion with a group of participants. As a qualitative data collection tool, it does not integrate a statistically representative sample and it can even be applied to a naturally occurring group. It is particularly adapted to collect a large amount of qualitative information in a rather short time. The presence of the group ensures the quality of data.

There is an extensive literature about the organisation of focus group. Among others these guidelines presents basic steps for the organisation of focus groups. In the framework of this evaluation, this method would be applied to beneficiaries groups.

### **Step 1: Selection of participants**

The participants will be preferably selected to ensure the group's homogeneity. As each participant express its ideas in front of the group, it is important to pay attention in order to avoid authority relations or social power imbalances within the group. These undesirable situations would reinforce auto-censure risks and undermine the validity of the group. Diversity of the participants in other characteristics is however desirable in order to enrich the dialogue and to differentiate common and specific views. The different characteristics of participants should be known by the evaluator in advance, and could be used as explanatory factors of a opinion. The optimal number of participants is around 6 to 8 per group, so that each person has a turn to speak, without having sub-groups.

### **Step 2: Role of the facilitator**

The facilitator is the key factor of success or failure within a focus group. He/she must encourage the group to participate to the discussion and create a momentum for constructive exchanges. He has to hold the interest of the group through the end. Moreover, the facilitator must be able to assess the potential of each participant in providing information about each topic discussed and, therefore, to adapt the rhythm of the discussion accordingly.

The facilitator should give particular attention to the following elements:

- Ensure timely balanced interventions of each participant;
- Control attitudes that tend to monopolise the discussion and jeopardize contradictory opinions;
- Challenge apparent consensus when driven by conformity to social norms;
- Avoid influencing the group by his/her attitudes of empathy to certain ideas.

### **Step 3: Structure of the discussion**

It is important to limit the discussion to 4-5 topics and questions in order to give the opportunity to all the participants to contribute. The questions should be addressed in a language familiar to the participants.

The discussion should start with the most general topic and move on to more specific issues. By addressing a general topic first, the participants are encouraged to get involved in the discussion. The topic must be sufficiently open to reach each participant's interest.

The facilitator should be ready to collect unexpected information and leave the participants discussing in a flexible way. However his/her responsibility remains ensuring the relevance of the discussion and, as such, to gather specific information for the evaluation.