# Evaluation Report on the Swiss Contribution 2015

## Key points in brief

Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

**Swiss Agency for Development and Cooperation SDC**

**State Secretariat for Economic Affairs SECO**

Cover Left: In Estonia, with its sparse population and numerous forests, the rapid response of rescue forces is crucial in saving lives in an emergency. By financing two coordinated projects with CHF 3.3 million, Switzerland is helping to optimise the technology of operational centres and rescue services in Estonia. © Taisi Valdlo

Right: Slovenia received CHF 22 million as part of Switzerland's contribution to the enlarged EU. Almost half of this was devoted to two projects relating to renewable energies and sustainable energy use. The projects raised awareness of these issues among around 5,000 teachers and students, and 41 schools are now heated using renewable energies. © SECO

# Swiss enlargement contribution rated highly

The evaluation gives the Swiss contribution a good rating in terms of relevance, effectiveness, efficiency and sustainability. In general, the projects have been successfully implemented with the objectives reached or even exceeded in the large majority of them. The evaluation identifies a need for improvement in particular with regard to efficiency.

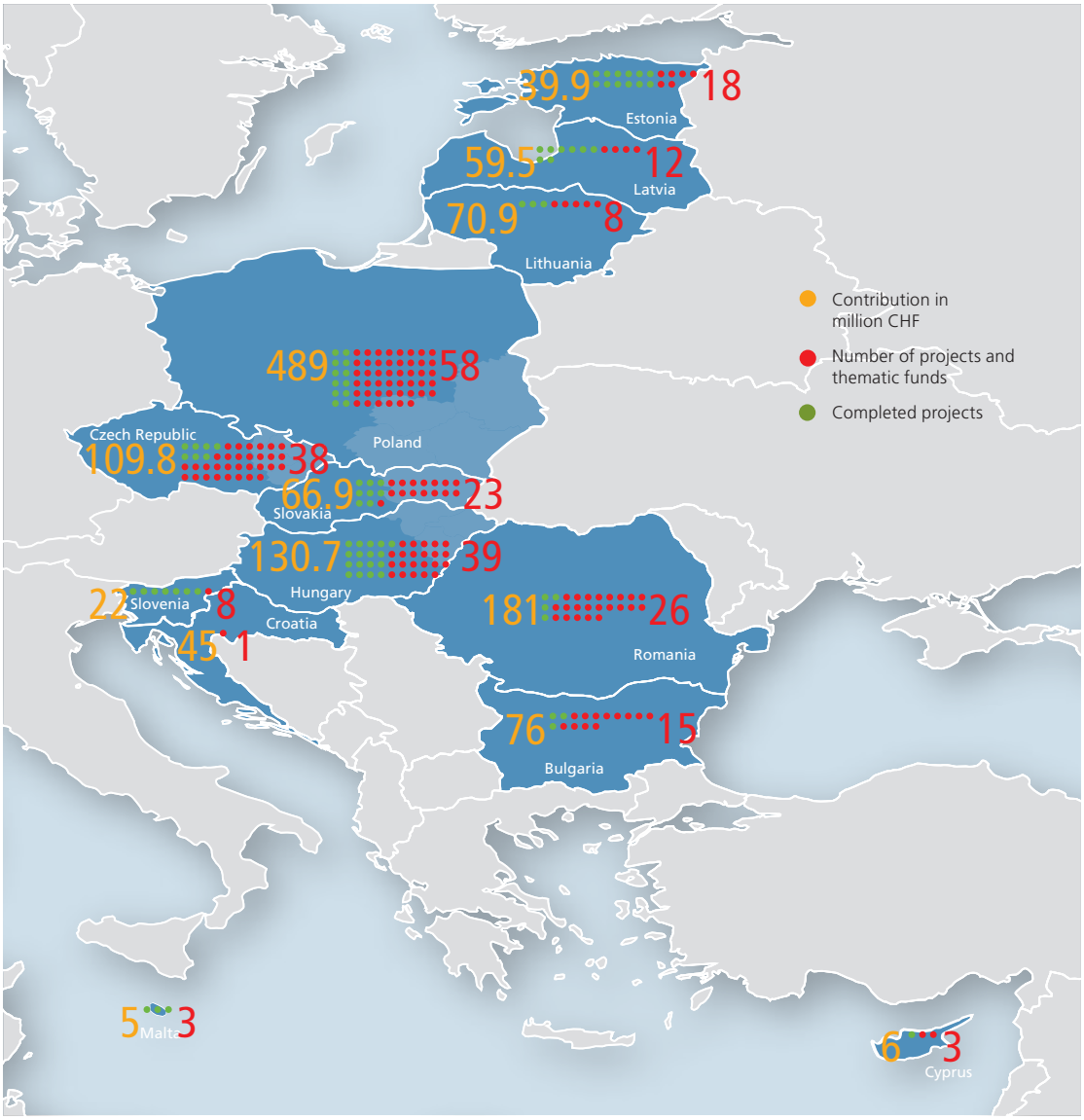
In November 2006, the Swiss electorate voted in favour of the Federal Act on Cooperation with the States of Eastern Europe (Eastern Europe Cooperation Act). Parliament approved a CHF 1 billion framework credit in June 2007 in favour of the ten states that joined the EU in 2004, namely the Czech Republic, Cyprus, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia. A second framework credit of CHF 257 million was approved in December 2009 in favour of Bulgaria and Romania, which joined in 2007. Parliament approved a further CHF 45 million in December 2014 for Croatia, which became an EU member state in 2013.

In order to assess whether the Swiss contribution has achieved the goals that were set for it, the offices responsible for it – the Swiss Agency for Development and Cooperation (SDC) and the State Secretariat for Economic Affairs (SECO) – ordered an independent evaluation. The external mandate was awarded in spring 2015. This report, dated 15 January 2016, summarises the key findings of the evaluation and outlines the progress and achievements of the Swiss contribution. It also includes important discoveries, conclusions and recommendations that can inform plans for the future. The entire report is publicly available in English at www.swiss-contribution.admin.ch.

As part of the 'Youth Initiative' project, social workers in Latgale, Latvia, carry out outdoor activities with young people. © SDC

# The Swiss contribution in brief

Switzerland contributes to reducing the economic and social disparities in the enlarged European Union (EU). As well as being a gesture of solidarity and responsibility, it is also in Switzerland's own interest because the projects involved promote a number of partnerships that strengthen Switzerland's relations with the new EU member states and the EU as a whole. The Swiss contribution is a key instrument in Switzerland's policy on Europe because it shows the country in a positive light and, among other things, improves Swiss companies' chances in EU public tenders.

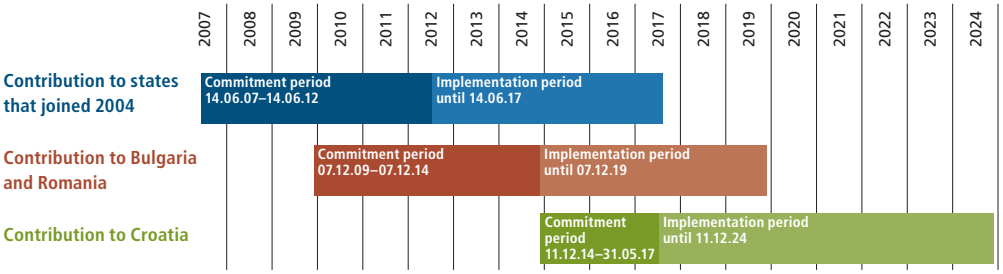



Information as at December 2015

The Swiss contribution supports the 13 countries that have joined the EU since 2004.

The Swiss contribution is divided among the 13 partner states on the basis of population size and income per capita. Switzerland determines which projects it supports by agreement with the individual states, independently of the EU. The implementation of the more than 300 projects is overseen by the SDC and SECO as well as the joint offices in Warsaw, Riga, Prague, Budapest, Bratislava, Sofia and Bucharest.

## Time frame of the enlargement contribution




The commitment period serves to decide which projects are to be carried out and how. This is followed by the implementation period, within which all project operations must be completed.

Each project pursues one of five overarching objectives with a view to reducing economic and social disparities in the EU:

› **Promoting economic growth and improving working conditions**: Switzerland is providing CHF 344 million to support projects in the partner countries that promote economic growth and improve working conditions.

› **Improving social security**: Switzerland is providing approximately CHF 163 million to fund a wide range of measures in the area of social security. The focus here is on the elderly, the sick and youth development.

› **Improving public safety**: CHF 116 million of the Swiss contribution is being spent on projects that improve public safety in the partner countries.

› **Protecting the environment**: CHF 479 million of the Swiss contribution is benefiting some 80 projects that help to protect the environment.

› **Strengthening civil society**: The Swiss contribution is funding projects to strengthen civil society with CHF 112 million.

These five overarching project objectives cover areas in which Switzerland can contribute a great deal of knowledge and experience, resulting in an exchange that is valuable for both sides.

# Evaluation of the Swiss contribution

## What is an evaluation?

An evaluation is an investigation and assessment by experts based on facts. An important tool in international cooperation, it shows the results and effectiveness of projects, programmes and strategies. The SDC and SECO evaluation divisions award three to four mandates a year for independent external evaluations. Evaluations are aimed at ensuring accountability towards politicians and the general public and promoting institutional learning. Recommendations aid decisions on programme development.

## How was the Swiss contribution evaluated?

Following a public tender, the evaluation mandate was awarded to the German firm GOPA Consultants, which investigated the relevance, effectiveness, efficiency and sustainability of the Swiss contribution. The evaluation included the following:

- An analysis of the documentation on the Swiss contribution and in particular of 29 randomly selected projects with a total value of CHF 175 million
- Surveys and discussions with project partners and direct beneficiaries locally in Hungary, Latvia, Poland and Slovakia
- Interviews with Swiss interest groups, including associations and non-government organisations (NGOs)
- An empirical study and analysis using questionnaires completed by local partners

## How does the evaluation rate the Swiss contribution?

The evaluation report makes it clear that the Swiss contribution has achieved good overall results with regard to the internationally recognised criteria of relevance, effectiveness, efficiency and sustainability and that it is being implemented successfully. However, it also highlights room for improvement in terms of efficiency. The in-depth review of projects showed that they add value and make a positive contribution to promoting the economic and social development of the sectors and regions concerned in the partner states. The Swiss contribution supports institutional partnerships between organisations in Switzerland and in the partner states in a variety of areas at the national, regional and local levels. Intensive cooperation with these countries has further deepened and strengthened bilateral relations between Switzerland and the partner states.

| Criterion / Rating | Relevance | Effectiveness | Efficiency | Sustainability |
|---|---|---|---|---|
| Highly satisfactory | 2 | 3 | 1 | |
| Satisfactory | 5 | 12 | 5 | 3 |
| Unsatisfactory | | | 2 | |
| Highly Unsatisfactory | | | | |

The evaluation report answers 33 questions, spread across the four criteria listed above, with a rating. The table provides an overview of how many times each rating was given per criterion.

Switzerland's contribution to the enlarged EU is reviewed and rated below in accordance with the aforementioned criteria of relevance, effectiveness, efficiency and sustainability.

The Swiss enlargement contribution enables Switzerland to appear in a positive light at major project-related events and to highlight the transversal aspects of cooperation during high-level visits. Here for example in 2013 Federal Councillor Didier Burkhalter is visiting a contaminated area in the industrial port of Riga, which was being restored with Swiss support. Technology from a Swiss company was being used to monitor the clean-up operations. © SDC/SECO

Switzerland is promoting new building standards in Estonia to make buildings more energy efficient, with a budget of CHF 6.5 million. Thanks to the strong Swiss franc and additional project savings, six instead of four low-energy buildings are being funded. Owing to the two additional renovations, the project will last seven months longer than initially planned.
© Dimitr Kotjuh / Järva Teataja

# 1. Relevance: Does the Swiss contribution meet the real needs of the partner countries?

The projects' relevance, i.e. their importance for the countries concerned, is rated as satisfactory in the evaluation report. The partner states have prioritised the topics supported by the Swiss contribution themselves and have agreed these priorities with Switzerland, ensuring that the projects genuinely meet their needs. They are therefore judged to be clearly relevant. Feedback from project partners and authorities in the partner states and in Switzerland confirms this.

The Swiss contribution dovetails neatly with other programmes (for example with those of EU and EEA countries) that also contribute to reducing economic and social disparities. Switzerland mainly provides support for topics, regions or target groups that are insufficiently covered or not covered at all by other programmes in the partner states.

The evaluation revealed the process for preparing and reviewing project applications was conscientiously and professionally carried out, as a result of which the quality of project proposals is very satisfactory overall. It is equally important to note that all local project partners declared themselves very satisfied with the projects and their results (insofar as there are any discernible results at this stage).

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## Increasing public safety

**Latvia: modernising the courts**
Sample project

95 videoconferencing systems and 308 audio recording systems in courts and prisons are used daily to ensure that parties to legal proceedings have a presence. In 2015, around 370 videoconferences were carried out, and audio recordings were used in 2,500 civil cases and 500 criminal cases. Electronic services and forms have improved access to the justice system for citizens and companies alike. The authority in charge of the courts reports significant savings on administrative costs.

# 2. Effectiveness: Is the Swiss contribution achieving its goals?

The analysis concludes that the projects are highly effective. Conversations and discussions with various institutions, individual participants and beneficiaries, including people taking part in research programmes, private companies, healthcare and social service providers and local council leaders, show that numerous goals have already been achieved. For instance, jobs have been created, improved social services are being used, and pollution is being reduced. Emergency services have also improved their preparedness and performance with regard to disasters and emergencies, efficiency gains have been made in judicial process, and access to the legal system has been made easier.

An in-depth review of 29 selected projects showed that the projects add value and have a positive impact in terms of promoting the longer-term economic and social development of the sectors and regions concerned. However, it is not easy to quantify the overall long-term effectiveness of the projects because the achievement of goals is not measurable to the same degree in every case. Some projects have the potential to bring about fundamental changes at the national level over the medium term, such as the one promoting dual vocational education and training in Slovakia and the one to improve basic healthcare services in Hungary.

Much can be achieved in a country if a clear priority is defined. Lithuania, for example, is using 67% of the funds from the Swiss contribution to renew infrastructure and modernise services in the healthcare sector and is making significant progress in maternity and paediatric care.

As a rule, projects achieve their goals. The value gained by the appreciating Swiss franc since the framework credits were approved means that many projects can afford to fund additional activities and thus exceed their original goals. Only a small number of projects are not yet certain that they will achieve their goals due to the possibility that they may not be completed on schedule.

The Swiss contribution also has various positive effects for Switzerland itself. For instance, bilateral relations with all partner states have been deepened. Swiss organisations have created and fostered some 550 partnerships with the public sector and civil society at the local, regional and national levels in the partner states. The Swiss embassies in the partner states are also able to engage in broader relations and more intensive dialogue with their host countries as a result of the Swiss contribution. The closer relations contribute to improving opportunities for Swiss companies in these countries.


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## Strengthening civil society

**Hungary: twinning and partnership block grant**
Sample project

The twinning and partnership fund allowed 50 projects to be carried out. Demand was especially high for partnerships with smaller non-profit organisations (39). Meanwhile, fewer new twinning relationships between towns in Hungary and Switzerland than planned were created, despite targeted information and publicity efforts and calls for proposals (only seven, compared with a target of 15). The time frame proved too tight for institutions to draw up their proposals. An open-ended call for twinning proposals might have had more success.

# 3. Efficiency: Do the benefits justify the cost?

The evaluation rates the efficiency with which the Swiss contribution is being implemented as satisfactory. However, project-specific ratings differed to a greater extent for this criterion than all the others.

While overall responsibility for the Swiss contribution rests with the SDC and SECO, the partner states are responsible for implementing the projects. Based on their contractual agreements with Switzerland, they take charge of implementation, monitoring and final checks independently in line with their national rules. This delegation of responsibility for implementation is a reasonable approach where EU member states are concerned.

The fact that all Swiss contribution funds were committed to actual projects within the time frame specified for the framework credit is viewed as positive. The report notes that good cooperation between Switzerland and the partner states and in particular adequate flexibility in taking account of different circumstances were very helpful in this regard.

The following external factors have restricted in places the efficiency of the Swiss contribution:

- Limited budgets of public bodies in the partner states due to the financial and debt crisis
- Inadequate management skills and insufficient human resources on the part of some project partners
- Delays caused by objections to the awarding of mandates
- Delays in obtaining building permits in the partner states
- Delays in project approval due to stringent requirements for project plans
- Too few clear requirements for reporting by partner states.

Around a third of projects were implemented within the defined period, and extensions were agreed for the other two thirds for the reasons listed above. In many cases, however, extending a project was seen as a reasonable way to take advantage of cost savings in implementation as a result of the strong Swiss franc so as to allow the project to achieve even more. In spite of the delays in project implementation, the projects' ability to achieve their goals is not generally under threat.

In spite of the good evaluation for efficiency, the report shows that improvements can be achieved here through for example the simplification of procedures and controls.

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## Improving social security

**Poland: preventing overweight and obesity**
Sample project

The project's results as at December 2015 are only partially satisfactory as there were delays in its implementation. Some 1,600 schools with a total of 381,870 students participated in a healthy nutrition programme, exceeding the target figure. However, only 6,114 pregnant women (22% of the target figure) received advice and support. Dietary advice was given to 9,952 patients (78% of the target figure), while 812 educational institutions were awarded a nutrition awareness certificate. The project is expected to continue until the end of 2016.

# 4. Sustainability: Will the positive effects last a long time?

The evaluation rates the projects' sustainability as satisfactory. It assumes that the partner states will be able to maintain the intended results after the Swiss contribution comes to an end.

High priority was placed on ensuring sustainability even at the project development and approval stages. The commitment of the project partners – in many cases including regional and local authorities – is praised, and partners acknowledge the social benefits created by the projects. The partner states are responsible for project implementation and must as a rule bear at least 15% of the project costs themselves. The projects were funded in advance by the partner country concerned and later reimbursed by Switzerland. All of these factors will continue to have a positive effect on the sustainability of results over the longer term.

Sustainability in terms of long-term financing is not assured for some projects in the public sector and some being conducted by NGOs. Attempts are being made to mitigate this problem through government bodies providing support to the NGOs and by tapping into additional sources of funding, notably EU funds. Planning at an early stage what will happen once the project is completed makes it easier to ensure financial sustainability.

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## Protecting the environment

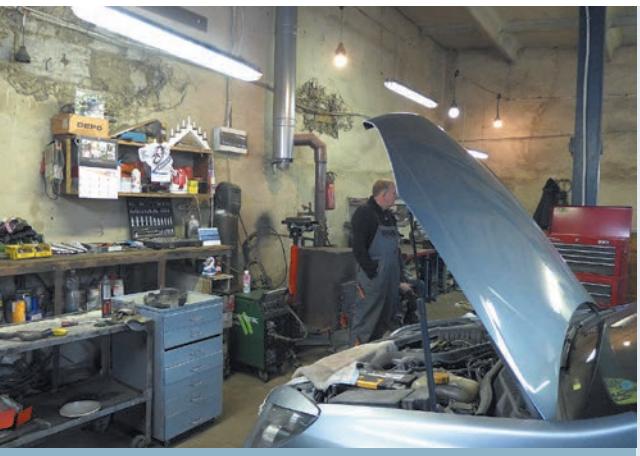
**Slovakia: public waste-water collection and treatment in the municipality of Častá**
Sample project

When the new facilities come on stream (scheduled for summer 2016), all settlements in the municipality of Častá will be connected to the sewer system, allowing the new treatment plant to clean and recycle waste water from 750 buildings (625 of them newly connected) with around 2,200 inhabitants efficiently and biologically.

# Recommendations made in the evaluation report

A total of 12 recommendations based on the conclusions of the evaluation are put forward to the SDC and SECO. Some concern the current programme, others any future support Switzerland may decide to offer to the partner states. The five most important recommendations are as follows:

- The partner states should be asked to step up their communication efforts regarding the current programme and any successor. For example, they could communicate results achieved at the thematic or regional level more actively and publicise achievements at programme level.
- If there is a successor programme, the partner states must improve the efficiency and effectiveness of their reporting. This presupposes simpler and more precise reporting requirements and editorial guidelines for the people in charge of projects.
- The partner states should be required to reduce the number of thematic and geographical focus areas in any future programme.
- The SDC and SECO should provide the partner states with even clearer guidelines on setting overarching objectives and using indicators to measure the extent to which they are achieved.
- The efficiency of the two-stage project approval procedure should be improved, but not in a way that detracts from the quality of programme and project planning.



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## Promoting economic growth and improving working conditions

**Latvia: microcredit programme**
Sample project

This fund provided microenterprises and self-employed people with access to loans for growing and developing their business. A total of 1,063 microloans were granted with an average loan amount of CHF 8,850. The businesses supported were able to preserve 2,082 jobs and create 569 new ones up to the middle of 2015, almost three times as many as originally expected. Some 70% of microloan recipients claim that their turnover has risen by more than 10% as a result of the microloan, which is even more important than the creation of new jobs.

# What can the SDC and SECO take away from the evaluation report?

The evaluation report is very useful for the SDC and SECO. Like the recent review by the Swiss Federal Audit Office, it confirms that the basic concept for implementing the Swiss contribution works while pointing out room for improvement in particular in terms of efficiency.

The recommendations put forward can be acted on immediately in the cooperation with Croatia: the bilateral framework agreement between Switzerland and Croatia was signed in mid-2015, and the projects are to be implemented by 2024 at the latest.

The SDC and SECO take the recommendation for a stronger thematic focus going forward very seriously. It will play a significant part in any possible future Swiss contribution.

However, the issues and suggestions set out in the evaluation report are also of great interest for the SDC and SECO in areas other than the Swiss contribution. Involving partner institutions, delegating responsibility and the way in which goal achievement is measured are key aspects of all international cooperation.

The whole report and the Management Response are available on our website at www.swiss-contribution.admin.ch, which also contains detailed information on individual projects as well as articles of varying lengths on the latest news concerning the Swiss contribution.

Switzerland is supporting the neonatal departments of 27 Lithuanian hospitals with training for healthcare personnel and the modernisation of outdated infrastructure. In addition, work is being done to improve energy efficiency in 24 of these hospitals. This support builds on transition assistance provided by Switzerland in the 1990s. © SDC/SECO

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