



External Evaluation of the Partnership Instrument (2014 – mid 2017)

Final Report

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Evaluation carried out on behalf of the European Commission



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External Evaluation of the Partnership Instrument

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Main acronyms and abbreviations

AAPs	Annual Action Programmes
CBMM-China	Capacity-Building for Migration Management in China
CIR	Common Implementing Regulation
CITD	Capacity-building Initiative for Trade Development in India
CSO	Civil Society Organisation
DCI	Development Cooperation Instrument
EAP	Environmental Action Programme
EDF	European Development Fund
EEAS	European External Action Service
EFIs	External Financing Instruments
EIP	European Innovation Partnership
EU	European Union
FPI	Foreign Policy Instruments
FTA	Free Trade Agreement
GAMM	Global Approach to Migration and Mobility
GPGC	Global Public Goods and Challenges
GTKE	Getting To Know Europe
HLD	High-Level Dialogue
HoD	Head of Delegation
HoU	Head of Unit
HQ	Headquarters
HRVP	High Representative / Vice President
IA	Impact Assessment
ICI	Instrument for industrialized and other high income countries
IFM	Innovative Financing Mechanism
ILO	International Labour Organisation
IOM	International Organisation for Migration
ISC	Inter-Service Consultation
ISG	Inter-Service Group
MBI	Market-Based Instrument
MFF	Multiannual Financial Framework
MTR	Mid-Term Review
OPC	Online Public Consultation
PI	Partnership Instrument
PSF	Policy Support Facility
RfS	Request for Services
SDG	Sustainable Development Goal
SESEI	Seconded European Standardisation Expert for India
SP	Strategic Partnership
TACD	Transatlantic Consumer Dialogue
TAIEX	Technical Assistance and Information EXchange instrument
TCs	Third Countries
TEU	Treaty on the European Union
TFEU	Treaty on the Functioning of the European Union
TOR	Terms of Reference
TTIP	Transatlantic Trade and Investment Partnership
UNFCCC	United Nations Framework Convention on Climate Change

Executive Summary

Objectives, methodology and challenges of the evaluation

The evaluation assesses whether the **Partnership Instrument (PI)** is fit for purpose and effective in delivering resources towards the achievement of the EU's external policy objectives, both at the start of the planning period (2014) and in the period since. The evaluation also considers the Instrument's complementarities and synergies with the wider set of EU External Financing Instruments (EFIs). The geographical scope of the evaluation covers all countries eligible under the PI Regulation, with a focus on six countries (Argentina, Brazil, China, India, Mexico and the United States) where individual actions were examined via a series of mid-term and final evaluations.

The **overarching purpose of the assignment is to provide an independent evaluation of the Partnership Instrument and to identify key lessons learned to improve current programming and inform future decision-making.** In addition, the evaluation of the PI for the period 2014-2017, together with parallel evaluations of other EFIs under the Multi-annual Financial Framework (MFF), will inform the **mid-term review (MTR) of the EFIs.**

The evaluation conclusions are based on three distinct research pillars:

1. A **meta-evaluation** that collected and analysed data at the Instrument level, including analysis of the individual actions funded to September 2016. This consisted of a comprehensive and systematic desk review, an extensive interview programme with key informants (85) and the review of 200+ PI-supported actions to develop a results and an indicators databases.
2. **Mid-term and final evaluations of thirteen PI actions** (including 150+ stakeholder interviews), covering all four specific objectives, across six countries (Argentina, Brazil, China, India, Mexico and the United States) and a global action. The mid-term and final action evaluations provide in-depth analysis of how the PI is working towards its objectives and aims.
3. An **open public consultation** consisting of an online public consultation (OPC) and targeted institutional and external stakeholder consultations conducted on the draft findings of the evaluation.

The evaluation faced a number of challenges, the two most significant being:

- Addressing the **relative novelty of the PI**: there was limited evidence available on individual actions and no central repository for action documentation. In addition, there was also very limited relevant evidence on the evaluation of previous, similar actions or of financing instruments. Information was collated by the evaluation team and triangulated through an extensive research and interview programme.
- **Retrofitting the conceptual design of the PI and collecting evidence**: the late adoption of PI results indicators required the evaluators to map ex post the available information on the actual and expected results of funded actions against the newly agreed indicator framework.

Key findings and general conclusions

The creation of the Partnership Instrument in 2014 was in **direct response to an evolving international context, with the emergence of new actors and an evolution of the EU's partnerships with strategic partners and third countries.**

The design of the PI reflected the need to enhance the ability of the EU to engage internationally across a broad spectrum of countries and international fora, policy areas and in more appropriate ways than was available through previous instruments

or the current suite of EFIs. The **Partnership Instrument was (and remains) a directly relevant tool** to respond to a renewed emphasis on the foreign policy and diplomacy capability of the EU, supporting its bilateral, regional and multilateral agenda as set out in particular in the EU's Global Strategy and in line with a number of EU international commitments (notably Agenda 2030). Given the relatively limited envelope of the PI compared to other instruments (especially development cooperation instruments), its use has to be focused and objectives / expectations set realistically.

The PI provides a mechanism for the EU to **promote its interests through policy and political cooperation with third countries**. It has a global reach. In the case of industrialised partner countries, most strategic partners and graduated countries, the PI is often the only instrument to support bilateral cooperation in "areas and subjects beyond development cooperation" and "create a positive environment for a deepened relationship" (recitals, Regulation (EU) 234/2014). Where other financing instruments are available, the PI is used where there exists an EU strategic interest and where the actions considered cannot be funded by other instruments. The **Instrument provides a clear focus on EU priorities, with a flexible approach to implementation** that has enabled the Instrument to remain relevant and responsive to challenges and policy priorities that have newly emerged or evolved since the Instrument was first created.

Whilst **few actions have been completed, and most remain in progress**, the **PI is proving to be effective in delivering results, with a total of 53 identified outcomes** achieved from the 174 finalised and on-going actions, addressing specific EU priorities across all four specific objectives of the Instrument. A **total of 369 outcomes are expected to be achieved in the future** once all of the 174 content-related actions¹ funded to date reach their conclusion, suggesting that the Instrument will continue to deliver relevant and impactful results.

The PI is also expected to contribute to the horizontal themes defined in the Common Implementing Regulation (CIR). However, the **PI is not systematically mainstreaming these key themes** and has flexibly interpreted the implementing regulation, applying the provisions relevant to its action.

Evaluation results confirm that **priority setting and decision-making on the PI has gradually evolved from an initial demand-driven approach to a more strategic one**, with high levels of engagement from the EEAS (European External Action Service), line Directorates General (DGs), DG DEVCO, and EU Delegations within partner countries. The approach taken has proved instrumental in encouraging the participation of multiple Commission stakeholders and achieving ownership of the Instrument. Given that the PI is still relatively new, and its logic and objectives differ from the logic of other external action instruments, there is still scope to continue discussing ways in which processes and mechanisms can be further adjusted. In particular, there is consensus (and findings from mid-term and final action evaluations support stakeholders' views) that **EU Delegations could play a more active role in identifying and designing actions** for funding, given their knowledge of the local context in partner countries and the critical role they have played in implementing actions to date. There is also **scope for client DGs to provide more support to the implementation of the actions**, as many projects need a technical steer that Delegations are not always in a position to provide, though there are resource constraints that may limit the ability of line DGs to provide additional support.

Inclusive and participatory PI decision-making processes have ensured that the Instrument facilitates **coherence, consistency, complementarity and synergies**

¹ A content-related action focuses on substantial objectives. It is to be distinguished from technical assistance provided to better identify, implement, monitor or evaluate PI actions.

both internally and externally. The evaluation found good alignment between the PI and the framework for EU external action in the pursuit of EU interests and objectives. Complementarities are in particular noticeable with EU development policy; trade, market access and investment; climate change, environment; research; and public and cultural diplomacy. Similarly, the evaluation provides evidence of the different degrees of coherence which exist with other EFIs (in particular with the Development Cooperation Instrument, DCI). It also provides evidence of the complementarity with other EU instruments (such as Horizon 2020 and COSME, EU programme for the Competitiveness of Enterprises and Medium-sized Enterprises) – further supporting the view that the PI is a niche instrument which fills a funding gap in the EU’s toolbox. Evidence of the coherence of the PI with interventions by other actors (notably Member States (MS)) is limited but stakeholder feedback indicates that there are no apparent contradictions.

Given the novelty of the PI, the evidence collected on the efficiency of the Instrument is overall limited. The data collection challenges come from the fact that few actions have been completed and the absence of common approach to monitoring and measuring the outputs and outcomes of PI actions from the outset. Qualitative evidence indicates that the structure of the PI and its programming and delivery mechanisms are ensuring **proportionate administrative costs and a reasonable administrative burden**. Evidence also suggests that the budget is efficiently delivered. Programming and management costs reflect the rationale behind the creation of the PI and the continued need for an instrument whose implementation is **relatively more flexible than other EFIs**. Even if that flexibility has an administrative cost, it ensures that the PI is **fit for purpose and enhances its effectiveness**.

The EU added value of the PI lies in its design and the support it channels for the **proactive promotion of EU interests and objectives**. The creation of the PI marked a **change of approach** with the EU in a position to decide what it wants to pursue and to build up a long-term, strategic vision of its role as a global actor. There is a consensus that **the EU level is the most appropriate for action** in the areas / countries / international fora concerned, notably for its approach to cooperation, the expertise it brings on a wide range of topics and the leverage it has on other actors. Without the PI, the EU would not have the means to pursue its goals with respect to a wide range of partner countries and international fora, failing to live up to its international commitments as well as to the partners’ expectations. The flexible implementation of the Instrument and what it has enabled since its creation are recognised as setting the right conditions to enhance cooperation generally.

This evaluation found evidence of the political leverage of the PI. Since its creation, the PI has acted as an **enabler, opening up areas for dialogue and cooperation in practical terms**. The individual action evaluations in particular demonstrate the possibility to go beyond a forum for discussion and to support concrete results, creating a better platform for the EU, mobilising the stakeholders concerned and creating the conditions for longer term dialogues and cooperation. Financial leverage of the PI has, by design, not been a requirement of PI support and hence there is limited evidence of it.

Recommendations

To improve the programming of the PI, it is recommended to **review the indicative geographical financial allocations for the Multiannual Indicative Programme (MIP) 2018-2020** in the light of evolving policy priorities. In addition, **in the action programming template, the introduction of systematic reference to CIR cross-cutting themes** would ensure that they are mainstreamed to the extent possible, as well as adequately monitored and reported. We also recommend to **further**

strengthen coordination with MS. Information sharing within the PI Committee and in-country (coordinated by EU Delegations) could be further enhanced to identify areas where MS are not present / not active and where there is most potential for EU added value.

The availability of resources within the Commission is critical for effective management of the PI. We recommend consideration be given to **increasing line DGs' resources (including through mixed posts in Delegations²) to enable them to provide more technical support to the design and implementation of PI actions. Increasing FPI resources to enhance the use of the PI in countries other than strategic partners** is also required to provide an adequate level of support to programming and implementation. The newly created FPI regional teams are a positive step towards addressing this issue.

FPI.4 is currently **finalising the monitoring and reporting system** of the PI. We recommend it includes **public diplomacy impact indicators** which are currently missing. We recommend that these impact indicators are aligned with the baseline indicators proposed in the 2015 Perceptions study, though there should be careful selection of the most relevant indicators for each country, and there needs to be recognition that not all public diplomacy activities funded by the PI operate at national level (i.e. individual actions should adapt their indicators to the geographic area in which they operate). Broadly, the indicators can be adopted for countries that were not part of the perceptions study though the absence of a baseline will be problematic for assessing change. To ensure that the consolidation of the monitoring and reporting system is purposeful, we also recommend a careful **quality control of the reporting against the common indicators** to ensure the creation of a comprehensive and reliable evidence base on PI actions. We note that the newly agreed reporting template includes consideration of baselines and targets but there is a need to follow-up on the use of the template by the implementing partners to ensure it will generate useful evidence for the evaluation of the Instrument (and there is a need to produce guidance for implementing partners on how it is to be used and reported on). The creation of **a central repository of action documents** where action documentation can be stored will be of great value for the monitoring and evaluation of the Instrument. This database will cover actions / projects supported by any of the EFIs. It will also constitute a useful tool which PI stakeholders (Commission, implementing partners and evaluators) could refer to and which contributes to information and dissemination purposes. The consolidation of the database by Commission services is ongoing and the first module is expected to be deployed in October 2017.

More **internal and external communication about the PI** is needed to raise the visibility of the Instrument to ensure an optimal use of the funding available. For instance, it could take the form of systematic **trainings for EEAS and Commission staff** to raise the profile of the PI in the EU's toolbox and make its use less dependent on individual officials' previous experience with it. We also suggest the introduction of **a template for the dissemination of best practices** that can support PI users in the design of actions eligible for PI support by providing examples of how to mobilise the support. Information activities should also be targeted at MS, both in the framework of the PI committee meetings and in-country where EU Delegations might liaise more closely on PI support with the existing MS bilateral embassies / other forms of representation.

² A review exercise of existing mixed posts and emerging needs is currently ongoing. It is expected that the decision on the allocation of mixed posts will be finalised before the summer 2017: the portfolios of the 13 mixed posts coming to an end in 2018 will be re-assessed and possibly some additional mixed posts will be created.

Synthèse analytique

Objectifs, méthodologie et défis rencontrés par l'évaluation

Cet exercice évalue la pertinence de l'**Instrument de Partenariat** (IP) et son utilisation efficace des ressources disponibles en vue de la réalisation des objectifs de la politique extérieure de l'UE, depuis la création de cet Instrument (2014) jusqu'à aujourd'hui. L'évaluation explore également le degré de complémentarité et les synergies créées entre l'IP et les autres Instruments de Financement Extérieur de l'UE (IFE). L'évaluation couvre l'ensemble des pays éligibles à l'IP, avec un focus sur six pays en particulier (Argentine, Brésil, Chine, Inde, Mexique et Etats-Unis) où nous avons réalisé une série d'évaluations individuelles intérim et finales.

L'objectif premier de l'exercice est de réaliser une évaluation indépendante de l'IP et d'identifier les leçons apprises pour améliorer l'Instrument dans la seconde partie de la période de programmation actuelle et dans le futur. De plus, l'évaluation de l'IP pour la période 2014-2017, conduite en parallèle avec les évaluations des autres IFE dans la période de programmation multi annuelle en cours, contribuera à la révision à mi-parcours des IFE.

Les conclusions de l'évaluation reposent sur trois piliers distincts :

1. Une **méta-évaluation** qui a collecté et analysé des données au niveau de l'Instrument, y compris une analyse des actions individuelles financées par l'IP jusqu'en Septembre 2016. Cela a reposé sur une recherche documentaire exhaustive et systématique, un programme de consultations avec des acteurs clés (85) et une analyse de plus de 200 actions financées par l'IP pour le développement de bases de données sur les résultats et les indicateurs de suivi.
2. Treize **évaluations individuelles intérim et finales** (reposant sur plus de 150 entretiens conduits avec les acteurs concernés) d'actions couvrant les quatre objectifs spécifiques de l'IP, dans six pays (Argentine, Brésil, Chine, Inde, Mexique et Etats-Unis) et une action globale. Ces évaluations individuelles fournissent une analyse approfondie du fonctionnement de l'IP et de sa performance à ce jour.
3. Une **consultation publique**, consistant en un questionnaire en ligne et une série de consultations ciblées avec les acteurs concernés sur les résultats et conclusions préliminaires de cette évaluation.

L'évaluation a rencontré un certain nombre de défis, liés en particulier à :

- La **relative nouveauté de l'IP** : les données sur les actions individuelles soutenues par l'IP étaient limitées et il n'existait pas de base de données centralisant l'ensemble des documents disponibles. De plus, il n'y avait que des informations limitées sur l'évaluation d'actions précédentes similaires ou d'instruments financiers pertinents pour cet exercice. Les données ont été collectées par les évaluateurs et vérifiées par une recherche documentaire et un programme d'entretien exhaustifs.
- Le **besoin d'appliquer rétrospectivement des instruments de suivi** : l'adoption tardive des indicateurs communs de performance a demandé aux évaluateurs leur utilisation rétrospective et l'analyse ex post des données collectées sur la base de ces indicateurs.

Résultats clés et conclusions générales

La création de l'IP en 2014 a été une **réponse directe à un nouveau contexte international, caractérisé par l'émergence de nouveaux acteurs et l'évolution de la relation de l'UE avec ses partenaires stratégiques et les pays tiers.**

Le design de l'IP reflète le besoin de renforcer la capacité de l'UE de s'engager, sur le plan international, avec un grand nombre de pays et de forums internationaux, sur un large éventail de sujets, et suivant des modalités plus appropriées que ce qui était possible avec la génération d'instruments précédents ou que ce qui est permis dans le cadre des autres IFE. **L'Instrument de Partenariat était et demeure un instrument pertinent** pour répondre à une attention renouvelée pour le renforcement de la capacité de l'UE dans le domaine de la politique étrangère et de la diplomatie pour la mise en œuvre de son agenda bilatéral, régional et multilatéral définis entre autre dans la Stratégie Globale de l'UE et ses engagements internationaux (en particulier l'Agenda 2030). Etant donné l'enveloppe relativement limitée de l'IP comparée à d'autres instruments (en particulier les instruments de coopération au développement), son utilisation doit être ciblée et les objectifs et attentes définis de manière réaliste.

L'IP donne à l'UE les **moyens de poursuivre dialogues politiques et coopérations thématiques pour promouvoir ses intérêts avec des pays tiers.** Il a une couverture géographique mondiale. Dans le cas des pays industrialisés, de la plupart des partenaires stratégiques et des pays « gradués », l'IP est souvent le seul instrument pour la coopération bilatérale « allant au-delà de la coopération au développement » et pour « l'approfondissement et la consolidation » des relations avec les pays partenaires (considéphants, Règlement (UE) 234/2014). Quand d'autres instruments financiers sont disponibles, l'IP n'est utilisé que quand il existe un intérêt stratégique de l'UE et quand aucun autre instrument ne peut être utilisé. **L'Instrument se concentre clairement sur les priorités de l'UE et sa mise en œuvre flexible** a permis de maintenir sa pertinence et son adaptabilité aux défis et priorités politiques qui ont évolué ou émergé depuis sa création.

Bien que **peu d'actions aient été achevées et que la plupart soient en cours de réalisation, l'IP s'avère d'ores et déjà efficace, avec un total de 53 résultats identifiés obtenus** à partir des 174 actions finalisées et en cours, et répondant aux priorités spécifiques de l'UE dans le cadre des quatre objectifs spécifiques de l'Instrument. Au total, **369 résultats sont attendus** d'ici à la conclusion des 174 actions substantielles³ financées à ce jour, ce qui suggère que l'Instrument continuera à produire des résultats pertinents et influents.

L'IP devrait également contribuer aux thèmes horizontaux définis dans le *Règlement énonçant des règles et des modalités communes pour la mise en œuvre des instruments de l'Union pour le financement de l'action extérieure*. Cependant, **l'IP ne fait pas systématiquement référence à ces thèmes clés** et a interprété de manière flexible la mise en œuvre de ce règlement, en appliquant seulement les dispositions pertinentes pour son action.

Les résultats de l'évaluation confirment que **la définition des priorités pour l'IP et les processus décisionnels ont évolué progressivement, d'une approche basée sur la demande à une approche plus stratégique**, avec un haut niveau d'engagement du Service Européen d'Action Extérieure (SEAE) et des Directions Générales (DG) thématiques, DG DEVCO ainsi que des Délégations de l'UE dans les pays partenaires. L'approche adoptée a contribué à encourager la participation de multiples intervenants de la Commission et l'appropriation de l'Instrument. Étant

³ Une action substantielle se concentre sur des objectifs substantiels. Elle est à distinguer de l'assistance technique fournie pour mieux identifier, mettre en œuvre, surveiller ou évaluer les actions de l'IP.

donné que l'IP est encore relativement nouveau, et sa logique et ses objectifs diffèrent de la logique d'autres instruments d'action extérieure, les processus sont encore en cours d'ajustement. Un consensus émerge en particulier sur le fait que les **Délégations de l'UE pourraient jouer un rôle plus actif dans l'identification et la conception des actions** éligibles à l'IP, compte tenu de leur connaissance du contexte local dans les pays partenaires et du rôle essentiel qu'elles ont joué dans la mise en œuvre des actions à ce jour (et les résultats des évaluations d'actions individuelles soulignent que les parties prenantes partagent ce point de vue). Il existe également une **marge de manœuvre pour que les « DG clientes » soutiennent davantage la mise en œuvre des actions** et la direction technique à donner que les Délégations ne sont pas toujours en mesure de fournir. Toutefois, la capacité des DG à fournir un soutien supplémentaire est limitée par les contraintes en termes de ressources disponibles.

Les **processus décisionnels participatifs** ont permis à l'Instrument de **faciliter la cohérence, les complémentarités et synergies au sein de l'Instrument et avec d'autres interventions**. L'évaluation a trouvé un bon alignement entre l'IP et le cadre de l'action extérieure de l'UE dans la poursuite des intérêts et des objectifs de l'UE. Les complémentarités sont particulièrement remarquables avec la politique de développement de l'UE; la politique commerciale, l'accès au marché et l'investissement; la lutte contre le changement climatique et la politique environnementale; la politique de recherche; et la diplomatie publique et culturelle. De même, l'évaluation fournit des preuves des différents degrés de cohérence qui existent avec d'autres EFI (en particulier avec l'Instrument de Coopération au Développement). Elle montre également la complémentarité avec d'autres instruments de l'UE (comme Horizon 2020 et COSME, Programme pour la compétitivité des entreprises et des PME), ce qui confirme que l'IP est un instrument unique dans la boîte à outils de l'UE, qui comble un besoin de financement spécifique. La preuve de la cohérence de l'IP avec les interventions d'autres acteurs (notamment les Etats Membres (EM)) est limitée, mais les commentaires des parties prenantes indiquent qu'il n'y a pas de contradictions apparentes.

Compte tenu de la nouveauté de l'IP, les éléments recueillis sur l'efficacité de l'Instrument sont globalement limités. Les défis liés à la collecte de données proviennent du fait que peu d'actions ont été finalisées et de l'absence d'une approche commune pour le suivi et la mesure des résultats des actions de l'IP depuis sa création. Des éléments qualitatifs indiquent que la structure de l'IP et ses mécanismes de programmation et de déploiement assurent des **coûts administratifs proportionnels et un fardeau administratif raisonnable**. Les preuves suggèrent également que le budget est mis en œuvre de manière efficace. Les coûts de programmation et de gestion reflètent la raison d'être de la création de l'IP et le besoin continu d'un Instrument dont la mise en œuvre est **relativement plus flexible que les autres IFE**. Même si cette flexibilité a un coût administratif, elle garantit que **l'IP est adapté aux besoins de l'UE et renforce son efficacité**.

La valeur ajoutée de l'UE de l'IP réside dans sa conceptualisation et son soutien pour la **promotion active des intérêts et des objectifs de l'UE**. La création de l'IP a marqué un **changement d'approche de l'UE**, qui est désormais en mesure de décider de poursuivre et renforcer une vision stratégique de long terme de son rôle d'acteur mondial. Les partenaires bi- et multi-latéraux de l'UE la reconnaissent comme **le niveau d'intervention le plus approprié** dans les domaines couverts par l'IP, notamment en raison de son approche de la coopération, de l'expertise qu'elle apporte sur un large éventail de sujets et de l'influence qu'elle exerce sur d'autres acteurs. Sans l'IP, l'UE n'aurait pas les moyens de poursuivre ses objectifs avec l'ensemble de ses pays partenaires et des forums internationaux, ce qui limiterait la capacité de l'Union à respecter ses engagements internationaux et à satisfaire les attentes des partenaires. La flexibilité de la mise en œuvre de l'Instrument et ce qu'il a permis

depuis sa création sont reconnus comme définissant les conditions propices à une coopération renforcée en général.

Cette évaluation a également montré que l'IP avait un effet de levier politique. Depuis sa création, l'IP a agi comme un **facilitateur, ouvrant des nouveaux domaines de dialogue et de coopération**. Les évaluations d'actions individuelles en particulier illustrent la possibilité d'aller au-delà d'un forum de discussion et de soutenir des résultats concrets, en créant une meilleure plateforme pour l'UE, en mobilisant les acteurs concernés et en créant les conditions pour des dialogues et la coopération à plus long terme. L'effet de levier financier de l'IP n'a par définition pas constitué une condition de l'octroi du soutien financier et nous n'avons par conséquent trouvé que peu d'éléments concrets à ce sujet.

Recommandations

Pour améliorer la programmation de l'IP, il est tout d'abord recommandé de **ré-examiner les allocations financières géographiques indicatives pour le Programme Indicatif Multi-annuel (PIM) 2018-2020** à la lumière de l'évolution des priorités politiques. En outre, l'introduction, dans les documents de programmation, d'une **référence systématique aux thèmes transversaux** du Règlement d'application permettrait une meilleure prise en considération de ces thèmes et un suivi adéquat des résultats dans ces domaines. Nous recommandons également de **renforcer la coordination avec les États Membres**. Le partage de l'information au sein du Comité de l'IP et dans les pays tiers (coordonnée par les Délégations de l'UE) pourrait encore être amélioré pour identifier les domaines où les EM ne sont pas présents / non actifs et où le potentiel de valeur ajoutée de l'UE est le plus important.

La disponibilité des ressources au sein de la Commission est essentielle pour une gestion effective de l'IP. Nous recommandons **de prendre en considération l'augmentation des ressources des DG thématiques (y compris par le biais de postes mixtes dans les Délégations⁴) pour permettre aux DG de fournir un soutien technique plus poussé à la conception et à la mise en œuvre des actions. L'augmentation des ressources du Service des Instruments de Politique Etrangère pour améliorer l'utilisation de l'IP dans des pays autres que les partenaires stratégiques** est également requise pour fournir un niveau adéquat de soutien à la programmation et à la mise en œuvre. Les équipes régionales du Service des IPE nouvellement créées représentent un développement positif pour résoudre ce problème.

L'unité IP du Service des IPE est actuellement en train de **finaliser le système de suivi et de reporting de l'IP**. Nous recommandons qu'il inclue des **indicateurs d'impact de la diplomatie publique** qui ne sont pour l'instant pas définis. Nous recommandons que ces indicateurs d'impact soient alignés sur les indicateurs de base proposés dans l'étude sur les perceptions de 2015, tout en reconnaissant le besoin d'adapter ces indicateurs aux circonstances locales. D'une manière générale, les indicateurs peuvent être adoptés pour les pays qui ne faisaient pas partie de l'étude des perceptions bien que l'absence d'une base de référence soit problématique pour évaluer les changements. Pour s'assurer que la consolidation de ce système réponde aux objectifs du suivi et du reporting, nous recommandons également un **contrôle minutieux de la qualité des rapports** afin de créer une base de données complète

⁴ Un examen des postes mixtes existants et des nouveaux besoins est actuellement en cours. La décision sur l'attribution de postes mixtes est attendue avant l'été 2017: les portefeuilles des 13 postes mixtes qui finissent en 2018 seront réévalués et des postes mixtes supplémentaires seront éventuellement créés.

et fiable sur les actions de l'IP. Nous notons que le modèle de rapport récemment approuvé comprend l'examen des situations de références et des objectifs visés, mais il est nécessaire de s'assurer de l'utilisation du modèle par les partenaires dans la mise en œuvre des actions de façon à ce que les données nécessaires soient collectées effectivement pour l'évaluation de l'instrument (et il est nécessaire de définir des lignes directrices pour la mise en œuvre du système de suivi et de reporting). La création d'**un dépôt d'archives où l'ensemble des documents peut être centralisé** sera d'une grande valeur pour le suivi et l'évaluation de l'Instrument. Cette base de données couvrira les actions / projets soutenus par tous les IFE. Elle constituera également un outil que les acteurs concernés (la Commission, les partenaires chargés de la mise en œuvre et les évaluateurs) pourront utiliser à des fins d'information et de communication. La consolidation de la base de données par les services de la Commission est en cours et le premier module devrait être déployé en octobre 2017.

Une **meilleure communication en interne et en externe sur l'IP** est nécessaire pour accroître la visibilité de l'Instrument afin d'assurer une utilisation optimale du financement disponible. Par exemple, cela pourrait prendre la forme de **formations systématiques pour le personnel du Service Européen d'Action Extérieure et de la Commission** afin de mettre en avant l'IP comme un des outils disponibles pour l'Union et faire que son utilisation dépende moins de l'expérience préalable de l'IP de certains fonctionnaires. Nous proposons également l'introduction d'un **modèle pour la diffusion des meilleures pratiques** qui peuvent aider les utilisateurs de l'IP à proposer et conceptualiser des actions éligibles à l'IP sur la base d'exemples d'actions passées. Les activités d'information devraient également viser les États Membres, tant dans le cadre des réunions du Comité de l'IP que dans les pays où les Délégations de l'UE pourraient assurer une coordination plus étroite avec les ambassades bilatérales et les autres formes de représentation sur l'Instrument de Partenariat.

0. Outline

The final report of the **External evaluation of the Partnership Instrument (PI)** is submitted by Coffey International Development Limited (Coffey) to the European Commission – Service for Foreign Policy Instruments (hereinafter “FPI.4”).

The report is structured as follows:

- **Section 1 – Introduction:** defines the legal, temporal and geographical scope of the assignment and details the objectives of the mid-term evaluation of the Partnership Instrument.
- **Section 2 – Methodology:** explains the approach to the evaluation and the different tools used.
- **Section 3 – Findings:** provides an analysis of the findings under each evaluation area and answers to the evaluation questions.
- **Section 4 – Conclusions and recommendations:** presents the conclusions of the evaluation at instrument level and proposes a number of recommendations.

1. Introduction

1.1. Evaluand

The evaluation assesses whether the Partnership Instrument (PI) is fit for purpose to deliver resources towards EU's external policy, both at the start of the planning period (2014) and currently, and considers its complementarities and synergies with the wider set of External Financing Instruments (EFIs).⁵ By construction, the Instrument aims to advance and promote Union and mutual interests.⁶ It has a global scope and an envelope of EUR 954 m for 2014-2020 (which represents 1.6% of Heading IV “Global Europe” of EU budget and 1.8% of the total EFIs⁷). The geographical scope of the evaluation covers all countries eligible under the PI Regulation, with a focus on six countries (Argentina, Brazil, China, India, Mexico and the USA) where detailed mid-term and final individual action evaluations were undertaken on a sample of thirteen PI-funded actions. The evaluation assesses activities under each of the PI specific objectives, with the exception of the academic co-operation element of specific objective 4 which was excluded from the Terms of Reference for the evaluation.

1.2. Objectives of the evaluation

The overall objective is to provide an independent evaluation of the PI over the period from January 2014 to June 2017 and to identify lessons learned to improve current programming and inform future decision-making. These two objectives are interlinked as EU decision-making is to be based on the best available evidence (Better Regulation guidelines). As well as evaluating the PI against its own specific objectives, the evaluation also assesses the synergies and complementarity between the PI and the other EFIs, and its coherence with broader objectives concerning the EU’s external action.

⁵ Besides the PI, EFIs include the Development Cooperation Instrument (DCI), the European Neighbourhood Instrument (ENI), the Instrument for Pre-accession Assistance (IPA), the Instrument contributing to Stability and Peace (IcSP), the European Instrument for Democracy and Human Rights (EIDHR), the Overseas Countries and Territories decision (OCT), the Instrument for Nuclear Safety and Cooperation (INSC) and the Greenland decision. The European Development Fund (EDF) is not part of the EU budget and is formally not an EFI (but a mid-term evaluation of the EDF was also carried out in the context of the MTR).

⁶ Regulation (EU) no 234/2014 of the European Parliament and of the Council of 11 March 2014 establishing a Partnership Instrument for cooperation with third countries

⁷ EU actions at international level fall under Heading 4 “Global Europe” of the MFF, with a budget of EUR 58.7 billion; <http://www.consilium.europa.eu/en/policies/multiannual-financial-framework/mff-2014-2020/> (last accessed 31/03/2017)

The evaluation of the PI, together with parallel evaluations of other EFIs under the current Multi-annual Financial Framework (MFF), will inform the mid-term review (MTR) of the EFIs. In addition, it will also provide information for the final evaluation of the EFIs and impact assessment for the next generation of instruments.

2. Methodology

2.1. Evaluation design

The evaluation focuses on a defined set of evaluation questions (EQs) covering the five mandatory evaluation criteria (as defined in the Better Regulation “Toolbox”) in addition to several other criteria that help hone in on the key issues of concern. The Evaluation Questions Matrix (EQM, Annex 2A) framed and guided our approach to the evaluation.

Our methodology comprised three distinct pillars that, together, allowed us to examine the PI as a whole and in terms of specific actions. The three research pillars were sequenced so that the earlier parts shaped and informed the later data collection and analysis, and allowed for triangulation (see Annex 2B for more details):

1. A **meta-evaluation of the PI** as a whole, building notably on a comprehensive interview programme (85 stakeholders from the FPI, the EEAS, the PI implementation group, EFI managers, the PI Committee, EU Delegations and the European Parliament), the development of two **databases** on the results and monitoring indicators of all PI-supported actions^{8,9} - also using the results of an **online survey of all EU Delegations**¹⁰ and working sessions with the EFI evaluation teams
2. A series of **mid-term and final individual action evaluations** to gain an in-depth understanding of the operation of the PI
3. An **open public consultation** consisting of an **online public consultation** (OPC) and targeted **face-to-face stakeholder consultation** meetings (PI external and institutional stakeholders, and Policy Forum on Development) held in Brussels on the findings presented in the evaluation draft final report.¹¹

2.2. Evaluation challenges

The design of the evaluation ensured the evidence base could be usefully exploited to answer the evaluation questions, despite the existing challenges:

- In the presence of a new instrument such as the PI, where implementation of the first actions started only at the end of 2014, and given the absence of evaluation evidence on past interventions, additional efforts needed to be deployed to gather evidence on effectiveness. The evaluation approach therefore builds on two complementary pillars to provide insights into the performance of PI support and feed into the meta-analysis of the Instrument:
 - Collection of data on results achieved so far by individual actions already completed or under implementation
 - Mid-term and final evaluations of different types of PI actions
- As regards the first pillar (data collection on action results achieved so far), two databases (a results database and an indicators database) were completed to consolidate the evidence available. This exercise was guided by the PI intervention

⁸ The full reference list is presented in Annex 4. The consultation strategy, interview guides tailored to the different stakeholder categories and the list of interviews conducted can be found in Annexes 5, 6 and 7 respectively.

⁹ Our analysis of the databases is attached to this Report as Annex 8.

¹⁰ Our analysis of the online survey is presented in Annex 10.

¹¹ See Annex 11.

logic and monitoring framework which were developed in 2016. The introduction of these two elements ex-post created two challenges: firstly, information on performance of actions implemented during the first years of the Instrument was not always comparable and secondly, data had not been systematically reported against the indicators defined. For that purpose, the documentary review was complemented by systematic consultation of programme managers, as well as external stakeholders (as agreed by the ISG to ensure adequate consultation of stakeholders within the limits of this evaluation).

3. Answers to the evaluation questions

This section of the report presents the findings with respect to each of the identified evaluation questions covering the criteria of Relevance, Effectiveness, Efficiency, EU Added Value and Coherence, consistency, complementarity and synergies (see Annex 2A for the full EQM). For each evaluation question, we present a summary of findings and a more detailed assessment of findings for each judgement criterion (JC) with reference to the agreed indicators contained in the EQM.

3.1. Relevance

EQ 1: To what extent do the overall objective (PI Regulation, Article 1(1)), the four specific objectives (PI Regulation, Article 1(2)), the thematic priorities (PI Regulation, Annex) and the design of the PI respond to:

- **EU priorities identified at the time the instrument was adopted (2014)?**
- **Current EU priorities, in particular as regards its strategic relationship with countries covered by the PI, given the evolving challenges and priorities in the international context?**

3.1.1. Summary

The creation of the PI was in direct response to an evolving international context, with the emergence of new actors and an evolution of the EU's partnerships with strategic partners (SPs) and third countries. Building upon the Instrument for Cooperation with Industrialised countries and other high income countries and territories (ICI/ICI+), the PI was designed to enhance the ability of the EU to engage internationally across a broader spectrum of countries, policy areas and in more appropriate ways than was available through previous instruments or the current suite of EFIs. The PI was (and remains) a directly relevant tool to respond to a renewed emphasis on the foreign policy and diplomacy capability of the EU, supporting its bilateral, regional and multilateral agenda.

The PI provides a mechanism for the EU that is **fit for purpose to promote its interests through political cooperation with third countries**. It is used as an instrument to pursue EU interests where a need or opportunity is identified and constitutes an "innovative" instrument to expand cooperation beyond development cooperation, pursue foreign policy and "create a positive environment for a deepened relationship" (Regulation (EU) 234/2014). It is often (though not always) the only instrument available to pursue EU foreign policy ambitions. Indeed, in the case of EU industrialised partner countries, the PI is the only instrument to support cooperation; in the case of other partner countries, the PI is used when there is no other instrument capable of supporting the pursuit of strategic interests, especially where a rapid response to needs or opportunities is required. The Instrument provides a clear focus on EU priorities, with a flexible approach to implementation that has enabled it to remain relevant and responsive to evolving / emerging challenges and policy priorities.

The evidence gathered confirms that the **objectives of the PI responded to EU priorities at the time of adoption and still respond to EU priorities today,**

having successfully adapted and flexed to new and changing EU (and partner countries') needs and priorities. The PI's focus and the choice of funded actions reflect well its specific objectives to support the EU's bilateral, regional and inter-regional cooperation partnership strategies by promoting policy dialogue and by developing collective approaches and responses to challenges of global concern (in particular, but not exclusively, related to climate change, energy and environment); to support the international dimension of Europe 2020; to promote trade and market access and to support the implementation of EU public diplomacy. The PI remains a suitable instrument relevant in the pursuit of both EU priorities and priorities of mutual interest with partner countries across the globe and in international fora.

3.1.2. Coverage of the question

The question asks whether there was a need to create a new instrument such as the PI. It covers both the identification of the needs and challenges the EU faced at the time of the creation of the instrument and the options available to tackle them, as well as the needs and challenges the EU faces today. The question also asks whether the PI has provided and continues to provide the appropriate response to these needs and challenges. Findings are drawn from triangulation of evidence from a number of sources, particularly a desk review of EU policy priorities both at the outset of the PI and new ones that have emerged since 2014; a desk review of the limited relevant evidence from previous evaluation studies (such as the Study on the Legal Instruments, 2011); and a series of stakeholder interviews that has included FPI staff, the EEAS, members of the PI Implementation Working Group and members of the PI Committee (amongst others). Relevance has also been considered drawing on the evidence from the 13 mid-term and final action evaluations conducted across six partner countries.

3.1.3. Judgement criterion 1.1: The PI design (e.g. PI scope and focus) (i) responded to EU priorities at the time of adoption; and (ii) continues to respond to current EU priorities given the evolving challenges and priorities in the international context

The creation of the Partnership Instrument reflected the need for a new financing instrument to support the implementation of **broad-based partnerships** with third countries and emerging economies aimed at **pursuing EU objectives and addressing matters of global concern**, including in international fora. Until the end of 2013, the EU's main vehicle for collaboration with developed countries was the ICI/ICI+, which came into force in 2007/2011. The ICI aimed to promote enhanced cooperation between the EU and this category of partners through supporting the deepening of bilateral relations, consolidating multilateral institutions and contributing to balance the world economy. The instrument supported public diplomacy, business cooperation and people-to-people links. The scope of the ICI was tailored to the type of partners targeted. Cooperation with developing countries was supported by two specific instruments, the European Development Fund (EDF, in the developing countries covered by the Cotonou Agreement) and the Development Cooperation Instrument (DCI, in the geographic areas not covered by the EDF). These two financing instruments supported and continue to support development-related objectives. With the evolution of the situation of a number of developing countries (such as graduation of some countries from eligibility for official development assistance (ODA)), the geographical scope of the ICIs was extended in 2011, with the adoption of the ICI+, to support the EU's partnerships with developing countries on issues beyond development cooperation.

Additionally, the rise of emerging economies such as the BRICs (Brazil, Russia, India and China) and the increasing importance of strategic partnerships, the EU's external financing instruments were not deemed fit for purpose in a globalised economy and trading system. The EU acknowledged the need for a financing instrument that would

allow it to cooperate with an extended range of partners on a mutually beneficial agenda. There was a need to have a specific foreign policy instrument and avoid the risk of tensions between diverging objectives (notably development cooperation vs. non-developmental actions) under the same financing instrument in a new MFF. The creation of the Partnership Instrument responded to the need for a new, **single and global instrument aiming at advancing core EU interests and at addressing common challenges of global concern**. On this basis, the PI Regulation was adopted and entered into force on 11 March 2014.

Overall, there is a general consensus that **the design of the Instrument and wording of its objectives is appropriate** (Indicator 1.1.1 and 1.1.5). The wording of the PI objectives enables it to address core EU priorities, reflecting identified challenges and EU strategic interests (Indicator 1.1.2). Specific objective 1 enables the Instrument to work towards strengthening dialogue and cooperation with both strategic partners and third countries. This includes countries that no longer qualify for bilateral programmes (i.e. those that have graduated from eligibility for development cooperation under the DCI) and those which are not eligible under thematic or regional programmes operated under the DCI (or other instruments). Specific objective 2 enables the PI to promote EU 2020 international dimension, in turn contributing to the policy's internal objectives (employment, innovation, education, poverty reduction and climate/energy). Meanwhile specific objective 3 also enables the PI to respond to priorities around trade and economic development, while specific objective 4 provides a remit to take forward co-operation in higher education, and pursuing public diplomacy and outreach activities as a means to enhance awareness and knowledge of the EU and its values and interests.

This scope is consistent with the needs and challenges identified at the outset including (indicator 1.1.2):

- **Promotion of EU interests and objectives:** the PI introduced a new logic in the EU's foreign policy, enabling a more strategic agenda promoting core interests and objectives of the EU in its external relations: it is a "new", "foreign policy instrument", "innovative in terms of scope and objectives" as uniquely specified in its legal basis (Regulation (EU) 234/2014). The **Treaty on European Union (TEU)** provides that "the Union shall uphold and promote its values and interests" and that materialises *inter alia* with the PI. Typically, trade constitutes a policy area where the EU and its Member States (MS) have clearly defined interests and strategic objectives, which the Instrument supports. As a consequence, the PI has led to a change in mentality in formulating and presenting actions. There is a shift from considering the EU as a donor to considering the EU as **a self-interested actor / partner**.
- **Tackling global challenges**, notably climate change and challenges related to energy and environment. Stakeholder views and documentary evidence confirm that the PI specific objectives (explicitly its first specific objective) reflect global challenges (indicator 1.1.5).
- Objectives specific to the categories of partners considered: the PI was intended to provide substance to strategic partnerships as well as to enable new forms of cooperation in areas of mutual interest with other partner countries, including (recently) graduated countries. For countries that have graduated from bilateral development assistance and remain eligible for development cooperation under DCI thematic and regional programmes, the PI provides an opportunity for cooperation based on mutual interests and for the promotion of EU interests. Overall, the PI was intended to project EU interests abroad in areas ranging from climate change, the protection of the environment, energy security, migration, transport, and enhancing political partnerships with strategic partners, middle-income graduated countries and beyond, fostering peer-to-peer relationships and influencing partner's policy. As such, the PI **gives substance to the EU's strategic partnerships (SP)** – in

particular advancing bilateral cooperation through meaningful dialogue based on EU interests and the needs of strategic partner countries, including on the topics of governance, fight against corruption, social justice and public services. The PI also responds to a new international deal, where the emergence of some countries and their graduation from development assistance have created the need to introduce another kind of “stimulus” and to (re)think the concept of “partnership” the EU has with them.

- The specific objectives of the PI also ensure its relevance to global policy priorities that the EU is supporting. This includes **Agenda 2030** which sets out a series of sustainable development goals and targets related to economic, social and environmental development.

Line DGs consider the relatively **broad wording of the PI specific objectives a positive, enabling factor**. They see their agendas reflected in these objectives and are therefore in a position to make effective use of the Instrument. The wording covers EU international agenda and its (more) strategic interests, and allows to cater to the client DGs’ needs and priorities. It does not constitute a particular weakness of the PI – when put in the perspective of a rather limited budget – because not all of the actions supported by the PI actually demand lots of resources compared to, for example, large infrastructure projects funded by some other EFIs. Refocusing the specific objectives of the Instrument was not suggested by those consulted (indicator 1.1.5) during the evaluation, some of them even discussing that it would actually be a limiting factor to what the PI could do.

Whilst EU priorities addressed through specific objectives 1, 2 and 3 are clearly set out in various strategy documents, the **public diplomacy objectives and priorities are not yet clearly defined in an agreed EU strategy**. Nevertheless, the public and cultural diplomacy approaches under the PI were developed in parallel to the *EU Global Strategy* (which calls for a more strategic approach to public diplomacy) and the EEAS-Commission joint communication *Towards an EU strategy for international cultural relations*. The public diplomacy actions are based on internal guidance developed by FPI (non-paper on *Operationalising Public Diplomacy in the 2014-2020 Multiannual Financial Framework*¹²) and research commissioned by the FPI (study on the perceptions of the EU abroad^{13,14}) (indicator 1.1.5). The 2014 non-paper recommends a streamlining of public diplomacy initiatives to increase impact, using a limited set of tools – including Jean Monnet Centres of Excellence, the EU Policy and Outreach Partnership, and Civil Society Engagement for instance. The EU is also active in cultural diplomacy. The PI provides scope to respond to the core principles put forward within the communication (indicator 1.1.5) to the European Parliament and the Council *Towards an EU strategy for cultural relations*¹⁵ (even if the communication predated the Instrument and there are no specific priorities identified in the non-paper). In fact, a Cultural Diplomacy Platform (included in the AAP 2015) was launched in January 2016, before the adoption of this Communication, to enhance the EU’s engagement with third countries and their citizens. This action follows the recommendations of a preparatory action “Culture in EU’s external relations” that aimed to strengthen the ability of the EU to engage with audiences and stakeholders in third countries through cultural diplomacy activities. It is one of the main tools to implement the Strategy for cultural relations through the strengthening of the cultural diplomacy network and the design and implementation of targeted initiatives / events.

¹² ‘Non-Paper: Operationalizing Public Diplomacy in the 2014-2020 Multiannual Financial Framework’, July 2014.

¹³ Analysis of the perception of the EU and EU’s Policies Abroad, December 2015, commissioned by FPI.4

¹⁴ Though the study was only completed in December 2015, after most of the actions covered by this evaluation commenced, it feeds into the implementation of the actions in principle

¹⁵ Joint Communication to the European Parliament, *Towards an EU Strategy for international cultural relations*, JOIN(2016) 29 final

To summarise, Annex 3 provides a graphical depiction of how the PI responded to EU priorities at the outset, and some specific examples of how it has responded flexibly to enable the PI to address evolving challenges and changing needs, as well as changing EU priorities (indicators 1.1.3 and 1.1.4). It shows how the **PI was and remains relevant to long standing priorities** on issues such as energy and climate change and specific strategies such as Europe 2020, and **demonstrates its relevance to new and changed policy priorities** that have arisen since the Instrument was adopted (see also Section 3.1.4 below for further discussion on how the PI has operated flexibly to respond to such challenges).

On the basis of the desk review and interview materials collected, **the PI specific objectives still hold today and the PI still responds to EU priorities**. Further details on precisely how the PI has responded to EU priorities and its relevance to specific relationships with partner countries is presented in Annex 8.

3.1.4. Judgement criterion 1.2: The PI is flexible enough to respond to changing needs (e.g. changed policy priorities, summit/high-level dialogue conclusions, written agreements such as MoUs, changed contexts)

The 2011 Impact Assessment noted that past evaluations identified the insufficient flexibility of the then toolbox of the EU due to the definition of the instruments' scope (either thematic – limited to specific topics – or geographical – supporting cooperation with particular categories of partners). Where the Common Implementing Regulation (CIR) and the financial regulation create a level playing field for EFIs decision-making, choices made in the implementation of the PI ensure that it **can and does respond to changing EU priorities** (indicator 1.2.2).¹⁶ **Flexibility is afforded by choices made on the implementation of the PI – particularly the different support modalities available; the roll-out of the AAP in two phases** (since 2016, to add more flexibility to the implementation of the support); **and the fact that no co-financing agreements are required with partner countries**. The Policy Support Facility (PSF) is an important PI tool offering the greatest responsiveness to changing needs and priorities, allowing for rapid response and the potential for testing or piloting actions, allowing time for more substantive actions to be developed as standalone PI actions, or through other forms of funding support. The adoption of AAP in two phases per annum also delivers a more flexible implementation than other instruments where there is typically only one programming cycle per year. Stakeholders' feedback on the flexible implementation of the PI also outlines the added value in terms of visibility of the support: they note that a shorter timeframe for the actions supported (through PSF and TAIEX) might result in more visibility than larger and longer standalone actions (which also require heavier administrative procedures).

Annex 3 also demonstrates how the PI has responded flexibly to new and changing needs, such as a shift in other countries' policy priorities towards the Asia Pacific region, and new priorities established in the Global Strategy for the European Union's Foreign and Security Policy¹⁷ on issues such as security and defence, energy security, and responses to migration challenges posed by international conflict and crises, as well as public and cultural diplomacy, from the adoption of the second phase of AAP 2016:

¹⁶ It is interesting to note that, during the preparation of the PI Regulation, the option not to have an indicative allocation of the funding was considered to maximise the flexibility of the implementation of the Instrument. However, and to meet minimum accountability requirements, the decision was made to allocate indicatively the funding – although this allocation remains defined in broad terms (funding allocated by region).

¹⁷ Shared Vision, Common Action: A Stronger Europe, A Global Strategy for the European Union's Foreign And Security Policy, June 2016

- **Flexibility with respect to emerging priorities:** On migration, the PI has already proven to be responsive – Europe’s migration crisis, driven by political change and conflict in the Middle East and Africa, began in 2015 after the PI was launched, yet the Instrument has been able to respond to the new strategic emphasis on migration and has funded specific actions that respond to this agenda (indicator 1.2.1). For example, the PI has funded an action to support the EU-Brazil Common Agenda for Migration and Mobility which aims to strengthen the socio-economic potential of legal migration between the EU and Brazil, as well as seeking to reduce irregular migratory flows and address human trafficking. There are also examples of PI action in response to security issues, such as a TAIEX expert mission in support of EU-Mexico dialogue on security and justice or a Common Security and Defence Policy symposium held in Washington D.C. with the aim of raising awareness of EU security and defence policy within the USA Administration and broader policy community.
- **Flexibility to adapt to a changing context:** The action evaluation in Argentina provides evidence of how the EU could identify a prominent theme (energy) on the newly elected Government’s agenda and act on it. The PI was deployed to support Argentina’s efforts in that area, harnessing the EU’s experience on energy efficiency issues, and provided an opportunity to design and implement a targeted and small project, and to explore future collaboration possibilities between the two partners. In turn, the flexible implementation of the Instrument allowed the deployment of the support in time for launching the action during the first months of the new government, building on the momentum created.

Overall, the **responsiveness of the Instrument** is in part due to the **active involvement of stakeholders across EU service lines** (as is the case with other instruments). With action identification driven by line DGs, the EEAS and EU Delegations, the Instrument is able to identify evolving challenges, and changing needs and priorities as it is those institutions and individuals closest to the issues and the partners that are bringing forward relevant actions for the PI to pursue (indicator 1.1.3).

Whilst this flexible implementation is a key strength of the Instrument, it is also the case that not all EU Delegations are well informed of the potential uses and application of the PI in their countries, and in some cases individuals are unfamiliar with the processes (such as drafting ToRs, eligibility requirements etc.). As a result, there has not been a large uptake of potential PI support in some areas (e.g. central Asia).

3.1.5. Judgement criterion 1.3: The 2014 Common Implementing Regulation (CIR)¹⁸ is aligned and helps address needs and priorities in the implementation of the PI (process)

There is **limited available evidence to confirm that the scope of the CIR is relevant** to meet the current and future implementing needs of the Partnership Instrument. The CIR provides a common legal framework applicable to all EFIs including the PI. In the case of the PI, from evidence gathered from EUDEL via the fieldwork, the CIR is interpreted flexibly to support foreign policy processes (i.e. only relevant aspects of the CIR are considered reflecting the extent to which they are relevant to each specific action). For the most part, there is limited attention paid to CIR themes (e.g. human rights, gender equality, disability access, and environmental sustainability) in either the design or implementation of PI individual actions.

¹⁸ Regulation (EU) no 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union’s instruments for financing external action

There is no documentary evidence on the alignment between the CIR and the PI (indicator 1.3.1). The very limited feedback received from interviewees on the CIR is that the relevance of the PI is strengthened by the existence of a set of implementing rules flexibly interpreted. The CIR allows the PI to operate as it is supposed to and supports the PI operations because the CIR has been interpreted flexibly and only those provisions that are relevant have been applied. However, that flexible interpretation diverges from the original aim of the CIR – even if a legalistic approach to the application of the CIR might constrain the PI actions given that some provisions of the CIR are not directly relevant / applicable to the PI (e.g. the ownership principle).

Responses from EU Delegations to the online survey (indicator 1.3.1) on this particular question provided insufficient additional evidence. In most cases, respondents either made no specific comments, indicating that they considered that the scope of the CIR was appropriate, or made comments which related to the PRAG¹⁹. The limited response may also be indicative of the perceived limited relevance of the CIR for PI operations and / or the lack of understanding of its content – as also highlighted in the fieldwork. This being the case, and because the CIR is considered to be a very broad umbrella-type regulation, we can conclude that the CIR at a minimum has not hindered the implementation of the PI, though it cannot be concluded that the CIR addresses needs and priorities in the implementation of the PI.

3.1.6. Judgement criterion 1.4: The PI has been used as an instrument of last resort and has not funded activities that could have been supported through other means

The **PI was designed as an instrument reflecting a specific logic, the promotion of EU strategic interests. It has a global reach.** In practical terms, in the case of EU industrialised partner countries, strategic partners and graduated countries, the PI often is the only instrument to support bilateral cooperation. For other partner countries, the PI is used where there exists an EU strategic interest and where the actions considered cannot be funded by other instruments. There is no available documentary evidence on this question but stakeholders' views confirm that this design has been largely respected (indicator 1.4.1), and more pertinent is the fact that in many countries where the PI has been deployed so far, it is considered the only instrument to facilitate the pursuit of the EU policy agenda and tackling global challenges.

In the most developed nations (such as the USA, Canada, New Zealand), there are no other instruments available to pursue the EU's policy agenda, other than the European Instrument for Democracy and Human Rights (EIDHR) which focuses only on the issues of the title, meaning that wider EU issues and priorities in these countries can only be addressed through the Partnership Instrument. Evidence from individual action evaluations in the USA confirms this, with the PI enabling the Delegation to pursue public diplomacy efforts across a wide range of topic areas including climate change, environmental sustainability, and peace and security amongst others. The PI enables the Delegation to pursue a much larger programme of public diplomacy than is possible through core funding provided for press and communication purposes.

In other cases, the PI represents the only available instrument to pursue bilateral partnership approaches with countries which are no longer eligible for development co-operation under the DCI²⁰ (they remain eligible for DCI support under regional and

¹⁹ Procedures and practical guide; see http://ec.europa.eu/europeaid/funding/about-funding-and-procedures/procedures-and-practical-guide-prag_en

²⁰ Only eight countries on the American continent are still eligible to bilateral development cooperation.

thematic programmes, but some of them will graduate even from these programmes at the end of 2017).

In others, the PI enables upscaling of the breadth and/or depth of engagement with partner countries than would have been possible if relying only on the resources available from line DGs or other funding sources. For example, the PI-funded action 'EU and Brazil together for climate: road to Paris' enabled the EU to deliver an event of much greater scale and reach than would have been possible with funding available from DG CLIMA alone. In this sense, the PI was an instrument of last resort in enabling an event to meet the ambition of the action as no other source of funds would have made this possible.

3.2. Effectiveness

EQ2: To what extent does the PI deliver results against the Instrument's objectives, and specific EU priorities?

3.2.1. Summary

All findings on the effectiveness of the Partnership Instrument relate to observed results between 2014 and 2016, during which time **most actions remain in progress** and very few have been fully completed. Hence the findings provide only a snapshot of progress to date and it can be expected that many more additional results will be observed in the coming years from both on-going and future actions. More robust monitoring against the newly agreed common indicators (see Annex 1B) will enable comprehensive and accurate assessment of results in the future.

Based on the data collected to date, the **Instrument is proving to be effective in delivering results, with a total of 221 events organised and supported, attended by more than 29,000 participants, and 53 identified outcomes** achieved from the 174 finalised and on-going content-related actions²¹, addressing specific EU priorities across all four Specific Objectives of the Instrument. It is encouraging that our analysis also reveals that **a total of 369 outcomes are expected to be achieved in the future** once all of the 174 content-related actions funded to date reach their conclusion, suggesting that the PI is on track to deliver relevant and impactful results over the remainder of the funding period.

Evaluation results confirm that **priority setting and decision-making on the PI has gradually evolved from an initial demand driven approach to a more strategic** one, with high levels of engagement from EEAS, line DGs and EU Delegations within partner countries. This has contributed to the formulation of potentially effective actions.

The CIR themes for mainstreaming (gender equality, disability access, support of the rule of law, democracy and human rights, climate change and biodiversity) are rarely observed to be mainstreamed in project design or delivery. The PI is however delivering against EU targets with regards to Rio markers, with **more than a quarter (28.6%) of funding allocated to activities related to climate change (above the 20% target) and 4.3% of funding allocated to activities related to biological diversity.**

²¹ The CRIS extract on which the review was based contained a number of additional actions which were categorised as irrelevant or not content-related, given their mainly logistical or administrative nature. These actions are not included in the results and indicator databases. In light of this, the present analysis does not account for these actions.

3.2.2. Coverage of the question

The question on effectiveness addresses the extent to which both the PI specific objectives and EU wider priorities have been achieved to date. Given the early stage of implementation of many PI actions, the question also assesses whether, based on implementation to date and planned future activities, the PI is likely to achieve its overall objectives within its lifetime.

The evaluation considers the levels defined in the PI Intervention Logic (see Annex 1A), namely the extent to which outputs and outcomes of the Instrument have been achieved or can be expected to be achieved by amalgamation of actual and expected activities, outputs and outcomes at action level (see Annexes 1B and 1C). This includes all actions live and those decided upon but for which implementation had not yet started as of 19th September 2016. The analysis includes all actions of the second phase of AAP 2016 which was adopted on 15th November 2016 – these were considered in terms of assessing likely future outcomes as actual outputs or outcomes have yet to be delivered.

The findings draw on a number of sources of evidence including analysis of action level results data and narratives contained in programming documents and implementation reports for each of the reviewed actions, interviews with Programme Managers, consultation with a wide array of PI stakeholders, and the mid-term and final evaluations of individual PI actions. The full list of sources is presented in the EQM (Annex 2A).

3.2.3. Judgement criterion 2.1: PI financed actions contribute to advancing and promoting EU's and mutual interests, and more specifically towards the four specific objectives set out in the PI regulation

This judgement criterion examines the extent to which the individual PI actions have delivered activities, outputs and outcomes towards the Instrument's specific objectives, and EU wider interests as a whole, in relation to the geographical coverage of the Instrument. The assessment has been based on analysis of the agreed common activity, output and outcome indicators for PI actions²² and their definitions. However, none of the actions examined were required to report against these indicators as they were not agreed until 2016.

As a result, the evaluators have sought to retrospectively assign observed results of current actions against the newly agreed framework of indicators through a manual process based on the document review and consultations with programme managers. When considering the results presented below, it is important to note that these represent only a snapshot of results and are likely to underestimate the true numbers of results achieved to date. This is due to the fact that results had to be retrospectively assigned to actions and because in many cases live actions have not yet reported any results.

The PI Intervention Logic identifies that each PI action is composed of a set of **activities** (or a single activity) that aim at generating outputs. At PI level, activities are the sum of the corresponding activities at action level.

When looking at activities across the suite of currently completed and live PI actions, a total of **209 events have been organised and supported**. As shown in Table 4

²² Study to develop indicators, monitoring system and to assess the first phase of implementation of the Partnership Instrument, Ecorys and partners, November 2016 (see Annex 1B for a summary of the common indicators)

(Annex 8), the events recorded include 83 conferences, debates, workshops/seminars, 39 technical meetings, 33 outreach and advocacy events, 28 training activities, 20 business missions and 6 visits, exchanges or study tours. Data on events was only reported for a total of 50 out of 70 actions where events were organised, hence it is likely that a larger number of events have taken place. In addition to reported events, **a total of 2,092 person-days of expertise or technical assistance** have been provided or are being provided, but data was only reported for 11 out of 57 relevant actions, and more than two-thirds of the person days recorded/planned correspond to two specific actions (Low Carbon Business Action in Mexico as a completed action and the ongoing action on the EU-Australia Leadership Forum). For the third activity indicator, the evaluation identified **a total of five public / media / communication campaigns organised and implemented** (though only six of 36 actions have reported on this indicator).

The PI Intervention Logic defines **outputs** as direct products generated by activities under a PI action which directly influence the achievement of outcomes. At PI level, outputs are the sum of the corresponding outputs at action level.

The analysis of outputs is also based on incomplete data (Table 5, Annex 8) and is therefore likely to underestimate the true numbers of outputs achieved. The partial data on outputs indicates that:

- There were **many occasions (98 in total)** where an activity under the different actions **improved the basis for activating, renewing or moving forward of a process.**
- In other **9 occasions** an activity **improved the basis for a process which leads to the adoption of, or approximation to, EU and / or international standards.**
- There were **46 knowledge-based products** developed, more than half of which (28) are classified as studies and reports.
- A total of **29,201 people were recorded to have participated in events** organised under the different actions, though data is only recorded for one in every three relevant actions. Only two actions provided information on the percentage of participants in the events who reported having enhanced their knowledge.
- A total of **54 EU companies were recorded to have participated in events** organised under the different actions. However, data was only available for 10% of relevant actions. No information was provided on the percentage of participating EU companies who reported an enhancement of their knowledge as a result of the event.
- There were **120 written statements following from the events and 109 press releases / policy briefs / opinion pieces** recorded to have been produced, though information was only collected for a very limited set of actions.

The PI Intervention Logic defines **outcomes** as direct effects on the political, social, economic or environmental area targeted by a PI-financed action as well as changes in behaviour of its participants/ target groups. Action-level **outcome indicators** measure the influence any action is having on a range of processes related to: partnership strategies and agreements; partner countries' approaches and practices; removal of barriers to market access; trade agreements. They also measure the change of perception of companies and of participants targeted by outreach and advocacy events.

With regard to outcome indicators for ongoing and finalised actions, **a total of 53 PI outcomes are observed to date** across the 12 agreed outcome indicators (see Table 6 (Annex 8) relating to EQM indicators 2.1.1 – 2.1.3 and 2.1.5 – 2.1.8).²³ This is a positive achievement given the early stage of implementation of the Instrument and the fact that few actions are completed.

Outcomes are observed across all four PI specific objectives, though **more than half occur under specific objective 1, while nine are recorded under specific objectives 2 and 3, and only five under specific objective 4**. We believe that this underestimates the true number of outcomes achieved to date due to the challenge of seeking to collate data on results from actions that are not routinely recording or reporting on outcomes. It is for this reason that no data is recorded against OC12 (the most suitable indicator for capturing outcomes under specific objective 4) as no actions are currently gathering this data. It is also apparent that the common indicator set does not currently contain an appropriate set of indicators to capture the outcome (and impact) of public diplomacy actions.

The count of observed outcomes, whilst useful, says little about exactly what processes and dialogues the PI has influenced or the distance-travelled in bringing about enhanced co-operation and dialogue across the broad portfolio of countries where the PI is operating. The qualitative analysis of outcomes presented below helps to contextualise and to provide a deeper understanding of the nature of the different outcomes observed. The examples listed also evidence the diversity of the outcomes that the PI is delivering in different thematic and geographical areas – a fact which means any attempt to provide more aggregated analysis would not be meaningful or informative.

Among the 16 **processes influenced at state-level and sub-state level** were:

- The consolidation of the EU-China dialogue on migration (*Action on Migration and Mobility*)
- The reinvigoration of the bilateral dialogue on sustainable growth and energy efficiency between the EU and Argentina (*Sustainable growth and energy efficiency in Argentina*)
- The strengthening of EU-GCC cooperation in the domain of clean energy at the level of state bodies (*GCC Clean Energy Network II*).

The PI has influenced **six processes related to non-state level partnerships**, the majority of them related to actions under specific objective 1. These included for instance links and **networking activities initiated between civil society representatives in Central America** who participated in the Regional Meeting on Climate Change in Mexico and its follow-up in Panama.

The actions assessed featured an additional eight processes influenced in relation to **partner country approaches related to challenges of global concern**, most linked to actions under specific objective 1. Examples include:

- Mutual commitment of the EU and Brazil to fight climate change and strengthening of Brazil's regional leadership on that topic (*EU and Brazil together for climate: Road to Paris*)
- Dialogue on follow-up to COP13 on biodiversity and *Innovative financing mechanisms in biodiversity* (Mexico)

The analysis also evidences that there were four processes influenced related to the **positions partner countries take in the run-up to or during regional/international fora**, in particular in relation to the COP21 meeting, e.g.

²³ Outcomes were reported against the most appropriate indicator to avoid double counting in the analysis.

Regional meeting of Central American climate action NGO network in Mexico and the Climate Diplomacy Day in the USA, both of which were helpful diplomatic tools for the EU to strengthen the momentum for a coordinated approach on climate change and engage with different categories of stakeholders before the Paris summit.

Seven processes influenced are directly related to the EU 2020 Strategy. Most of the recorded outcomes are linked to partner countries' approaches beneficial to the achievement of the EU2020 Strategy, and only one is linked to partner countries' practices. Examples of processes related to the EU2020 Strategy that have been influenced include:

- The **cooperation on ICT standards** and statistical exchange between the EU and India which helped to facilitate cooperation on standard setting and capacity building with a view to supporting the realisation of a digital society / the Digital Agenda.
- The **Workshop on Sustainable Cities and Climate Change in Paraguay** promoted European initiatives and experience, and contributed to an enhanced dialogue and actions on climate change in the framework of inter urban cooperation between the EU and Paraguay in the run-up to the COP21 Paris meeting.

A slightly larger number of processes influenced (12 in total) are trade-specific, and the majority of them are linked to actions that fall under specific objective 3 of the PI. These include:

- Five processes influenced on partner country practices on trade, investment and business, including the identification of **local content requirements as well as conformity assessment and certification requirements** in the Indian legislation or in the practice followed by the Indian authorities at central and sub-central level that cause market access challenges to EU companies;
- Two processes influenced related to the removal of barriers to market access, investment and business, including the **consolidation of the stakeholders network** with a view to **prepare for a coordinated platform through which EU companies can be involved in urban, environmental and smart city projects in India** in the framework of the Preparation for an EU-India Sustainable Urbanisation Partnership;
- Four processes influenced related to the negotiation, implementation or enforcement of EU trade and investment agreements with partner countries, such as for instance the discussions taking place during the EU-Nigeria Business Forum 2016 funded by the PI that **positively influenced the status of the Economic Partnership Agreement (EPA) between West Africa and the EU.**

There was **only one process identified related to a change in EU companies' perceptions of the business, trade and investment climate in partner countries** (indicator 2.1.9). This was in the context of the action on EU-India ICT Cooperation, and the feedback from business representatives consulted indicated that the action had contributed to building confidence between the EU and India.

Given the relative novelty of the Instrument and the (very) **long-term nature of the desired impacts under the PI four specific objectives**, this evaluation collected limited evidence as to the actual impacts of the completed / ongoing actions. The evidence collected on actual action outcomes suggests that the **PI support deployed is working towards the expected impacts**. Our analysis and stakeholder feedback (indicator 2.1.10) confirms that **clearly defined and funded actions are delivering outcomes that address all four of the PI specific objectives**. The outcomes observed so far indicate that **the design of PI actions will contribute to the achievement of each specific objective**. However, in some cases, the level of ambition of individual actions in terms of the definition of their objectives is higher

than can be achieved in practice. This issue has been recognised by FPI.4 and is now reflected in the intervention logic for the Partnership Instrument (prepared in 2016). This should ensure greater realism and consistency in the level of ambition of actions funded in the future, also more in line with the budgetary envelope available. But overall, the PI has enabled processes and political and policy dialogues with partner countries, on a broad range of topics in line with its Specific Objectives. A very interesting and symbolic example of an actual impact of the PI is provided by a change in the partner's legislation (the removal of a trade barrier on non-pasteurised cheese) in the aftermath of the TAIEX *Expert Mission on EU Regulations and safety on non-pasteurized cheese* in South Korean.

The majority of individual actions analysed in greater depth by the evaluation can be said to have effectively contributed towards the four specific objectives set out in the PI regulation. The contribution of these actions to PI specific objectives is shown in Annex 12, though in a number of cases it is still too early to assess the extent to which these actions have effectively contributed to the specific objectives of the Instrument.

It is also noteworthy to signal the **preparatory or enabling character of some actions**. By initiating a dialogue e.g., bringing stakeholders together, piloting thematic dialogues or identifying topics of mutual interest, certain actions have triggered processes which are critical to the longer-term results of the PI. The preparation to the sustainable urbanisation partnership in India illustrates the point above. In addition, the analysis of PI-funded actions to date also shows that there are **a substantial number of actions (around one in every four) that respond to more than one of the PI four specific objectives**, and the percentage is even larger for the actions evaluated individually (with half of the actions under analysis contributing to two specific objectives). This interplay between objectives could be instrumental for further expanding the public diplomacy dimension of the PI, which according to some stakeholders interviewed, could accompany any selected EU intervention to increase trust and mutual understanding with target audiences in third countries beyond governmental organisations.

Assessing the **Public Diplomacy impact of the PI** support is particularly challenging. Public Diplomacy actions related to specific objective 4 have achieved a **growing relevance over the years**. Together with other PI-funded actions with a specific Public Diplomacy dimension, including PSF actions and actions falling under other PI specific objectives²⁴, they have sought to build trust and understanding of the EU by engaging with a broader foreign public, beyond the governmental relations that have generally been the focus of diplomatic efforts²⁵. Public Diplomacy actions have allowed a positive narrative about the EU to be projected through engagement with target audiences in a number of countries and regions. As an example, they have provided an opportunity to portray some key principles that the EU stands for in countries in Asia, and to pursue specific priorities around sustainability and peacebuilding in the USA. However, in many cases, public diplomacy actions generally involve long-term efforts, so some of the results are not immediately visible. In December 2015, FPI.4 published the results of a baseline study on the perception of the EU and EU's policies in the ten EU strategic partner countries, including Brazil, Canada, China, India, Japan, Mexico, Russia, South Africa, South Korea, and the USA.

²⁴ One example of a public diplomacy relevant action under a different specific objective is the Fulbright Schuman Programme which falls under Objective 2.

²⁵ As defined in the European Parliament Preparatory Action "Culture in European External Relations".

The study is an important first step to improve the EU's ability to measure and assess the results of activities in the field of Public Diplomacy.²⁶

Lastly, progress on CIR themes for mainstreaming also matter to the impact of PI actions. **Climate change, energy and environment are considered by stakeholders consulted and reported in the annual activity reports to be well-represented in the PI suite of actions** (indicator 2.1.4), but not the other horizontal priorities which are not systematically considered although they are core EU values (see JC 2.2). Through climate change actions, the EU has also indirectly conducted public diplomacy actions reflecting its values and projecting itself as a global leader on these topics (see also Section 3.2.4 regarding achievement of targets related to Rio markers).

The information collated during the evaluation enabled the evaluation team to discuss further the **PI impact under its specific objectives in relation to its geographical reach and spread, the number of actions and the type of support modality** used. This analysis in terms of number of actions is presented in Figure 4 (Annex 8). It shows the preponderance of actions across specific objectives 1, 2 and 3 taking place in the Asia-Pacific (with the majority of all actions funded under Objective 3 taking place in this region), and the dominance of the Americas within public diplomacy actions. It also demonstrates some differences in the modalities of PI support used with the PSF representing the largest number of actions under both specific objectives 1 and 3, whilst public diplomacy actions (specific objective 4.2) are far more likely to be standalone²⁷.

The evaluation also collected information on the typology of activities funded through the PI during the period under consideration, enabling comparisons to be drawn between the specific objectives and funding allocations between **Strategic Partner countries²⁸ and other countries**. The findings are presented in Figure 6 (Annex 8). Almost **two thirds (110) of all actions reviewed (174) were focused on the EU's Strategic Partner countries**. These actions amount to EUR 130 m, nearly half the total PI spend during the period under consideration (EUR 262.5 m). By way of comparison, the funds allocated to **country-specific actions with other partner countries** during the same period was only **EUR 5 m**. Furthermore, actions in "other countries" may be more often PSF or TAIEX, and have a smaller budget than standalone actions. **However, other partner countries have been also covered by global / regional actions** (35 such actions), **which amounted to more than EUR 120 m**. That represents almost half of the total support deployed so far, further evidence of the **global reach of the PI**.

As regards **other partner countries, 29 country-specific actions were exclusively focused on non-Strategic Partner countries**, mainly falling under specific objective 3. The majority of global / regional PI activities in the sample were addressing specific objective 1 through standalone actions. Only one of the regional actions was implemented in strategic partner countries only (*Low carbon business action in Brazil and Mexico Phase 2*), all the other actions are to be implemented in at least one other partner country. These actions mainly focused on the following geographical regions:

- Latin America and Caribbean (nine actions in Argentina, Bolivia, Chile, Colombia, Costa Rica, Cuba, Ecuador, Grenada, Panama, Paraguay, Peru, Uruguay, Venezuela);

²⁶ PPMI et al. (2015), Analysis of the perception of the EU and of EU's policies abroad

²⁷ The large number of standalone actions under the PD objective is linked to the fact that PD action fiches commonly include a set of actions to be funded within an umbrella action fiche.

²⁸ Brazil, Canada, China, India, Japan, Mexico, Russia, South Africa, South Korea and USA.

- South Asia (one action in Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka) and South East Asia (five actions in Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Timor Leste and Vietnam);
- The Arctic (five actions in the Arctic states, including Iceland and Norway); and
- The Gulf (two actions in Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and UAE).

There are some notable differences in the support modalities utilised between these types of countries, with a far greater prevalence of standalone actions amongst the strategic partners and global/regional actions than is observed amongst bilateral actions with other countries where PSF and TAIEX are the most used modalities (representing more than 90% of actions funded in other countries).²⁹

Stakeholders raised the question of a missed opportunity for the EU in Africa in its use of the PI. However, the Multiannual Indicative Programme (MIP)³⁰ reflects the political choice not to allocate PI funding to Africa given the existence of a number of other instruments.³¹ There are however a small number of PI actions funded in Africa. For example, in South Africa, an action on the EPA outreach has been implemented, as well as another PSF action to provide support to the EU's market access team. Negotiations are ongoing on an action following the signature of the EPA with co-funding by the PI and the DCI. The question of the use of PI support in this country is strategic given that South Africa is one of the UMICs exceptions under the current MFF which continues to receive bilateral aid under the DCI but with the proviso that the large share of the allocation is committed by end 2018. That in turn requires consideration of the transition between the instruments to ensure continued strategic cooperation.

To put the assessment of the PI's performance to date in perspective, the evaluation has highlighted both the **internal and external circumstances that support or hinder the realisation of the potential of the PI** (indicators 2.1.11 and 2.1.12). Our fieldwork has highlighted a number of factors which create a favourable environment for the implementation of PI actions.

The PI has been a **timely Instrument in many countries** – including following on from commitments made in international fora – in particular enabling cooperation that would not otherwise be possible once bilateral aid assistance is phased out. Individual action evaluations provide evidence that the timeliness of the Instrument and of the deployment of the support where it is needed (in geographical and thematic terms, e.g. in Brazil on climate change, in Argentina on energy efficiency, in India on ICT standards). The Instrument has allowed for consistency in engagement with partner countries and on-going promotion of EU interests, while sending a strong political signal on the recognition of the emerging / global role of the partners. This is a significant enabling factor in helping the realisation of the potential of the PI. In addition, PSF and TAIEX have constituted very flexible implementation modalities, further strengthening the timeliness of the support. Actions implemented through these modalities have allowed "quick wins", which external stakeholders report has in turn raised the EU's profile and strengthened its visibility and credibility as a partner.

²⁹ In other countries that continue to receive development cooperation, the PI is likely to be used in areas of strategic interest for the EU or where no other EFI can be applied. This explains in part the limited proportion of stand-alone actions vis-à-vis PSF and TAIEX modalities in these countries.

³⁰ Commission (2014), First multiannual indicative programme for the period 2014-2017 under the Partnership Instrument for cooperation with third countries, C(2014)4453

³¹ Commission implementing decision of 3.7.2014 on the adoption of the first multiannual indicative programme for the period 2014-2017 under the Partnership Instrument for cooperation with third countries

A key aspect of the external environment that is critical to the success of the PI is the **identification and pursuit of mutual interests with partner countries**, as evidenced by the individual action evaluations. This is a critical feature of the PI, enabling engagement with partner countries, opening a door for EU policy priorities and interests to be pursued based on a shared understanding of the need for action in particular thematic areas. In this sense the PI differs from the traditional development logic, as it aims to support the establishment and development of true partnerships, which rely on negotiations and dialogue between the EU and its partners to identify mutual interests. The identification of areas of mutual interest is essential in developing a new approach to bilateral and multilateral partnerships and provides an opportunity for the EU to promote its policies, principles and values in those areas of shared interest. The mid-term and final action evaluations provide examples of the different ways in which PI actions have successfully identified and pursued mutual interests to promote EU policies, strategies and interests. For instance, the good alignment between PI support and the Government's priorities in India – to build on political momentum – and the very positive feedback received from the Mexican Government on cooperation with the EU on the Low Carbon Business action provide evidence that the new approach to cooperation resonates with partners (in particular with graduated countries). This sends a strong political signal in terms of the recognition of the partner's agenda, in turn creating a favourable environment for (enhanced) political and policy dialogue.

For its operation, the PI needs a **stable environment / political situation in the partner countries**. In some cases, the PI can be deployed quickly when a **window of opportunity** appears to help open or develop new areas of cooperation with specific countries. It is not a crisis instrument and does not have vocation to address the deterioration of the political situation in a third country.

From an internal point of view, the emphasis is put on the extent to which the PI **processes lead to the formulation of effective actions** (see judgement criterion 2.3), as well as the **coherence of the Instrument** (see Section 3.5). At the level of the individual actions, in particular, the inclusive approach involving the participation of various Commission services, the EEAS and EU Delegations is critical in harnessing both the technical and country expertise available. The continued involvement of PI users (line DGs, EEAS or EU Delegations) ensures that, in principle, they own the actions supported by the PI and unlock the potential for cooperation in the areas / countries concerned. Notably, the division of labour between line DGs and FPI staff contributes to effectively supporting the delivery of the actions. Insufficient line DGs' support may jeopardise the results of an action. For instance, the action evaluation in Argentina showed that the lack of resources of DG ENER implied lesser coordination with the FPI where it would have been useful to review, from a technical point of view, the action deliverables. At the level of the Instrument, the achievement of the specific objectives depends to a significant extent on the internal coherence of the PI (see section 3.5).

3.2.4. Judgement criterion 2.2: The PI mainstreams, where relevant, EU policy priorities (e.g. gender, climate change) and other issues highlighted for mainstreaming in the instrument, and deliver on the commitments including the financial allocation

On the basis of the data collected, the evaluation now explores first how the PI mainstreams CIR themes and secondly how it has delivered to date on the financial allocation.

Firstly, **the Partnership Instrument is in line with the CIR requirement (Article 14) that the Commission tracks the amount of financial resources allocated to climate change and biological diversity** (indicator 2.2.1). This tracking is

necessary to allow the EU to monitor progress on the commitment that at least 20% of 2014–2020 EU budget should be spent on climate-change related action. This is calculated using Rio markers. Table 1 shows that **the PI is exceeding this target, with 28.6% of the funding allocated to date to activities related to climate change and 4.3% allocated to biological diversity** (see table on the next page).

In the AAP 2014, 2015 and 2016, a total of 58 action fiches were adopted. Half of the action fiches (29) present one of these areas as their main (12) or significant (17) objective. Climate change mitigation is more prominent. A total of 10 action fiches have climate change mitigation as their main objective and for 14 additional action fiches it is a significant objective. In addition, two action fiches have biological diversity as their main objective and other three as a significant objective.

Table 1: Estimated % of PI budget allocated to mainstreaming climate action and biodiversity

Year	AAP 2014	AAP 2015	AAP 2016	Total
Allocation to mainstreaming climate action (EUR)	35.26m 33%	22.34m 21.5%	32.88m 31.1%	90.48m 28.6%
Allocation to mainstreaming biological diversity (EUR)	0.4m 0.4%	7m 6.7%	6.36m 6%	13.76m 4.3%
Total allocation (EUR)	107m	103.72m	105.65m	316.37m

Source: DG BUDG provided by FPI, 15-12-16

The CIR also makes reference to cross-cutting topics relating to gender equality, disability access, support of the rule of law, democracy and human rights, climate change and biodiversity (see Annexes 8 and 9 for more details). PI specific objectives 1 and 4 can be interpreted as specifically addressing these topics with their references to global issues and EU values, but this is different to mainstreaming of relevant considerations within actions, regardless of their thematic focus. In this sense, the evaluation has found that there is no operational requirement for these themes to be included or considered in the design and implementation of PI funded actions. The FPI has contributed to yearly reports on EU horizontal objectives such as human rights, which still reveals the general level of awareness (e.g. promoted through staff training on horizontal issues) and also the possible contribution the PI is making to these objectives. But there is scope to improve the actual contribution of the PI to these issues, for instance through systematic screening in programming.

As part of the fieldwork, the evaluation team investigated to what extent the sample of individual actions took account of democracy and human rights, climate change and biodiversity, disability access and gender equality (indicator 2.2.2). The findings confirm the **limited structural regard for gender mainstreaming and disability access within funded actions³², and the absence of reference to democracy and human rights**. Climate change and environmental aspects are mainly taken into account when these relate to the specific objectives of the action, and are generally done so based on the interests and predispositions of implementing partners on such issues, rather than any systematic consideration of the issues. The evaluation of the “Promoting Peace, Sustainability and our Shared Future” action constitutes a best practice in terms of mainstreaming: it implements an innovative approach to environmental sustainability in its delivery by using carbon credits to invest in making homes in Gainesville (Florida) more energy efficient as a means to offset the carbon footprint generated by EU representatives flying to Florida to participate in the activities implemented. But this is only one example. The cluster approach introduced in recent years (see section 3.2.5 below), the regular screening of projects as well as the ongoing recruitment of a gender expert provide good opportunities to improve mainstreaming of themes defined in the CIR within funded actions.

³² It should be highlighted however that there is only one reference made to gender in the CIR, namely that gender equality will be taken into account where applicable in external evaluations of Commission policies and actions.

Secondly, the evaluation looks at how the PI is delivering on **indicative financial allocations for implementing the PI for the period 2014 – 2020**. Table 2 above reflects indicative allocations per specific objectives, priorities and regions. This is an indicative breakdown of the funding, which allows a flexible approach to implementation.

Table 2: Indicative financial allocations 2014-2020 (MEUR, MIP) ³³

Specific objectives	Obj. 1	Obj. 2	Obj. 3	Obj. 4	Totals (without 4.1)*	Totals		
Priorities	1	2	3.1	3.2	4.1	4.2		
Asia-Pacific	142	68	75	45	35	35	365	400
Americas	126	60	55	25	33	29	295	328
Russia, Central Asia & Arctic	51	10	20	5	14	19	105	119
Gulf Countries	12	3	2	2	6	2	21	27
Total per priority	331	141	152	77	88*	85	786	874
Total per specific objective	331	141	229	173	786	874		
Reserve							48.2	
Total Operational Appropriations							834.2	922.2
Total administrative support							38.2	
Grand total PI-MIP							872.4	960.4

Source: MIP

(*) 88 MEUR of the total PI amount has been inscribed for the promotion of the international dimension of higher education through the Erasmus+ Programme. However, the implementation, monitoring and evaluation of funds allocated to the Erasmus+ Programme is beyond the scope of the management of the PI and is excluded from the scope of this evaluation.

Specific objective 1 of the PI was, as per the MIP, indicatively allocated almost two fifths (42%) of the total budget for all four specific objectives for the whole programming period (2014-2020), followed by specific objective 3, which was allocated slightly more than one-quarter (29%) of the budget. Specific objective 2 followed with an allocation of 18%, and Priority 4.2 was allocated 11% of the total budget. The analysis should be read taking into account that MIP allocations are indicative, and that as such they are subject to change.

Data collected and reviewed by the evaluation for a total of 174 content-related actions approved and implemented under the PI, totals 262.5 MEUR of the total PI budget, or a third of the allocation for all four specific objectives.³⁴ Figures 1 and 2 above provide an analysis of the indicative allocations for the entire period versus the deployed allocations so far by specific objective and by region based on the actions

³³ The calculations in the section below (share by objective) exclude priority 4.1, funds allocated to the Erasmus+ Programme, as well as reserve funds and administrative support provisions.

³⁴ The financial data presented come from our databases which collate budget information from the CRIS extract (updated data on budget execution), action documents and action fiches (depending on the state of implementation of the actions). They differ from the *PI budget allocation to date* determined on the basis of the AAP allocations to date; for a comparison, see Annex 8.

reviewed by the evaluation covering AAPs 2014, 2015 and 2016 (indicators 2.3.2 and 2.3.3).³⁵

Figure 1: PI-indicative versus deployed financial allocations (%) per objective

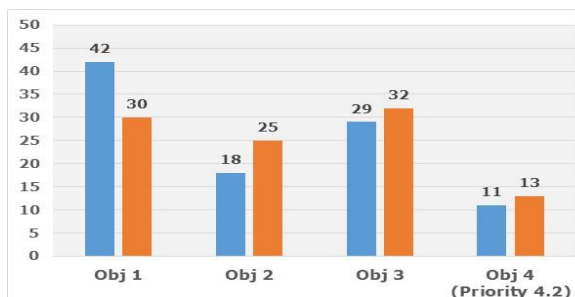
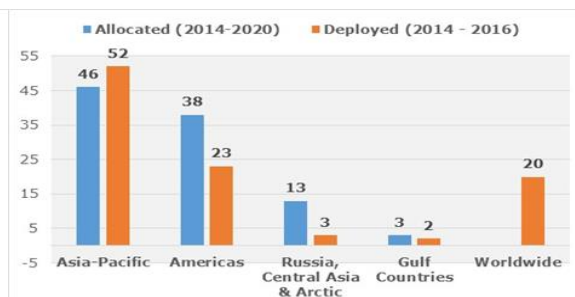


Figure 2: PI-indicative versus deployed financial allocations (%) per region



Source: Evaluation team, based on MIP allocations and analysis of databases' results

Of the total deployed to date:

- 30% of funds have been deployed for actions under specific objective 1, currently below the 42% indicative allocation over the lifetime of the Instrument.
- Funds deployed for actions under specific objectives 2 and 3 have been proportionally higher than their initial indicative allocation in the first three years of implementation. Spending on actions under specific objective 2 has amounted to 25% of the budget and almost one third of the budget deployed (32%) was focused on actions under Specific Objective 3.
- Funds deployed for actions under specific objective 4 (Priority 4.2) have been slightly above the initial indicative financial allocation (13% deployed during the first years versus 11% allocated over the lifetime of the Instrument).

In terms of the allocations by region:

- Funds deployed in the Asia-Pacific region have exceeded the initial financial allocation (52% deployed during the first years versus 46% allocated).
- 23% of funds have been deployed for actions in The Americas, a percentage that is lower than the 38% initially allocated.
- Funds deployed for actions in the Gulf Region have remained slightly below the 3% target initially allocated.
- Funds deployed for actions in Russia, Central Asia and the Arctic have been proportionally lower than their initial allocation in the first three years of implementation of the Instrument. Spending on actions in these regions has amounted to only 2% of the budget so far. One of the reasons behind the lower level of commitments in this region relates to the political context of EU-Russia relations and to the review of cooperation activities requested by the European Council in July 2014 (a call repeated by the Baltic MS during the face-to-face consultations). While activities under specific objective 4 of the PI have been maintained, projects in other sectors such as trade and energy have been put on hold.
- Interestingly, 20% of funds during the initial years of implementation of the PI have been deployed worldwide or in other regions not specifically identified in the MIP.

The analysis above, and the broad consultation with stakeholders carried out by the evaluation, both indicate that the deployment of funds per specific objective and per region is more or less in line with initial targets set and the deviations identified

³⁵ The calculations exclude priority 4.1, funds allocated to the Erasmus+ Programme, as well as reserve funds and administrative support provisions.

continue to be instrumental to the achievement of EU interests abroad, in particular given the importance of specific objectives 2 and 3.

3.2.5. Judgement criterion 2.3: The PI processes are conducive / lead to programming, identification / formulation of effective actions

During the 2014 and 2015 annual planning processes, some PI actions developed as bottom-up activities, very much based on the basis of *ad hoc* needs identified (indicator 2.3.1). The FPI asked EU Delegations, the EEAS and client DGs to identify needs and submit corresponding action proposals, on which funding decisions were made. This approach had a number of structural limitations which led, in some cases, to a lack of strategic priority setting, insufficient targeting and fragmentation of support. This weakness was identified by FPI.4 and action was taken to ensure a more strategic focus in the preparation of the 2016 and 2017 AAPs, known as the “**cluster approach**”.

The **cluster approach is designed to be inclusive** and relies on the consultation of the concerned stakeholders – in Brussels within the Commission and the EEAS, and also in country with input provided by EU Delegations (see description in Annex 13). This new approach provides a much more strategic focus and ensures the **targeting of financial support where the most value can be added**, in line with the general objectives of the EU in foreign policy and diplomacy, the political priorities of the Commission and the MIP (indicators 2.3.2 and 2.3.3).

The cluster approach has built in several layers of coordination and quality review that aim to ensure a coherent output. Interviewees unanimously agreed that coordination is not only a necessity for the PI – because it supports actions which do not come from one DG only but which are defined by the PI implementation working group³⁶ – but also that the **PI decision-making process has strengthened their coordination reflex within the Commission**. However, the level of coordination required by the PI is challenging, particularly when the feedback from the different services is limited because they don't have enough resources or commitment to follow-up and report on the actions that have been designed and implemented.

Annual implementation of the PI is currently supported through a mix of formal and informal coordination channels. Formally, each line DG names a PI coordinator, who acts as the contact point for PI-related issues and has the overview of all individual actions promoted by the DG. Informally, officials from line DGs also liaise directly with FPI.4 on the individual actions that they promote or implement.

Even if strategic planning has improved over the years, evaluation findings (including from stakeholder interviews and country-level findings from the mid-term and final evaluations) suggest that there is an **ongoing tension between the flexible implementation of the PI and its political nature on the one hand, and the need for a longer-term vision on the other hand**. The introduction of the cluster approach has marked a significant step towards enhanced coordination and strategic priorities. However, the PI continues to be very much dependent on line DGs to propose and move forward with specific actions.

Whilst overall it is considered that PI users have been **successful in translating their objectives and priorities into realistic concept notes and action documents, there are some institutional and structural challenges to this process** (indicator 2.3.4). These include:

³⁶ The division of responsibilities between FPI.4 and the line DGs is essential to combine technical expertise (line DGs) and project management expertise (FPI).

- At times the need for additional support to be provided to line DGs in defining what their **external** priorities and core interests are.³⁷ Inputs sought from EU Delegations whereby they identify needs and priorities in third countries as part of the first phase of the cluster approach are expected to help streamline the PI support in the future.
- A perceived lack of political steer provided by the EEAS, with initial inputs instead relying on EU Delegations and stakeholders in line DGs in the first instance.
- A lack of wide knowledge and understanding regarding the specific objectives, opportunities and results of the PI and the role of FPI.4 among some stakeholder groups.

Findings from the individual action evaluations confirm that, for the **majority of actions, objectives and priorities translated into realistic and credible Concept Notes and Action Fiches**. However, internal background checks conducted on the Concept Notes identified issues for further adjustment, including for example the need to lay out more clearly the overall and specific objectives of the action, and the need to develop more detail in relation to mitigation strategies to address key challenges. These gaps were generally addressed in more detail in the corresponding Action Fiche and Terms of Reference issued after the Concept Note.

Where actions were innovative or launched as pilot projects, the strategy of leaving the Terms of Reference (ToR) relatively open in scope was judged to be appropriate, as it provided flexibility to shape the action in response to needs and interests identified on the ground (e.g. Sustainable Growth and Energy Efficiency in Argentina). Where TOR were more prescriptive (e.g. Understanding Legal Economic Reform in China), adjustments were needed in the initial phase of the project to frame the action in line with requirements, as these were made clearer.

EQ3: What lessons can be learned from the programming and implementation of PI assistance to improve the effectiveness, impact and sustainability of financial assistance?

3.2.6. Summary

Programming and implementation of the Instrument have significantly evolved over the first two years, and the processes are increasingly aligned with strategic priorities. The cluster approach has proved instrumental to facilitating the active participation of the EEAS, multiple Commission stakeholders and EU Delegations, and to achieving ownership of the Instrument. Given that the PI is still relatively new, and its logic and specific objectives differ from the logic of other external action instruments, there is still scope to continue discussing ways in which processes and mechanisms can be further adjusted.

Findings from the mid-term and final action evaluations and stakeholders' views indicate that **EU Delegations could play a more active role in identifying and designing actions** for funding, given their knowledge of the local context in partner countries and the critical role they have played in implementing actions to date. There is also **scope for client DGs to provide more support to the implementation of the actions**, as many actions need a technical steer that Delegations are not always in a position to provide. However it is recognised that there are resource constraints that may limit the ability of line DGs to provide additional support.

Communication on the Instrument and its preliminary results is also important, both internally within the Commission and externally to stakeholders in partner countries.

³⁷ The lack of project expertise in DGs coupled with a lower priority often given to "international" issues (as opposed to EU internal issues) creates a bottleneck in the ability of DGs to produce projects, even if they sit within a well-defined strategic framework.

Increased visibility could help to better position the PI with potential PI users, and clarify expectations in partner countries about what the Instrument can and cannot do, especially in countries that are graduating from bilateral aid assistance.

Findings from the mid-term and final action evaluations confirm that the **degree to which the PI-funded actions are sustainable** is very much dependent on the nature of each particular action. It is not intended that all actions require to be sustainable – indeed some are focussed on specific events or issues which are designed as one-off actions for which longer term sustainability is neither required nor desired. Larger actions assessed as part of the mid-term and final action evaluations have been designed to achieve sustainable outcomes, but with the majority of these actions ongoing it is too early to assess if this has been the case.

3.2.7. Coverage of the question

Based on the stakeholder consultation programme, fieldwork and desk review of relevant documentation, there are a number of lessons learned on the implementation of the PI that should be considered going forward.

3.2.8. Judgement criterion 3.1: There is scope to enhance the programming / implementation of PI assistance to improve its effectiveness, impact and sustainability of the Instrument and its actions.

Although the PI is a new instrument, findings from the evaluation already provide lessons on approaches, content, modalities and processes, which we summarise below (indicator 3.1.1):

- Conceived as an enabler, **the design of the PI is perceived in a very positive light** by all stakeholder groups consulted during the evaluation. It is a flexible instrument that gives substance to EU external policies and to the external dimension of EU internal policies. It supports the promotion of EU interests and objectives, introducing the concepts of partnership and mutual interest with strategic partners and other countries (including those graduated from bilateral aid assistance).
- Even though the PI fits in the package of existing EU instruments, including other EFIs and instruments outside of external action *stricto sensu*, it is **not sufficiently promoted within the Commission**.
- **EU Delegations in strategic partner countries have played a key role** in the implementation of PI actions thanks to the support provided by FPI staff posted in these countries. In particular, their presence on the ground and their knowledge of in-country context and challenges has proved critical for the effective performance of actions.
- The allocation of funding across the PI specific objectives is perceived as **conditional upon line DGs' engagement** with the PI and the proposals they put forward. The interest of client DGs for the Instrument depends very much on the existence of other instruments available to them, and levels of co-ordination between FPI.4, line DGs, DG DEVCO, the EEAS and EU Delegations. The experience with DGs CLIMA, ENV and TRADE amongst others has been very positive. In the presence of relatively small budgets and the absence of other suitable instruments, the PI represents an essential tool for these DGs to pursue their objectives abroad.
- The PI toolbox (including standalone, PSF and TAIEX actions) has been instrumental to funding different types of actions and to addressing more urgent priorities. Standalone actions have amounted to 93% of the PI budget deployed to date, followed by PSF actions (7%) – see figure 2, Annex 8. The budget for TAIEX actions was not available to the evaluation team, hence it is excluded from the calculations.

- Whilst standalone actions are generally significantly larger in scale, **PSF and TAIEX actions can be deployed relatively quickly and at a lower cost in response to needs**. In addition, they have the potential to be used as pilot projects for exploring the feasibility of follow-up initiatives with a stronger potential for impact (e.g. Sustainable Growth and Energy Efficiency in Argentina triggered the design of a larger standalone action in the country to support the Argentine government in designing a national plan on energy efficiency). Even though smaller in scope, their shorter term results have the potential to translate in more immediate outcomes and impact.

The areas where the **PI has been more successful to date** (indicator 3.1.2) include:

- The capacity to evolve from an initial *ad hoc* programming process to a more coherent, top-down, strategic approach, involving the participation of various Commission services, EEAS and EU Delegations.
- Its broad scope, both in terms of specific objectives – formulated at an appropriate level – and of geographical scope with its global reach and its capacity to reach countries not covered by other EU instruments, and deliver support that cannot be provided through other instruments.
- Its opportune timing, supporting cooperation with countries graduating from development assistance. This has been particularly relevant in Latin America, where eight countries are no longer eligible for bilateral aid.
- Its flexibility in terms of budget, speed and implementation, and its political nature. In particular, one of the key strengths of the PI is the fact that it allows for smaller actions that can be implemented in a given local context (e.g. as part of an electoral process or a newly appointed government in a partner country, or in the run-up to a relevant event, as was the case of a number of actions that were implemented to support the COP21 Conference in Paris).
- Its ability to fund pilot phases to test interventions that can later be funded by standalone PI actions or potentially by other EU instruments (e.g. Horizon 2020). This has proven to be successful in developing bilateral cooperation in specific countries through the funding of specific initiatives, paving the ground for further cooperation through the leveraging of additional/alternative funding. Examples assessed by the evaluation include the inception phase of the EU-India cooperation on ICT-related standardisation, policy and legislation and the action on Sustainable Growth and Energy Efficiency in Argentina.

Areas where there is **scope for improvement** (indicator 3.1.2) include:

- The need for improved strategic planning in line with MIP priorities and indicative financial allocations. A focus on specific objectives and geographical priorities is necessary to achieve a more significant impact and to avoid spreading resources too thinly.
- The dependency on client DGs, both at programming and implementation phases. This is particularly challenging because line DGs have limited resources and are generally detached from the implementation of actions that take place in-country but if there are (mixed) posts at the Delegations.³⁸ Programme Managers at Delegations or FPI Headquarters also tend to be overstretched and need the expertise, contacts and technical support from line DGs to run the projects successfully.
- The need for increasing ownership of the Instrument and the actions by Delegations on the ground, a move that has indeed been taking place in practice but that is not

³⁸ "Mixed posts" are staffed by personnel seconded from line DGs in Brussels which cover the portfolios of several DGs.

matched by adjustments in manpower to adequately respond to supplementary tasks and responsibilities.

- Lack of awareness (both within the Commission and among stakeholders in partner countries) about the Instrument, what it intends to achieve, what can and cannot be supported, and results to date.
- The potential to enhance information sharing with the Member States within the PI Committee through more digital communication.

With regard to the **sustainability of PI results** (indicator 3.1.3), findings from the mid-term and final action evaluations confirm that it is very much dependent on the nature of each particular action, and there is no expectation that all actions will be sustainable. The PI is a political instrument and as such the concept of sustainability is mainly linked to the degree to which an action succeeds in influencing processes related to for example partnership strategies, policy dialogues, agreements, practices related to trade, etc. – this is why sustainability is considered under the effectiveness section. The goal of PI-funded actions is mainly to influence processes that then lead to the achievement of longer-term impacts, including for example enhancement of partnership strategies or removal of barriers to market access in third countries.

Larger actions (e.g. Low Carbon Business Action in Mexico, EU-India ICT Cooperation, Action on Migration and Mobility in China, EU-China Aviation Partnership Project) have been designed with a view to achieving sustainable impacts. In many cases, it is still too early in the process to confirm whether these actions have achieved the sustainability goal:

- The adequacy and sustainability of the Low Carbon Business Action in Mexico and EU-India ICT Cooperation projects will not be known until completion of the upcoming phases of activity. The main challenge in both cases goes beyond the foundations set in the first phase of the actions, and is linked to identifying the necessary political support and financing options for future action.
- Both the Migration and Mobility and Aviation Partnership actions in China were designed with a view to achieving sustainable impacts, including for example a consolidated EU-China dialogue on migration or an increased market access for the EU aviation industry in China. The activities implemented as part of these actions (e.g. training of Chinese authorities on irregular migration topics, aviation industry exchanges, provision of expert advice in support of negotiations of agreements) can be said to be instrumental to the achievement of the broader objectives. However, both projects are still at a relatively early phase in their implementation and no definitive conclusions can be drawn on sustainability at this time.
- The objective of the Transatlantic Consumer Dialogue action is to create a political dynamic and strengthen the relationship between CSOs. Whilst match funding is secured from members, this alone might not be sufficient to deliver the scale and frequency of activity needed to create that dynamic. The PI support aims to generate a multiplying effect, necessary to sustain the activity.

Smaller actions evaluated individually or actions designed as one-off events (e.g. EU Flagship Event on Climate Change in Brazil, Regional Meeting of Central American Climate Action NGOs in Mexico, Sustainable Growth and Energy Efficiency Report in Argentina, Understanding Legal Economic Reform in China, Raw Materials Conference in Belgium, AFI EU Film Showcase, Post-Carbon Cities of Tomorrow and Promoting Peace, Sustainability and our Shared Future, all three in the United States) are not necessarily expected to lead to sustainable outcomes, though in some cases their potential to influence processes is significant:

- Even though significant in terms of budget and reach, the EU Flagship Event in Brazil was a one-off event that did not feature the opportunity to develop further alignment with the Brazilian government, or to outline strategic orientations towards

future cooperation. Sustainability would be enhanced through an ongoing dialogue and more regular events in the country.

- Though more limited in scope, the Regional Meeting of Central American Climate Action NGOs in Mexico presented a similar challenge to the event in Brazil. In order to achieve more significant, longer term outcomes and impacts, and to support the strengthening of the group, the continuity of these actions should be considered (i.e. organise these seminars on an annual basis, following the experience to date). In addition, it was also considered that it would be better if these actions could be coordinated with broader initiatives, such as, for example, EUROCLIMA, and to combine the annual workshops with actions targeted at other relevant stakeholder groups, including national and local governments in the region, and academic organisations.

3.3. Efficiency

EQ4: To what extent is the PI delivering efficiently?

3.3.1. Summary

The evidence collected on the efficiency of the PI as an Instrument is overall limited. The data collection challenges come from the fact that high-level and action documents rarely focus on the efficiency of the support and that there is no common approach to monitoring the efficiency of the programming and implementation of the support. The structure of the PI and its programming and delivery mechanisms are ensuring proportionate administrative costs and a reasonable administrative burden. Programming and management reflect the rationale behind the creation of the PI and the continued need for an instrument relatively more flexible than other EFIs. Even if that flexibility has an administrative cost, it ensures that the PI is fit for purpose. The PI's alignment with CIR is *ad hoc* at action level depending on the relevance of the rules for the actions considered. A common monitoring and evaluation framework is being consolidated, which, if successfully implemented, can be expected to strengthen the evidence base for evaluation of the support provided.

Overall, **there is a trade-off between the administrative burden and the necessary accountability for the use of EU funding, and between the administrative burden and the flexible implementation of the Instrument which flows from the individual management of many diverse actions.**

3.3.2. Coverage of the question

Efficiency considers the relationship between the resources used by the Instrument (and its constituent actions) and the changes generated (which may be positive or negative). The evaluation sought to quantify certain aspects of efficiency such as the ratio of administrative costs to overall budget, as well as to qualitatively assess the efficiency of delivery. The desk review did not generate sufficient evidence (notably in the absence of quantitative evidence on e.g. administrative costs) but we explored the efficiency question through interviews with project managers (in the mid-term and final action evaluations and when completing the databases). The online survey also provided very anecdotal evidence on the administrative burden of PI decision-making.

3.3.3. Judgement criterion 4.1: The ratio of administrative costs (defined as "PI Support Expenditure" in the Draft General Budget of the EU) to overall budget is reasonable

The Draft General Budget of the EU specifies the support expenditure for each EFI. The interpretation of the ratio to overall budget (indicator 4.1.1) in absolute as well as in relative terms (compared to the ratio for other EFIs) needs to be carefully caveated to account for the following reasons:

- The **support expenditure line does not include all staff involved for the responsible service**. There are distinctions between officials and external staff³⁹ (the former are not financed by the administrative support line). The repartition of the staff for the management of each EFI can therefore introduce a bias in the comparison.
- **Instruments may operate both with direct and indirect management**. Typically, the **PI is overall directly managed by the Commission** (hence the institution bears the management costs) while, under certain instruments managed by DG DEVCO or DG NEAR for example, a share of the support available is indirectly managed by the partner countries (through budget and sectoral support) or through international organisations, which implies that part of the administrative costs are borne by the partner countries / international organisations instead of the support line of the DG. The administrative costs are then not reflected to the same degree in the EU's budget for the latter type of instruments as they are for the PI, hence direct comparisons cannot be made between the PI and these instruments based on direct management costs alone.⁴⁰

Stakeholders' qualitative feedback on the administrative costs confirms that the interpretation of this indicator requires some caution. The **administrative costs of the PI are considered proportionate and reasonable** in relation to the Instrument's overall budget (indicator 4.1.2). Indeed, this level of administrative support is a **necessary trade-off with the strategic importance of having a relatively flexible implementation of the PI**. A flexible implementation requires that decision-making is quicker and has led the PI to prepare an AAP in two phases each year – accepting the additional administrative effort that requires. In addition, the Instrument supports a large variety of actions, which are to a very large extent contracted separately and require tailored management and administration. Thus it is to be expected that the **flexibility afforded by the implementation choices comes with an administrative cost, but stakeholders confirmed this cost is reasonable and in line with what the PI is expected to achieve and the way it has delivered against its objectives to date**.

Table 3: Overview of the ratio of administrative costs to overall budget for all EFIs

Programme	Administrative support	(% admin/total)	Operational appropriations	Executive Agency	Total 2014-2020 (MEUR)
IPA II	326.3	2.7%	11,798.0	5.5	12,129.9
ENI	339.3	2.1%	15,979.4	17.0	16,335.8
DCI	608.5	3.0%	19,341.9	16.5	19,966.9
PI	34.1	3.6%	921.6	1.0	956.7
EIDHR	76.9	5.8%	1,244.4	0.0	1,321.2
IcSP	64.9	2.9%	2,182.8	0.0	2,247.7
INSC	9.9	3.1%	315.4	0.0	325.3
Total	1,530.4	2.3%	64,374.8	47.2	65,952.3

(Source: Commission services)

³⁹ Contract and local agents

⁴⁰ In addition, the ratio does not account for the administrative burden borne by implementing partners – see judgement criterion 4.4.

3.3.4. Judgement criterion 4.2: The PI is implemented flexibly and adaptively in response to needs

This judgement criterion examines the extent to which the instrument has proven to be one that users of the service can access to address new and emerging policy issues, or respond to challenges and opportunities in a way that is flexible to allow for a wide range of possible support to be provided, and adaptable in responding to new or emerging issues/opportunities.

The PI was conceived as an instrument to respond to new needs and developments in EU partnerships. There is a **consensus among institutional stakeholders that the PI is implemented flexibly and adaptively**. Flexibility is afforded by the support modalities available (notably the PSF), as well as unique features of its management: the adoption of AAP in two phases per annum, the absence of country allocation⁴¹, country strategy papers or financing agreements. The action-level mid-term and final evaluations provide strong evidence of the flexibility of the Instrument's implementation. The time from the preparation of the concept note to the approval is considered proportionate (indicator 4.2.1).

At the same time, flexibility comes at a cost. There is some concern among some stakeholders consulted that the **priorities as currently framed are too general, creating a risk that the Instrument support would be diluted across a large number of issues**. The FPI has taken steps to address this risk by **strengthening the strategic direction of PI decision-making**, notably using the cluster approach to identify and select actions to be funded (as discussed in the previous section on effectiveness). Compared to the scope of actions and projects funded by other EFIs, the flexibility of the implementation of the PI to fund a great number of relatively small actions might be detrimental to the cost-effectiveness of the PI in that it might collectively have higher administrative costs. Flexibility might also result in indirect costs for the EU: for instance, some of the Mexican SMEs and entities consulted by the evaluation in the framework of the Low carbon business action in Mexico expressed some concerns as a result of the lack of clarity on next steps under a follow-up action, including for example who will be leading the next phase, what is the timing and expected tasks after the signature of the agreements or how will the potential projects be financed. The division of the actions into phases was made to allow for the identification of the best conditions for the furthering of cooperation and give the flexibility to adapt to changing context, but it also added a cost or implied a risk for the deployment of the second phase of the actions considered. Overall however, this is a **strategic trade-off made for the PI to be a facilitator and enabler** across the diverse range of partner country contexts and EU policy interests that are being pursued across the globe.

3.3.5. Judgement criterion 4.3: Budget execution is efficient in terms of time taken from commitments to payments

This judgement criterion specifically examines the efficiency of the PI in terms of the elapsed time taken from formal approval of PI funding in the AAP, through commitment (contractualisation) and to actual disbursement of funds for completed activities.⁴² Overall, the PI follows the same rules as other EFIs for contracting out actions and has so far succeeded to contract funds within the n+1 limit. Contractualisation is particularly fast under the PSF which enables it to be a tool to

⁴¹ There is no geographical allocation in the PI legal basis (which contrasts with development cooperation instruments notably) but a MIP has been introduced to indicatively allocate support by specific objective to meet the transparency and accountability requirements of the European Parliament during the negotiations of the EFI package.

⁴² That criterion does not look at the process leading to the adoption of the AAPs – which commit the funding – and which are analysed under the effectiveness criterion.

respond to emerging issues. This is due to the use of framework contracts (FWC) and the creation of a specific PSF FWC.

Indicators and processes exist to monitor / ensure the efficiency of budget execution:

- The FPI's annual management plan sets targets for the timely contractualisation of action fiches by N+1. Internal processes are set up in FPI.1/FPI.4 to follow up on timely contractualisation.
- The CRIS database allows the FPI to extract data on contractualisation of resources at level 1 (level of AAP) and at level 2 (individual contracts).
- The FPI is bound by Financial Regulation requirements related to deadlines for payments. According to data provided, 90.6% of payments in 2015 and 88.4% in 2016 were made within the deadlines (data for PI HQ and EUDEL). Internal processes are set up in FPI.1 to follow-up on timely payment of invoices at HQ to avoid delays. As for EUDEL, the AOSD report template for 2016 has been revised with an emphasis on payment deadlines – it now includes the requirement for EUDEL to report against "% of payment made within the EC internal target of 30 days".

Qualitative feedback from Project Managers on individual actions and stakeholder interviews during our field work confirmed the **time taken from commitments to payments is reasonable, allowing to respond to partners' situation and to the momentum created for (thematic) cooperation and dialogues** (indicator 4.3.1). No issues were raised in terms of financial planning and implementation (indicator 4.3.2).

3.3.6. Judgement criterion 4.4: The administrative burden is reasonable and not excessive

The EU's definition of administrative costs and administrative burden is not limited to the "administrative support" lines and costs for officials in the EU budget only (see judgement criterion 4.1), it also considers the costs incurred by implementing partners in meeting legal obligations linked to the implementation of PI actions (e.g. reporting, monitoring). In this case, the administrative burden stems from the requirements of the PI, the Financial Regulation, the PRAG and the CIR *i.a.* (and not the business-as-usual costs of implementing partners).⁴³

Based on available evidence, **there is a consensus that the administrative burden is proportionate to the PI-supported actions** (indicator 4.4.1). There was only very anecdotal evidence that implementing partners were questioning the frequency of the reporting requirements (set by the PRAG), by comparison with the private sector and taking into consideration the scope of individual actions. Face-to-face consultations with PI external stakeholders provided anecdotal evidence of the scope for simplification of some elements of the reporting (e.g. the provision of paper boarding pass for the reimbursement of travelling expenses is outdated). Overall, external stakeholders and implementing partners confirmed they considered their administrative burden as appropriate and much more manageable than had been the case under "traditional" cooperation development programmes. This perception seems to be linked to the support provided by FPI.4 and on-site coordination by Delegations (indicator 4.4.2). For instance, the additional support provided by the Delegation to the USA to contractors, on an *ad hoc* basis, to ensure that the reporting requirements are met (e.g. drafting of guidelines on grants by the EU Delegation to the USA) illustrates this point. More generally speaking, the assessment of the administrative burden depends on:

⁴³ See http://ec.europa.eu/smart-regulation/guidelines/tool_53_en.htm

- The **type of support modality** used under the PI: (1) TAIEX was the lighter support modality, (2) PSF remained a very convenient and quick instrument because it was handled through framework contracts and (3) standalone actions implied a heavier workload but not disproportionate.
- The **category of stakeholders**: there exists a distinction between FPI staff and policy leads. There is no quantitative evidence on the time and resources to deal with administrative and management procedures (indicator 4.4.3) but the qualitative feedback received is that the support provided by the FPI is proportionate to the needs of PI users. The workload for FPI.4 is the heaviest in the programming and management of the Instrument (support is also provided through the Project Cycle Management (PCM) facility). The workload of FPI.4 has also been particularly heavy in the early phase of the PI because the unit was responsible for setting up the administrative arrangements and decision-making processes for the programming and management of the Instrument. When the PI was created, in addition to staff in headquarters, teams were set up in EU Delegations for the management of the Instrument. The teams (26 staff in total⁴⁴) were initially created in Delegations in strategic partner countries (but South Africa). More local agents were then recruited to join the FPI team in India, Korea and China. In the absence of FPI staff in other Delegations, PI actions are managed from the HQ. But the local presence is being strengthened, first with the creation of a PI team at the Delegation to Indonesia and second with the setting up of regional teams (one for the Americas in Brazil and one for Asia in Thailand) to provide additional support to the management of the Instrument), bringing the total of FPI.4 staff in Delegations to 42.⁴⁵

3.3.7. Judgement criterion 4.5: The PI is aligned with the implementing rules of the CIR

The CIR is a transversal Regulation, which aims to ensure a harmonised, simpler, effective and efficient implementation of the EFIs, including the PI. At the same time, it is intended to be sufficiently flexible to support the different instruments and contexts in which they are implemented. Our analysis of the PI performance with respect to the CIR is presented in Annex 9 and this section summarises the issue of alignment between the PI and the implementing rules.

Stakeholders reported on a **flexible interpretation of the implementing rules of the CIR** which allows a *relevant* alignment, in principle, between this regulation and the PI, in turn providing an enabling framework for the Instrument (indicator 4.5.1). There are a number of rules which are not directly relevant to the PI, such as the untying of aid (applicable to development assistance). But where rules are adapted to the nature of the actions supported by the PI, there is a relative alignment. The CIR themes are not included in the action templates and not systematically mainstreamed. Even in the case of the climate change priority, the fact that the PI funds specific actions on climate change and that data is reported against the dedicated policy indicators (Rio markers) cannot be interpreted as a successful mainstreaming of climate change. *In practice*, to strengthen the alignment between the PI and the CIR, the rules need to be systematically communicated and applied both in design and implementation phases.

⁴⁴ Including officials, contractual agents and local agents; Commission internal document

⁴⁵ Ibidem

3.3.8. Judgement criterion 4.6: There is an appropriate monitoring and evaluation system in place (including processes and indicators) for measuring performance and results at the level of the PI and individual actions

Monitoring and evaluation processes have presented some weaknesses during the initial implementation of the Instrument but a monitoring and evaluation framework is being consolidated (indicator 4.6.1). Whilst the Instrument commenced in 2014, an agreed intervention logic and suite of indicators was not agreed until 2016 (see Annex 1A and 1B). As a result there has not been a central repository of data on outputs and outcomes of individual actions or the Instrument as a whole. The development and roll out of common indicators for the remainder of the implementation period is ongoing. It is a positive step but this evaluation highlighted a number of challenges (indicators 4.6.2, 4.6.3 and 4.6.4):

- **Nature and scope of the indicators:** overall, in light of the nature and specific objectives of the PI, the monitoring and evaluation framework uses indicators with both a quantitative and a qualitative dimensions. The quantitative dimension allows for aggregation, while the qualitative dimension (e.g. narrative description of the baseline/target/achieved value) reflects on the nature of the achievements, which helps put the intervention under the PI in the broader context of EU external action. There are no impact indicators relevant for the public diplomacy actions, though it is accepted that it is challenging to define such indicators at the Instrument level. Nevertheless, contextual indicators for public diplomacy have been suggested for EU SPs through the perception study⁴⁶ and work is ongoing on the drafting public diplomacy indicators.
- **Adequacy of the monitoring framework:** the nature and scope of certain PI-supported actions (e.g. the organisation of the Raw Materials Conference in Brussels in 2015) require an adaptation of the monitoring framework. It is not relevant in all cases to report against impact indicators and even to outcome indicators as these two levels of the intervention logic go beyond what certain actions can and intend to deliver. It is noted that PSF actions will be required to report against relevant activity and output indicators – outcome indicators will be considered only if relevant. It is also noted that, where relevant, specific indicators (defined *ad hoc* or used under other EFIs) may be adopted and used at action level in lieu of the common indicators to reflect the specifics of individual actions.
- **Margin for interpretation:** when qualitative indicators are used, there is always a risk of diverging interpretation and of challenges to aggregation at the Instrument level. Nevertheless, the qualitative dimension of monitoring is necessary, given the nature of the PI, to put the indicators in perspective, account for specific contexts and reflect on the corresponding achievements. There is a risk of inconsistencies in reporting as this will be undertaken primarily by the array of PI implementing partners but FPI.4 has taken steps to address this challenge by providing a detailed description of the indicators and guidance on how to use them (which will be updated / strengthened if and when needed), while programme managers will also quality assure the action reports.

⁴⁶ The study has developed indicators about the general perceptions in EU SPs (visibility, emotional connection, general associations with the EU, local resonance, key frames of EU news), as well as about theme-specific perceptions (themes include economy and trade; politics and security; development; social issues; environment; science, research and technology; culture; and education); Public Policy and Management Institute, the National Centre for Research on Europe and the NFG Research Group (2015), Analysis of the perception of the EU and EU's policies abroad

- **Baseline and targets:** the study to develop indicators noted that no baseline or targets had been set for any indicators at action level.⁴⁷ This is addressed under the new instructions developed for the use of the PI logframe template. Currently, a new reporting template for action indicators is being developed by FPI.4, which includes a field on baseline for each indicator.
- **Reporting:** standard reporting templates and guidelines to process the evidence collected at action level are required to ensure an alignment between what individual actions are expected to achieve and the different levels of indicators (indicators 4.6.5 and 4.6.6). The new reporting template for action indicators which is under development, including guidelines on its use which are being developed, will be annexed to action progress reports drafted by implementing partners. This is a positive development expected to enhance future evaluations of the Instrument.
- **Database:** the development of OPSYS, a database common to all EFIs, will consolidate the existing data on the performance of the instruments, including the PI. It will be a repository of all aspects of EFI-supported actions (from calls for tenders, legal and financial specifics of projects, to milestones, risk assessment and monitoring). It will notably be accessible to implementing partners, who will report against the agreed indicators (corporate, core or customised indicators as relevant) and consolidate the quantitative and qualitative evidence (e.g. baseline and narrative accompanying an action) on individual actions / projects, allowing for aggregation of the results at instrument level. OPSYS reflects the Commission's renewed emphasis on performance measurement. It will be piloted in October 2017.

To date, individual monitoring progress / final reports are submitted by implementing partners but there is no consistency in the monitoring and reporting – and in some cases no formal monitoring is taking place at all. With the consolidation of the monitoring and reporting system, it will require a quality control by programme managers to ensure both a timely delivery of actions and progress reports and the consistency of the monitoring data.

This evaluation notes already that revised templates for internal progress reports were introduced in December 2016. At action level, they require programme managers to report on state of play and to assess the outcomes of ongoing standalone actions. They introduce an obligation to draft final reports for PSF and TAIEX actions with a view to assessing their outcomes. The final report template for standalone actions now also includes a section on prospective impact. In addition, country reports are introduced, where programme managers are expected to report on the overall PI's added value for particular countries, as well as on future perspectives and opportunities. These constitute relevant developments to consolidate the evidence base for any future evaluations of the PI. It is not possible to conclude as to their effectiveness at the moment.

3.4. EU Added Value

EQ 5: To what extent do the PI actions add value compared to interventions by Member States or other key actors?

- **Where the PI is operating in the same field as EU MS and other key actors, does it add value in terms of size of engagement, particular expertise and/or particular weight in advocacy?**
- **What would be the most likely consequences of stopping or withdrawing the PI support?**

⁴⁷ Commission (2016), Study to develop indicators, monitoring system and to assess the first phase of implementation of the Partnership Instrument

3.4.1. Summary

The EU added value of the PI lies in its design and the support it channels for the promotion of (more) strategic EU interests and objectives. The creation of the PI marked a change of approach with the EU in a position to decide – unilaterally – what it wants to pursue and to build up a long-term, strategic vision of its role as a global actor. There is a consensus that the EU level is the most appropriate for action in the areas / countries / international fora concerned, notably for its approach to cooperation, the expertise it brings on a wide range of topics and the leverage it has on other actors. Withdrawing PI support would leave the EU without the means to pursue partnerships with a wide range of partner countries, failing to live up to its commitments as well as to the partners' expectations. The flexibility of the PI implementation and what it has enabled since its creation are recognised as setting the right conditions to further cooperation generally.

3.4.2. Coverage of the question

This question considers the value resulting from EU interventions that is additional to the value that would have resulted from interventions initiated by any other actors. It relates to the subsidiarity principle and whether the EU Instrument is the most appropriate level for action. Our findings build on stakeholders' feedback collected through our extensive interview programme and in-depth mid-term and final evaluations of funded actions.

3.4.3. Judgement criterion 5.1: Issues addressed by the PI require action at EU level

The EU added value of the Instrument is multifaceted and reflects stakeholders' different perspectives (indicator 5.1.1). From an internal perspective (the EU and MS), the added value of the PI comes from the conceptualisation of the Instrument, its scope and its leverage. **The evaluation confirms that the PI successfully addresses EU priorities and fundamentally brings EU interests to the fore, supporting the implementation of and giving substance to partnerships and tackling global challenges / promoting EU international agenda in a way that could not be achieved by other instruments / actors** (see also section 3.2 on relevance above).

The EU is the most appropriate level of intervention on a number of issues in the scope of the PI, ranging from areas where it has exclusive competence (e.g. external trade, in particular given the relatively limited budget of DG Trade) to areas relating to promoting the concept of the EU, its ideals and values (through public diplomacy).

The PI also constitutes a unique opportunity to fill a gap in EU policy in the pursuit of EU interests and to cover external action areas with limited or no other sources of funding. The creation of the PI led to a change in approach, enabling the EU to pursue its strategic objectives and interests with partner countries across the globe. Overall, EU stakeholders agree that withdrawing PI support would create a challenging situation for the EU, left without an instrument to support its partnerships, which would weaken its credibility. The PI also enables actions which promote the EU's perspective on specific topics, for instance climate change. Stakeholders' feedback gathered in the framework of the individual action evaluation of "Post Carbon Cities of Tomorrow" in the USA (GTKE Grant) indicates that the PI action allowed for the promotion of an EU perspective on the topic instead of a perspective of only one individual Member State.

MS also recognise that the PI constitutes an appropriate Instrument to enhance their leverage on the topics covered and in the partner countries where the support is implemented. The evaluation found evidence of the particular interest of "small MS" in the Instrument. The PI constitutes a vector for them to play a relatively stronger role

in international affairs than they would otherwise have (even if MS recognise that there remains only limited evidence). In turn, the PI could contribute to enhance the buy-in from MS to EU external action – because it allows pursuing more openly strategic interests – and to strengthen the leadership of the EU in the different policy areas / countries concerned.

From an external perspective, the added value of the action enabled by the PI lies in the fact that EU action is considered the most appropriate. Partners identify three reasons why action is the most appropriate at the EU level: the scope of the Instrument, the EU's approach and leverage. Through the action evaluations, we collected consistent feedback from partners on the EU's technical expertise, the quality of its input into dialogue / cooperation (e.g. quality of EU technologies in areas such as water management, urban development, renewable energies) and its recognition as the natural partner on certain issues (e.g. standards, environment and climate change). Partners also perceive the EU's approach to cooperation / dialogue with its focus on consensus building as an added value of an intervention at EU level (as opposed to MS level). From partners' perspective, engaging with the EU also sends a signal about the level of recognition of their own position. The EU's influence extends beyond its common policies and strategies, to include its MS and potentially other international actors in the dialogue with partners. Overall, **the PI enables and substantiates cooperation at the most appropriate level.**

EQ 6: To what extent has the PI leveraged further funds and/or political or policy engagement?

3.4.4. Summary

The evaluation found evidence of the political leverage of the PI, as well as of its financial leverage although to a more limited extent. **Since its creation, the PI has acted as an enabler, opening up areas for dialogue and cooperation in practical terms.** The possibility to go beyond a forum for discussion and to support concrete realisation has created a better platform for the EU, mobilising the stakeholders concerned and creating the conditions for longer term dialogues and cooperation. Financial leverage of the PI has, by design, not been a requirement of PI support and hence there is limited evidence of it. There is a strategic interest not to make financial leverage a conditionality for the use of the Instrument and were it required, it would create a trade-off with partners' inputs into the design and focus of the actions, as well as with the flexibility of the PI implementation (which currently does not require a formal financing agreement with partner countries).

3.4.5. Coverage of the question

The question assesses both the political and financial leverage of PI support. The question of the political leverage is by nature qualitative and our main source of evidence was the mid-term and final action evaluations, complemented by interviews conducted with EU officials on the Instrument in general (while the online survey provided some limited anecdotal evidence). To discuss the financial leverage of the Instrument, we aimed to collect notably evidence of co-funding in the databases but in the absence of data, the findings draw primarily from the mid-term and final action evaluations.

3.4.6. Judgement criterion 6.1: The PI has increased political and policy engagement with the EU

The 2011 Impact Assessment anticipated the PI to be critical in capitalising on the EU's weight to respond to global challenges, as well as strengthening cooperation with different categories of partners. In addition to the reasons elaborated in section 3.4.3 above which identifies the EU as the most appropriate level for action from an internal

and an external perspective, the PI was expected to be critical for political and policy engagement because it would link dialogues and partnerships with specific cooperation activities. Both our review of **all PI-supported actions and the in-depth individual action evaluations have provided evidence of the good performance to date of the Instrument in that respect** (indicator 6.1.1). For instance, the individual evaluation of the EU-China Aviation Partnership Project (APP) concludes that it provides significant added value in comparison to the previous industry-led initiative on aviation. The project is pitched at the right level and has succeeded in gaining the interest and respect of the Chinese counterpart. In turn, the APP has made a considerable contribution to supporting the BASA (Bilateral Aviation Safety Agreement) negotiations. The political leverage created could not have been achieved without the PI support.

The **political leverage of the PI is in the specific nature of the PI in the EFI package**. For the first time the EU is able to present a package to the rest of the world, to address different types of agenda (ODA / non-ODA) and reflect different logics of action (donor logic vs. promotion of strategic interests): the PI is a niche instrument focusing on the promotion of EU strategic interests. It is about supporting dialogues between the EU and its partners, placed on an equal footing. There is a consensus among stakeholders that the **strengthening of policy and political dialogues** is the most obvious example of the political leverage of the PI. There is a two-way process between policy dialogue and concrete realisations supported by the PI. The EU substantiates dialogues / partnerships by supporting concrete initiatives; these concrete initiatives raise the EU's and its partners' interest in dialogues / partnerships. That triggers a self-sustained momentum which is valued across the range of EU bilateral relations.

From an internal perspective, the political leverage of the PI also comes from **MS' increasing support for the Instrument**. The PI is attracting more and more interest from the MS Embassies on the ground which collaborate with EU Delegations, in turn further enhancing EU influence and leadership in the different areas / countries concerned.

Overall, the evaluation found evidence of the political leverage of the PI and best practices at different levels. In bilateral relations, India is an interesting example. Although recognised as an important partner, the potential of the EU's partnership with India took a long time to develop. Nevertheless, the objective of fostering the relationship and giving substance to the strategic partnership was present, and the PI made it possible to implement a number of mutually beneficial initiatives. These actions correspond to objectives and needs identified by both parties and have resulted in a very positive summit outcome in 2016. Significantly, the Summit conclusions reflect largely on the concrete results achieved with the support of the PI.

There are also signs of the sustainability of the political leverage of the PI. In Argentina, the momentum created by the action on "Sustainable Growth and Energy Efficiency" has resulted in ongoing collaboration in the design of a new and larger action to support the development of a national plan on energy efficiency. The EU also considers regional dynamics. One interview illustrated that political leverage has been demonstrated in the example of EU-Brazil relationship, outlining the interest for the EU to invest in it because it could in turn bring Brazil's neighbours closer to the EU due to Brazil's political clout. It is interesting to note that the EU has also tried to link its dialogue onto the international agenda and political commitments made by partners. For example, PI support allowed the EU to capitalise on the fight against climate change in China as its commitments during COP21 created a window of opportunity for such engagement.

3.4.7. Judgement criterion 6.2: The PI has contributed to the leveraging of funding from other actors

The question of the financial leverage of the PI covers the financial leverage from third parties both during the implementation of a PI action (including through co-financing) and after an action is completed. It is difficult to discuss this question as data on leverage is not routinely collected also because the design of the Instrument does not rely on co-funding. The EU values the possibility to engage with partner countries and as a consequence does not make the engagement conditional on co-funding. Stakeholder views were split on whether this constitutes a missed opportunity (in the presence of strong interest from partners, partners might consider to financially contribute) or a condition for the EU to formulate its actions independently. PI support channelled through grants provides some evidence of the Instrument's financial leverage (indicator 6.2.1). Indeed, grants require 25% **match funding**, as the individual evaluation of the GTKE grants and the Transatlantic Consumer Dialogue in the USA showed. There was also indication that the EU-China Aviation Partnership Project is leveraging funding from the EU industry and the Chinese counterpart to support their participation in the related activities. Overall, this evaluation found evidence of **indirect financial leverage**: where partners (1) cover costs related to the cooperation (e.g. India's Central Statistical Office will procure the software and hardware needed for the implementation of the cooperation on SDMX) and (2) contribute in-kind support to the implementation of actions (e.g. catering, meeting rooms, communication and dissemination). Discussion is ongoing on the use of innovative instruments and better leverage of alternative financing – the 2011 Impact Assessment expected "innovative resource mobilisation modalities" to become more frequent under the PI than under the ICI through cooperation with MS, their financial bodies or agencies, but also public and private partnerships and cooperation with the European business community.

Financial leverage is a strategic question in the medium- to long-term given the relatively small budget of the PI, and the corresponding constraints in terms of the scope of (follow-up) actions and upscaling. Securing funding from other actors might help overcome that limitation, while enhancing the sustainability of the impact of the PI through the commitment of the partners (for example, the second phase of the low carbon business action in Mexico will focus on leveraging financial assistance from other actors to support the concrete implementation of the joint projects identified in the first phase).

3.5. Coherence, Consistency, Complementarities and Synergies

EQ 7: To what extent does the PI facilitate coherence, consistency, complementarity and synergies internally between its own set of objectives and actions, vis-à-vis other EFIs, other EU policies and instruments, and interventions by other actors (including EU Member States)?

3.5.1. Summary

The inclusive and participatory PI decision-making processes have ensured that the Instrument facilitates coherence, consistency, complementarity and synergies both internally and externally. The evaluation found a good alignment between the PI and the framework for EU external action in the pursuit of EU interests and objectives. Synergies are in particular noticeable with EU development policy; trade, market access and investment; climate change, environment; research; and public and cultural diplomacy. Similarly, the evaluation provides evidence of the different degrees of coherence which exist with other EFIs (in particular with DCI, ICI and ICI+). It also provides evidence of the complementarity with other EU instruments (e.g. Horizon 2020 and COSME) – in turn supporting the view that the PI

is a niche instrument which fills a funding gap in the EU's toolbox. Evidence of the coherence of the PI with interventions by other actors is very limited but stakeholder feedback indicates that there are no apparent contradictions.

3.5.2. Coverage of the question

Coherence of the PI is assessed because the addition of this financing instrument raises questions about the complementarities, synergies, duplication and/or contradictions it may create. **Coherence** refers to the extent to which the Instrument **does not contradict and on the contrary reinforces other interventions with related objectives**. We assess:

- The **external** coherence of the Instrument, how it fits with EU interests, EU action overall and with the other EFIs or other related policies and instruments of the EU, but also with actions by other stakeholders – including Member States
- The **internal** coherence of the Instrument, between its specific objectives and the actions supported.

To address the coherence question, our desk review explored how coherence is framed and operationalised.⁴⁸ It built on our interview programme (in particular with EFI managers and a sample of PI committee members), which helped us to identify the areas / countries where there could be overlap between different interventions (by different actors). Our consultation programme and mid-term and final action evaluations clarified how these potential overlaps were / are addressed and the extent to which the Instrument is actually coherent. We were also able to draw on our database analysis to reflect on the alignment of the PI with EU interests and on the internal coherence of the Instrument.

3.5.3. Judgement criterion 7.1: The different PI actions are aligned with EU interests

Partly building on our assessment of the relevance of the instrument, stakeholders provide evidence that **the PI and the actions supported are aligned with EU interests both in principle and in practice**. The design of the Instrument makes it reflect EU interests and we have collected evidence that the actions supported are indeed guided by consideration of core EU interests (indicator 7.1.1). Our qualitative analysis of the baselines of the PI-supported actions (see Annex 8) provide solid evidence that individual actions are aligned with EU interests, either with interests in particular countries such as the Strategic Partners or with interests in thematic areas such as environment and climate change, and trade.

Stakeholders confirm that PI actions are guided by a clear rationale and appropriate consideration for core EU interests. EU interests are clearly identified in the design of all PI actions. Using process-tracing and looking at the drafting of programming documents and their quality review, the identification of EU interests features prominently and actions are designed to respond to them. Nevertheless, we found anecdotal evidence of challenges in the definition of EU interests. Some stakeholders in EU Delegations reported that the PI had evolved already from a demand- to a policy-driven approach. It implies that there might be differences between EU interests defined by Delegations (based on their understanding of the particular country context) and EU interests defined by Commission headquarters. Once implementation is ongoing, **there is a consensus among EU stakeholders that EU interests are consistently promoted in the delivery of individual actions**.

⁴⁸ Marangoni, 2014

3.5.4. Judgement criterion 7.2: The different PI actions are consistent with EU external policies (e.g. EU trade policy, European Neighbourhood Policy)

To assess the coherence between PI actions and EU external action (policies) in principle⁴⁹, we first looked at the **framing of EU external action at the Treaty and political level**. Under the framework of the TEU (which reemphasises the coherence requirement of EU external action, Article 21 (3)), the **current Commission has reaffirmed the priority to make the EU a stronger global actor**, which requires bringing together more effectively the tools of EU external action.⁵⁰ The EU's external action also includes the external projection of its internal policies and implementation of the external dimension of Europe 2020. The PI is aligned with that framework – and the CIR Regulation also references the mainstreaming of the promotion of democracy, the rule of law and respect for human rights and fundamental freedoms and of gender, further adding to the coherence in principle.

The Treaty and political framework is further complemented by A **Global Strategy for the European Union's Foreign and Security Policy** (adopted in 2016), which reaffirms the importance of implementing a coherent external action. The Global Strategy also recognises the intersection of bilateral, regional and multilateral relationships and the necessity to cooperate on a wide range of policy areas and challenges. The Global Strategy also reflects EU international commitments, in particular its commitments to pursue the Sustainable Development Goals of the 2030 Agenda; for instance support to climate diplomacy is aligned with the SDG on urgent action to combat climate change and its impact.

The Global Strategy is to be supported through a credible, responsive and **joined-up action of the EU**, which uses all the tools at its disposal in a coherent way, including the PI. The **coherence requirement** is directly reflected in Recital 17 of Regulation No 234/2014 establishing the PI, which states that in order to optimise the impact of its external action, the EU should seek the most efficient use of available resources through coherence and complementarity between the Union's instruments for external action, as well as the creation of synergies between the PI, other instruments for financing external action and other policies of the Union. Thus, the PI has been conceived with this requirement in mind as an instrument aiming to support the implementation of a **consistent and comprehensive external action**, ranging from public diplomacy to trade, including the external projection of EU internal policies and Europe 2020.

At the operational level, the **FPI's Strategic Plan for 2016-2020** articulates the different instruments and aims to capitalise on the potential synergies between them. The drafting process worked on the coherence of the different sets of objectives of the different instruments the FPI is managing and the strategy is divided into four pillars:

- Increase EU position as a peace maker on the international scene (EOMs, IcSP, CFSP)
- Increase EU capacity and position as a reference on challenges of global concerns (PI)
- Increase EU capacity in accessing new economic markets (PI), and
- Strengthen EU positive image abroad in particular regarding the three areas mentioned above (PI).

Within the agreed PI intervention logic, the last three objectives are merged into "*advance and promote EU and mutual interests on the international scene*".

⁴⁹ After Marangoni (2014)

⁵⁰ https://ec.europa.eu/priorities/stronger-global-actor_en

In practice, the Multi-annual Indicative Programme (MIP) operationalises that high level framework consisting of the Commission's priorities, the SDGs and the Global Strategy. That alignment operationalises the medium to long-term vision of the PI (as opposed to a purely reactive instrument). Annex 14 illustrates the articulation between that framework and PI intervention areas. The first MIP for the period 2014-2017 indicates that the PI presents an **opportunity** to ensure coordination and complementarity in programming and implementation with other EU external action instruments (such as the DCI Global Public Goods and Challenges) and internal instruments with an external window (such as COSME), in particular in countries where there are multiple external action narratives (e.g. where PI support coexists with development cooperation programmes). The MIP states the coordination and complementarity requirement, which is operationalised in decision-making, based on consultation of all concerned EU stakeholders (see judgment criterion 7.5). In turn, as described above, decision-making and in particular **institutional coordination** at the different stages of the processes operationalise the coherence requirement and aim to ensure that it translates into actions that are complementary and mutually reinforcing. **Programming and implementation are aligned and the PI provides a coherent support.**

We explore the potential and actual complementarities / synergies or overlap / contradictions between the PI and specific policy areas. Overall, the PI is perceived as supporting the implementation of a coherent EU external policy. On the basis of our desk review and of stakeholders' feedback (indicator 7.2.1), we have identified five broad policy areas where the potential for coherence is important towards achieving a *high level objective* (as defined in the table below by area) and where concrete evidence of *synergies* exists.

<p>Development Cooperation</p> <p>High level objective: Development of partnerships on an equal footing</p> <p>Synergies:</p> <ul style="list-style-type: none"> ▪ Differentiation of cooperation with partners and opportunity to address the needs of countries graduating from bilateral assistance and adjustment of modalities for cooperation ▪ Capacity building in climate resilience, urban/water/waste management, investment in energy efficiency and renewables ▪ CSR and RBC 	<p>Climate change and environment</p> <p>High level objective: Build-up of EU leadership on global challenges and Implementation of comprehensive approach to address challenges of global concern in all partner countries</p> <p>Synergies:</p> <ul style="list-style-type: none"> ▪ Strategic positioning of EU on energy efficient technologies and renewables ▪ Securing a sustainable access to resources, including raw materials ▪ Strengthening of climate governance and Implementation of internationally-agreed targets
<p>Trade, market access and investments</p> <p>High level objective: Contribution to sustainable growth and competitiveness of EU companies, notably through a comprehensive approach to trade-related interests (incl. cooperation on standards e.g.)</p> <p>Synergies:</p> <ul style="list-style-type: none"> ▪ Operationalisation of new trade and investment strategy, including agenda of FTA negotiations and effective implementation of FTAs (e.g. trade barrier removed in South Korean legislation on non-pasteurised cheese) ▪ (Implicit) mainstreaming of trade and market access component into PI actions ▪ Positioning of European industry interest ▪ Opportunity to leverage other financing (EIB, other EU instruments e.g. COSME) ▪ Ongoing work on the definition of public economic diplomacy 	<p>Research</p> <p>High level objective: External projection of Europe 2020 Strategy for smart growth and Innovation Union</p> <p>Synergies:</p> <ul style="list-style-type: none"> ▪ Strategic approach to international cooperation in research and innovation (incl. on topics covered by other policy areas, e.g. raw materials) ▪ Strategic positioning of EU R&D / technologies ▪ (Possible) follow up cooperation via other instruments (e.g. Horizon 2020)

Public and Cultural Diplomacy

High level Objective: Strengthened EU ability to engage meaningfully with selected audiences in third countries in order to increase mutual understanding, improve the perception of the EU and of its policies, and ultimately facilitate future cooperation and support the implementation of EU foreign policy objectives.

Synergies:

- Share the operational methodology developed under the PI with other EU funding instruments
- Exploit the complementarities with and upscale the activities funded by the press and information budget of EU Delegations
- Continue building bridges among EU programmes in order to develop a truly "joined-up" EU public diplomacy, in particular with DG EAC on the Jean Monnet actions
- Exploit the flexibility of the PI implementation to kick-start the implementation of relevant EU priorities outlined in the EU Global Strategy and the Communication "Towards an EU strategy for international cultural relations"

Overall, the evaluation finds that the PI is aligned with EU external action. There is not only a potential for complementarities notably with development; climate change, environment and commodities; trade, market access and investments; research; and public and cultural diplomacy, but also actual complementarities created towards the achievements of EU objectives in the different areas.

3.5.5. Judgement criterion 7.3: The actions complement / overlap / stimulate synergies with other EFIs (e.g. DCI) and EU instruments outside of development policy (e.g. COSME, H2020)

Our assessment of the complementarities and contradictions between the PI and other EFIs and EU instruments complements judgement criterion 7.2. It explores what complementarities or contradictions exist in practice within the EU toolbox (indicators 7.3.1 and 7.3.2). Our findings draw here in particular on the interviews conducted with five EFI managers (DCI, IcSP, EIDHR, ENI and IPA II⁵¹) and the managers of ICI/ICI+, as well as on the evidence gathered through the mid-term and final action evaluations.

The evaluation notes the **good consistency over time between the PI and ICI / ICI+**. The PI has replaced the ICI (implemented under the previous MFF) as the only instrument for cooperation with industrialised countries. Nevertheless, an interesting example of coherence is the discontinuation of the support to EU Centres under the ICI and ENI (under the previous MFF) and their mainstreaming under Jean Monnet Activities funded by DG EAC with additional PI contribution for selected countries. This move illustrates the efforts to consolidate EU's support to academic cooperation worldwide and the synergies created between the FPI (with support provided through the "PI window") and DG EAC (through the global EAC funding), while ensuring the most appropriate management (Jean Monnet actions are managed by the EACEA, an executive agency of the Commission). It is interesting to note that an internal document from 2016⁵² (about the transition from EU Centres to Jean Monnet actions) emphasises the opportunity created by the PI to build on the momentum achieved in certain countries and to respond to specific political priorities, which provides evidence of the adaptability of the Instrument to specific contexts and its continued relevance.

The case of the ICI+ is different because this instrument was created to prepare the transition to the PI. The PI and ICI+ support still coexists. The succession raises coordination questions. Not at a substantial level, but at the level of the administrative arrangement, stakeholders noted the duplication of Commission resources due to the coexistence of both ICI+ projects and PI actions managed by different services (under DG DEVCO and the FPI), which will eventually decrease with the completion of ICI+

⁵¹ We have not interviewed the managers of the Greenland decision and of the Instrument for Nuclear Safety Cooperation given the very distinct scopes of these instruments.

⁵² Source: Commission services

projects. Stakeholders suggested strengthening coordination to ensure / improve the coherence between actions funded under the two instruments, and in the longer term to harness the country and expertise experience of ICI+ managers.

The evaluation also finds that there exist **different degrees of coherence between the PI and other EFIs**.

- **ENI and IPA II**

To avoid overlap and ensure a focused, optimum use of the PI's relatively limited budget, the Instrument is only used to a very limited extent in the countries covered by the ENI and IPA II. A specific case is Russia, which is eligible for ENI regional programmes. Under that envelope, support is provided to cross-border cooperation and the Northern Dimension. Potentially, there could be synergies to exploit with the PI funding but the current political context of EU-Russia relations impacts on cooperation with Russia. IPA II countries do no benefit from the PI.

- **EIDHR and IcSP**

Stakeholders confirm that there was no risk of the PI overlapping with these instruments because of their very specific thematic scope. The European Instrument for Democracy and Human Rights (EIDHR) provides assistance to the development and consolidation of democracy, the rule of law and respect for human rights and fundamental freedoms. There has not been overlap / contradiction with the PI but opportunities for synergies, notably through the work done on the abolition of death penalty in South-East Asia. The Instrument contributing to Stability and Peace (IcSP) aims to promote conflict prevention, crisis response, peacebuilding in order to address global and trans-regional threats. Because of the specificities the instrument is meant to address, there was no evidence of overlap with the PI, though some synergies were found (e.g. PI public diplomacy action in the USA spreading messages on the peacebuilding role that the EU plays).

- **DCI**

The relation between the PI and the DCI is an important one as the two instruments often coexist and contribute to the development of the relationships between the EU and its partners. With the graduated countries notably, the PI builds on cooperation supported by the DCI to establish a "deepened relationship" (PI Regulation), e.g. from a project approach like the Clean Ganga (under the DCI) to the water partnership with India (under the PI). The PI was set up as an innovative, foreign policy instrument to pursue cooperation beyond cooperation, moving away from development logic and towards a "partnership of equals" logic. It was designed to cooperate with **countries with which the Union has a strategic interest in promoting links**, which play an increasingly important role in world affairs, including in global governance, the international economy, multilateral fora and bodies such as the G8 and the G20, and in addressing challenges of global concern.

An example of potential overlap is the case of the thematic GPGC programme under the DCI (Global Public Goods and Challenges).⁵³ Although the DCI and the PI reflect a different perspective, they both contribute to tackling global challenges and to the external projection of Europe 2020. The flagship programmes under the GPGC illustrate the potential for synergies with the PI in key thematic areas such as global climate change, greening the economy, the resource transparency initiative and trade integration.⁵⁴ For instance, the DCI supports *trade for development* projects, which seek, among others, to support initiatives that contribute to developing the capacity of partner countries to make progress on trade and sustainable development issues,

⁵³ See Annex II to Regulation (EU) 233/2014.

⁵⁴ Global Public Goods and Challenges Programme; Multi-annual indicative programme for 2014-2017; available at https://ec.europa.eu/europeaid/sites/devco/files/mip-gpgc-2014-2017-annex_en.pdf.

notably in relation to labour, the environment and Corporate Social Responsibility (CSR). The PI has also financed a project on the promotion of Corporate Social Responsibility (CSR) and Responsible Business Conduct (RBC) in Latin America and the Caribbean, and on responsible supply chains in Asia, aimed at promoting the EU policy on CSR/RBC in selected countries with which the EU has a trade agreement or/and in which there is an interest in improving the environment for EU investments and opening business opportunities for EU companies⁵⁵. At the same time, the coexistence of the different instruments working on similar topics also presents a potential risk of duplication. In Latin America for instance, the situation is made complex by the fact that countries are at different stages of development. In areas such as CSR, a lot of funding is potentially available, coming from the two EFIs. The consultation of concerned stakeholders is built into PI decision-making to ensure that coherence is promoted in the combined use of the instruments.

This evaluation did not find any evidence of open contradictions but there are a number of risks to monitor. Bilateral assistance under the DCI does not stop as a cut-off after graduation, support continues for the ongoing projects which means that it coexists with PI support. Information sharing and consultation with DEVCO and the FPI is necessary to ensure that:

- The two instruments are implemented as planned and that their respective scopes are interpreted consistently
- Cooperation in any given country does not duplicate the support implemented.

Both the theoretical description of PI decision-making and concerned stakeholders' feedback provide evidence that consultation and information-sharing is ensured at different levels: PI Implementation Group, QSG, reviews and PSF Panels. These steps will become even more important with the new European Consensus for Development⁵⁶ which refers to the differentiation of cooperation with developing countries and to the promotion of "mutual interest" (missing from the DCI Regulation). This is likely to create a grey area and a potential overlap between the PI and the DCI, which should be considered in the light of the presence or absence of EU strategic interests and the scale and timeliness of support needed. The new Consensus provides for "innovative engagement with more advanced developing countries". The EU recognises that these countries are essential for the implementation of Agenda 2030 but it gives only a general direction for policy dialogues with them. This clarification is also important because MS still largely consider that cooperation with graduated countries falls under development cooperation and qualifies as ODA, which implies a different logic between the partners.

Mid-term and final action evaluations revealed **complementarities between the PI and other EU instruments**. Given the relatively limited PI envelope, it is critical that the PI is mobilised when no other funding is available and its support actually complements / creates synergies with these other instruments. The articulation between the different instruments available needs to be thought carefully. A coherent approach could see the use of the PI as an enabler, to unlock the potential for cooperation in a certain area (as long as the PI envelope is not significantly increased) while other instruments which allow for larger-scale projects provide the opportunity for upscaling. For instance, PI support to the Raw Materials conference allowed a different perspective on the raw materials topic (technological excellence and R&D, as well as environment) compared to what COSME enabled. Another example of

⁵⁵ See <https://www.frameworkcontracts.eu/viewproject.php?id=14078>.

⁵⁶ The New European Consensus on Development: 'Our world, our dignity, our future' (adopted on the basis of the Commission's proposal COM(2016)740); see for more information https://ec.europa.eu/europeaid/policies/european-development-policy/european-consensus-development_en

synergies is the funding available from different instruments to support the expansion of SMEs outside of the EU, depending on the approach or perspective of the action considered, which includes the PI.⁵⁷ For instance, the final evaluation of cooperation with India on ICT standards provides evidence of the synergies with COSME support to the SESEI action (Seconded European Standardisation Expert for India) in terms of increased visibility of European standardisation activities, strengthened cooperation between Indian and European standardisation bodies and support provided to European companies facing standardisation related issues hampering market access to India. Horizon 2020 is another interesting example of potential synergies. Stakeholders have reported on the possible use of this instrument to upscale cooperation once it has been successfully piloted by the PI. For instance, using the Raw Materials Conference final evaluation, the PI action actually generated interest in a Horizon 2020 call on the recovery of by-products (the topic of the conference) and the applications received were judged to be of high quality. This illustrates the synergies between the PI and R&D cooperation. The final evaluation on cooperation on ICT standards in India also highlighted the possibility for DG CNECT to upscale the PI action and pursue the completion of its digital agenda through dedicating funding under the ICT component of Horizon 2020.

3.5.6. Judgement criterion 7.4: The PI is internally coherent

Stakeholders' feedback has consistently criticised the coherence between two of the PI's specific objectives, objectives 1 and 2 (indicator 7.4.1). Referring to the Annex of the PI Regulation, which details each specific objective, there is an overlap in terms of the promotion of policy, political and economic dialogue with relevant third countries in areas within the scope of Europe 2020. This insufficient delineation is complicated by the all-encompassing nature of specific objective 2, which does not seem to be set at the same level than the other specific objectives.

The analysis of the results database for the sample of reviewed PI actions suggests that a **significant effort was made to ensure the internal coherence of the PI at the stage of design for the individual actions** (indicator 7.4.2). One in two reviewed PI actions showed coherence links with other actions funded under the PI. In turn, the outcome / impact of the Instrument is larger than the sum of the individual actions' outcomes. The coherence links varied in strength and plausibility, and usually revolved around the same region or main topic. For instance, the development of the Indo-European Water Platform (IEWP) is logically connected to the PSF action on the support to the Clean Ganga flagship initiative, and will also connect with the China-EU Water Platform which seeks to achieve similar objectives in another geographical region.

Overall, **synergies exist between actions focusing on the same topic** (e.g. energy, environment and climate change, migration and mobility, trade) as detailed in Annex 8. From a procedural perspective, it is interesting to note that the template for action programming document includes a section on coherence and that, when the technical expertise exists at Delegation level, the mixed posts have been instrumental in ensuring the coherence between actions to the extent that their portfolios allow (e.g. when the post combines environment, energy and climate change). In particular, synergies towards trade-related interests exist across the PI-supported actions which either explicitly fall under the specific objective 3 or mainstream a trade / market-access component. This mainstreaming and the fact that the concerned actions then contribute to several objectives of the PI provide further evidence of the internal coherence of the support.

⁵⁷ Overview of EU Instruments contributing to the internationalisation of European Enterprises; DG GROW; 3 March 2016; available at http://ec.europa.eu/growth/industry/international-aspects_en.

3.5.7. Judgement criterion 7.5: PI decision-making operationalises the coherence requirement

Besides the general requirement for consistency in EU primary and secondary law, public administrations have set up processes to **put into effect the coherence requirement**. In particular, they consist of coordination processes that aim at aggregating different positions and in turn at ensuring a coherent policy output. There are mechanisms in place at different levels that provide for institutional coordination, which aims at ensuring the coherence of the support provided through the PI (indicator 7.5.1).

At the top political level, coordination has been significantly strengthened in recent years within the **Relex** (external relations) family. A monthly meeting of Relex Commissioners (chaired by the HR/VP) was introduced with the aim of providing a coherent and comprehensive political steer for external policies.

At the level of the instrument, the definition of direction of travel of the PI and of the actions it supports benefits from an **inclusive and coordinated approach**. The EEAS provides the political steer in the definition of the MIP of the PI, a document also prepared in collaboration with the Commission services, and which is then operationalised in AAPs. In addition to the regular coordination process within the Commission (inter-service consultation at service and cabinet level), in the preparation of the AAPs, the FPI is assisted by the PI Implementation Group. This informal inter-service group brings together all concerned actors or “PI users” (Commission services and EEAS) to: provide expertise on the relevant subject area for the design of the action documents, recommend operational options and/or approaches to tackle specific policy priorities identified in the MIP; identify appropriate links between PI actions and programmes with the Europe 2020 strategy; and ensure regular flow of information on the implementation of the PI-supported actions. Furthermore, cluster meetings provide the opportunity for concerned stakeholders to define a coherent approach to PI intervention. However, half of the interviewees consider that there is scope to enhance the strategic steer provided by the EEAS, which could explore the possibility to seek inputs from DGs and EUDEL, and provide a synthesis on the basis of which the cluster meetings would then take place. Although recognising that they were still learning by doing, a minority of interviewees also suggested to rethink the link between the cluster approach and the definition of the actions supported: there is no ideal solution but there is a need to ensure that political discussions translate into a clear prioritisation of objectives (and are not only a forum where each DG and the EEAS in turn list their individual priorities).

EU stakeholders perceive the following as the strengths of PI decision-making:

- FPI.4 is seen as particularly cooperative, supportive and pragmatic in its approach to the management of the instrument. There is a consensus among line DGs about the key role FPI.4 has played in implementing a coordinated approach.
- Coordination happens both formally and informally. Formally, the position of PI coordinator within line DGs creates a single contact point for PI-related issues. That position has the overview of all individual actions promoted by his/her DG. Informally, the coordination role is not limited to the PI coordinator and DG officials also liaise directly on their individual actions with FPI.4.
- Coordination happens simultaneously and sequentially:
 - The PI has set up a cluster approach to coordinate thematic and geographical priorities, which includes the Relex family and internal DGs.
 - The cluster approach, QSG and the “traditional” inter-service consultation (ISC at service and cabinet level before a College decision is formally made) within the Commission are mutually reinforcing: the cluster discussions happen very much ex ante and contribute to avoiding objections being raised

at any ISC. The Deputy SG of the EEAS for economic and global affairs is also consulted.

- The final level of coordination is the consultation of the PI committee (consisting of MS representatives) meetings, organised by FPI.4, and in which line DGs and the EEAS participate.
- Over time, **the principle of “triangulation” between the HQ, EUDEL and line DGs has emerged to strengthen the basis for decision-making.** This again reflects the change in the mentality in the decision to grant the funding: moving away from a demand-driven to a policy-driven approach. The FPI has introduced a more centralised (top-down) approach to decision making, yet building on Delegations’ and line DGs’ inputs to harness the available country and technical expertise.

However, there remains scope to improve decision-making. The balance of the appropriate level of coordination is difficult to strike as many institutional stakeholders are involved and the institutional architecture varies. Institutional coordination is made more complex by the very specific setting of the FPI, formally a Commission service, but reporting directly to the HRVP in her VP capacity and co-located with the EEAS. Also, a third of the interviewees consider the cluster meetings are under-performing for different reasons: (i) there remains a lack of awareness within the Commission about the PI / FPI (despite the existence of trainings), (ii) line DGs cannot define what their (external) priorities / core interests are, and (iii) there is a need for an enhanced political steer on EU external action.

3.5.8. Judgement criterion 7.6: The PI complements / overlaps with interventions of other key actors, in particular EU Member States

Identifying all interventions by other key actors in the countries where the PI is implemented is hardly possible. In the context of the mid-term and final action evaluations, we surveyed internal and external stakeholders on the existence and degree of complementarity / overlap between the actions evaluated and other interventions (indicator 7.6.1).

There exists a good degree of complementarity with bilateral action by MS – the database analysis details a few cases of complementarities (see Annex 8). Consultations with a sample of PI committee members confirm that MS expected more complementarities (in particular in the field of trade, with the action of their own Chambers of Commerce) – as, for instance, through the participation of MS representatives to the EU-China Competition Weeks. Overall, MS and EU stakeholders confirm that coordination is ongoing in third countries (between EU Delegations and MS Embassies notably) to support the implementation of the PI. Nevertheless, consultations with MS also revealed that they had a (very) strategic use of the PI. For instance, even if they agree that action is most appropriate at EU level to promote trade and market access, they also stated that the visibility of individual MS should be maintained (e.g. when participating to an EU business mission, MS expect their national interest to be clearly identifiable). Overall, **MS appreciate the PI action for the intervention’s added value to cooperation / dialogue with partners** but they are weighing the opportunity costs of the promotion of EU vs national strategic interests on an *ad hoc* basis.⁵⁸ The FPI has taken steps to raise awareness of the PI

⁵⁸ EU Gateway / Business Avenues is an action previously funded by ICI and currently by the PI. The 2013 evaluation emphasised the achievements of EU Gateway and the added value for individual MS – although it notes that MS satisfaction varies (the 2013 evaluation revealed that some MS considered they should be more visible during the events organised). Overall, the EU added value of the action explains that it has been continued under the PI (with a different geographical scope). The 2016 evaluation of the pilot phase of Business Avenues in South East Asia reaches the same conclusion with regard to added value; AETS (2013),

and the opportunities available amongst MS by delivering presentations to Council geographical working groups. Information sharing within the PI Committee, as well as in country (involving Delegations) could be further strengthened, which in turn could enhance the focus of the PI on where most value can be added and strengthen coherence with MS actions.

In terms of synergies with interventions of other key actors, there is evidence in our databases that the PI is coherent with ongoing World Bank initiatives and other initiatives at multilateral level (e.g. potential OECD programme of work on public procurement and/or the future WTO Government Procurement Agreement (GPA) work programme on collection and reporting of statistical data), including WTO TRIPs standards (Agreement on Trade-Related Aspects of Intellectual Property Rights). At the international level, it is also noted that the EU has built on the existing political momentum to secure partners' commitment to cooperation / dialogue, what constitutes a success factor of the PI support and potentially enhances the sustainability of its impact.

4. Overall conclusions and recommendations

4.1. Conclusions

The PI is an appropriate and effective instrument to address EU needs and pursue its foreign policy objectives. The Instrument was created in direct response to a changing international context and the need to enhance the EU's ability to meaningfully engage with different partners on a wide range of topics, and to do so adaptively to provide timely responses to new or evolving issues. It supports the EU's bilateral, regional and multilateral agenda as set out in particular in the EU's Global Strategy and in line with a number of EU international commitments (notably Agenda 2030). The PI is a key instrument to pursue partnership relationships with industrialised countries and strategic partners (and in many cases is the only EU instrument available to support these partnerships) and to pursue new forms of partnership with third countries, particularly those that have graduated from the need for bilateral development cooperation.

The PI is coherent with the framework of EU external action and **has encouraged coherence over time with the sequential use of different EFIs.** With the graduation of some partner countries from bilateral development assistance, the PI is being used to support political cooperation. The transition from the DCI (bilateral envelope) and the PI reflects the need to differentiate cooperation between partners and the evolution of bilateral partnerships.

The **all-encompassing thematic scope of the Instrument is a distinctive feature** which enables the EU to promote its external action agenda without constraint and substantiate its cooperation partnerships and policy dialogues across the globe. However **there needs to be a balance struck between the support in principle available and how it is implemented in practice.** To avoid the dilution of its impact, the PI needs to continue on its trajectory to ensure that it is operationalised carefully to reflect focused strategic priorities (and with a clearer understanding amongst all stakeholders as to what those strategic priorities are).

The four PI specific objectives are formulated at a high level, which allows a purposeful interpretation. However, they are not defined consistently. Specific objective 2 relating to the external projection of Europe 2020 is much broader in scope than the other objectives, and also encompasses themes and priorities that are contained within specific objectives 1 and 3. **Whilst Europe 2020 needs to be**

Study of the EU Gateway to Japan and Korea Programme and Cardno (2016), Review of results and lessons learned: EU Business Avenues in South East Asia pilot phase 2014-2015

reflected in the ambitions of the Instrument, it could be better defined as an overarching objective, with subsidiary specific objectives providing a focus on strategic priorities within this agenda.

The **implementation of the Instrument provides an effective response to concerns regarding the reportedly insufficient flexibility of previous instruments, and a means to respond flexibly and adaptively to new and evolving policy issues both in the EU and within partner countries.** Implementation choices made for the PI reflect that requirement (for example through the adoption of one AAP in two stages, management of individual actions of relatively short term and small size and a number of different implementation modalities). However, this flexible implementation also has an administrative cost that is particularly burdensome on FPI staff providing project management support. **Overall, administrative costs are considered reasonable and proportionate to the value added by the Instrument.**

The geographical breakdown of PI funding reveals **the concentration of spending in the Asia-Pacific region**, broadly in line with the indicative funding allocation. Other regions (the Americas and Russia, Central Asia and the Arctic) are relatively behind on the deployment of the allocated funding, which reflects challenges faced in the formulation of propositions for action and, in the case of the Russian Federation, the current state of bilateral relations.

Interestingly, 20% of funds during the initial years of implementation of the PI have been deployed **worldwide or in other regions**, that were not initially foreseen in the MIP. Regional actions have been developed in the Americas and in the Asia-Pacific region, have supported actions under specific objectives 1, 3 and 4, and have offered the possibility to support countries other than strategic partners, as well as international organisations / fora.

The evidence so far is positive in terms of the outcomes achieved. It is still too early to draw conclusions at the impact level but the Instrument has **played an often critical enabling role, strengthening cooperation / dialogue and opening up areas for cooperation / dialogue.** This is reflected in the outcomes achieved to date, and the large number of outcomes expected to arise as actions move towards completion (and new actions are proposed for funding in the upcoming AAPs). Key success factors in this achievement are:

- The existence of a mutual interest between the EU and the partner country concerned, which creates a favourable environment for the implementation of any action and the pursuit of EU interests aligned with partner country interests.
- The harnessing of country and technical expertise through the involvement of line DGs which own the policies which the PI supports, and through the understanding of the local context provided by EU Delegations. Although this feature of PI decision-making also introduces a dependency link between the PI and line DGs, it has proven an effective model for developing actions.

The participatory and inclusive nature of PI decision-making constitutes a strength in the programming of the support available. Coordination operationalises the coherence requirement, while it is also considered to be critical in ensuring that the PI is used to pursue political cooperation, promote EU strategic interest and where it can add most value.

The **added value of the PI is to enable policy and political dialogue / cooperation with a wide range of partners.** The EU is clearly identified as the most appropriate level for action from both an internal and an external perspective. Its intervention reflects the nature of its competence, the leverage it has on other actors or international leadership on specific issues, and its approach to cooperation. This **justifies why the EU is the most appropriate level at which to intervene.** The EU's political leverage is not systematically accompanied by financial leverage,

though securing such leverage has not been a priority in the programming and implementation of the Instrument.

Member States have made a strategic use of the PI. They support the PI where it adds most value to their actions and/or interests, but some are more reluctant to remain under the EU's umbrella in specific cases such as business missions which reflect strong national (trade) interests.

A **flexible interpretation of the CIR** has supported the realisation of PI specific objectives where relevant. There is no evidence of contradictions between the PI and the CIR, but there is also limited evidence of the PI's mainstreaming of the CIR themes.

Commission human resources are a concern for enhanced formulation and management of PI actions across partner countries, and in technical areas of co-operation, particularly for those countries not identified as strategic partners. PI teams have been created in Delegations to strategic partner countries (except for South Africa), which is in line with the first MIP focus on SPs. FPI.4 is taking steps to strengthen the support available by creating a PI team in Indonesia, as well as regional teams (for the Americas and Asia) that will then cover graduated/-ing countries. PI's client DGs face similar constraints when it comes to the human resources available (at the stage of the formulation and implementation of PI actions) because the Instrument has been added to the programmes / instruments they manage by themselves. This is a challenge as many actions need a technical steer that the FPI is not always in a position to provide.

The PI has encountered a number of **challenges in terms of monitoring and evaluation** during its first years. There was initially no overall M&E framework, with clearly defined common indicators (including baselines and targets) and no central repository where to find action documentation. This evaluation has built on the existence of internal progress reports on standalone actions and progress monitoring/final reports submitted by implementing partners, triangulated with programme managers' interviews to consolidate the evidence base. It also retrofitted the evidence gathered to the now agreed common monitoring framework. The **FPI has taken the important steps to strengthening this framework** with the development of an intervention logic, common indicators (including both a quantitative and a qualitative dimensions), related guidelines and reporting templates.

The PI is not yet sufficiently visible to internal and external stakeholders. From an internal perspective, this lack of awareness might translate into a suboptimal use of the support available, as well as to a sub-exploitation of synergies with interventions by other actors. From an external perspective, this lack of awareness is actually not considered a challenge. Rather, it reflects the decision not to raise the profile of individual instruments but to promote the "EU toolbox", in an effort to show how the EU has the capacity to differentiate cooperation with its partners to reflect their needs and mobilise instrument(s) as appropriate.

4.2. Recommendations

To improve the programming of the PI, we recommend to **review the indicative geographical financial allocations for the MIP 2018-2020** in the light of evolving policy priorities. In addition, the **introduction, in the action programming template, of systematic reference to CIR cross-cutting themes** would ensure that they are mainstreamed to the extent possible and ensure the mainstreaming of cross-cutting themes is adequately monitored and reported. We also recommend to **further strengthen coordination with Member States.** Information sharing within the PI Committee and in-country (coordinated by EU Delegations) could be further enhanced to identify areas where MS are not present / not active and where there is most potential for EU added value.

The availability of resources within the Commission is critical for an adequate management of the PI. We recommend consideration be given to **increasing line DGs' resources (including through mixed posts in Delegations⁵⁹) to enable them to provide more technical support to the design and implementation of the actions. Increasing FPI resources to enhance the use of the PI in countries other than strategic partners** is also required to provide the adequate level of support to programming and implementation. The newly created FPI regional teams are a positive step towards addressing this issue.

FPI.4 is currently **finalising the monitoring and reporting system** of the PI. We recommend it includes **public diplomacy impact indicators** which are currently missing. We recommend that these impact indicators are aligned with the baseline indicators proposed in the 2015 Perceptions study, though there should be careful selection of the most relevant indicators for each country, and there needs to be recognition that not all PD activities funded by the PI operate at national level (i.e. individual actions should adapt their indicators to the geographic area in which they operate). Broadly, the indicators can be adopted for countries that were not part of the perceptions study though the absence of a baseline will be problematic for assessing change.

To ensure that the consolidation of the monitoring and reporting system is purposeful, we also recommend a careful **quality control of the reporting against the common indicators** to ensure the creation of a comprehensive and reliable evidence base on PI actions. We note that the newly agreed reporting template includes consideration of baselines and targets but there is a need to follow-up on the use of the template by the implementing partners to ensure it will generate useful evidence for the evaluation of the Instrument (and there is a need to produce guidance for implementing partners on how it is to be used and reported on). The creation of a **central repository of action documents (OPSYS)** where action documentation can be stored will be of great value for the monitoring and evaluation of the Instrument and all EFIs. It will also constitute a useful tool which PI users (Commission, implementing partners and evaluators) could refer to and which contributes to information and dissemination purposes. The consolidation of the database by Commission services is ongoing and the first module is expected to be deployed in October 2017.

More **internal and external communication about the PI** is needed to raise the visibility of the Instrument to ensure an optimal use of the funding available. For instance, it could take the form of systematic **trainings for EEAS and Commission staff** to raise the profile of the PI in the EU's toolbox and make its use less dependent on individual officials' previous experience with it. We also suggest the introduction of a **template for the dissemination of best practices** that can support PI users in the design of actions eligible for PI support. Information activities should also be targeted at MS, both in the framework of the PI committee meetings and in-country where EU Delegations might liaise more closely on PI support with the existing MS bilateral embassies / other forms of representation.

⁵⁹ A review exercise of existing mixed posts and emerging needs is currently ongoing. It is expected that the decision on the allocation of mixed posts is finalised before the summer 2017: the portfolios of the 13 mixed posts coming to an end in 2018 will be re-assessed and possibly some additional mixed posts will be created.



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