



MID-TERM STRATEGIC EVALUATION OF THE EU REGIONAL TRUST FUND IN RESPONSE TO THE SYRIAN CRISIS

Final Report
Executive Summary
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Evaluation carried out on behalf of the European Commission

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**Mid-term Strategic Evaluation
of the EU Regional Trust Fund in Response to the Syrian Crisis**

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*The opinions expressed in this document represent the authors' points of view
which are not necessarily shared by the European Commission
or by the authorities of the countries involved.*

LIST OF ACRONYMS

EC	European Commission
EU	European Union
EUD	European Union Delegation
EUTF	European Union Trust Fund
HQ	Headquarters
IDPs	Internally Displaced Persons
JHDF	Joint Humanitarian Development Framework
MS	Member States
NGO	Non-governmental organizations
OECD-DAC	Organisation for Economic Co-operation and Development's Development Assistance Committee
TVET	Technical and vocational education and training
WASH	Water, Sanitation and Hygiene

Executive summary

Europe is leading the funding response to the Syria crisis with more than €10 billion of assistance to affected communities from the European Union (EU) and its Member States (MS). Starting in 2014, an increasing proportion of non-humanitarian aid has been channelled through the EU Regional Trust Fund in Response to the Syrian Crisis (EUTF). The EUTF facilitates donations from 22 EU Member States, Turkey and the EU budget, aiming to enhance the resilience and recovery of Syrian refugees and host communities in neighbouring countries and Iraqi internally displaced persons.

Commissioned by the European Commission (EC), the Mid-Term Strategic Evaluation of the EUTF provides an independent assessment of the governance structure, the project selection process, and the overall rationale of the EUTF. The evaluation does not assess project level results. The evaluation is intended to contribute evidence and analysis for the decision on whether to extend the EUTF beyond its current end date in December 2019. The evaluation covers the period from the establishment of the EUTF in December 2014 until April 2018. The geographical scope includes Lebanon, Jordan, Turkey, Iraq and to a lesser extent, Egypt, the Western Balkans and Armenia. The thematic scope includes access to basic education; access to higher and further education; resilience and local development, including livelihoods and social cohesion; access to health services; access to WASH services; and protection.¹

The evaluation is theory-based, drawing on contribution analysis, and it applies participatory, conflict-sensitive, and gender-responsive approaches. The method follows the OECD-DAC criteria for evaluating development assistance, namely relevance, efficiency, effectiveness, impact and sustainability. This is complemented by the assessment of coordination, complementarity and coherence, as well as EU added value. In addition to collecting and analysing documentary evidence, the five-person evaluation team conducted interviews and field research in Brussels, Lebanon, Jordan, Serbia and Turkey with a range of stakeholders, including the EUTF team in Brussels and in European Delegations (EUDs), relevant EUD staff, EU Member States (MS) donors and bilateral development agencies, implementing partners of EUTF-funded Actions and host government officials. Interviews with stakeholders relevant to the Iraq case study were conducted in Amman and Brussels.

EUTF raison d'être

The EUTF was conceived during 2013-2014 when it became apparent that the Syria crisis would become protracted, that Syria's neighbours were strongly affected by the crisis and the associated large refugee displacements, and that the EU's existing mechanisms were too dispersed for an effective response. Building on lessons in Lebanon, where the EU had invoked 'special measures' to aid the communities hosting Syrian refugees, the EUTF was set up with a regional scope to "*address the needs of refugees, internally displaced persons and returnees, and provide assistance to host communities and administrations in countries neighbouring Syria to enhance resilience and early recovery*".²

The EUTF sought to overcome three main challenges that were undermining an effective response to the Syria crisis: i) past aid programmes were not adequately aligned, ii) funding appeals were not met by donors, and iii)

¹ These are in line with the EUTF Results Framework.

² The Constitutive Agreement states that the overall objective of the Trust Fund is "to provide a coherent and reinforced aid response to the Syrian crisis on a regional scale, responding primarily in the first instance to the needs of refugees from Syria in neighbouring countries, as well as of the communities hosting the refugees and their administrations, in particular as regards resilience and early recovery

the aid modalities were not effective in the difficult operational context. In order to address them, the EUTF was set up with ten characteristics, which in effect responded to the EUTF's *raison d'être*. The EUTF aimed to be **large scale, cost-effective**, and with a **multi-sectoral, regional, multi-partner, rapid** and **flexible** approach that **evolved** over time. The evaluation judges whether the EUTF delivered on the aims envisaged by these defining characteristics. At the time of its creation the EUTF was also expected to generate **leverage**, i.e. multiply the effect of individual Member States or the EU, or both. Finally, the EUTF was also intended to increase the EU's **visibility**. The evaluation examines the defining characteristics with the exception of visibility, which remained outside the scope of this assignment.

Most aspects of the rationale for setting up the EUTF have been justified. The EUTF is **large and cost-effective**, reaching a large number of beneficiaries at a comparatively low cost. The **multi-sectoral** and **multi-partner** approach has been successful in recipient countries, and the focus of interventions has largely been relevant to the identified needs of beneficiaries. The EUTF has allowed the EU to operate **flexibly** despite operational challenges. The EUTF has also successfully matured and **evolved over time** to be more inclusive of the host country contexts and adaptive to the overall dynamics of the region. The EUTF increasingly shows signs of closer coordination with host country priorities and processes, with regional frameworks such as the Regional Refugee Response Plan, and with EU processes such as the Joint Humanitarian Development Framework. The evaluation also found that the EUTF has **generated added value**, compared to the efforts EU Member States could have undertaken themselves.

At the same time, however, the EUTF **has been found to be slow** in responding to changes on the ground that evolved quicker than the Fund could adapt to. Given quickly shifting needs in the region, the EUTF's lengthy contracting processes compromised performance. Cost-effectiveness ambitions meant insufficient administrative and human resource investments, which created bottlenecks. In addition, the **regional/multi-country approach** has not produced the intended synergies in implementation across countries but has instead resulted in delays as the approach was adapted for each country context. The regional aspects have, however, been useful in generating lessons and for sharing learning between implementing partners in and across consortia. Finally, the EU's intention to **leverage** funds through a single, pooled financial instrument has only been partially achieved. With 12% external donor funding to the €1.4 billion EUTF, this aspect deserves further attention to fully justify the EUTF set-up.

Findings

Relevance

The evaluation found that **EUTF interventions are relevant and address the needs of beneficiaries in all countries**. Refugee, host community and internally displaced persons (IDPs) are appropriately identified and targeted, drawing on the experience of implementing partners and following EUTF criteria; and the sectors of intervention are consistent with beneficiaries' resilience and early recovery needs. The evaluation found, however, that due to rapidly changing contexts, beneficiary needs may change as Actions are being contracted, with some interventions experiencing delays in contracting processes that impacted on the initially-identified needs at project design stage.

EUTF interventions are also relevant to host country needs. The evaluation found evidence of a positive trajectory from an initially centralised project identification process managed in Brussels to a more inclusive, decentralised process that is aligned with host country plans and contexts. These alignment processes fall within the broader regional approach of EUTF, which allows for more streamlined and cost-effective management processes. Nonetheless, host governments and implementing partners expressed a preference for country-level programming, which the EUTF is increasingly shifting towards to take account of the particularities of each context.

Relevance was also examined in relation to Member States, who view the **EUTF as a tool for strengthening European presence and weight in responding to the Syria crisis**. On this front, there is a desire for ensuring that alignment to host country needs continues to involve and draw on the experience of European bilateral aid agencies and NGOs.

Given the complexity of the operating context in responding to the Syria crisis, **the consortia model of implementing partners is seen to help widen the reach of interventions, both on sectoral and geographical bases.** Some gaps are noted in the current level of inclusion of national stakeholders in host countries as partners. The regional approach was found to be relevant in relation to **sharing of best-practices and learning of lessons for advocacy**, which are elements that are valued by implementing partners.

Effectiveness

While **too early to assess effectiveness of EUTF interventions**, the evaluation was able to assess current trends and the trajectory of the EUTF. It found that, in Turkey and Jordan, education and infrastructure for schools and WASH facilities are viewed more positively than other sectoral interventions in terms of their effectiveness, for example, in developing infrastructure with long-term benefits that will extend beyond the lifetime of the EUTF. To ensure effectiveness and achievement of results in the area of livelihoods, implementing partners and donors emphasised the importance of interventions being linked directly with the potential for securing employment, whether through grants or technical and vocational education and training (TVET). Interventions that are providing continuous support and services to beneficiaries are also generally considered to be effective, particularly in the education sector and, to a lesser extent, in health.

The evaluation found that factors influencing the effectiveness of interventions are linked to country-level **political will**, which can be a facilitating or hindering factor. Other factors include the EUTF option of **tackling several sectors** in parallel or sequentially, which allows for more comprehensive and multi-faceted approaches; country experience with **outsourcing external services** to implement activities, which allows for rapid implementation but may negatively impact on capacity at national level to absorb these services; and the **timeframe** available for implementation, which in some cases is insufficient for achieving expected results.

Efficiency

The evaluation found that the **EUTF achieves the managerial and efficiency objectives of EU trust funds, but at a cost to performance.** Compared to other EU trust funds, the **EUTF is relatively large and fast.** At half the size of the EU Emergency Trust for Africa and seven times the size of the Bêkou Trust Fund, the EUTF had an implementation rate of 36% versus 22% and 29% for the Africa and Bêkou funds respectively. As of March 2018, the EUTF had contracted and transferred more than one third of the pledges received over the life of the Fund, **a best-in-class result.** Despite this status, implementing partners and EUTF expressed concerns about contracting times, often frustrated by the multi-country, multi-partner set-ups which require extensive negotiations for contracting and project amendment. **Project identification and selection has been decentralised over the course of the EUTF operations**, in part owing to increased staff capacity at EUD level, which should improve efficiency.

The EUTF guidelines allow for 3% for management fees, but less than 1% of the EUTF volume has been allocated to administration and management of the EUTF because contributions from the EU budget cannot be used for management fees. The **evaluation found the EUTF is operating with a very lean structure, both financially and in terms of staff capacity, which directly affected the performance of the Fund.** Interviews confirmed that limited staff resources have created significant bottlenecks, as well as contracting and implementation delays.

The evaluation found that the EUTF Boards work well. **Communication from the EUTF management team to the Operational Board could be improved by offering further detail on project pipelines, which was introduced at the time of conducting this evaluation.**

The EUTF monitoring and evaluation system started only late, partly due to the overwhelming funding volume managed by an initial team of three persons and partly because the initial focus was on project identification, selection and contracting. The EUTF staff capacity only reached operational levels in late 2016. **The focus on**

M&E has since grown and, by December 2017 a contract with an external M&E provider eventually came into force. The initial reports provide timely and useful insights on the state of the EUTF interventions.

Sustainability

The evaluation assessed whether the beneficiaries are likely to be increasingly resilient as a result of the EUTF contribution, and whether their improved condition is likely to be sustainable. While it is too early to assess sustainability of EUTF interventions, there is evidence of a positive trajectory in this respect, particularly in the field of education and in cases where there is a focus on leveraging and strengthening national capacity. **Interventions which feature strong nationally-driven processes are more likely to contribute to resilience.**

The evaluation also examined the EUTF's positioning in relation to the humanitarian-development nexus as an illustration of the linking of relief, recovery and resilience. The EUTF is generally seen as effective in bridging the humanitarian-development divide, particularly where it coordinates with humanitarian and development actors on how to best capitalise on synergies, as illustrated by the Joint Humanitarian Development Framework. Nonetheless, **EUTF's positioning on the humanitarian-development divide is also conditioned by country contexts and engagement, including readiness of host governments to respond to refugee and displacement situations.**

Impact

The EUTF aims to positively impact the resilience of refugees and their host communities, while also contributing to peace and regional stability, ambitions that may take years to be seen. Of the 47 EUTF projects contracted to date, three projects were initiated two years prior to the start of the evaluation, and sixteen projects started one to two years before the evaluation. **The evaluation did not, as anticipated, find evidence that the EUTF had yet contributed to the intended global impact but there are indications of intermediate impact, especially on human capital through basic and higher education, and skills training under livelihoods.**

Coherence, coordination and complementarity

The evaluation found the EUTF to be **internally coherent in that the chosen modalities generally have enabled the EUTF to deliver according to the objectives and criteria set for the Fund.** The EUTF is also externally coherent, and the synergies and coherence between DG ECHO and the EUTF are particularly strong. The multi-sector approach calls for **strong coordination with other actors, ensuring complementarity.** The evaluation found that the EUTF's planning and governance mechanisms have enabled such coherence. As EUTF colleagues have gradually increased in number at the EU Delegations, this has also helped improve coordination with other actors.

Added value

The evaluation found that the EUTF offers added value in four ways. Firstly, through its governance mechanism, the EUTF ensures a **joint response by engaging EU Member States actively.** Secondly, by **its scale and scope it reaches a larger group of beneficiaries.** Thirdly, the EUTF **exerts strategic influence over the focus and approach of the programming,** enabling Fund contributors and host countries to agree on shared objectives. Finally, the EUTF has made a **deliberate effort to bring coherence to the response to the Syrian crisis while acknowledging country specificities, principally by insisting on multi-sector, multi-country programming.**

Cross-cutting issues: gender-responsiveness and conflict sensitivity

The evaluation found that **gender appropriate indicators and targets** are included in the EUTF planning, contracting and reporting documents; and some interventions are gender-specific. However, **not all programmes are gender responsive and/or can be strengthened in this regard.** Even though targets include gender- and age-disaggregated groups, some interventions can integrate further consideration of how activities can better incorporate gender-sensitive elements to enhance results, for instance in relation to securing work permits after skills training is provided, or addressing cost, transport and childcare barriers that can impact on participation levels in activities. The evaluation found that **children are recognised as a particularly**

vulnerable group and stakeholders recognise that concerted efforts are needed to address concerns such as child labour, child marriage and out of school children. There is positive evidence that these issues are on the agenda and actively being incorporated into multi-faceted responses and planning.

In terms of conflict-sensitivity, the evaluation found that, even though **conflict analysis was not explicitly undertaken** for some EUTF-funded interventions, **evidence and processes are largely conflict sensitive**. EUTF interventions are cognisant of, and adapt to, the context of each country, potential sensitivities surrounding targeting of beneficiaries along refugee and host community lines, and alignment of initiatives with host country needs. Further areas for reflection on conflict sensitivity include ensuring greater participation of national stakeholders. Consideration of conflict sensitivity is now more systematic in recent contract negotiations and through the Joint Humanitarian Development Framework in Jordan and Lebanon.

Conclusions and recommendations

Key conclusion: The protracted crisis is expected to continue, and it is not foreseen that host country and EU policies will change substantially, thereby providing a framework that could respond to the needs of beneficiaries. It is also unlikely that other funding instruments could adequately fill the gap if the EUTF ceased its operations. Most of the assumptions presented during the set-up of the EUTF have held, and the *raison d'être* for the EUTF remains broadly justified. In addition, the EUTF has generally performed satisfactorily across the criteria assessed by the evaluation, and the EUTF has clearly generated added value, compared to the efforts EU Member States could have undertaken themselves.

Recommendation 1: The evaluation team recommends that EUTF is extended beyond December 2019 to allow stakeholders to continue to respond to beneficiaries' and host countries' needs as the protracted crisis continues. Action: EUTF, Trust Fund Board.³

Recommendation 2: If the EUTF is extended, the evaluation team recommends that the Fund is refreshed to improve governance and implementation issues, thus addressing the shortcomings identified by the evaluation. This process should be initiated immediately, in November 2018. Action: EUTF, Trust Fund Operational Board, EC.

Key conclusion: The evaluation found strong evidence that the EUTF team is under-staffed in view of increasing responsibilities and portfolios, particularly at EUD level. The evaluation further found that it is challenging for EUTF staff, particularly at EUD level, to hold different responsibilities at the same time, including identification negotiations with host country stakeholders, in-country coordination of EUTF, policy dialogue at overarching level on crisis response, sector-specific policy dialogue, management of relations with implementation partners, follow-up of implementation, communications, and monitoring and evaluation responsibilities.

Recommendation 3: Given that overheads are lower than what is allowed for EU Trust Funds, the evaluation team recommends that a functional review is conducted to assess staffing needs and staffing is increased to match the administrative and management requirements of the EUTF portfolio, both at headquarters (HQ) level and in Lebanon, Jordan and Iraq. This should be ensured by February 2019. Action: EC, EUTF. Action: EC, EUTF.

³ As requested by the EUTF Management Team, where possible the recommendations are addressed to specific EU offices with proposed timelines and specific actionable tasks.

Recommendation 4: The evaluation team further recommends that staff recruitment processes are streamlined to allow for quicker recruitment, including consideration of setting up a cadre of experts that can be deployed within two weeks, particularly for roles that have been identified as being vulnerable to workload pressure in the functional review. This recommendation should be instated within three months of completing the functional review. Action: EC, EUTF.

Recommendation 5: The evaluation team recommends that, in order to increase efficiency, staff responsibilities are differentiated to allow focus on discrete aspects of programme cycles, geographic locations and/or sector responsibilities as deemed appropriate following the functional review. These changes should take place within three months of these recommendations. Action: EUTF Management.

Key conclusion: The centralisation of decision-making, especially on contracting and on negotiations with implementing partners, can sometimes slow down processes and decrease EUD ownership.

Recommendation 6: The evaluation team recommends that decision-making is further decentralised to EUD level so that EUTF staff based in EUDs can directly negotiate programme changes with implementation partners within a budget threshold of 25% of the overall contract value. Action: EUTF Management.

Recommendation 7: The evaluation team also recommends that coordination is increased between EUDs and the EUTF to assess and respond to human resource needs on an ongoing basis in response to the requirements of the EUTF portfolio and EUD staff workloads. Action: EUTF, EUDs.

Key conclusion: EUTF stakeholders hold a range of perceptions about project identification and selection, which would benefit from ensuring continuing communication and clarification. The evaluation also found varying levels of awareness and knowledge among Trust Fund and Operational Board members about the work of EUTF, despite EUTF ongoing efforts to provide information and reporting during Board meetings.

Recommendation 8: The evaluation team recommends that the detailed, justified selection choices and project pipeline continue to be presented at Operational Board meetings; and that the EUTF team also presents monitoring data from interventions to share insights on best practices, lessons learned, challenges and results. This action should be undertaken at every Operational Board meeting. Action: EUTF, Operational Board.

Recommendation 9: The evaluation team recommends that MS keep clear lines of communication with their development agencies on an ongoing basis to ensure that information on project pipelines, selection and identification are conveyed as appropriate. Action: MS.

Key conclusion: Overall, the multi-partner, multi-sectoral implementation model is working well, but the evaluation identified concerns relating to the multi-country/regional dimension of projects.

Recommendation 10: The evaluation team recommends that the EUTF continues to ensure that multi-country programmes are tailored to each implementation country. Action: EUTF, Operational Board.

Recommendation 11: The evaluation team further recommends that all concept notes detail in a comparative and comprehensive manner how the project will take into account each host government's capacity and the needs of the beneficiaries, including conflict sensitivity. Action: EUTF, Operational Board.

Recommendation 12: The evaluation team also recommends that the regional aspect of each project is limited to knowledge sharing, lesson learning and advocacy and that this expectation is clearly communicated to the implementing partners by the next Operational Board meeting and on an ongoing basis where appropriate. Action: EUTF, Operational Board.

Key conclusion: Beneficiary needs are recognised across all EUTF countries, although the greatest needs relative to the country context are in Lebanon, Iraq and Jordan.

Recommendation 13: Assuming no major changes in the patterns of displacement from the Syria crisis, the evaluation team recommends that the EUTF focuses on Lebanon, Iraq and Jordan for the next phase of the EUTF. Action: Trust Fund Board, EUTF.

Recommendation 14: The evaluation team recommends that the Fund phases out in Turkey before the renewal of EUTF comes into place, as most funding there has been from the Turkey Facility and ex-IPA. Action: Trust Fund Board, EUTF.

Recommendation 15: The evaluation team recommends that the Fund phases out in Serbia before the renewal of EUTF comes into place, given shifting needs in country. Action: Trust Fund Board, EUTF.

Key conclusion: Gender responsiveness is evident in programming as well as in reporting requirements but varies depending on context and capacity.

Recommendation 16: The evaluation team recommends that EUTF continues to monitor its programming for gender responsiveness and ensures corrective measures are taken where implementation proves challenging. Action: EUTF.

Recommendation 17: The evaluation team recommends the appointment of an EUTF gender focal point to support implementing partners in adapting and implementing gender responsive programming, as agreed in their Action documents. The focal point should be appointed within three months of these recommendations. Action: EUTF.

Key conclusion: The EUTF undeniably generates added value compared to the efforts EU Member States could have undertaken themselves.

Recommendation 18: The evaluation team recommends that EU Member States demonstrably increase their contributions, thereby allowing the Fund to deliver greater leverage while also allowing it to increase its administrative spending, which would resolve several efficiency hindrances. Action: MS.

Recommendation 19: The evaluation team recommends that EU Member States agree on a percentage return to be reinvested in EUTF relative to their national agency and NGO incomes from EUTF. This increase should be announced in advance of the extension of the EUTF in December 2019. Action: MS.

Key conclusion: As the crisis in Syria continues, operations in the country are not envisaged until a political settlement is underway. Now, however, is the appropriate time to consider future options.

Recommendation 20: The evaluation team recommends that an early assessment is carried out of beneficiary needs in the country to determine whether the governance and set-up of the EUTF would be adequate and suitable for the Syria context. This assessment should be carried out by March 2019. Action: EUTF, Trust Fund Board, EU.

Recommendation 21: The evaluation team also recommends that the EUTF gives due consideration to the consequences that shifting support to Syria would have on neighbouring host countries and identifies what instruments would be available to continue to address beneficiary needs there in the event of decreased EUTF support. This identification process should be ongoing. Action: EUTF, Trust Fund Board, EU.