

Sigma Multi-Beneficiary Programme

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The views expressed are those of the MWH Consortium and do not necessarily reflect those of the European Commission.

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GLOSSARY OF ACRONYMS

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GLOSSARY OF ACRONYMS

<i>acquis</i>	<i>acquis communautaire</i>
CC	Candidate Country
CEE	Central and Eastern Europe
CHU	Central Harmonisation Unit
CMR	Consolidated Monitoring Report(s)
DG	Directorate General
EDIS	Extended Decentralised Implementation System
EU	European Union
FM	Financing Memorandum(a)
FMC	Financial Management and Control
GIA	General Inspector for Internal Audit
Logframe	Logical framework (matrix), as used in Project Cycle Management
MBP	Multi-Beneficiary Programme
M€	Millions Euros
MS	Member State(s)
NAC	National Aid Coordination (Unit)
NISPAcee	Network of Institutes and Schools of Public Administration in Central and Eastern Europe
OECD	Organisation for Economic Co-operation and Development
PAR	Public Administration Reform
PDS	Project Decision/Definition Sheet
PIFC	Public Internal Financial Control
RR	Regular Report(s)
SAI	Supreme Audit Institutions
SAPARD	Special Accession Programme for Agriculture and Rural Development
SME	Small and Medium Size Enterprise(s)
TAIEX	Technical Assistance Information Exchange Office
ToR	Terms of Reference

PREFACE

This *Ex-post* Evaluation Report has been prepared by the MWH Consortium between August and October 2005,¹ and reflects the situation of the Phare assistance provided through the Sigma multi-beneficiary programmes between 1996 and 2004. It examines the performance of Sigma in addressing the programme objectives and intended results, provides a general assessment of the programme and draws conclusions and lessons learned from approximately 10 years of Sigma assistance.

The evaluation is based on an analysis of documents produced at the start, during and on completion of the Sigma programmes, on the results of questionnaires and on interviews with EC Services, the Sigma team at the OECD, project beneficiaries, and National Aid Coordination Units.

¹ The report was prepared by Corinne Lévêque, lead evaluator, assisted by Short-Term International Expert, Dimitrios Sfikas. It was reviewed at MWH Central Office by Martin White.

EXECUTIVE SUMMARY

Background and context

Between 1996 and 2001, Sigma assistance was provided through four consecutive programmes, ZZ-9605, ZZ-9706, ZZ-9808, and ZZ-0008 with a total value of M€ 28.4. Two additional Phare Sigma programmes were adopted in 2002 and 2004 (CRIS2002/27-564 and CRIS 2004/006-097) totalling M€ 8.

The overall objective of the *ex-post* evaluation of Sigma programmes is to provide accountability with respect to use of European Commission funds, and lessons learned for decision-making on improvements of pre-accession aid to remaining and future candidate countries. This evaluation focuses mainly on outputs, results and impacts of Sigma on development of relevant public administration policy and legal frameworks, civil service management, and financial control and external audit.

Key evaluation findings

Continuously provided assistance well focused on the objectives of pre-accession strategy.

From 1993, the general focus of Sigma assistance has been to assist partner countries in building sound, efficient and effective public institutions that would enable them to satisfy the Copenhagen criteria for accession to the EU. In 1996, Sigma assistance was further refined to be in line with conclusions of the Madrid Council, which stressed the importance of candidate countries having administrative capacities to implement and enforce the *acquis communautaire*. Sigma support for financial control, audit and public procurement addressed the *acquis* needs (Chapters 1 and 28) identified in the EC Comprehensive Monitoring and Regular Reports. However, consistency between the 2002 and 2004 Sigma Financing Memoranda and the corresponding Sigma contracts would have benefited from using the same objectives and Logframe matrix. Good project ownership was ensured by involvement of project beneficiaries at the outset of project design.

Continuously produced outputs that were highly appreciated by beneficiaries. Sigma assistance has always been mobilised at the request of public administrations in candidate countries or EC services, thereby resulting in tailor-made small-scale activities with diversified outputs. These activities under the 2002 and 2004 Sigma programmes can be divided into three broad categories: technical assistance projects; review and assessment projects; and support to preparation of other Phare projects (e.g. twinning projects). Beneficiaries expressed a high level of satisfaction about Sigma interventions due to their technical relevance, high responsiveness and flexibility, and high quality of the expertise delivered. However good outputs were the result of numerous short missions and high costs incurred by the Sigma Secretariat that negatively affected efficiency.

2002 and 2004 programmes have produced positive results, similar to earlier Sigma 1996-2001 programmes where effectiveness was rated positively in previous evaluations. Results of 2002 and 2004 programmes contributed to setting up of appropriate legal frameworks, institutions and procedures for managing public service and a suitable environment for internal and external financial control. Sigma also made useful contributions to preparation of Phare pre-accession aid, such as through regular assessments of the stage of development of public administration reforms and public internal financial control in the candidate countries. Evaluations of previous Sigma programmes identified similar results. However, it should be emphasised that the small scale of Sigma projects can only lay foundations for reforms, or

provide *ad hoc* technical input targeted at specific aspects of these reforms. Substantive results on public administration reform (including financial management and control) depend primarily on commitment of the beneficiary authorities to the reform process, and require more Phare actors than Sigma alone.

Fragmented but strategic impact on development of cross-ministerial administrative capacities. Sigma has contributed to strategic changes in candidate country public administrations in a number of areas: (i) in policy making and stimulating definition of new policy orientations or development of strategic planning; (ii) development of relevant legislative and regulatory frameworks such as in the field of civil service development (experience shows that review, assessment and diagnosis activities often generate positive impacts on the development of appropriate institutional frameworks in the candidate countries); and (iii) human resource development, and more exceptionally resource allocation, although the link between institutional change and Sigma inputs is not always clearly evidenced, and impact can be lost given the large public administration reform issues to be addressed in candidate countries.

Deeper involvement of stakeholders had a positive effect on long-term sustainability. Implementation of public administration reforms in the long term and deployment of sufficient and continuous budgetary and human resources are the primary responsibility of beneficiary countries. Although Sigma can provide advice and has some impact, it has no control in this area. Previous evaluations concluded that potential for sustainability could be improved through greater ownership of results if stakeholders were more involved at the outset of project design. This has been taken on board for 2002 and 2004 Sigma programmes, and stakeholders have been involved in project design. These later programmes, which are expected to make an impact on legislative, institutional and organisational changes, are therefore also expected to have a positive effect on long-term sustainability.

Successful multi-beneficiary programme delivering tailor-made services. The multi-beneficiary dimension exists at programme level (Sigma's approach is accession and demand driven), at project level (Sigma performs multi-country activities such as assessments and reviews), and at expert level (Sigma provides multi-cultural expertise from experts from different member states). On the other hand, Sigma is tailor-made to needs of each beneficiary country and institution. Tailor-made and small-scale projects allow Sigma to be highly responsive and to adapt to changing needs. It is a strength that makes the Sigma multi-beneficiary approach favourably accepted by beneficiaries, and facilitates Sigma interventions on public administration reforms, even on sensitive issues.

Sigma, TAIEX and twinning are complementary instruments providing assistance for institution building, but each has a specific role to play. Sigma usually provides support for development of horizontal cross-sectoral capacities; whereas the main focus of TAIEX and twinning is provision of support in various sectors of the *acquis* (e.g. agriculture, environment). Twinning provides assistance over the long and medium term whereas Sigma provides short-term technical support. The evaluation sample showed that Sigma and twinning interventions might lead to the provision of inputs in the same areas. In all cases, Sigma has tried to complement other Phare instruments in the best possible way. Sigma is made available in the pre-preparation phase of twinning for drafting of twinning fiches or as bridging between activities in the beneficiary countries. Synergy between the three institution building instruments is helped by the fact that they are coordinated by a single unit within DG ELARG.

Main Conclusions

Successful programme with a good overall performance. Early Sigma programmes included initial weaknesses, but most of these issues have been addressed. In the past three years, Sigma has aligned its work much more closely with Phare priorities on accession. Steering of Sigma activities has improved as well, and are now better defined at a planning level, notably through annual programme outlines. Overall, EC/OECD cooperation has resulted in establishment of an instrument that functions well, producing effective results with public administration reforms (including financial management and control), which is highly appreciated by the beneficiary countries as well as by the Commission Services. Although Sigma programmes do not fund large public administration reform projects, they are important for providing effective momentum for institutional changes and a strategic impetus for public administration reform.

But some areas of the programme cycle require further attention. In some cases a Logical Framework Matrix was not sufficiently developed, and relevant indicators were not identified. Programme monitoring was incomplete, with little assessment of interim progress at programme level, identification of areas of success and failure and their reasons, and immediate actions were not taken to improve further programme performance where necessary. At an implementation level, National Aid Coordination Units were not well informed about Sigma operations in their country. Short-term missions on demand are successful but do not impact well on efficiency. In the early period, there was sometimes a lack of continuity between different Phare funds allocated to Sigma that led to staff resourcing difficulties within the Sigma team, but this has been subsequently been addressed.

Recommendations

Given the successful development of the OECD/EC cooperation in the framework of Sigma, the experience accumulated by the Sigma team, notably in the accession context, Sigma expertise should continue to be mobilised in the framework of EC support to the present and potential candidate countries. The level of resources for Sigma should be substantially increased to enable it to serve a widening geography, and an increasing demand (already apparent in the Western Balkans and the neighbourhood countries, where Sigma currently cannot fulfil all the requests it receives).

Programme design should be further improved with the systematic adoption of a well-prepared logical framework matrix for each new Sigma programme, and the identification of relevant indicators of achievement. These design elements should be an integral part of the implementation contract between the EC and OECD.

Financial reporting by Sigma should provide better information on project costs, such as project duration in terms of man-days/months of work, whether the expertise was provided by Sigma or external experts, and travel costs.

The Sigma team should perform effective and regular programme monitoring in order to assess interim progress at a programme level, identify areas of failure and their reasons, and any immediate action to be taken to improve programme performance further.

Sigma interventions should be provided with a clear strategic framework, including clear priorities, baselines, and programme outlines.

MAIN REPORT

1. INTRODUCTION

1.1. Objectives

1. The overall objective of the *ex-post* evaluation of Sigma multi-beneficiary programmes is to provide accountability with respect to the value for money and use of European Commission funds, and lessons learned for decision-making on improvements of pre-accession aid to remaining and future candidate countries (CCs). This evaluation focuses mainly on outputs, results and impacts of Sigma on development of relevant public administration legal frameworks, improved civil service management, upgraded financial control and external audit and increased capacities of national administrations to access and absorb Community funds.
2. Results of the evaluation of the Sigma multi-beneficiary programme (MBP) will provide a sample contribution to a consolidated evaluation of Phare multi-beneficiary programmes. In turn this will form part of a consolidated *ex post* evaluation of the Phare programme.
3. As indicated in the evaluation terms of reference, given in Annex 1, the evaluation of Sigma is based mainly on a desk study of the previous evaluation reports. The present evaluation mainly focuses on the 2002 and 2004 Sigma programmes. The methodology and evaluation questions are described in Annex 1.

1.2. Sigma programmes

4. Sigma assistance started in 1992 when the EC and the OECD launched the first Sigma programme to help Central and Eastern European (CEE) countries modernise their public administrations. From 1993, the general focus of Sigma assistance has been to assist partner countries in building sound, efficient and effective public institutions that would enable them to satisfy the Copenhagen criteria for accession to the EU. This concept was further refined at the Madrid Council, which stressed the importance of CCs having administrative capacities to implement and enforce the *acquis communautaire*.
5. Between 1996 and 2001, Sigma assistance was provided through four consecutive programmes, ZZ-9605, ZZ-9706, ZZ-9808, and ZZ-0008 with a total value of M€ 28.4. After 2001, two Sigma programmes were adopted in 2002 and 2004 (2002/27-564 and 2004/006-097) totalling M€ 8.

Table 1.- Sigma programmes between 1996 and 2004

Programme Number	Programme Title	Expiry Date for Contracting	Expiry Date for Disbursement	Allocated (M€)	Contracted (M€)	Disbursed (M€)
ZZ-9605	SIGMA III	31/12/97	31/12/98	5.0	5.0	5.0
ZZ-9706	SIGMA III	31/12/98	30/06/00	6.9	6.9	6.9
ZZ-9808	SIGMA III	31/12/00	31/12/04	12.0	12.0	10.1
ZZ-0008	SIGMA	30/06/01	30/09/03	4.5	4.5	3.7
2002/27-564	SIGMA	30/06/03	31/03/05	4.0	4.0	3.9
2004/006-097	SIGMA	30/11/05	30/11/06	4.0	4.0	-
Total				36.4	36.4	29.6

Source: CRIS extract 04/2005 and Sigma documents August 2005.

6. In 2004, although membership negotiations were about to close with eight CEE CCs, the need for further Sigma support remained. Therefore, it was proposed to continue funding

Sigma assistance for new Member States through the Transition Facility, and for Bulgaria, Romania and Turkey, through Phare.

7. Sigma programmes were evaluated three times by the OMAS and EMS Consortia.^{2,3,4} These evaluations concluded that performance of the Sigma programmes was ‘Satisfactory’^{2,3} or ‘Highly Satisfactory’.⁴ In particular they found Sigma “*to be a catalyst to making CEEC public administrations more efficient, politically independent and democratically accountable*”² that Sigma “*has provided impetus to the improvement of governance and management and to reform public administrations in the beneficiary countries*”;³ and that Sigma has been an “*...appropriate vehicle for channelling accession driven changes...complementing twinning and providing technical assistance*”.⁴

8. These evaluations noted that Sigma support was effective and provided a high level of expertise, but could be further improved notably with regard to:

- programme design in terms of weaknesses in logical framework matrices (Logframe), and lack of relevant indicators;
- impact and sustainability in terms of the need for enhanced project ownership, improved communication notably about programme results, lack of a strategic framework, and the absence of need for some of the Sigma networks after accession.

9. The EMS evaluation report of April 2003 raised a number of issues given below. Chapter 2 of the present report assesses whether these different issues have been addressed, and Annex 2 provides an update of the views of the Sigma Secretariat on them:

- Ownership of results would be increased if stakeholders were more involved at the outset in project design;
- Impact and sustainability would be reinforced by development and implementation of a more comprehensive strategy as regards communication and dissemination of results;
- The need to develop clear exit strategies for projects that will become redundant on accession (e.g. networking projects where participants will become eligible for participation in Member State activities on accession);
- The role of Sigma in the accreditation process for the Extended Decentralised Implementation System (EDIS) and Special Accession Programme for Agriculture and Rural Development (SAPARD) should be clarified to avoid misunderstandings or unrealistic expectations regarding deliverables;
- With regard to technical content, Sigma has yet to develop a network of experts that can support its input into the technical content (rather than process) of accreditation of EDIS and SAPARD agencies.

1.3. Project sample methodology

10. For the evaluation of 2002 and 2004 programmes a sample of projects was selected, in agreement with the OECD and with the DG ELARG Task Manager in charge of Sigma, and in line with the evaluation ToR. 2002 and 2004 programmes have a wide geographical distribution (10 countries for the 2002 programme and three countries for the 2004 programme) and included a large number of projects (approximately 85). In agreement with the EC services, it was decided to select a representative sample of projects according to the following criteria given in Table 2.

² Report R/ZZ/PAD/9701.

³ Report R/ZZ/PAD/99114 dated 24 January 2000.

⁴ Report R/ZZ/PAD-Sigma/02.152 dated 15 April 2003.

Table 2.- Selection criteria used for the identification of an evaluation project sample

Programmes	Projects from 2002 as well as 2004 programmes
Work areas	Projects in the area of PAR as well as FMC including public procurement. One major multi-country assessment was also selected.
Countries	All countries mentioned in the evaluation ToR (i.e. EE, HU, PL, SK, BG, RO) should be covered, with more emphasis on acceding countries. In this case, and in agreement with Sigma, Romania was selected as a key country to be visited by the Short-Term Technical Evaluator on PAR.
Implementation stage	Most of the selected projects are closed since the present evaluation is aimed at contributing to the <i>ex post</i> evaluation of Phare. However the sample also includes a few on-going projects representing the activities currently performed by Sigma within the 2004 programme.
Project costs	The sample of projects includes small projects as well as large projects in terms of project costs.

11. As a result, the following 13 projects were selected as being representative of Sigma activities carried out in the framework of the 2002 and 2004 programmes.

Table 3.- Project sample selected for evaluation purposes

Country	Sigma work area	Project number	Project title	Project cost ⁵ (€)
2002 Sigma programme (implementation completed)				
Estonia	Public procurement	3E7101	Training in Public Procurement for EDIS ISPA – preparatory mission	10 471
Hungary	Audit and Financial Control	3G5301	Peer Assistance Review PIFC 2003-2004	84 584
		3G5302	On-going Peer Assistance Review PIFC 2004	18 098
Poland	Legal and Civil Service	3K4101	Civil Service development	1 858
Poland	Audit and Financial Control	3K5301	Peer Assistance and Review for PIFC and Internal Audit Systems	56 216
Romania	Public Admin. Reform (& multi-lateral coordination)	3L2101	Public Administration Reform	26 827
Romania	Legal and Civil Service	3L2401	Strengthening the State Civil Service Management System	56 000
Slovakia	Audit and Financial Control	3M5301	Completion of the peer assistance for the PIFC System	24 563
		3M5302	Ongoing PIFC-PEER Assistance	35 629
Multi-country	Assessment of PAR	3Z6302	Candidates Assessments 2003 – Civil Service	55 043
Sub- Total				369 289
2004 Sigma programme (on-going implementation)				
Bulgaria	Fiscal Management/ Public Expenditure/ Public Procurement	4C3201	Reforming the State Treasury	33 813
Romania	Legal and civil Service	4L4102	Civil Service Development	24 256
Romania	Policy-making	4L9201	Briefing the future Prime Minister on PAR	15 174
Sub-Total				73 243
TOTAL				442 532

Source: Sigma documents August 2005

1.4. Limitations affecting evaluation

12. All the stakeholders contacted in the framework of the present evaluation have provided high quality information on their Sigma experience. All countries included in the evaluation sample have been covered by the survey. However, the level of analysis that could be achieved by this *ex post* evaluation was restricted by constraints in the field, namely limited availability

⁵ These costs include the cost of external experts, mission costs, operational costs, but not the costs of permanent staff, although these are actively involved in the provision of technical expertise as well.

of in-country data (no data were systematically collected by beneficiaries after project termination), limited availability of persons familiar with the key outputs (the main contacts were those directly implementing Phare, but results are often used by technical staff in the ministries with whom there were no contacts); limited number and quality of interview responses, and limited resources available for the evaluation in terms of staff and time. In addition, given the nature of the Sigma activities (short-term interventions, workshops, seminars etc.) interviews were constrained by the ability of the interviewee to remember participation in a short activity and indeed to differentiate between different Sigma activities after some time.

2. PERFORMANCE OF PHARE ASSISTANCE

2.1. Needs assessment and design

13. Sigma assistance between 1996 and 2001 maintained a continuous focus on development of administrative capacity at central government level, gradually adjusted to take account of accession priorities. The focus of central government was promoting adherence of public staff to democratic values, ethics, and respect of the rule of law. Coordination of Sigma activities with other Phare instruments and donors in the field was also a continuous goal. With the increasing importance of the enlargement process, the objectives of the Sigma support were adjusted to direct them towards preparation of CCs for accession to the EU. These objectives have been regarded by successive evaluations as being relevant to the wider Phare context.

14. However, there was a need for improvement in programme design. Previous evaluations identified a number of programme design issues amongst which were weaknesses in the way the Logframe matrixes (e.g. objectives) were formulated, and the lack or poor definition of programme indicators. Lack of involvement of project beneficiaries in project design was also an issue pointed out in the evaluation of ZZ-0008.

15. ***Programme design for the 2002 and 2004 programmes still needs to be improved in a number of respects.*** The evaluators were not provided with the Logframe of the 2004 programme. It is not clear whether this document exists or was never drafted. The Logframe for the 2002 programme included too few indicators of achievement that could be used to ensure proper programme monitoring. Therefore, and as for any other Phare programme, Sigma financing proposals should systematically include a Logframe matrix indicating the milestones of the proposed assistance, and indicators of achievement of objectives that allow actual measurement of progress made by Sigma against specific and wider programme objectives.⁶

16. ***Relevant assistance focused on objectives of pre-accession strategy.*** The Copenhagen criteria defined the EU membership requirements with which the CCs had to comply. This concept was refined at the Madrid Council, which stressed the importance of CC administrative capacity to enforce the *acquis communautaire*. The need for administrative capacity was further reinforced by the subsequent decision to decentralise and eliminate EC *ex ante* control of the management of Phare and pre-accession funds where national administrations were sufficiently equipped to ensure sound and efficient financial management.⁷

17. In this context, Sigma 2002 and 2004 programmes provided relevant support to financial control and audit capacity in line with the *acquis* (Chapter 28). Public procurement is dealt with in the Chapter 1 of the *acquis* on the free movement of goods. In these areas, Sigma supported the CCs in finalising the adoption of relevant legislation, and in enhancing relevant administrative capacity at central policy-making and operational levels (see Sections 2.3 and 2.4). Strictly speaking, there is no *acquis* on public administration reform (PAR) but the conclusions of the Madrid Summit and major institution building needs identified in the EC Regular Reports strongly justified the provision of Sigma assistance in this area.

⁶ In their comments of April 2007 on the draft report, the Institutional Building Unit of DG ELARG pointed out that the two current contracts include the matrix.

⁷ Council Regulation (EC) No 1266/1999.

18. In 1999, in consultation with the EC Services, the Sigma team defined baselines for the development of central administrative capacities in line with obligations of EU membership⁸. Since then, these baselines have been used by Sigma for benchmarking exercises to assess the readiness of CCs in the areas of Civil Service Development; Policy-Making and Coordination Machinery; External Audit; Financial Control; Public Expenditure Management; and Public Procurement Management.

19. ***Sigma contracts did not follow programme documents closely enough.*** Sigma Financing Memoranda (FM), based on pre-accession priorities, serve as a basis for the definition of Sigma contracts. Analysis of the 2002 and 2004 Sigma contracts revealed that FM requirements had been transposed in a misleading or incomplete way. For instance, the 2002 Sigma contract did not include the Logframe matrix attached to the corresponding FM, and the 2004 Sigma contract included a different programme background, and a different overall objective than the corresponding FM. These points are important since the EC contracts with Sigma are reference documents on which the Sigma team base their work.

20. ***'Programme outlines' were a useful planning tool.*** Since 2002, priorities for Sigma support are agreed annually between the EC Services and Sigma, in co-operation with EC Delegations or the European Agency for Reconstruction and Country Desks in DG ELARG. To this end, the EC Services produce 'programme outlines', setting strategic directions for the Sigma work to be carried out over the year to come.⁹ These outlines require from Sigma that they focus on areas where EC Regular Reports identified PAR needs (including on financial management and control); and define the kind of activity to be performed during the year (e.g. peer reviews, technical assistance, etc.). Considering the lack of strategic focus identified by previous evaluations, programme outlines have been a useful tool that has provided Sigma activities with an enhanced strategic and planning framework.

21. ***Key stakeholders were involved in project design resulting in proper project ownership.*** Sigma activities are subject to *ex ante* approval by the EC Services. This means that all Sigma projects are agreed by the EC at HQ as well as by relevant EC Delegations before their implementation can start. Requests for Sigma assistance are either made by EC Services or CCs. In the latter case, CCs are directly involved in project definition, in close dialogue with Sigma staff members. Project Definition Sheets (PDS) are drafted on this basis. Sometimes, there is a need that has not been identified by a CC, and if the EC is willing to launch a project, Sigma and the EC will work together to raise the awareness of the CC concerned, and convince it of the need to be addressed. In these circumstances, project ownership is not an issue under 2002 and 2004 programmes.

22. Peer reviews on Public Internal Financial Control (PIFC) and multi-country assessments are two major multi-country activities carried out by Sigma quite regularly.¹⁰ These exercises are less demand driven since they are based on a pre-determined approach defined some years ago in close consultation with the Commission Services (DG ELARG and DG Budget). Nevertheless, multi-country assessments, which are at the request of the Commission, require the active participation of the CCs, and in the case of PIFC peer reviews, which are at the

⁸ "Control and management system baselines for European Union Membership", Sigma 1999.

⁹ 2004 Outline Programme Sigma/DG Enlargement "...this outline agreement sets out strategic orientations for Sigma work through 2004 ... Concrete project implementation will be in line with this agreement and will be initiated and authorised by the standard Project Definition Sheet...".

¹⁰ In their comments of June 2007 on the draft report, SIGMA pointed out that as a result of a political/terminological issue in the Commission, it renamed peer reviews "peer assistance" or "peer collaboration", and it incorporated follow-up support into the PDS – thus peer assistance combines a review and TA.

request of CCs, institutions concerned are asked for their prior approval and views on the key areas to be analysed before the project is launched.

2.2. Extent to which inputs/activities have produced outputs

23. ***Implementation of the Sigma between 1996 and 2001 produced consistent outputs.*** Activities and outputs of ZZ-9605, ZZ-9706, ZZ-9808 and ZZ-0008 are described in previous evaluation reports. On this basis, it appears that Sigma work areas, although refined in every Sigma programme, remained more or less the same over time, (i.e. support to policy-making, public expenditure and management, civil service development, financial control and audit). Provision of Sigma support also remained more or less unchanged. Projects focused on one CC or multi-country projects (e.g. multi-country reviews), provision of technical advice through missions, workshops, peer reviews etc., either at the request of CCs or the EC Services. Sigma programmes between 1996 and 2001 financed a large number of small-scale projects.

24. The most noticeable change within the Sigma activities between 1996 and 2001 was that Sigma support to NISPAcee (Network of Institutes and Schools of Public Administration in Central and Eastern Europe) was phased out.¹¹ Support to Supreme Audit Institutions (SAIs) was also re-oriented, and the SAI network built in the eight CCs that acceded to the EU in 2004 was integrated into the EU Member State network. Furthermore, from 1999 onwards, Sigma assistance is regularly mobilised by the EC services for the performance of multi-country assessments in various areas of PAR. Since 2002, Sigma expertise is regularly mobilised by EC Services for the performance of peer reviews in the field of PIFC.

25. Sigma programmes between 1996 and 2001 produced quite consistent outputs. These included, mainly, orientation papers, institutional diagnosis, comments on draft laws, training strategies, information material on EU good practice, workshops, and project ToRs. Beneficiaries always appreciated these outputs, notably because of the high quality of expertise involved.

26. ***Previous evaluations reported satisfactory financial performance, but a lack of clarity in the role for Sigma in the accreditation process for EDIS and SAPARD.*** Previous evaluations found that Sigma was very efficient in terms of overall cost and financial management. For ZZ-0008 it was concluded that management costs appeared to bear a reasonable relationship to the total project costs. However, the evaluations also noted that it was not easy to identify the total cost of each project because time of Sigma staff was not systematically allocated to projects.

27. The 2003 evaluation stated that the role of Sigma in the accreditation process for EDIS and SAPARD had to be clarified to avoid misunderstandings or unrealistic expectations regarding deliverables. With regard to technical content, Sigma had yet to develop a network of experts that could support its input to the technical content (rather than process) of accreditation of EDIS and SAPARD agencies.

28. ***Regarding 2002 and 2004 programmes, project beneficiaries expressed a clear understanding of the role of Sigma in the fields of EDIS and SAPARD.*** Verification of the financial control system (covering financial management and control systems and procedures, including accounting and auditing) is an important part of the overall EDIS and SAPARD accreditation processes. In the framework of 2002 and 2004 programmes, Sigma contributions

¹¹ No NISPAcee activities were undertaken under the 2002 and 2004 contracts.

largely consisted of PIFC reviews. These interventions were pre-defined in consultation with EC services in 2002 (see § 36) in order to ensure that they would meet EC expectations and that they would be properly coordinated with other EC activities in the field. The validity of the approach was confirmed by interviewed project beneficiaries who stated that they were clear about differences and complementarity between Sigma and other EC support to EDIS and SAPARD preparation. Sigma's views on these issues are reported in Annex 2.

29. ***Well-organised activities and well-focused outputs, which were highly appreciated by beneficiaries, indicate that Sigma programmes have been effective.*** For evaluation purposes, identification of project outputs was based on sample described in § 11, on information provided by PDS, project material (i.e. technical reports, concept/policy/strategy papers, mission reports etc.), and a panel of project beneficiaries approached through interviews or questionnaires. Most project outputs examined consisted of concept papers, action plans, comments on draft legislation, and diagnoses (see examples in Box 2). Outputs were often concise working papers, although some documents were not drafted to a high presentational standard. However, all outputs seemed to be technically well focused, to provide useful recommendations, and were appreciated by country beneficiaries who were inclined to take them into account in their reform strategies. Analysis of peer PIFC reviews showed that they resulted in valuable and detailed comprehensive reports, with a good impact on project beneficiaries. Analysis of the 2003 multi-country assessment indicates that this exercise relied on provision of well-focused expertise and was given great credit by the EC Services that used this material for preparation of their EC Regular Reports.

Box 2: Examples of Sigma outputs

- *Strategic plan for the future development of the State Treasury (BG)*
- *Recommendations on the training needs identified and immediate actions to be undertaken on public procurement (EE)*
- *PIFC Reports (HU, PL, SK)*
- *Notes on PAR strategy, policy-papers (RO)*
- *Project fiches (RO)*
- *Assessment report on PAR (Multi-country).*

30. ***Some criticisms were made regarding short lengths of missions.*** Sigma short-term interventions (usually a few days up to one week) were sometimes questioned by beneficiaries who believed that more time should be devoted to complex issues dealt with by Sigma.¹² In addition, some beneficiaries mentioned that impact of Sigma advice was sometimes weakened due to too many recommendations.

31. ***Implementation was delegated to the Sigma team at the OECD.*** In September 2002, the EC and OECD signed a 'European Contribution Agreement with an International Organization' transferring implementation of Sigma 2002 programme to the Sigma team, as in previous years.¹³ Implementation covered needs of the ten CEE CCs. This work, with 46 projects in eight work areas, as shown in Table 4, is completed.

¹² In their comments of April 2007 on the draft report, the Institutional Building Unit of DG ELARG pointed out that longer missions mean higher costs, and Sigma looks for optimal allocation of resources.

¹³ also called 'Candidate Countries Contract' by the Sigma Secretariat (the Agreement refers to the EC as being the "Contracting Authority").

Table 4.- Projects funded by Sigma 2002 programme

Work Area (implementation completed)	BG	CZ	EE	HU	LT	LV	PI	RO	SK	SL	ZZ ¹⁴	Total
Audit & Financial Control	2	1		2	2		1	2	2	1	6	19
Public Admin. Reform	2							1				3
Legal & Civil Service	1				2		1	1			1	6
Policy-Making	1							2				3
Public Expenditure Management	1											1
Public Procurement	2		1								3	6
ZZ Assessments											4	4
Programme Management ¹⁵											4	4
Total	9	1	1	2	4		2	6	2	1	18	46

Source: Sigma documents as of August 2005

32. In May 2004, the EC and OECD signed a second ‘European Contribution Agreement with an International Organization’ transferring implementation of the Sigma 2004 programme to the Sigma team.¹⁶ Implementation only covered three countries: Bulgaria, Romania and Turkey.¹⁷ At the time of writing, 39 projects have been undertaken in seven work areas, as shown in Table 5 below.

Table 5.- Projects funded by Sigma 2004 programme

Work Area (implementation on-going)	BG	RO	TR	ZZ ¹¹	Total
Audit & Financial Control	4	3	1	2	10
Legal & Civil Service	1	3	6		10
Fiscal Management	3				3
Policy-Making	2	5	1		8
Public Procurement	1	1	1		3
Assessments			1	2	3
Programme Management ¹⁸				2	2
Total	11	12	10	6	39

Source: Sigma documents as of August 2005

33. **Implementation has taken place through a series of diversified and small-scale projects carried out in a coherent manner.** Each Sigma project is described in a Project Decision/Definition Sheet (PDS) in terms of justification, objectives, implementation, intended results, milestones, and project resources. Projects are limited in time, but Sigma reported that this allows CCs to assimilate assistance and to think more effectively about what they want to

¹⁴ Multi-country activities mainly consist of assessment activities in several countries, leading to country specific analysis and recommendations usually with an overview. These may address a single sector or be multi-sectoral.

¹⁵ ‘Programme management’ does not refer to any Sigma project in particular, but takes into account resources mobilised to cover general management costs.

¹⁶ Also called the ‘BURT Contract’ by the Sigma Secretariat.

¹⁷ In 2004, Sigma was contracted for M€ 5 to provide services to the new member states under the EC Transition Facility. Sigma should also provide support to Croatia through Phare for M€ 0.6, and to the Western Balkan countries through CARDS for M€ 2.4. This contract ended in December 2006.

¹⁸ ‘Programme management’ does not refer to any Sigma project in particular, but concerns resources mobilised to cover management costs on various occasions.

achieve. Furthermore, Sigma projects are not taking place separately, but are conceived as a successive sequence of interventions with a longer-term perspective on PAR strategies, including financial management and control (FMC).

34. Being demand driven, projects funded by Sigma are highly diversified. However, in consultation with the Sigma team, and for the purposes of this evaluation, these projects were grouped into three broad categories: provision of technical advice to one beneficiary country; peer reviews of PIFC systems and multi-country assessment projects; and support to preparation of other Phare projects (e.g. twinning projects).

35. Provision of technical advice consists of advice to one or a group of institutions in one beneficiary country through provision of comments on draft laws, reviews and identification of possible orientations for reorganisation of PAR or FMC systems and structures, support for development of human resources, sharing of good practice, etc. These various kinds of advice are delivered during missions, at meetings, through participation of Sigma experts at events, during study visits, workshops, exchange of emails, and telephone conversations.

36. In 2002, Sigma with support of DG ELARG and DG Budget developed a methodology to carry out “peer assistance reviews” of PIFC systems. The peer assistance concept includes a reporting stage and assistance for implementation of any agreed recommendation from the peer review. Multi-country assessment exercises are undertaken by Sigma at the request of the EC and are usually performed in several countries in one or more PAR areas.

37. Support to preparation of other Phare projects includes provision of support for drafting of Phare programming documents, terms of reference (ToR), or project fiches (e.g. twinning projects).

38. ***Implementation has involved provision of multi-cultural expertise to the satisfaction of beneficiaries.*** Sigma provides technical expertise from a whole range of countries in Europe. Selection of the most appropriate expertise to be delivered is largely determined by the reform direction of the country to be supported (e.g. a ‘continental’ approach, a ‘northern’ approach, or a ‘federal’ approach, etc.), and by availability of experts. Overall, Sigma has provided expertise from a wide range of EU member state as well as CCs,¹⁹ and beneficiaries have often expressed great satisfaction regarding this multi-cultural knowledge.

39. ***Projects well monitored financially.*** The PDS reflect the presence of a financial monitoring system, and each divergence of cost *vis-à-vis* the initial planned project costs have to be justified. At project level, efforts are made to reduce project costs in that financial savings are ‘re-injected’ into the Sigma programme and used on other projects. Sigma programmes are fully governed by OECD financial rules, regulations, and practices.

40. ***However efficiency has been negatively affected by numerous short missions in beneficiary countries.*** Project costs are highly variable from one project to another,²⁰ depending on the type of activity to be carried out and on the number of inputs to be provided by Sigma. Furthermore, although PDS include information on the costs of external experts, and mission and operational costs, they do not include information on the costs of Sigma staff nor on the duration of each project (in terms of man days/month). In these circumstances, it is

¹⁹ E.g. Austria, Belgium, Bulgaria, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Lithuania, Netherlands, Poland, Portugal, Slovenia, Spain, Sweden, and the UK.

²⁰ The costs of the sampled projects range from several thousand € to less than 100 000 €.

not possible to determine an average project cost. However, numerous short missions in beneficiary countries work against low project costs.

41. **Moreover, implementation involves high costs to remunerate the services of the Sigma Secretariat.** Sigma financial reporting indicates that a high proportion of Sigma funds (approximately 50%) are devoted to financing of the Sigma Secretariat, a core team of 10 experts and assistants.²¹ The Sigma Secretariat emphasised that these costs correspond to management inputs but also to provision of technical expertise – the Sigma Secretariat being the primary source of expertise on the programmes. Cost-efficiency is nevertheless negatively affected by these high costs.

Table 6.- Financial breakdown of the 2002 Programme

Budget item	Total budget (€)	% of initial Phare allocation	Total expenditure (€)
Human resources (Sigma staff)	2 100 000	53	2 848 719
Human resources (external experts)	700 000	18	
Missions	770 000	19	760 316
Direct office costs (PC, office rent, etc)	222 500	5	200 576
Operational costs (workshops, interpretation, translation)	75 000	2	56 853
Indirect costs, overheads	132 500	3	132 052
Contingencies	0	0	0
Total	4 000 000	100	3 998 516

Source: Sigma documents- August 2005

Table 7.- Financial breakdown of the Sigma 2004 programme

Budget item	Total budget (€)	% of initial Phare allocation	Total expenditure (€)
Human resources (Sigma staff)	2 371 000	58	1 242 273
Human resources (external experts)	700 000	18	
Missions	710 000	17	322 300
Direct costs	116 600	3	37 039
Operational costs	51 500	1	23 911
Indirect costs, overhead	132 500	3	4 725
Contingencies	0	0	0
Total	4 081 600	100	1 630 248

Source: Sigma documents – situation as of 10-08-2005

42. Numerous short missions and high costs incurred by the Sigma Secretariat are not good indicators of cost efficiency, but lack of data on actual management and project costs do not allow any definite judgement. On the other hand, sound financial management of projects together with the high value of project outputs reflect well on Sigma performance.

2.3. Extent to which outputs have produced intended results

43. **Performance of 1996-2001 programmes always rated positively.** Immediate objectives of Sigma programmes between 1996 and 2001 were formulated differently in each programme. However core ideas supported by these objectives remained more or less the same (i.e. development of high quality public policies, laws and regulations, development of efficient and impartial civil services, and sound public resource management and control), although support

²¹ The remuneration of the Sigma Secretariat is governed by the OECD personnel rules. In their comments of April 2007 on the draft report, the Institutional Building Unit of DG ELARG pointed out that there were now about 20 people working in the Sigma team.

to policy-making was cut by the Commission Services in the 2000 renewal, and subsequently reinstated.²²

44. Evaluation of Sigma 1996, 1997, 1998 and 2000 programmes concluded that these had been effective, funding activities and achieving results in line with immediate objectives. It was emphasised that these programmes had delivered well-focused and high-level expertise in an effective way. It was also noted that Sigma programmes had been a catalyst to making beneficiary administrations more efficient, politically independent and democratically accountable,² had provided impetus to improvement and management of government and to reform of public administration in beneficiary countries,³ and had been very efficient and effective.⁴ Their overall performance was rated satisfactory or highly satisfactory, depending on the evaluated programme.²³

45. Positive results of 2002 and 2004 programmes in line with intended results.

Identification of results of institutional building programmes is always difficult, because of the difficulty of establishing direct causality between reforming steps undertaken by beneficiary authorities and programme support. In the case of Sigma, the Evaluators have classified indicators of results as follows:

- Awareness of beneficiaries raised;
- Sigma advice/recommendations accepted by beneficiaries;
- Institutional change realised.

46. On this basis, the Evaluators identified results for each of the projects included in the evaluation sample, as described in Annex 4 and in Box 3. Evaluated projects indicate that Sigma was successful in pushing PAR and FMC reforms in CCs, with some projects being more effective than others.

Box 3: Examples of Sigma results

- Strategic direction to the future structure and operations of the State Treasury (BG);
- Peer recommendations resulted in a Ministry of Finance action plan for change (HU);
- DG Budget used the peer review for the negotiations on Chapter 28 of the acquis (HU);
- The Central Harmonisation Unit developed a plan to implement changes and significant activities are underway (SK);
- Improved awareness understanding and commitment to practical measures that were needed to improve PIFC (SK);
- Substantial increase in resources allocated to the Financial Control and Internal Audit coordination service (PL);
- The recommendations made by Sigma on the CHU were integrally reproduced in the General Inspector for Internal Audit strategy (PL);
- Regulations for the Government Control Office were revised accepting Sigma advice (HU);
- Production of project fiches on PAR (RO);
- Enhancement of the understanding and commitment of the Prime Minister for PAR (RO).

47. **Overall, 2002 and 2004 programmes made positive contributions to intended results in areas of civil service systems, FMC, and Phare pre-accession aid.** Sigma achieved positive results in the development of civil service systems. In different individual cases, Sigma succeeded in positively supporting establishment of job description systems, more transparent and motivating career schemes, performance evaluation systems, better legislation for salary schemes, or better manpower planning and human resource management. Moreover, and especially in countries like Romania and Bulgaria, Sigma efforts are gradually contributing towards better awareness of ethical principles within the civil service, for example through definition of better civil service legislation safeguards, professionalism and impartiality. All these developments are in line with EU public administration standards as measured by Sigma baselines for accession to the EU (see § 18).

²² Sigma viewed support to policy-making as an important area, and did not agree with the 2000 cut.

²³ ZZ-9605, ZZ-9706 and ZZ-9808 were rated satisfactory, and ZZ-0008 was rated highly satisfactory.

48. In the area of FMC, Sigma contributed to positive achievements as well, even though this was a more advanced area in CCs. 2002 and 2004 programmes provided significant support to development and awareness raising in relation to more effective PIFC and public procurement systems in line with EU *acquis* requirements. In some countries, Sigma contributed to better risk management and to development of training for financial controllers and internal auditors. Overall, Sigma support has assisted national administrations in developing better use of national and EC funds through appropriate financial control and audit.²⁴

49. For preparation of Phare pre-accession aid, Sigma made useful contributions through preparation of various Phare/twinning project fiches and ToRs, which were later implemented in various areas of PAR and FMC, as well as through assessment of the situation of PAR and PIFC in CCs, which was used by the EC services in their Regular Reports.

50. ***Positive effectiveness was reduced slightly by failure of some evaluated projects to produce expected results.*** It is noted that out of the thirteen sampled projects, five were not fully implemented or that their results did not fully meet initial expectations (see Box 4). In other words, just over a third of the sampled projects did not produce the expected results, which slightly reduces programme performance with regard to effectiveness. As part of programme monitoring, the Sigma team should assess whether similar findings exist for Sigma assistance at a global level (i.e. outside the evaluation sample), and seek to improve programme performance in this regard.

Box 4: Examples of incomplete Sigma projects

- *The beneficiary of Project 4C3201 did not request all the planned assistance because of the close start of a twinning project in the same field (BG).*
- *Insufficient commitment to institutional reforms (Project 3K4101)(PL).*
- *A preparatory mission was planned to prepare the ground for follow up support, but neither Estonia nor the Commission Services requested follow up support, because there were no clear gaps to be covered (Project 3E7101)(EE).*
- *Some missions had to be shortened or postponed (Projects 3G 5301 & 5302) due to shortage of finance at Sigma (HU).*
- *PAR was difficult, and progress was less than that initially foreseen (Project 3L2401)(RO).*

51. ***Overall effectiveness of Sigma is good.*** Despite the above-mentioned limitation, Sigma has effectively increased awareness of project beneficiaries of steps to be undertaken in their own systems to develop PAR and FMC in line with EU requirements, standards and practices. The project sample shows that Sigma findings and recommendations usually increase the interest of policy-makers, who take them into account in their deliberations on new policy and strategy. In some cases, further Sigma assistance is requested to facilitate implementation of recommendations, which is another indicator of success.

2.4. Extent to which the results/impacts contributed to achieving wider objectives

52. Previous evaluations concluded that Sigma assistance between 1996 and 2001 had a fragmented but effective impact on PAR in beneficiary countries (see 44). The 1998 evaluation reported that Sigma had a catalytic function in the PAR process. The 2000 evaluation considered that Sigma programmes provided impetus to improvement of governance and management and to reform of public administration as initiated by beneficiary countries. However, many of the activities undertaken ‘on demand’ by Sigma were regarded as stand-alone activities, thus lacking strategic frameworks. Moreover, the evaluation issued in

²⁴ The rules of financial control and internal audit apply in the same way to national and EC funds.

2003 found that impact would be reinforced by development and implementation of a more comprehensive strategy as regards communication and dissemination of results.²⁵

53. ***Issues identified by previous evaluations have improved.*** The lack of strategic focus described by the 2000 evaluation is not an issue any more. PDS show that Sigma short-term activities are part of strategies discussed by Sigma with beneficiary countries to address wider areas of PAR. Furthermore, and as mentioned in § 18, baselines and programme outlines provide Sigma with strategic frameworks for development of their activities in CCs. There is no evidence that a more comprehensive communication and dissemination strategy has developed as such, but a Sigma web site is now operational (within the OECD web site) that contributes to dissemination of programme results.

54. ***2002 and 2004 programmes made an impact on development of cross-ministerial administrative capacities.*** Results identified in Section 2.3, combined with information on reforming steps undertaken by CCs, indicate that, depending on the project, Sigma had an effect on policy-making at the highest decision-making level (e.g. 4L9201 in Romania), contributed to general PAR/FMC direction (e.g. 3L2101 in Romania), and had an effect on policy-options and strategic planning (e.g. 4C3201 in Bulgaria). Another area of impact was development of relevant legislative and regulation frameworks,²⁶ such as in the field of civil service development (e.g. 3L 2101 in Romania).

55. Experience shows that review, assessment and diagnosis activities have often generated positive impacts on development of appropriate institutional frameworks in CCs (e.g. PIFC Review in Slovakia). In these cases, Sigma support contributed to setting up of new structures or upgrading/strengthening of existing structures (e.g. Central Harmonisation Units (CHUs), National Aid Coordination (NAC) Units, etc.), and to development of their role, functions and responsibilities, or to re-organization of systems (e.g. PIFC and internal audit systems in Hungary).

56. Human resource development is another area of impact from Sigma programmes. In the past, Sigma used to provide quite substantial support to Schools for Public Administrations in CCs (i.e. NISPAcee projects). More recently, under the 2002 and 2004 programmes, Sigma has diversely impacted on development of training strategies (e.g. in public procurement in Estonia, and in civil service development in Romania). Although it may be more of an exception, the project sample indicates that Sigma may sometimes have a positive impact on resource allocation as well (e.g. PIFC in Poland).²⁷

57. ***Projects had an impact on development and implementation of Phare accession aid in the field of PAR (including FMC).*** Sigma diagnoses and assessments provided data effectively used by the Commission Services in their Regular Reports. Moreover, Sigma, either through their projects or support to preparation of other Phare projects, directly contributed to implementation of Phare aid in the field of institution building.

²⁵ This comment was made on the basis of the need to improve communication between the Commission Services (i.e. headquarters and EC Delegations), and Sigma and beneficiaries at an early stage of project design, as well as of the fact that the Sigma website was suspended in 2001.

²⁶ Including primary and secondary legislation.

²⁷ Further to Sigma interventions, the resources allocated to the Financial Control and Internal Audit coordination service were substantially increased, and the institutional status and authority of the General Inspector for Internal Audit were strengthened.

58. Although analysed in less detail, similar impacts were identified by previous evaluations of Sigma programmes. In this respect, evaluation of ZZ-0008 concluded that Sigma projects led to a modification in an element of the structure, systems and/or resources of public administrations.

59. *However it is sometimes difficult to determine whether these impacts are fully attributable to Sigma.* Project information and the *ex post* survey indicate clearly that Sigma has affected positively policy, legal, institutional and operational frameworks in CCs, but the link between changes and support provided by Sigma is not always clearly evidenced making the effect/causality relationship tenuous.

60. *Enhanced cross-ministerial capacities should facilitate implementation of the acquis, but this cannot be substantiated.* As shown in the chart in Figure 1 in Annex 4, registered impacts should directly contribute to development of administrative capacities at central government level. Given the areas where Sigma achieved positive results (see Section 2.3), these impacts should positively affect development of cross-ministerial/horizontal government capacities.

61. The Sigma approach builds on the idea that development of cross-ministerial capacities should in turn have a positive effect on implementation of the *acquis* by line ministries. These capacities should facilitate organisation of appropriate means and resources (e.g. decision-making and enforcement, staff allocation and budgetary resources) in relevant sectors of the *acquis* (e.g. agriculture, environment, internal market etc.). Improvement of cross-ministerial capacities should indeed lead to improving line ministries' capacities to implement the *acquis* as a natural consequence. However, the causality effect between improvements in institutions with cross-ministerial responsibilities and performance of line ministries in implementing the *acquis* is difficult to assess, and the causality effect between Sigma projects and this performance is even more difficult to determine. Under these circumstances, it was not possible to assess whether Sigma makes a difference in practice at the level of line ministries for implementation of the *acquis*.

62. *Overall, impact is strategic, specific and technical.* In the light of the above, Sigma's impact can be considered as:

- strategic - Sigma has an impact at a strategic level of PAR (including FMC), i.e. on development of cross-ministerial capacities;
- specific in terms of time and scope - Sigma targets specific aspects of institutional reforms in certain institutions;
- technical by nature - Sigma provides technical expertise from technical public administration experts.

63. *As a result, Sigma is often a catalyst for change, providing impetus at a strategic level for central government reforms.* Sigma has provided relevant stimulus to public administration and FMC reforms in CCs, and is often regarded by beneficiaries as a highly credible reference point. Sigma results have positively impacted on establishing appropriate legal frameworks, institutions and procedures for managing public service and a suitable environment for legal control.

2.5. Long-term viability of institutional reforms following withdrawal of Phare support

64. *Sustainability identified as an area for improvement for 1996-2001 programmes.* Previous evaluations concluded that the potential for sustainability could be improved through

greater ownership by project stakeholders and a more comprehensive communication strategy. Some projects involved creation of networks whose *raison d'être* was questioned after accession (e.g. the SAI network). In relation to these networks, it was underlined that absence of a clear strategy for dealing with withdrawal of Phare support left doubts about how positive aspects would survive. Previous evaluations also noted that sustainability of Sigma results was largely dependant on commitment of CCs to sustain PAR.

65. Progress has been made in ensuring project ownership (see § 21) and in the definition of a clear strategic framework (see § 53). Sigma activities with NISPACEE and the SAI networks were phased out after accession, the latter being integrated into similar networks in EU Member States (see § 24).

66. ***Positive effect of 2002 and 2004 programme outputs in the long term.*** The Sigma Secretariat mentioned that Sigma always provided support with a view to make beneficiaries become as autonomous as possible (e.g. Sigma does not write new laws, but provides coaching support/advice so that new laws drafted by beneficiaries are good and in line with the *acquis*).

67. Most interviewed beneficiaries answered the question of sustainability positively. They mentioned that Sigma support is likely to have positive effects on performance of their administration in the long term. The explanation lies in the fact that Sigma has an impact on legislative, institutional and organizational reforms, i.e. on changes with lasting effects. This finding is reflected by PDS, where expected results on institution building are described. This means that small-scale Sigma interventions are provided with a view to making a strategic impact with some degree of sustainability. In addition, CCs' high commitment to accession and corresponding institutional reforms has reinforced this sustainability.

3. THEMATIC/ CROSS-CUTTING FINDINGS

3.1. Sigma successfully addressed *ex post* needs of strengthening civil service reform and financial management and control.

68. Sigma interventions were initiated in 1991, and throughout the enlargement process, more than ten years of Sigma operations were undertaken more or less in the same way. Feedback received from project beneficiaries indicates that the Sigma approach was always well appreciated, which therefore justifies maintaining the same *modus operandi*. From an *ex post* perspective, the present evaluation demonstrates that Sigma was successful in delivering valuable outputs, in producing positive results and in affecting institutional reforms positively, particularly in strengthening civil service and financial management and control. These findings also argue for a continuation of Sigma activities as they are.

69. Since 1996, Sigma's objectives have been relatively similar over time, while adapting to the accession strategy. Experience gained through successive programmes shows that these objectives were appropriately set given the needs to prepare CCs for accession to the EU.

70. Short interventions at the request of beneficiaries make Sigma support well accepted, even on sensitive or highly strategic issues, which is an achievement in itself. These interventions should be considered in the wider context of Phare assistance to institution building (i.e. together with other Phare instruments – see Section 3.4).

3.2. Sigma interventions provided impetus for development of government-wide systems of resource management and control.

71. In the area of FMC, Sigma assessments in CCs aimed at gradually improving a number of issues: whether systems, principles and procedures for financial control, including mechanisms for internal audit, were in place; whether an independent internal audit mechanism with relevant mandate and using internationally recognised auditing standards was operational; and whether these systems had the capacities to prevent and take action against irregularities and to recover amounts lost as a result of irregularity or negligence. These assessments have led to recommendations providing guidance to the countries as to how improve FMC.

72. In the area of civil service development, Sigma interventions encouraged CCs in developing responsibility and accountability of public officers, their impartiality and integrity, their professionalism and stability, and cross government structures and systems for personnel management.

73. All these Sigma interventions are institutionally cross-sectoral by nature, thereby contributing to development of government-wide systems of resource management (including personnel), control and external audit, and should ultimately contribute to improve quality, reliability and sustainability of administrative capacities in line with the European integration process. Given the small scale of Sigma interventions, they cannot sustain the reforms significantly, but provides strategic impetus for institutional change.

3.3. Sigma was a successful multi-beneficiary programme delivering tailor-made services.

74. The multi-beneficiary dimension of Sigma exists at programme level, where Sigma's approach is accession driven; at project level, where Sigma performs multi-country activities, such as assessments; and at expert level, where Sigma has an additional advantage that it provides multi-cultural expertise from experts from different member states.

75. The MBP approach seems to be highly appreciated by project beneficiaries who regard advice from experts with different public administration backgrounds as added value, giving them the possibility of having an overview of different public administration practices implemented in different member states and to decide the best options for their own country.

76. Sigma is highly tailor-made to the needs of each specific country and even beneficiary institution. Tailor-made and small-scale projects allow Sigma to be highly responsive and to adapt to changing needs. The demand-driven approach gives this programme the characteristics of a facility from which EC services and beneficiary countries can mobilise resources whenever needed. It is a strength that makes Sigma well accepted by beneficiaries and facilitates its involvement in PAR (including FMC), even on sensitive issues. This approach reflects the strategy of Sigma which seeks to achieve strategic movement, through small, multiple and continuous interventions in partnership with central governments of beneficiary countries.

3.4. Sigma played a complementary role, despite potential overlaps

77. *Sigma assistance and other Phare institution building instruments covered sometimes similar areas of interventions.* Phare has deployed a range of institution building instruments to strengthen CC administrative capacities. These instruments include Sigma, twinning, TAIEX, national programmes for PAR, and other technical assistance projects. All these instruments operate in the same field, sometimes leading to potential overlaps between Sigma and other areas of intervention.²⁸ In some cases, this had led to the non start or termination of Sigma support (see § 50). In other cases, Sigma interventions were designed to prepare or support other institution building interventions. In all cases, Sigma has tried to complement other Phare instruments in the best possible way.

78. *Sigma and twinning, two inter-related instruments.* Although core activities of Sigma focus on development of cross-ministerial capacities and core activities of twinning concentrate on sectoral reform, the evaluation sample showed that Sigma and twinning interventions might lead to provision of inputs in the same areas (e.g. Bulgaria project 4C3201, Estonia project 3E7101, and Romania project 3L2401). In such cases, complementarity was achieved by Sigma at three different stages:

- *Ex ante:* Sigma provided support to beneficiary countries in defining needs for twinning support and in preparing twinning fiches.²⁹
- During the twinning process: Sigma briefed future twinning experts about the country situation, or made close contacts with them in the course of Sigma project operations.³⁰
- *Ex post:* When gaps occurred between two Phare or twinning projects, Sigma provided bridging support.³¹

²⁸ In their comments of April 2007 on the draft report, the Institutional Building Unit of DG ELARG pointed out that this had been addressed by putting all the institution building instruments in their unit.

²⁹ The Sigma team also mentioned that when a twinning project is subject to conditionality (e.g. passage of a law prior to the start of the twinning support), Sigma can assist the country to meet the pre-conditions. Sigma may also advise the EC Services on the relevance of particular national experiences for a twinning project.

³⁰ Sigma may also organize activities important for the twinning project to continue (e.g. peer reviews, workshops, etc). Sigma may provide additional expertise from different sources (e.g. from other countries) for comparative analysis purposes (but in this case, the EC services expressed concern about the risk of double Phare funding for expertise in the same field).

³¹ The Sigma team also mentioned that Sigma might be asked to evaluate twinning projects, or to advise on the necessary follow up to a closing twinning project.

79. This complementarity is valuable since it establishes useful synergy between various Phare instruments in the field of PAR. However, in some cases, planned Sigma project activities could not be completed because of twinning or Phare support available in the field (see § 50).

80. ***Sigma and TAIEX, two clearly separated instruments.*** TAIEX is mainly aimed at organising workshops on vertical/sectoral reforms (e.g. agriculture, environment, etc), whereas Sigma provides technical advice with longer-term prospective to horizontal reforms (i.e. PAR, FMC including policy-making, civil service reform etc).

81. ***No evidence of coordination problems between Sigma and private sector technical assistance.*** Complementarity between Sigma and the private sector technical assistance never emerged as being an issue in the framework of the present evaluation. This may be due to the fact that areas covered by Sigma are typically public administration oriented thereby mainly requiring expertise from experts from within public administration. An area where Sigma and the private sector may both provide assistance is support in project preparation, e.g. for the drafting or review of project fiches, ToR, etc. However, it was never reported that these situations had ever led to any coordination difficulties, as Sigma deploys their resources only at the request of institutional beneficiaries.

82. ***Each Phare MBP instrument has a role to play for institutional building support.*** Analysis of the sampled projects indicates that Sigma frequently provides assistance in conjunction with other types of Phare support, i.e. twinning, national PAR programmes, etc. This situation does not seem to be a problem for CC beneficiaries who activate Sigma for specific interventions whenever needed, and rely on other Phare instruments for longer-term support to PAR (including FMC). All beneficiaries who answered the questionnaire were clear about the complementarity between Sigma and other Phare related instruments (i.e. TAIEX, twinning, national programmes), and they stated that coordination between these instruments was smooth.

83. The explanation lies in the fact that each of the above instruments has its own specificities and delivery mechanisms, and has a role to play in Phare support to institution building. The Court of Auditors reached the same conclusion when assessing the twinning instrument.³² The Court of Auditors reported that the use of twinning should not be over emphasised at the expense of other mechanisms directed towards institution-building such as horizontal support to public services given by Sigma and TAIEX. The Court of Auditors stressed the necessity to develop a coordinated and balanced deployment of different instruments for institution building such as through Sigma and TAIEX, but also through private sector input and participation of CCs in Community Programmes.

³² Special report N° 6/2003 concerning twinning as the main instrument to support institution building in CCs.

4. CONCLUSIONS AND RECOMMENDATIONS

4.1. Conclusions

84. ***Sigma is a successful programme that performed well over time.*** The first Sigma programmes included initial weaknesses, notably at a project level where activities and outputs were insufficiently defined, or at a financial level, where the overview of the programme financial situation was not in line with EC requirements. These latter points significantly improved over time but some of the financial data requires further detail (see § 40).

85. In the past three years, steering of Sigma activities has improved overall, Sigma activities being now in line with EU accession priorities and better defined at planning level, notably through annual programme outlines. Sigma has also become more closely linked with other administrative reform programmes of the EC, such as institution building (twinning), and has contributed to the EC's assessment activities (EC Regular Reports), which is a positive development.

86. Steering of Sigma activities has also improved overall, being now in line with EU accession priorities and better defined at a planning level, notably through annual programme outlines.

87. ***Although Sigma programmes have not funded large PAR projects, they have been important for providing strategic impetus for reform.*** Sigma impacts are the result of small-scale projects, dispersed over a range of different countries and institutions, and specific by nature (see § 62) making them fragmented. However evaluation findings indicate that these impacts have generated strategic change in public administrations and have been important for development of government-wide systems of resource management and control, which is an important contribution to strengthening of administrative capacities in CCs. This kind of intervention is needed to reinforce CCs' overall administrative capacities for development of good governance and government-wide systems. In the overall Phare picture, Sigma expertise is important.

88. ***Programme design and monitoring still require further attention.*** Despite this progress, a number of recurrent issues still need to be addressed. Two of them are identified in most evaluation reports: (i) weaknesses at a programme design level, notably as regards definition of indicators and (ii) weaknesses with respect to programme monitoring. The present evaluation confirms these weaknesses, which should receive more attention.

89. (i) Programme design requires FM objectives to be accurately reflected in Sigma contracts, and the Log Frame approach to be systemically adopted for all Sigma programmes and attached to these contracts. This would ensure that the Sigma team has proper information on programme objectives and works to the same targets.

90. (ii) Programme monitoring should be improved. Since the last evaluation done by EMS in 2003, the Sigma team has developed Excel sheets to measure project results and impact. The Sigma team has completed these sheets for the purposes of the present evaluation. This approach goes in the right direction and can be regarded as a valuable self-assessment exercise. However, it would be better if monitoring was also performed at programme level (e.g. based on findings identified with Excel sheets) and used by Sigma not only for evaluation purposes but also for management purposes. Furthermore, programme indicators still need to be developed. The Evaluators are aware of the difficulties in defining indicators of outputs,

results and impact for short-term demand-driven institution building interventions. However, based on more than ten years of Sigma experience, it should be possible now to define key indicators reflecting not beneficiary country performance, but programme performance. The Sigma team has developed an institutional memory of Sigma assistance, and a good knowledge of country situations, key officials there and the main issues to be addressed. This knowledge together with a demonstrated high level of expertise on PAR should facilitate identification of programme indicators. Programme monitoring should not be regarded as an additional constraint imposed by EC procedures, but as a management tool for the benefit of the Sigma team to enable it to assess interim progress at programme level, identify areas of success and failure and their reasons, and immediate actions to be taken to improve further programme performance if necessary.

91. ***Several specific programme implementation issues need to be addressed.*** Project beneficiaries mentioned that Sigma interventions in country were sometimes too short (e.g. 2 to 5 days per mission) to handle large and complex PAR matters, and that provision of numerous recommendations to tackle all necessary issues in such large fields of work tended to reduce the impact of Sigma's advice.³³ Although these comments cannot be generalised, they were repeated by beneficiaries on several occasions and should therefore be given attention.

92. Short-term missions on demand are successful but do not impact well on efficiency. Sigma experience demonstrates that in the field of institution building short-term interventions on demand have been well accepted by CCs even on sensitive PAR issues. However it is also noted that this kind of approach develops to the detriment of good programme efficiency.

93. The Sigma team expressed concern with regard to lack of continuity between different Phare funds allocated to Sigma.³⁴ This situation leads to staff resourcing difficulties for Sigma. Moreover, given that Sigma provides assistance in different geographical areas of the EC assistance (e.g. new Member States, CCs, and the Western Balkans) different approaches from different Commission Services may cause administrative difficulties (e.g. different reporting requirements).

94. The NACs explained that they know Sigma activities but lacked information on successive Sigma programmes and on support provided in their country. Considering the critical co-ordination and monitoring role of the NACs regarding Phare/Transition Facility assistance, this issue should be given proper attention.

95. Lastly, although most Sigma outputs are working documents exchanged between public administration practitioners, the evaluation reveals that these outputs should sometimes be further elaborated to reach their final goal (e.g. to be feasibility studies, road maps, training action plans etc), and that better presentation standards could improve proper understanding of these documents.

96. ***EC/OECD cooperation resulted in a well functioning Sigma instrument.*** The above-mentioned issues are reported to ensure that they will not be ignored in the framework of future Sigma activities. However, it is recognised that with time the Commission Services and the

³³ In their comments of April 2007 on the draft report, the Institutional Building Unit of DG ELARG pointed out that the availability of funds restricted the length of interventions, but in their view the high quality of experts ensured a sufficient level of information flow during "short" interventions.

³⁴ In their comments of April 2007 on the draft report, the Institutional Building Unit of DG ELARG pointed out that this has been addressed by aligning and extending the duration of various contracts. Moreover, under IPA there will be one single contract covering all "enlargement beneficiaries".

OECD Sigma team have succeeded in improving reconciliation of approaches, priorities and requirements of the two organisations.³⁵ This cooperation resulted in setting up of a well functioning Sigma instrument, producing effective results on PAR in beneficiary countries, highly appreciated by country beneficiaries as well as by the EC Services. Sigma assistance ensured mobilisation of high quality OECD expertise for preparation of CCs to accession to the EU, which was a major achievement in itself.

4.2. Recommendations

97. Given the successful development of the OECD/EC cooperation in the framework of Sigma, the experience accumulated by the Sigma team, notably in the accession context, Sigma expertise should continue to be mobilised in the framework of EC support to the present and potential candidate countries. The level of resources for Sigma should be substantially increased to enable it to serve a widening geography, and an increasing demand (already apparent in the Western Balkans and the neighbourhood countries, where Sigma currently cannot fulfil all the requests it receives).³⁶

98. Programme design should be further improved with systematic adoption of a well-prepared logical framework matrix for each new Sigma programme, and identification of relevant indicators of achievement. These design elements should be an integrated part of implementation contract between the EC and OECD

99. The Sigma team should perform effective and regular programme monitoring, in order to assess interim progress at a programme level, identify areas of reduced outputs/results, the reasons therefore, and any immediate action to be taken to improve programme performance. The ten years of Sigma support and expertise accumulated by the Sigma team should lead to identification of relevant indicators of programme performance.

100. Financial reporting by Sigma should provide better information on project costs, such as project duration in terms of man days/months of work, whether expertise was provided by Sigma or external experts, and travel costs.

101. Based on results of this evaluation, as well as on conclusions of the Court of Auditors (see § 89), the Commission Services could consider establishment of an institution building task force, to coordinate provision of different types of EC assistance in the field (i.e. Sigma, twinning, TAIEX, etc.) in the most complementary way.³⁷

³⁵ Despite the progress, the Sigma team mentioned that they are still faced with a number of difficulties arising from different requirements within the EC and between the EC and OECD.

³⁶ In their comments of June 2007 on the draft report, Sigma pointed out that the demand is understated because Sigma makes every effort to repress demand in order to respect the cash flow constraints. Demand is also understated because from 1998 Sigma was reduced, culminating in a loss of 50% of staff in 2000. Although Sigma can rapidly stop delivery, it takes longer to rebuild networks, reputation, demand and above all, staff capacities.

³⁷ In their comments of April 2007 on the draft report, the Institutional Building Unit of DG ELARG pointed out that this had been addressed by putting all the institution building instruments in their unit.

102. Sigma should be provided with a clear strategic framework. Experience shows that given the number of small and demand-driven projects financed by Sigma, it is necessary to provide Sigma programmes with a strategic framework. The EC Services should therefore invest time and give attention to definition of clear priorities at programme level. Baselines, a Logframe approach, EC Regular Reports, and Programme Outlines have proved to be useful instruments in this regard.

ANNEXES

Annex 1. Terms of Reference

[These terms of reference were approved 13 July 2005, and have not been updated to take account of small changes, for example, in the time line, that have occurred in the meantime.]

OBJECTIVES

The purpose of the *ex post* evaluation of the SIGMA Multi-beneficiary Programme (MBP) is to provide accountability with respect to the value of money and the use of European Commission (EC) funds and lessons learned for decision-making on improvements of pre-accession aid to remaining and future candidate countries (CCs).

The evaluation of the SIGMA MBP will provide a sample contribution to a consolidated evaluation of Phare multi-beneficiary programmes, which, in turn, will form part of a consolidated *ex post* evaluation of the Phare programme.

BACKGROUND AND CONTEXT

The Phare Multi-Beneficiary Programme has supported SIGMA since 1992 when the EC and the Organisation for Economic Co-operation and Development (OECD) launched the Programme to help Central and Eastern European Countries (CEECs) modernise their public administrations including systems of audit and financial control. From 1997, the general focus of the SIGMA MBP has been to assist partner countries to build sound, efficient and effective public institutions, which would enable them to satisfy the Copenhagen criteria for accession to the EU. This concept was refined at the Madrid Council, which stressed the importance of CCs' administrative capacities to implement and enforce the *acquis communautaire*.

During the evaluation period (1996-2001), this assistance was provided by four programmes funded under Phare (ZZ-9605, ZZ-9706, ZZ-9808, and ZZ-0008) with a total value of 28.4 M€. The evaluation of these programmes will be based mainly on a desk study of the previous evaluation reports. The evaluation will focus on the 2002 and 2004 (CRIS2002/27-564 and CRIS 2004/006-097) programmes, totalling 8 M€.

The SIGMA programmes since 2002 have the general objective of complementing the twinning of Administrations programme³⁸, in order to increase administrative and national reform capacities of the CCs so that they are able to implement the *acquis communautaire*, manage funds and absorb Community funds.

The four immediate objectives for SIGMA are to:

- Improve the capacity to manage civil service so as to recruit, develop and retain appropriately qualified people and maintain professional standards
- Upgrade financial control, external audit, expenditure management and public procurement to ensure reliable execution in pursuit of the *acquis* and use of funds
- Improve ethics and integrity policy and better regulation policy making
- Provide special support mainly to Bulgaria and Romania so that they are better able to avail themselves of Commission support through the twinning mechanism

³⁸ Presented as the principal instrument for the Institution Building in the CCs.

Although delegated to the OECD³⁹, the overall co-ordination and management of the programme is the responsibility of DG Enlargement in co-operation with Delegations and other Commission services .

The SIGMA MBP was evaluated three times by the OMAS and EMS Consortia, most recently in an Interim Evaluation (IE) Report issued in April 2003⁴⁰. The Report found the programme to be 'Highly Satisfactory'. In particular the IE found SIGMA to be a catalyst for change in the public administration and an "...*appropriate vehicle for channelling accession driven changes...complementing twinning and providing technical assistance*", as well as highly efficient in terms of timeliness, overall cost and the extent and quality of interventions. At the time of the IE there were good indicators of impact and sustainability, including the high political commitment and support to SIGMA projects and the close working relationships developed between SIGMA experts and their CC counterparts.

The IE Report did however raise a number of issues to be addressed if impact and sustainability are to be ensured:

- Ownership of results would be increased if stakeholders were more involved at the outset in project design;
- Impact and sustainability would be reinforced by the development and implementation of a more comprehensive strategy as regards communication and dissemination of results;
- The need to develop clear exit strategies for projects that will become redundant on accession (e.g. networking projects where participants will become eligible for participation in Member State activities on accession);
- The role of SIGMA in the accreditation process for EDIS and SAPARD should be clarified to avoid misunderstandings or unrealistic expectations regarding deliverables;
- With regard to technical content, SIGMA has yet to develop a network of experts that can support its input into the technical content (rather than process) of accreditation of EDIS and SAPARD agencies.

EVALUATION CRITERIA

This evaluation will focus mainly on the outputs produced by Sigma, such as established legal frameworks, improved civil service management, upgraded financial control and external audit and increased capacities of national administrations to access and absorb Community funds.

The evaluation will assess the impact and sustainability of these outputs. It will also assess the effectiveness and efficiency of the Sigma MBP contribution towards the actual performance of public administrations in the beneficiary countries, taking into account EU standards as benchmarks where relevant.

The evaluation questions and related judgement criteria for this exercise will be divided into:

- performance evaluation questions
- thematic/cross-cutting questions

³⁹ SIGMA is managed by the SIGMA Secretariat located within the OECD and the roles and responsibilities of the Commission and OECD are governed by the Convention signed between the 2 institutions on 12 January 2001. The Convention for the implementing CRIS2002/27-564 was signed on 19 August 2003.

⁴⁰ Report R/ZZ/PAD-Sigma/02.152 dated 18 April 2003. Two previous reports were issued: R/ZZ/PAD/9701 - Support for the Improvement in Governance and Management (issued in 1997) and R/ZZ/PAD/99114 - SIGMA (2000), covering programmes ZZ-9114, ZZ-9405, ZZ-9605, ZZ-9706, ZZ-9808.

Performance evaluation questions

Needs assessment and design

The evaluation will start with an assessment of the relevance and design of the programmes. In particular, attention will be paid to the strategy and the involvement of the stakeholders in the design (ownership). To meet decision making need the evaluation will focus on reviewing the design of both the 2002 and 2004 allocations.

The extent to which inputs/activities have produced outputs

Sigma programmes have a wide range of delivery mechanisms and related outputs, i.e. training and provision of advice, panel and peer reviews, design of strategic development plans, facilitation of access to other EC instruments and promoting the creation of public administration schools and institutes in the CCs. The evaluation will assess the cost-effectiveness of the delivery mechanisms.

The extent to which outputs have produced intended results

The intended results are:

- CC civil services attract, develop, retain and assign appropriately qualified personnel and that the legal control environment is effective
- sound and efficient use of national and EC funds through appropriate financial management and control, audit and public procurement
- Bulgaria and Romania are able to take up twinning projects in cross-ministerial systems.
- Improved understanding of ethics and better regulation policy

The evaluation will assess Sigma's contribution to delivering the appropriate legal framework, institutions and procedures are in place for managing public service and that a suitable legal control environment has been established. Where appropriate, the evaluation will also assess whether twinning projects were defined in the relevant areas and met Commission standards and that institutions had appropriate training materials, curricula and staff.

The extent to which the results contributed to achieving wider objectives

The overall objective of Sigma was to assist CCs to reliably implement the *acquis*, manage funds and absorb Commission Support, strengthening cross-ministerial administrative capacities and providing special assistance mainly to Bulgaria and Romania.

The evaluation will examine the extent to which CC administrations have central management systems which are able to monitor and correct implementation of the *acquis*, and ensure sound and efficient management of funds.

Long-term viability of institutional reforms following the withdrawal of SIGMA support

The evaluation will examine the viability of institutional reforms in the context of budget sustainability and allocation of human resources.

Thematic/cross-cutting questions

The extent to which SIGMA support strengthened performance of the institutions responsible for Civil Service reform and financial management and control

The purpose of this question is to assess whether SIGMA support in practice addressed the *ex post* needs of strengthening Civil service reforms and financial management and control. Thus the evaluation would seek to assess whether the original objectives (*ex ante* needs) of the programme were appropriately set. This performance assessment would augment the analysis based on the five performance evaluation criteria.

The extent to which SIGMA support strengthened the administrative capacity of civil service development and financial management and control.

Whilst most of the *acquis* is enforced through specific and specialised sectoral institutions, the quality, reliability and sustainability of their actions depend on the effective capacity cross-ministerial, government wide systems of resources management (including personnel), control and external audit.

Effectiveness and efficiency of the MBPs as a delivery mechanism

Clearly there are inherent strengths and weaknesses with centralised MBPs. In accordance with the MBP selection criteria of the Phare 2000-2006 guidance, positive factors include economies of scale in the design and implementation (the need to promote regional co-operation or the need for certain types of delivery mechanisms) as well as scope for more effective cross-fertilisation. Negative factors may include the lack of ownership of centralised programmes as well as the risks associated with a “one size fits all” approach.

Previous evaluations of Sigma have highlighted the cross fertilisation benefits between CCs provided through the delivery mechanisms of MBPs. Moreover, as a centralised delivery mechanism, it also effectively mobilised expertise adjusted to the absorptive capacity of beneficiaries. However, it suffered in common with all centralised programmes from a decreased level of ownership of results and to insufficient stakeholder involvement at the outset of project design

Complementarity of SIGMA to related instruments

The evaluation will assess the extent to which SIGMA has effectively complemented the instruments of TAIEX, Twinning Light, Twinning and private sector technical assistance.

METHODOLOGY

Several of the task-managers dealing with the MBP have left DG ELARG. An obvious first step in the data collection will be to find the relevant files in the archives and to identify and interview the previous task-managers in DG ELARG, the CCs and the OECD. Following an initial collection of available documents, the evaluation will start with a desk review of the earlier programmes between 1996 and 2000. This will be followed by further data gathering on the more recent programmes, particularly the 2002 programme, using the most appropriate tools (interviews or focus groups in Brussels and/or the beneficiary countries, or

questionnaires). For the 2002 Sigma MBP, the evaluation will focus on feedback gained from questionnaires and from interviews with key stakeholders.

The geographical focus will be on four new EU member states (Poland, Hungary, Slovakia and Estonia) and the two remaining candidates among the beneficiary countries (Bulgaria and Romania). The sample of countries will be proposed for discussion and agreement at the start of the evaluation. Known successes and failures will be identified and examined.

To support evaluation questions, a set of judgement criteria and evaluation indicators will be developed, where relevant. These may be both quantitative and/or qualitative. A preliminary set of indicators will be proposed at the start of the evaluation with the aim of ensuring that requests for information relating to the indicators are understood in context.

There will be close consultation with stakeholders (either by electronic mail or by meetings, where appropriate) to ensure a common understanding of the evaluation criteria and related indicators. Stakeholders will be invited to join a virtual steering group.

TARGET AUDIENCES

The main users of the evaluation will be the ELARG Directorates responsible for multi-beneficiary programmes and Sigma, OECD, EC Delegations/Representations and the National Aid Co-ordinators in beneficiary countries. In addition, country teams for the Western Balkans and Turkey will be important users of the evaluation results.

ACTIVITIES, RESOURCES AND TIMETABLE

The Sigma programme evaluation will be conducted in a number of stages as follows:

Step	Activity	2005					
		Jun	Jul	Aug	Sep	Oct	Nov
1	Preparation	■	■				
2	Info gathering and processing		■	■	■		
3	Drafting of report for E4				■		
4	Comments from E4				■		
5	Drafting of final report					■	
6	Submission for consolidated report					■	

Annex 2. Sigma's comments on EMS findings - Evaluation of April 2003

The MWH ToR contained the following paragraph, summarising findings from the EMS evaluation of April 2003.

“The IE Report did however raise a number of issues to be addressed if impact and sustainability are to be ensured:

- *Ownership of results would be increased if stakeholders were more involved at the outset in project design;*
- *Impact and sustainability would be reinforced by the development and implementation of a more comprehensive strategy as regards communication and dissemination of results;*
- *The need to develop clear exit strategies for projects that will become redundant on accession (e.g. networking projects where participants will become eligible for participation in Member State activities on accession);*
- *The role of SIGMA in the accreditation process for EDIS and SAPARD should be clarified to avoid misunderstandings or unrealistic expectations regarding deliverables;*
- *With regard to technical content, SIGMA has yet to develop a network of experts that can support its input into the technical content (rather than process) of accreditation of EDIS and SAPARD agencies.”*

The MWH Lead Evaluator has invited Sigma to comment on each of these issues. Sigma's comments reflect views held at the time that the original report was submitted for contradiction. However, Sigma gave priority to other issues in the EMS report.

Ownership of results would be increased if stakeholders were more involved at the outset in project design;

Projects are defined in a Project Decision Sheet (PDS) for approval by the Commission. Sigma makes a distinction between project design and project approval.

- Project design

Stakeholders are fully involved in project design, in the sense that Sigma staff discusses needs and approaches with stakeholders (including Commission staff) before the PDS is written (the sole exception to this is where Sigma is acting directly at the request of the Commission, for example to “raise awareness” about a problem). Most projects occur within existing relationships e.g. as follow-up to a preceding project. Where there are new stakeholders or new needs, ideas are discussed during preparatory missions. Sigma's main working doctrine is that support is provided to national reform teams, implying that the driving framework for a PDS design is, in fact, the stakeholder's reform design.

- Project approval

The PDS is drawn up by Sigma on the basis of an understanding with stakeholders and Commission staff (co-ordinated from DG ELARG) The PDS process is an instrument for the Commission to oversee Sigma and ensure complementarity. It is deliberately not submitted to national counterparts by Sigma because the Commission wishes to retain full authority. However PDS are usually circulated in the Commission prior to approval by the task manager and local Delegation staff may check it with national counterparts.

Impact and sustainability would be reinforced by the development and implementation of a more comprehensive strategy as regards communication and dissemination of results;

It is not clear if this comment refers to the project or programme level. Sigma considers that communications is an essential element of its work at both levels. Sigma therefore fully agreed with the EMS comments and was keen to follow up on this recommendation provided that the Commission supported it and funds were available.

- Programme level

Over the years, Sigma developed an extensive communications programme comprising 3 elements: website, newsletter and “Sigma papers” of which more than 30 were produced prior to 2000. More specific communications instruments were developed for the Supreme Audit Institutions. These instruments were designed to satisfy several main goals:

- Raise awareness and a sense of professional community concerning various issues of public administration reform
- Share good practice amongst beneficiary countries
- Record best practice and experience of Member States
- Stock information so that it could be available at appropriate times in different countries

For the 2001 Programme implementation (contract ZZ-0008, one of the subjects of the EMS evaluation), the Commission removed funding for communications. This was reversed in 2003 and Sigma has since re-invigorated its communications programme. A new Website is functioning since 2003, an all-electronic newsletter has also been produced since 2003, and Sigma has now restarted producing papers.

- Project level

The communications needs at the project level are dependant on the project aims and the strategy of the beneficiary. Sigma generally tries to encourage beneficiaries to add communications components to their projects and may participate in such actions upon request (for example briefing press or parliamentarians). At the project level, Sigma can only advise. Where it is thought of interest, and with the permission of the beneficiary, project level results may be adapted for circulation to other countries and put on the web.

The need to develop clear exit strategies for projects that will become redundant on accession (e.g. networking projects where participants will become eligible for participation in Member State activities on accession);

Sigma considers that “exit strategies” are better understood in relation to sustainability and are an issue for all Commission (and donor) activity. Sigma’s main doctrine (see above) of working with national reform teams rather than constructing project specific arrangements means that to some extent Sigma is more protected at the project level.

Pre-emptive measures were taken for the main networks that Sigma supports:

- Support to NISPAcee was phased out for accession and candidate countries, and no NISPAcee activities were undertaken under 2002 or the 2004 contracts. Sigma’s much reduced support to NISPAcee was financed under the Balkans contract, where it remains justified because of the state of training institutions in these countries. Sigma worked to shift NISPAcee towards an emerging country perspective (TACIS and CARDS countries).

- Support to the SAI Presidents was similarly re-oriented and the acceding countries were integrated into the member state network.

The role of SIGMA in the accreditation process for EDIS and SAPARD should be clarified to avoid misunderstandings or unrealistic expectations regarding deliverables;

Items 4 and 5 are discussed together

With regard to technical content, SIGMA has yet to develop a network of experts that can support its input into the technical content (rather than process) of accreditation of EDIS and SAPARD agencies.”

Context

There are two different processes -- for SAPARD on the one hand; and Phare and ISPA on the other hand (EDIS -- decentralisation of funds management granted by the EC -- is basically very similar to the accreditation process but formally different). Within each of these processes there are two distinct aspects – preparation of substantive plans and accreditation *stricto sensu*. All of this takes place under the co-ordination authority of the National Authorising Officer (NAO) supported by the National Fund. One crucial aspect of the accreditation process is the verification of the financial control system (covering financial management and control systems and procedures, including accounting and auditing).

Sigma’s interventions are restricted in two important ways

- Sigma does not (and could not) intervene in substantive content (e.g. production of a National Rural Development Plan as a framework for programmes and support measures); Sigma is concerned only with the financial control aspects
- Sigma cannot act on behalf of the Commission to grant accreditation.

In the case of SAPARD, the financial management and control cycle starts from the designation of a SAPARD agency and proceeds to the appointment and verification of the competences of the body in charge of auditing the annual accounts of the agency (certifying body). A component of the process, is to ensure that the NAO can rely on an efficient National Fund, with adequate resources and procedures. The process is basically a typical system/financial audit.

Accreditation follows a cycle:

- The pre-accreditation review to be carried out by an independent body, most of the time a private audit firm (called “gap assessment” in the EDIS context)
- Follow-up of pre accreditation (“gap filling” in EDIS context), covering adjustments/improvements to be done (this often covers training and is also often in the EDIS context subject to a separate Phare project)
- The national accreditation by those responsible for the pre-accreditation review (“compliance assessment” in EDIS context)
- The preparation of the accreditation package to be sent to the EC (collection and finalisation of all relevant documents)
- The provisional accreditation (or final audit for EDIS) by the EC (DG-Agri for SAPARD, DG ELARG, REGIO, Employment etc. for EDIS)

Sigma’s contribution to this process is mainly as a **coach** and a **facilitator**:

- Helping managers both in SAPARD and NF understand what is required and helping them prioritise the issue
- Advising both delegations as the case may be and national authorities on ToRs for substance/ technical input in the project (example : the ToRs for tendering the pre-accreditation review)
- Establishing proper linkages with other areas related to financial management and control (like PIFC), encouraging further cooperation and coordination, or to other reform areas
- Helping managers in getting the best value out of the technical assistance in place, which are often large scale projects, with very poor dialogue with the local authorities
- Helping managers understand the EC audit and control technical terms
- Raising awareness about the role of the different players, most especially about the responsibility of the NAO/NF and putting them at the core and the lead of the process, and ensuring permanent coordination between main stakeholders (often a very simple but missing condition for success)
- Assisting in setting up reasonable work plans/timetables with realistic deadlines and in resisting political pressure to get a “quick and dirty” national accreditation
- Helping Head of Delegation and task managers in Delegation understand what is really at stake and reallocating responsibilities in that respect (moving from an engineer’s approach and competence to accountants/auditors/financial managers competences).
- Maintaining close contact with DG Agri to check our interpretation of EC policies against real intentions and future plans (or other relevant DGs in the case of EDIS).

The stress of SIGMA input was mainly on Ministry of Agriculture or SAPARD agency (Bulgaria, Romania, Hungary, Slovakia) but depending, on our assessment of available technical assistance, can have been more on the NF (CZ, and draft for Croatia). Similarly, we had long term involvement (Bulgaria, Romania, Hungary, and Slovakia), very short term (Slovenia) or middle-term (Poland). In other words, it has always been very much tailor-made and customised to the real needs. The main difference between SAPARD and Phare/EDIS is that, in the latter, the incentive is lacking (the EU funds were already channelled to the country). The other big difference is that it applies to a varying number of implementing agencies which first need to be designated as such, which can prove a rather political process.

Understanding of roles

Sigma has always been clear about its limits and believes that country counterparts have fully understood. The comment emerged from a misunderstanding on the part of one Commission official, and Sigma does not consider the comment to raise systemic issues.

Development of expertise

As is explained above, Sigma has no role in providing “substantive expertise” e.g. on rural policy. Within the area of our competence (financial control) Sigma has its regular resources i.e. public sector finance specialists or public internal or external auditors according to needs, as well as benefiting from a number of very experienced current or former practitioners of financial control with member state paying agencies.

Annex 3. Project information of the 2002 and 2004 Sigma programmes

Individual Project fiches

The information below is based on the information contained in the Sigma Project Definition/Decision Sheets, Project final reports/material, and on the feedback received from beneficiary projects.

BULGARIA – Reforming the State Treasury - 4C 3201

Background and Justification

The Deputy Minister of Finance wrote on 30 March 2004 to the EC Delegation requesting an independent assessment of the State Treasury, to ensure that it complies with good European practice, and seeking a 'road map' to direct its future development. Moreover, during the SIGMA Assessment of the Public Expenditure Management mission, 16-20 May 2004, the State Treasurer, highlighted the urgent need for assistance from SIGMA to enable the Treasury to select a suitable model of good treasury practice from amongst EU Member States.

The initial request for SIGMA assistance included:

- An analysis of the current structure, functions and tasks of the State Treasury (including Central Harmonisation Unit/Financial Management Control CHU/FMC); assessment of the need to create a Debt Management Agency.
- Elaboration of a proposal covering different options for the further development of the State Treasury in line with EU good practice and EU member state experience;
- Support in the improvement of the CHU Division responsible for the development of the methodology of FMC systems in line with EU standards through: Support in the elaboration of the Policy Paper and Operational Plan of the CHU; improvement of the co-operation between CHU and PIFCA through a joint workshop on the major issues related to the financial control; on the job training activities.

The request for assistance was linked to a Phare 2004 twinning project scheduled to start in 2005. The Ministry of Finance expected SIGMA to help them understand various different models of 'good' EU treasury practice, and to select one to be implemented by the twinning partner(s).

Objectives

The PDS objective was to contribute to the development of a Bulgarian Treasury system that meets with EU good practice in State Treasury structure and operations.

Activities and outputs

It was planned that Sigma would support the preparation of a Strategic Plan for the future development of the State Treasury (including the CHU/FMC), and produce a report on European good practices. This Strategic Plan should have been formally presented to the management of the Ministry of Finance at 2 workshops on the further development of the State Treasury.

Taking into account the close links existing between the various public finance reforms engaged by the Ministry of Finance, this project and the one concerning the Ministry of Finance's enterprise architecture/IT system -- as well as the Phare 2004 twinning project on the budgetary reform, it is was foreseen that these projects be managed in an integrated manner.

In order for the project to be carried out to a high level and in a relatively short period, Sigma contracted three experienced experts: two experts for the Treasury part and one expert for the CHU/FMC part. They performed 4 missions to Bulgaria to address the various above mentioned issues.

Further to these missions, Sigma explored the need for more missions and organising workshops. But the State Treasury expressed the need for the Sigma assistance to be directed *towards further scrutiny of the functions and practice of the Internal Control aiming at its development, its harmonization with the EU requirements and the implementation of the financial management and control systems in the budget sector*. As a consequence there was no need for the remaining missions and workshops to take place. The preliminary report gave the Bulgarian authorities enough information for deciding in which the direction the Treasury function in Bulgaria should develop. The CHU/FMC assistance was continued with an extra mission. The main project outputs were 4 mission reports and a concise concept paper.

Project results

The intended result of the PDS was the development of a Strategic Plan for implementation of EU good practices in State Treasury structure and operations enabling the Bulgarian treasury system to develop along standard EU requirements. The project has not led to a Strategic plan but to a Concept Paper briefly assessing the current status of the State Treasury, outlining the main approaches to be followed for the further development of the State Treasury function in Bulgaria, and providing information on how similar responsibilities, functions and organisations operate in EU member state.

The project gave strategic direction to the future structure and operations of the Bulgarian State Treasury, including the problem as to whether a Central Harmonisation Unit for Financial Management Control should be integrated into the State Treasury. It assisted the Bulgarian authorities in defining the main outlines of the twinning project building up integrated State Treasury.

ESTONIA -Training in Public Procurement for EDIS ISPA preparatory mission – 3E 7101

Background and Justification

Estonia made quick progress in the preparation of EDIS in particular for ISPA. The country was ahead of other acceding countries and had completed its compliance audit for EDIS-ISPA already by the end of 2002. This allowed the EC Services to proceed with a final audit in March 2003. Amongst other things, this audit concluded that, whilst a lot of procedures and structures were in place in Estonia for the implementation of the ISPA projects, still a number of shortcomings were noticeable in the field of procurement.

With reference to previous discussions on the possible Sigma support in the final phase of EDIS preparation, DG REGIO contacted Sigma to explore the possibility to provide training and expertise in the areas of transport and environment procurement. Sigma expressed its interest in the task with the proviso that the main expertise could not be available before September, but a first "kick-off" mission could be organised in July 2003 in order to:

- establish contacts with the main Estonian counterparts in that field;
- proceed with a more specific evaluation of the needs for training, quantitative and qualitative points of view;
- identify sources of knowledge and expertise already existing in this area and if and how they can be used for the purpose of ISPA procurement, as well as upcoming technical assistance.

The preparatory mission aimed at drafting an action plan for training and at designing a detailed project to be implemented after the Summer break and for which another PDS would be created and submitted to EC's approval. The present project consisted only in a preparatory mission as it was impossible to more precisely evaluate the amount and nature of training needed without the necessary contacts "on the spot".

Objectives

The project objective was to “evaluate the specific needs of the Estonian ISPA Implementing Agencies in training on Public Procurement”.

Activities and outputs

The 3 days preparatory mission took place in Estonia involving 4 experts. This mission resulted in a 3 pages mission report including short and medium term recommendations as to the needs identified and immediate and intermediate actions to be undertaken. A 2 pages Resource Estimation plan was produced providing guidance as to the expertise to be mobilised to implement these recommendations.

Project results

Intended results were to “develop a training action plan to be implemented in 2003”. The preparatory mission resulted in outputs in line with these intended results, but which can not be regarded as a comprehensive training action plan to be implemented in 2003. Sigma’s recommendations were accepted by the Estonian Ministry of Finance and EC Services. For unclear reasons there was no request for follow up support by Sigma. To Sigma knowledge,

DG REGIO used the Resource Estimation Plan in future activities that were tendered out externally. The Estonian authorities - through a number of Phare TA and twinning projects directed at the Ministry of Finance, Public Procurement Office and a number of implementing agencies (Railway Administration, Ministry of Environment) - developed and launched a wide training programme. But the direct causality between the Sigma assistance and this training programme has not been demonstrated.

HUNGARY- Peer assistance review PIFC – 3G 5301 & 5302

Background and information

This project fiche covers two inter-related projects: 1) the review stage of the PIFC peer assistance (3G5301) and 2) the provision of assistance and monitoring of the practical implementation by the Ministry of Finance of the peer assistance review recommendations (3G5302).

The peer assistance was planned to assess weaknesses in the existing PIFC (including internal audit) systems, notably to address key practical problems and the gap between reality and practice in spending centres. The assistance was aimed at raising awareness on the need to make changes to PIFC systems and then at supporting the implementation of the peers' recommendations. The peer assistance in Hungary focused on the arrangements for the operations of the Central Harmonisation Unit (CHU), internal audit, and financial management at state and local levels. Other key areas like budgeting, accounting, procurement and treasury controls, and risk management were also included as well as the operations of the Government Control Office (GCO) and Financial Control of Local Government (FCLG).

Objectives

The initial objectives of the projects were to assist the country in developing adequate systems for public financial management and control as well as for public internal audit, by identifying areas open for further improvements and by issuing recommendations to that effect.

Activities and outputs

3G5301: The field work was carried out during 2 weeks for evidence collecting and analysis by the Sigma peers at the Ministry of Finance and other institutions, with some of the peers only attending for one of the weeks depending on the topic to be covered.

Sigma prepared a Detailed Report on the peer's findings, together with relevant technical material. The report was subject to detailed contradiction and agreement by the Hungarian peers to ensure full understanding of the recommendations made. The peers made 2 final presentations to their Hungarian counterparts– one primarily for Internal Auditors, and another for financial managers and others. Sigma also prepared a short summary report. Both reports were widely distributed: the Detailed and Summary Reports for Hungary PIFC was circulated to all Ministries and many of the larger budget institutions; the summary report was distributed to the Parliament; all the reports and presentations were translated into Hungarian and a CD-ROM was prepared and distributed to help spread knowledge and understanding of the peer assistance work.

3G5302: Support and advice was then provided, at the request of the Ministry of Finance, to carry out activities that would assist and also monitor progress in implementing the peers' recommendations. 2 missions were organised in Hungary, but an accident to the Sigma project leader severely disrupted the activities. Not all the planned missions took place, and the pilot audit was not carried out. The main outputs consisted of mission and progress reports, material and papers on institutional risk management system, pilot audit information.

For these two projects, some missions were shortened or postponed due to shortage of finance at Sigma as a whole in period October 2003-May 2004.

Project results

The initial project objectives have been met. The recommendations of the peers were accepted by the Ministry of Finance which is implementing change via an action plan. Regulations concerning the operation and functions for the Government Control Office have been revised accepting Sigma advice. The GCO is being transformed through a change programme. The CHU developed a plan to implement changes and significant implementation activities are underway. The peer assistance projects helped the Ministry of Finance and their CHU achieve some good results in improving the Hungarian PIFC system. DG Budget found the detailed report and the ongoing support and monitoring activities useful for their own Chapter 28 negotiation purposes. Further Sigma support was requested by the Ministry for 2005-6 and this was recently been approved by the Commission.

POLAND - Peer Assistance and review for the PIFC and Internal Audit systems – 3K5301

Background and justification

Since 2002 Sigma, with the support of the European Commission has developed capacity and methods to carry out peer reviews of financial control systems. DG ELARG, DG Budget and Sigma agreed a plan to cover all the countries over a two year period. After a monitoring mission of DG-Budget, the Polish Ministry of Finance requested Sigma Peer Assistance for its Public Internal Financial Control (PIFC) and Internal Audit systems and procedures. The Polish Ministry had recently completed a policy paper on public internal financial control, in the framework of the accession chapter 28 (financial control). The outstanding issue was how to ensure progress on reform.

The peer review was planned to assess weaknesses in the existing PIFC and internal audit systems, notably to address problems and the gap between reality in the control and audit field in spending centres as against the newly adopted laws, regulations, or the intentions. The review focused on the arrangements for internal audit and covered arrangements and professional practice for internal auditors. Other key areas, like budgeting, were included in the scope of the review.

Objectives

The objectives were to assist the country in developing adequate systems for public financial management and control as well as for public internal audit, by identifying areas open for further improvements and by issuing recommendations to that effect.

Activities and outputs

The approach was similar to other peer PIFC exercises both in terms of team-building and in terms of methodologies. The project manager first carried out an exploratory and preparatory mission to Warsaw resulting in a letter explaining the general requirements of the review, followed by a comprehensive questionnaire. Two one-week field missions took place in June and July 2003, each of which concluded by an exit conference with key counterparts. In order to deliver quick results, the manager took the responsibility to draft short notes on the first findings with sketchy recommendations for immediate use. These outputs were thoroughly considered by the Ministry. After exchanges of drafts amongst peers and a coordination meeting in October 2003, the completed draft report was sent for comments and review to the Polish counterparts in mid-December 2003. The comments were received at the end of February 2004, and were handled so as to come to a consensus on the report's recommendations. The official final version of the report was sent in September 2004, so that a formal presentation of the report only took place in December 2004.

Results

The intended results were to get the recommendations endorsed by the Ministry of Finance. This was reached for most recommendations, as shown by the action plan attached to the Polish version of the peer review report. In addition to bringing routine technical inputs to the development of internal audit/financial control, and most specifically to the establishment of the PIFC Central Harmonisation function, the peer review provided the General Inspector for Internal Audit (GIA) with ideas and suggestions to strengthen his position within the Polish

administrative set-up, both inside and outside the Ministry of Finance, and give more status and authority to it.

It is possible to say that the report and possibly even more in first instance the post-mission interim notes had a significant impact on the status of PIFC in Poland. The Sigma input indeed raised awareness amongst decision-makers about the many issues to be addressed by the Ministry of Finance to get an operational financial control set up. In particular the resources allocated to the Financial Control and Internal Audit coordination service have been substantially increased, the institutional status and authority of the GIA were strengthened (direct reporting to the Ministry and authority over the Financial Control and Internal Audit coordination service). The recommendations made by Sigma on the CHU were practically integrally reproduced in the GIA strategy drafted during 2004. This covered notably and amongst other things:

- the reorganisation of the financial control and internal audit coordination department;
- the development and dissemination of methodological tools like standards for financial control and internal audit;
- the review of the training curricula;
- the improvement of the website;
- the development of the networking functions for both internal audit and financial control;
- the re-establishment of good working relations with the external audit (Supreme Chamber of Control) on the one hand, with the internal audit profession on the other hand (Polish institute of internal auditors).

POLAND - Civil Service Development – 3K4101

Background and justification

In a conference held in Warsaw at the end of October 2002 Sigma presented its views on the situation of the public administration and civil service in Poland and the degree of readiness for EU membership. The analysis was based on the 2002 Assessments and Sigma was critical of the situation. The EC Progress Report 2002, which drew on the Sigma assessment, stressed the necessity and importance of making the civil service less politicised and more professional. The Office of the Civil Service, the Civil Service Council and the School of Public Administration requested Sigma intervention to improve the Polish administration prior to entry.

As a first action it was agreed to hold an in depth discussion with the Civil Service Council in order to agree (or disagree) on the findings of the Sigma assessment and subsequently to design an action plan to address the most important and urgent issues. Among them there were several amendments to the current Law on Civil Service and a clearer training strategy. In addition, there had been significant political encroachment in the detailed management of the civil service which had led to re-politicisation of the civil service and reversed some of the progress towards professionalisation that had been previously made. Thus a further priority issue was to design/strengthen the mechanisms which isolate the civil service from political interference in its day to day management.

Objective

The project objectives were:

- A less politicised civil service with increased professionalism, both at state and sub-national government levels.
- Strengthened capacity of the Office of the Civil Service to effectively guarantee the above mentioned objective.
- Amendments to the civil service legislation in line with the first objective.
- Adopted training strategy that is supportive of these objectives.
- Development of a methodology and mechanism for self-evaluation by the Polish authorities of the progress made

Activities and outputs

The project was designed to provide sustained support over two years. Taking into account the delicate political situation with respect to civil service reform, and the consequent need to retain the capacity for responsive intervention, the nature of the support was not tightly specified.

The first action was a mission to Poland in January 2003 to participate in a meeting of the Council devoted to analysing the relevant sections of the Commission Regular Report and Sigma's assessment report and agreeing next steps. The meeting was followed by a press briefing in which Sigma participated, and by working meetings.

It was agreed that Sigma would co-operate in designing an operational training strategy for the civil service; and provide comments to the amendments to the Civil Service Law, which the Civil Service Office was preparing and which the Council had under discussion.

However, disagreements within the ruling coalition finally led to the Government stopping all further reform efforts. To foster public understanding and support for civil service reform, with consequent implications for politicians, the Polish Association for Public Administration Education in cooperation with the Civil Service Office organised a public conference on Professionalism in Public Administration and invited Sigma to make a presentation. This Conference took place in Warsaw on 30-31 May 2003. However the government took no further action and Sigma diverted resources to other uses.

Project results

The project intended results were

- Civil Service Law amended in line with EU standards;
- Management powers and practices of the Office of the Civil Service strengthened and bettered in keeping with the objectives of professionalism of the civil service;
- Training strategy adopted;
- Self-evaluation methods and capacity developed and established.

The results were not achieved during the time-span of the project. The early termination of the project was due to a lack of high level political will on the Polish side to carry through the reforms. However, the main actors have stayed in place and the current, but provisional, government has provided space in which some of the needed reforms could be pursued. The original analysis remains relevant. Sigma may be invited to participate in a renewed reform effort. Future reform depends on the results of the forthcoming elections.

SLOVAKIA - Peer assistance for the PIFC System – 3M5301 & 5302

Background and justification

This note covers two inter related projects: 1) the completion of the review stage of the PIFC peer assistance (3M5301); and 2) activities to assist and monitor implementation, by the Ministry of Finance, of the peer's recommendations (3M5302).

At the end of 2001 Sigma, with the support and assistance of the European Commission DG ELARG and DG Budget, Sigma developed a process and methods to carry out "peer assistance reviews" of PIFC public internal financial control systems. Commission services then provided Sigma with a 2 years plan listing first these countries most at risk for Accession Negotiation challenges.

The peer assistance was planned to assess weaknesses in the existing PIFC (including internal audit) systems, notably to address practical problems and the gap between reality and practice in spending centres. The assistance would raise awareness of the need to make changes to PIFC systems and arrangements and then support the implementation of the peers' recommendations. Following detailed discussions and analysis by Sigma, the review stage of the peer assistance in Slovakia focused on the arrangements for the operation of the CHU, internal audit, and financial control. Other key areas like: budgeting, accounting, procurement and treasury controls, and risk management were also specifically included in the scope of the review at the request of the Slovak peers.

Project objectives

The overall objective of these two projects was to assist the country in setting up and developing adequate systems for public financial management and control as well as for public internal audit, by identifying areas open for further improvements, increasing awareness of needed change, and by issuing recommendations to that effect.

Activities and outputs

The approach for Slovakia was similar to earlier PIFC peer assistance exercises both in terms of the approach and methodologies. For 3M5301, the project allowed for the completion of the PIFC report undertaken under previous project in 2002. The detailed and summary reports from the peers were formally presented, discussed and agreed with the Ministry of Finance's Central Harmonisation Unit (CHU). A Detailed Report was prepared by Sigma of the peer's findings, together with annexes of further information or relevant technical material. This was subject to contradiction by the Slovakian peers and discussions to ensure full understanding of the recommendations made. Sigma also prepared a short summary report. Both reports were expected to be widely distributed i.e. to all Ministries and many of the larger budget institutions. The peers made final presentations to their Slovakian peers – one primarily for Internal Auditors, and another for financial managers and others. All the reports and presentations were translated into Slovakian to assist, as much as possible, the wide spread of knowledge and understanding of the peer assistance work.

Support and advice was then provided through 3M5302, at the request of the Ministry of Finance, to carry out activities that would assist and also monitor progress in implementing the peers' recommendations through project 3M5302. In this project, activities comprised 4 missions of member state experts, agreement on planning arrangements to introduce accepted recommendations, follow up on accepted recommendations and gap filling, a final mission to

review progress in implementing change. Sigma acted as a reference point for the project counterparts, and as problems servers in order to coach, discuss and explain technical issues and transfer practical change management skills. It provided advice and support to Ministry of Finance, ad hoc technical training papers and comments, drafting of a project fiche for the twinning light on the Supreme Audit Office. Additional outputs included Risk Management transmission of risk management material and 1 short Sigma paper on this subject, Audit Needs Assessment and Audit Risk Assessment templates and processes.

Results

The Ministry of Finance has accepted the recommendations of the peers. A better awareness, understanding and commitment to the practical measures that were needed to make PIFC better have been achieved. The Detailed Report of the peers has been used as a framework for the activities of other technical assistance work. Well planned and methodical actions were put in place to have a structured and organised change process. The CHU has developed a plan to implement changes and significant implementation activities are underway. Implementation of the peers' recommendations is still ongoing and it is understood that the CHU will evaluate progress in implementing the recommendations in 2006. Both DG Budget and the EC Delegation in Bratislava have found the ongoing peer assistance helpful for monitoring practical progress in the PIFC area. Overall, the peer assistance projects have helped the Ministry of Finance and the CHU improve the Slovakian PIFC system. DG Budget found the detailed report and the ongoing monitoring useful for their own Ch 28 negotiation purposes.

ROMANIA – Public Administration Reform – 3L2101

Background and justification

In early 2003, when this project started, there was a consensus among all observers, donors and Sigma⁴¹ that Romania, both as candidate to the EU and as a country, needed to improve their cross-governmental systems of management. This project was designed at the joint request of the EC and Romanian authorities mainly to provide an *overarching fully flexible service* to be made available upon request concerning the overall area of governance and PAR. It was aimed in particular at framing all public administration reform efforts within a consistent overall strategic framework and approach. The project was also intended to promote vigorously the necessary collaboration between the key Romanian stakeholders of the PAR reform (e.g. between the Ministry of Public Administration (MoPA), the Civil Service National Agency (CSNA) and the National Institute of Administration (INA)).

The project was also meant to improve the technical assistance through donor coordination of similar activities. Special emphasis was put on the support to the programming, design and implementation of PHARE funded projects –or eligible to PHARE support- in the PAR field (both classical technical assistance and twinning projects).

Project objectives

The project objectives were set as follows:

- To contribute to the strengthening of an effective mechanism to develop, adopt, monitor and implement the needed PAR strategy.
- To respond flexibly to EC requests, in particular to ensure a global quality control of programming and substantive PHARE project documents;
- To ensure that the programming of all Sigma activities in Romania is consistent, complementary and mutually supportive with the one of the Phare projects and as far as possible with the programming of other donors projects;
- To facilitate the dialogue among donors.

Project activities and outputs

A wide range and variety of activities was organized in the framework of this project. Amongst others, Sigma commented the 2003 Civil Service Law, carried out surveys in various civil service areas, Sigma provided technical assistance and support to the preparation of PAR projects and multi-annual Phare programming documents, notably through a large number of missions to Romania as well as to Brussels. The multi-sectoral dimension of the project, which dealt sometimes with horizontal systems of governance required the maintenance of a broad network of Romanian and donors counterparts ranging from top decision makers to sectoral experts. Within Sigma, regular exchanges were developed between this project and the other Sigma projects active in Romania (especially the Civil Service and the Policy-making ones).

Regular, informal exchanges were organized with UK/DFID and/or WB experts in Paris, Brussels and Bucharest at the occasion of Sigma missions or through teleconference when

⁴¹ See Sigma assessments.

appropriate, most of the time with the participation of EC representatives. Sigma made a concrete proposal to facilitate the setting up of a database on the donors sponsored PAR projects. But for reasons having to do mainly with the lack of willingness of some of the key donors to co-operate to the setting up of such a database, this initiative has not materialized. Nevertheless, Sigma produced a synthesis of the recommendations of various donors, including the WB and DFID.

These activities were performed through missions in Brussels and Bucharest in 2003-2004, and a visit of a Romanian delegation to the OECD in Paris to discuss PA reforms and the provision of relevant support by Phare through the 2003 programming. Amongst others, outputs included notes on PAR strategy, policy-papers, project fiches, ToRs and programming documents for 2003.

Project results

The initial project objectives have been met. A technically reasonably good PAR strategy has been produced by Romania and adopted by the government. For the first time, governmental decisions on PAR matters have been made in inter-ministerial instances. A series of Project fiches in the PAR field have been produced by the Romanian Administration, adopted by the Romanian authorities and endorsed by the EC. The network of agents of changes, developed by the Central PAR Unit, has grown to the point where its membership was composed of representatives of both central and local administrations and where it became able to generate reform initiatives. The Central Reform Unit itself has developed both in terms of human resources (staff increase) and of statute.

Multi-annual programming documents have been commented by Sigma and adopted. Although the idea to circulate regularly hard updated information on PAR donors' projects had to be abandoned, fruitful informal and regular exchanges of information and analysis have taken place with donors leading sometimes to more convergent views on the orientation of the advice to be provided to Romania. Thanks to the work done with its network, this PAR project generated also ideas for a new projects and one of them materialized with the Parliament.

Sigma support was successfully provided to the setting up of coherent twinning assistance to PAR working with the Ministry of Public Administration on PAR, the success of the harmonization of the programming of activities with other donors (mainly with the WB and the DFID) was more limited. However, but interestingly, the answers received from the WB and the UK/DFID might be coloured by the fact that significant divergence of opinions sometimes occurred on the relevance of some PAR approaches in the Romanian context. However, maintaining a continuous dialogue on the substance of the reform permitted to avoid major inconsistencies or even to reach a total and consequently very fruitful consensus in some areas such as the policy-making area: the weight and authority gained by the diagnostic and the recommendations contained in the synthesis report produced by Sigma on the policy-making and legislative system was largely due to the consensus obtained from all donors. In turn, this consensus proved to be an asset when Sigma was asked in early 2005 to brief the new Prime minister on these matters.

ROMANIA – Strengthening the State Civil Service Management System – 3L 2401

Background and justification

This project was designed at the request of the National Agency for Civil Servants (NACS) in close liaison with the EC task managers in Brussels and the Delegation. In the autumn 2002, the civil service system was again identified as one area where support would be needed. The quality of the Civil Service (CS) legal framework, the CS management structure, CS training and remuneration systems needed to be improved so as to better meet the membership obligations of Romania to the EU.

Several international donors played a decisive role in the creation of the NACS. Certain experts promoted an “independent” CS management structure. Sigma expressed its view that the conditions of success in Romania for such a choice were not present: Romania was a country with a continental tradition of administration where the management of the CS is generally integrated in and under the direct responsibility of the government. The risk was high that institutional independence would lead to a weak and understaffed CS management structure suffering of a chronic deficit of authority vis à vis powerful ministries and agencies who could easily maintain the previous HRM system which gave them exclusive control over personnel actions and policies. Sigma’s concern proved to be right along the years. One of the main challenges of this project was therefore to take stock of the situation while supporting this reform in a realistic way by using every margins of manoeuvre to reach its objectives.

Project objectives

The project was designed:

- To improve the CS legal framework (i.e. both the primary and the secondary legislations);
- To redefine role and powers of the NACS and to strengthen its capacities to enforce the law and to manage the CS reform;
- To develop the basis of a new system of remuneration of civil servants;
- To develop a training strategy to be implemented by the Institute of National Administration (INA); and
- To identify needs for and facilitate PHARE assistance to the CS reform.

Project activities and outputs

It was first necessary to prepare a new draft civil service law and to reform the civil service management system as well as the salary scheme. The project was designed to support the CS reform and provide advice to the NACS as well as to the MoPA and the Institute of Public Administration (INA), as appropriate.

Support included direct advice on the content of policy proposals and holding of a series of working sessions on legal drafting. It also included intense consensus building and enlarging the political and social basis for the reform of the civil service. In this regard, Sigma staff and

external consultants had to contribute to press conferences, meetings with parliamentarians of several political persuasions, meetings with the main civil service trade union representatives, meetings in some of the *judets* councils (county or provincial councils) and even radio and TV programmes aimed at explaining and advocating the reform efforts as a way to show the commitment of the international community, especially the EU, to the Romanian effort to professionalise and depoliticise its civil service.

At the request of the EC, Sigma was also asked to contribute to meetings with donors active in this area, and to the design of future PHARE projects (e.g. by assisting the MoPA, the NACS and the INA to draft project fiches and ToRs).

Towards the end of its life, this project was asked by the EC to produce several institutional and policy diagnostics (namely on the NACS, on the INA and on the Young Professional Scheme (YPS)).

Like other projects (e.g. see PAR Project 3L2101), Sigma made a number of missions to Bucharest, worked at different levels of the decision making process i.e. (from top decision makers to experts), and used a range of different tools (e.g. informal or restricted meetings, training sessions, conference with donors, media) in a flexible way according to specific objectives and targets of the actions.

Overall, the project outputs included a wide range of documents such as position papers on different action plans and policy options; comments on draft legislation and strategies; various reports, diagnosis documents and comparative information.

Project results

Progress has been registered in all areas. The involvement of Sigma in designing a training strategy was marginal. Sigma only provided critical insight to the strategy proposals made by a Phare funded project to the Ministry of Public Administration (MoPA) and INA. Using the analysis and recommendations presented in its CS assessment reports, Sigma succeeded in generating interest from policy-makers. A new law on CS and on Code of Conduct has been passed. The administrative powers of the NACS were strengthened by this new Law and the legal basis for using adequate management tools improved. The salary system reform, however, remained unchanged. But in September 2005, the reform of the salary system has been retaken as a priority.

Human resource management tools: Progress were made, especially at the NACS level, for instance in the recruitment area. However, the implementation of these tools in the public administration suffered from a generalized lack of human resource management expertise across ministries and institutions as well as in the NACS.

Training strategy: A strategy was produced within a Phare funded project. The Young Professional Scheme made also significant progress, though serious concerns exist with regard to its practical impact on the Romanian public administration and civil service. However, the weak capacity of the INA remained a serious concern.

ROMANIA – Civil service development – 4L4102

Background and justification

This project is the continuation of the 3L2401 (see the corresponding project fiche). This project is to enable Sigma continuous assistance on the civil service reform, mainly to the NACS. This project is ongoing.

Project objectives

- To achieve a better salary scheme for the civil service;
- To improve the civil service legislation taking stock of the 2 years experience in implementing the civil services law;
- To develop HRM instruments and techniques;
- To strengthen the legal and managerial capacities of the NACS to prepare it to take over more responsibilities.

Project activities

The approach of this project is almost identical as the one used for project 3L2401, as it is a continuation of this latter. The Sigma has to promote co-operation among Romanian stakeholders, while keeping reforms on the right track for EU accession. With the support of the EC Delegation, Sigma has also to promote co-operation with donors, especially with the WB in the salary area; and to ensure the maximum of consistency with EC priorities.

Intended Results

- A good law on salaries of good quality;
- An amended CS legal framework taking into account the lessons learned from first implementation;
- Human Resources Management instruments developed and CSNA staff trained;
- A NACS better able and equipped to cope with enlarged responsibilities.

Actual outputs, results achieved, impact, sustainability (Not available since this project is on going project)

ROMANIA – Civil service development – 4L9201

Background and justification

In Romania, the capacity of the politico-administrative system, and in particular of the State Chancellery/Prime Minister's Office, needed to be reformed. Sigma produced a report synthesizing the recommendations of the main donors (EU, WB, DFID, other bi & multi lateral) on the organization of the work of Government. Consensus among donors on Sigma's analytical work enabled donors to concentrate and coordinate efforts on the main issues, and in particular on the necessity to reform the centre of Government (e.g. better commitment to reform from the top tier of the government, better organized decision-making, better capacities to translate political objectives into policies, better legislative capacities, etc.).

A few months before this project started, Sigma organized a mission by a Former French Prime Minister (and current Member of the European Parliament) who met on behalf of the EC with the (then) President of Romania, with the (then) Prime Minister, and finally with the (then) Minister of Foreign Affairs, who was seen by most observers as the likely future Prime Minister.

Project objectives

The objective was to contribute to the preparation of the newly appointed Prime Minister for his/her forthcoming mandate. In particular, the project aimed at convincing him/her of the necessity to reform the Prime Minister's Office and to devise ways to improve policy-design, policy implementation and general government coordination in order to prepare Romania for EU membership as of 2007.

By supporting this event, the EC Delegation also wanted to address a message to the leaders of both the future majority and opposition on the importance the EC accords to better governance in the Enlargement perspective.

Project activities

Sigma offered policy inputs to potential Prime Ministers from both the majority and the opposition before the elections. In itself, the fact of this offer was to both potential winning coalitions was important and new. It emphasized, across the political spectrum, the EU and donor's consensus on the need for better policy-making. Sigma worked closely with the EC Delegation during the preparation phase.

For different reasons, especially intensive consultation and coordination between different EC services in Brussels and in Bucharest, the project was not approved on time. It was therefore agreed to run the project as soon as possible after the election, as the Prime Minister was taking office.

The used methodology was a dialogue between peers. SIGMA identified one very senior peer (ex-Prime Minister of a member state), coming from the political sphere. The wealth of the peer's background enabled the project to cover the diverse aspects of the Prime Minister's functions. SIGMA ensured that the peer was given adequate exposure to the body of contextual knowledge of the policy-making and coordination functions within the Romanian Centre of Government.

Sigma organized a private meeting between the member state former prime-Minister and the Prime Minister of Romania in January 2005.

Project results

The project succeeded in enhancing the understanding and commitment of the Prime Minister for PAR in the perspective of Romania's accession to the EU. The Centre of Government was reorganized in the first quarter of 2005 with a clearer distinction between the State Chancellery (political cabinet) and the Secretariat general of Government (notary function).

After the private discussion, the Prime Minister of Romania requested the EC to mobilise Sigma follow-up support. It was envisaged to organise a series of equivalent sessions until accession, to devise an equivalent project for the Minister of Finance (same degree of horizontality -- the peers would have been former Ministers of Finance), to support the reorganisation of the Centre of Government (State Chancellery, Secretariat general of Government, etc.) and finally provide equivalent support to the management of European integration.

In practice, the draft PDS which covered the requested follow-up was approved in August 2005 after intensive intra-EC consultation and thorough discussion with Sigma. No follow up has yet taken place.

MULTI-COUNTRY – Assessment (PAR) – 3Z 6302

Background and justification

In the framework of the discussions with the EC Services on the Programme Outlines for 2003, it was decided that Sigma would carry out updates of the assessments of the civil service produced in 2003 for the ten CCs of Central and Eastern Europe.

Project objectives

The assessment reports were aimed at providing background information to the EC Services for the preparation of their Comprehensive Monitoring Report that determined the conditions for entry in May 2004 of eight CCs. For Romania and Bulgaria these assessments aimed at providing input to the Roadmap and facilitate the setting up and implementation of Phare projects, especially twinning in these countries.

Activities and outputs

Activities were: Agreement on Sigma baselines and their evaluation questions; use of civil service questionnaire for measuring professional capacities within ministries, government agencies and other sectoral institutions; cross-checking of factual information; cross-reading and calibration of all reports by Sigma experts to ensure consistency of content.

Outputs comprised assessment reports on public service in the 8 CCs, and assessment reports for Bulgaria and Romania, together with an overall summary.

Project results

The project initial objectives were met. Sigma collected updated information showing progress achieved since 2002 on civil service management. They identified areas of improvement, made recommendations and suggested next steps. The screening exercise analysed whether countries have developed the legal basis for civil service management, what are the recruitment and promotion procedures, whether ethic rules (i.e. integrity and impartiality) are implemented, how the salary system is organised, whether accountability exists, how civil services are organised and managed, and legality in administrative decisions. As a result Sigma produced eight comprehensive assessment reports on the acceding countries which provided input to the EC's Comprehensive Monitoring Report and individual Country Monitoring Reports. The reports for Romania and Bulgaria provided background information to the EC 2003 Regular Reports. The overall summary report concludes that Lithuania is slowly becoming a frontrunner in civil service and administrative reforms. Latvia is aware of the directions to be given to the reforms and is putting the adequate means in place, though it may take time to overcome certain difficulties that were created by inappropriate early reforms. Poland, Slovenia and Slovakia are making efforts, but are confronted with great difficulties that could lead these countries to some regression, mainly because of weak political backing for the reform processes. Estonia, Czech Republic and Hungary need to tackle civil service reforms in more resolute ways, as they are slowly lagging behind the rest of candidate countries when it comes to civil service professionalism.

Annex 4. Project sample - Results achieved

Intended results (as reported by the evaluation ToRs)	Project title and number	Key project results	Contribution to intended results	Type of result
(i) CC civil services attract, develop, retain and assign appropriately qualified personnel and that the legal control environment is effective; (ii) Sound and efficient use of national and EC funds through appropriate financial management and control, audit and public procurement; (iii) Bulgaria and Romania are able to take up twinning projects in cross-ministerial systems; (iv) Improved understanding of ethics and better regulation policy.	Bulgaria – Reforming the State Treasury (4 C 3201)	<ul style="list-style-type: none"> • The project gave strategic direction to the future structure and operations of the Bulgarian States Treasury; • The project gave strategic direction as to whether a Central Harmonisation Unit for FMC should be integrated into the State Treasury; • The project assisted the Bulgarian Authorities in defining the main outlines of the twinning project building up integrated State Treasury. 	Yes, direct contribution to intended result (ii).	<ul style="list-style-type: none"> • Sigma contributed to awareness raising on FMC amongst beneficiaries; • Sigma has been a catalyst for change and giving impetus and orientations to reforms; • Sigma has been a project facilitator by providing support to the preparation of a twinning project in the field.
	Estonia – Training in Public procurement for EDIS ISPA (3 E 7101)	<ul style="list-style-type: none"> • The project identified areas of Public Procurement requiring further improvement and immediate and medium term actions to be undertaken; • The project set orientations for other EC projects in the field. 	Yes, contribution, but more limited, to intended results (ii)	<ul style="list-style-type: none"> • Sigma contributed to awareness rising on FMC amongst beneficiaries.
	Hungary - Peer assistance review PIFC (3 G 5301) Hungary - Peer assistance review PIFC (3 G 5302)	<ul style="list-style-type: none"> • Peer recommendations resulted in a MoF action plan for change; • Regulations for the GCO have been revised accepting Sigma advice; • The CHU implemented changes; • DG Budget used the peer review for the negotiations with Hungary on Chapter 28 of the <i>acquis</i>. 	Yes, direct contribution to (ii)	<ul style="list-style-type: none"> • Sigma contributed to awareness raising on FMC amongst beneficiaries; • Sigma has been a catalyst for change and giving impetus and orientations to reforms; • Sigma has been a change facilitator through the provision of assistance for the implementation of the peer review recommendations.

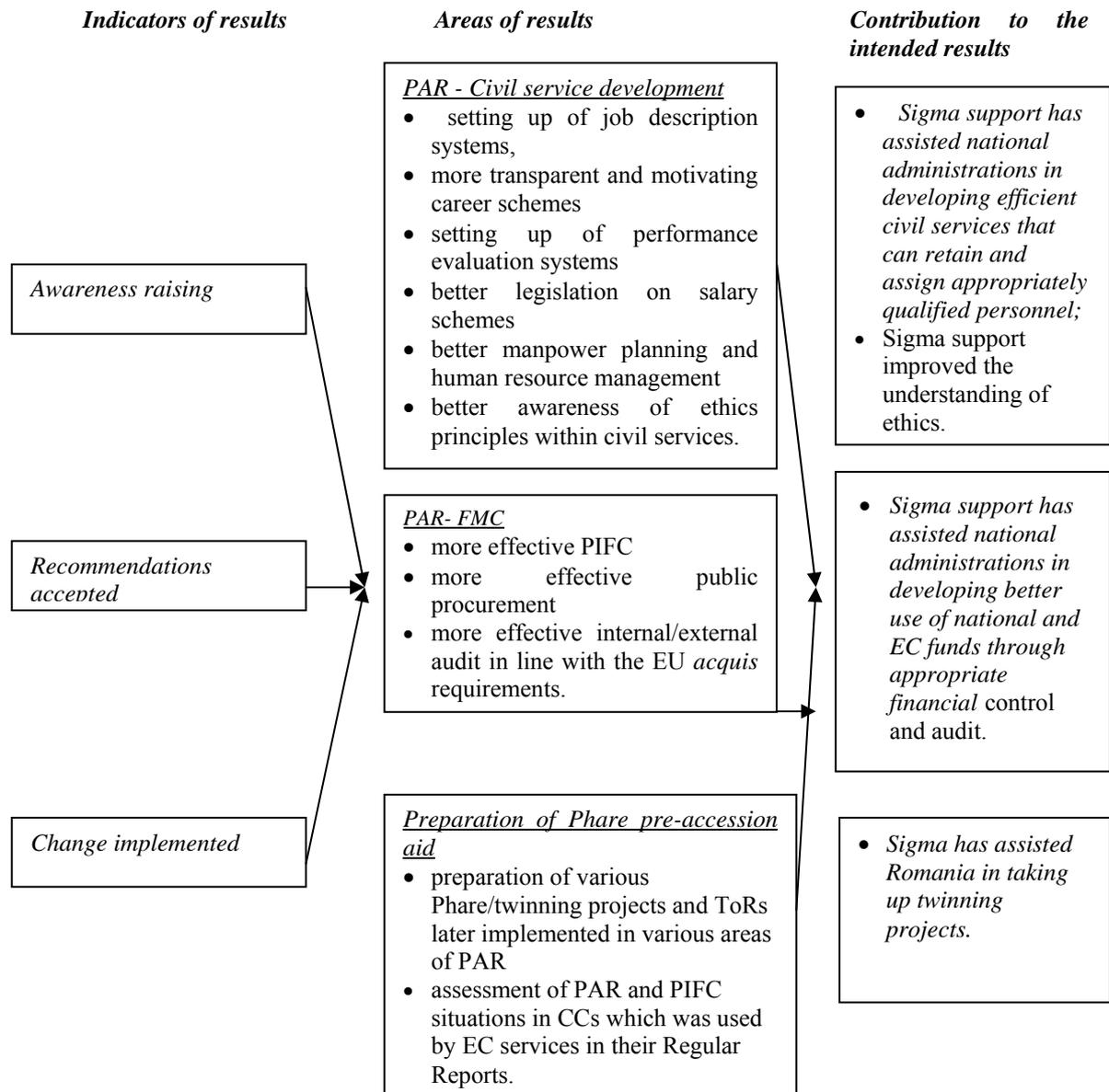
	Poland - Peer assistance review PIFC (3 K 5301)	<ul style="list-style-type: none"> • Awareness raising amongst decision-makers about the many issues to be addressed by the MoF to get an operational financial control set up; • the resources allocated to the Financial Control and Internal Audit coordination service have been substantially increased, and the institutional status and authority of the GIA were strengthened; • The recommendations made by Sigma on the CHU were integrally reproduced in the GIA strategy. 	Yes, direct contribution to (ii)	<ul style="list-style-type: none"> • Sigma contributed to awareness raising on FMC amongst beneficiaries; • Sigma has been a catalyst for change and giving impetus and orientations to reforms; • Sigma has been a change facilitator through the provision of assistance for the implementation of the peer review recommendations.
	Poland – Civil service development (3 K 4101)	Project results not achieved due to a lack of commitment from the beneficiary authorities to pursue reforms in the field along the lines suggested by Sigma	No immediate contribution to intended results; but the original input from Sigma remains relevant and Sigma may be invited to participate in a renewed reform effort.	Sigma contributed to awareness raising, even if it is to a limited extent, on CS reforms amongst beneficiaries;
	Slovakia - Peer assistance review PIFC (3 M 5301) Slovakia - Peer assistance review PIFC (3 M 5302)	<ul style="list-style-type: none"> • The MoF has accepted the recommendations of the Sigma peers; • The project achieved a better awareness, understanding and commitment to practical measures that were needed to make PIFC improve; • A twinning project on SAI activities was drafted; • - The CHU developed a plan to implement changes and significant activities are underway. 	Yes, direct contribution to intended result (ii).	<ul style="list-style-type: none"> • Sigma contributed to awareness raising on FMC amongst beneficiaries; • Sigma has been a catalyst for change and giving impetus and orientations to reforms; • Sigma has been a change facilitator through the provision of assistance for the implementation of the peer review recommendations. • Sigma has been a project facilitator by providing support to the preparation of a twinning project in the field.

	Romania- PAR (3 L 2101)	<p>- A reasonably good PAR strategy has been produced by the Romanian Authorities and adopted by the Romanian Government</p> <p>- For the first time, governmental decisions on PAR matters has been made in inter-ministerial instances;</p> <p>- Central Unit for PAR established;</p> <p>- Results more limited in the area of donors' coordination</p> <p>- Project Fiches on PAR produced by the Romanian Authorities;</p> <p>- Multi-annual programming in place for the Phare support 2003.</p> <p>- Central Reform Unit has developed in terms of human resources and statute.</p>	<p>Yes, direct contribution to PAR in a broad sense (including CS</p> <p>Direct contribution to (iii)</p>	<ul style="list-style-type: none"> • Sigma contributed to awareness raising on PAR amongst beneficiaries; • Sigma has been a catalyst for change and giving impetus and orientations to PAR reforms; • Sigma has been a change facilitator through the provision of assistance for the drafting of the new CS legislation. • -Sigma has been a project facilitator by providing support to the preparation of a twinning project in the field.
	Romania – Strengthening the State Civil Service Management System (3 L 2401)	<p>Progress made to various extents :</p> <ul style="list-style-type: none"> • in improving CS legal framework; • in redefining the role of the NACS and strengthening its capacities; • in developing the basis for a new salary scheme for civil servants; • in developing a training strategy for the INA; • in identifying needs and facilitate Phare assistance to CS reforms. <p>Project objectives not fully achieved notably due to local circumstances preventing the project from producing full effect (e.g. on the creation of a Young Professional Scheme; on the salary system, on the development of a training strategy).</p>	<p>Yes, contribution to (i), (iii) and (iv)</p>	<ul style="list-style-type: none"> • Sigma contributed to awareness raising on CS amongst beneficiaries; • Sigma has been a catalyst for change, even if to an extent more limited than initially planned.

	Romania – Civil service development (4L 4102)	N/A ⁴²	N/A	N/A
	Romania – Briefing the Prime Minister (4L 9201)	<ul style="list-style-type: none"> • Enhancement of the understanding and commitment of the Prime Minister for PAR in the prospective of Romania's accession to the EU; • The Centre of Government was re-organised in the first quarter of 2005 with a clearer distinction between the State Chancellery and the Secretariat General of Government. 	Yes, contribution to PAR in the broad sense at the highest level possible of the Romanian Administration	<ul style="list-style-type: none"> • Sigma contributed to awareness raising on PAR amongst beneficiaries; • Sigma has been a catalyst for change.
	Multi-country assessment PAR (3Z 6302)	<ul style="list-style-type: none"> • Project objectives achieved. • The project initial objectives were met. • 8 comprehensive assessment reports on the acceding countries which provided input to the EC's Comprehensive Monitoring Report and individual Country Monitoring Reports. • The reports for Romania and Bulgaria provided background information to the EC 2003 Regular Reports. 	No direct contribution to intended results, but information provided to the EC on these results as achieved by the CCs.	Sigma contributed to inform EC services on the PAR situations in the CCs.

⁴² Information not available since this project is no-going and a continuation of 3L 2401.

Figure 1. Sigma 2002 and 2004 programmes - Identification of results from the project sample



Annex 5. List of Documents

- Evaluation Terms of Reference
- Sigma 2002, Financing Memorandum
- Sigma 2004, Financing Memorandum
- OMAS Report R/ZZ/PAD/9701
- OMAS Report R/ZZ/PAD/99114
- EMS Report R/ZZ/PAD-Sigma/02.152
- Official Journal C 167, Court of Auditors, Special Report on twinning
- Sigma outline programmes 2003, 2004, 2005
- Sigma Candidate Countries Contract
- Sigma BURT Contract
- Various submissions by Sigma in the framework of the ex-post evaluation
- Financial information on the Sigma 2002 and 2004 Programmes
- BURT Quarterly reports
- Sigma baselines for EU Membership
- *Principes européens d'administration publique* (Documents Sigma n°27)
- Project Definition Sheets (for the projects included in the evaluation sample)
- Project material: reports, position and concept papers, mission reports, etc.
- Questionnaires to project beneficiaries

Annex 6. List of interviews

BELGIUM	EC, DG ELARG Mr Van Hamme, Task Manager Rue de la Loi 1049 Brussels – Belgium	Interview
FRANCE	SIGMA Mr B.Bonwitt, Ms J. Strang Paris La Défense France	Interviews, questionnaire
BULGARIA	Ms Gergana Beremska State Treasurer Ministry of Finance 102 Rakovski Str 1040 Sofia Bulgaria Tel: 00 359 2 9859 2490 email: G. Beremska@minfin.bg	Questionnaire
ESTONIA	Mr Klas Klaas Director International department Ministry of Finance klas.klaas@fin.ee phone +372 611 3514	Questionnaire
HUNGARY	Mr László PLATTNER Senior Adviser Central Harmonisation Unit Ministry of Finance Pf 48 H-1369 BUDAPEST Hungary Phone: 00 36 1 327 5972 Fax : 00 36 1 327 5608 Email : Laszlo.Plattner@pm.gov.hu	Questionnaire
POLAND	Ms Monica Kos, Ewa Krzyżewska– Kuran, acting director for international relations, Financial control and internal audit coordination department Tel 00 48 22 694 55 05 Fax 00 48 22 826 31 10 Ewa.Krzyzewska- Kuran@mofnet.gov.pl	Questionnaire
POLAND	Mr. Jan Pastwa Director, Office of the Civil Service Al. J. Ch. Szucha 2/4 00-582 Warsaw, Poland Tel. (+48 22) 694 7566 fax (+48 22) 694 7356 Email: jan_pastwa@usc.gov.pl http://www.usc.gov.pl/	Interview

ROMANIA	Ex Secretary of State of PAR: Mr Marius PROFIROIU Academy of Economic Studies Piata Romana nr 6 Sector 1 Bucharest Tel 00 40 72 13 73 101 or 00 40 21 335 46 53 or 00 40 21 319 19 00 ext 165 Email: mariusprofiroiu@yahoo.com	Interview
ROMANIA	Ex-SoS & ex-President of the CSNA & SoS: Mr Romeo POSTELNICU Secrtaire Generale Conseille Departemental Vrancea 1, Dimitrie Cantemir str, Focsani, Tel: 00 40 2 37 21 77 10 Email: contact@cjvrancea.ro	Interview
ROMANIA	EC Delegation in Bucharest: Mr Jonathan Scheele, Ms Elena Simina TANASESCU Ex Task manager for this project EC delegation 18 Jules Michelet street 1 st district Bucharest Tel 00 40 2 12 03 54 13 Fax 00 40 2 12 30 24 53 Email: Elena.TANASESCU@cec.eu.int	Interview
ROMANIA	NAC Ms Claudia Bedea Advisers Managing authority Claudia.Bedeas@mfinante.ro	Questionnaire
SLOVAKIA	Ms Dana Dyckova Director of the Central harmonisation Unit Ministry of Finance Stefanovicova 5 P.O. Box 82 810 05 Bratislava Slovak Republic Tel 00 421 2 5958 2313 Fax 00 421 2 5958 3151 ddyckova@mfsr.sk	Questionnaire
SLOVAKIA	NAC Mr Martin Orth Principal State Advisor, Aid Coordination unit martin.orth@government.gov.sk	Questionnaire