

Assessment of the Programme Development Approach

Final Report

November 2020

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Contents

List of abbreviations	i
Executive Summary	1
1. Introduction	6
1.1 Purpose and contents of the report.....	6
1.2 Subject and context of the study	6
1.3 Work undertaken.....	7
2. Efficiency and effectiveness of programme development	9
2.1 Time taken to develop programmes	9
2.2 Quality of programme design	16
2.3 Relationship between programme quality and number of programme areas	20
2.4 Relationship between inputs and quality	20
3. Elements influencing the development of programmes	23
3.1 Blue Book.....	23
3.2 Influence of MoU negotiation.....	23
3.3 Value of the building blocks / quality of interactions between the actors	28
3.4 Interactions with the EU institutions.....	36
4. Contribution of actors and organisational factors	38
4.1 Clarity of roles.....	38
4.2 Role of actors in Beneficiary States.....	39
4.3 Effect of FOs	41
4.4 Influence of IPOs and DPPs.....	43
4.5 FMO role	45
5. Future outlooks for programme development	47
5.1 Utility of the programme development approach	47
5.2 Quality at entry	48
5.3 Possible modifications.....	49
5.4 Added value and synergies compared to other programmes.....	52
6. Conclusions and recommendations	53
6.1 Conclusions.....	53
6.2 Recommendations	57

Annex 1: Quality assessment programme sample	59
Annex 2: Survey charts and tables	60
Annex 3: Case studies	97
Annex 4: Programme development theory	106
Annex 5: Benchmark case studies	116
Annex 6: Terms of Reference	123

Tables

Table 1 Types of stakeholder consulted	8
Table 2 Breakdown of the lead time analysis (non-ACF programme)	11
Table 3 Breakdown of the lead time analysis (ACF programme).....	11
Table 4 Dispersion of the sample.....	12
Table 5 Quality assessment sample	16
Table 6 Clarity of own organisation’s role in the programme development process	38
Table 7 Programme actors’ opinions on clarity of roles other than their own	38
Table 8 Sample of programmes for the quality assessment.....	59
Table 9 Sample of programmes for the in-depth programme development time analysis	97
Table 10 Time in days between non-ACF programmes’ measuring points	98
Table 11 Time in days between ACF programmes’ measuring points.....	98
Table 12 Comparison of ADF Grants against the EEA and Norway Grants.....	117
Table 13 Comparison of ERDF with the EEA and Norway Grants	121

Figures

Figure 1 Timelines for programme development (non-ACF programmes)	10
Figure 2 Timelines for programme development (ACF programmes).....	11
Figure 3 Overall programme development time	12
Figure 4 Distribution of programme development time values	13
Figure 5 Average Time taken across Beneficiary States	14
Figure 6 Average programme development time by host programme area.....	14
Figure 7 Relationship between programme development and number of programme areas	15
Figure 8 MoU to PA lead time relative to number of programme areas.....	15
Figure 9 Programme quality relative to number of programme areas covered	20
Figure 10 Programme quality relative to development time	22
Figure 11 Time taken from signing of the Regulations to completion of MoU negotiations	25
Figure 12 Time taken to develop programmes with/without DPPs/IPOs	43
Figure 13 Timelines for the development time analysis of the non-ACF programmes.....	99
Figure 14 Timelines for the development time analysis of the ACF programmes	99
Figure 15 Timeline of GR-HOMEAFFAIRS (FMO).....	100
Figure 16 Overview of programme development theory	107

List of abbreviations

ACF	Active Citizens Funds
ADB	Asian Development Bank
CN	Concept Note
CoE	Council of Europe
DPP	Donor Programme Partner
EEA	European Economic Area
EU	European Union
ERDF	European Regional Development Fund
ESIF	European Structural and Investment Funds
FRA	European Union Agency for Fundamental Rights
FM	Financial Mechanism
FMC	Financial Mechanism Committee
FMO	Financial Mechanism Office
FO	Fund Operator
IPO	International Partner Organisation
MoU	Memorandum of Understanding
NFP	National Focal Point
NGO	Non-Governmental Organisation
OECD	Organisation for Economic Co-operation and Development
PA	Programme Agreement
PIA	Programme Implementation Agreement
PAG	Programme Quality Assessment Grid
PDP	Pre-defined project
PO	Programme Operator
PP	Project Promoter
RBM	Results-Based Management
SC	Stakeholder Consultation
SI	Supplementary Information
SME	Small or medium-sized enterprises
ToR	Terms of Reference

Executive Summary

Context and subject of the assignment

The EEA Grants and Norway Grants are financial mechanisms that enable three of the EEA states – Norway, Iceland and Liechtenstein – to help reduce economic and social disparities in the EEA and to strengthen bilateral relations with 15 countries covered by the EU’s Cohesion Fund: Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia and Slovenia. A Financial Mechanism Office (FMO) is responsible for the day-to-day implementation of the Grants. For the 2009-2014 period, the Grants adopted a programme approach, whereby the Donor States and Beneficiary States agree the broad outline of thematic programmes, and the Beneficiary State authorities develop and manage the programmes. The approach was continued in 2014-2021, albeit with significant changes to the development process.

The programme development approach includes the following building blocks:

- Memorandum of Understanding (MoU) agreed between the Donor States and Beneficiary States that identifies the areas to be supported and the value of grant allocations to programmes.
- Appointment of Fund Operators (FOs): for programmes operated by the FMO, an FO is appointed to manage the programme, in some cases after a competitive call for tenders.
- Stakeholder consultation (SC): a face-to-face consultation of the key stakeholders for each programme regarding the needs and priorities.
- Concept Note (CN): a short document defining the justification, scope, main features and planned results of each programme.
- Programme (Implementation) Agreement (P(I)A): setting out the terms and conditions of the operation of the programme as well as the roles and responsibilities of the parties.

Purpose of the assignment

The purpose of this assignment has been to generate evidence on the efficiency and effectiveness of the programme development approach. This evidence may be used to strengthen the programme approach in future, by fostering learning and informing decisions on changes to the approach at policy and organisational level. The report presents an assessment of the programme development approach, including variations between how the programme development has been applied in practice against a theory of programme development, identification of strengths and weaknesses, implications of the programme development approach for the achievement of Grant objectives, and potential outlooks for programme development under future financial mechanisms. The research undertaken includes a documentary review, development time assessment, quality review of programmes, consultations of programme actors, online survey, and in-depth analysis of a sample of programmes.

Key findings

Overall, the programme development process appears to be effective in terms of producing programmes of high quality at entry. The MoUs are mostly seen as fit for purpose, whilst the CNs and PAs reviewed are thorough and comprehensive. Most, but not all, CNs and PAs exhibit high levels of quality regarding their strategic rationale, an adequately ordered hierarchy of objectives, outcomes and outputs, a clear allocation of resources, and clear outcome indicators.

There is scope to strengthen some elements of CNs and PAs. There is scope to make programmes' intervention logic more explicit, especially for programmes with more than two programme areas. In some programmes, this might also involve a narrowing of the focus. Baseline values for outcome indicators are often lacking. Some CNs lacked a strong needs analysis and/or a clear and strong strategic rationale.

The programme development process is not always efficient in terms of time taken. For the Active Citizens Fund (ACF) programmes, the average time from the appointment of FOs to the signature of PIAs was 12 months. For other programmes, the average time from MoU signature to PA approval was 21 months, which exceeds the 12-month time scale specified in the Regulation. In many countries, the late completion of negotiation of MoUs has delayed the start of the programme development process. Further delays during the process have then considerably reduced the time for programme implementation, ultimately increasing the risk of under-performance.

The individual building blocks are mostly effective, with each providing a strong basis for the next, but there may be a need to customise or streamline the process in some cases. The majority of programme actors was generally positive about the content and process of MoUs, Stakeholder Consultations, CNs and PAs. However, programme actors can have different expectations about the purpose of each building block, which can lead to delays. In some cases, the process might merit customisation or streamlining, for example, where the programme has a specific focus or where the budget is limited or where MoUs allocate most of the funding to PDPs.

The key elements influencing programme development have included the following:

- Early signing of MoU;
- Extent to which donors and Beneficiary State priorities been clear and aligned in the MoU, as well as clarity over the inclusion of PDPs or special concerns;
- Clear rationale and justification for the scope and focus of programmes;
- Clarity over the roles of NFPs and IPOs;
- Striking the right balance in Stakeholder Consultations between: i) allowing the stakeholders to shape the programme and maintaining the intended strategic direction; ii) allowing a wider number of stakeholders to contribute and having a manageable discussion focussed on the core issues at hand.
- Clarity in the leadership, purpose and focus of Stakeholder Consultations;
- Positive working relationships, most notably between FMO and PO, but also between NFP and PO;
- Experience of programme actors, particularly from the 2009-14 period;
- Expertise of POs and FOs in results-based management;
- Extent to which the FMO was able to ensure sufficient staff resources for particular programmes (i.e. handle competing demands on staff time) and reduce the adverse effects of staff turnover.

Most, but not all, programme actors are clear about their own role and that of other organisations. The 2014-21 period was not the first time that many programme actors had been involved in developing programmes. However, roles naturally required revision and updating for the new period and for many of the individuals within programme actor organisations it was the first time that they had personally been involved. Linked to this, programme actors' initial understanding of the results-based management approach or quality at entry has sometimes varied, implying a need for greater support at the outset. However, as explained below the role of IPOs and, to a lesser extent, NFPs was not always clear to all programme actors.

The timing, content and process of stakeholder consultations generally ensures appropriate involvement of most stakeholders, although there may be scope to increase the involvement of DPPs/IPOs. In some cases, it might also be beneficial to involve a wider set of stakeholders, such as potential project promoters or representatives of target groups. However, this might require the focus and scope of programmes to be more concretely defined in order to target the most appropriate stakeholders and potential project promoters. In other cases, stakeholder consultation could be streamlined, i.e. if the programme has a narrow focus or a limited budget.

There is potential for the Donor States to have a more structured and consistent engagement with the FMO before, during and after the MoU negotiation. It may be worthwhile to have a more systematic interaction between Donor States and FMO in respect of the likely technical dimension of any programmes. Following the signing of each MoU, there has been a hand-over from the Donor States to the FMO but this has not always covered all the technical details in sufficient depth. There would be benefits from a more structured and in-depth transition from the MoU negotiation to the programme development stage.

The FMO experienced some organisational challenges in developing multiple programmes in parallel at the same time as monitoring the previous programmes. These included the need to plan for changes in personnel, prioritisation and competing demands on time, and knowing what evidence the FMO should draw on when developing programmes. The impact of staff departures could be reduced by having a more systematic recording of decisions taken, reasons for decisions, state-of-play, etc. Overall, there may be benefit from one or more staff members having the responsibility to track the progress of programme development across all programmes, so that difficulties can be identified or the process modified.

The role of POs in programme development has generally been clear and effective but the role of NFPs in the programme development process has not always been clear. Whilst NFPs are required to sign PAs on behalf of Beneficiary States, it is not always clear how this responsibility should translate into a concrete role within the programme development process.

The involvement of DPPs/IPOs contributes to the effectiveness of programme development but has no discernible positive or negative impact on efficiency. There appears to be a consensus that involvement of DPPs/IPOs tends to strengthen quality of programme design and can facilitate the promotion of the Grants to potential donor project partners. Involving DPPs/IPOs in the programme development process does not appear to increase the burden associated with programme development or to increase or reduce the time taken to develop programmes. The list of tasks in the Regulations could be expanded to make explicit reference to advising on the preparation of the PA.

The IPO role was not clearly understood by all actors during the programme development process. Some difficulties were experienced and some IPOs reported that there had been a missed opportunity for them to enhance programme development. The IPO role in general (and the contractual provisions) could be clarified in advance of the next period, whilst the role of individual IPOs might be better clarified by a strategic dialogue between Donor States and IPOs.

There is a rationale for a different programme development process for ACF programmes. The distinctiveness of ACF programmes merits a different programme development process. Country-specific concerns for ACF programmes set out in the MoU could be treated as final and not requiring further donor approval. The requirement for a CN within the ACF programmes could be discontinued. Instead, the ToR for appointing FOs could be revised, so that selected bids include more of the content expected in the CN, which could then make the need for a CN redundant. Any remaining requirements not covered by the ToR could be incorporated into the PIA.

Recommendations

Programme design

1. Retain the focus on quality at entry, as this has resulted in high quality ex-ante.
2. Focus (some) future programmes on fewer programme areas and more tightly within programme areas, as a means of making the programme development process more efficient.
3. It is not recommended to propose programmes covering more than one programme area simply in order to reduce the total number of programmes.
4. The Blue Book should retain the current format and be updated to reflect donor priorities for the next period.

Programme development process (non-ACF programmes)

5. MoUs could specify in many (if not all) cases whether i) a stakeholder consultation is required; and ii) whether PDPs require to be appraised.
6. A separate document could be prepared by NFPs covering management and control systems for programmes in a Beneficiary State. This might replace some of the content in the CN or PA.
7. A wider range of options for the stakeholder consultation should be introduced (including no consultation or consultation only within specific PDPs) and described in the Results Guideline.
8. A CN might not be required for programmes receiving small amounts of funding and where the MoU commits much of the funding to PDPs. Donor States could agree to waive the requirement for a CN either in the MoU or separately after the signature of the MoU.
9. The requirements to provide the full results framework and full details on PDPs in the CN might be removed. Instead, the full results framework could be submitted within the draft PA. Where PDPs are to be the subject of a later project appraisal, less detail would be required in the CN.
10. The request for Supplementary Information could be discontinued and the relevant requirements incorporated into the Result Guideline and the PA template in a standardised way.

Programme development process (ACF programmes)

11. Country-specific concerns for ACF programmes set out in the MoU could be treated as final and without requiring further donor approval before the launch of calls for tenders to appoint FOs. This would enable the calls to be launched as soon as the MoU is signed, thus reducing the total programme development time
12. The requirement for a CN within the ACF programmes (and possibly other programmes operated by FOs) could be discontinued.
13. The request for additional information could be discontinued and the relevant requirements incorporated into the Civil Society Manual and the implementation plan template in a standardised way.

Donor States

14. The Donor States should consider a more systematic interaction with the FMO before or during the MoU negotiation.
15. The Donor States should consider a more structured and in-depth transition from the MoU negotiation to the programme development stage.
16. The Donor States should consider a strategic dialogue with any IPOs that they wish to involve in programmes, before or in parallel to the MoU negotiation.
17. The Donor States should clarify their requirements regarding content of the CN, i.e. whether some detail can be left to the PA.
18. The Donor States should clarify the intended role of the NFPs in the development process.
19. The Donor States should consider expanding the DPP and IPO role to include formal responsibility for advising on the PA (i.e. to be included in the next Regulation).

20. The Donor States should specify the possibilities (if any) for POs to appoint implementing agencies to fulfil various programme management responsibilities on their behalf and under their authority.

FMO

21. A group of staff within the FMO and Donor States could be allocated responsibility for monitoring the development of all programmes from MoU to P(l)A approval.
22. The FMO should anticipate and mitigate changes in personnel during the next programme development period, given the time-limited mandate of most FMO roles.
23. The FMO should ensure that there is a system for recording state-of-play, decisions taken and the reasons for decisions taken, for example, through GRACE or any successor.

Beneficiary States

24. In advance of developing the next generation of programmes, Beneficiary States should clarify the respective roles and responsibilities of NFPs and POs and how the relationship between them will function.
25. NFPs should ensure they have appropriate staff and effective processes in place to enable them to take a pro-active approach to planning and tracking the programme development process for programmes in their countries (for example, training for staff, guidance on management and control systems, etc.).
26. At the outset, POs should ensure they have the necessary expertise in development of results-based management (RBM).

1. Introduction

1.1 Purpose and contents of the report

The Centre for Strategy and Evaluation Services LLP (CSES) is pleased to present this Final Report for an “Assessment of the Programme Development Approach” for the Financial Mechanism Office (FMO), which is the Brussels-based secretariat for the EEA Grants and Norway Grants.

The report presents an assessment of the programme development approach based on all the research tasks undertaken (documentary review, a programme development time assessment, quality review of programmes, consultations of all types of programme actors, an online survey, and in-depth analysis of a sample of programmes).

The key elements are:

- Findings on the efficiency and effectiveness of programme development (Assessment Question 1)
- Findings on the elements influencing the development of programmes (Assessment Question 2)
- Findings on the contribution of actors and organisational factors (Assessment Question 3)
- Considerations on the future outlooks for programme development (Assessment Question 4)
- Conclusions and Recommendations.

1.2 Subject and context of the study

The EEA Grants and Norway Grants are financial mechanisms that enable the three EEA EFTA states – Norway, Iceland and Liechtenstein – to help reduce economic and social disparities in the EEA and to strengthen bilateral relations with 15 countries covered by the EU’s Cohesion Fund: Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia and Slovenia. The current Financial Mechanisms (FM), covering the years 2014-2021, were determined following negotiations between Norway, Iceland and Liechtenstein and the European Union and were formulated in a Decision of the Council of the European Union.

The EEA Grants are jointly financed by Iceland, Liechtenstein and Norway and are implemented under the terms of Protocol 38C on the EEA Financial Mechanism (2014-21), which serves as an annex to the Agreement between the EU, Iceland, the Principality of Liechtenstein and the Kingdom of Norway on an EEA Financial Mechanism 2014-2021.¹ The rules and procedures for the EEA Grants are contained in the EEA Grants Regulation, which was adopted by the EEA Financial Mechanism Committee pursuant to Article 10.5 of Protocol 38c.

The Norway Grants are financed entirely by Norway and are implemented under the terms of the Agreement between the Kingdom of Norway and the European Union on a Norwegian Financial Mechanism for the Period 2014-2021.² The rules and procedures for the Norway Grants are contained in the Norway Grants Regulation, which was adopted by the Norwegian Ministry of Foreign Affairs pursuant to Article 10.5 of the Agreement.

Decisions on which areas to prioritise are taken bilaterally through a Memorandum of Understanding (MoU). MoUs for the EEA Grants 2014-2021 have been agreed between the three donor countries

¹ <https://data.consilium.europa.eu/doc/document/ST-6956-2016-INIT/en/pdf>

² <https://data.consilium.europa.eu/doc/document/ST-6957-2016-INIT/en/pdf>

(acting collectively) and each of the Beneficiary States. MoUs for the Norway Grants 2014-21 are agreed between Norway and the Beneficiary States.

A National Focal Point (NFP) is responsible for the overall management of programmes in each Beneficiary State whilst Programme Operators (POs) develop and manage the programmes, often in co-operation with Donor Programme Partners (DPP) and/or International Partner Organisations (IPO). In some programmes, the FMO is entrusted with the PO role. In these cases, the implementation of the programme is performed by an external Fund Operator (FO) either selected through an open tender process or directly appointed by the FMO.

Article 1.3 of both the EEA Grants Regulation and the Norway Grants Regulation require all programmes and activities funded by the Financial Mechanisms to be based on the common values of respect for human dignity, freedom, democracy, equality, the rule of law and the respect for human rights, including the rights of persons belonging to minorities. They must follow the principles of good governance; they shall be participatory and inclusive, accountable, transparent, responsive, effective and efficient. MoUs also specify special concerns for individual programmes.

The implementation of the 2009-14 programmes generated a body of evidence regarding the programme development approach. Both the mid-term and the end-reviews of the 2009-14 period found that the programme approach had brought benefits. The mid-term review found that the programme approach had improved the efficiency and the potential effectiveness of the Grants, by enabling them to be targeted in a more strategic way, which was customised to the needs and priorities of each Beneficiary State. It also allowed the FMO to focus on strategic issues and avoid the workload associated with directly overseeing a large number of projects. The end review recommended the continuation of the programme approach, as it had enabled POs to give valuable support to projects and it introduced an important partnership dimension into implementation.

At the same time, the mid-term review and the end-review both highlighted difficulties related to the programme approach. The most significant was the length of time required for programmes to be approved and start operations. The mid-term review found that on average it took more than three years to negotiate the MoU, agree and approve programmes and launch the first projects. As a result, many projects did not start until 2014 or even later. Expenditure became back-loaded towards the end of the period, with a consequent risk to the fulfilment of objectives. The end-review identified some deficiencies in programme design, as well as instances of insufficient capacity or commitment on the part of POs. Moreover, the mid-term review found that the programme management arrangements had given donors cause for concern in some countries, resulting in temporary suspension of payments to Bulgaria, Greece and Hungary.

1.3 Work undertaken

Phase 1 (Inception) has consisted of:

- Kick-off meeting and consultations of the FMO's Reference Group and the Norwegian Ministry of Foreign Affairs on 10 March 2020.
- Review of literature on programme development.
- Consultation of high-level evaluation experts on the programme development theory.
- Workshop with FMO staff to test the theory and explore their experience of 2014-2020.
- Inception Report and client meeting.

Phase 2: (Implementation A) has consisted of:

- Analysis of GRACE data on programme approvals, e.g. the date sent to donor, date programme

approved and date of signature agreement for all programmes.

- Overall programme development time analysis covering all programmes, which has confirmed the time taken to fulfil each stage in the process and identified the measuring points.
- Quality assessment of the building blocks leading to the completion of the programme quality assessment grid (PAG) for a sample of 33 programme (see Annex One) covering: i) Strategic rationale: ii) Hierarchy of objectives: iii) Implementation mechanisms: iv) Allocation of resources.
- Online surveys of NFPs, POs, FOs, DPPs and IPOs. These have gathered data on the key actors' experience and informed opinions on the process and content of Memoranda of Understanding, Stakeholder Consultations, Concept Notes, Programme Agreements, the Blue Book and the overall programme development process.
- Intermediate report: based on the above tasks and which was discussed with the FMO and then revised in light of client comments.

Phase 3: (Implementation B) has consisted of:

- Consultations of FMO staff and donor representatives;
- Case studies of 12 programmes, allowing the quantitative findings from the programme development time analysis to be complemented by qualitative evidence;
- In-depth interviews of programme actors for the 12 programmes, including NFPs, POs, FOs, DPPs and IPOs;
- a case study of a comparable grant system;
- Verification consultations with the FMO and donor representatives to fill gaps or test findings;
- Final analysis and reporting, culminating in this Final Report.

Table 1 Types of stakeholder consulted

Type of stakeholder	Number of interviewees	Number of responses to the on-line survey
Donor representatives (Ministries of Foreign Affairs in Iceland, Liechtenstein, Norway)	6	N/A
Financial Mechanism Office (FMO)	18	N/A
National Focal Points (NFP)	5	11
Programme Operators	7	44
Fund Operators	3	17
Donor Programme Partners	12	20
International Partner Organisations	7	3
Experts in programme evaluation	3	N/A
TOTALS	61	85

NB: does not include workshops or steering group meetings.

2. Efficiency and effectiveness of programme development

This section focuses on two overarching issues:

- first, the efficiency and effectiveness of the process. This requires us to open the “black box” of the programme development process by examining the utility of each of the building blocks and the coherence of the overall framework of building blocks.
- second, the extent to which the approved programmes offered a robust basis to implement and monitor activity. This requires us to examine the “final product” of the programme development process, namely the approved programme documents.

2.1 Time taken to develop programmes

Assessment question: How efficient has the programme development process been in terms of time taken from the MoU negotiation to the signature of the first projects?

An overall analysis of programme development time has been undertaken and its results are presented in this section. The FMO provided relevant data on programme approvals, e.g. the date sent to donor, date programme approved and date of signature agreement for most programmes. The data was shared in form of a dataset³. At the time of analysis, Hungary had not started to develop its programmes. Based on the information supplied to us, some overview findings are provided in relation to the efficiency of the programme development process in terms of time taken from MoU negotiations to the signature of Programme Agreements - or first projects where applicable. This quantitative analysis complements and has informed the qualitative analysis of elements influencing the development of programmes (section 3) and the contribution of actors and organisational factors (section 4).

Given the availability of data regarding a large number of programmes, 90 programmes were retained for the overall development time analysis. Another 4 programmes were not retained due to their programme development not having been completed at the time of analysis. These four programmes were therefore excluded from the overall lead time analysis.⁴ Although the overall programme development time analysis does not provide in-depth insights as to the added-value of the programme development approach’s building blocks, it illustrates how efficient the programme development approach has been in terms of time taken since the launch of the 2014-2021 EEA and Norwegian Financial Mechanisms. Timelines (The timeline below was created as part of the overall programme development time analysis of 77 programmes other than the Active Citizen Fund (ACF) programmes. Since the MoU were signed at different times, programme development across the sample started at different times. However, the scale for all timelines starts on 28 May 2016 when Protocol 38C to the EEA Agreement and the Agreement with Norway were signed.

Figure 1 and Figure 2) were created to visually represent the time taken between each building blocks for the 90 programmes. The building blocks are:

- “MoU to Stakeholder”: signature of MoU to date of stakeholder consultation meeting;
- “Stakeholder to CN”: date of stakeholder consultation meeting to approval of Concept Note;
- “CN to PA”: date of approval of Concept Note to date of signature of Programme Agreements;

³ First provided in spring 2020 and updated on 6 October 2020

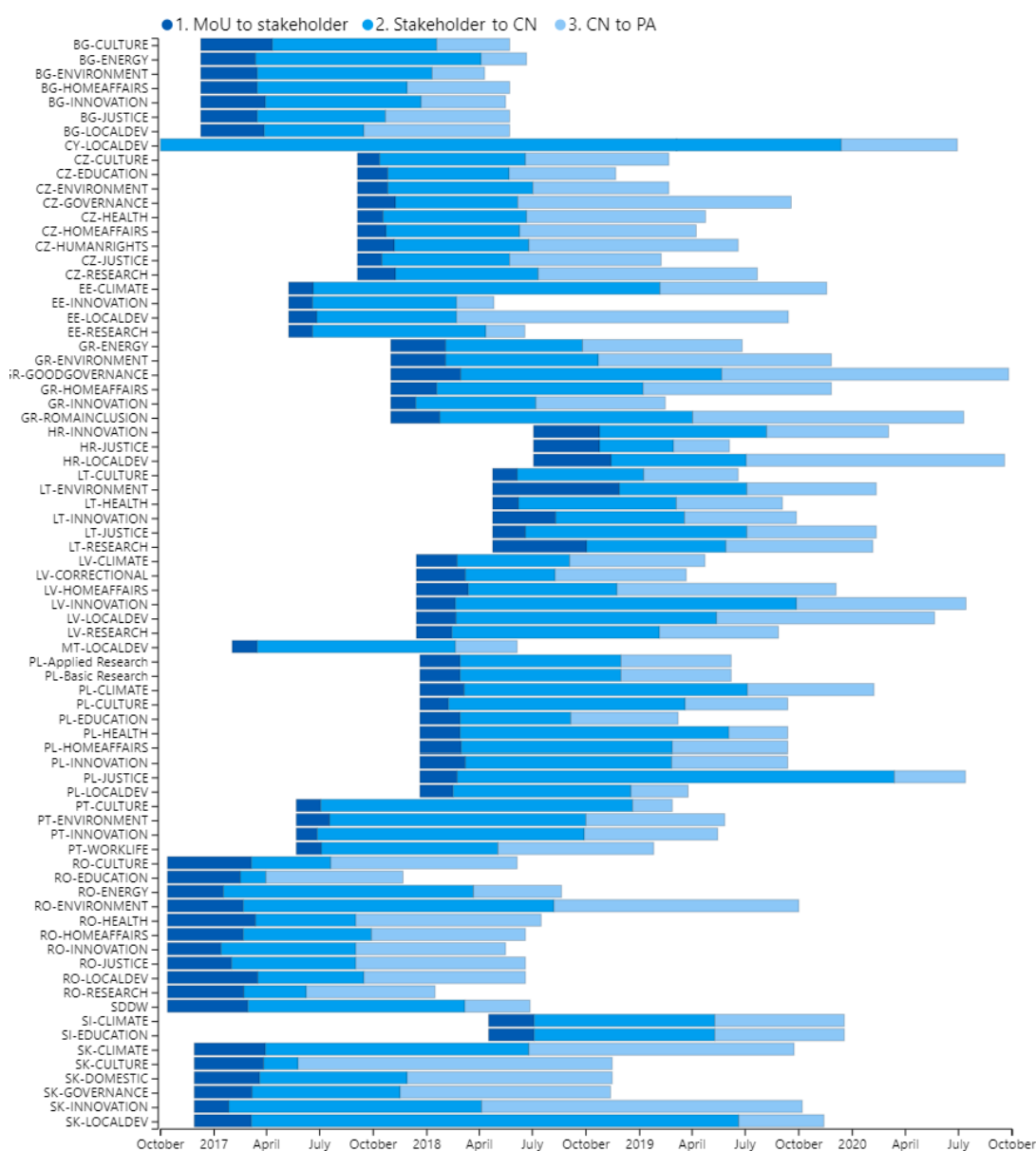
⁴ Programmes not retained are: HR-ENERGY, GR-LOCALDEV, CY-ACTIVECITIZENS, and CY-ACTIVECITIZENS PDPs

2. Efficiency and effectiveness of programme development

- “PA to Calls/PDPs”: date of approval of PA to date of launching calls or pre-defined projects.

The timeline below was created as part of the overall programme development time analysis of 77 programmes other than the Active Citizen Fund (ACF) programmes. Since the MoU were signed at different times, programme development across the sample started at different times. However, the scale for all timelines starts on 28 May 2016 when Protocol 38C to the EEA Agreement⁵ and the Agreement with Norway were signed.⁶

Figure 1 Timelines for programme development (non-ACF programmes)



The average time from MoU signature to PA approval across the 77 non-ACF programmes is 650 days (around 21 months). This is well over the anticipated time for programme development defined

⁵ Protocol 38C on the EEA Financial Mechanism (2014-2021)

⁶ Agreement between the European Union, Iceland, the Principality of Liechtenstein and the Kingdom of Norway on an EEA Financial Mechanism 2014-2021

in the Regulations, i.e. 12 months. Figure 1 above presents an overview of total time taken from MoU signature to PA approval across the 77 programmes analysed. Across the sample of non-ACF programmes, the average time between the end of MoU negotiations to the stakeholder consultation meeting was 2.8 months. The average time taken between stakeholder consultation meetings to CN approval was 10.1 months. The average length of time between Concept Note to Programme Agreement signatures was 8.4 months. Lastly, the average time taken after Programme Agreements were signed and the official start of programme implementation was 5.9 months. The table below provides a summary of the time taken between each phase of programme development for the 77 non-ACF programmes analysed.

Table 2 Breakdown of the lead time analysis (non-ACF programme)

Programme development phase	Time taken in months
T _{MoU to stakeholder consultation}	2.8
T _{Stakeholder consultation to CN}	10.1
T _{CN to PA}	8.4
T _{PA to Tcall text or PDP launch}	5.9

Figure 2 Timelines for programme development (ACF programmes)

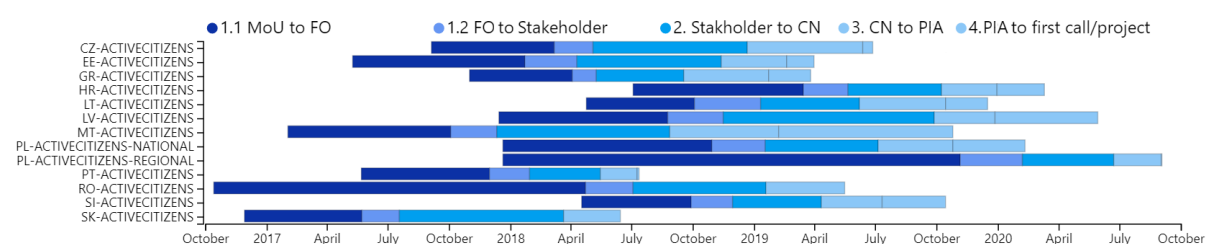
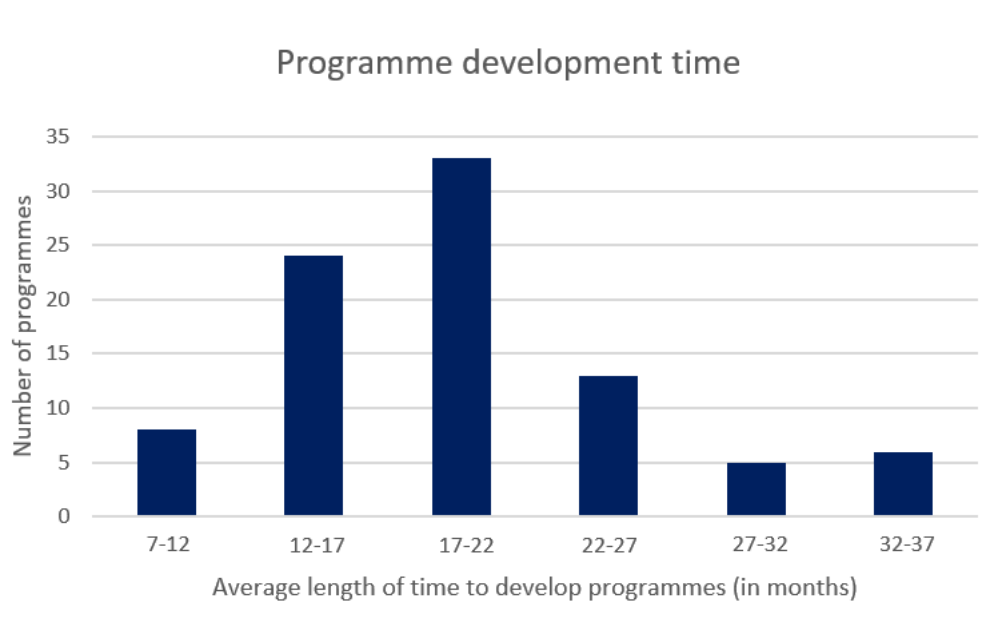


Figure 2 above presents the timelines for the 13 ACF programmes analysed. The average time from MoU signature to programme implementation (i.e. first call or PDP launched) is 708 days or around 23 months. **However, in the case of the ACF programmes, programme development effectively took place from the moment FOs were appointed and ended when PIAs were signed and took therefore took an average of 12.1 months.** Overall, ACF programmes took a much shorter time to develop compared to the non-ACF programmes (ACF programmes took on average 9 months less than non-ACF programmes). The average time taken between FO appointment to stakeholder consultation was 2.3 months while the average time from stakeholder consultation to the approval of CNs was 6.3 months. Lastly, the final phase of programme development, CN to PIA, took an average of 3.5 months to completion. A full breakdown of programme development is presented in the table (Table 2) below and provides a summary of the time taken between each phase of programme development for the 13 ACF programmes analysed.

Table 3 Breakdown of the lead time analysis (ACF programme)

Programme development phase	Time taken in months
T _{MoU to FO appointment}	9.0
T _{FO appointment to stakeholder meeting}	2.3
T _{stakeholder consultation to CN}	6.3
T _{CN to PIA}	3.5
T _{PIA to call text or PDP launch}	2.4

Figure 3 Overall programme development time



NB: for the sample of 90 programmes retained for the overall development time analysis.

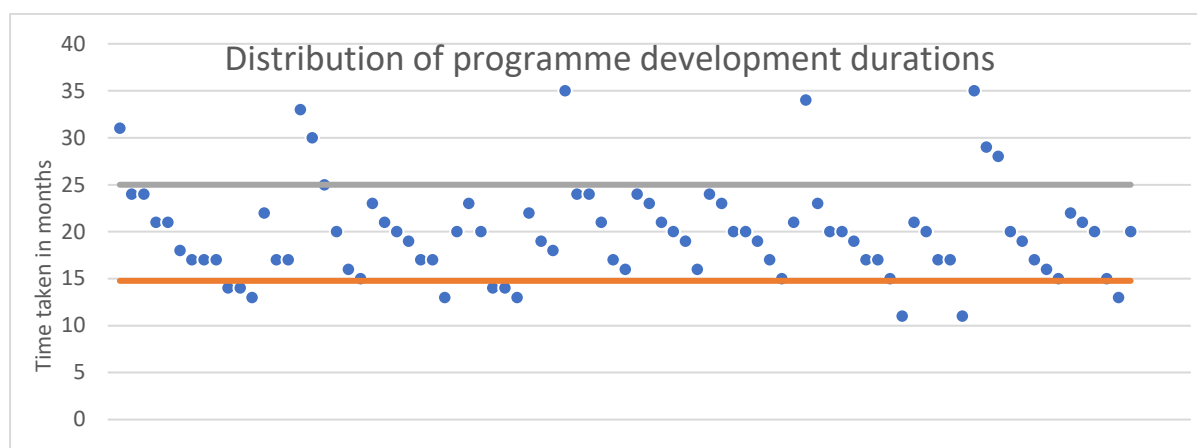
The mean programme duration and the standard deviation for total time taken have been calculated in order to provide insights as to the distribution of the set of values produced (see Table 4 and Figure 4). The standard deviation for the sample of 90 programmes is 6 indicating that there is a fair amount of disparity in terms of programme development times. In other words, some programmes took a long time to develop while others took a shorter time to develop resulting in important differences in terms of the length of programme development across the sample of programmes analysed. The statistical analysis has revealed that **60 of the programmes took between 14 and 25 months to develop** (see Figure 4 below). **15 programmes took longer than 25 months to develop**, namely, SK-CLIMATE, EE-CLIMATE, RO-ENVIRONMENT, SK-INNOVATION, SK-LOCALDEV, LV-LOCALDEV, GR-ROMAINCLUSION, HR-LOCALDEV, PL-JUSTICE, LV-INNOVATION, GR-HOMEAFFAIRS, GR-GOODGOVERNANCE, GR-ENVIRONMENT, PL-CLIMATE and EE-LOCALDEV. Conversely, **5 non-ACF programmes took less than 14 months to develop**, namely, LT-CULTURE, RO-EDUCATION, EE-INNOVATION, HR-JUSTICE and EE-RESEARCH, as well as the ACF programmes in Croatia, Estonia, Greece, Lithuania, Portugal, Romania, Slovakia, Slovenia and Poland.

Table 4 Dispersion of the sample

Statistical analysis	
mean programme duration	20.0 months
standard deviation (k=1)	6.0 months
inferior limit	15.5 months
superior limit	25.5 months

Figure 4 below presents a plotting of the programme duration data points with the inferior and superior limits calculated for the overall programme development time analysis. In other words, Figure 4 shows how programme development values (from MoU to PA/PIA) are spaced out across the sample. The lower limit represents the lower limit of the confidence interval while the upper limit is the upper limit of the confidence interval. The confidence interval of the range of values represents the range within which the majority of programme values are concentrated.

Figure 4 Distribution of programme development time values



A more detailed overall analysis of programme development time is now provided around the factors that might have had an impact regarding time taken. This analysis was conducted on the sample of 90 programmes for which data was available. Subsequently, several hypotheses have been formulated and tested. The findings are summarised below.

A lengthy development of the CN does not necessarily reduce the time required to develop the PA. Based on the dataset provided by the FMO, no correlation could be identified between the time taken to develop CNs and the time taken to develop PAs.

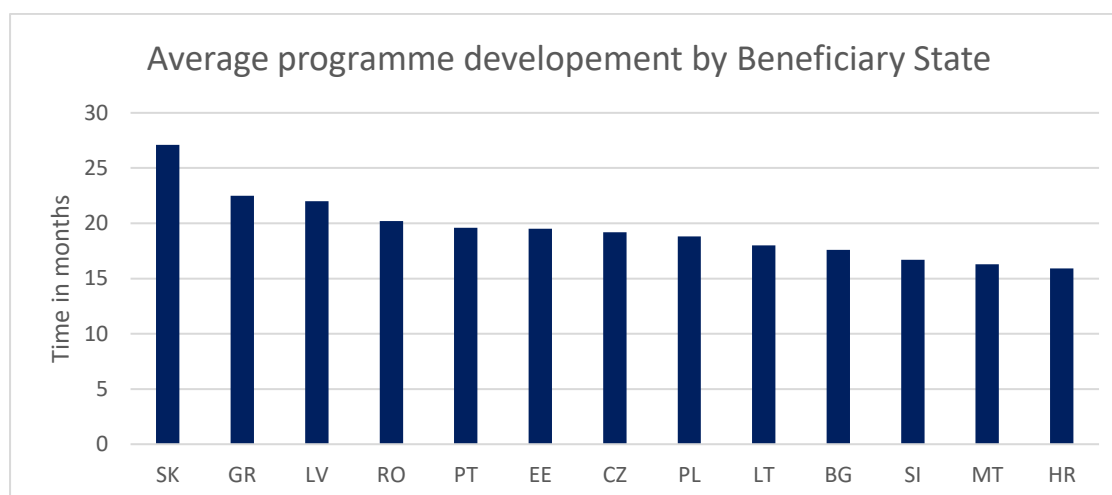
There is no correlation between the time taken to develop programmes and the time taken to start implementation. Analysis of MoU to PA times relative to PA to PDP/calls suggests there is no linear correlation across the 90 programmes.

A later MoU signature can lead to a shorter time to develop programmes in some cases. To test this hypothesis, a correlation analysis was undertaken. The analysis has revealed that it does in fact appear that on the whole Beneficiary States which had late MoU signatures were quicker to develop their programmes and that earlier MoU signatures has led, in some instances, to longer programme developments.

Therefore, MoU negotiation times appear to be one variable in the efficiency of programme development when considered in terms of time taken. Later MoU signatures may have reduced to some extent the length of time taken to develop programmes, but it is important to note that there are other important variables at play, which will need to be considered when considering the programme development approach as a whole. There are questions around why this is the case. One possible explanation could be that Beneficiary States that took longer to negotiate their MoU subsequently had a better idea of the programmes they would like to implement. A further possibility could be that the programme development process was expedited to compensate for late-starting or prolonged MoU negotiations.

There are some country differences in the time taken to develop programmes. In addition, an analysis of the overall time taken by Beneficiary State and programme area has also been produced to complement the programme development time analysis. The analysis of time taken by Beneficiary States (see Figure 5) indicates that some countries took longer than others. Countries that had a swift programme development process include Croatia and Bulgaria (under 16 months). Four countries have an average development time of over 20 months, namely Portugal, Estonia, Latvia, and Romania. Lastly, Slovakia took a significantly longer time to develop its programmes (over 27 months).

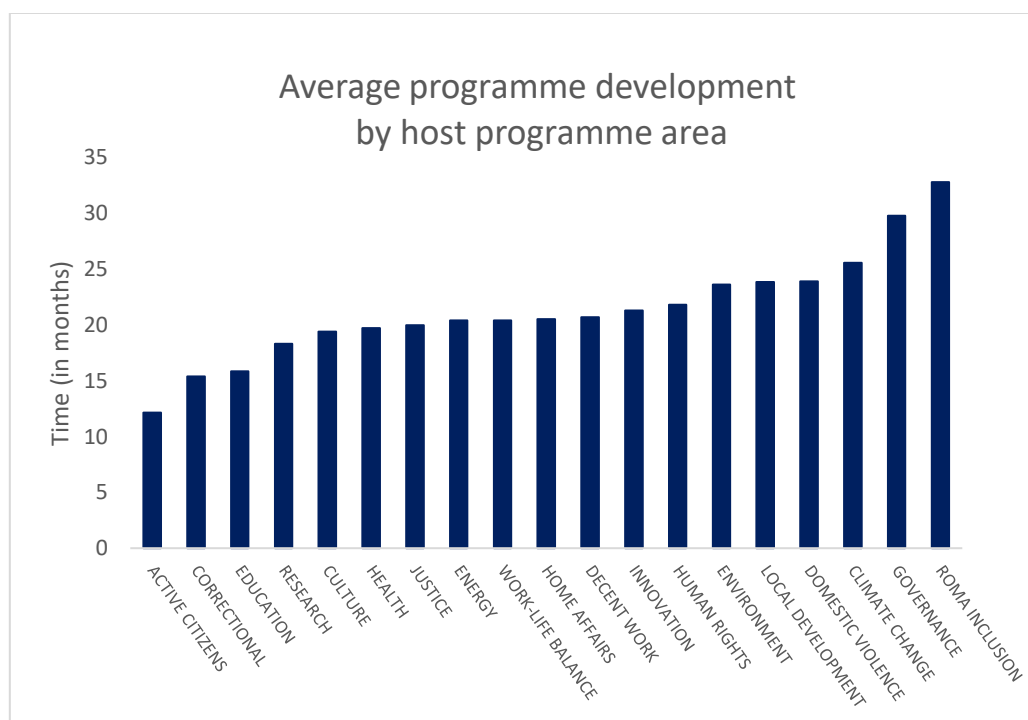
Figure 5 Average Time taken across Beneficiary States



Source: FMO data (October 2020)

There are important differences between programme areas in terms of time taken for programme development.⁷ Figure 6 (below) shows that Climate, Governance, Domestic and Gender Based Violence, Local Development and Human Rights programmes are among the longer development times, while Correctional, Education, Basic and Applied Research and Justice programmes among the shortest. Aside from the ACF programmes, the research for this assessment did not uncover sufficient evidence to allow explanation of the reasons for the differences by programme area. Programme development time is shorter for the ACF programmes as the process is different and much of the programme design (objectives, scope, target groups, etc.) is pre-defined at the outset.

Figure 6 Average programme development time by host programme area



Source: FMO data (October 2020)

⁷ The analysis provided here used host programme area as the classification criterion.

In most cases, programmes covering multiple programme areas do not take longer to start implementation. As shown in Figure 7 below, there seems to be limited correlation in general. However, the two programmes covering five or more programme areas took longer than the average, although they were not the longest. In addition, across the sample of 33 programmes, there is no correlation between the number of programme areas and the overall programme development lead time (i.e. MoU to PA). This is illustrated in Figure 8.

Figure 7 Relationship between programme development and number of programme areas

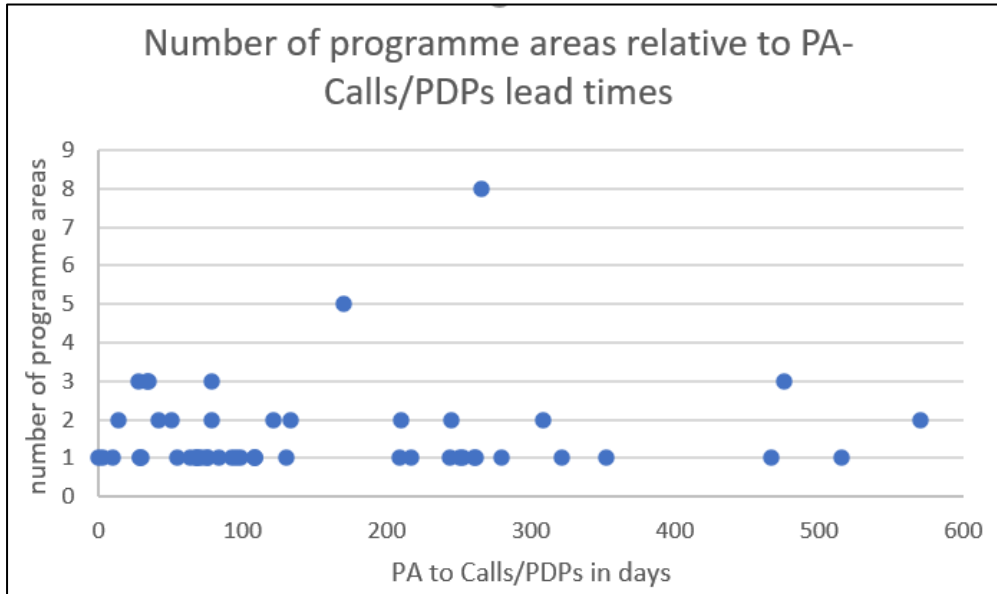
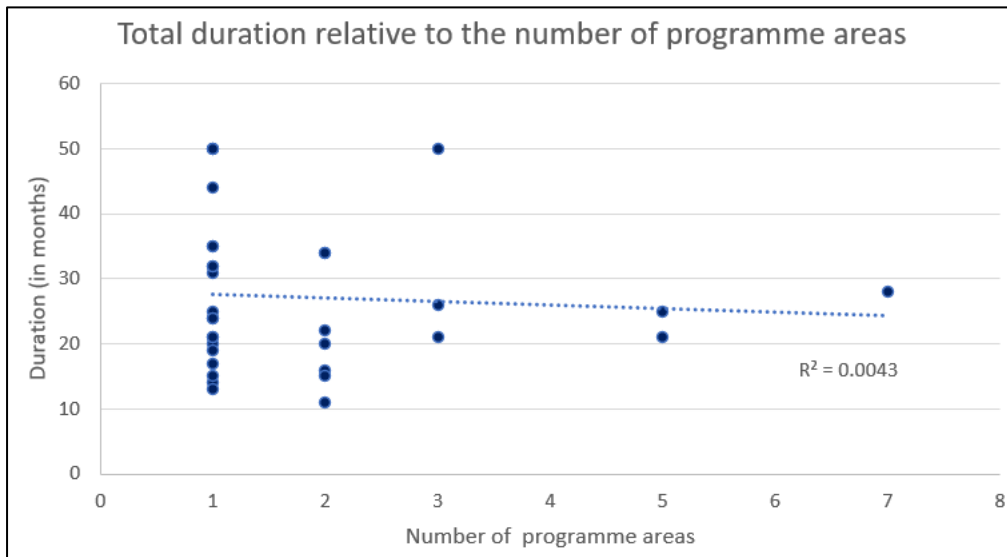


Figure 8 MoU to PA lead time relative to number of programme areas



NB: for the sample of 33 programmes retained for the quality assessment

2.2 Quality of programme design

Assessment question: To what extent has the overall framework of building blocks enabled the development of a high quality of programme design?

A quality assessment of a sample of 33 programmes developed during the current programme period has been undertaken. The sample was selected to provide a balance across Beneficiary States and priority sectors.⁸ The selection of programmes was based on a number of criteria and aimed to ensure a balanced and broadly representative sample:

- 15 programmes approved in a shorter time period (less than 16 months), 11 in a medium time period (16-22 months) and 7 in a longer time period (more than 24 months);
- At least 4 programmes from each priority sector;
- At least 4 Active Citizens Fund programmes;
- At least one programme from each Beneficiary State;
- A balance of programme areas;
- A balance of programmes covering multiple programme areas and programmes covering a single programme area;
- A mix of programmes assessed as operating well or not, based on the FMO's colour coding (yellow, light green, and dark green) in GRACE (noting the date on which the colour coding was applied).

The sample for the quality assessment is presented in Table 5 below.

Table 5 Quality assessment sample

Programme	Duration in months*	ACF	Size of grants	Number of Programme Areas	DPPs/IPOs
RO-ENVIRONMENT	Longest (35)	-	€ 20.0m	1 (PA13)	DPP
SK-INNOVATION	34	-	€ 20.0m	2 (PA01/03)	DPPs
RO-ACTIVECITIZENS	31*	Yes	€ 46.0m	1 (PA15)	-
EE-LOCALDEV	28	-	€ 18.0m	8 (PA4/6/8/9/10/14/16/22)	DPPs
PL-CLIMATE	26	-	€ 140.0m	3 (PA11/12/13)	DPPs
CZ-HUMANRIGHTS	21	-	€ 19.0m	3 (PA07/17/22)	IPOs
RO-HEALTH	21	-	€ 40.0m	1 (PA06)	DPPs
GR-HOMEAFFAIRS (FMO)	15	-	€ 16.5m	1 (PA18)	DPP
SI-ACTIVECITIZENS	14	Yes	€ 3.0m	1 (PA15)	-
PT-ACTIVECITIZENS	13	Yes	€ 11.0m	1 (PA15)	-
LT-CULTURE	13	-	€ 7m	1 (PA14)	DPPs
HR-JUSTICE	11	-	€ 13.0m	2 (PA19/21)	DPP/IPO
RO-LOCALDEV	25	-	€ 70.0m	5 (PA07/08/10/16/17)	DPP/IPOs
MT-LOCALDEV	25	-	€ 5.9m	1 (PA10)	-
BG-CULTURE	32	-	€ 10.0m	1 (PA14)	DPP
LV-INNOVATION	31	-	€ 12.5m	1 (PA01)	DPP
CY-LOCALDEV	15	-	€ 7.1m	2 (PA10/PA16)	-
GR-ROMAINCLUSION	33	-	€ 5.0m	1 (PA07)	IPO

⁸ Twelve of these 33 programmes were subsequently selected as the object of in-depth case-study analysis. See Annex 3.

2. Efficiency and effectiveness of programme development

Programme	Duration in months*	ACF	Size of grants	Number of Programme Areas	DPPs/IPOs
PL-ACTIVECITIZENS NATIONAL	25	Yes	€ 30.0m	1 (PA15)	-
RO-HOMEAFFAIRS	20	-	€ 24.0m	2 (PA20/23)	DPPs/IPOs
EE-CLIMATE	22	-	€ 6.0m	2 (PA11/13)	DPP
LT-ACTIVECITIZENS	13	Yes	€ 9.0m	1 (PA15)	
PL-LOCALDEV	16	-	€ 20.0m	2 (PA10/16)	DPP/IPO
BG-ENERGY	35	-	€ 28.0m	1 (PA12)	DPPs
HR-INNOVATION	20	-	€ 22.0m	1 (PA01)	
MT-ACTIVECITIZENS	32	Yes	€ 0.7m	1 (PA15)	
BG-ACTIVECITIZENS	19	Yes	€ 15.5m	1 (PA15)	
BG-ENVIRONMENT	34	-	€ 13.0m	2 (PA11/13)	DPP
LT-JUSTICE	21	-	€ 33.0m	5 (PA16/19/20/21/22)	DPPs/IPO
EE-RESEARCH	15	-	€ 7.1m	2 (PA02/03)	DPPs
CZ-GOVERNANCE	24	-	€ 5.0m	1 (PA16)	IPO
PL-JUSTICE	31	-	€ 70.0m	3 (PA19/21/22)	DPPs
LT-INNOVATION	17	-	€ 14.0m	1 (PA01)	DPP

NB: The durations were calculated on the basis of a dataset provided by the FMO on 4 June 2020.

* The development of RO-ACTIVECITIZENS was significantly prolonged due to the relaunch of its tendering procedure and is not representative of the usual time taken for programme development across the ACF programmes.

The quality assessment has involved a review of the programme documents relating to the building blocks namely the MoU, Concept Notes, and Programme Agreements. In the case of the selected ACF programmes, ToR, successful bids of Fund Operators and Programme Implementation Agreements were reviewed.⁹

The review of the 33 programmes has been carried out in a structured way informed by the quality assessment grid (PAG) for each programme. The PAG template is provided in Annex 4. It covers five steps:

- Step 1 – **Strategic rationale**: analysis of the problems and needs that a programme is intended to address and/or the opportunities and strengths that it would help develop within the Beneficiary State’s concerned priority sector.
- Step 2 – **Hierarchy of objectives**: making explicit the ‘logic of intervention’ through a structured set of hypotheses mapping out how a programme will achieve its objectives (i.e. intended outcomes) and contribute to the generic high-level programme objectives specified in MoU.
- Step 3 - **Implementation mechanisms**: defining decision points, responsibilities, actions, processes, activities, PDP and open calls, measures etc. required for implementing the programme and taking account of any conditions set by the Donor State either in the MoU or during the process of programme development.
- Step 4 - **Allocation of resources**: to programme areas or to specific elements within programmes (e.g. PDPs) to the extent necessary to achieve lower to mid-level objectives (i.e. expected outcomes) – and contribute to achieving higher-level objectives.
- Step 5 – **Inclusion of monitoring and reporting provisions**: setting up of a system to track implementation and progress towards outcomes.

⁹ The only building block not covered by this quality assessment was the stakeholder consultations.

The PAG draws on what could be considered good practice in programme development transposed to the context and constraints of the current EEA and Norway Grants programme development approach. The quality criteria applicable to the **results** of developing a programme have been informed through a desk review of programme documentation and are thus addressed in the quality assessment of the present report. The quality criteria applicable to the **process** of developing a programme were informed notably through interviews with programme partners as part of a more in-depth assessment and analysis.

A summary of the quality assessment findings is now provided below:

Most programmes exhibited high levels of quality regarding their strategic rationale. The majority of the CNs reviewed were well elaborated and contained detailed needs analyses and rationales regarding the issues programmes are seeking to address. Funding gaps, whether at the EU or national level, were identified and a strong case was proposed for programmes' added value notably with regard to certain target groups which are not readily able to access EU funding. For example, RO-HEALTH was designed to complement EU structural funds and target Roma populations where they were not already beneficiaries of EU structural funds. In addition, several CNs reviewed offered a comprehensive mapping of the baseline situation of programmes that were to be implemented. This included the results of and relevant insights from previous programmes, whether EEA and Norway Grants, or national and EU funded programmes. For instance, in the case of BG-ENVIRONMENT, one of the programme's PDPs was presented as directly building upon the results of past EEA Grants funded projects (in the context of the previous EEA Financial Mechanism 2009-2014). Many programmes also provided clear justification of policy alignment with other existing national and/or EU policies (e.g. BG-CULTURE and RO-HEALTH with the Europe 2020 strategy). For these programmes, the external coherence quality criteria were found to be of an appropriate standard.

In addition, in terms of process, some of the programmes' CNs and stakeholder consultation meeting documents reviewed indicated that relevant stakeholders contributed to identifying programme activities that were the most needed suggesting that needs analyses were carried out to an adequate standard of quality and inclusiveness.

However, a few exceptions were identified, e.g. EE-LOCADEV's Concept Note indicated that the programme's funding would complement existing EU funding but failed to specify any relevant funding gaps that could be addressed.

PDPs consistently lacked any justification underpinning their inclusion in MoU reviewed. However, analysis of survey responses has revealed that a majority of POs found PDPs to be justified and aligned with their programmes' objectives. Several Concept Notes provided retrospective justification for the inclusion of PDPs in MoU. However, interviews with FMO staff indicate that in some cases certain PDPs were not best adapted to achieve intended outcomes. Consequently, there may be scope for donors and Beneficiary States to provide more detailed justification for the inclusion of PDPs and attendant special concerns in MoU and in other documents to the FMO, POs and NFPs.

As regards hierarchy of objectives, outcomes and outputs, the documentary review indicated that most were all adequately ordered in the CNs and PAs reviewed. However, there may be scope to render the programmes' intervention logic more explicit especially for programmes with more than one programme area. Both the narratives and results frameworks provided in CNs could provide more robust intervention logics by ensuring assumptions between inputs, outputs and outcomes are more clearly articulated. This would allow all programme actors to improve the hierarchisation of objectives and outcomes and create a stronger basis for ensuring programmes bring about measurable change at the level of outcomes and objectives. Of the 33 selected programmes, 13 are composed of more than one programme area. In those cases, especially in the PAs and CNs of RO-LOCALDEV and EE-LOCALDEV, where a high number of programme areas were included, there is scope to improve the intervention logic to ensure that programmes with a high number of programme areas have sizeable

impacts. This finding is not specific to the LOCALDEV programmes but also applies to programmes with fewer programme areas such as RO-HEALTH for instance. This could be done by extracting all the explicit objectives and statements presented in the programmes' rationale/needs assessment that implicitly represent programmes' objectives and explaining the mechanisms that logically link programme activities to the main outcomes as defined in the Blue Book. These elements would then be mapped out, thereby providing a structured and visual analysis on which to assess the degree of internal coherence more easily. However, for programmes combining a large number of programme areas it may not be possible to develop strong intervention logics within the existing programme approach. If the decision is made to continue to combine large number of programme areas under specific programmes, a portfolio approach might be better suited.

The sustainability of programmes was also addressed in some Concept Notes reviewed. Several programmes provided measures to ensure their sustainability in their Concept Note such as CZ-HUMANRIGHTS, BG-CULTURE, LV-INNOVATION and BG-ENVIRONMENT. Other programmes did not mention any measures to ensure that the programmes' effects would continue even after funding has been stopped following the end of the current programme period. Programme sustainability is important to consider when ensuring quality at entry and therefore there may be some scope to consistently include this evaluation dimension in all programmes' CNs and PAs.

Regarding results management provision, output indicators were consistently found in Concept Notes and Programme Agreements. Virtually all outputs in the 33 programmes reviewed had dedicated and tailored indicators along with associated data collection methods clearly specified. Several programmes' output indicators had provision to disaggregate monitoring data by vulnerable groups, e.g. Roma populations. This provides an additional tool to ensure adequate monitoring of results in light of the grants overall objectives.

Outcome indicators were also consistently found in the CN and Programme (Implementation) Agreements reviewed. The outcomes for the programme reviewed all reflect high-level programme area objectives. Monitoring provision was found on GRACE, which has a system to track implementation and progress towards outcomes. However, little information regarding detailed monitoring provision was found in either the CNs or PAs. Roles regarding monitoring modalities were loosely defined and there may be scope to further formalise how evaluations of programmes will take place by going further than only addressing monitoring and reporting concerns.

However, several outcome baseline values were often zero or not yet specified at the time of our review. In some cases, it seems that baseline values could have been added. In other cases, the absence of baseline values was due to the fact that project promoters had not yet been appointed. However, it would be useful to consistently include more baseline data in the programmes' results frameworks drawing on national evidence and other evidence from programme operators where possible while minimising any adverse effects on the efficiency of the process of developing programmes. This would ensure that the programmes' outcomes could be more easily assessed.

Resources were always clearly allocated in the MoU, CNs and PAs reviewed. The full break down of funds is provided in CNs and PAs. For some programmes (e.g. CZ-HUMANRIGHTS, BG-ENVIRONMENT) the tentative budgets presented in the CNs were found to be highly consistent with the final fund allocation in their subsequent PAs. The Bluebook indicates that Concept Notes' proposed fund allocation are only tentative budgets, given that CNs are at an intermediate stage of the programme development process. For other programmes, such as LT-JUSTICE, RO-ENVIRONMENT, RO-HEALTH, the overall fund allocation was found to be consistent, but the detailed budgeted breakdown was found to have been amended in PAs. However, it should be noted that outcomes and PDPs/calls all had detailed fund allocation, but a detailed allocation by output was not identified.

Implementation modalities were found to be adequately detailed, however there may be scope to increase the level of detail regarding eligibility of applicants for open calls. Eligibility criteria

regarding PDPs were for the most part assessed to be sufficiently detailed. However, eligibility of applicants for open calls were not always found to be presented with an adequate level of detail. For example, in the case of BG-ENVIRONMENT, the Programme Agreement only states that applicants for open calls would be selected in accordance with Article 7.2.2 of the Regulations. The inadequate level of detail regarding eligibility of applicants was described as creating hurdles in the later stages of programme development and early stages of programme implementation by some programme actors interviewed as part of the present assessment.

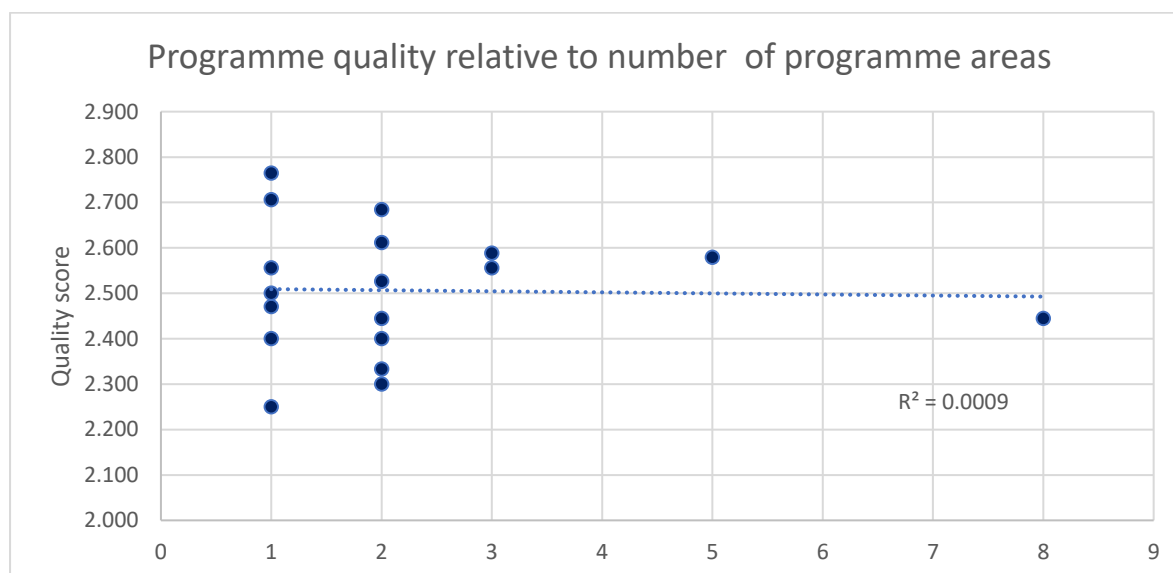
Overall, the documentary review of the 33 selected programmes deliverables revealed that the deliverables of the programme development approach were of a high quality and fully compliant with the Regulation of the EEA and Norway Grants.

2.3 Relationship between programme quality and number of programme areas

Assessment question: What has been the relationship between the complexity of programmes (in terms of diversity of programme areas covered, number of outcomes and number and type of institutions and stakeholders involved) and the quality of their design?

The question of whether there is a relationship between programme quality and the number of programme areas was also explored. To that end, a quality score was developed for the programmes reviewed. A scale of 1 to 3 was adopted and subsequently informed our analysis to determine whether there are any patterns (see Figure 9 below). The analysis suggests no significant association between programme quality and the number of programme areas covered. Some of the programmes reviewed with one and two programme areas had lower scores than programmes with three or more programme areas. In addition, it is important to note that none of the programmes reviewed had a significantly low score (i.e. under 2) confirming the findings of the documentary review.

Figure 9 Programme quality relative to number of programme areas covered



2.4 Relationship between inputs and quality

Assessment question: What has been the efficiency-quality ratio of programme development, meaning the balance between the resources to ensure 'quality at entry' in the programme design?

and the effect on the quality and the timeliness of the (start-up of the) implementation of programmes?

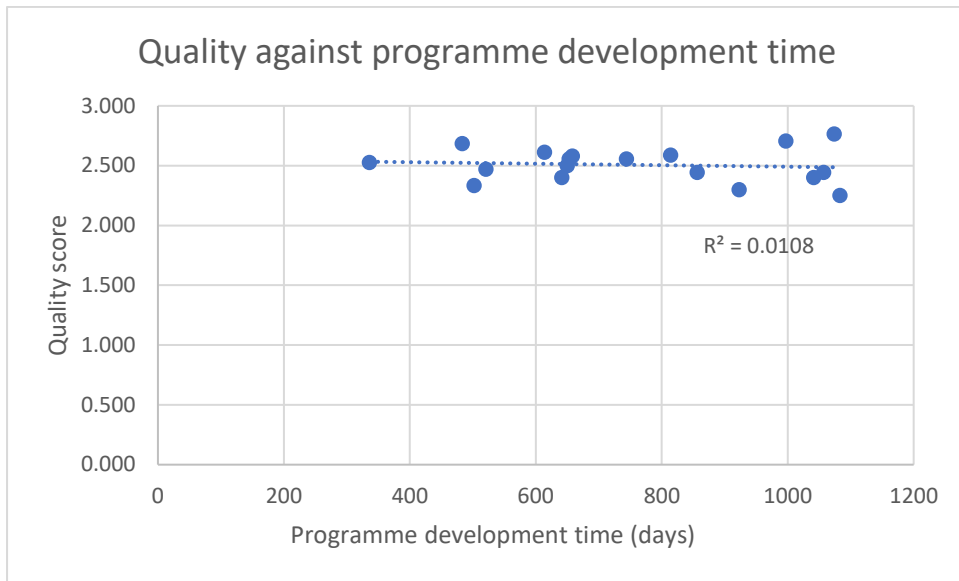
The programme actors could not have been expected to keep detailed data on the resources invested in the programme development process and, indeed, such data is not available. The main resource expended in programme development is the time of staff from the relevant programme actors. Most staff had responsibilities that went beyond programme development, including other responsibilities within the EEA/Norway Grants (e.g. monitoring or implementing programmes from the previous period that were in operation at that time). Some staff of NFPs, POs, FOs, DPPs and IPOs also had responsibilities outside the EEA/Norway Grants. For that reason, the ratio of resources invested to level of quality cannot be calculated. Instead, some reflections are offered on the basis of qualitative evidence emerging from the interviews and qualitative responses to questions in the on-line surveys.

The level of resources required to ensure quality at entry appears to vary widely between programmes. In some programmes, the priorities of Donor States and Beneficiary States were both clear and aligned, in some cases, on a relatively specific or narrow sphere of intervention. Stakeholder consultations may have added value to what was proposed, but were not required to establish the basic priorities, planned activities and intended effects. In such cases, the level of resources required for programme development (on the part of Donor States and Beneficiary States) was relatively modest. In some other cases, Donor States' and Beneficiary States' priorities were not closely aligned and the intervention logic was not clear. In those cases, more resources were typically required for drafting proposals, receiving stakeholder inputs, and discussions between the FMO and the Beneficiary States and between the FMO and Donor States.

Linked to this, late finalisation of programmes did not generally reflect any failure to invest resources in programme development, although in some cases bottlenecks were experienced. Programmes that were agreed earlier typically required fewer resources to be invested, for example, with fewer draft versions of CNs and PAs (or less time needed to revise each draft) or fewer/shorter discussions between the relevant actors. This reflects the previous point that the level of resources required to ensure quality at entry appears to vary widely between programmes. It is therefore not the case that simply investing more resources more quickly at the outset would have speeded up the development process for all programmes. However, there were instances of bottlenecks being reported, with some actors seeming to be slow to respond. This was more often suggested by POs in relation to the FMO (see section 4.5 below).

The programme development process generally continued until programme quality was raised to an acceptable level. The data does not suggest any correlation between programme quality and the time taken to develop programmes or the date of signature. As shown in the figure below, programmes that took a long time to develop could have either high or low quality relative to other programmes. In line with the two previous points, the interviews seem to suggest that a lengthy programme development process tends to require more resources but that this reflects inherent issues with the programme (e.g. weak alignment of priorities of Donor States and Beneficiary States).

Figure 10 Programme quality relative to development time



3. Elements influencing the development of programmes

This section considers two main things.

- Policy elements: whether the programmes have been positively influenced by policy priorities, such as those of the Blue Book (which reflect, amongst other things, priorities of the Donor States), Beneficiary States (e.g. as stated in national policy documents), the Memoranda of Understanding, or by EU policies (through interactions with EU bodies, such as the Commission) and whether there were differences by sector.
- Formal process elements: stakeholder consultation, concept note, programme agreement, as well as the tendering and bidding stage in the case of ACF programmes, etc. Here, the question is whether these formal steps allow the different parties to fulfil their own objectives and to interact effectively, so that programme development came to a successful conclusion.

3.1 Blue Book

Assessment question: What has been the effect of the Blue Book and its content on the programme development process, and what has been its influence on the selection of programme outcomes and outputs and the overall quality of programme design?

The Blue Book presents the five priority sectors and the 23 programme areas that are eligible for support during the 2014-21 period. These are as stated in Protocol 38C between the Donor States and the EU and the Agreement with Norway. For each programme area, it defines: i) the objective to which a programme must contribute; ii) the thematic areas eligible for support; iii) the programme area specifics to be adhered to within the programmes; and iv) any bilateral interests related to the programme area. The Blue Book was subject to broad public consultation before being adopted by the donors. In this way, it has fundamentally shaped the development of programmes.

The Blue Book is considered a valued resource in the development of the programmes by the majority of programme actors. More than two-thirds (68%) found it fairly or very helpful. Only 6% did not find it useful at all. These findings are supported by the interviews. FMO staff and DPPs appreciated the Blue Book as a statement of donor priorities, whilst POs were generally able to work within the parameters of the Blue Book to develop programmes in line with their priorities. These findings were supported by the interviews with a strong consensus amongst programme actors regarding the value of the Blue Book.

The Blue Book was available in good time according to 84% of the stakeholder organisations. Some 6% reported that it was available too late. DPPs/IPOs were most affected, with 27% of them reporting that the Blue Book was available too late.

There may be scope to make the Blue Book more detailed. Although three quarters of POs and DPPs/IPOs found it contained the right level of detailed, one quarter of each of these two types of programme actors considered that in respect to their specific needs the Blue Book contained too little detail.

3.2 Influence of MoU negotiation

Assessment question: How has the MoU negotiation phase affected the timeline and quality of programme design (concept note and programme agreement) and on the programme development process more generally?

3.2.1 Background

The Memoranda of Understanding (MoU) for the EEA FM 2014-21 were agreed between the three donor countries (acting collectively) and each of the Beneficiary States except Hungary, whilst the MoU for the Norwegian FM were agreed between Norway and the Beneficiary States except Hungary.¹⁰ The MoU identifies the programme areas to be funded and sets out how the allocation from the EEA and Norway Grants to the specific Beneficiary State is divided between programmes. The MoU tailors the support to each Beneficiary State's needs, aims, special concerns and capacities, as well as to bilateral interests shared by (a) Donor State(s) and a Beneficiary State. The MoU describes the management arrangements, including cooperation with the donor partners and international partner organisations, and in some cases includes pre-defined projects. The MoU is a political negotiation not usually involving the POs, DPPs and IPOs, although NFPs typically lead or are involved. In some cases, the FMO also arranged expert talks during the MoU negotiation process in order to discover the needs and common interest, particularly in relation to the fields of justice, environment and climate change, and in relation to Roma.

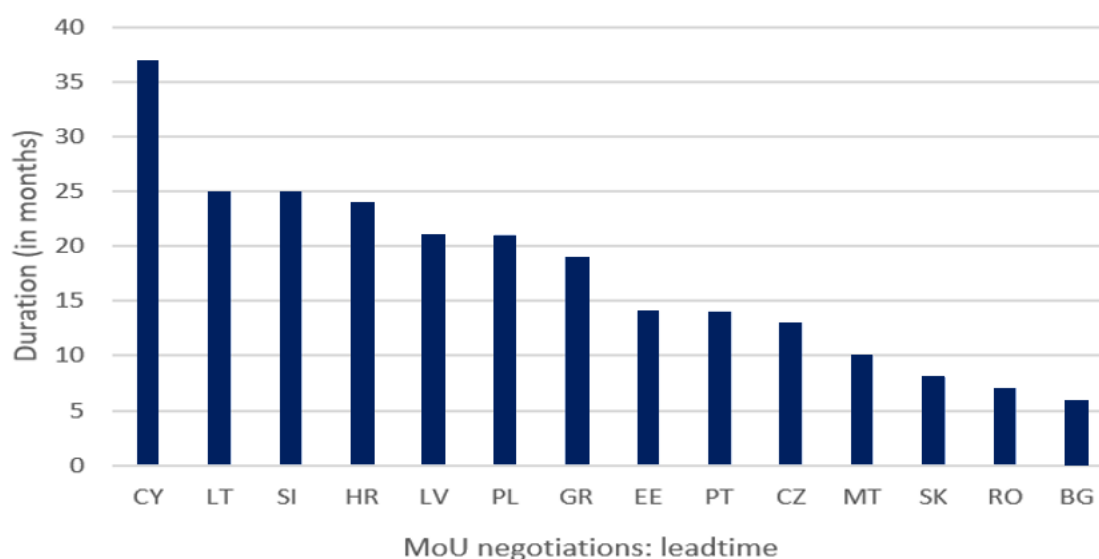
The MoU are not part of the building blocks covered by the current study. However, they are an essential part of the context, as MoUs must be negotiated before the programme development process can start and the content of MoU lays the basis for the content of programmes. This question therefore relates to how the MoU negotiations affected the programme development process and the quality of programme design. The time taken to conclude the MoU has been calculated from the signature of the Protocol 38C to the EEA Agreement and the Agreement with Norway on 28 May 2016, although it is possible that the late signature of an MoU reflects a late start rather than a prolonged negotiation.

MoU negotiations varied in terms of time taken. Bulgaria, Romania and Slovakia were the quickest to complete negotiations with the Donor States. All three countries completed their negotiation and had their MoU signed in just over 6 months (see Figure 11 below). The MoU for Malta, Portugal, and Estonia were also signed relatively promptly, between early to mid-2017, and took an average time of around 12 months to be signed.

The MoU for the Czech Republic, Greece, Latvia, and Poland were signed in late 2017 between a year and half to two years after the signature of Protocol 38C and the Agreement with Norway. Croatian, Lithuanian and Slovenia MoU negotiations were signed in 2018, around 2 years after the Protocol 38C and the Agreement with Norway were signed. Cyprus's MoU was not signed until 5 March 2019, whilst the MoU for Hungary remains unsigned. The reasons for the differences in timescales are outside the scope of this assessment.

¹⁰ The MoUs with Hungary are still under negotiation and programme development has not started yet.

Figure 11 Time taken from signing of the Regulations to completion of MoU negotiations



3.2.2 Process

As noted above, the scope of this study does not extend to assessing the MoU negotiation. However, some findings are relevant regarding the consultation of programme actors, insofar as this affects the subsequent programme development process.

A large majority of all types of programme actors report being sufficiently consulted about the details of their future programmes by the relevant body responsible for negotiating the MoU. NFPs typically led or were involved in the negotiations on behalf of their respective countries. Regarding the other programme actors:

- Before the negotiation, 67% of POs and 67% of DPPs/IPOs reported being very well or fairly well consulted;
- During the negotiation, 69% of POs and 52% of DPPs/IPOs reported being very well or fairly well consulted;
- After the negotiation, 93% of POs and 71% of DPPs/IPOs reported being very well or fairly well consulted.

Several POs reported being able to satisfactorily submit proposals or other inputs to the body negotiating on behalf of the beneficiary country. They observed that the negotiating body was well aware of all the details regarding their priorities and had all necessary information to conduct the negotiations in respect of the programme in question. Clearly the situation varies from country to country, as two POs reported that they would have preferred to have been better consulted, as they had to deal with the end result of the MoU (i.e. when developing their programmes).

DPPs mostly report being adequately consulted and that their contributions were satisfactorily taken into account. Indeed, within the survey findings above, DPPs were more positive than IPOs. For example, one DPP reported that its proposal for a PDP to be included in the MoU had been acted on. Donors report systematic engagement with the DPPs as a means to shape the priorities of the programme and the eventual DPP role. For example, some DPPs in Norway have been directly consulted both by the Ministry of Foreign Affairs and the relevant line ministries.

IPOs vary in the extent to which they were consulted and whether consultations during the MoU phase were satisfactory. In some cases, IPOs report being consulted before or during the MoU negotiation phase and that their contributions have shaped the final text of the MoU and thus the eventual content of programmes. For example, one IPO highlighted the satisfactory inclusion of a focus on Roma within the special concerns stated in the MoU for one programme. In contrast, another IPO reported that it was not able to use its expertise and knowledge (e.g. wealth of data and policy analysis) to shape the design and thematic focus of programmes. In the opinion of this IPO, this represented a missed opportunity both to enhance programme design (as far as it is set out in the MoU) and to clarify what the IPO's role would subsequently be. According to this IPO, one reason for its limited involvement at that stage was a lack of knowledge amongst the national counterparts about the role the IPO can play (as their traditional counterparts in the Donor States were not always involved at that stage).

FMO staff reported a mixed pattern of consultation before or during the MoU negotiation. Some FMO staff gave technical inputs when requested by donors, for example, through expert meetings, and donors reported such inputs as being satisfactory. Whilst all FMO staff understood the political nature of the MoU negotiations, some reported that the text of the MoU did not always help them in the technical process of programme development. Looking ahead, there may be scope for a more structured interaction between Donor States and FMO before or during the MoU negotiation in respect of the likely technical dimension of any programmes. The shape of this interaction would have to be determined, but might take the form of a structured request from the donors for the FMO to provide technical information, for example, on the achievements of the previous programmes, situation in the Beneficiary States as well as any future priorities that the donors might wish to explore.

It may be beneficial to have a more structured transition from the MoU negotiation to the programme development stage. This would involve the transmission both of formal (written) information and of informal information not only to the FMO senior management but also to the relevant programme managers and country officers. FMO staff might be informed not only about donor priorities but also about how those priorities and beneficiary priorities shaped the final MoU document. A key concern here is also that the handover considers not only the strategic content of MoUs but also the technical details.

3.2.3 Content

Overall, **the majority of programme actors (85%) report that the MoU offered a clear basis for the development of the Concept Note and Programme Agreement** between the PO and the FMO (75% of NFPs, 91% of POs and 75% of DPPs/IPOs). This was supported by evidence from the interviews. FMO staff and DPPs mostly reported that the MoU strengthened their ability to ensure that key donor concerns, where stated in the MoU, were carried forward to the CNs and PAs. For example, one DPP reported the benefit of the MoU for Croatia having included a commitment to train judicial officials as well as a limit of 60% on total expenditure committed to infrastructure (hard measures). This was important to ensure that the programme improved the Croatian judicial system through wider cultural change as well as through physical investments. The NFPs and POs mostly reported that the MoUs included sufficient reflection of national priorities and allowed appropriate freedom to develop the programme in line with national priorities. Indeed, the majority reported an alignment of MoU objectives/funding with the situation/ambitions of the Beneficiary State, with 100% of NFPs and 94% of POs (as well as 81% of DPPs/IPOs) believing they align relatively well.

Programme actors offered comments about specific elements of the MoU and thus its potential to foster the development of programmes of high quality. These include the following.

The level of detail is appropriate in the view of most programme actors. The majority of all types of survey respondent (84%) believe that MoU have the right amount of detail (75% of NFPs, 85% of POs and 88% of DPPs/IPOs). As one programme actor noted: "the MoU should only be a (flexible)

framework. The road to a good programme is often long and rocky, therefore, the MoU should not go into too much detail. The current level of detail is, in my opinion, appropriate". Inevitably, a balance needs to be struck between providing detail and being overly prescriptive and the text of the MoU does not remove the need for considerable effort still to be made during the programme development phase. As one NFP stated: "The signed MoU, as compared to the documentation required before the Programme Agreement was eventually signed, remains rather scarce in information on how the programme will actually progress. As NFP, the guidance of FMO was continuously required in the whole process up to signing of the PA, in the absence of clear guidelines."

The rationale for including multiple programme areas in different priority sectors within the same programme is not always strong and can hinder the subsequent programme development process.

Difficulties can include the need for POs to co-ordinate inputs from other Ministries and engage with project promoters outside of their own policy area (see section 4.2.2). In programmes such as CZ-HUMANRIGHTS, the inclusion of three programme areas was not inherently problematic, as there was some commonality between them. In the case of programmes such as EE-LOCALDEV, there seemed to be no specific rationale for including so many programme areas within one programme, other than to limit the total number of programmes in that country. In these cases, covering so many different programme areas risks creating diseconomies of scale by increasing the development time and the resources required for programme development. One PO noted that "Artificially included programme areas and activities to reduce number of programmes in the respective Beneficiary State, but which provides different obstacles, difficulties and administrative burden in development and implementation of the programmes". Another noted: "Three different programme areas in one programme with allocation of €20m: it was difficult to negotiate all the aspects in details because of the dissimilarity between these programme areas". Similarly, programme actors suggested that there was not a strong rationale for including the two programme areas of business development, innovation and small or medium-sized enterprises (SMEs) as well as education, scholarships, apprenticeships and youth entrepreneurship.

Special concerns can provide a beneficial steer to programme development but require a stronger rationale for their inclusion.

Some 66% of POs and 53% of DPPs/IPOs reported that the rationale was relatively clear (after excluding respondents whose programmes did not include special concerns), but a considerable minority observed they were not (29% of all survey respondents, and 40% of DPPs/IPOs). In some cases, the special concerns could ensure a continuation of valuable activities supported in the previous period, for example, in the GR-HOMEAFFAIRS (FMO) programme. Interviews of FMO staff highlighted that such concerns provided them with leverage to ensure that the CNs and PAs satisfied donor priorities. There was no suggestion that such concerns were inherently problematic or irrelevant to the situation in Beneficiary States. However, several FMO staff reported a lack of clarity on why some special concerns had been included. Looking ahead, there seems no particular need to change the way that special concerns are articulated in the text of the MoU, but there might be merit in the donors providing a separate technical note to the FMO and/or a verbal debrief after the signature of the MoU. This could reduce the time taken to develop programmes and help the FMO to ensure that draft CN and PA best reflect donor priorities.

The clarity of the rationale for including DPPs/IPOs was clear.

Some 88% of respondents reported it to be relatively clear (80% of NFPs, 88% of POs and 88% of DPPs/IPOs, after excluding respondents whose programmes did not include DPPs/IPOs). This no doubt reflects the fact that DPPs mostly report being adequately consulted and that their contributions were satisfactorily taken into account (as noted above). In many cases, the rationale for involving DPP was clear to programme actors as the DPP had been involved in the previous period. Interestingly, on that point, one PO regretted the decision not to include a DPP that had been involved in the previous programme: "In the previous phase of the EEA grants we had a DPP from Iceland (RANNIS, the Agency similar to our Agency, implementing Erasmus+) and everything went very well, they were very helpful".

The rationale for including PDPs is clear in most cases. Some 77% of respondents found it relatively clear (92% of NFPs, 77% of POs and 67% of DPPs/IPOs, after excluding respondents whose programmes did not include PDPs). Where the rationale was clear (e.g. reflecting priorities of Donor States or Beneficiary States), programme actors tended to agree that the inclusion of PDPs facilitated programme development (e.g. this was reported for GR-HOMEAFFAIRS (FMO)). One example is the MoU for Malta in which the full allocation of EEA/Norway Grants funding for the Local Development and Poverty Reduction programme is allocated to PDPs, given the small volume of funds available and which facilitated the process of agreeing the programme.

The inclusion of PDPs is not always without any difficulties. Some 10% of POs and 14% of DPPs/IPOs found the rationale for including PDPs to be very unclear, which suggests a possible need for subsequent clarification to be provided by NFPs to POs and by donors to DPPs/IPOs. One NFP reported that pre-defined projects were identified in the MoU but some of the Donor States' project partners could not be identified at that stage which caused delays in the implementation phase. One NFP reported that not all PDPs were finally involved (so it is good to have the flexibility at PA stage). Similarly, one FMO staff member reported that the inclusion of PDPs in the MoU can cause problems during the implementation phase (i.e. where such projects are later found to not be the best way of achieving programme objectives). A majority of DPPs/IPOs judged that other PDPs should have been included in the MoU. This might have enabled a strengthening of donor priorities but would have to be balanced against the need to provide some scope for the programme development process to shape the content, not least taking into account the stakeholder consultations.

The question of groups targeted by a programme can be difficult and is sometimes best resolved in the MoU. There were instances of a divergence of views in some cases where Roma were a target group. One NFP and one PO specifically mentioned a weak rationale for including a focus on Roma. However, another PO reported that the MoU should have included a specific requirement related to the percentage of inclusion of Roma in the programme implementation. "It is now quite difficult for the PO to require the project promoters to ensure a specific percentage of Roma involvement". Where Roma had been listed as target groups in MoU, this was supported by any designated IPOs. The eligibility of civil society organisations (other than in the ACF programmes) is another potential area of contention. One DPP/IPO stated, "In our case, the current MoU limits the scope of eligible target groups in the programme. Compared to the previous grant period where the programme targeted both public institutions and NGOs, the MoU in the current funding period only targets public institutions. By targeting NGOs, in addition to public institutions, the program would have had room for more projects and more outcome."

One particular point relates to the reserve of 5% of the Beneficiary State's grant allocation, which is designated in the MoU. The Regulation requires the Beneficiary State to submit a proposal regarding the use of the reserve to the FMC by the end of 2020. One NFP reported that the allocation of a reserve was perhaps unnecessary, as the negotiation of the MoU was concluded some point into the 2014-21 programme period. At that late point, it did not seem necessary to hold funds in a reserve that could otherwise have financed a clear and well justified investment proposal.

3.3 Value of the building blocks / quality of interactions between the actors

Assessment question: What has been the relative value of each of the main building blocks of the programme development approach (stakeholder consultations, concept note, programme agreement, request for additional information, etc.) to the development process of programmes, and to the quality of programme?

Assessment question: To what extent have the individual building blocks enabled a high quality of interactions between the actors involved in the programme development process?

Assessment question: What has been the influence of the interactions between DPP, PO/NFP, IPO, FO and FMO on the development of programmes (process and quality)?

3.3.1 Stakeholder consultation

After the agreement of the MoU, a process of consultation takes place enabling stakeholders to identify the needs and priorities (for the agreed programmes) and propose solutions.

Evidence from the interviews and analysis of the responses to the survey provides some insights on the extent to which the stakeholder consultations (SC) facilitated a high quality of interactions between the programme actors and contributed to the preparation of programmes. The experience of SC varied across the programme sample but some key themes and questions emerge.

The content of the stakeholder consultations was mostly appropriate and ensured that the consultations contribute to the overall preparation of the programmes. Programme actors agreed that the consultations covered all the essential issues (67% of NFPs, 93% of POs and 60% of DPPs/IPOs). As a result, the majority reported the consultations had been fairly or very useful to the overall preparation of the programmes (58% of NFPs, 81% of POs and 60% of DPPs/IPOs) and only a tiny minority judged they had not been useful at all (8% of NFPs, 4% of POs and 0% of DPPs/IPOs). In the case of the EE-LOCALDEV programme, the SC faced some challenges that reflected the structure of the programme, i.e. covering eight programme areas.

There is a balance to strike between allowing the opportunity for stakeholders to shape the content of the programme and maintaining the strategic direction intended by the Donor States and Beneficiary States. In some cases, the focus of stakeholder consultations was fairly open-ended and participants were able to offer views on a broad range of issues. As a result, the risk was that the discussion veered off track or stakeholders' expectations became unrealistic about the ultimate content of the programme. For example, it was reported that several stakeholders' contributions to the RO-ENVIRONMENT SC could not be taken forward, e.g. relating to hazardous waste or the marine environment. The balance to strike will vary from programme to programme. For example, since all funding within the HR-JUSTICE programme was allocated to PDPs, stakeholders' input was limited to commenting on those projects. Funding within the CY-LOCDEV programme was also pre-allocated to PDPs and in that case, no SC was held. Looking ahead, it might prove unnecessary to require a formal SC to be held where a programme consists only of PDPs. In some cases, it may be advisable for the MoU to require appropriate consultation of stakeholders in respect of specific projects rather than for an entire programme, although such consultation might not necessarily be via a formal SC meeting. In larger programmes with fewer PDPs or in programmes featuring a strong bottom-up approach (e.g. ACF), there may be more possibility for the SC to shape programme content whilst still respecting priorities of Donor States and Beneficiary States.

The evidence suggests that stakeholder consultations should usually come once the Concept Note is reasonably well-developed but not finalised. The majority of all types of programme actors (58% of NFPs, 72% of POs and 53% of DPPs/IPOs) agreed that the SC took place at the right point in the process of preparing the programmes. Only a minority of programme actors indicated that they had come too late (17% of NFPs, 15% of POs and 27% of DPPs/IPOs). Taking into account the previous point, the experience of the 2014-21 programme period suggests that the overall shape of the programme needs to be reasonably defined but not finalised, so that stakeholders can still shape the content, but the discussion can be focussed and avoid raising unrealistic expectations.

Consultations generally involved the appropriate type and number of stakeholders, although DPPs/IPOs observe that some stakeholders were missing. A clear majority of all programme actors indicated that the appropriate number of stakeholders were involved in the consultations. However, there is a divergence as to whether the most relevant stakeholders are all involved: 47% of DPPs

reported that some were missing. Overall, there is a balance to strike between an inclusive approach to the SC and having a manageable discussion focussed on the core issues at hand (again, linked to the need to avoid raising unrealistic expectations). Within the CZ-HUMANRIGHTS programme, it was reported that the civil society sector had agreed to select participants to represent the sector as a whole, given the impracticalities of allowing a very large number of organisations to attend.

The preparation of stakeholder consultations has usually facilitated a high quality of interactions between stakeholders but there may be a need to clarify leadership. Programme actors observe that they generally had adequate time to prepare for consultations (confirmed by 75% of NFPs, 80% of POs and 60% of DPPs/IPOs) and, to a lesser extent, received sufficient information (42% of NFPs, 72% of POs, 60% of DPPs/IPOs). Discussion papers were mostly useful (and very rarely not useful at all). However, one quarter to one third of NFPs and at least one-third DPPs/IPOs report that they did not have adequate time or sufficient information to prepare and would have welcomed better discussion papers. In a small number of cases, the interviews also suggested a lack of clarity over whether the FMO or the PO was primarily responsible for leading the SC and, as a result, different expectations about the purpose and expected results of the SC. This uncertainty may reflect the fact that SC were new for this programme period. In one case, it was reported that a small number of vocal stakeholders had tended to steer the discussion off course and limit the opportunity for others to contribute.

Stakeholder consultations for programmes covering more than one programme benefit from having targeted audiences and separate discussions for each programme area (or for groups of programme areas). This was reported for two of the twelve programmes within the sample covered by the in-depth case-study analysis. In the case of the EE-LOCDEV programme, whilst the SC perhaps suffered from having too many invitees, it did at least benefit from having separate discussions for different sub-groups of programme areas. Similarly, SC for the CZ-HUMANRIGHTS programme featured three distinct groups of participants, one for each programme area covered with separate discussions for those programme areas. In the case of the HR-JUSTICE programme, it was not necessary to have separate discussions or audiences, as the programme only features four PDPs in two closely linked programme areas (correctional services and pre-trial detention; effectiveness and efficiency of the judicial system).

There may be scope to enhance the involvement of DPPs/IPOs in the stakeholder consultations in some countries or programmes. Although DPPs/IPOs were mostly positive about the timing, preparation and utility of the consultations, around one-third gave negative responses on these issues.

It may be useful to complement by the SC meetings with the opportunity to provide written inputs or to respond to an on-line survey. The different SC varied in their effectiveness for the reasons described in earlier paragraphs, e.g. focus of discussion too closed/open-ended, invitation list too narrow/wide, challenge in covering multiple programme areas, differences in the expectations of the FMO, PO and stakeholders. In order to be certain of high-quality contributions from stakeholders, there may be merit in some programmes in inviting selected stakeholders to provide written contributions instead of or in addition to participating in the SC. Within some programmes, it might be appropriate to operate an on-line survey where there is some benefit in reaching a large cohort of stakeholders, such as programmes serving NGOs or SMEs.

The Stakeholder Consultation Programme Strategy Meetings are perceived as useful to the key stakeholders in respect of their roles within the programmes. A clear majority of all types of programme actors considered them to be useful in both ways, with POs being most positive. Only two POs (4%) did not find the meetings useful to them and only one NFP (9%) and three POs (6%) did not find them useful for overall programme preparation.

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to be useful in both ways, with POs being most positive. Only one NFP (9%) and three POs (6%) did not think them useful to the overall programme preparation.

3.3.2 Concept Note – efficiency of process

Following the SC and based on the MoU between the Donor and Beneficiary States, a Concept Note (CN) is developed defining the scope and planned results of each programme, including the rationale and main features of the programme. The CN is developed by the PO and submitted to the FMO for consideration, after which the FMO forwards the CN to the Donor States for comment. The CN might feature several iterations before being approved by the FMO.

There may be a need to clarify the purpose, status and requirements of the CN. A common theme from the consultations was that the CN had been intended to be a relatively brief document (e.g. maximum 10 pages) but that in practice it had often been considerably larger. As well as the main “concept”, the CN include a significant part of the technical detail relating to modalities (calls for proposals, small grant schemes, PDPs) and detailed results framework (with outcomes, outputs, indicators, baselines and targets). It is not certain that the donors require such a level of technical detail at this stage, with representatives of Norway and Iceland reporting that their main concerns at that stage were the strategic content and that the DPPs were satisfied with such content. Some programme actors also reported uncertainty as to the status of the CN and if it were binding or whether changes could subsequently be made. Some of the FMO staff reported erring on the side of demanding more detailed CN and preferring to risk delay rather than being position of having approved something inadequate. As one stated: “CN is a misnomer; they are in fact programme design agreements.” Given that CN typically require approval by several actors within Donor States and Beneficiary States as well as within the FMO, there may be an argument for either scaling them back to focus only strategic content or returning to the previous approach of only requiring draft PAs to be submitted.

In the preparation of CNs, POs experienced positive interactions with and support from the FMO, although they viewed the FMO as being slow to respond at times. Most POs (83%) discussed the CN with the FMO before submission. Overall, 92% of POs found the interactions with the FMO to be useful (of which 49% very useful) and none finding it not at useful. Two POs highlighted that they particularly valued the face-to-face meetings, whether in person or by video. POs find the written feedback (79%) and the verbal feedback (88%) to be useful with only one not finding it useful at all. However, according to POs the FMO was not quick to respond in 38% of cases (of which 8% very slow), although it was quick in the majority of cases. The interviews confirmed that the FMO was indeed slow to respond at times with the main reason for this being staff turnover (linked to the limited tenure of most posts). However, a few POs did point to the number of FMO staff involved in reviewing CN, including staff responsible for sectors, countries, communication, results and evaluation, legal affairs and finance. Whilst there is a need for the full range of technical expertise to be applied (at some point) in the programme development process, this does raise the question as to how much technical information is required within the CN or whether it could be included only in the draft PA.

Most POs (77%) indicated that the development of the Concept Notes could have been concluded slightly or much earlier (of which, 38% much earlier). Whilst the interactions were positive, the overall process was generally considered to be too long. One NFP suggested that the number of actors involved was a factor here, with the need to engage with two or three DPPs in the same programme. Another contributory factor was the extent to which donor priorities and beneficiary priorities were clear and aligned in the MoU. For example, this was the case in the HR-JUSTICE programme with positive and constructive engagement reported between the PO and the FMO and DPPs (although the IPO role proved more challenging to incorporate). The status of PDPs could also affect the time taken either way. The fact that the HR-JUSTICE programme featured only PDPs tended to speed up the CN process. In contrast, it was reported that the need for the PO and FMO to agree on the details of PDPs caused delays in respect of the EE-LOCDEV and RO-ENVIRONMENT programmes, in the latter case

including one carried over from the 2009-14 (with the FMO wanting the PO to complete the earlier programme before approving the current one). Political factors could influence the time taken. For example, the HR-JUSTICE programme featured the involvement of a government minister, which changed the dynamic of discussions between programme actors but did lead to swifter decision-making by the Beneficiary State at some points. In Romania, it was reported that political changes had resulted in parts of the CN having to be revised, which caused further delay.

POs report extensive consultation of DPPs/IPOS regarding the CNs. Some 84% of PO reported consulting DPPs/IPOs to a reasonable or great extent before submitting the CN and 94% during the preparation of the CN (after excluding POs whose programmes included no DPPs/IPOs). Once feedback was received, 62% of POs report that it was then necessary to consult DPPs/IPOs again. However, the experience of DPPs tended to be more positive with some IPOs reporting that they judged their contributions and concerns were not fully taken into account in CN (see section 4.4).

POs report less consultation with potential project promoters/partners and still less with target groups (or their representatives). Most POs (62%) consult these stakeholders to a great or reasonable extent during the preparation of the CN, although fewer did before the submission of the draft note (55% in relation to promoters/partners and 44% in relation to target group representatives). Only a minority reported that it was necessary to consult these stakeholders after receiving feedback on the CN. Given the diversity of programmes, there might not be the same need to consult promoters and target groups to a significant extent in some programmes. Indeed, in the interviews, the DPPs/IPOs and FMO tended not to report any concerns regarding the extent of consultation of such stakeholders.

Within the ACF programmes, there is a risk of the CN duplicating elements of the bid submitted by the FOs. This risk was highlighted by the FO consulted for this assessment. In contrast to the non-ACF programmes, the ACF programmes feature an additional document developed between the MoU and the CN, namely the bids of the selected FOs. At bid stage, FOs are required to develop key parts of the programme design including the intervention logic, with the expected outcomes and outcome indicators for the target groups, and the key risks to outcomes. They are also required to describe the proposed management structure of the programme, including a chart/organigram, clearly illustrating the respective roles in decision-making, as well as project contracting arrangements. In this way, the bids already provide much of the content required in a CN. Given this risk of duplication, it would be worthwhile to consider whether the CN is necessary for ACF programmes.

The development of results framework within the CN has proved challenging within some programmes, notably those managed by FOs. Within the sample of 12 programmes covered by the in-depth case-study analysis, all four of those managed by FOs faced delays in the CN stage arising from challenges in gaining agreement on the results framework. In two cases, the FOs indicated that the results framework was required to be too detailed. In the case of PT-ACF, gaining the FMO's agreement on the results framework was greatly facilitated by a face-to-face meeting between relevant staff of the FMO and the key representative of the FO. This was reported to have greatly reduced the number of written reiterations that would otherwise have been required to gain agreement. The FO representative also had considerable experience of developing results frameworks for EU Structural Funds programmes. Looking ahead, three possible options could be: to extend the provision of training or guidance to support FOs (and POs) in developing results frameworks; to provide informal support on a one-to-one basis (face-to-face, if possible); or to require FOs to develop an outline results framework in their bids.

3.3.3 Concept Note – quality of end product

Overall, programme actors report that the Concept Note offers a fairly or very clear basis for the preparation of the PAs: 95% overall, (of which 42% very clear). All types of programme actors were positive except for two POs and one DPP/IPO who still judged the CN was slightly unclear. Programme actors report that the CNs:

3. Elements influencing the development of programmes

- offered an adequate description of and justification for the programme(s): 92% overall, with a large majority for each type of programme actors;
- were sufficiently underpinned by an analysis of the evidence: 89% overall with a large majority for each type of programme actors;
- adequately addressed special concerns: 93% overall with a large majority for each type of programme actors;
- included outcomes and outcome indicators that were all (22%) or mostly (54%) appropriate and realistic: 76% overall with a large majority for each type of programme actors.

The CN template is considered useful by 83% of POs (of which 34% very useful) and none finding it not useful at all. Where concerns were raised by POs, this was more about the level of detail (as just discussed) than the template itself. When offered the chance to offer an open comment on the CN template and how it can be improved, POs almost unanimously agreed that the template was satisfactory and did not require revision.

Programme actors report that key elements of the CN are adequately described and underpinned by evidence. A large majority of NFPs, POs and DPPs/IPOs reported that this was the case for all the following: EU and national policies and priorities, funding gaps, addressing the needs, expected deliverables, expected impact(s) and sustainability, common values, target groups, bilateral ambitions, modalities and pre-defined projects.

The considerable level of detail can offer a good basis for the preparation of the Programme Agreements but can entail an overly long process of development. In response to an open question in the survey, three NFPs confirmed the benefits of having detail in the CN. However, in their survey responses and in the interviews, POs tended to report that the very detailed information in the Concept Note can take time to be agreed and ultimately delay the approval of the CN and thus the overall process of programme development. Some of the concerns raised relate to: detailed budgets for PDPs (which could perhaps be considered at a later stage), the need to update supporting evidence (e.g. research data), and requests for supplementary information after finalisation of the CN. Again, this raises the question as to whether all the technical information is required within the CN or whether it could just be provided within draft PAs.

There is scope for improvement in the specification of outcomes and outcome indicators in some CN. Only 22% of programme actors signalled all outcomes and outcome indicators to be appropriate and realistic. Moreover, 23% indicated that only some were appropriate and realistic. DPPs/IPOs were less convinced than the other types of programme actors. One PO reported that setting indicators had been difficult, as the programme in question was one of the first to be developed and therefore staff from the PO and from the FMO were still learning how best to approach this task. FMO staff tended to agree that the formulation of indicators in CN had required a lot of time and there was potentially a need to simplify them (with more detail perhaps than included in the PAs).

There may be a need to clarify the request for supplementary information (SI) and enhance the guidance. POs were not specifically asked to comment on the SI. However, in response to open questions in the survey about the CN and how to improve it, several referred to it, as did some of the POs interviewed. Concerns and comments related to: clarity of the connection between the CN and the SI, and the purpose and status of the SI (i.e. binding or not).

3.3.4 Programme Agreement – efficiency of process

Based on the Concept Note and the assessment of the Donor States, a Programme Agreement is prepared and signed between the Donor and Beneficiary States, setting out the terms and conditions of the operation of the programme, as well as the roles and responsibilities of the parties involved.

Most POs (75%, 38 responses) felt that the development of the Programme Agreements could have been concluded slightly or much earlier (of which, 35%, 18 responses, much earlier). This is perhaps not surprising given that the programme development time generally exceeded the expected time anticipated in the Regulations.

Very often the same contributory factors or challenges experienced in developing CN were “carried over” to the PA development phase. Examples of challenges mentioned by programme actors included difficulties in agreeing technical details (including in requests for supplementary information), inherent complexity of programmes, changes in political context, changes in FMO staff, poor relationships between relevant actors and lack of clarity of roles (though it should be stressed these are examples rather than the typical experience of programme development). For example, a four-month delay was reported in developing the PA for RO-ENVIRONMENT due to changes in the national political context. It was suggested that the inherent complexity of the GR-HOMEAFFAIRS (FMO) was main challenge in agreeing the PA, rather than the programme development process. Contributory factors included clarity and alignment of the priorities of Donor States and Beneficiary States (or at least a satisfactory compromise) in the MoU, for example, in the case of the HR-JUSTICE programme.

In the preparation of PAs, POs experience positive interactions with and support from the FMO, although the FMO viewed as being slow to respond at times. Most POs (86%) discussed the PA with the FMO before submission. Overall, 84% of POs found the interactions with the FMO to be useful (of which 53% very useful) and only one (2%) not finding it not at useful. POs find the written feedback (76%) and the verbal feedback (80%) to be useful with only one not finding it useful at all. The PA template was useful for 84% of POs (of which 41% very useful) and only one (2%) finding it not at useful. However, the FMO was judged as not being quick to respond in 25% of cases (of which 10% very slow), although it was judged to be quick in the majority of cases. Again, the main challenge reported by POs and often confirmed by FMO staff related either to changes in personnel or in the level of workloads on some individual officers. For example, one PO reported that a change in staff member at the FMO not only led to a delay but also a change in the requirements (i.e. more detailed PDP budgets). Two POs also reported the need for the FMO staff to familiarise themselves with the process and address any ambiguities, given that their draft PAs were some of the first to be submitted for the 2014-21 period.

Aside from the time taken, in some cases, by the FMO to respond, only one other specific concern was raised about the interaction with the FMO. One PO reported a disagreement with the FMO about a requirement to include open calls for proposals linked to Roma, in addition to the PDP that had already been agreed by both sides. The need for open calls was seen by the PO as not being consistent with the central overall objective of the programme. Whilst the FMO ultimately did agree to drop the requirement for open calls, the PO reported frustration at the time lost.

Most POs report consultations of DPPs/IPOs took place regarding the PAs. DPPs/IPOs were consulted to a reasonable or great extent by 63% of POs before submitting the PA (after excluding POs whose programmes included no DPPs/IPOs). Once feedback was received, 40% of POs report that it was then necessary to consult DPPs/IPOs again. In the interviews, the DPPs tended to report being less involved in the development of PAs compared to the CN development phase. There were different experiences here. Some DPPs regarded not being deeply involved as appropriate, given that the strategic content had been confirmed in the approved CN and the development of the PA mostly focussed on technical and administrative aspects. But some other DPPs stated that they would have appreciated more involvement in the PA development. IPOs tended to provide similar observations on the PA stage as with the CN, i.e. some indicated that their contributions had been taken into account, whilst others did not.

Most POs do not report significant consultation with potential project promoters/partners and still less with target groups (or their representatives) regarding the PAs. Only a minority reported consulting potential project promoters/partners (24%) or target group representatives (14%) to a reasonable or great extent before submitting the draft Programme Agreement. An even smaller minority then reported that it was necessary to consult these stakeholders after receiving feedback on the PA (14% in relation to promoters/partners and 6% in relation to target group representatives). Given the diversity of programmes, there might not be the same need to consult promoters and target groups to a significant extent in some programmes. As with the CN phase, in the interviews the DPPs/IPOs and FMO tended not to report any concerns regarding the extent of consultation of such stakeholders.

3.3.5 Programme Agreement – quality of end product

Section 2.2 has offered findings on the quality of programmes based on a quality assessment of a sample of 33 programmes. Those findings are now complemented by evidence reflecting the experience and informed opinions of programme actors captured from the survey and the interviews.

Overall, programme actors report that the PA offers a fairly or very clear basis for the implementation of the programme: 97% overall, (of which 39% very clear). All types of programme actors were positive. Programme actors report that the PAs:

- offered an adequate description of and justification for the programme(s): 95% overall, with a large majority for each type of programme actor;
- adequately addressed special concerns: 93% overall with a large majority for each type of programme actor;
- included outcomes and outcome indicators that were all (17%) or mostly (69%) appropriate and realistic: 86% overall with a large majority for each type of programme actor.

Programme actors **report that key elements of the PA are adequately described.** A large majority of NFPs, POs and DPPs/IPOs reported that this was the case for: outcomes/outputs, indicators/baselines, conditions, programme summary, eligibility, bilateral relations, selection of projects & financial parameters, additional mechanisms, programme management, and communication. This is broadly but not completely consistent with the findings in section 2.2 that most programmes exhibited high levels of quality regarding their strategic rationale, ordering of hierarchies of objectives, outcomes and output, allocation of resources and detailing of implementation, but that PAs often featured outcome baseline values that were zero or not specified and there was scope to make intervention logics more explicit.

At the same time, some POs and IPOs, albeit a small number, still had concerns. As with the CN, there were a couple of exceptions: 2 POs and one IPO observed that the PAs offered an unclear basis for the implementation of the programmes. A few were also uncertain that special concerns had been adequately addressed.

There was scope for improvement in the definition of outcomes and outcome indicators in some PA. Only 17% of programme actors believed all outcomes and outcome indicators to be appropriate and realistic. Moreover, 14% observed that only some were appropriate and realistic. DPPs/IPOs were less convinced than the other types of programme actor.

3.3.6 Overall process – influence of interactions

Programme actors **consider that the different building blocks fit together well in the overall programme development process.** A majority of each type of programme actor agreed that they fitted together very well or fairly well (72% of NFPs, 85% of POs, 80% of DPPs/IPOs). Only one programme actor (a DPP/IPO) judged that the building blocks did not fit together at all.

It is not certain the appropriate balance has been struck between defining programmes in sufficient detail and allowing appropriate flexibility to make revisions during the process of implementation.

The evidence on this point is not conclusive and there are divergences of experience and informed opinion amongst programme actors. Some programme actors and FMO staff report that the process perhaps requires too much information and that some documents could be streamlined. Those holding this view emphasise that “programme development” continues into the implementation period and that many programmes undergo substantial modifications during that period. In that context, it is positive that the Regulations allow some scope for NFPs to reallocate funds between programmes following the modification of a programme and subject to the approval of the FMC and of the PO of the programme receiving the funds.¹¹

3.4 Interactions with the EU institutions

Assessment question: What has been the effect of the interactions with the EU institutions on the development of programmes?

Negotiations between the Donor States and the EU institutions take place at the outset and culminate in the Regulations and the Protocol, amongst other things, which then guide the negotiations of the MoU. According to the Agreements on the EEA FM and on the Norwegian FM, consultations with the European Commission take place at a strategic level during the MoU negotiation, with a view to promoting complementarity and synergies with EU cohesion policy, as well as exploring opportunities for applying financial instruments to increase the impact of financial contributions.

Article 6.10 of both Regulations offers the possibility for the Donor States or the Beneficiary States to request that the European Commission undertake a screening of the CN for a specific programme before its adoption, to ensure compatibility with EU Cohesion Policy.

The research uncovered few instances of interactions with the EU institutions or bodies and no instances of any requests for the European Commission to undertake a screening of the CN. There were instances of FMO staff or other programme actors meeting with the European Commission to discuss ad hoc issues. For example, it was reported that FMO sector officers and country officers met with the European Commission during the programme development phase at least once to discuss the RO-HEALTH programme. But in general, there appears to have been limited contact with the European Commission or other EU institutions or bodies during the programme development process. However, stakeholders did not particularly suggest that the low level of contact was a particular problem.

NFPs or POs have contact with the European Commission where they have a role in managing EU Cohesion Policy programmes but there are few formal interactions in respect of the EEA/Norway Grants. Given their expertise in developing and managing donor-funded programmes, the same bodies within Beneficiary States are often responsible both for the EEA/Norway Grants and for EU Cohesion Policy programmes (e.g. as Managing Authorities). However, there was little evidence that NFPs or POs specifically discuss the EEA/Norway Grants programmes with the Commission. In some cases, the EEA/Norway Grants are managed by a different unit or team within the same body that also acts as Managing Authority for EU programmes.

One specific EU institution, the European Union Agency for Fundamental Rights (FRA) has played a key role in programme development, as an IPO. Within the CZ-HUMANRIGHTS programme, the FRA has provided support in the development of systems for data collection, analysis and evaluation of the current situation of Roma communities within the programme area of “Roma Inclusion and Empowerment”. The FRA was consulted by the PO as early as the MoU negotiation phase and then

¹¹ Article 6.9

3. Elements influencing the development of programmes

throughout the programme development process. In this way, the FRA was able to help shape the objectives and content of the programme, as well as the invitation list for the stakeholder consultation, amongst other things. Looking ahead, there may be scope for EU institutions with specialist expertise, such as the FRA, to provide expertise across a range of programmes addressing issues of common concern such as Roma inclusion.

4. Contribution of actors and organisational factors

This question involves mapping out the roles of different actors – both as prescribed in any formal documents but also how those roles are played out in practice. It unpacks what happened on the donor side and on the beneficiary side and how those two sides interacted through formal and informal ways.

4.1 Clarity of roles

The vast majority of programme actors (93%) report that the role of their organisation in the programme development process was very or fairly clear. The interviews undertaken in the third phase of the assessment explored why for 38% of stakeholders, their role was only fairly clear and will be presented in the following sub-sections. Of particular note is the small number of cases (one PO and one DPP) reporting that their role was very unclear.

Table 6 Clarity of own organisation's role in the programme development process

	NFPs		DPPs/IPOs		POs		TOTAL	
	No	%	No	%	No	%	No	%
Very clear	5	45	7	47	30	59	42	55
Fairly clear	4	36	5	33	20	39	29	38
Slightly unclear	2	18	1	7	0	0	3	4
Very unclear	0	0	1	7	1	2	2	3
Don't know	0	0	1	7	0	0	1	1
Answered	11		15		51		77	100

Source: surveys of programme actors

Programme actors mostly understand roles other than their own, although the IPO role is not clear to some. Programme actors were asked to comment on the clarity of roles other than their own. Table 7 shows that the majority of programme actors found the roles of the FMO, NFPs, POs, FOs and DPPs to be clear. However, the role of IPO is clear to only a small majority (61%) of programme actors, with 23% stating that it is unclear (see section 4.4 below). Even if IPOs do not feature in all programmes, there may be a need to make the role clearer.

Table 7 Programme actors' opinions on clarity of roles other than their own

	Very clear	Slightly clear	Slightly unclear	Very unclear	Don't know	Number
FMO	57%	33%	9%	0%	1%	76
NFP	44%	42%	11%	2%	2%	66
PO	65%	27%	4%	0%	4%	26
DPP	48%	40%	8%	2%	2%	62
IPO	17%	44%	17%	6%	17%	36

Source: surveys of programme actors

At the same time, evidence from the survey and the consultations with several FMO staff suggest that **there was some uncertainty at the outset of programme development regarding roles**. For many of the programme actors, the 2014-21 period was not the first time that their organisation had been involved in developing programmes, most of them having done so in 2009-14. However, roles naturally required revision and updating for the new period and for many of the individuals within programme actors' organisations it was the first time that they had personally been involved. This uncertainty perhaps reflects a change of approach specified by the Donor States, i.e. in 2009-14, the FMO received full programme proposals from the Beneficiary States and was only able to comment relatively late in the process (i.e. when programmes were fairly well advanced), whereas in 2014-21 the FMO and DPPs/IPOs were involved earlier and in more depth, and there was a requirement for broader stakeholder consultation. This was potentially a success factor; the greater involvement of stakeholders perhaps gave more legitimacy to the process, whilst the FMO's influence on programme design potentially raised the quality and helped shape programmes more in line with donor priorities. At the same time, there was a need for learning on both sides and for all programme actors to work out what their roles involved in practice, beyond the narrow definitions given at the outset.

4.2 Role of actors in Beneficiary States

Assessment question: What have been the roles of actors in the Beneficiary States in ensuring that programmes address States' needs and priorities, with special attention to

- i) the type of actor that fulfils the role of programme operator (Line Ministry, Sub-ministerial Agency, other);**
- ii) the actors' understanding of their role in programme development;**
- iii) the different roles taken-up by the FMO (for example, oversight function, guidance function, quality assessment, etc.) and how has this influenced the development of programmes?**

Assessment question: What has been the organisational efficiency of the Beneficiary States in developing programmes?

4.2.1 Effect of NFPs

Assessment question: What has been the effect of NFPs on the process of developing programmes and on their quality?

A National Focal Point (NFP) in each Beneficiary State is responsible for achieving the objectives of the EEA/Norway Grants and for overall management and control of their programmes. The NFP role is mostly performed by relevant ministries or public agencies which also have responsibility for managing EU funds. NFPs represent Beneficiary States in their relations with the FMC and the Norwegian Ministry of Foreign Affairs.

NFPs play a key role in ensuring that the MoUs reflect the needs and priorities of Beneficiary States and the policy objectives of relevant line ministries (which typically then perform the PO role). POs consistently reported being consulted by NFPs before or during the MoU negotiation and that their contributions were usually reflected in the final text of the MoU.

There may be scope to better define the role of NFPs in the programme development process. Evidence gathered through the interviews has revealed that the clarity of the NFP role has varied. For example, 18% of NFPs reported that their own role was "slightly unclear" and another 36% that it was only "slightly clear" (see Table 6 above). One NFP stated that "at times we are fulfilling the role of intermediary between the FMO and PO". NFPs are required to sign PAs on behalf of the Beneficiary State, however, this was described by the same NFP as problematic given their limited involvement in the process of developing programmes. NFPs explained that the donors' preference is to have one

counterpart per programme but in doing so they effectively bypass NFPs by transferring responsibilities to POs. Another NFP and one DPP report a lack of clarity over the role of the NFP. This NFP reported that its responsibilities are not very clear with regards to the different documents and stages in the development process, yet the FMO and Donor States tend to see the NFP as a backstop. The NFP therefore had to invest time and resources in following the process without directly contributing. Nonetheless, no actors reported that the NFP role caused any hindrance.

Weak or difficult interactions between NFP and PO can occasionally impact on programme development. This was not widely reported to be a problem, although there were occasional instances of difficulties. The relationship between one NFP and PO was reported to be problematic during the development of the CN and PA and resulted in delays. In that case, it was reported that the NFP did not appear to understand that its role was to cooperate with the PO to complete the building blocks. In another case, the PO reported that the programme had been agreed with the FMO relatively quickly but that the NFP had then been slow to sign the PA.

There are advantages and disadvantages to the NFP also performing the role of PO but the overall impact on programme development will vary according to national circumstances. The mid-term review of 2009-14 highlighted the obvious efficiencies of having the same body perform the role of NFP and PO in countries receiving small amounts of funding and with most funds allocated to pre-defined projects.¹² Within the Czech Republic, the Ministry of Finance performs the role of NFP as well as PO for several programmes, including the human rights programme (also covering Roma inclusion and domestic and gender-based violence). This combined role has created a different dynamic whereby the technical and administrative design of the programme can be more straightforward (with the Ministry able to draw on its expertise as Audit Authority and Paying and Certifying Authority for EU Cohesion Policy programmes) but there is then an additional need for the Ministry of Finance (as PO) to consult and involve line ministries on the objectives and content of the programme. Whilst the relationship with line ministries was not reported to be problematic, this additional step does risk extending the time taken to develop programmes.

In terms of quality, it is unclear how much NFPs have contributed to the content of programmes given their secondary role during programme development. The NFPs' level of involvement has varied depending on the individual entity acting as NFP but also on the political context surrounding the content of programmes. Programmes that were more politically sensitive, such as PL-CLIMATE, saw a higher involvement of the NFP. However, NFPs were described as important in ensuring the process keeps moving forward and were an important interlocutor for the FMO and Donor States.

4.2.2 Effect of POs

Assessment question: What has been the effect of POs on the process of developing programmes and on their quality?

Programme Operators have lead responsibility within Beneficiary States for the development of programmes in co-operation with the FMO. Once PAs are signed, they then manage programmes, including awarding funding to projects according to agreed criteria and monitoring project implementation and achievement of results. POs are typically public bodies with responsibility at national level for the policy area in question, such as government ministries.

The PO role generally works well and is well understood by programme actors. As noted in section 4.1, the PO role was the best understood of all programme actor roles with 98% of survey respondents finding it either very clear (59%) or fairly clear (39%). None of the programme actors interviewed suggested any particular problem with the PO role. Much like the role of the NFP, the efficiency of POs in the programme development process tends to reflect their capacity, level of familiarity with the grants and grasp of results-based management methodology. Several POs in had performed the same

¹² CSES (2016), Mid-Term Review of the EEA and Norway Grants 2009-14.

role in the 2009-14 period, meaning that they had relevant expertise as well as established working relationships with the FMO and other actors.

POs in charge of programmes covering multiple programme areas may need to expend additional resources to co-ordinate inputs. Where programmes cover multiple programme areas covering policy areas that are only loosely connected (or not at all), there is typically a need for the PO to co-ordinate inputs from the Ministries or other stakeholders responsible for the other programme areas. This can increase administrative overheads and the need for additional consultations compared to a simpler programme. Where the programme areas come under the responsibility of a single ministry, such additional co-ordination tend not to be necessary.

One specific problem arose around the use of an implementing agency to perform programme management functions on behalf of the PO. One PO proposed that an implementing agency would manage the programme under the authority of the PO (Ministry of Social Affairs). The body in question, Grants Administration Department of the State Shared Service Centre, has relevant expertise, for example, through its roles as Managing Authorities for EU Cohesion Policy programmes.¹³ However, the possibility to appoint an implementing agency was not foreseen within the Regulations and it was thus necessary for the PO to gain specific approval from the Donor States. Whilst approval was gained, this served to increase the programme development time.

4.3 Effect of FOs

Assessment question: What has been the organisational efficiency of the Fund Operators in developing programmes?

Assessment question: What has been the effect of FOs on the process of developing programmes and on their quality?

As discussed in section 2.1, the development process for programmes operated by FOs differs from the process for other programmes in that the FO first needs to be appointed (in some cases, via a call for tenders) before the other steps (SC, CN, PIA) are undertaken.

Delays in the development process for ACF programmes mostly arose before the appointment of FOs. Within the three ACF programmes covered by the in-depth case-study analysis, the longest phase was from the MoU to FO appointment. Some delays were reported in gaining donor approval of the ToR for calls for tender to appoint FOs. Further delays were then experienced where the calls did not result in an appointment and needed to be relaunched, such as in the case of the Romania ACF programme. One question for the FMO and Donor States to consider therefore is whether there is scope to reduce the time taken for the ToR of calls for FO to be approved. For example, it might be possible for donors to approve a standard set of ToR with core text, with the FMO then having some flexibility to customise other text to the context of the Beneficiary State in question.

FOs report high satisfaction with the tendering process. To a certain extent, this is to be expected as these organisations were successful in their tenders.¹⁴ Nonetheless, their responses offer evidence to support the view that the tendering process, once launched, is efficient and effective. Of the FOs responding to the survey, 11 had been appointed via a competitive tendering process. These FOs were unanimous in reporting that the length of time allowed to prepare their bids was about right and that the information session, terms of reference and the bid form were clear and useful.

¹³ <https://www.strukturifondid.ee/eng>

¹⁴ The scope of this assessment did not extend to consulting unsuccessful tenderers.

The direct appointment of Innovation Norway as FO was efficient. Having acted as FO for certain programmes in 2009-14 and in accordance with Article 6.13 of the Regulations, Innovation Norway was earmarked to act as FO for the Business Development, Innovation and SMEs programmes in Bulgaria, Croatia, Greece and Romania, as well as the Social Dialogue – Decent Work programme. The appointment was noted in the relevant MoUs in respect of the country programmes. The contracting of Innovation Norway followed shortly after the signing of the MoUs, allowing an early start to be made to the programme development.

Once FOs were appointed, the remaining phases of the programme development process tended to operate efficiently (even taking account of the possible overlap between the content of FO bids and the content of CN). Overall, the ACF programmes took a much shorter time on average (12.1 months from FO appointment to PIA signature) compared to other programmes (21 months).

The FOs report that their roles and the role of the FMO (as PO) in the programme development process are clear. Of the 16 FOs responding to the survey, 15 reported that both their role and the role of the FMO was clear. Only one FO reported that both roles were “slightly unclear” (although the respondent chose not to offer reasons for this lack of clarity). The interviews of two FOs and a former FMO officer highlighted that the FOs for ACF programmes might value more opportunity to shape the programme objectives and strategic focus to take better account of national context and draw on their expertise as civil society organisations. This would obviously have to be balanced with the need to ensure that programmes meet donor priorities.

In terms of content, FOs were instrumental in producing high quality-at-entry. The selection process and the resulting bids were described as positively contributing to quality-at-entry by relevant FMO staff. Several FOs had conducted stakeholder consultations (including via on-line surveys) prior to submitting their bids and were therefore familiar with the needs of sector stakeholders. In the case of the ACF programmes, one contributory factor was that the FOs are all civil society organisations themselves, except in Cyprus. For that reason, an efficient and effective programme development process was thus in line with the FOs’ own core organisational objectives. Their national network of stakeholders was also an important contributory factor.

In terms of the efficiency of the development process, FOs made a positive contribution, especially when they had knowledge of and previous experience in results-based management. For example, as noted above the FO for Portugal’s ACF programme has a background in programme evaluation and was able to develop its programme results framework in an efficient manner with the support of the FMO. The FO explained that developing a results framework and agreeing on indicators can often be difficult. While the FO’s expertise can safely be assumed to have played an important role in the efficiency of developing this particular results framework, all programme actors involved in the development of Portugal’s ACF programme highlighted the satisfactory nature of holding in-person meetings and recommended this approach to be institutionalised, where possible.

In contrast, FMO staff reported challenges and delays arising from the appointment of an FO with relatively limited experience. In this case, one policy objective was to build in-country administrative capacity to handle donor funds, but the pursuit of this objective required additional investment of staff time on the part of the FMO, as the FO was an NGO new to the EEA/Norway Grants. While the NGO had had experience with such contracts, many of its staff were not trained in dealing with results-based management. The FO frequently needed to consult the FMO on questions regarding the signing of project agreements and implementation.

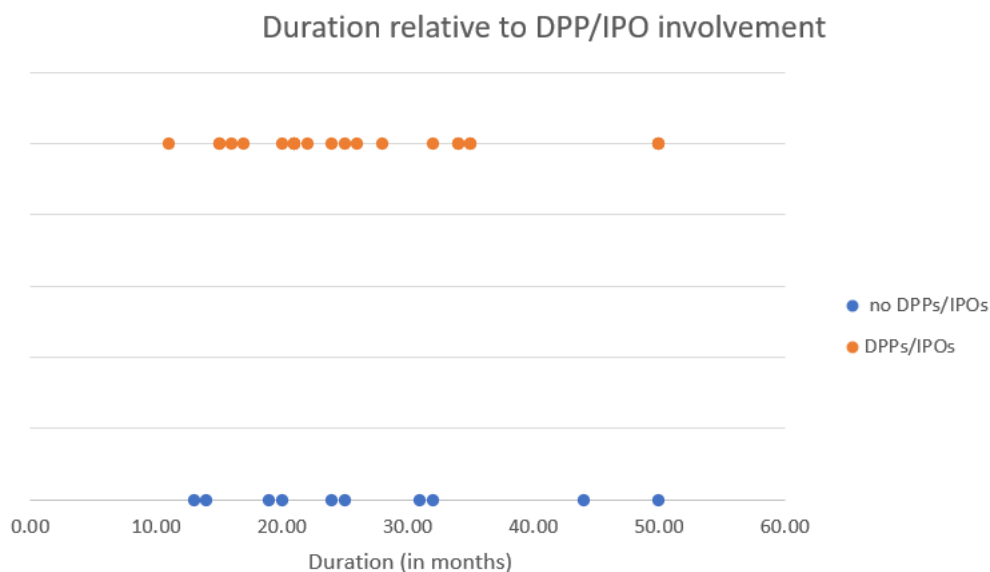
4.4 Influence of IPOs and DPPs

Assessment question: What has been the influence of the International Partner Organisations (IPOs) and Donor Programme Partners (DPPs) on the programme development process and on the quality of the design?

Donor Programme Partners (DPPs) are public entities in the Donor States and IPOs are intergovernmental organisations or EU agencies. DPPs/IPOs advise on the preparation and/or implementation of a programme. The role of DPP was first introduced in the 2009-14 programmes and the mid-term review of that period found that the consensus amongst programme actors was that DPPs had a positive impact on the design and implementation of programmes. In the previous period, the role of DPP encompassed intergovernmental organisations, whilst in the current period, such organisations are categorised as IPOs. Bringing together the evidence from all research tasks regarding DPPs/IPOs, some findings emerge.

The involvement of DPPs and IPOs has no discernible positive or negative impact on the time taken to develop programmes. As shown in Figure 12 below, programmes within the sample featuring DPPs/IPOs took approximately 10 to 50 months to be finalised, whereas those without took about 12-50 months.

Figure 12 Time taken to develop programmes with/without DPPs/IPOs



NB: for the 33 programmes selected for the quality assessment.

The rationale for including DPPs is clear in most MoUs and the role of DPPs is widely understood. The programme actors consistently reported that the role was clear. In many cases, the DPPs were continuing the role that they had undertaken in 2009-14 and therefore the rationale was clear and effective working relationships with other programme actors were established. For their part, the donor representatives highlighted the importance of DPPs reviewing draft CNs on their behalf, given their expert policy knowledge.

Early and effective involvement of DPPs can also facilitate the promotion of the Grants to potential donor project partners. One noted that if DPPs can shape thematic priorities in the early phases of programme development, this can enable a more targeted promotion towards relevant donor project

partners, which strengthens the bilateral results and the actual impact in both beneficiary and donor country. However, as noted above, one DPP reported that the considerable difference in time taken to negotiate the MoUs and develop CNs and PAs for different Beneficiary States resulted in difficulties in promoting the programmes to potential donor project partners. This resulted in calls for proposals for broadly similar activities (e.g. within the same programme area) tending to take place at very different times in different Beneficiary States. As the DPP stated: “The Grants are perceived as unpredictable by potential donor partners due to the long wait between programme period and uncoordinated calls from the different beneficiary countries. We see that the bilateral ambitions in some of the programmes suffer due to this”.

However, some programme actors reported difficulties arising from insufficient involvement of DPPs. Some programme actors were in favour of involving the DPPs more, keeping them better informed and giving greater consideration to their views of DPPs during programme development. As one DPP noted: “many of the education programmes and components have been designed in a way that we might not have supported today if the objective is to enhance quality in education”.

The role of IPO is not always clear or widely understood by all programme actors. Whilst the rationale for including IPOs is clear in most MoUs and in cooperation agreements, only a small majority (61%) of programme actors responding to the survey found it to be clear with 23% stating that it is unclear. The precise reasons for this lack of clarity were not identified by the research and in any case are likely to vary from IPO to IPO and from programme to programme. There has been a suggestion from some FMO staff that, at the outset, the role of IPOs was not sufficiently understood by the IPOs themselves or by the FMO. This lack of understanding was viewed as tending to limit the input from the IPOs in the programme development process. The other interviews confirmed this point and revealed that the involvement of IPOs can be beneficial when there is a strong strategic rationale for their involvement and a willingness on the part of Donor States and Beneficiary State actors to engage constructively and take on board suggestions from the IPOs.

The influence and effectiveness of IPO involvement in the programme development process has been very varied. This suggests that there may be a need to clarify the role of IPOs by considering the role they can play during programme development. As noted in section 3.4, representatives of the FRA, as an IPO, reported that they had enjoyed constructive dialogue with other programme actors and that its contributions were on the whole satisfactorily taken into account in the development of the CZ-HUMANRIGHTS programme development (notably the focus on systems for data collection, analysis and evaluation of the current situation of Roma communities). The usefulness of the FRA’s inputs were confirmed by the Ministry of Finance (as NFP and PO). In contrast, representatives of the OECD reported that they had fewer opportunities to influence the development process for the three programmes in which the OECD is an IPO.¹⁵ The representatives reported that the OECD’s role started formally and actively after the discussions between the Donor States and Beneficiary States to shape the programmes had already started, thus limiting its ability to contribute. The OECD representatives also reported not always being in a position to obtain information on the discussions and decisions taken between the FMO or Donor States and the Beneficiary States. In the case of HR-JUSTICE, representatives of another IPO, the Council of Europe (CoE) reported a divergence of priorities with the Beneficiary State, i.e. around changing the institutional culture of the judiciary, rather than only investing in hard measures such as court infrastructure. The stated donor intention is that the IPO should make sure that proposals are in line with international conventions. However, the CoE representatives reported only being able to help shape the programme to limited extent, although the MoU and the PA did ultimately include soft measures and restrict total spending on infrastructure to 60% of the programme’s total budget, in line with the CoE’s suggestions. However, overall, the CoE

¹⁵ GR-GOVERNANCE, PL-LOCDEV, SK-GOVERNANCE

representatives indicated that they were not fully able to bring the CoE's strategic focus to bear on the programme design.

There may be potential benefits from a strategic dialogue between Donor States and any IPOs that they wish to involve in programmes, before or in parallel to the MoU negotiation. Given the strategic nature of IPOs and their focus on pursuing EU or international policy objectives – and some of the challenges surrounding the IPO role in the current period – it is worth clarifying the role at the outset. This dialogue might cover: i) situation in the sector or Beneficiary State, drawing on evidence or analytical capacity available within the IPO; ii) possible strategic role of IPO across the Grants and within individual programmes or countries; iii) potential for the Grants to support EU or international policy objectives, e.g. international conventions; iv) legal, operational and financial practicalities. Such a dialogue would help align the expectations of the IPO and Donor States (and subsequently, by extension, the FMO) from the outset. Of course, if donors choose not to involve IPOs, then no such dialogue is necessary.

4.5 FMO role

Assessment question: What has been the organisational efficiency of the FMO in developing programmes?

Assessment question: What has been the effect of the FMO on the process of developing programmes and on their quality?

The FMO is the Brussels- based secretariat for the Grants and serves as a contact point between the donor and Beneficiary States. The FMO is affiliated with the European Free Trade Association (EFTA) and reports to the Foreign Ministries of Iceland, Liechtenstein and Norway.

The Donor States have drawn on the knowledge, experience and technical expertise of the FMO before or during the MoU negotiation although typically on ad hoc basis. It may be worthwhile to have a more structured interaction between Donor States and FMO in respect of the likely technical dimension of any programmes, e.g. a structured request from the donors for the FMO to provide technical information, for example, on the achievements of the previous programmes, situation in the Beneficiary States as well as any future priorities that the donors might wish to explore. This might help ensure that donor priorities are effectively pursued post-negotiation and also reduce programme development time by giving greater clarity on the technical details of the contents of MoU.

Following the signing of each MoU, there has been a hand-over from the Donor States to the FMO, but this has not always covered all the technical details in sufficient depth. In some cases, the focus has been mostly on the strategic issues, meaning that some FMO staff (e.g. programme managers, country officers) may not always know the reasons for specifying target groups, special concerns or other technical details and might not be aware of how donor and beneficiary priorities were reconciled within the MoU. A more structured and in-depth transition from the MoU negotiation to the programme development stage would involve the donors providing a clear statement of their priorities and how those priorities and beneficiary priorities shaped the final MoU document. A more substantial transfer document would cover both the strategic content and any technical details, such as the reasons for including PDPs and special concerns, clarification of target groups, and the intended role of any IPOs. This could help as a guide and reference point for relevant FMO officers when developing the programmes, particularly any new staff that are not in post at the time the MoU is signed. The format of such a statement, as well as the degree of confidentiality and formality would be for the donors to determine.

The consultations suggest that the FMO experienced some organisational challenges. As noted in section 3.3, POs report that they had positive interactions with and support from the FMO in the

development of the CN and the PA but that they viewed the FMO as being slow to respond at times. Consultations with the FMO staff have highlighted possible reasons for this finding.

A key challenge is the need to anticipate and plan for changes in personnel, given the time-limited mandate of most FMO roles. Consultations suggest a loss of expertise at key points in the 2014-21 programme development process and thus a loss of continuity in developing the CN and PA, with some programmes being moved between different FMO staff. This was mitigated in some cases where several FMO staff were familiar with the details of any particular programme, which tended to limit any loss of knowledge. However, interviews have revealed that high turnover of key FMO staff at critical times of programme development was a significant variable in slowing down the process. Several programmes suffered from changes of FMO personnel, especially when there was a change of programme manager. This was reported to be the case for SK-INNOVATION, LT-CULTURE, and EE-LOCALDEV where programme development was effectively stopped part way. A specific problem reported by one FMO officer (who took up post mid-way during the programme development process) was a lack of information recording previous correspondence, current state-of-play, decisions taken and the reasons for decisions taken. The officer suggested that this was a systemic issue rather than the fault of the predecessor. Indeed, at that time, the GRACE management information system had not been fully developed and therefore did not capture all relevant information.

Another challenge was that of prioritisation and competing demands on time. With all programmes being developed in parallel, some staff reported pinch points and a need for greater prioritisation. For example, the level of risk associated with programmes inevitably varies and some require a greater input of FMO time at key points, for example, where an FO might lack experience. The development of programmes in parallel also limits the extent to which experience from developing one programme can be applied to the development of another.

There is the question of what evidence the FMO should draw on when taking decisions in the programme development process. In order to take a view on the appropriateness of a CN or a PA submitted by the POs, there is a need for the FMO to have an independent understanding of the needs of Beneficiary States and of funding available to meet such needs, not least EU programmes.

There is a need to clarify the most appropriate points at which the full range of FMO expertise should be brought to bear on programme development. Agreement of PAs requires the FMO to consider multiple dimensions of programmes, including relevance to and likely impact on sector and country issues, adequacy of intervention logic and results framework, legal issues, financial management and proposed communication activities. This requires different FMO units to review programme content and advise donors accordingly. Whilst FMO staff highlighted the importance of a team-based approach to reviewing CN and PA, some NFPs and POs suggested that too many FMO staff were involved at early stages, which served to delay the process. On this basis, one question to consider is whether all technical and organisational details require to be included in CNs or whether some details can be left to the PA stage. This might offer potential to reduce the number and range of FMO staff involved in reviewing CN, thus shortening the programme development time but without raising risks to quality at entry.

5. Future outlooks for programme development

5.1 Utility of the programme development approach

Assessment question: To what extent has the programme development approach applied in the 2014-2021 funding period been useful for every programme area (one size fits all)?

Assessment question: Would it be appropriate to maintain the current varieties in programme approaches (ACF and Social Dialogue and Decent Work Programme)?

The programme development approach has ensured quality at entry across all programme areas but there have been differences by programme area in the time taken to develop programmes. The assessment of quality of final programmes has shown that quality has mostly been ensured, although there is scope to strengthen elements of some programmes, e.g. strategic rationale, sustainability of programme effects. The time taken to develop programmes has varied by programme area. But the research uncovered no evidence that different programme areas merit different programme development approaches (except for ACF and Social Dialogue and Decent Work). However, some modifications should be made and some steps in the process could be customised for different programmes (see section 5.3 below).

The utility of the programme development approach perhaps depends more on the scope of programmes than on the programme area in question. Of course, the focus of programmes should primarily be determined by the intended impacts, reflecting the priorities of the Donor States and Beneficiary States. However, some programmes receive relatively modest funding compared to their broad scope (in terms of needs addressed, objectives, target groups, eligible activities, etc.). In order to increase the efficiency of the development process, there is an argument for some programmes being better targeted, e.g. on specific sub-sectors, on a narrower range of eligible activities or on a narrower range of target groups, etc. The targeting of programmes would need to be agreed by the Donor States and Beneficiary States in the MoU. But the relevant programme actors might then be able to concentrate their efforts, for example, consulting fewer stakeholders but in more depth and reducing the risk of raising unrealistic expectations about what might be funded by programmes. Drawing on the example of the Asian Development Bank (see case study in Annex 5), where the focus, objectives, intended activities and target groups of programmes in different countries are very similar (e.g. ACF) or where the programmes address issues with a cross-border or transnational dimension (e.g. migration), it might be worth considering programmes covering multiple Beneficiary States. This might allow some economies of scale to be made in programme development, where one large programme replaces multiple smaller programmes.

It is not recommended to propose programmes covering more than one programme area simply in order to reduce the total number of programmes. Several programme actors noted that it was difficult to create synergies between programme areas when there was a lack of strategic rationale at the outset. In addition, combining a high number of programme areas can also weaken the rationale for intervention, e.g. by creating an unclear and unconnected hierarchy of objectives. Where there is little strategic rationale for combining multiple programme areas into the same programme, the risk is that “diseconomies of scale” are generated, for example, through the PO having to consult other line ministries or stakeholder consultations being less focussed. The Donor States and beneficiary should perhaps therefore consider either having separate programmes or reducing the number of programme areas covered.

In the case of the ACF programmes, there is a rationale for a different programme development process. These programmes are distinctive for three reasons: The Beneficiary States bear no

responsibility for development; they are operated by an FO appointed by the FMO; they tend to award a large number of grants for small sums of funding. This distinctiveness requires the ACF programmes to have a different programme development process in terms of steps taken. However, they still require the core concepts of results-based management to be applied.

5.2 Quality at entry

Assessment question: Should there continue to be a strong focus on ‘quality at entry’ for a potential future mechanism whereby the content of programmes is planned in detail during the programme development phase, as opposed to a more flexible approach whereby the programme development approach focuses on clarifying the strategic (but not operational) elements of the programme?

There should be a continued focus on quality at entry as this has resulted in high quality ex-ante and in a degree of consistency across programmes. The quality assessment showed that despite the generally high quality, there remained scope to strengthen elements of some programmes. A more flexible approach might risk weakening quality and thus the potential for programmes to fulfil objectives. There would also be a risk of inconsistency between programmes with some potentially held to higher standards of accountability than others in respect of adhering to original programme design. Donor States would also have to consider whether a flexible approach provides sufficient scope for donors to influence the process and ensure that their priorities are met.

Quality at entry could be supported by additional needs analysis and technical input into the early stages of the programme development process. There may be scope for the FMO to provide greater technical inputs to the Donor States at the outset, for example, regarding achievements of existing EEA/Norway programmes, contextual circumstances of the Beneficiary States and the technical possibilities or limitations of any priorities expressed by Donor States or Beneficiary States. In doing this, the FMO could focus more on the topics or sectors in different Beneficiary States that are most relevant for the donors before the MoU negotiations start. There may also be scope for IPOs to provide technical inputs to the donors in the MoU or to the FMO in the programme development process. This would complement the technical expertise already provided by the DPPs. Another possibility would be to undertake ex-ante evaluations of programme proposals.

Quality at entry can be ensured by raising the standard of all results frameworks up to the level of the best. The necessary elements already feature in many results frameworks, although not always consistently across all programmes. These elements include:

- Comprehensive mapping of the baseline situation: including a needs analysis and results of/insights from previous programmes (EEA/Norway, EU, national, other);
- Policy alignment with relevant national or EU policies as well as relevant international policy objectives to which the Beneficiary State or the EU is committed, e.g. Conventions of the Council of Europe;
- Explicit intervention logics with clear hierarchy of objectives;
- Appropriate and clearly defined output and outcome indicators;
- Sufficient consideration of the sustainability of activities and effects;
- Clear and consistent monitoring provisions;
- Specification of baseline values for outcomes;
- Clear and appropriate implementation modalities, with an adequate level of detail regarding open calls, etc.

Whilst quality at entry is view positively, it is also the case that “programme development” continues into the implementation period when many programmes undergo substantial modifications. In that context, it is positive that the Regulations allow some scope for NFPs to reallocate funds between programmes following the modification of a programme and subject to the approval of the FMC and of the PO of the programme receiving the funds.¹⁶ Drawing on the example of the Asian Development Bank (see case study in Annex 5), it might even be worth considering performance-based allocations of funding, which might serve as a stimulus to efficient programme development (and subsequently to efficient programme implementation).

There may be scope to adopt a more flexible approach when developing results-framework, especially for the innovation programmes. The nature of the innovation programmes is different from that of other programmes in that innovation programmes rely on co-investment from the private sector. It is therefore difficult to precisely quantify programmes’ activities during the development phase. Programme actors shared the view that more flexibility is required when developing targets and indicators for these programmes. For other programmes, many programme actors shared the view that more flexibility is required around the results framework as programmes will be running for a long period of time and there is a need for them to adapt to changing circumstances on the ground. The current global health crisis was taken as an example of the many external factors that programmes can face throughout implementation.

5.3 Possible modifications

Assessment question: What are the elements that could be modified in the programme development approach to increase the likelihood of achieving the planned results?

Based on the evidence gathered for this study, the following elements might merit modification.

5.3.1 MoUs

The programme development approach could be made more efficient if MoUs offered clear directions on stakeholder consultations and PDPs.

- Stakeholder consultations: the MoU could specify any instances where a stakeholder consultation is not required. For example, programmes with modest level of funding or where most/all funding is devoted to PDPs might not merit a consultation. Where a stakeholder consultation is required, the MoU could specify the format it should take (drawing on a standard list proposed in the Result Guideline) or it could leave the choice open for the FMO and PO to confirm.
- PDPs: the MoU could specify if project appraisals are required for any PDPs. This might speed the approval of the CN and PA, as all concerns of FMO and Donor States regarding individual projects would not have to be fully satisfied in the programme development process.

5.3.2 Separate definition of management and control systems

It might be possible for NFPs to prepare a separate document covering management and control systems for programmes in a Beneficiary State. In many cases, systems are common across some or all programmes within the same Beneficiary State. Where information about systems is requested for different programmes, e.g. via requests for supplementary information, there is a risk of duplication. The provision of information in a single document by NFPs would ensure greater consistency and remove duplication. On the FMO/donor side, there may be efficiencies with fewer staff needing to review and approve proposed systems.

¹⁶ Article 6.9

5.3.3 Stakeholder consultations

A wider range of options for stakeholder consultations could be offered within the Results Guidelines. Options could include: an SC meeting, open or closed on-line consultation, invitation to provide written comments or no consultation at all. Consultation could combine more than one option. Here, there is scope to draw on the example of the European Regional Development Fund (ERDF), where stakeholder consultations are more customised to the needs of each programme but typically feature both an open online public consultation and in-depth consultations with key stakeholders (see case study in Annex 5).

The approach taken within any programme would be either specified in the MoU or agreed between the FMO and PO, taking into account the specific circumstances of the programme, e.g. volume of funds, degree to which funds are earmarked for PDPs. For example, within ACF programmes, it might be more appropriate to have an on-line consultation that reaches a large number of civil society organisations, rather than an SC meeting that only a much smaller number can attend. For some programmes, it might be necessary only to require consultation for specific PDPs (perhaps as part of the project appraisal process) rather than for entire programmes, particularly where the volume of grant funding is modest.

The Result Guideline should clarify the possibility for either the FMO or the PO (or a body acting on their behalf) to lead the SC meeting in line with the specific circumstances of the programme in question. The current Result Guideline implies that POs will lead with the FMO being involved and invited.

Where possible and appropriate, the SC discussion paper should mirror the contents of the CN and perhaps even serve as a draft version of the CN. Given that the volume of funding can be relatively modest and certain choices have already been made in the MoU, it is recommended that in most cases, the SC focuses on a reasonably concrete proposal (in terms of problem to be addressed, strategic objectives, target groups, proposed activities, etc.). There may be exceptions where the SC is used to determine the basic outline of the programme, for example, where the main objective is to stimulate a bottom-up approach engaging many stakeholders or organisations, e.g. NGOs, SMEs.

5.3.4 Concept Notes

The purpose, status and requirements of the CN would benefit from clarification. CN include a significant part of the technical detail relating to modalities (calls for proposals, small grant schemes, PDPs) and detailed outcomes (with indicators, baselines and targets). Given that CN typically require approval by several actors within Donor States and Beneficiary States as well as within the FMO, there may be an argument for either scaling them back to focus only strategic content. Here, it would be helpful for Donor States to clarify their precise expectations regarding the content of CN. This could draw on the example of ERDF, where more detailed guidelines are provided regarding the expected content of key documents (see case study in Annex 5).

Certain requirements of the CN could be removed, namely the full results framework and full details on PDPs. Regarding the former, this could be submitted within the draft PA. Where PDPs are to be the subject of a later project appraisal, less detail would be required in the CN.

Concept Notes might not be necessary for programmes receiving relatively small allocations of grant funding and where the MoU commits much of the funding to pre-defined projects. In these cases, the programme concept is largely determined by the nature of the pre-defined projects and thus might not merit definition in a separate CN. Moreover, if project appraisals are required for most or all PDPs in such programmes, this would act as a further check in the implementation process.

5.3.5 Supplementary Information

The request for Supplementary Information could be discontinued and the relevant requirements incorporated into the Result Guideline (or Civil Society Manual) and the PA template (or implementation plan template) in a standardised way. The FM Regulations and the Results Guideline require Beneficiary States to provide any supplementary information requested, including but not limited to, a risk assessment and mitigation analysis, information related to the management of the programme and a communication plan. However, POs report a lack of clarity and possible inconsistency of the requirements to provide supplementary information, which tends not to facilitate the efficiency of the programme development process. By making these information needs explicit in the Guideline and incorporating them into the PA, there is potential to remove a step in the process and thus reduce the overall time taken.

5.3.6 ACF programme development process

Country-specific concerns for ACF programmes set out in the MoU could be treated as final and not requiring further donor approval. At present, some delay is caused by the requirement for further donor approval of such concerns before the launch of calls for tenders for the role of FO. By removing the need for this additional approval, the calls could be launched as soon as the MoU is signed, thus reducing the total programme development time.

The requirement for a CN within the ACF programmes (and possibly other programmes operated by FOs) could be discontinued. Some requirements of the CN already feature in the ToR for the role of FO. Prospective FOs were required to submit a detailed bid laying out their proposed programme. Subsequently, standalone CNs were also required during later stages of programme development. Many FOs as well as relevant FMO staff share the view that the ACF CNs should build upon the winning bids rather than being undertaken as a separate exercise. Such an approach could feature a revision of the ToR, so that FO bids include more of the content expected in the CN, which could then make the need for a CN redundant. Any remaining requirements not covered by bids could be incorporated into the PIA.

5.3.7 Role of the FMO

The FMO could anticipate and plan for changes in personnel during the next programme development period, given the time-limited mandate of most FMO roles. Given that approximate departure dates can be known in advance, it is recommended to consider an overlap period, whereby relevant FMO staff work alongside their successors for a period of time before their departure, in order to limit the loss of knowledge and momentum regarding the development of programmes. The precise length of overlap will need to be determined on a case-by-case basis. As well as allowing an effective handover, such an overlap will also provide additional capacity. Clearly, the potential to provide such additional capacity will depend on the availability of resources.

The FMO should ensure that there is a system for recording state-of-play, decisions taken and the reasons for decisions taken, for example, through GRACE or any successor. Given that staff departures will continue in line with the time-limited mandate of most roles, it is essential that new staff have good access to such information, so that they easily get up to speed and avoid the need to reopen discussions undertaken by their predecessors. The FMO should decide precisely what information is included and whether discussion and development of CN, SI and PA takes place entirely within GRACE.

The Donor States and FMO should clarify the most appropriate point(s) at which the full range of FMO expertise should be brought to bear on programme development. It is essential that programme proposals be reviewed at some point by FMO staff with the relevant sector, country, financial, legal, communication and results and evaluation experience and expertise. However, as noted above, it might not be necessary for all such expertise to be applied at the CN stage. This will

depend on what technical and organisational details require to be included in CNs or whether some details can be left to the PA stage.

5.4 Added value and synergies compared to other programmes

Assessment question: What is the added value of EEA & Norway Grants compared to other funding schemes?

Assessment question: What is the additionality and what are the synergies of EEA and Norway Grants with EU cohesion policy and Horizon 2020?

The added value of the current programmes is again most likely to be significant in those areas not covered by EU funding or not well-covered by national funding, as well as in terms of the bilateral co-operation. “Added value” is largely an ex-post consideration and for that reason, the current assessment has not given extensive consideration to the added value of the Grants compared to other funding schemes. Some evidence is available from the end review of 2009-2014. This found that the added value of the Grants was most significant in the areas where the funding by the European Structural and Investment Funds (ESIF) or national sources was limited as in the case of civil society; public health; correctional services; and culture. In some areas, such as research and scholarship, there were particular benefits from the bilateral cooperation.¹⁷ Research undertaken for this assessment suggests that the same broad types of added value are likely to arise in the current period.

In considering the added value of the Grants, it is essential to take into account the volume of funds available compared to EU funding and thus how best to target them. This is perhaps an obvious point and was mentioned by several programme actors interviewed. Several programme actors suggested that the scope of sectors and programmes areas targeted by some programmes was perhaps too broad. The scope of programmes has implications for the programme development approach. A broad scope potentially increases the complexity and duration of programme development, for example, through requiring a more extensive needs analysis to be undertaken or through widening the base of stakeholders for any consultation (with a consequent risk of raising expectations that can’t be met). Looking ahead, there may therefore be an argument for Donor States and Beneficiary States finding a way to focus on fewer priorities or more tightly within priorities, which would help make the programme development process more efficient and underpin its already high level of effectiveness.

The EEA and Norway Grants particularly provide additionality to EU funding in the innovation and research sector. EU funding for research and innovation, such as Horizon 2020, is highly competitive and the EEA/Norway Grants Beneficiary States tend to be less successful in accessing them than other EU Member States. For example, the 2016 Interim evaluation of the EU’s Horizon 2020 programme showed that the EU-13 countries had obtained only 4.4% of total funding available at the mid-point of the programme (despite accounting for 7.7% of GDP of countries participating in the programme). Similarly, the EU-13 countries also received only 1.9 % of European Research Council grants.¹⁸ The EEA/Norway Grants thus fill a gap left by EU funding and provide the opportunity for the Beneficiary States to build research and innovation capacity and thus increasing the likelihood of them accessing the successor programme to Horizon 2020. Reflecting this, one DPP (Innovation Norway) described the Grants as directly contributing to levelling the playing field across the EU-27.

¹⁷ Ecorys (2020), End review of the EEA and Norway Grants 2009-2014; Rapid assessment: final report

¹⁸ European Commission (2018), Spreading Excellence & Widening Participation in Horizon 2020: Analysis of FP participation patterns and research and innovation performance of eligible countries.

6. Conclusions and recommendations

6.1 Conclusions

The evidence presented in the previous chapters suggests a number of findings in relation to the assessment questions.

6.1.1 Efficiency and effectiveness of programme development

Assessment question: How efficiently and effectively have programmes been developed under the 2014-2021 period by the FMO and the Beneficiary States?

Overall, the programme development process appears to be effective in terms of producing programmes of high quality at entry. The final quality of each building block (MoU, CN, PA) is generally considered to be high by a majority of NFPs, POs, FOs, DPPs and IPOs and has been confirmed by the documentary review undertaken for this assessment. The MoUs are mostly seen as fit for purpose, whilst the CNs and reviewed were found to be thorough and comprehensive. The PAs are fully compliant with the Regulation of the EEA and Norway Grants. Most CNs and PAs exhibit high levels of quality regarding their strategic rationale, an adequately ordered hierarchy of objectives, outcomes and outputs, a clear allocation of resources and clear outcome indicators. However, a minority do not and in programmes covering multiple programme areas, there may be a need for more than one intervention logic.

There is scope to strengthen some elements of CNs and PAs. In general, there is scope to make programmes' intervention logics more explicit, especially for programmes with more than two programme areas. In some programmes, this might also involve a narrowing of the focus, which can sometimes be quite broad in relation to the funding available. Baseline values for outcome indicators are often lacking. Roles regarding monitoring modalities are sometimes loosely defined. Moreover, some PAs, albeit a minority, lacked a strong needs analysis and/or a clear and strong strategic rationale.

The programme development process does not always appear to be efficient in terms of time taken or resources required. On average, programme development took 21 months, which exceeds the 12-month time scale specified in the Regulation. In many countries, the late completion of negotiation of MoUs has delayed the start of the programme development process. Further delays during the process have then considerably reduced the time for programme implementation, ultimately increasing the risk of under-performance. This raises the question of how well the individual blocks fit together and whether there is duplication or any potential for streamlining.

The individual building blocks are mostly effective, with each providing a strong basis for the next, but there may be a need to customise or streamline the process in some cases. The majority of programme actors was generally positive about the content and process of MoUs, Stakeholder Consultations, CNs and PAs. However, programme actors can have different expectations about the purpose of each building block, which can lead to delays. In some cases, the process might merit customisation or streamlining, for example, where the programme has a specific focus or where the budget is limited or where MoUs allocate most of the funding to PDPs. Drawing on the example of the ERDF, there may also be greater scope for some steps in the process to operate in parallel, for example, the organisation of stakeholder consultations and the preparation of CNs and PAs. Again drawing on the ERDF, the efficiency of the formal building blocks might be increased by greater informal contact, for example, between relevant programme actors at an earlier stage, e.g. before or during the MoU negotiation, or through the sharing of draft CNs for informal review.

6.1.2 Elements influencing the development of programmes

Assessment question: Which elements have influenced the development of programmes?

The key elements influencing programme development have included the following:

- Early signing of MoU;
- Extent to which donors and Beneficiary State priorities been clear and aligned in the MoU, as well as clarity over the inclusion of PDPs or special concerns;
- Clear rationale and justification for the scope and focus of programmes, i.e. realistic to the level of funding available;
- Clarity over the roles of NFPs and IPOs (with a lack of clarity tending to hinder efficient programme development);
- Striking the right balance in stakeholder consultations between: i) allowing the opportunity for stakeholders to shape the content of the programme and maintaining the intended strategic direction; ii) an inclusive approach that allows a wider number of stakeholders to contribute and having a manageable discussion focussed on the core issues at hand.
- Clarity in the leadership of SCs and shared understanding between FMO and PO as to the purpose and focus;
- Positive working relationships, most notably between FMO and PO, but also between NFP and PO;
- Experience of programme actors, particularly where such experience was from the 2009-14 EEA/Norway programmes and continuity in such roles;
- Expertise of POs and FOs in results frameworks;
- Extent to which the FMO was able to ensure sufficient staff resources for particular programmes (i.e. handle competing demands on staff time) and reduce the adverse effects of staff turnover.

6.1.3 Contribution of actors and organisational factors

Assessment question: To what extent have the actors directly involved in programme development contributed to the development of programmes and which individual and/or organisational factors strengthened or weakened the contribution?

Programme actors are mostly clear about their own role and that of other organisations but a strong understanding of roles at the outset can depend upon the experience and knowledge of the individuals involved. For many of the programme actors, the 2014-21 period was not the first time that their organisation had been involved in developing programmes, most of them having done so in 2009-14. However, roles naturally required revision and updating for the new period and for many of the individuals within programme actor organisations it was the first time that they had personally been involved. Linked to this, programme actors initial understanding of the results-based approach or quality at entry has sometimes varied, implying a need for greater support at the outset.

The timing, content and process of stakeholder consultations generally ensures appropriate involvement of most stakeholders. There may be scope to increase the involvement of DPPs/IPOs and involve a wider set of stakeholders, such as potential project promoters or representatives of target groups, in some cases. However, this might require the focus and scope of programmes to be more concretely defined in order to target the most appropriate stakeholders and potential project

promoters. In other cases, stakeholder consultation could be streamlined, i.e. if the programme has a narrow focus or a limited budget.

The FMO experienced some organisational challenges in developing multiple programmes in parallel at the same time as monitoring the previous programmes. POs value the interactions with and feedback from the FMO but report that the FMO was slow to respond at times. Challenges included the need to anticipate and plan for changes in personnel, prioritisation and competing demands on time, and knowing what the evidence the FMO should draw on when developing programmes. There is a need to maintain an adequate record of decisions taken within the FMO in light of the high turnover of staff. The turnover of staff is inevitable, given the time-limited mandate of most roles. The impact of staff departures could be reduced by having a more systematic recording of decisions taken, reasons for decisions, state-of-play, etc. Overall, there may be benefit from one or more staff members having the responsibility to track the progress of programme development across all programmes, so that difficulties can be identified or the process modified.

The role of NFPs in the programme development process has not always been clear. Whilst NFPs are required to sign PAs on behalf of Beneficiary States, it is not always clear how this responsibility should translate into a concrete role within the programme development process. This tends to limit the efficiency of the process.

The role of POs in programme development has generally been clear and effective. One exception has been in the case of a PO appointing an implementing agency to fulfil various programme management responsibilities on its behalf and under its authority. Whilst such an approach is not used by most POs, in those cases where beneficiaries would like to use it, the risk is of lack of clarity which results in delays. In some cases, implementing agencies fulfil such a role in the management of EU Cohesion Policy programmes, so it may be possible to draw on any legal possibilities or parameters within EU funding rules.

The involvement of DPPs/IPOs contributes to the effectiveness of programme development but has no discernible positive or negative impact on efficiency. The involvement of DPPs/IPOs tends to strengthen quality of programme design and can facilitate the promotion of the Grants to potential donor project partners. Involving DPPs/IPOs in the programme development process does not appear to increase the burden associated with programme development or to increase or reduce the time taken to develop programmes. As currently described in the Regulations, the Cooperation Committee bringing together the PO, DPPs and IPOs for a programme currently advises on various tasks including the preparation of the concept note. The list of tasks in the Regulations could be expanded to make explicit reference to advising on the preparation of the PA.

The IPO role was not clearly understood by all actors during the programme development process. Some difficulties were experienced, and some IPOs reported that there had been a missed opportunity for them to enhance programme development. The IPO role in general (and the contractual provisions) could be clarified in advance of the next period, whilst the role of individual IPOs might be better clarified by a strategic dialogue between Donor States and IPOs.

6.1.4 Future outlooks for programme development

Assessment question: What are some broad potential future outlooks for programme development?

In summary, some broad potential future outlooks for programme development are as follows:

- There is an argument for maintaining the main building blocks but customising them, as necessary.
- In the case of the ACF programmes, there may be a rationale for a different process with different building blocks.

- There should be a continued focus on quality at entry as this has resulted in high quality ex-ante, however, there is a need for a strategic overview of the process from the outset of programme development.
- More synergies between programme areas should be sought for programmes with more than one programme area.
- There may be scope to introduce the possibility to revise results-frameworks during programme implementation, especially for the innovation programmes.
- Additional needs analysis and technical input into the earliest stages of the programme development process could help shape donor priorities and the subsequent technical assessments undertaken by the FMO throughout the process.
- There should be a more structured transition from the MoU negotiation to the programme development stage. This would involve the donors providing a clearer statement of their priorities and how those priorities and beneficiary priorities shaped the final MoU document. This would cover both the strategic content and any technical details.
- A streamlined approach could be envisaged for some programmes that receive relatively modest amounts of funding and where the MoU commits much of the funding to pre-defined projects. In these cases, stakeholder consultation might not be required or only for specific PDPs (perhaps as part of the project appraisal process) and a CN might not be necessary.
- A streamlined approach could be envisaged for the ACF programmes featuring a revision of the ToR, so that FO bids include more of the content expected in the CN, which could then make the need for a CN redundant.
- The IPO role should be clarified in general and for each individual IPO, perhaps through a strategic dialogue with donors at the outset and to scope out the broad outlines of their role.
- There is a need to maintain an adequate record of decisions taken within the FMO in light of the high turnover of staff.
- The added value of the current programmes is again most likely to be significant in those areas not covered by EU funding or not well-covered by national funding, as well as in terms of the bilateral co-operation.
- It is essential to take into account the volume of funds available compared to EU funding and consider focusing on fewer priorities or more tightly within priorities, which would help make the programme development process more efficient and effective. This could be supported by a structured dialogue with the European Commission.
- The EEA and Norway Grants particularly provide additionality to EU funding in the innovation and research sector, given that the Beneficiary States are under-represented in programmes such as Horizon 2020.

6.2 Recommendations

6.2.1 Programme design

1. It is recommended to retain the focus on quality at entry, as this has resulted in high quality ex-ante.
2. It is recommended to focus (some) future programmes on fewer programme areas and more tightly within programme areas, as a means of making the programme development process more efficient.
3. It is not recommended to propose programmes covering more than one programme area simply in order to reduce the total number of programmes.
4. The Blue Book should retain the current format and be updated to reflect donor priorities for the next period.

6.2.2 Revisions to the programme development process (non-ACF programmes)

The relevant programme actors should consider the following revisions to the process.

5. MoUs could specify in many (if not all) cases whether i) a stakeholder consultation is required; and ii) whether PDPs require to be appraised.
6. A separate document could be prepared by NFPs covering management and control systems for programmes in a Beneficiary State. This might replace some of the content in the CN or PA.
7. A wider range of options for the stakeholder consultation should be introduced (including no consultation or consultation only within specific PDPs) and described in the Results Guideline.
8. A CN might not be required for programmes receiving small amounts of funding and where the MoU commits much of the funding to PDPs. Donor States could agree to waive the requirement for a CN either in the MoU or separately after the signature of the MoU.
9. The requirements to provide the full results framework and full details on PDPs in the CN might be removed. Instead, the full results framework could be submitted within the draft PA. Where PDPs are to be the subject of a later project appraisal, less detail would be required in the CN.
10. The request for Supplementary Information could be discontinued and the relevant requirements incorporated into the Result Guideline and the PA template in a standardised way.

6.2.3 Revisions to the programme development process (ACF programmes)

The relevant programme actors should consider the following revisions to the process.

11. Country-specific concerns for ACF programmes set out in the MoU could be treated as final and without requiring further donor approval before the launch of calls for tenders to appoint FOs. This would enable the calls to be launched as soon as the MoU is signed, thus reducing the total programme development time
12. The requirement for a CN within the ACF programmes (and possibly other programmes operated by FOs) could be discontinued.
13. The request for additional information could be discontinued and the relevant requirements incorporated into the Civil Society Manual and the implementation plan template in a standardised way.

6.2.4 Donor States

14. The Donor States should consider a more systematic interaction with the FMO before or during the MoU negotiation.
15. The Donor States should consider a more structured and in-depth transition from the MoU negotiation to the programme development stage.
16. The Donor States should consider a strategic dialogue with any IPOs that they wish to involve in programmes, before or in parallel to the MoU negotiation.
17. The Donor States should clarify their requirements regarding content of the CN, i.e. whether some detail can be left to the PA.
18. The Donor States should clarify the intended role of the NFPs in the development process.
19. The Donor States consider expanding the DPP and IPO role to include formal responsibility for advising on the PA (i.e. to be included in the next Regulation).
20. The Donor States should specify the possibilities (if any) for POs to appoint implementing agencies to fulfil various programme management responsibilities on their behalf and under their authority.

6.2.5 FMO

21. A group of staff within the FMO and Donor States could be allocated responsibility for monitoring the development of all programmes from MoU to P(I)A approval.
22. The FMO should anticipate and plan for changes in personnel during the next programme development period, given the time-limited mandate of most FMO roles.
23. The FMO should ensure that there is a system for recording state-of-play, decisions taken and the reasons for decisions taken, for example, through GRACE or any successor.

6.2.6 Beneficiary States

24. In advance of developing the next generation of programmes, Beneficiary States should clarify the respective roles and responsibilities of NFPs and POs and how the relationship between them will function.
25. NFPs should ensure they have appropriate staff and effective processes in place to enable them to take a pro-active approach to planning and tracking the programme development process for programmes in their countries (for example, training for staff, guidance on management and control systems, etc.).
26. At the outset, POs should ensure they have the necessary expertise in development of results frameworks.

Annex 1: Quality assessment programme sample

Table 8 Sample of programmes for the quality assessment

Programme	Duration in months*	ACF	Size of grants	Number of Programme Areas	DPPs/IP Os
RO-ENVIRONMENT	Longest (35)	-	€ 20.0m	1 (PA13)	DPP
SK-INNOVATION	34	-	€ 20.0m	2 (PA01/03)	DPPs
RO-ACTIVECITIZENS	31*	Yes	€ 46.0m	1 (PA15)	-
EE-LOCALDEV	28	-	€ 18.0m	8 (PA4/6/8/9/10/14/16/22)	DPPs
PL-CLIMATE	26	-	€ 140.0m	3 (PA11/12/13)	DPPs
CZ-HUMANRIGHTS	21	-	€ 19.0m	3 (PA07/17/22)	IPOs
RO-HEALTH	21	-	€ 40.0m	1 (PA06)	DPPs
GR-HOMEAFFAIRS (FMO)	15	-	€ 16.5m	1 (PA18)	DPP
SI-ACTIVECITIZENS	14	Yes	€ 3.0m	1 (PA15)	-
PT-ACTIVECITIZENS	13	Yes	€ 11.0m	1 (PA15)	-
LT-CULTURE	13	-	€ 7m	1 (PA14)	DPPs
HR-JUSTICE	11	-	€ 13.0m	2 (PA19/21)	DPP/IPO
RO-LOCALDEV	25	-	€ 70.0m	5 (PA07/08/10/16/17)	DPP/IPOs
MT-LOCALDEV	25	-	€ 5.9m	1 (PA10)	-
BG-CULTURE	32	-	€ 10.0m	1 (PA14)	DPP
LV-INNOVATION	31.4	-	€ 12.5m	1 (PA01)	DPP
CY-LOCALDEV	15	-	€ 7.1m	2 (PA10/PA16)	-
GR-ROMAINCLUSION	32.8	-	€ 5.0m	1 (PA07)	IPO
PL-ACTIVECITIZENS NATIONAL	25	Yes	€ 30.0m	1 (PA15)	-
RO-HOMEAFFAIRS	20	-	€ 24.0m	2 (PA20/23)	DPPs/IPOs
EE-CLIMATE	22	-	€ 6.0m	2 (PA11/13)	DPP
LT-ACTIVECITIZENS	12.5	Yes	€ 9.0m	1 (PA15)	
PL-LOCALDEV	16	-	€ 20.0m	2 (PA10/16)	DPP/IPO
BG-ENERGY	35	-	€ 28.0m	1 (PA12)	DPPs
HR-INNOVATION	20	-	€ 22.0m	1 (PA01)	
MT-ACTIVECITIZENS	32	Yes	€ 0.7m	1 (PA15)	
BG-ACTIVECITIZENS	19	Yes	€ 15.5m	1 (PA15)	
BG-ENVIRONMENT	34	-	€ 13.0m	2 (PA11/13)	DPP
LT-JUSTICE	21	-	€ 33.0m	5 (PA16/19/20/21/22)	DPPs/IPO
EE-RESEARCH	15	-	€ 7.1m	2 (PA02/03)	DPPs
CZ-GOVERNANCE	24	-	€ 5.0m	1 (PA16)	IPO
PL-JUSTICE	31	-	€ 70.0m	3 (PA19/21/22)	DPPs
LT-INNOVATION	17	-	€ 14.0m	1 (PA01)	DPP

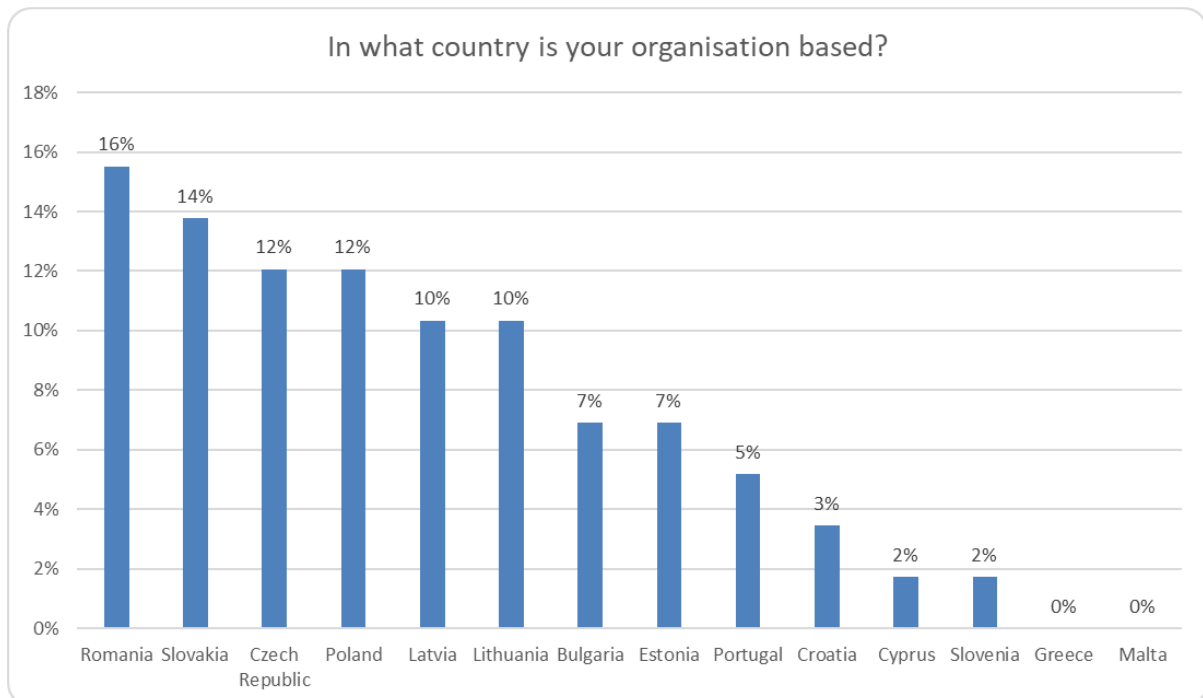
Annex 2: Survey charts and tables

Profile of respondents

NFPs responding to the survey

Responding/not responding	Country
NFPs responding	<ul style="list-style-type: none"> • Bulgaria • Cyprus • Czech Republic • Estonia • Greece • Latvia • Lithuania • Malta • Poland • Romania • Slovakia
NFPs not responding	<ul style="list-style-type: none"> • Croatia • Portugal • Slovenia

Country of POs responding to the survey



Country of FOs responding to the survey

Country
• Poland: 3
• Greece: 2
• Estonia: 1
• Romania: 3
• Portugal: 1
• Lithuania: 1
• Slovenia: 1
• Bulgaria: 2
• Other: 3

Country of DPPs/IPOs responding to the survey

Country
• Iceland: 2
• Liechtenstein: 1
• Norway: 17
• Other: 3

Memorandum of Understanding: process

BEFORE the negotiation of the MoU, was your organisation sufficiently consulted about the detail of your future programme(s) (by the body responsible for negotiating on behalf of your country)?

	NFPs		DPPs/IPOs		POs		TOTAL	
	N	%	N	%	N	%	N	%
Yes – very well	7	54%	6	29%	22	40%	35	39%
Yes – fairly well	4	31%	8	38%	15	27%	27	30%
Slightly	0	0%	3	14%	10	18%	13	15%
Not all	0	0%	2	10%	4	7%	6	7%
Don't know	2	15%	2	10%	4	7%	8	9%

DURING the negotiation of the MoU, was your organisation sufficiently consulted about the detail of your future programme(s) (by the body responsible for negotiating on behalf of your country)?

	NFPs		DPPs/IPOs		POs		TOTAL	
	N	%	N	%	N	%	N	%
Yes – very well	10	77%	1	5%	20	36%	31	35%
Yes – fairly well	1	8%	10	48%	18	33%	29	33%
Slightly	0	0%	6	29%	12	22%	18	20%
Not all	0	0%	3	14%	2	4%	5	6%
Don't know	2	15%	1	5%	3	5%	6	7%

AFTER the negotiation of the MoU, was your organisation sufficiently informed about the conclusion of the negotiation (by the body responsible for negotiating on behalf of your country)?

	NFPs		DPPs/IPOs		POs		TOTAL	
	N	%	N	%	N	%	N	%
Yes – very well	10	77%	6	29%	33	60%	49	55%
Yes – fairly well	2	15%	9	43%	18	33%	29	33%
Slightly	0	0%	5	24%	1	2%	6	7%
Not all	0	0%	0	0%	2	4%	2	2%
Don't know	1	8%	1	5%	1	2%	3	3%

Memorandum of Understanding: content

In your view, could the negotiation of the MoU have been concluded earlier?

	NFPs		DPPs/IPOs		POs		TOTAL	
	N	%	N	%	N	%	N	%
Yes – much earlier	2	15%	3	14%	9	16%	14	16%
Yes – slightly earlier	6	46%	6	29%	22	40%	34	38%
No	4	31%	1	5%	12	22%	17	19%
Don't know	1	8%	11	52%	12	22%	24	27%

In your view, what is the level of detail about the programme(s) in the MoU?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Too much detail	2	17%	1	6%	5	9%	1	6%	9	9%
The right level of detail	9	75%	14	88%	46	85%	13	76%	82	82%
Too little detail	0	0%	1	6%	2	4%	4	24%	7	7%
No opinion / Don't know	1	8%	0	0%	1	2%	0	0%	2	2%

How well do the objective(s) of the programme(s) and the level of funding stated in the MoU correlate with the situation in your country and with the programme ambition?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Very well	2	17%	2	13%	9	17%	2	12%	15	15%
Fairly well	10	83%	11	69%	42	78%	14	82%	77	78%
Not very well	0	0%	1	6%	1	2%	0	0%	2	2%
Not at all	0	0%	0	0%	1	2%	0	0%	1	1%
No opinion / Don't know	0	0%	2	13%	1	2%	1	6%	4	4%

For your programme(s), how clear is the rationale for including any named DPPs or IPOs?

	NFPs		DPPs/IPOs		POs		TOTAL	
	N	%	N	%	N	%	N	%
Very clear	4	33%	6	38%	25	46%	35	43%
Fairly clear	4	33%	8	50%	21	39%	33	40%
Slightly unclear	1	8%	2	13%	6	11%	9	11%
Very unclear	0	0%	0	0%	0	0%	0	0%
Not relevant to our programme (no DPPs or IPOs)	2	17%	0	0%	2	4%	4	5%
Don't know	1	8%	0	0%	0	0%	1	1%

For your programme(s), how clear is the rationale for any pre-defined projects (PDPs) listed in the MoU?

	NFPs		DPPs/IPOs		POs		TOTAL	
	N	%	N	%	N	%	N	%
Very clear	7	58%	3	19%	20	37%	30	37%
Fairly clear	4	33%	7	44%	10	19%	21	26%
Slightly unclear	0	0%	3	19%	4	7%	7	9%
Very unclear	0	0%	2	13%	4	7%	6	7%
Not relevant to our programme (no PDPs)	0	0%	1	6%	15	28%	16	20%
Don't know	1	8%	0	0%	1	2%	2	2%

Were there other PDPs that you believe should have been listed in the MoU?

	NFPs		DPPs/IPOs		POs		TOTAL	
	N	%	N	%	N	%	N	%
Yes	2	17%	6	38%	10	19%	18	22%
No	7	58%	4	25%	32	59%	43	52%
Don't know	3	25%	6	38%	12	22%	21	26%

For your programme(s), how clear was the rationale for any special concerns stated in the MoU?

	NFPs		DPPs/IPOs		POs		TOTAL	
	N	%	N	%	N	%	N	%
Very clear	5	42%	1	6%	13	24%	19	23%
Fairly clear	4	33%	7	44%	22	41%	33	40%
Slightly unclear	2	17%	5	31%	9	17%	16	20%
Very unclear	0	0%	1	6%	6	11%	7	9%
Not relevant to our programme (no special concerns)	1	8%	1	6%	1	2%	3	4%
No opinion / Don't know	0	0%	1	6%	3	6%	4	5%

How important and appropriate are any special concerns, given the situation in the country, the objectives of the programme(s) and the EEA/Norway funding available?

	Very important and appropriate	Fairly important and appropriate	Slightly unimportant and inappropriate	Very unimportant and inappropriate	Not relevant to our programme	No opinion / Don't know	% Total	Total
	%	%	%	%	%	%		
Target groups	31	22%	13	33%	8	11	21%	79
Intended measures	25	24%	17	17%	9	15	21%	78
Target territories	16	15%	20	17%	33	26	19%	74
Limits on infrastructure expenditure	15	21%	37	17%	18	22	20%	75
Development of projects from the 2009-14 programmes	13	18%	13	17%	34	26	19%	74

How clear a basis did the MoU offer for the development of the Concept Note and Programme Agreement (between the PO and the FMO)?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Very clear basis	2	17%	5	31%	13	24%	5	29%	25	25%
Fairly clear basis	7	58%	7	44%	36	67%	8	47%	58	59%
Slightly unclear basis	2	17%	3	19%	3	6%	2	12%	10	10%
Very unclear basis	1	8%	0	0%	1	2%	0	0%	2	2%
Don't know	0	0%	1	6%	1	2%	2	12%	4	4%

Stakeholder Consultation

Did the Stakeholder Consultation take place at the right point in the process of preparing the programme(s)?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Much too early	0	0%	0	0%	1	2%	0	0%	1	1%
Slightly too early	1	8%	2	13%	4	7%	2	12%	9	9%
Right time	7	58%	8	53%	39	72%	10	59%	64	65%
Slightly too late	2	17%	3	20%	6	11%	4	24%	15	15%
Much too late	0	0%	1	7%	2	4%	0	0%	3	3%
Don't know	2	17%	1	7%	2	4%	1	6%	6	6%

Did your organisation have enough time to adequately prepare for the Stakeholder Consultation?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
More than adequate time	0	0%	1	7%	0	0%	1	6%	2	2%
Adequate time	9	75%	8	53%	43	80%	11	65%	71	72%
Slightly inadequate time	3	25%	4	27%	7	13%	4	24%	18	18%
Very inadequate time	0	0%	1	7%	1	2%	0	0%	2	2%
Don't know	0	0%	1	7%	3	6%	1	6%	5	5%

Was sufficient information provided to your organisation in advance of the Stakeholder Consultation?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
More than sufficient	0	0%	1	7%	3	6%	9	53%	13	13%
Sufficient	5	42%	8	53%	36	67%	7	41%	56	57%
Slightly insufficient	3	25%	4	27%	12	22%	0	0%	19	19%
Very insufficient	1	8%	1	7%	1	2%	0	0%	3	3%
Don't know	3	25%	1	7%	2	4%	1	6%	7	7%

How useful was the Stakeholder Consultation discussion paper (circulated in advance)?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Very useful	1	8%	3	20%	10	19%	8	47%	22	22%
Fairly useful	3	25%	5	33%	22	41%	5	29%	35	36%
Slightly useful	4	33%	5	33%	14	26%	3	18%	26	27%
Not useful at all	0	0%	1	7%	2	4%	0	0%	3	3%
Don't know	4	33%	1	7%	6	11%	1	6%	12	12%

Did the Stakeholder Consultation involve all key stakeholders?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Yes – all key stakeholders involved	9	75%	4	27%	43	80%	12	71%	68	69%
No - some missing	1	8%	7	47%	7	13%	4	24%	19	19%
Don't know	2	17%	4	27%	4	7%	1	6%	11	11%

Did the Stakeholder Consultation involve the right number of stakeholders?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Too many	0	0%	1	7%	2	4%	0	0%	3	3%
About right	11	92%	9	60%	48	89%	14	78%	82	84%
Too few	0	0%	3	20%	1	2%	2	11%	6	6%
Don't know	1	8%	2	13%	3	6%	1	6%	7	7%

Did the Stakeholder Consultation cover all the essential issues?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Yes	8	67%	9	60%	50	93%	15	88%	82	84%
No	2	17%	2	13%	0	0%	1	6%	5	5%
Don't know	2	17%	4	27%	4	7%	1	6%	11	11%

Stakeholder Consultation Programme Strategy Meeting**How useful was the Stakeholder Consultation to the overall preparation of the programme?**

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Very useful	1	8%	4	27%	11	20%	7	41%	23	23%
Fairly useful	6	50%	5	33%	33	61%	3	18%	47	48%
Slightly useful	3	25%	5	33%	6	11%	5	29%	19	19%
Not useful at all	1	8%	0	0%	2	4%	1	6%	4	4%
Don't know	1	8%	1	7%	2	4%	1	6%	5	5%

In future, when should the Stakeholder Consultation take place?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
At an early stage, when the programme is relatively undeveloped (e.g. before Concept Note)	9	75%	11	73%	46	85%	15	88%	81	83%
At a later stage, when the programme is well developed (e.g. when draft Programme Agreement is available)	0	0%	4	27%	4	7%	1	6%	9	9%
Don't know	3	25%	0	0%	4	7%	1	6%	8	8%

How useful was the Stakeholder Consultation Programme Strategy Meeting to your organisation?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Very useful	2	18%	5	33%	11	20%	4	33%	22	24%
Fairly useful	4	36%	5	33%	33	61%	3	25%	45	49%
Slightly useful	4	36%	3	20%	4	7%	4	33%	15	16%
Not useful at all	0	0%	0	0%	2	4%	1	8%	3	3%
Don't know	1	9%	2	13%	4	7%	0	0%	7	8%

How useful was the Stakeholder Consultation Programme Strategy Meeting to the overall preparation of the programme?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Very useful	1	9%	2	13%	14	26%	3	25%	20	22%
Fairly useful	6	55%	7	47%	28	52%	3	25%	44	48%
Slightly useful	2	18%	4	27%	5	9%	4	33%	15	16%
Not useful at all	1	9%	0	0%	3	6%	2	17%	6	7%
Don't know	1	9%	2	13%	4	7%	0	0%	7	8%

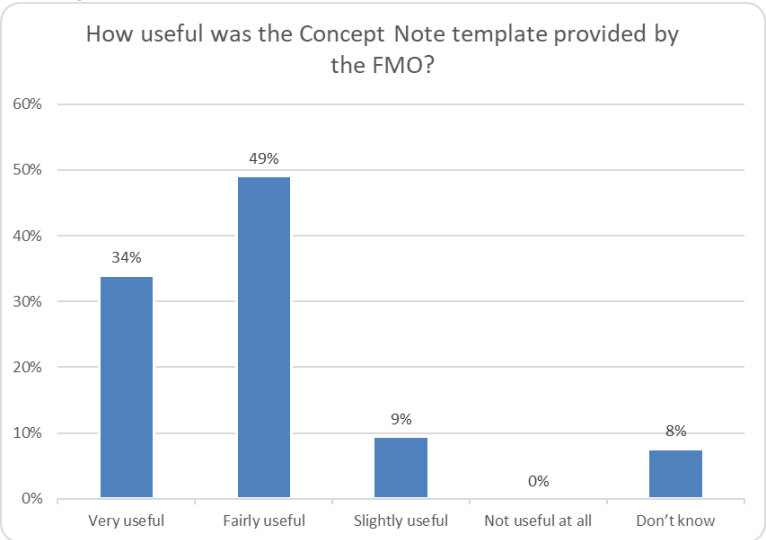
In future, should the Stakeholder Consultation Programme Strategy Meeting continue to take place on the day after the Stakeholder Consultation?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Yes – next day	3	27%	8	53%	31	57%	8	67%	50	54%
No – later	4	36%	3	20%	12	22%	2	17%	21	23%
Don't know	4	36%	4	27%	11	20%	2	17%	21	23%

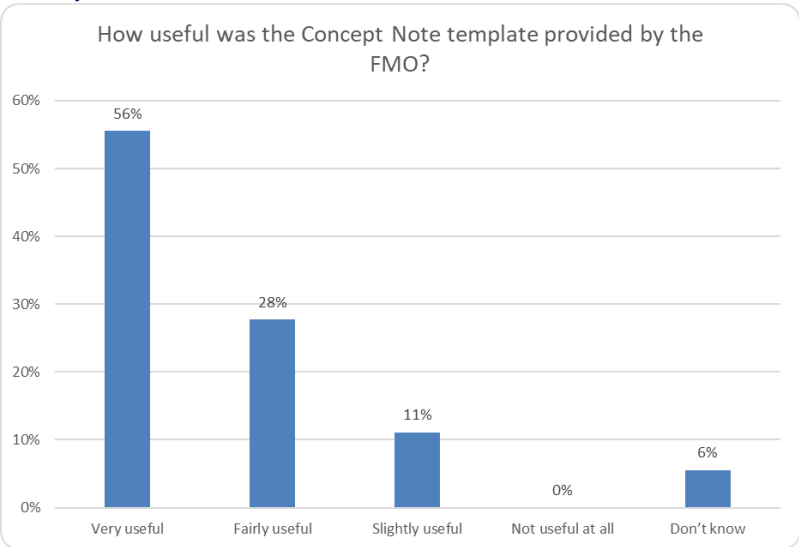
Concept Note: process

How useful was the Concept Note template provided by the FMO?

PO responses:

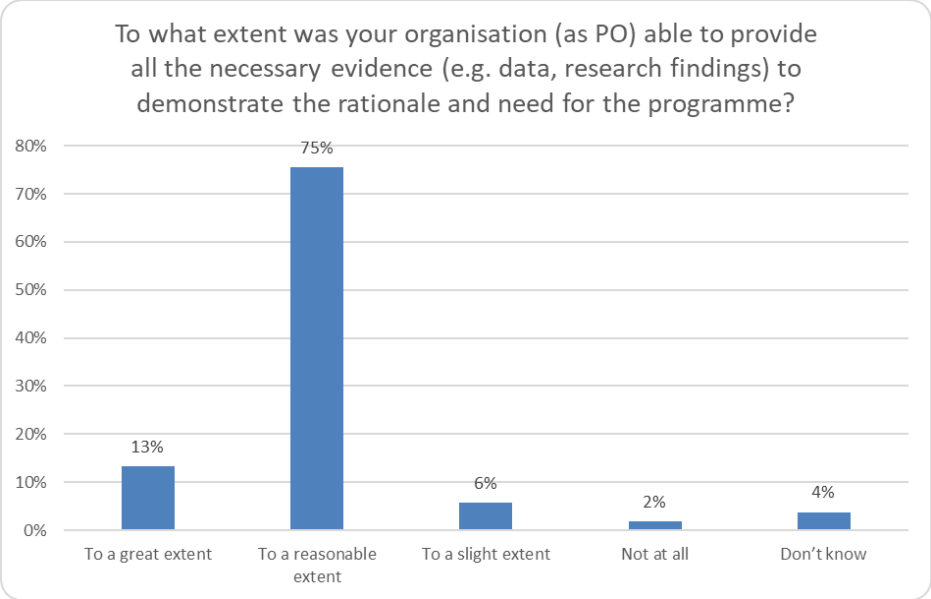


FO responses:

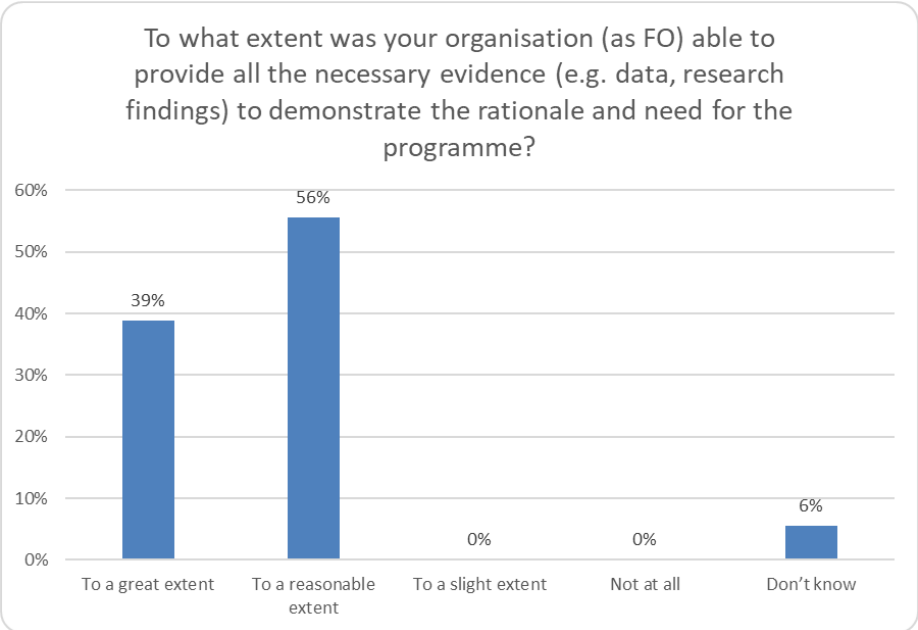


To what extent was your organisation (as PO) able to provide all the necessary evidence (e.g. data, research findings) to demonstrate the rationale and need for the programme?

PO responses:

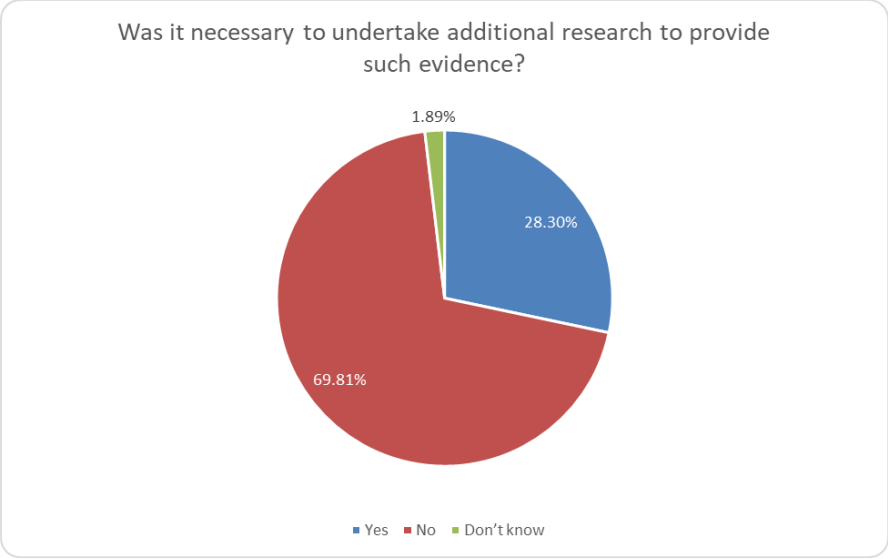


FO responses:

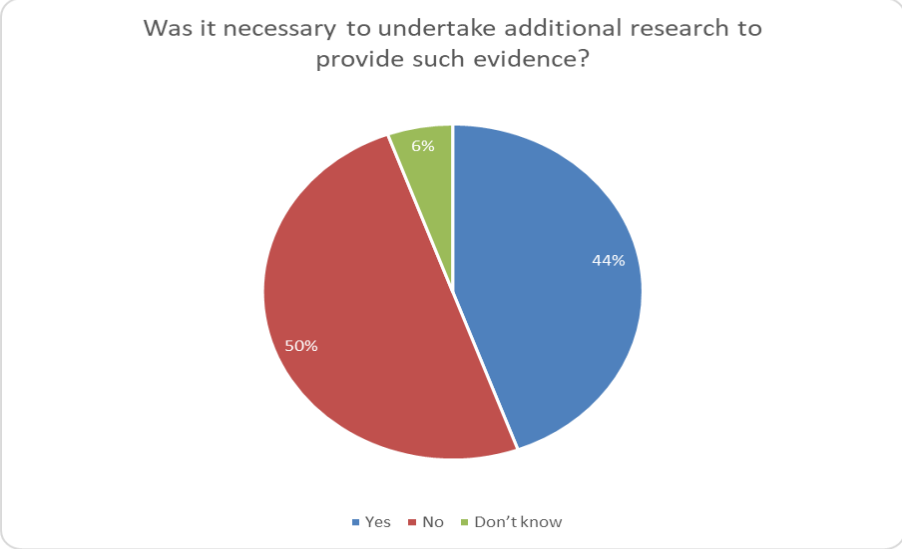


Was it necessary to undertake additional research to provide such evidence?

PO responses:

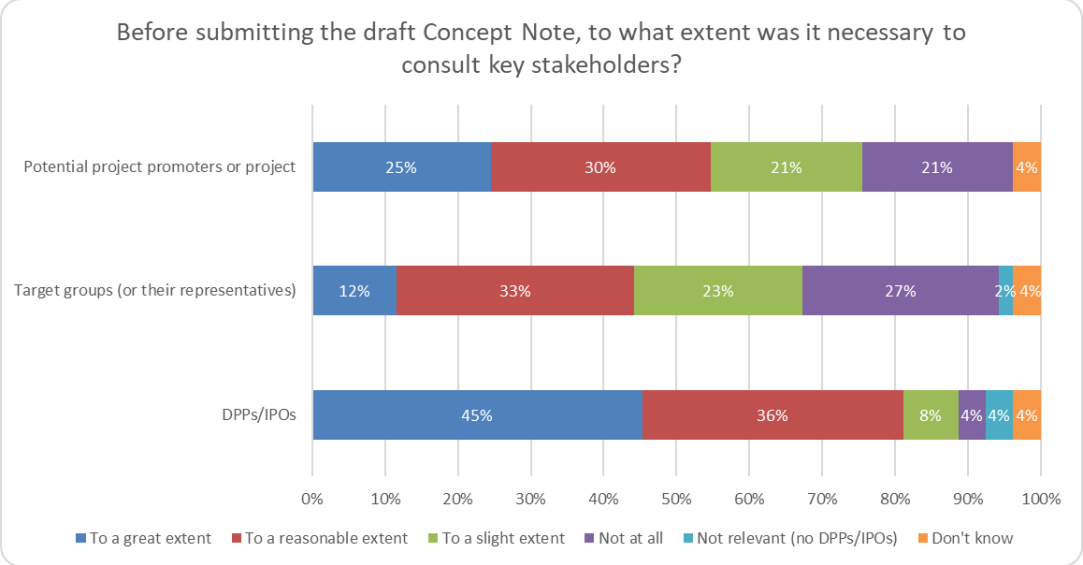


FO responses:

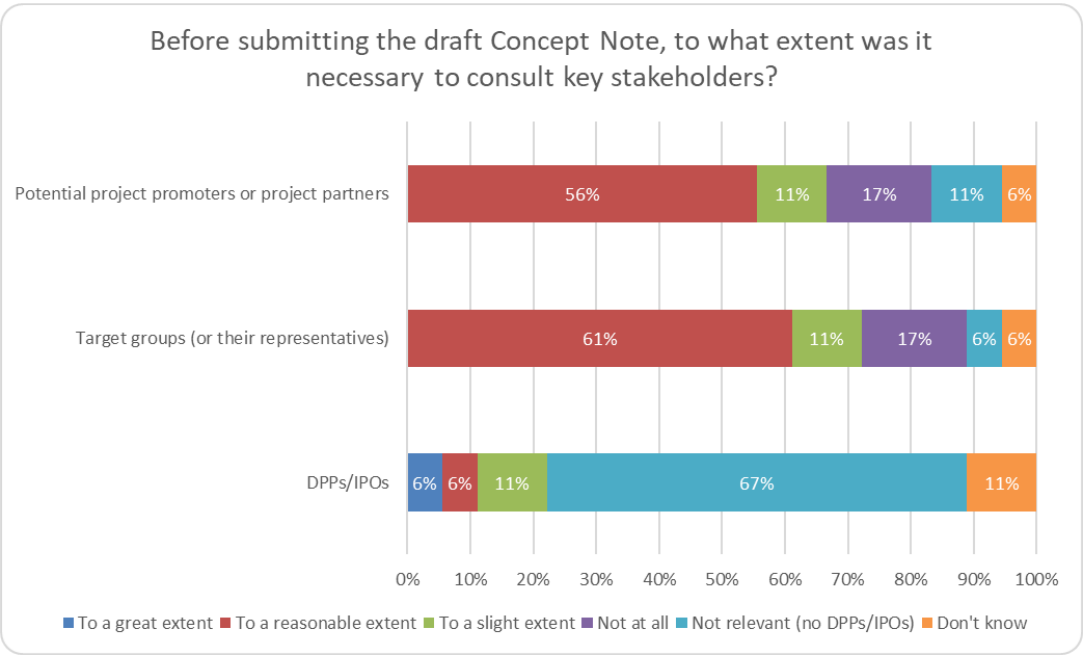


Before submitting the draft Concept Note, to what extent was it necessary to consult key stakeholders?

PO responses:

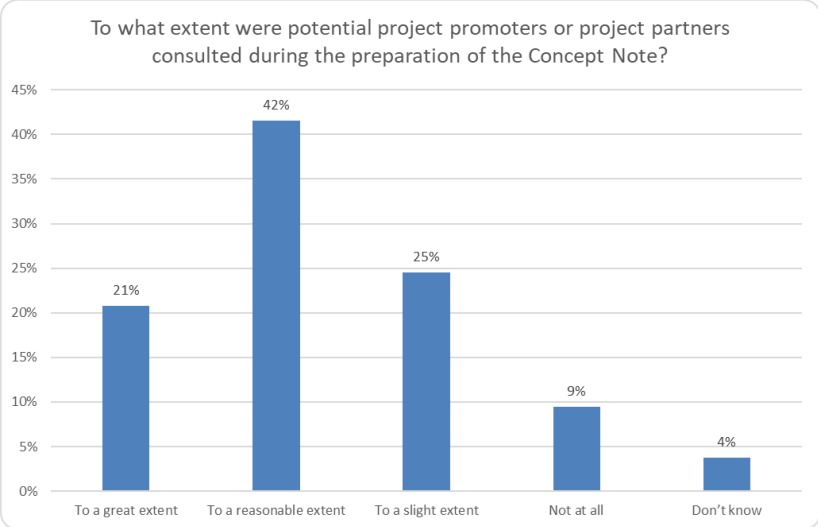


FO responses:

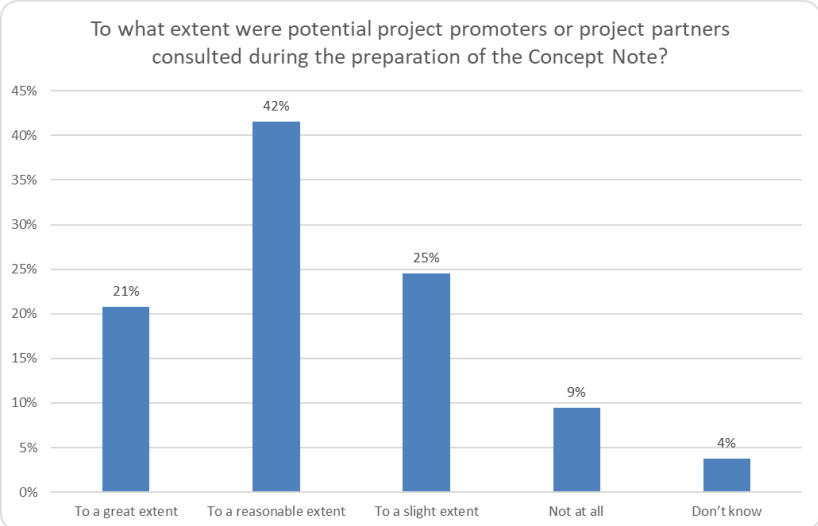


To what extent were potential project promoters or project partners consulted during the preparation of the Concept Note?

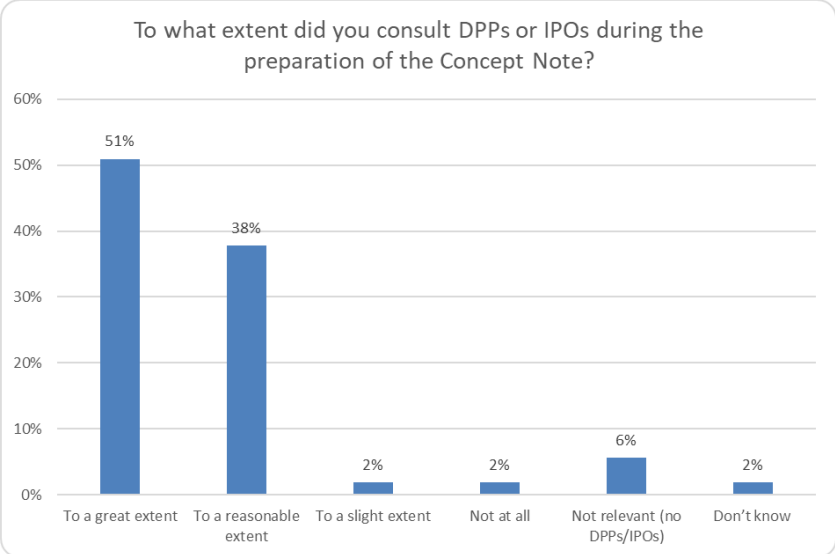
PO responses:



FO responses:

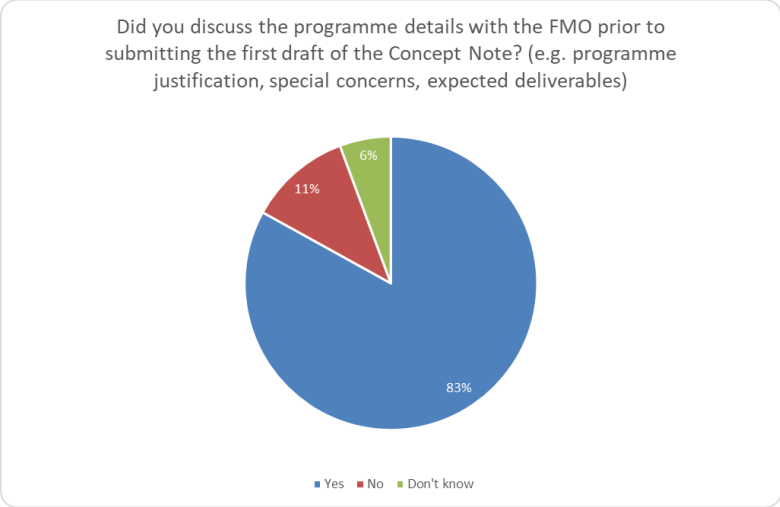


To what extent did you consult DPPs or IPOs during the preparation of the Concept Note? (POs only)

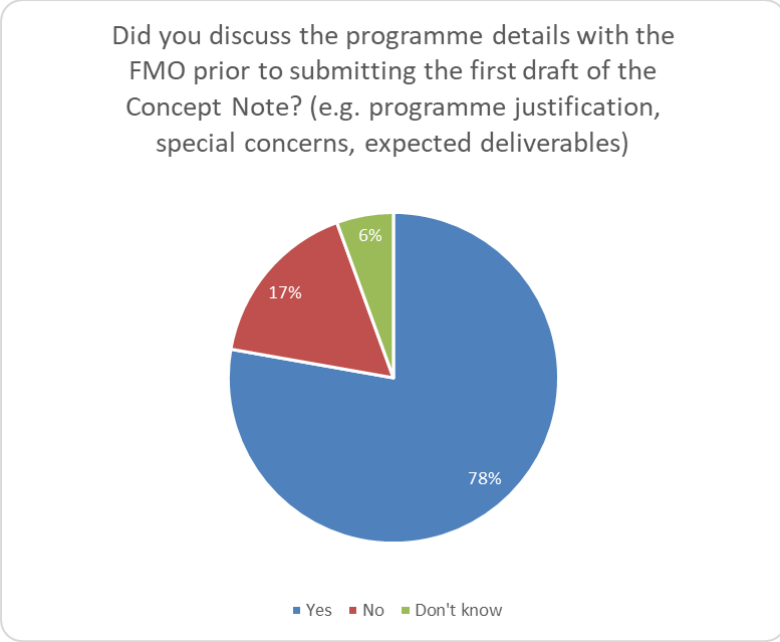


Did you discuss the programme details with the FMO prior to submitting the first draft of the Concept Note? (e.g. programme justification, special concerns, expected deliverables)

PO responses:

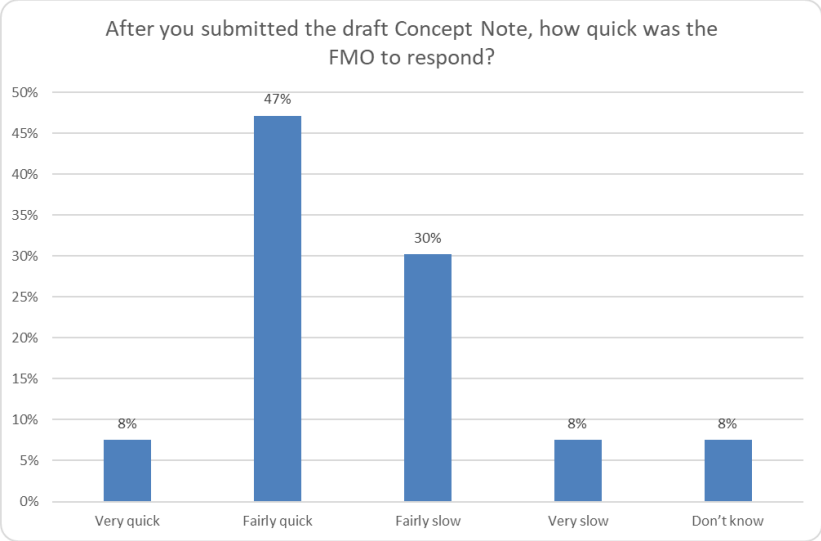


FO responses:

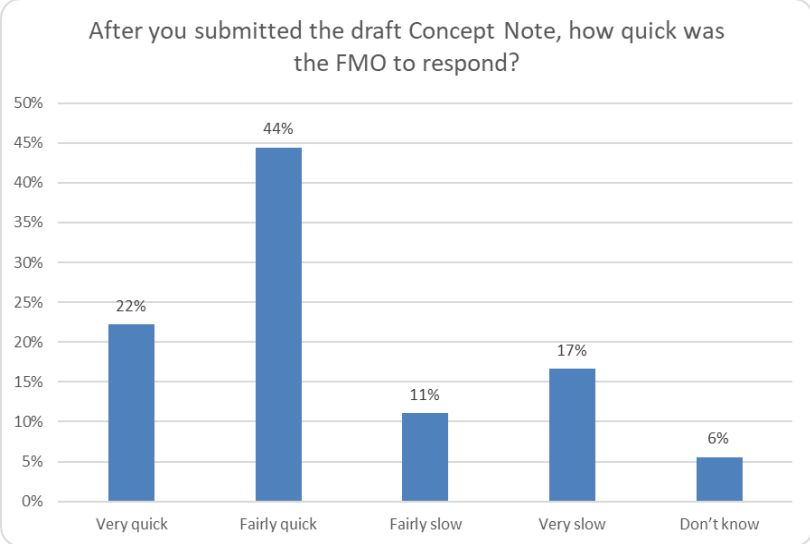


After you submitted the draft Concept Note, how quick was the FMO to respond?

PO responses

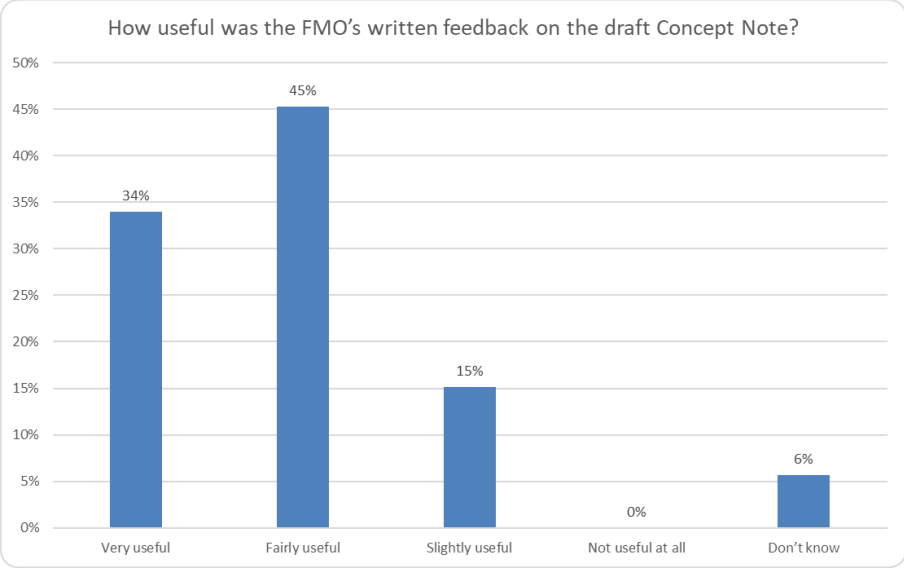


FO responses:

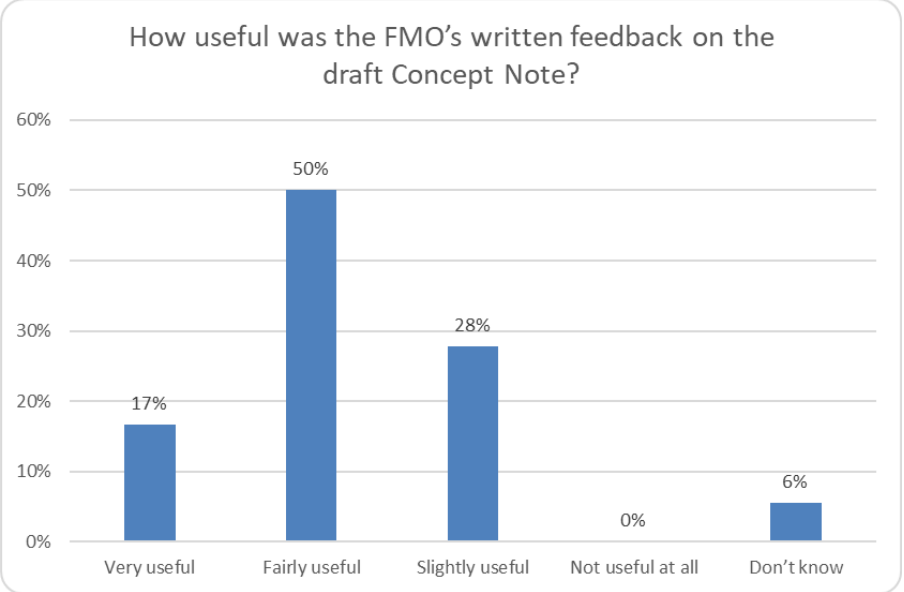


How useful was the FMO’s written feedback on the draft Concept Note?

PO responses:

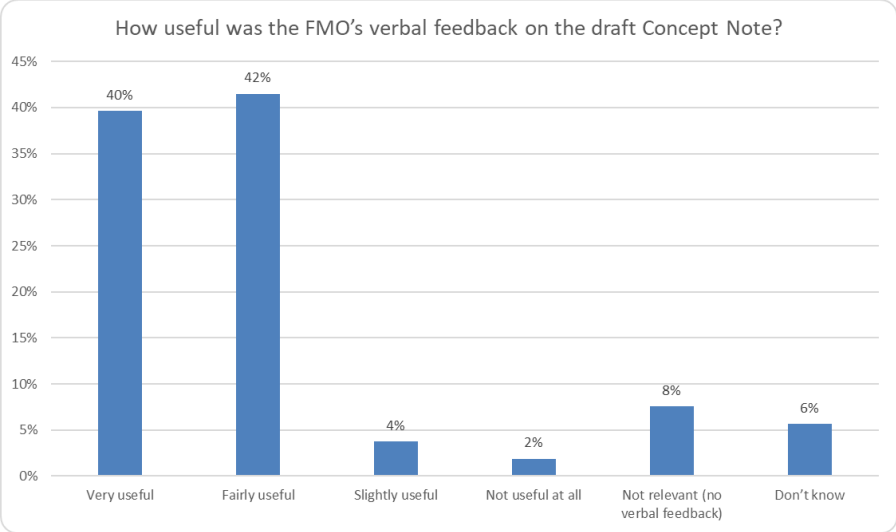


FO responses:

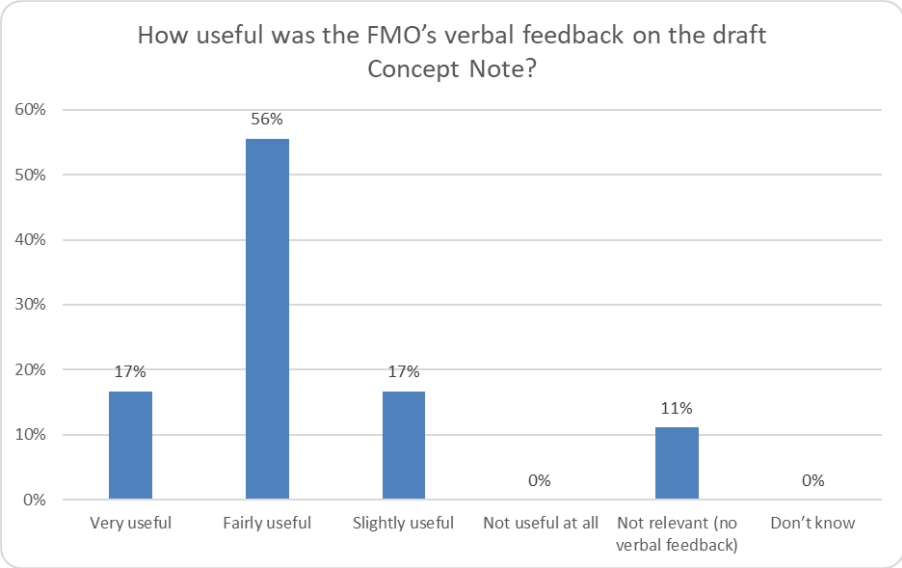


How useful was the FMO’s verbal feedback on the draft Concept Note?

PO responses:

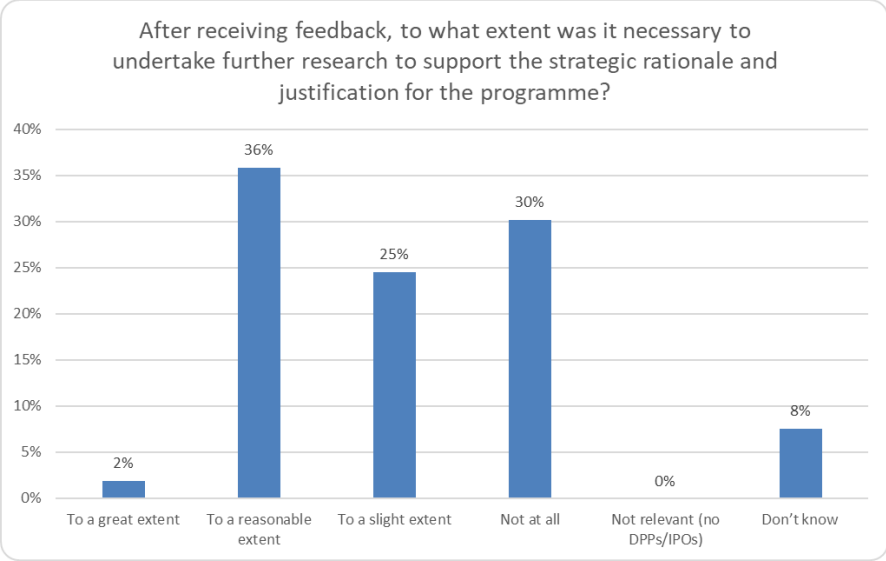


FO responses:

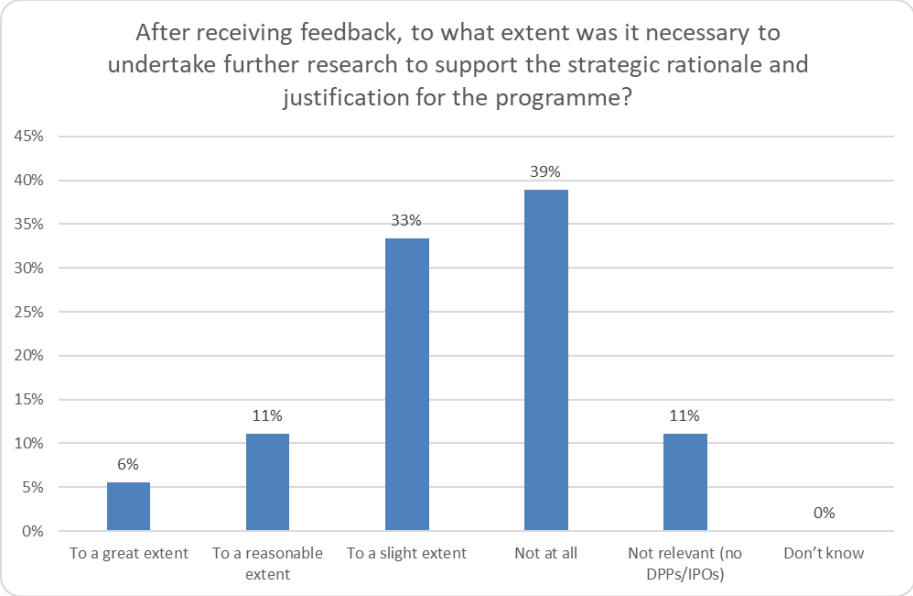


After receiving feedback, to what extent was it necessary to undertake further research to support the strategic rationale and justification for the programme?

PO responses:

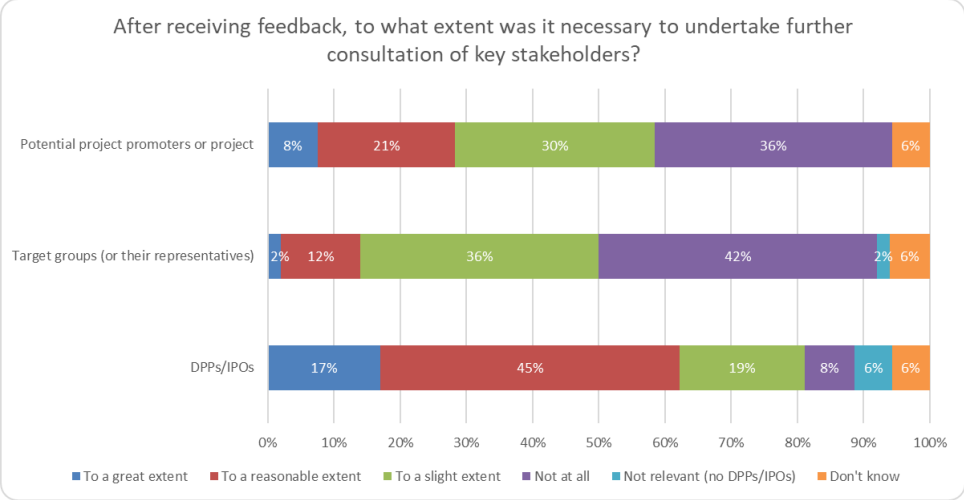


FO responses:

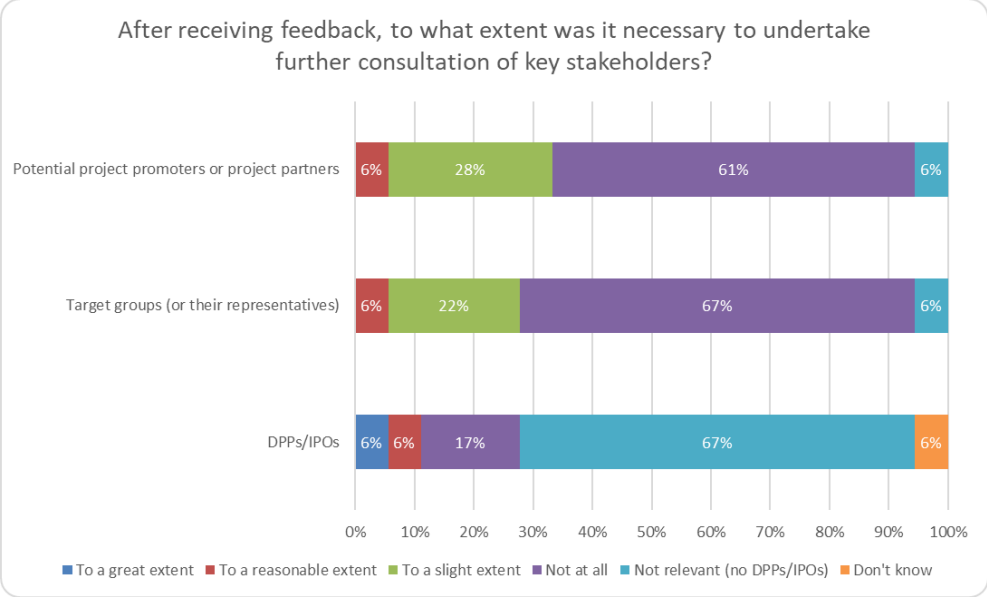


After receiving feedback, to what extent was it necessary to undertake further consultation of key stakeholders?

PO responses:

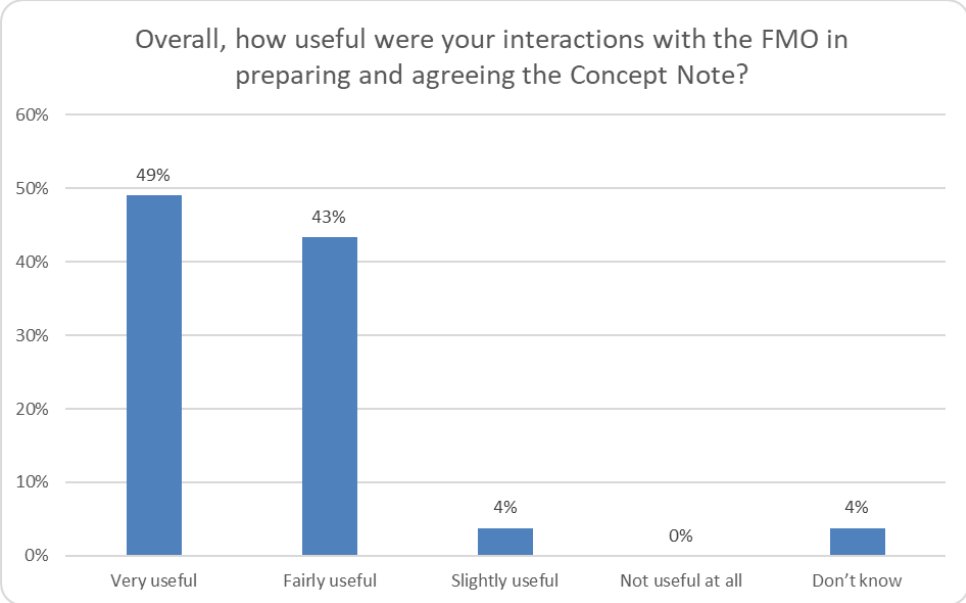


FO responses:

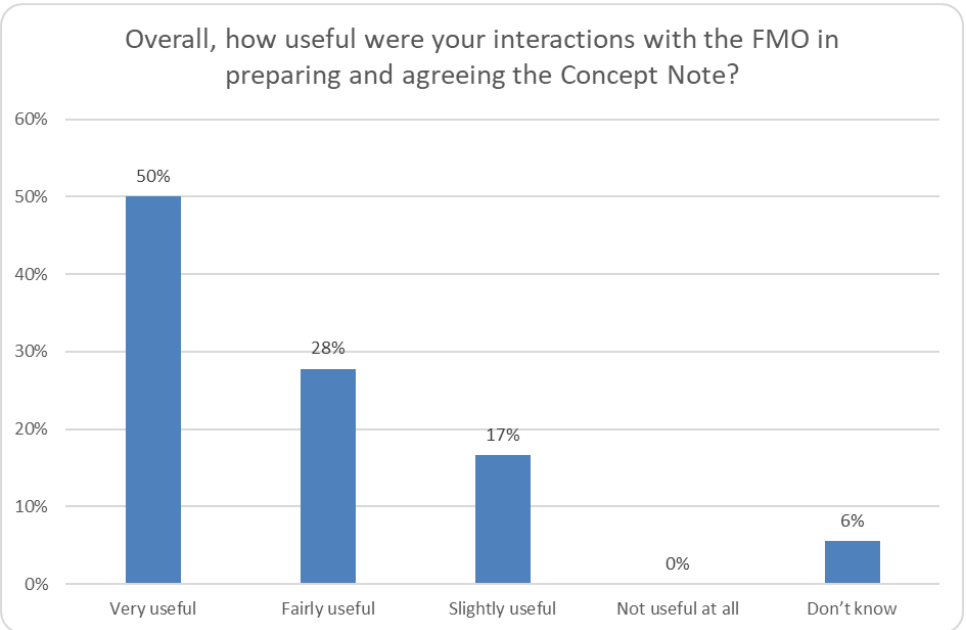


Overall, how useful were your interactions with the FMO in preparing and agreeing the Concept Note?

PO responses:

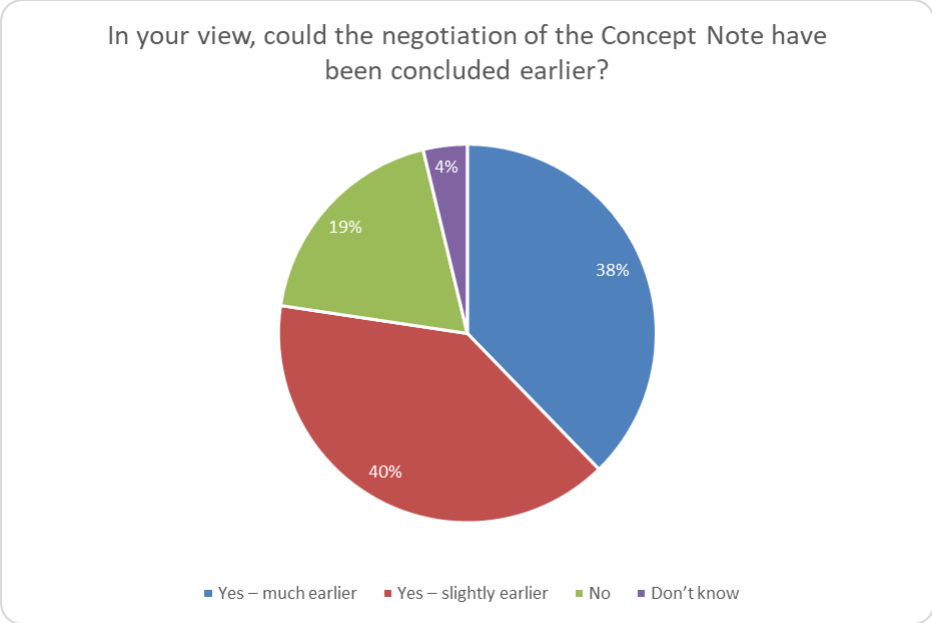


FO responses:

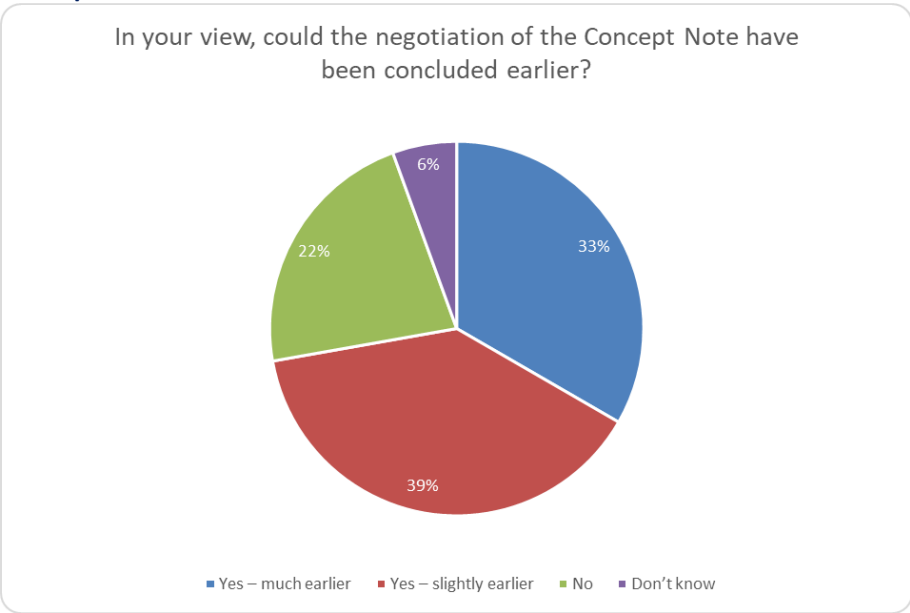


In your view, could the development of the Concept Note have been concluded earlier?

PO responses:



FO responses:



Concept Note: content

In your view, does the final Concept Note offer an adequate description of and justification for the programme(s)?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
More than adequate	4	5%	1	1%	12	15%	7	41%	24	25%
Adequate	6	8%	12	15%	37	47%	9	53%	64	67%
Slightly inadequate	1	1%	2	3%	4	5%	0	0%	7	7%
Very inadequate	0	0%	0	0%	0	0%	0	0%	0	0%
Don't know	0	0%	0	0%	0	0%	1	6%	1	1%

Is the justification for the programme(s) sufficiently underpinned by an analysis of the evidence (e.g. data, research findings)?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
More than sufficient	4	36%	1	7%	5	9%	5	29%	15	16%
Sufficient	6	55%	12	80%	42	79%	10	59%	70	73%
Slightly insufficient	1	9%	0	0%	6	11%	1	6%	8	8%
Very insufficient	0	0%	2	13%	0	0%	0	0%	2	2%
Don't know	0	0%	0	0%	0	0%	1	6%	1	1%

Are any special concerns adequately addressed?

	NFPs		DPPs/IPOs		POs		FOS		TOTAL	
	N	%	N	%	N	%	N	%	N	%
More than adequately	1	9%	1	7%	3	6%	2	12%	7	7%
Adequately	10	91%	12	80%	47	89%	12	71%	81	84%
Slightly inadequately	0	0%	1	7%	0	0%	2	12%	3	3%
Very inadequately	0	0%	0	0%	0	0%	0	0%	0	0%
Not relevant (no special concerns)	0	0%	0	0%	2	4%	0	0%	2	2%
Don't know	0	0%	1	7%	1	2%	1	6%	3	3%

To what extent are the following adequately described and underpinned by evidence (where relevant)?

	More than adequately		Adequately		Slightly inadequately		Very inadequately		Don't know		TOTAL	
	%	N	%	N	%	N	%	N	%	N	%	N
EU and national policies and priorities	19	18	73	70	6	6	1	1	1	1	100	96
Funding gaps	14	13	70	67	11	11	1	1	4	4	100	96
Addressing the needs	24	23	71	68	3	3	1	1	1	1	100	96
Expected deliverables	23	22	69	67	6	6	0	0	2	2	100	97
Expected impact(s) and sustainability	15	15	73	71	7	7	2	2	2	2	100	97
Common values	13	12	72	68	7	7	3	3	5	5	100	95
Target groups	25	24	68	65	4	4	1	1	1	1	100	95
Bilateral ambitions	24	23	67	65	7	7	1	1	1	1	100	97
Modalities	22	21	67	64	4	4	0	0	6	6	100	95
Pre-defined projects	21	19	60	55	7	6	1	1	1 2	11	100	92

Are all outcomes and outcome indicators appropriate and realistic?

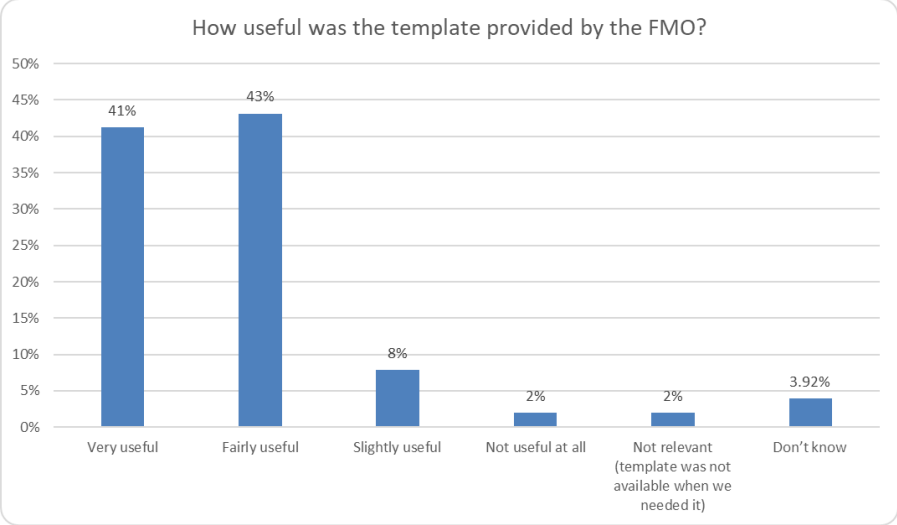
	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
All	3	27%	2	13%	12	23%	0	0%	17	18%
Most	6	55%	8	53%	29	55%	11	65%	54	56%
Some	2	18%	4	27%	12	23%	5	29%	23	24%
None	0	0%	0	0%	0	0%	0	0%	0	0%
Don't know	0	0%	1	7%	0	0%	1	6%	2	2%

Did the Concept Note offer a clear basis for the preparation of the Programme Agreement(s)?

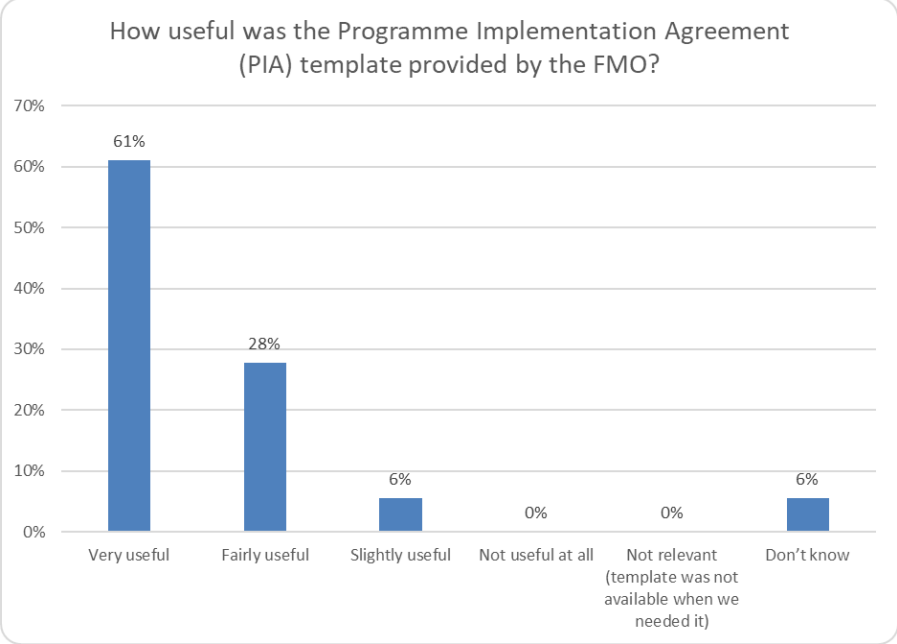
	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Very clear basis	6	55%	9	60%	18	34%	4	24%	37	39%
Fairly clear basis	5	45%	4	27%	33	62%	11	65%	53	55%
Slightly unclear basis	0	0%	1	7%	2	4%	1	6%	4	4%
Very unclear basis	0	0%	0	0%	0	0%	0	0%	0	0%
Don't know	0	0%	1	7%	0	0%	1	6%	2	2%

Programme Agreement: process

PO responses:

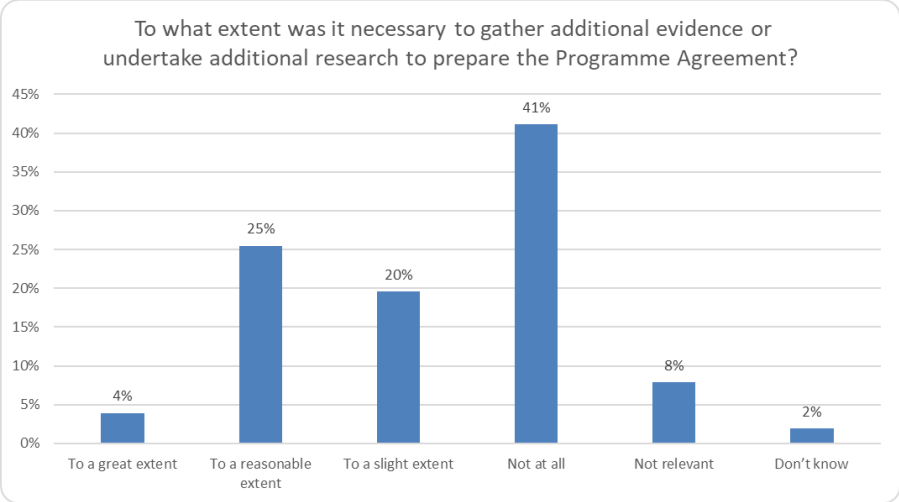


FO responses:

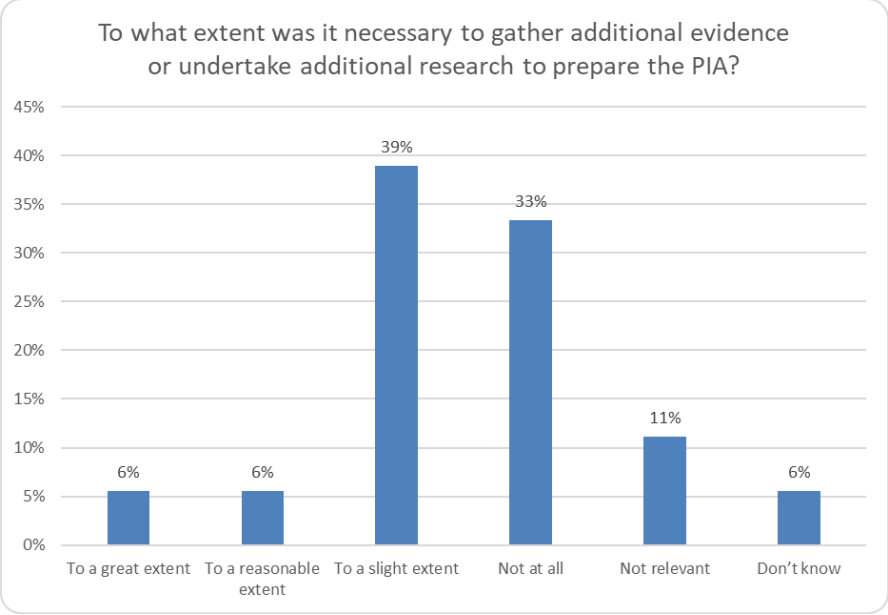


To what extent was it necessary to gather additional evidence or undertake additional research to prepare the Programme Agreement?

PO responses:

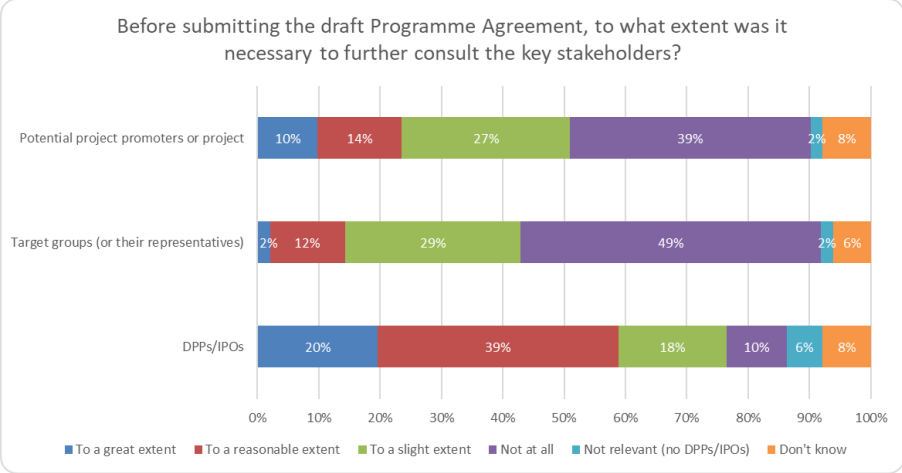


FO responses:

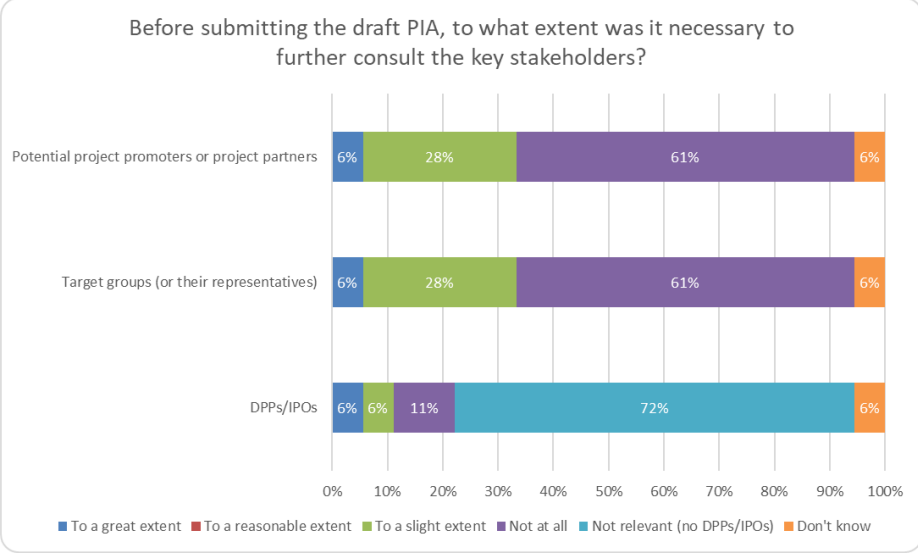


Before submitting the draft Programme Agreement, to what extent was it necessary to further consult the key stakeholders?

PO responses:

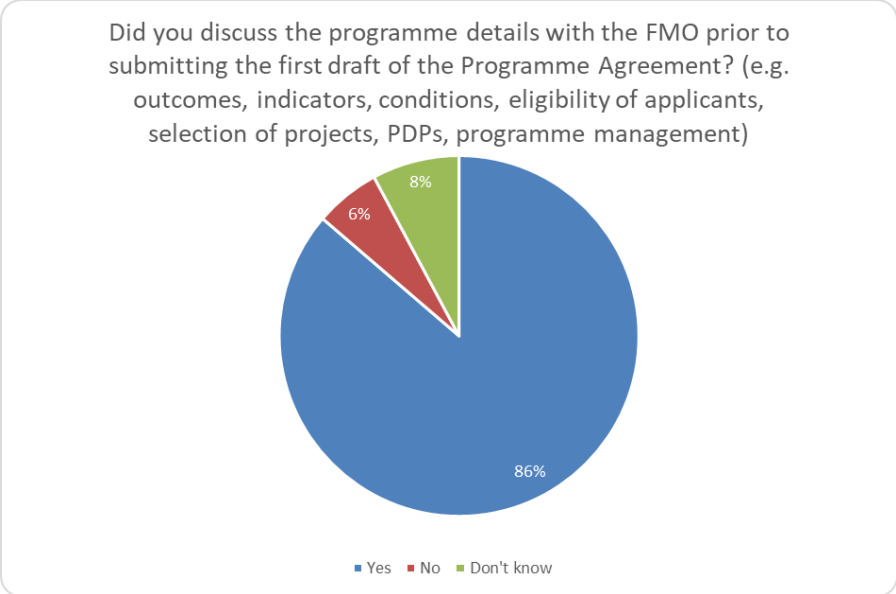


FO responses:

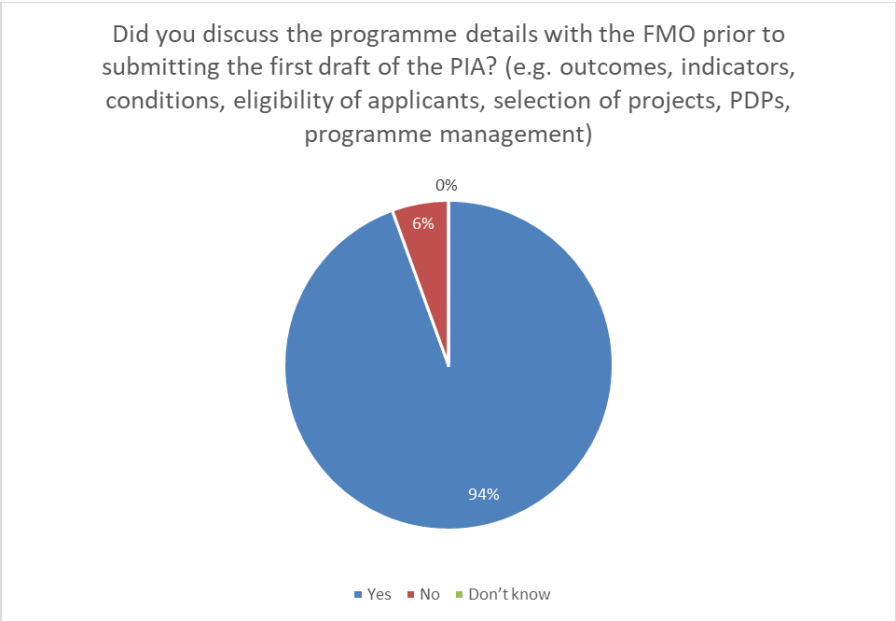


Did you discuss the programme details with the FMO prior to submitting the first draft of the Programme Agreement?

PO responses:

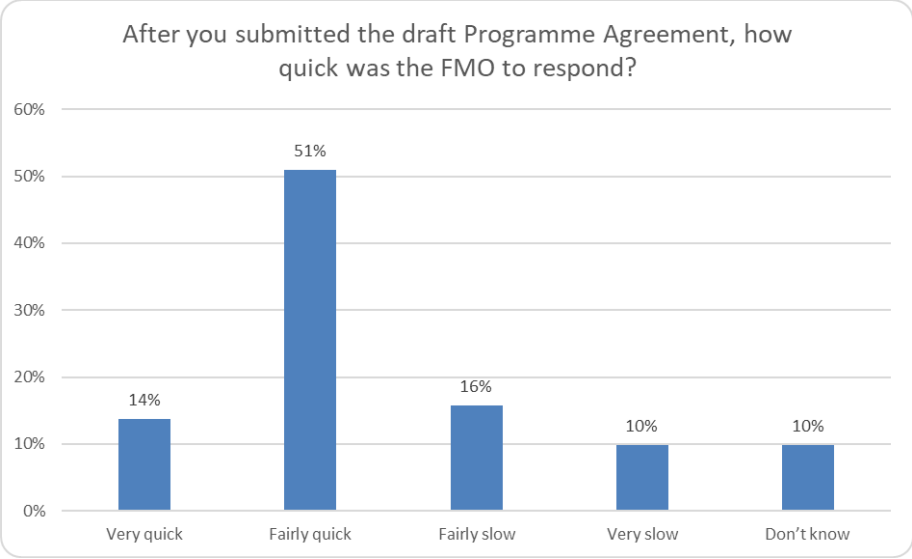


FO responses:

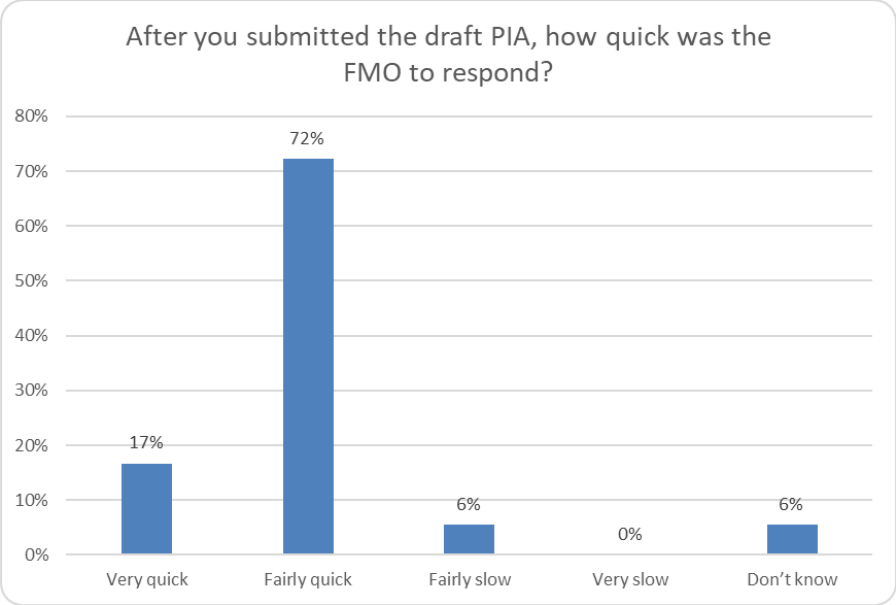


After you submitted the draft Programme Agreement, how quick was the FMO to respond?

PO responses:

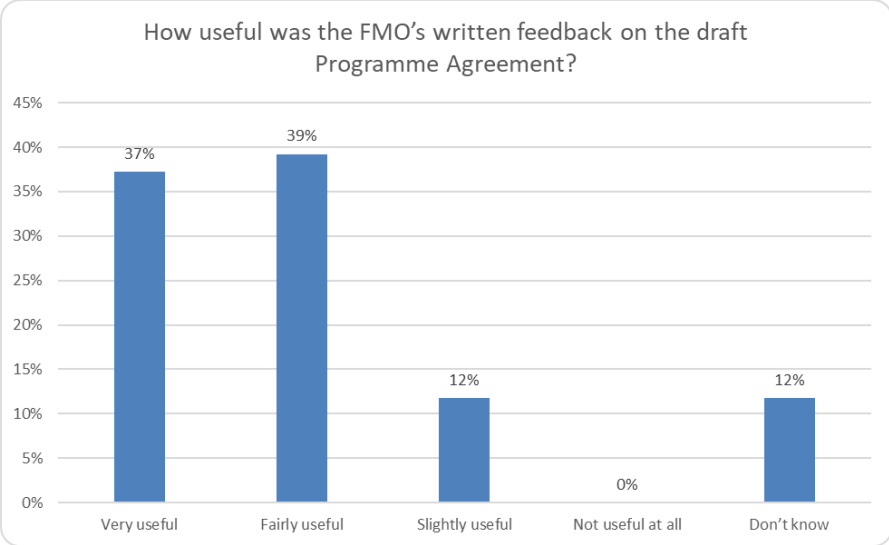


FO responses:

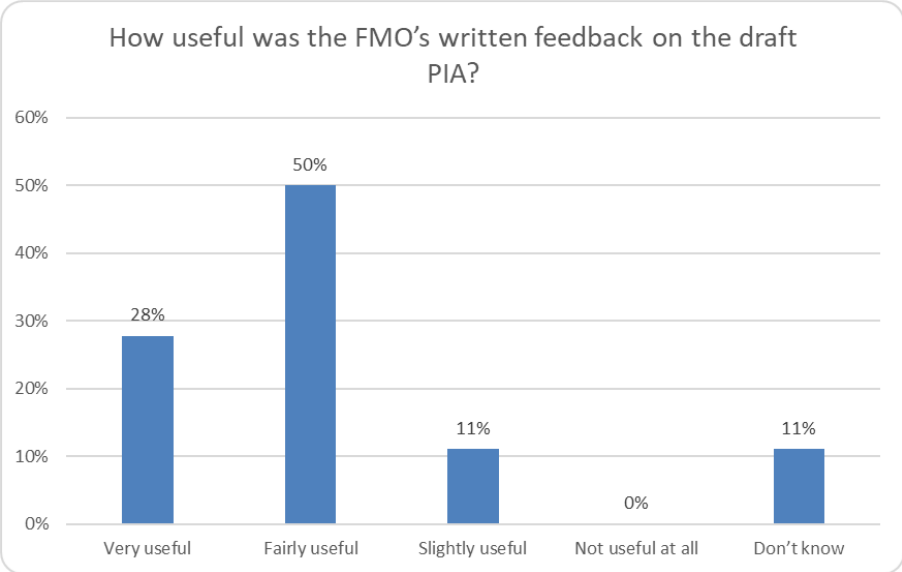


How useful was the FMO’s written feedback on the draft Programme Agreement?

PO responses:

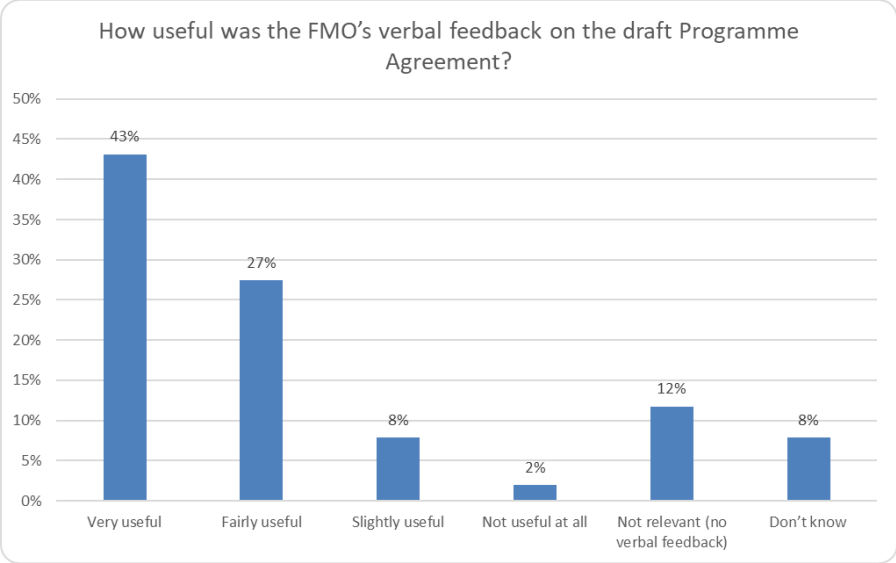


FO responses:

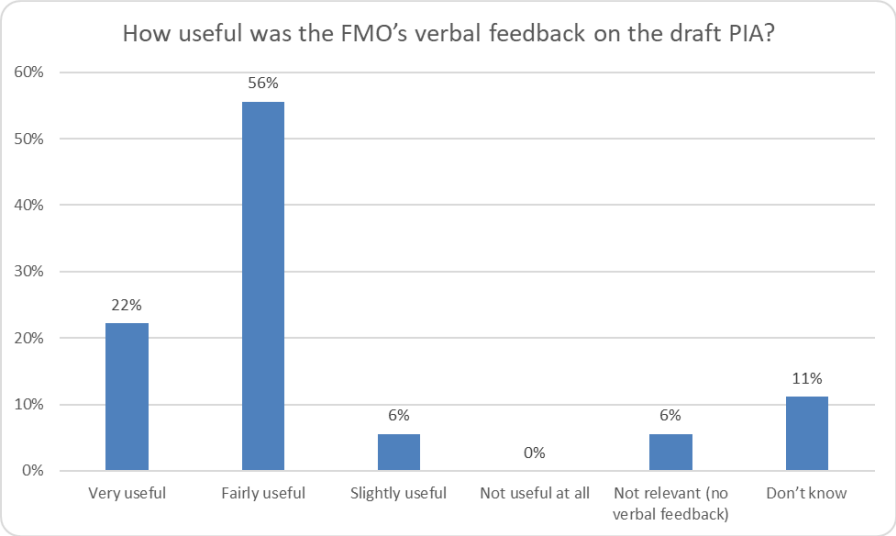


How useful was the FMO’s verbal feedback on the draft Programme Agreement?

PO responses:

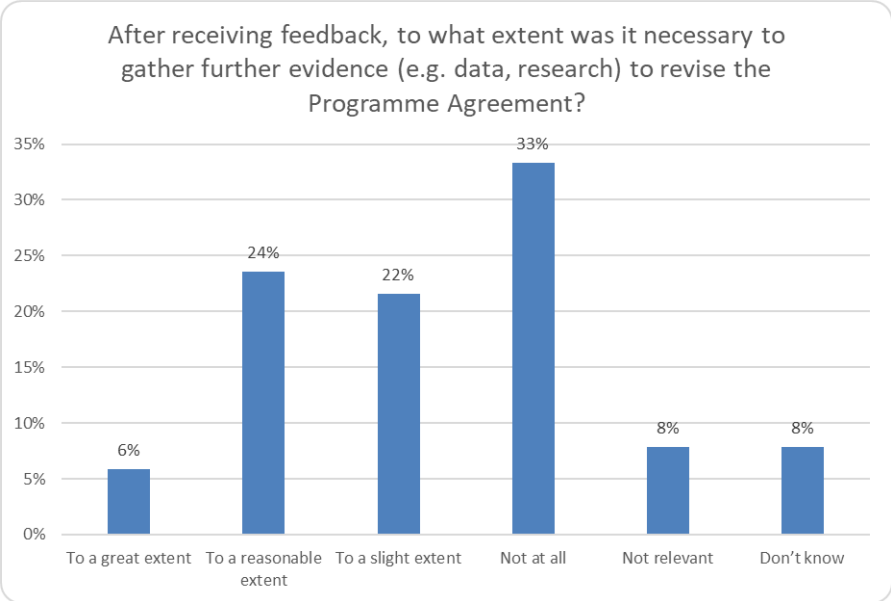


FO responses:

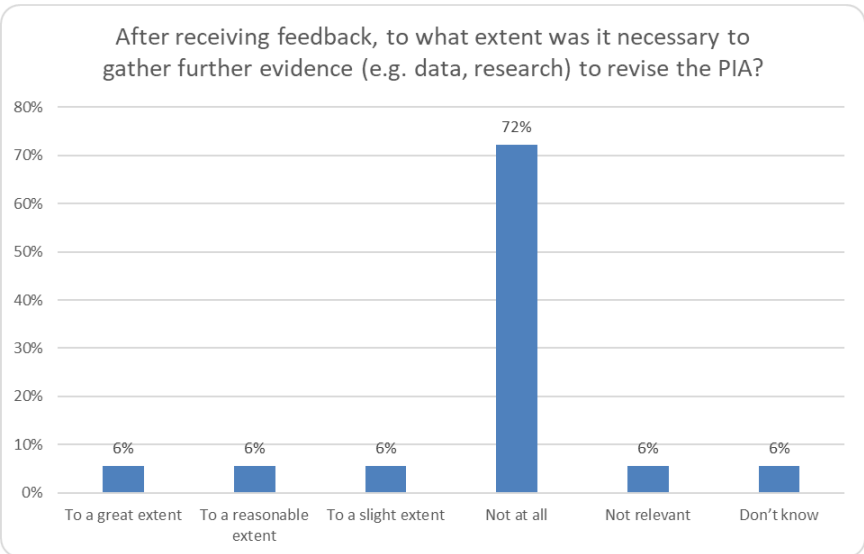


After receiving feedback, to what extent was it necessary to gather further evidence to revise the Programme Agreement?

PO responses:

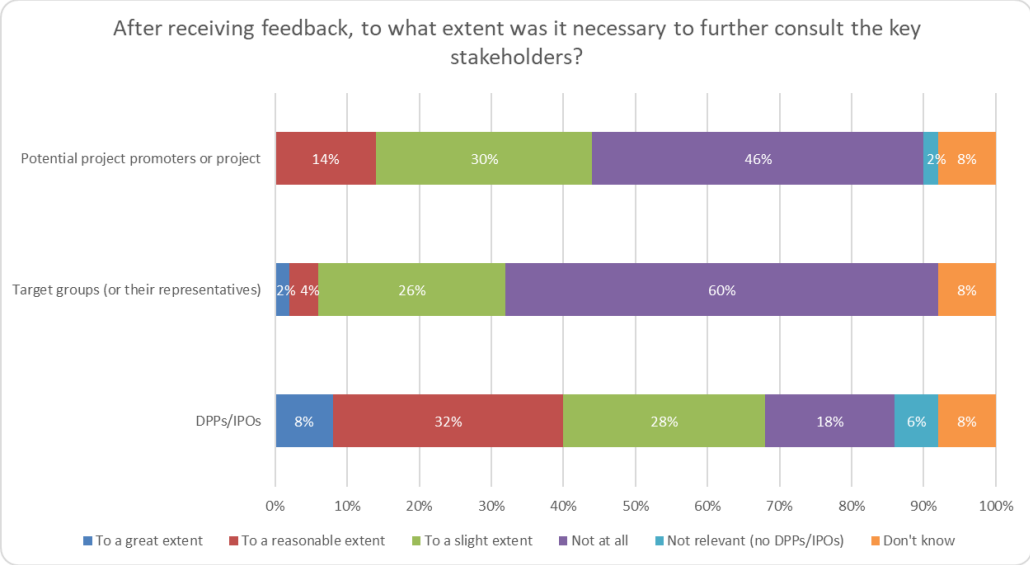


FO responses:

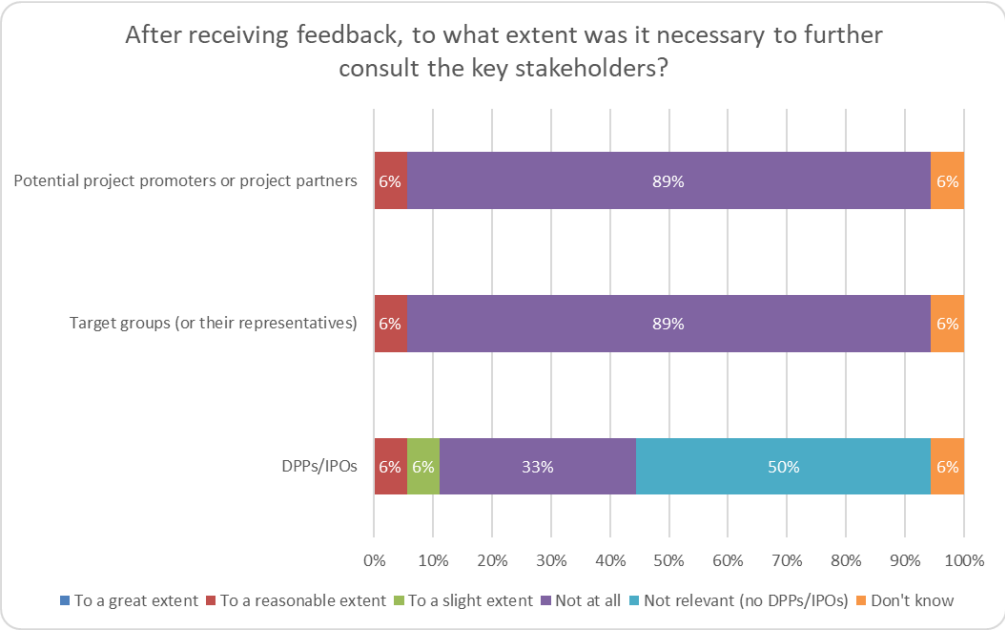


After receiving feedback, to what extent was it necessary to further consult the key stakeholders?

PO responses:

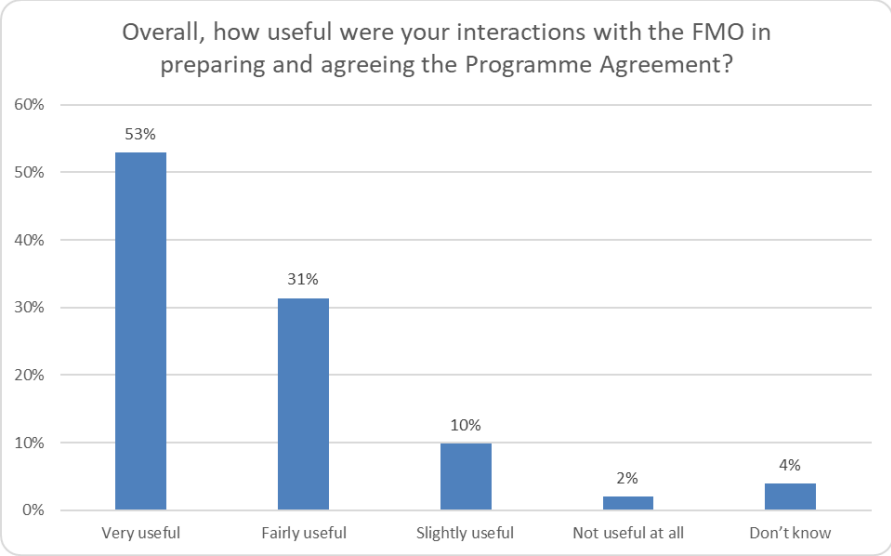


FO responses:

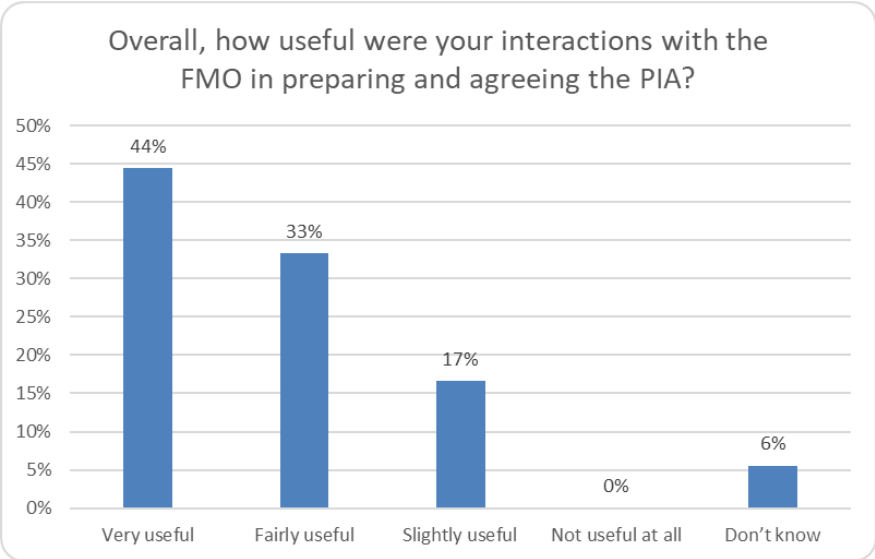


Overall, how useful were your interactions with the FMO in preparing and agreeing the Programme Agreement?

PO responses:

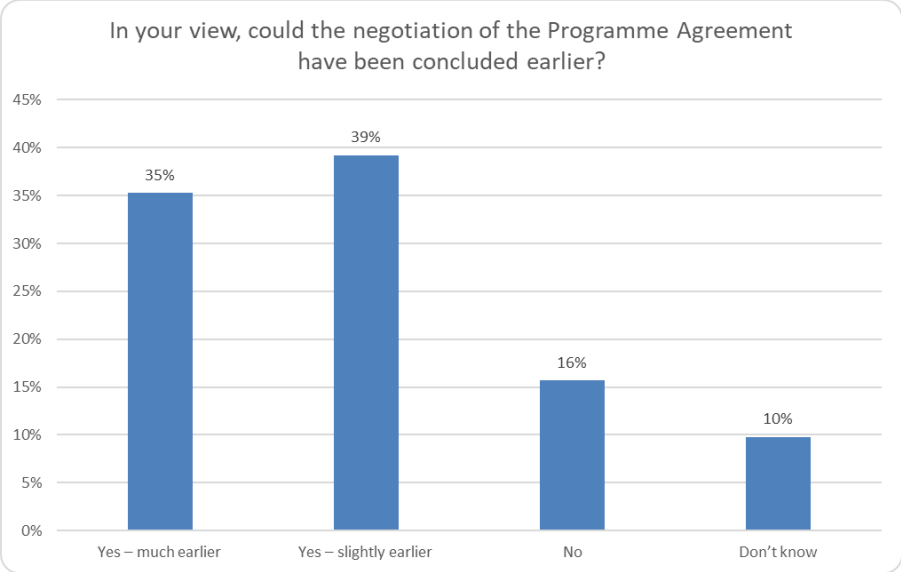


FO responses:

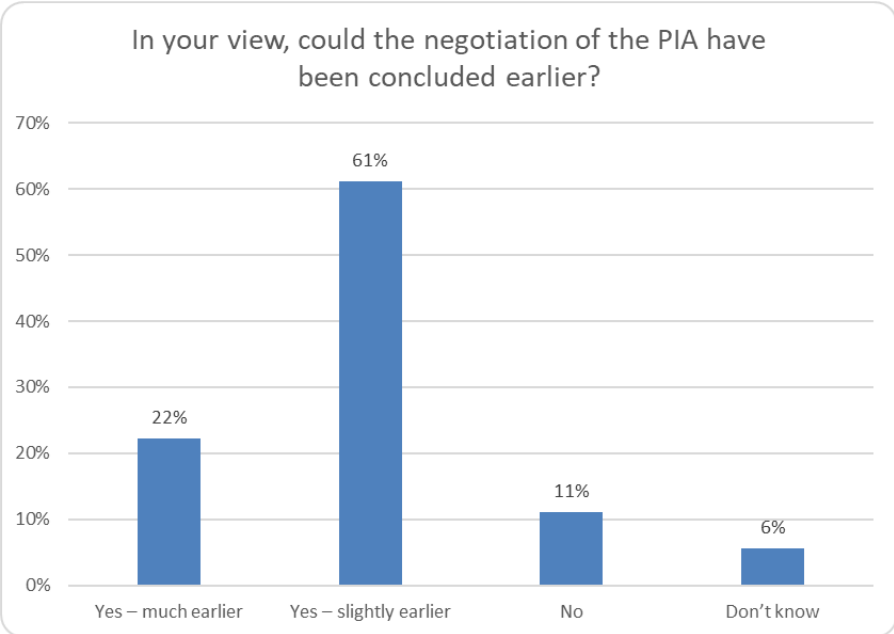


In your view, could the development of the Programme Agreement have been concluded earlier?

PO responses:



FO responses:



Programme Agreement: content

In your view, does the final Programme Agreement offer an adequate description of the programme(s)?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
More than adequate	2	18%	0	0%	10	20%	2	12%	14	15%
Adequate	9	82%	13	87%	39	76%	14	82%	75	80%
Slightly inadequate	0	0%	2	13%	1	2%	0	0%	3	3%
Very inadequate	0	0%	0	0%	0	0%	0	0%	0	0%
Don't know	0	0%	0	0%	1	2%	1	6%	2	2%

Are any special concerns adequately addressed?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
More than adequate	3	27%	0	0%	6	12%	0	0%	9	10%
Adequately	7	64%	11	73%	37	73%	15	88%	70	74%
Slightly inadequately	0	0%	2	13%	4	8%	1	6%	7	7%
Very inadequately	0	0%	0	0%	1	2%	0	0%	1	1%
Not relevant (no special concerns)	1	9%	0	0%	1	2%	0	0%	2	2%
Don't know	0	0%	2	13%	2	4%	1	6%	5	5%

To what extent are the following adequately described and in the Programme Agreement(s)?

	More than adequately	Adequately	Slightly inadequately	Very inadequately	Don't know	Total	
	%	%	%	%	%	%	N
Outcomes/outputs	12	86	3	0	0	100	77
Indicators/Baselines	14	77	9	0	0	100	77
Conditions	10	79	10	0	0	100	77
Programme summary	14	83	3	0	0	100	77
Eligibility (e.g. costs, applicants)	13	80	7	0	0	100	76
Bilateral relations	11	80	7	1	1	100	76
Selection of projects & financial parameters	13	82	4	0	1	100	77
Additional mechanisms	5	75	5	0	15	100	75
Programme management	8	87	4	1	0	100	76
Communication	8	82	7	1		100	76

Are all outcomes and outcome indicators appropriate and realistic?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
All	3	27%	2	13%	8	16%	0	0%	13	14%
Most	6	55%	9	60%	38	75%	12	75%	65	70%
Some	2	18%	4	27%	5	10%	4	25%	15	16%
None	0	0%	0	0%	0	0%	0	0%	0	0%
Don't know	0	0	0	0%	0	0%	0	0%	0	0%

Did the Programme Agreement(s) offer a strong basis for implementation?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Very clear basis	6	55%	6	40%	18	35%	5	29%	35	37%
Fairly clear basis	5	45%	8	53%	32	63%	10	59%	55	59%
Slightly unclear basis	0	0%	1	7%	1	2%	1	6%	3	3%
Very unclear basis	0	0%	0	0%	0	0%	0	0%	0	0%
Don't know	0	0%	0	0%	0	0%	1	6%	1	1%

Blue Book**Was the Blue Book available in good time to be useful to your organisation during the programme development process?**

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Yes	11	100%	9	60%	45	88%	15	88%	80	85%
No - Slightly too late	0	0%	3	20%	1	2%	0	0%	4	4%
No - Much too late	0	0%	1	7%	0	0%	0	0%	1	1%
Don't know	0	0%	2	13%	5	10%	2	12%	9	10%

In your view, what is the level of detail about the programme areas in the Blue Book?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Too much detail	0	0%	0	0%	1	2%	0	0%	1	1%
Right level of detail	11	100%	11	73%	38	75%	13	76%	73	78%
Too little detail	0	0%	4	27%	11	22%	4	24%	19	20%
Don't know	0	0%	0	0%	1	2%	0	0%	1	1%

How useful has been the Blue Book in the development of the programme(s)?

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Very useful	4	36%	1	7%	10	20%	5	29%	20	21%
Fairly useful	5	45%	9	60%	23	45%	5	29%	42	45%
Slightly useful	2	18%	3	20%	12	24%	5	29%	22	23%
Not useful at all	0	0%	1	7%	4	8%	1	6%	6	6%
Don't know	0	0%	1	7%	2	4%	1	6%	4	4%

Overall process**How clear was your organisation's role in the overall programme development process?**

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Very clear	5	45%	7	47%	30	59%	12	71%	54	57%
Fairly clear	4	36%	5	33%	20	39%	3	18%	32	34%
Slightly unclear	2	18%	1	7%	0	0%	2	12%	5	5%
Very unclear	0	0%	1	7%	1	2%	0	0%	2	2%
Don't know	0	0%	1	7%	0	0%	0	0%	1	1%

How clear were the following roles in the development of your programme(s)?

	Very clear	Fairly clear	Slightly unclear	Very unclear	Not applicable to our programme	Don't know	TOTAL	
	%	%	%	%	%	%	%	N
FMO	15%	10%	12%	0%	0%	3%	10%	76
NFP	12%	13%	18%	13%	0%	3%	10%	77
PO	16%	11%	5%	0%	1%	3%	10%	77
FO	3%	6%	9%	0%	26%	38%	10%	76
DPP	11%	12%	11%	13%	4%	3%	10%	77
IPO	3%	8%	14%	38%	24%	19%	10%	77

Overall, how well do the different "building blocks" of the programme development process fit together? (i.e. MoU, Stakeholder Consultation Meeting, Concept Note, Programme Agreement)

	NFPs		DPPs/IPOs		POs		FOs		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Very well	5	45%	4	27%	9	18%	7	41%	25	27%
Fairly well	3	27%	8	53%	34	67%	5	29%	50	53%
Slightly well	3	27%	2	13%	8	16%	3	18%	16	17%
Not all	0	0%	1	7%	0	0%	2	12%	3	3%
Don't know	0	0%	0	0%	0	0%	0	0%	0	0%

Annex 3: Case studies

In accordance with the ToR, a sample of 12 programmes developed within the current programme period was selected based on number of criteria in order to ensure a balanced and broadly representative sample of programmes. Programmes that took a longer, average, and shorter time to develop were included. Ensuring a balanced sample of programmes that were conceived with DPPs and IPOs and programmes that were not also guided selection. Grant size was also used as a criterion and consequently a mixture of programmes with smaller, medium, and larger funding levels was selected (in the range of €140.0m to €3m). Three ACF programmes have been included in the sample. Lastly, a programme developed and managed by the FMO exclusively has been included to inform our analysis of the organisational efficiency of the FMO.

Table 9 Sample of programmes for the in-depth programme development time analysis

Programme	Duration in months*	ACF	Size of grants	Number of Programme Areas	DPPs/ IPOs
RO-ENVIRONMENT	Longest (35)	-	€ 20.0m	1 (PA13)	DPP
SK-INNOVATION	Long (34)	-	€ 20.0m	2 (PA01/03)	DPPs
RO-ACTIVECITIZENS	Long (31)	Yes	€ 46.0m	1 (PA15)	-
EE-LOCALDEV	Long (28)	-	€ 18.0m	8 (PA4/6/8/9/10/14/16/22)	DPPs
PL-CLIMATE	Long (26)	-	€ 140.0m	3 (PA11/12/13)	DPPs
CZ-HUMANRIGHTS	Average (21)	-	€ 19.0m	3 (PA07/17/22)	IPOs
LT-RESEARCH	Average (21)	-	€ 10.0m	1 (PA02)	DPPs
RO-HEALTH	Average (21)	-	€ 40.0m	1 (PA06)	DPPs
GR-HOMEAFFAIRS (FMO)	Short (15)	-	€ 16.5m	1 (PA18)	DPP
SI-ACTIVECITIZENS	Short (14)	Yes	€ 3.0m	1 (PA15)	-
PT-ACTIVECITIZENS	Short (13)	Yes	€ 11.0m	1 (PA15)	-
HR-JUSTICE	Shortest (11)	-	€ 13.0m	2 (PA19/21)	DPP/ IPO

ACF programmes have been disaggregated from the sample for the in-depth programme development time analysis to reflect the differences in building blocks specific to the Active Citizens programme development approach. Consequently, for analytical purposes, two sub-samples were created, one for the non-ACF programme and another for the three selected ACF programmes as one additional measuring points had to be included, i.e. Fund Operator (FO) appointments.

The average development time across the in-depth sample for the 9 non-ACF programmes is 689 days (26.9 months) from MoU signature to PA signature. The longest, RO-ENVIRONMENT took 1,065 days (around 35 months) while the shortest, HR-JUSTICE, only took 334 days, or 11 months. At the time of writing, 7 out of the 12 programmes selected had launched their PDPs and/or open calls.

The average length of time between the MoU and first stakeholder consultation meeting for the 9 non-ACF programmes was around 3 months. The average length of time between the first stakeholder consultation meeting and the finalisation of the Concept Notes was 10 months. The selected programmes then took an average time of 11 months to see their final Programme Agreement approved. Lastly, the average length of time was around 7 months.

Table 10 Time in days between non-ACF programmes' measuring points

	SK INNO	EE LOCD	CZ HUR	HR JUST	LT CULT	PL CLIM	RO HEAL	GR* HOME	RO ENV
T _{MoU to stakeholder consultation}	57	48	63	113	12	76	151	79	130
T _{stakeholder consultation to TCN}	434	240	231	127	218	433	172	139	533
T _{TCN to T_{PA}}	550	568	359	96	162	218	318	260	420
T _{PA to T_{call text or PDP launch}}	270	266	170	NA	176	36	NA	349	355

*managed by the FMO; NA = not available at the time of the analysis

The average development time for the sample of the 3 ACF programmes from MoU signature to PIA signature is 604 days or around 20 months. The average length of time between MoU signatures and FO appointments was 305 days, or 10 months.¹⁹ The average length of time between FO appointments and the stakeholder consultation meeting was 65 days, 2 months, and 6 days. It then took on average 149 days or around 5 months to get final a Concept Note draft. Once the Concept Notes have been approved, Programme Implementation Agreements were reached on average in 88 days, around 3 months. Lastly, the average elapsed time across the 3 selected programmes between Programme Implementation Agreements and calls or PDPs was around 33 days, or around 1 month. In effect, programme development for these 3 programmes, which is considered to take place between FO appointment and PIA signature is significantly shorter and took just under 10 months. This is significantly shorter than the average duration for the non-ACF programmes.

The programme development time analysis has revealed that there are important differences in terms of time taken between non-ACF and ACF programmes if one is to consider programme development for the ACF programme as taking place between FO appointments and PIA signatures. However, it is important to note that for the majority of ACF programmes reviewed, the longest phase was MoU to FO appointment. The subsequent process was efficient compared to the other non-ACF programmes. Interviews of programme actors have revealed that FO appointments could have been delayed in part because of the time required for donor approvals before ToR were published. As for the rest of the process, the small number of programme actors could have also played a role in how efficient the process was in addition to several FOs being under pressure from local stakeholders to reach the programme implementation stage.

Table 11 Time in days between ACF programmes' measuring points

	PT-ACTIVECITIZENS	RO-ACTIVECITIZENS	SI-ACTIVECITIZENS
T _{MoU to T_{FO appointment}}	192	558	164
T _{FO appointment to stakeholder consultation}	60	72	62
T _{stakeholder consultation to TCN}	107	200	133
T _{TCN to T_{PIA}}	55	119	91
T _{PIA to T_{call text or PDP launch}}	4	118	95

¹⁹ It should be noted here that RO-ACTIVECITIZENS took a significantly longer time to develop due to a relaunch of the FO tendering procedure and should therefore be considered an outlier. Indeed, RO-ACTIVECITIZENS took 31.5 months from MoU to PIA signature, which is well above the average for the rest of the ACF programmes, i.e. 12.1 months.

Programme timelines for the in-depth analysis for both the ACF and non-ACF are provided below:

Figure 13 Timelines for the development time analysis of the non-ACF programmes

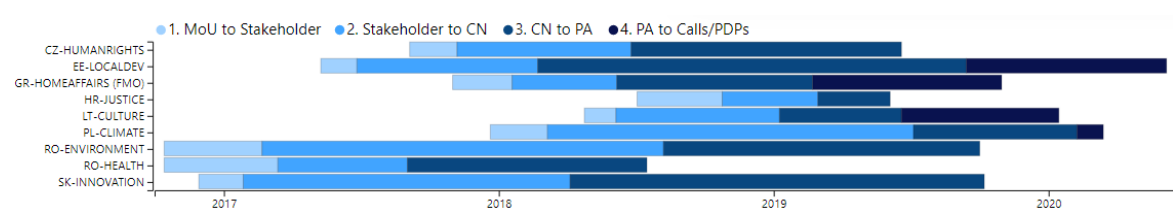
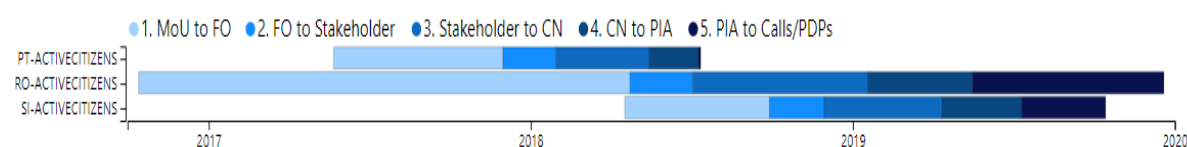


Figure 14 Timelines for the development time analysis of the ACF programmes



Timelines for each of the 12 programmes that compose the in-depth programme development time analysis are provided in Annex 3.

A more detailed analysis of GR-HOMEAFFAIRS (FMO) is presented here as it is the only non-ACF programme within the sample for which the FMO is the PO.²⁰ Given the specificities of this programme a breakdown of its programme development is provided here. **GR-HOMEAFFAIRS (FMO) programme took 15 months to develop (MoU to PIA)**. The time from approval of the PIA to approval of the first project was about 8 months. However, in practice, project expenditure started in advance of project signature and thus the time from PIA approval to implementation on the ground was somewhat shorter. The time intervals between the different formal measuring points are provided below:

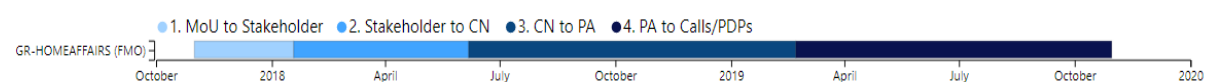
- MoU to stakeholder consultation meeting: 79 days, or 2 months and 18 days.
- Stakeholder consultation meeting to CN: 139 days, or 4 months and 19 days.
- CN to PIA: 260 days, or 8 months and 15 days.
- PIA to first project signature: 241 days, or 7 months and 29 days.²¹

A visual representation in the form of a timeline is offered in Figure 15 below summarising the above-mentioned key points in GR-HOMEAFFAIRS's (FMO) programme development.

²⁰ Greece also features another Home Affairs programme: Asylum and Migration (Capacity building of national asylum and migration management systems). This programme does not feature in the sample of 12 programmes covered by the in-depth programme development time analysis

²¹ GR-HOMEAFFAIRS' (FMO) first project started before the official launch of programme implementation. Indeed, the UNHCR project was signed on 24/01/2020 and was implemented before the programme's PIA signature on 21/2/2019.

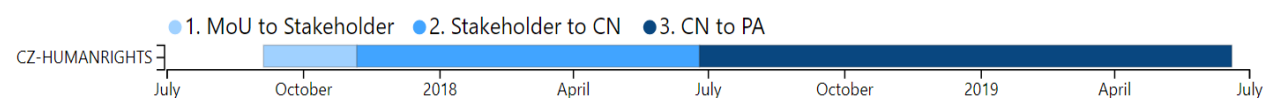
Figure 15 Timeline of GR-HOMEAFFAIRS (FMO)



Programme development time analysis: CZ-HUMANRIGHTS

Measuring point	Date
T _{MoU}	04/09/2017
T _{kick-off meeting}	To be defined
T _{stakeholder consultation}	06/11/2017
T _{CN}	25/06/2018
T _{drafting meetings}	To be defined
T _{P(I)A}	19/06/2019
T _{call text or PDP launch}	To be defined

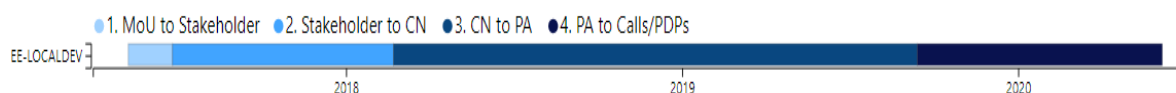
Duration between measuring points	Number of days
T _{MoU} to T _{stakeholder consultation}	63
T _{stakeholder consultation} to T _{CN}	231
T _{CN} to T _{P(I)A}	359
T _{P(I)A} to T _{call text or PDP launch}	To be defined
Total duration (T _{MoU} to T _{P(I)A})	653



Programme development time analysis: EE-LOCALDEV

Measuring point	Date
T _{MoU}	09/05/2017
T _{kick-off meeting}	To be defined
T _{stakeholder consultation}	26/06/2017
T _{CN}	21/02/2018
T _{drafting meetings}	To be defined
T _{P(I)A}	13/09/2019
T _{call text or PDP launch}	05/06/2020

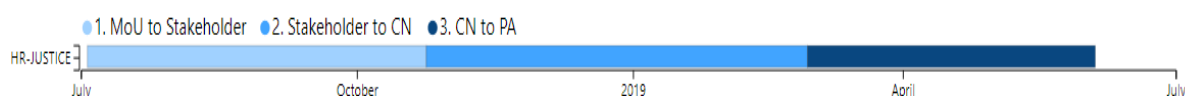
Duration between measuring points	Number of days
T _{MoU} to T _{stakeholder consultation}	48
T _{stakeholder consultation} to T _{CN}	240
T _{CN} to T _{P(I)A}	568
T _{P(I)A} to T _{call text or PDP launch}	266
Total duration (T _{MoU} to T _{call text or PDP launch})	1122



Programme development time analysis: HR-JUSTICE

Measuring point	Date
T _{MoU}	03/07/2018
T _{kick-off meeting}	To be defined
T _{stakeholder consultation}	24/10/2018
T _{CN}	28/02/2019
T _{drafting meetings}	13/12/2019
T _{P(I)A}	04/06/2019
T _{call text or PDP launch}	To be defined

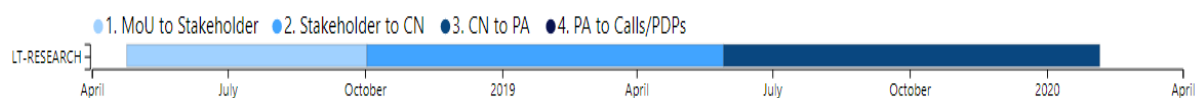
Duration between measuring points	Number of days
T _{MoU} to T _{stakeholder consultation}	113
T _{stakeholder consultation} to T _{CN}	127
T _{CN} to T _{P(I)A}	96
T _{P(I)A} to T _{call text or PDP launch}	N/A
Total duration (T _{MoU} to T _{PA})	336



Programme development time analysis: LT-RESEARCH

Measuring point	Date
T _{MoU}	24/04/2018
T _{kick-off meeting}	To be defined
T _{stakeholder consultation}	02/10/2018
T _{CN}	29/05/2019
T _{drafting meetings}	To be defined
T _{P(I)A}	05/02/2020
T _{call text or PDP launch}	03/02/2020

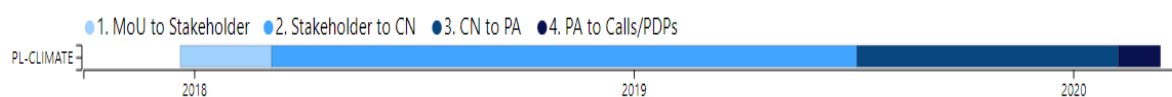
Duration between measuring points	Number of days
T _{MoU} to T _{stakeholder consultation}	161
T _{stakeholder consultation} to T _{CN}	239
T _{CN} to T _{P(I)A}	252
T _{P(I)A} to T _{call text or PDP launch}	0
Total duration (T _{MoU} to T _{call})	652



Programme development time analysis: PL-CLIMATE

Measuring point	Date
T _{MoU}	20/12/2017
T _{kick-off meeting}	To be defined
T _{stakeholder consultation}	06/03/2018
T _{CN}	05/07/2019
T _{drafting meetings}	To be defined
T _{P(I)A}	07/02/2020
T _{call text or PDP launch}	13/03/2020

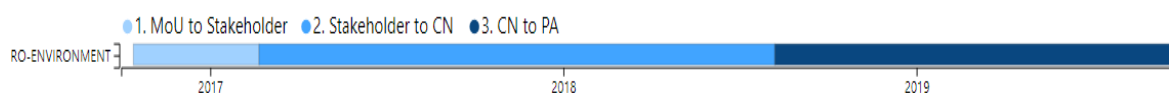
Duration between measuring points	Number of days
T _{MoU} to T _{stakeholder consultation}	76
T _{stakeholder consultation} to T _{CN}	433
T _{CN} to T _{P(I)A}	218
T _{P(I)A} to T _{call text or PDP launch}	36
Total duration (T_{MoU} to T_{call text or PDP launch})	763



Programme development time analysis: RO-ENVIRONMENT

Measuring point	Date
T _{MoU}	13/10/2016
T _{kick-off meeting}	To be defined
T _{stakeholder consultation}	20/02/2017
T _{CN}	07/08/2018
T _{drafting meetings}	12/04/2018
T _{P(I)A}	01/10/2019
T _{call text or PDP launch}	To be defined

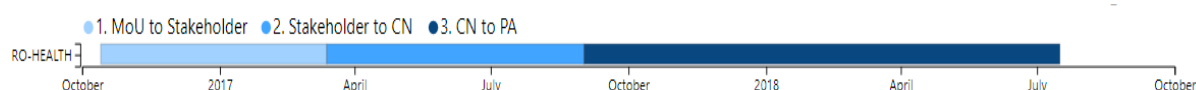
Duration between measuring points	Number of days
T _{MoU} to T _{stakeholder consultation}	130
T _{stakeholder consultation} to T _{CN}	533
T _{CN} to T _{P(I)A}	420
T _{P(I)A} to T _{call text or PDP launch}	To be defined
Total duration (T_{MoU} to T_{P(I)A})	1083



Programme development time analysis: RO-HEALTH

Measuring point	Date
T _{MoU}	13/10/2016
T _{kick-off meeting}	To be defined
T _{stakeholder consultation}	13/03/2017
T _{CN}	01/09/2017
T _{drafting meetings}	To be defined
T _{P(I)A}	16/07/2018
T _{call text or PDP launch}	To be defined

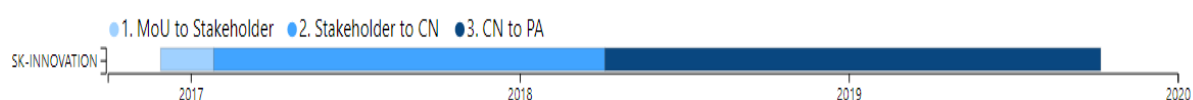
Duration between measuring points	Number of days
T _{MoU} to T _{stakeholder consultation}	151
T _{stakeholder consultation} to T _{CN}	172
T _{CN} to T _{P(I)A}	318
T _{P(I)A} to T _{call text or PDP launch}	To be defined
Total duration (T_{MoU} to T_{PA})	641



Programme development time analysis: SK-INNOVATION

Measuring point	Date
T _{MoU}	28/11/2016
T _{kick-off meeting}	To be defined
T _{stakeholder consultation}	26/01/2017
T _{CN}	05/04/2018
T _{drafting meetings}	To be defined
T _{P(I)A}	07/10/2019
T _{call text or PDP launch}	N/A

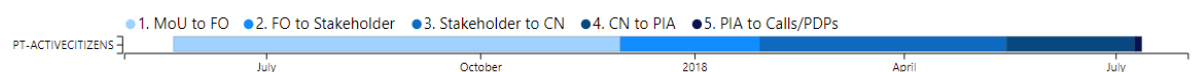
Duration between measuring points	Number of days
T _{MoU} to T _{stakeholder consultation}	57
T _{stakeholder consultation} to T _{CN}	434
T _{CN} to T _{P(I)A}	550
T _{P(I)A} to T _{call text or PDP launch}	To be defined
Total duration (T_{MoU} to T_{PA})	1041



Programme development time analysis: PT-ACTIVECITIZENS

Measuring point	Date
T _{MoU}	22/05/2017
T _{FO appointment}	30/11/2017
T _{stakeholder consultation}	29/01/2018
T _{CN}	15/05/2018
T _{drafting meetings}	To be defined
T _{PIA}	09/07/2018
T _{call text or PDP launch}	12/07/2018

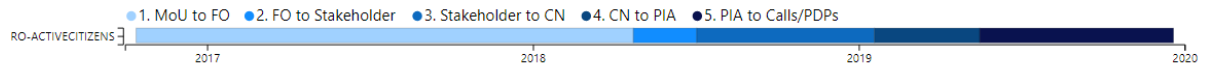
Duration between measuring points	Number of days
T _{MoU} to T _{FO appointment}	192
T _{FO appointment} to T _{stakeholder consultation}	60
T _{stakeholder consultation} to T _{CN}	107
T _{CN} to T _{PIA}	55
T _{P(IA)} to T _{call text or PDP launch}	4
Total duration (T _{MoU} to T _{PA})	418



Programme development time analysis: RO-ACTIVECITIZENS

Measuring point	Date
T _{MoU}	13/10/2016
T _{FO appointment}	23/04/2018
T _{stakeholder consultation}	03/07/2018
T _{CN}	18/01/2019
T _{drafting meetings}	To be defined
T _{PIA}	16/05/2019
T _{call text or PDP launch}	19/12/2019

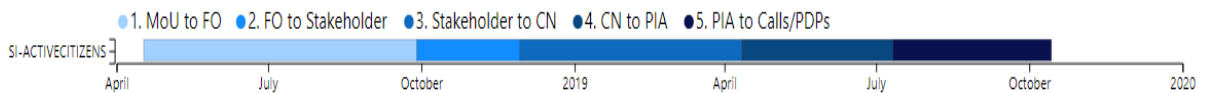
Duration between measuring points	Number of days
T _{MoU} to T _{FO appointment}	558
T _{FO appointment} to T _{stakeholder consultation}	72
T _{stakeholder consultation} to T _{CN}	200
T _{CN} to T _{PIA}	119
T _{P(IA)} to T _{call text or PDP launch}	218
Total duration (T _{MoU} to T _{PA})	1167



Programme development time analysis: SI-ACTIVECITIZENS

Measuring point	Date
T _{MoU}	17/04/2018
T _{FO appointment}	28/09/2018
T _{stakeholder consultation}	29/11/2018
T _{CN}	11/04/2019
T _{drafting meetings}	To be defined
T _{PIA}	11/06/2019
T _{call text or PDP launch}	14/10/2019

Duration between measuring points	Number of days
T _{MoU} to T _{FO appointment}	164
T _{FO appointment} to T _{stakeholder consultation}	62
T _{stakeholder consultation} to T _{CN}	133
T _{CN} to T _{PIA}	91
T _{P(IA)} to T _{call text or PDP launch}	95
Total duration (T_{MoU} to T_{PA})	545



Annex 4: Programme development theory

Purpose

This paper presents a ‘theory of programme development’ expressed through both a narrative and a graphic presentation. It has been drawn up on the basis of a review of relevant academic literature and practitioner guidelines, and the expertise of the CSES study team. Of particular importance in the development of the theory has been the available guidance on the ‘quality at entry’ approach to programme development and on conducting *ex ante* programme evaluation.

The aim of the programme development theory (hereafter ‘PDT’) is to make explicit what a ‘well-functioning programme approach’ looks like, ‘what matters’ and ‘what is valued’ in the approach, and which ‘assumptions’ underpin it. When finalised the PDT will provide:

- a common understanding of what is meant by a programme development approach;
- inputs into a quality assessment grid that is being developed in parallel;
- a basis for fine-tuning the study’s assessment matrix and for developing related instruments;
- a framework for analysing and assessing variations between how programme development has been undertaken in practice against the *theory* of a programme development approach.

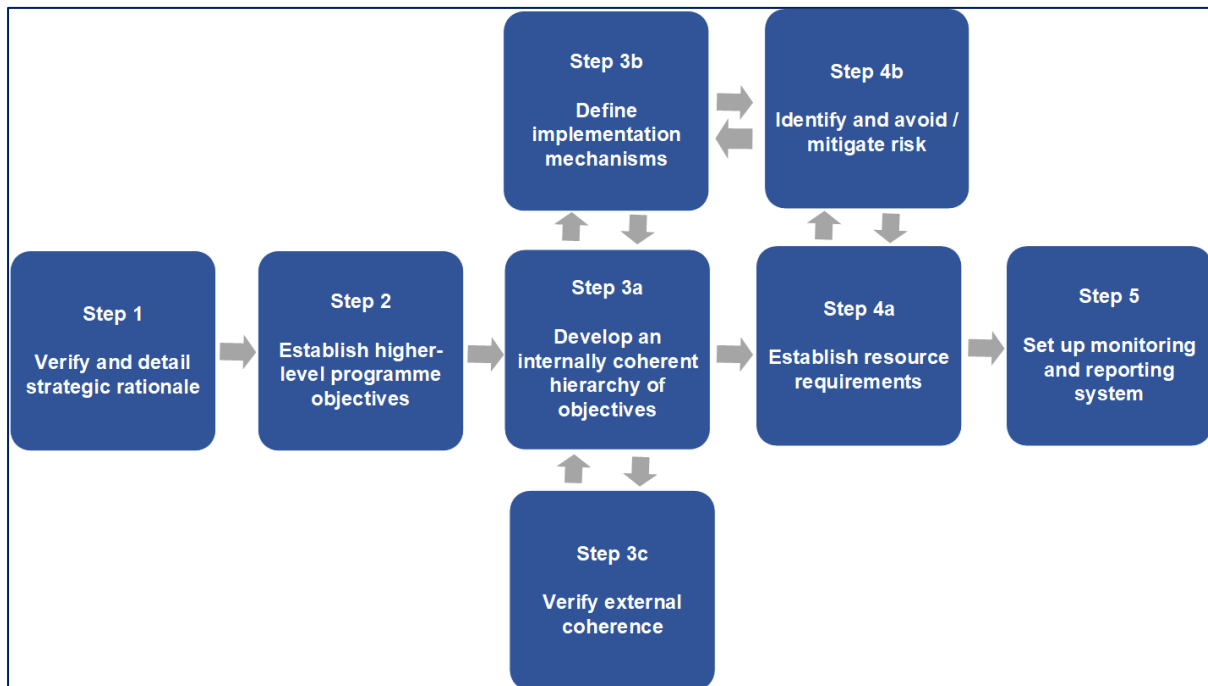
Overview of the theory

The starting point of the PDT is a framework composed of the steps of a well-designed process of programme development and the main linkages between them. The process is composed of five consecutive key steps, two of which are implemented iteratively with related sub-steps:

- Step 1 : Verifying and detailing a programme’s strategic rationale
- Step 2 – Establishing higher-level programme objectives
- Step 3a – Developing an internally coherent hierarchy of objectives
 - Step 3b – Defining implementation mechanisms
 - Step 3c – Verifying external coherence
- Step 4a – Establishing resource requirements
 - Step 4b – Identifying and avoiding/mitigating risk
- Step 5 – Setting up a monitoring and reporting system

The theory is presented graphically, below.

Figure 16 Overview of programme development theory



Mapping the theory on to the EEA/Norway Grants main programme ‘building blocks’

While the above theory is composed of set of a functional steps, the programme design ‘building blocks’ are part of a procedural sequence of actions, each one giving rise to the production of a formal document. The table below outlines our understanding of how the functional steps of the programme development theory map onto the procedural sequence of the main programme building blocks and related documents.

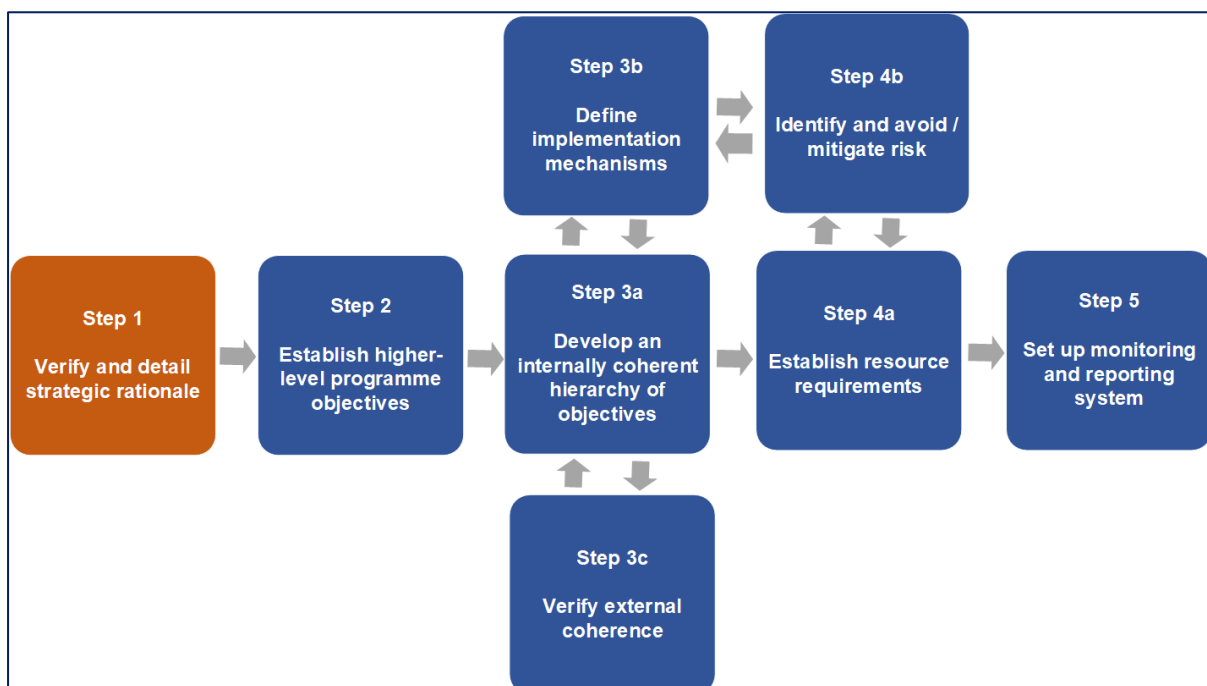
Steps in theory	Main building blocks	Characteristics of the building blocks
Not applicable	MoU	<ul style="list-style-type: none"> • Drawn up as a result of negotiations between donor and Beneficiary States. • Specifies programmes to be funded and identifies programme areas. • Provides information on PO, cooperation with DPPs and IPOs. • In some cases, includes pre-defined projects. • Frames the design, by Beneficiary States, of their programmes.
1, 2, 3a, 3b, 4a, 5	Concept note	<ul style="list-style-type: none"> • Developed by PO in cooperation with FMO and in consultation with relevant stakeholders, including any DPPs and/or IPOs. • PO also takes account of the NFP’s responsibility regarding programme implementation in the beneficiary country when developing the note. • Submitted to the Donor States through the NFP for assessment. • Defines the scope and planned results of each programme agreed in the MoU. • Includes the justification and main features of the programme. • Describes the expected contribution towards the EEA/Norway Grants’ overall objectives and the programme’s objective. • Includes planned outcome(s) and outputs, indicators, risks and

Steps in theory	Main building blocks	Characteristics of the building blocks
		target group(s). <ul style="list-style-type: none"> Includes tentative overall budget and describes any additional features, such as small grant schemes.
3a, 3b, 4a, 5	Programme Agreement	<ul style="list-style-type: none"> Signed between the donor and Beneficiary States. Sets out the terms and conditions of the operation of the programme. Sets out the roles and responsibilities of the parties involved. Details monitoring arrangements (indicators, data sources, etc.). Presents budget allocations. Outlines conditions and operational rules. Details pre-defined projects.

Detailing the programme development theory

The following section details the theory. In particular, it specifies the key assumptions that underpin the optimal completion of each step, including interactions with stakeholders, and access to expertise and knowledge.

Step 1 - Verifying and detailing a programme's strategic rationale



The initial step in programme design is to make an analysis of the problems and needs that a programme is intended to address and/or the opportunities and strengths that it would help develop within the Beneficiary State's concerned priority sector.

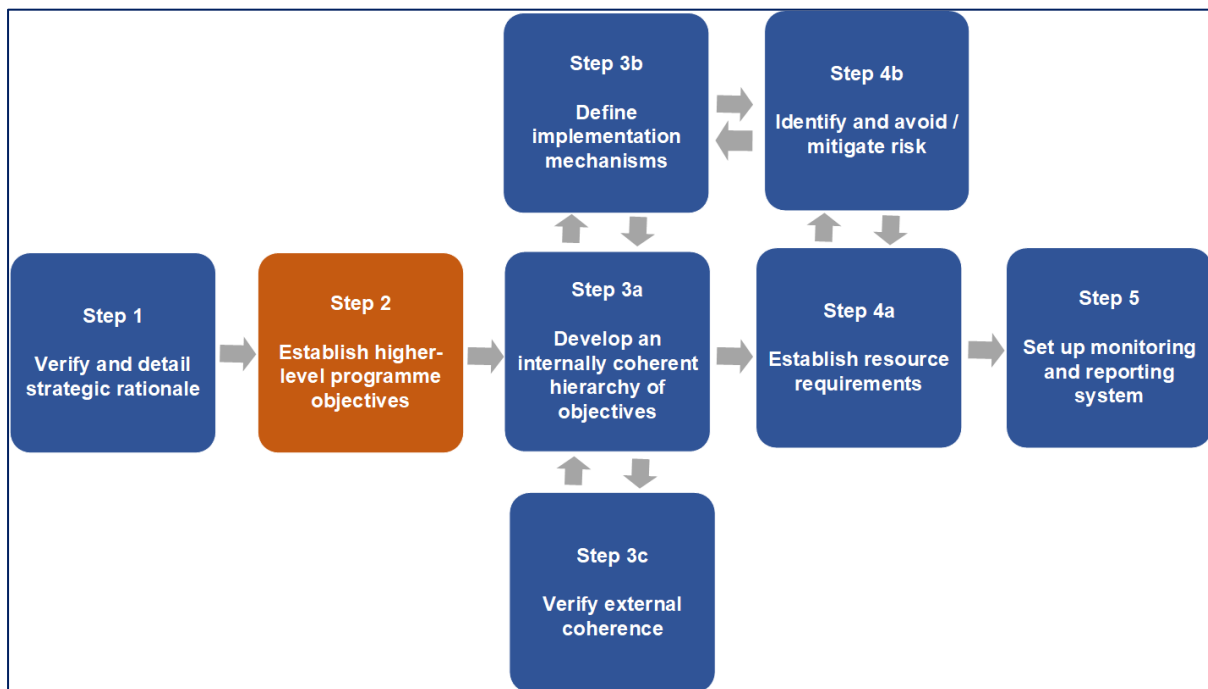
The work undertaken draws on both documentary sources and insights from a wide range of stakeholders.

The optimal completion of this step depends on the following assumptions being fulfilled:

- relevant statistics, evaluations, studies and research exist (or can be commissioned within the necessary timespan), can be accessed and reviewed, and provide useful data and analyses;

- relevant donor and Beneficiary State administrations, programme partners and other stakeholders (i.e. potential beneficiaries) are consulted in a targeted and timely manner and participants involved in consultations are well informed and freely share their knowledge and experience;
- the analysis is based on solid evidence and insights and is sufficiently clear and in-depth - including size and scale, and underlying causes and consequences of issues identified – to allow a programme to focus on priority issues and for concerned publics to be identified.

Step 2 – Establishing higher-level programme objectives



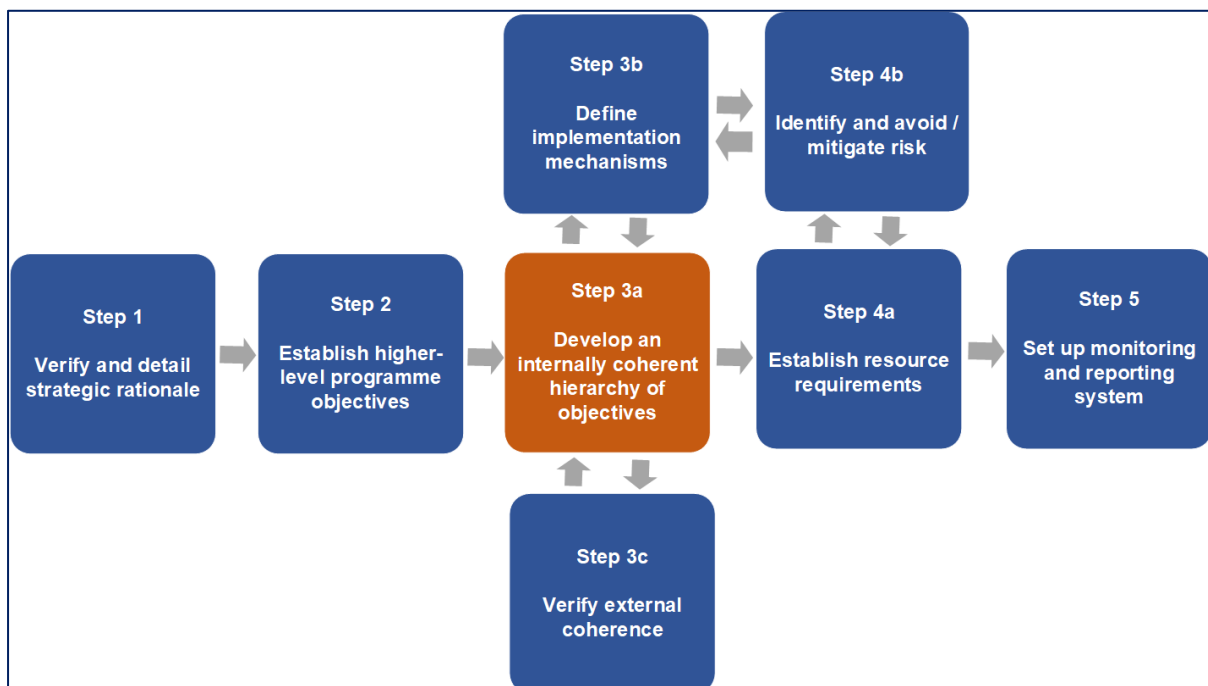
Once the problems and needs and/or opportunities and strengths have been verified and detailed as per Step 1, the establishment a programme’s higher-level objectives can proceed.

This step draws on relevant documentary sources, notably previous programming documentation and evaluations, and on insights from a broad range of stakeholders.

The optimal completion of this step, which aims to ensure that a programme satisfies ex ante the evaluation criterion of ‘relevance’, depends on the following assumptions being fulfilled:

- relevant programming documentation and evaluations can be accessed and reviewed, and provide useful information on higher-level objectives and the extent to which previous programmes have contributed to their achievement;
- relevant donor and Beneficiary State administrations, programme partners and other stakeholders (i.e. potential beneficiaries) are consulted in a targeted and timely manner and participants involved in the consultations are well informed and freely share their knowledge and experience;
- the resulting higher-level objectives
 - reflect impacts that address the highest priority problems and needs and/or opportunities and strengths;
 - are realistically what a programme can logically contribute to, given its planned implementation mechanisms and resources;
 - are aligned with donor priorities.

Step 3a – Developing an internally coherent hierarchy of objectives



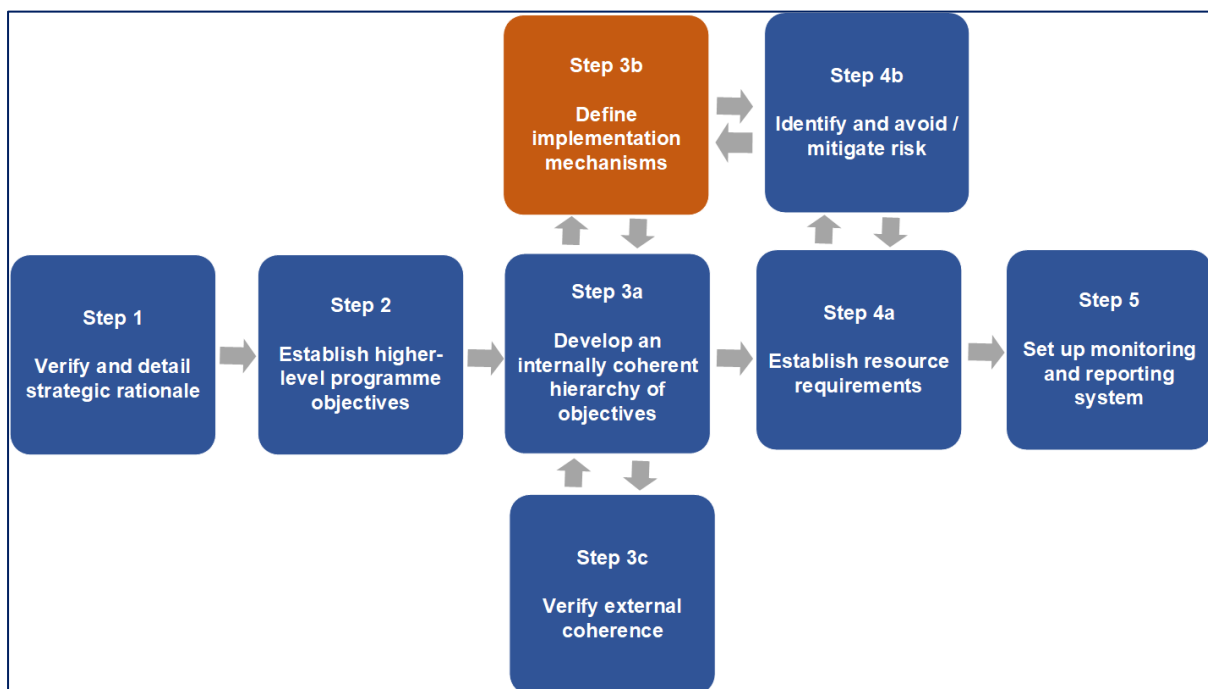
With the higher-level programme objectives established as per Step 2, the next step consists of making explicit a programme's 'logic of intervention', i.e. a structured set of hypotheses mapping out how a programme will achieve its intended effects.

This step mobilises relevant documentary sources, notably previous programming documentation and evaluations, as well as existing studies and research. It draws on insights from stakeholders involved in a programme's design, implementation and evaluation. Furthermore, this step dovetails with the processes of defining a programme's implementation mechanisms (Step 3b) and verifying its external coherence (Step 3c) and takes into account the results of these two steps.

The optimal completion of this step, which aims to ensure that a programme satisfies ex ante the evaluation criterion of 'internal coherence' and 'external coherence', depends on the following assumptions being fulfilled:

- relevant programming documentation, evaluations, studies and research can be accessed and reviewed, and provide useful information, including recommendations, lessons learnt and good practices, on mid and lower-level objectives and the extent to which previous programmes have resulted in or contributed to their achievement;
- officials involved in developing a programme’s objectives are knowledgeable about the concerned sector of intervention and/or understand the principles of objective setting and making intervention logic explicit;
- relevant tools and frameworks are employed to facilitate and structure the process to develop programme objectives and to elaborate the intervention logic;
- the development of a hierarchy of objectives takes into account likely
 - confounding factors that may support or hinder the achievement of objectives;
 - contradictions and complementarities with objectives of other relevant programmes (external coherence);
- programme objectives are well-specified and the intervention logic plausible.

Step 3b – Defining implementation mechanisms



The definition of implementation mechanisms (decision points, responsibilities, actions, processes, etc., specific to a programme) takes place in parallel with the development of a hierarchy of mid and lower-level objectives (Step 3a).

This step draws on previous programming documentation and evaluations as well as on insights from stakeholders involved in a programme’s design, implementation and evaluation. It is undertaken in conjunction with risk identification and avoidance/mitigation and takes into account the results of this process (Step 4b).

The optimal completion of this step, which aims to ensure that a programme has the potential to satisfy ex ante the evaluation criterion of ‘effectiveness’, depends on the following assumptions being fulfilled:

- relevant programming documentation, evaluations, studies and research can be accessed and reviewed, and provide useful information, including recommendations, lessons learnt and good practices, on implementation options and their capacity to result in or contribute to the achievement of objectives;
- officials involved in defining a programme’s implementation mechanisms, are knowledgeable about the different aspects of programme management and implementation;
- options for implementing a programme
 - are defined in detail and assessed with regard to achieving its objectives;
 - take into account the results of risks and related avoidance/mitigation measures identified;
- project eligibility and selection criteria are clearly defined;
- arrangements for managing programme implementation are clearly described and detailed.

Step 3c – Verifying external coherence



The verification of a programme’s external coherence takes place in parallel with the development of a hierarchy of mid and lower-level objectives (Step 3a). It consists of checking for contradictions and complementarities between the objectives of the programme under design and those of other relevant programmes.

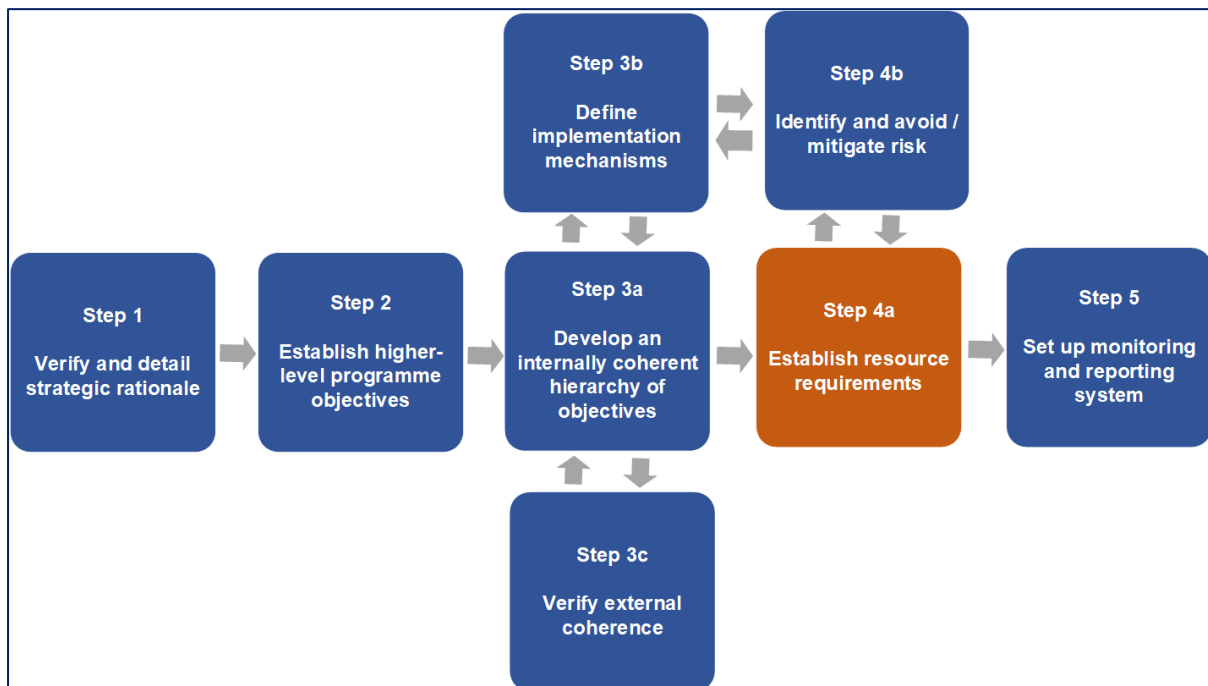
The conducting of this step draws on documentation and evaluations of other programmes and on insights from stakeholders involved in a programme’s design, implementation and evaluation, as well as in the design and implementation of other relevant programmes.

The optimal completion of this step, which aims to ensure that a programme satisfies ex ante the evaluation criterion of ‘external coherence’, depends on the following assumptions being fulfilled:

- relevant programming documentation and evaluations can be accessed and reviewed, and provide useful information on potential contradictions and complementarities between the objectives of relevant programmes;
- officials of other administrations, involved in designing and implementing relevant programmes, are consulted, and are willing and able to share their insights with the programme designers.

The outputs of this step feed back into the process of developing a hierarchy of mid and lower-level objectives (Step 3a).

Step 4a – Establishing resource requirements

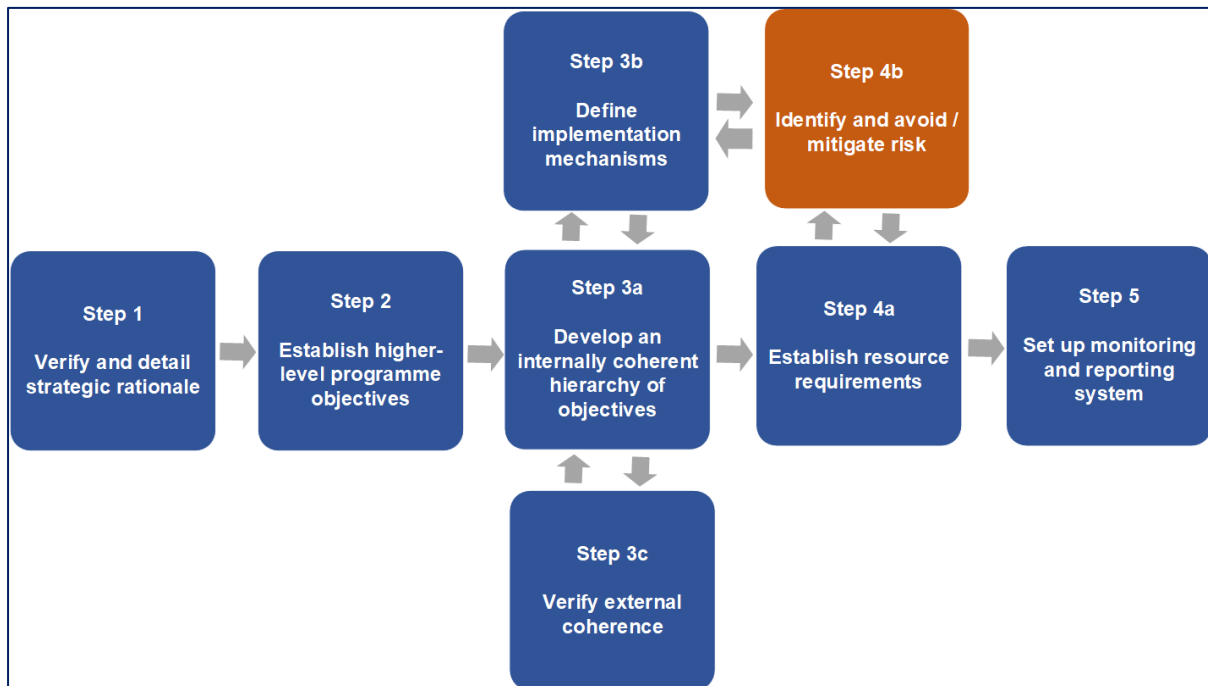


Within a programme's overall financial parameters, resource requirements are determined for outputs/activities/measures to the extent necessary to achieve lower to mid-level objectives (Step 3a) - and contribute to achieving higher-level objectives. (Step 2).

This step draws on previous programming documentation and evaluations as well as on insights from those stakeholders involved in a programme's design, implementation and evaluation. It is undertaken in conjunction with risk identification and avoidance/mitigation and takes into account the results of this process (Step 4b).

The optimal completion of this step, which aims to ensure that a programme has the potential to satisfy ex ante the evaluation criterion of 'efficiency', depends on the following assumptions being fulfilled:

- relevant programming documentation and evaluations can be accessed and reviewed, and provide useful information on resource needs and allocations;
- officials involved in defining a programme's resource requirements are knowledgeable about allocating budgets to different programme components in consideration of the projects to be financed and the objectives to be achieved.

Step 4b – Identifying and avoiding/mitigating risk

The identification of risk (fiduciary, operational, programmatic, etc.) and related avoidance and/or mitigation measures complements the definition of implementation mechanisms (Step 3b) and the establishment of resource requirements (Step 4a).

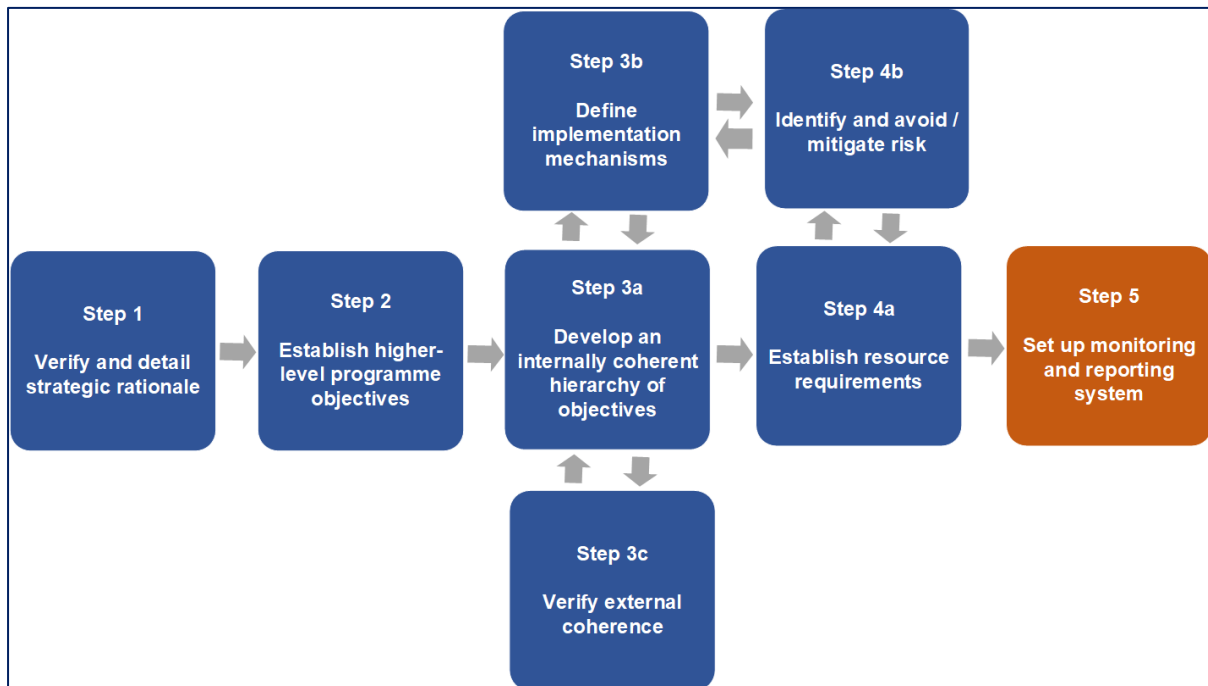
The conducting of this step draws on audits, risk registers and evaluations, and on insights from those stakeholders involved in the programme's design and implementation, as well as its auditing and evaluation.

The optimal completion of this step depends on the following assumptions being fulfilled:

- relevant audits, risk assessments and evaluations can be accessed and reviewed, and provide useful information on risks to a programme;
- officials involved in assessing risks and developing avoidance and/or mitigation measures are knowledgeable about the sector of intervention and/or expenditure programmes and/or risk management;
- relevant tools and frameworks are employed to facilitate and structure the process of risk identification and the development of avoidance and/or mitigation measures.

The outputs of this step feed back into the definition of implementation mechanisms (Step 3b) and the establishment of resource requirements (Step 4a).

Step 5 – Setting up a monitoring and reporting system



Setting up a monitoring and reporting system is the final step of programme design. It consists of designing indicators to track implementation (inputs and outputs) and progress towards objectives (results, outcomes and impacts). It also includes the definition of target levels and data sources, as well as the collection of baseline data.

The conducting of this step draws on evaluations of previous programmes, studies and research as well as on insights from stakeholders involved in a programme's design, implementation, monitoring and evaluation.

The optimal completion of this step depends on the following assumptions being fulfilled:

- relevant evaluations, studies and research can be accessed and reviewed, and provide useful information on programme monitoring and reporting;
- officials involved in setting up the monitoring and reporting system are knowledgeable about indicators and indicator system design, including the operationalisation of objectives through the definition of target levels and the identification of data sources;
- appropriate technical systems (e.g. software, databases) are established to facilitate the capture and collation of data;
- sufficient resources are allocated to allow the monitoring and reporting system to be properly set up, including the collection of baseline data prior to programme roll-out;
- reporting arrangements and responsibilities are clearly established;
- monitoring and reporting systems provide evidence in a way that can inform any evaluation (e.g. mid-term, ex-post) that is to be commissioned or carried out by the relevant programme actor(s).

Annex 5: Benchmark case studies

Purpose

In accordance with the Terms of Reference, two benchmark case studies are offered with a view to inform the FMO and the donors of the EEA and Norway Grants of other existing donor organisations' programme development processes. Two donor organisations were selected, namely, the Asian Development Bank (ADB) and the European Regional Development Fund (ERDF). First, an overview of the ADB case study is presented, summarising the activities and the overall process, as well as the similarities and dissimilarities with the programme development approach of the EEA and Norway Grants. Second, a similar overview of the ERDF is also offered, again with a comparison to the programme development approach of the EEA and Norway Grants. Last, a synthesis is provided with lessons learned and identified good practices to potentially consider for the next programming period. These two case studies were informed by desk research. The analysis of these two grant funding schemes has informed the future outlooks section (section 5.1 and 5.2) of the main body of the report, in particular around the added value of the EEA and Norway Grants and also around how stakeholder consultations could be implemented in the next programming period.

Asian Development Bank / Asian Development Fund

The Asian Development Bank (ADB) was established in 1972 to provide finance and development aid to Asian countries, with a view to strengthen their economies and alleviate poverty. The current membership of the bank is composed of both donor and beneficiary countries. The ADB has 49 regional) and 19 non-regional members). Among the regional members, some are considered developed and are net donors, while other member countries are net beneficiaries, in particular those classed as **developing member countries**.²² The grant system to developing member countries has been run through the Asian Development Fund (ADF). Donors meet periodically every three years to plan **ADF 'replenishments'**. During these meetings, donors communicate their contributions to the upcoming Asian Development Fund funding periods. It is important to note that ADF **grants are only available to pre-selected developing member countries** (e.g. Afghanistan), while others have access to other financing instruments such as loans. The third replenishment meeting is the final meeting of the negotiation process.

In terms of priority sectors, the ADB's interventions are focused on energy, transport, water, education, environment and health. In addition, the ADB has aimed to align its support with the United Nation's Sustainable Development Goals.²³ ADF board members use a **hybrid resource allocation framework for ADF grants** consisting of **country allocations and thematic components**. Since ADF13, an **Economic Vulnerability Premium** was introduced. In addition, donors make allocation decisions based on the bank's **performance-based allocation (PBA) formula**.²⁴ This formula was developed in order to allocate ADF support fairly among the many competing needs, and to direct the funds to where they will be used most effectively. The ADB also uses a country classification system and **debt sustainability assessment** to determine countries' eligibility for grant financing in addition to the PBA formula. Last, in allocating grants, the ADB also considers other factors such as country needs, absorptive capacity, and special circumstances.

²² ADB. (n.d.). ADB Institutional Document. <https://www.adb.org/sites/default/files/institutional-document/32093/partial.pdf>

²³ <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

²⁴ ADB. (2008). Refining the Performance-Based Allocation of Asian Development Fund Resources. <https://www.adb.org/sites/default/files/institutional-document/32070/refining-performance-based-allocation.pdf>

Regarding the programme development process, much like other grant-funding schemes, such as the European Regional Development Fund and the EEA and Norway Grants, the allocation of funding for beneficiary countries is based on the **adoption of key documents**, in this case the **Country Partnership Strategies** and **Country Operation Business Plans**.^{25,26} The Country Partnership Strategies are the ADB's primary platform for designing operations to deliver development outcomes at the country level, which may or may not be in the form of grants. Developing member countries have the ability to discuss with the ADB what to include and how to design the medium-term development strategy and a 3-year Country Partnership Strategy. The ADB works with each developing member country to map out a medium-term development strategy and a 3-year country operations business plan to implement it. In addition, the **ADB also signs MoUs with member countries**, although these are very short and high-level (approximately 8-10 pages). Furthermore, the ADB has adopted **corporate-level operational plans** to develop key sector and thematic operations. The ADB also possesses **communities of practice** which gather sector knowledge and good practices, and include them into the operational plans.

The programme development approach of the ADB/ADF's grant system shows both similarities and differences when compared to the approach taken within the EEA and Norway Grants. **Ultimately, the ADB provides much smaller scope for grants and its focus is mainly on other financing instruments.** Indeed, the ADF grants are reserved only for the poorest developing member countries (e.g. Afghanistan). As regards grant allocation, the ADF's reserves are determined by the donors who agree on funding and allocations during a replenishment meeting for each ADF funding period, which are shorter than the Financial Mechanisms of the EEA and Norway Grants (3 years). Moreover, the negotiation on allocation is mainly between donor countries who establish the financing parameters and is **not a bilateral negotiation** between donor countries and recipient countries. There is only scope for beneficiary countries to design the wider strategy, but not to determine the amount of financing that can be received for each strategic priority nor if they can receive any grants.

While not having a sanctions' regime for missed targets or non-compliance, the grant system's allocation is partly based on beneficiaries' **performance in the utilisation of the ADB's funds**. Similar to the EEA and Norway Grants, the ADB's wider allocation of projects is linked to the adoption of key documents such as MoUs, the CPS and COBP; however, these relate to the overall disbursement of resources and not only grants. Finally, the ADB does introduce a regional integration dimension to its development finance system by developing overarching **Regional Cooperation Strategy and Programs**, which are strategies that outline how an ADB-defined region or subregion in Asia and the Pacific can work together to foster economic growth and cooperation. The latter is an aspect that the EEA and Norway Grants is on the whole lacking, having not produced wider regional plans (e.g. Baltics, Balkans or Visegrád countries) studying how the different national programmes/projects can develop synergies and work together to promote the shared socio-economic development of different regions in Europe.²⁷

The table below summarises the main differences and similarities:

Table 12 Comparison of ADF Grants against the EEA and Norway Grants

Feature	ADF	EEA and Norway Grants
Bilateral Donor-Beneficiary relations	No	Yes

²⁵ ADB. (n.d.). Country Partnership Strategies. <https://www.adb.org/documents/series/country-partnership-strategies>

²⁶ ADB. (n.d.). Country Operations Business Plans. <https://www.adb.org/documents/series/country-operations-business-plans>

²⁷ There are, however, a few EEA and Norway Grants programmes for which a transnational approach has been adopted, e.g. LT-RESEARCH and EE-RESEARCH, albeit to a much been to a lesser extent than the ADB.

Adoption of key documents	Yes: MoUs, CPS and COBP	Yes: MoU, CN, PA
Performance based allocation	Yes, PBA formula	No
Thematic segmentation	Yes	Yes: priority sectors and programme areas
Regional segmentation	Regional Cooperation Strategy and Programs	No
Funding period	3 years	7 years
Level of involvement of beneficiary countries	Very low level of involvement	High level of involvement during MoU and PA
Priority areas/sectors	<ul style="list-style-type: none"> • Energy • Transport • Water • Education • Environment • Health 	<ul style="list-style-type: none"> • Innovation, Research, Education and Competitiveness • Social Inclusion, Youth Employment, and Poverty Reduction • Environment, Energy, Climate Change and Low Carbon Economy • Culture, Civil Society, Good Governance and Fundamental Rights and Freedoms • Justice and Home Affairs
MoU	High level	High level
Financing instruments	Mostly loans but small role for grants	Grants only

Given the different scale and overall policy objectives between the ADF and the EEA and Norway Grants, any direct comparison is challenging. However, the analysis of both schemes highlights some outlooks for future programme development for the EEA and Norway Grants:

- Explore the possibilities of developing further **regional plans for country groups** of Beneficiary States to see how EEA and Norway Grants financed initiatives can **build cross-border synergies**. This could be done through the development of over-arching regional plans.
- Explore the introduction of a **performance-based allocation system** to encourage Beneficiary States to allocate EEA and Norway Grants resources more effectively, subject to the parameters set by the overall agreements between the Donor States and the EU.

European Regional Development Fund

Another comprehensive grant-funding scheme is the European Regional Development Fund (ERDF), which is one of the main instruments of the European Union's Cohesion Policy. ERDF amounts to EUR 196 billion in the 2014-2020 funding period and aims to reduce the development disparities between European regions, an objective shared with the EEA and Norway Grants. EU Regulation No 1301/2013 calls for 80% of the 2014-2020 ERDF resources for each Member State to be spent on four of the 11 high-level thematic objectives that have been set for the European Structural and Investment Funds

(ESIF).²⁸ These thematic objectives are set out in EU Regulation No 1303/2013.²⁹ They are: (TO1) strengthening research, technological development and innovation; (TO2) enhancing access to, and use and quality of, ICT; (TO3) enhancing the competitiveness of SMEs, of the agricultural sector and of the fishery and aquaculture sector; (TO4) supporting the shift towards a low-carbon economy in all sectors, with at least 20% reserved to the latter.

The ERDF has two main goals for the 2014-2020 period, namely ‘Investment for growth and jobs’ — aiming to strengthen the labour market and regional economies; and ‘European Territorial Cooperation’ — aiming to strengthen cross-border cooperation within the European Union. To achieve this, most **ERDF resources are disbursed regionally** based on a precise taxonomy: **1) More-developed regions** whose GDP per capita is above 90% of the EU average; **2) Transition regions** whose GDP per capita is between 75% and 90% of the EU average; **3) Less-developed regions** whose GDP per capita is below 75% of the EU average.³⁰ This regional segmentation ensures that funding may reach the more disadvantaged regions in an EU Member State but may limit the flexibility for the Member State to use this funding.

The allocation of the ERDF funding is contingent upon the drafting and approval of a series of key documents, such as the **Partnership Agreements** that each Member State needs to submit within a legal deadline for every funding period. They outline the Member States’ strategic priorities and their planned use of EU structural funding to fulfil the EU’s growth and development objectives. They are drafted by Member States in dialogue with the Commission, who then proceed to their eventual adoption, allowing the interests of both parties to be accommodated to the extent possible.

Within each Partnership Agreement is presented a list of **Operational Programmes**, which are detailed plans describing how a Member State will spend the EU funding in specific areas related to a given thematic objective during the programming period along with targeted objectives, implementing institutions and partners. The Operational Programmes can be drafted for a specific region (e.g. Bavaria) or theme (e.g. SMEs) and **must be submitted within 3 months after a Partnership Agreement’s draft submission**. Unlike for the EEA and Norway Grants, where the negotiation and development of the main programme documents occurs sequentially, for the ERDF grants it is possible to start negotiating different types of documents at the same time; for example, it is possible for the negotiation of some of the underlying Operational Programmes to occur at the same time as the negotiation of the over-arching Partnership Agreement. Once the Operational Programmes and Partnership Agreements have been approved, beneficiaries may submit applications for funding to the managing authority for the relevant programme.

The approval process behind the drafting of these documents is written in European law and thus the commitments have a clear legal basis. For example, the fund-specific regulation makes clear the rules regarding the submission of the documents, applicable deadlines along with sanctions and document revision regimes. Because of this, the negotiation of the next period’s Partnership Agreement is affected by the legislative process of the EU and the period-specific ERDF negotiation, which may lead to delays in the approval of Member States’ Partnership Agreements. To this end, **the European Commission engages in informal dialogue with Member States** on Partnership Agreements and

²⁸ Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006

²⁹ Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006

³⁰ European Parliament. (n.d.). European Regional Development Fund (ERDF) factsheet, retrieved from: <https://www.europarl.europa.eu/factsheets/en/sheet/95/european-regional-development-fund-erdf->

Operational Programmes to help them prepare negotiations and anticipate potential issues. The Commission further allows Member States to submit draft versions of a Partnership Agreement for comment, which limits the chances of Partnership Agreements and Operational Programmes being approved late. Since the beginning of the negotiation process for the 2014 ERDF Grants, **all Partnership Agreements were adopted within 10.5 months (312 days) and all the Operational Programmes were adopted by the Commission 23 months days after the beginning of the negotiation.** In the case of the ERDF programmes, some delays were attributed to IT failures in the SFC2014 electronic document exchange system used by the Commission and through which all official programme documentation needs to be submitted.

To ensure that the funds are disbursed effectively, the ESIF legislation incorporated the use of **ex-ante conditionalities** and related indicators to ensure that the Member States can prove that they have the policy, regulatory and administrative frameworks to guarantee that the funds are effectively deployed. The ex-ante conditionalities are presented in the regulation and include a list of different criteria for fulfilment. General ex-ante conditionalities relate to issues such as anti-discrimination, public procurement and state aid. In terms of assistance provided to the Member States undergoing their programming phase, the EU provides a 'blue guide' and guidance notes are also given on the various ex-ante conditionalities. However, these may be very detailed (several hundred pages) and, if distributed too late, may prevent stakeholders being fully informed on the key issues.³¹

Similarly to the negotiation process of the PAs of the EEA and Norway Grants, the ERDF grants' programming phase provides scope for stakeholder consultations with the implementing/programming partners, combining an open online public consultation on the drafts of the Operational Programmes with in-depth consultations with key organisations representing the main target beneficiaries (e.g. municipalities, vulnerable groups). Consultations on past interventions that are to be continued or on underlying national/regional strategies may also be planned. **The width and depth of stakeholder consultations during the programming phase may vary depending on the need and ability of each Member State.**^{32,33}

Overall, the ERDF grant system presents a series of commonalities with the programme development approach of the EEA and Norway Grants. This includes the use and approval of different key documents, the MoU, CN and PA for the EEA and Norway Grants beneficiaries and the National Reform Programmes, Partnership Agreements and Operational Programme for EU Member States. While the ERDF is the result of a more complex multilateral negotiation involving different national and ultimately regional partners, it incorporates similar processes.

There is also similarity between the ex-ante conditionalities within ERDF and the core principles and values of the EEA and Norway Grants. The ERDF the ex-ante conditionality requirements (e.g. anti-discrimination frameworks) ensure that parts of the disbursed funds address priority areas for the EU which may be sensitive for particular Member States (e.g. Roma inclusion). Similarly, the core principles and values of the EEA and Norway Grants are applied both through the governing principles set out in Article 11 of the MoUs and through the inclusion in the MoU of "specific concerns" at national level and "special concerns" in relation to individual programmes, for example, in relation to support for Roma inclusion.

Differences exist, however. For example, the beginning of the negotiation of a Member States' individual Operational Programmes is not contingent on the final approval of its Partnership Agreement. Moreover, beyond dividing Operational Programmes by thematic objective or TO

³¹ European Court of Auditors - The Commission's negotiation of 2014-2020 Partnership Agreements and programmes in Cohesion: spending more targeted on Europe 2020 priorities, but increasingly complex arrangements to measure performance

³² European Commission. (2018). Analysis of ERDF support for inclusive growth in the 2014 - 2020 programming period.

³³ European Commission. (2015). European Structural and Investment Funds 2014-2020: official texts and commentaries, retrieved from: https://ec.europa.eu/regional_policy/sources/docgener/guides/blue_book/blueguide_en.pdf

(similarly to the EEA and Norway Grants Programme Agreements), EU Member States' Operational Programmes are further segmented by region (e.g. Marche Regional ERDF 2014-2020 Operational Programme). Moreover, the ERDF involves a more legalistic approach in determining the negotiation, submission and sanctions regime for the main documents.

The table below summarises the main differences and similarities.

Table 13 Comparison of ERDF with the EEA and Norway Grants

Feature	ERDF	EEA and Norway Grants
Legal Basis	Clear negotiating procedure framed by EU legislation	Agreement based on MoU
Deadlines for document approval by donor body	No	No
Deadlines for document Submission by beneficiary	Yes	No
Ex-ante conditionalities	Yes	Horizontal issues and principles of implementation in the Regulations Specific concerns at national level (specified in the MoU) Special concerns at programme level (specific in the MoU)
Official Guidance	Yes	Yes (Blue Book)
Thematic segmentation	Yes	Yes
Regional segmentation	Yes	Very limited regional segmentation
Adoption of key documents	Operational Programmes Partnership Agreements	Memorandum of Understanding Concept Note Programme Agreement
Priority areas	4 thematic objectives	5 priority sectors defined by the Blue Book
Level of involvement of beneficiary countries	High level of involvement of Member States	High level of involvement during MoU and PA
Funding period	7 years	7 years

The analysis of the negotiation process behind the ERDF highlights some outlooks for future programme development for the EEA and Norway Grants:

- The Donor States could engage in informal contact with Beneficiary States ahead of the beginning of MoU negotiations for the next financial mechanism to identify priority areas and potential issues.
- Enable, whenever possible, to launch SCs and develop CNs in parallel so as to make the programme development approach more efficient.
- Allow draft versions of key documents to be submitted for informal review even before the negotiation phase has started.
- Introduce elements of ex-ante conditionality during the Grants' negotiation and approval process, to ensure that Beneficiary States possess the administrative capacity to use the grants and have effective monitoring and reporting tools.
- Customise the Stakeholder Consultations based on programme needs. The ERDF allows some

flexibility for Stakeholder Consultations depending on the needs and capability of the Member States. In addition, the ERDF also uses online consultations, which may be relevant for some EEA and Norway Grants programmes.

Summary

The benchmark case studies of the ADF and ERDF have revealed both similarities and dissimilarities between these funding schemes and the EEA and Norway Grants. Despite the limitations to this exercise, especially in the case of the ADF where grants only represent a small percentage of the funding instruments used, there are lessons to be learned from the review.

First, there may be scope to adjust the design of the EEA and Norway Grants as an instrument. Drawing on the example of the ADB, this could include the design of programmes covering multiple Beneficiary States (e.g. neighbouring countries) where the focus, objectives, intended activities and target groups are very similar (e.g. ACF) or where the programmes address issues with a cross-border or transnational dimension (e.g. migration). This option might allow some economies of scale to be made in programme development, where one large programme replaces multiple smaller programmes. Another option for revising instrument design might be to consider performance-based allocations of funding, which might serve as a stimulus to efficient programme development (and subsequently to efficient programme implementation).

Second, drawing on the example of the ERDF, some revisions to the process might increase efficiency of the programme development approach. This could include greater informal contact between relevant programme actors at an earlier stage, e.g. before or during the MoU negotiation. For example, this could also include the sharing of draft versions of CNs for informal review. As in the ERDF, some steps in the process could operate in parallel, for example, the organisation of stakeholder consultations and the preparation of CNs and PAs. Last, stakeholder consultations could be customised more to the needs of individual programmes, for example, featuring an open online public consultation instead of or in addition to the current stakeholder consultation meeting, again drawing on the example of the ERDF.

Finally, the EEA and Norway Grants could draw on the example of the ERDF in providing more detailed guidelines on the level of detail required in key documents. This would particularly apply to the CNs, where the expectations of the FMO and the Donor States were not always aligned and where a lack of clarity over requirements led to CNs being far lengthier than originally anticipated.

Annex 6: Terms of Reference

Background and rationale

Twenty-six years ago, on 1 January 1994, the European Economic Area (EEA) Agreement, an agreement between the EU Member States and the EFTA EEA States – Iceland, Liechtenstein and Norway – was signed. As an extension of the Agreement, EFTA EEA States agreed to contribute to reducing social and economic disparities in the EEA through a grant scheme formally named *Financial Mechanisms*, but from 2004 referred to as *EEA and Norway Grants*. Since then, there have been five consecutive Financial Mechanisms: 1994-1998; 1999-2003; 2004-2009; 2009-2014; and 2014-2021. The EEA and Norway Grants are allocated to the countries in the EU whose Gross National Income (GNI) per capita is less than 90% of the EU average. According to this criteria, fifteen European countries receive funding from the EEA and Norway Grants in the 2014-2021 funding period. A secretariat known as the *Financial Mechanism Office* (FMO) was established in Brussels to assist the Donor States in managing the Grants.

The first three grant periods employed a project model, whereby individual projects were selected and managed in the Beneficiary States. Starting with the 2009-2014 period, the Grants adopted a programme approach, whereby the Donor States agree with the Beneficiary States on the broad outline of thematic programmes, and the Beneficiary State authorities further develop and manage the programmes, including the selection of individual projects within the programmes³⁴. The programme approach was continued under the 2014-2021 period (the current period), though with significant changes to the programme development process.

It is assumed that the quality of programme development influences the quality of implementation, which in turn influences the achievement of results and the contribution of the programmes to the objectives of the Grants. Improving the programme development approach can thus contribute to increasing the impact of the Grants.

Currently, in January 2020, most programmes developed under the 2014-2021 period have been signed. This is the right time to take stock of the programme development process. This will enable the Donor States, the FMO, and the Beneficiary States to draw lessons and, where needed, adapt the programme development approach in a potential future financial mechanism.

Understanding the programme development approach

There is no universal definition of the programme development approach. In the case of the 2014-2021 Financial Mechanism, not all elements of the programme development approach have been spelled out explicitly³⁵.

Nevertheless, all key-actors involved (Donor States, FMO, Beneficiary States, Donor Programme Partners, International Partner Organisations and Fund Operators³⁶) do have an implicit, though heterogeneous, understanding of the programme development approach. There is a variation of understanding regarding the boundaries of the programme development approach (which elements

³⁴ This description of the programme approach applies to the non-directly contracted programmes and is different for the Active Citizen Fund (ACF) programmes where the Beneficiary States are not involved in the development of the programme. The description does not apply to the Fund for youth employment and the Fund for regional cooperation, which follow a ‘fund’ logic and not a programme logic, and which are excluded from this assessment.

³⁵ When the programme development phase was launched for the 2014-2021 funding period, the FMC agreed on the ambition for “quality at entry” and to develop “high quality programmes”. The concepts of “high quality programmes” and of “quality at entry” were not formalised prior to the programme development phase. The FMC agreed it would be best to implement these concepts incrementally, through taking a “flexible approach” on the programme development process while ensuring that the programmes would be of high quality.

³⁶ See the [Regulations](#) and the [ACF Programme Implementation Agreement](#) for explanations on the actors.

are in, and which are outside the boundaries), the linkages between different elements of the programme approach, the importance of some **building blocks**³⁷ over others, the expected quality of the different building blocks (deliverables and processes), as well as regarding how the building blocks of the programme development approach need to be implemented.

Some of the variation of understanding of the approach could be explained by the fact that the programme development approach has evolved during the programming phase. Not all building blocks had been developed and finalized before starting the development of programmes, and some instruments and methodological notes were only developed later and could only be applied to some programmes. In other words, programmes developed earlier may have followed a somewhat different programme development approach than those developed later.

Other variations in understanding the programme development approach could potentially be explained by the different roles the key-actor played, which could have influenced their perspective.

The term *programme development approach* is thus an umbrella term referring to the regulatory and methodological framework, instruments, overarching values and principles, actors involved, and processes related to programming the Grants, as well as to how these have been applied. The absence of a shared explicit understanding of the programme development approach constitutes a challenge for this assessment. Therefore, part of this assessment includes developing a *theory* that expresses explicitly what is meant by “quality” programme development³⁸. The evaluators will be asked to develop this in the assessment inception phase³⁹.

From Memoranda of Understanding to Programme Agreements⁴⁰

The programmes are aligned with the strategic orientations agreed upon by the Donor States and a Beneficiary State through negotiations and defined in the *Memoranda of Understanding* (MoU). The MoU identifies the programme areas to be funded and sets out how the allocation from the EEA and Norway Grants to the specific Beneficiary State is divided between programmes. The MoU tailors the support to each Beneficiary State’s needs, aims, special concerns and capacities, as well as to bilateral interests shared by (a) Donor State(s) and a Beneficiary State. The MoU describes the management arrangements, including on cooperation with the donor partners and international partner organisations, and in some cases includes pre-defined projects.

The negotiations between the Donor States and each Beneficiary State are shaped by the policy orientations and strategic framework of the EEA and Norway Grants, defined in the [Protocol 38C](#) to



Figure 1 Programme development in its context

³⁷ MoU, concept note, programme agreement (results framework and implementation modalities), and project design

³⁸ This will allow to assess the development of programmes in reality, against the initial conceptualisation.

³⁹ See inception phase. The evaluation team will need to complete and adapt this description, based on desk study, online, informant interviews with the FMO, Donor States and Beneficiary States prior to developing evaluation instruments that are based on a sound, relevant and shared understanding of the programme development approach (see *Methodological approach*).

⁴⁰ This applies to regular priority sector programmes. For Active Citizen Fund programmes, see below. This chapter does not describe the development of the Funds for regional cooperation and for youth employment, which is very specific/sui generis and is excluded from this assessment.

the EEA Agreement & the Agreement between Norway and the EU⁴¹, and subsequently in the [Blue Book](#) and in the [Regulations](#)⁴². For the 2014-2021 funding period, EEA and Norway Grants' policy

and strategies reinforce the results-based approach, ensure a clear focus on the challenges experienced in each Beneficiary State, and express a clear commitment to further strengthen the bilateral cooperation. Five priority sectors have been agreed in *Protocol 38C* between the Donor States and the EU, and within these, 23 programme areas which are further outlined in the *Blue Book*⁴³. The Blue Book has fundamentally shaped the development of programmes. For each of the 23 programme areas, it defines: i) the objective to which a programme must contribute; ii) the thematic areas eligible for support; iii) the programme area specifics to be adhered to within the programmes; and iv) any bilateral interests related to the programme area.

The development of programmes under the 2014-2021 period has followed a two-stage approach:

- Based on the Memoranda of Understanding between the Donor and Beneficiary States, a *concept note* is developed defining the scope and planned results of each programme, including the justification and main features of the programme⁴⁴; the development of the concept note is preceded by *stakeholder consultations* where stakeholders identify the needs and priorities (for the agreed programmes) and propose solutions.
- Based on the concept note and the assessment of the Donor States, a *programme agreement*⁴⁵ is prepared and signed between the Donor and Beneficiary States, setting out the terms and conditions of the operation of the programme, as well as the roles and responsibilities of the parties involved.

Between these two stages, an additional element contributes to the development of a programme: the *request for additional information* which provides in-depth background information on programme management, modalities and risk.

Programme development has also been shaped by Protocol 38C's and the Agreement between Norway and the EU stipulations that all programmes shall integrate *core principles* and adhere to *common values*. The core principles are good governance, sustainable development, gender equality and non-discrimination. The common values are respect for human dignity, freedom, democracy, equality, the rule of law and the respect of human rights, including the rights of persons belonging to minorities.

From Memoranda of Understanding to Programme Implementation Agreements for the Active Citizen Fund

⁴¹ The Grants are composed of two funding schemes – the EEA Grants and the Norway Grants. The main difference between the two lies in where the funding comes from and which countries receive the funding. The EEA Grants (€1.5 billion) are funded jointly by all three donor countries – Iceland, Liechtenstein and Norway – and are allocated to all 15 Beneficiary States. The decision-making body of the EEA Grants is the Financial Mechanism Committee. The committee is composed of representatives of the Foreign Ministries of Iceland, Liechtenstein and Norway. The Norway Grants are funded by Norway alone and consist of €1.3 billion during the 2014-2021 funding period. The Norway Grants are allocated to the 13 Beneficiary States which joined the EEA after 2004, meaning that Greece and Portugal do not receive Norway Grants funding. The Norwegian Ministry of Foreign Affairs is the decision-making body of the Norway Grants.

⁴² The regulations for the EEA and Norway Grants contain the rules and procedures for each funding period. The regulations for the EEA Grants and the Norway Grants are in most parts the same. However, given the different sets of donor countries the references to the donor side management are different.

⁴³ The Blue Book was sent on broad public consultation before being adopted by the donors.

⁴⁴ See the Regulations <https://eeagrants.org/resources/regulation-implementation-eea-grants-2014-2021>

⁴⁵ For each approved EEA Grants programme, a programme agreement is concluded between Iceland, Liechtenstein and Norway and the National Focal Point. Norway concludes agreements with the National Focal Points on the Norway Grants programmes.

The development of programmes of the Active Citizen Fund, which are established in each Beneficiary State, follows a different approach with regard to following elements (see two inner circles in Figure 1):

- for ACF programmes, only the allocation for the programme is decided in the MoU.
- the strategic orientations are shaped by the Blue Book (programme area 15) and decided by the Donors, considering the budget allocation for the programme in the MoU. The strategic orientations are elaborated in the Terms of References for selecting a Fund Operator⁴⁶.
- the actual development of the programme in a given Beneficiary State starts only when the Fund Operator (FO) has been appointed. The FO develops a concept note, which builds upon the information provided in the bid of the FO and which is informed by the stakeholder consultations (taking place only after the appointment of the FO).
- based on the concept note and its assessment by the FMO and the Donor States, a programme implementation agreement is prepared and signed between the FMO and the FO.

Between the concept note and the programme implementation agreement, the FO needs to provide supplementary information (as in other programmes), and the FO needs also to submit an *implementation plan*. The [Regulations](#) don't apply to the ACF programmes; ACF programmes follow the [Active Citizen Fund Operators Manual](#) and the [Programme Implementation Agreement Template](#).

Resources

Following key documents provide the framework for programme development, including the description of the responsibilities of the key actors involved:

[Protocol 38C](#)

[The Agreement between Norway and the EU](#)

[Regulations](#)

[Blue Book](#)

[Active Citizen Fund Operators Manual](#)

[Programme Implementation Agreement template](#)

Purpose, audience and use

This assessment is formative in nature.

Its purpose is to generate evidence on the *programme development approach*, which can in turn be used for strengthening the programme approach through fostering learning and taking informed decisions on changes to the approach at policy and organisational level.

The evidence generated through the assessment will allow:

- Donor States, FMO, Beneficiary States, Donor Programme Partners, International Partner Organisations and Fund Operators, to develop insights on the factors that influenced the current programme development approach and on the leverage points for strengthening any future programme development processes
- The Financial Mechanism Committee (FMC) and the FMO to take evidence informed decisions on how to improve the *programme development approach* under a potential future financial mechanism

The objectives of this assessment are to:

⁴⁶ Fund Operators are contracted by the FMO for programmes where the FMO has been entrusted with the role of Programme Operator. This is the case for all programmes under the Active Citizens Funds – FMO contracts in this case directly a Fund Operator to manage the programme in a Beneficiary State on its behalf.

- i) establish a *theory*, which makes retrospectively explicit how programmes were to be developed according to the ‘quality at entry logic’⁴⁷
- ii) analyse and evaluate the variations between how the programme development has been applied in practice against the *theory* for the programme development approach (see point i) and the positive or negative implications of these variations; provide explanations for variations observed across countries, programme areas and the type of actors involved; distil differences in perspectives of key-actors, where applicable
- iii) identify strengths and weaknesses, opportunities and threats of the current programme development approach and assess whether the programme development approach as applied in the 2014-2021 funding period is more appropriate for some priority sectors and programme areas than others
- iv) discuss implications of the applied programme development approach for the achievement of the objectives of the EEA and Norway Grants and the objectives of the programme areas
- v) foster organisational learning through intermediate feedback to FMO and Donors, and through integrating the experience of the FMO staff with the 2014-2021 funding period in the assessment process
- vi) indicate the potential outlooks for programme development under a potential future financial mechanism.

Assessment questions

The assessment shall respond to four main questions and shall:

- First, develop a theory which makes explicit how programmes were developed according to the quality at entry logic (see point i) above).
- Then, assess the practice of programme development against this theory, based on the following main assessment questions.

Assessment question 1 - How efficiently and effectively have programmes been developed under the 2014-2021 period by the FMO and the Beneficiary States?

Assessment question 2 - Which elements have influenced the development of programmes?

Assessment question 3 - To what extent have the actors directly involved in programme development contributed to the development of programmes and which individual and/or organisational factors strengthened or weakened the contribution?

Assessment question 4 - What are some broad potential future outlooks for programme development?

The four main assessment questions shall not be changed. For each assessment question, the assessment team shall define sub-questions in the inception report. These sub-questions shall be defined on the additional elements provided for each main question (see below), and on the insights gained during the inception phase. The sub-questions need approval from FMO’s Assessment Manager.

Assessment question 1 - *How efficiently and effectively have programmes been developed under the 2014-2021 period by the FMO and the Beneficiary States?*

This assessment question shall address:

⁴⁷ See footnote 35 and see Inception phase

- the efficiency of the programme development process, with an analysis of the time spent on the sub-steps⁴⁸, from the MoU negotiation to the signature of the first projects
- the actors and staff involved, and the quality of the interactions between all actors concerned
- the quality of the programme design⁴⁹, expressed in the concept note, the programme agreement and project documents (where available) and the coherence between the building blocks
- the effect of the Memoranda of Understanding negotiation phase, or the Terms of References for contracting a Fund Operator for the ACF, on the timeline and quality of programme design (concept note and programme agreement) and on the programme development process
- the influence of the International Partner Organisations (IPOs) and Donor Programme Partners (DPPs) on the programme development process and on the quality of the design
- the relationship between the complexity of programmes (in terms of diversity of programme areas covered, number of outcomes and number and type of institutions and stakeholders involved) and the quality of their design
- the observed causal relations between the time spent, the actors involved, the efficiency of the programme development process and the quality of the programme design
- the efficiency-quality ratio of programme development, meaning the balance between the resources to ensure 'quality at entry' in the programme design and the effect on the quality and the timeliness of the (start-up of the) implementation of programmes
- the organisational efficiency of i) the FMO, of ii) the Beneficiary States and of the iii) the Fund Operators in developing programmes

This assessment question shall be addressed from an *efficiency* and *effectiveness* perspective.

Assessment question 2 - Which elements have influenced the development of programmes?

This assessment question shall focus on:

- the integration in the development of programmes of the priorities and needs⁵⁰ in the Beneficiary States
- the effect of the Blue Book and its content on the development process of programmes, and its influence on the selecting outcomes and outputs for the programmes and on their overall quality of programme design
- the extent to which programmes integrate *core principles* and apply *common values*
- the relative value of each of the main building blocks of the programme development approach⁵¹ to the development process of programmes, and to the quality of programme
- the effect of the interactions with the EU on the development of programmes

This assessment question shall be addressed from an *efficiency and relevance* perspective

Assessment question 3 - To what extent have the actors directly involved in programme development contributed to the development of programmes and which individual and/or organisational factors strengthened or weakened the contribution?

⁴⁸ To be defined in the inception report

⁴⁹ The inception report shall contain quality assessment grids to address this question, which should address the strategy of the programme, meaning the appropriateness of the agreed outcomes and outputs and of the risk assessment, the appropriateness of the size, scope, number and types of potential projects, and the suitability of the stakeholders involved for achieving the results.

⁵⁰ Expressed in sector plans, in terms of funding gaps, expressed by stakeholders in the stakeholder consultation, and/or through other elements to be defined in the inception report.

⁵¹ Stakeholder consultations, concept note, programme agreement, request for additional information and eventually additional building blocks defined in the inception report.

This assessment question shall address:

- the role of actors in the Beneficiary States (NFP/PO/FO, other stakeholders) in ensuring that programmes address the needs and priorities in the Beneficiary States, with special attention to i) the type of actor that fulfils the role of programme operator (Line Ministry, Sub-ministerial Agency, other), to ii) the actors' understanding of their role in programme development and to iii) the different roles taken-up by the FMO (for example, oversight function, guidance function, quality assessment, etc.) and on how that influenced the development of programmes
- the effect of BS authorities (NFP and PO), FO, FMO, DPPs and IPOs with programme development (under the previous funding period/and under the current funding period) on the process of developing programmes and on their quality
- the influence of the interactions between DPP, PO/NFP, IPO, FO and FMO on the development of programmes (process and quality)

This assessment question shall be addressed from an *efficiency* and *effectiveness* perspective.

Assessment question 4 - *What are some broad potential future outlooks for programme development?*

This assessment question shall examine:

- whether the programme development approach applied in the 2014-2021 funding period is useful for every programme area (one size fits all?)
- whether it is recommended to keep a strong focus on 'quality at entry' for a potential future mechanism whereby the content of programmes is planned in detail during the programme development phase, as opposed to a more flexible approach whereby the programme development approach focuses on clarifying the strategic (but not operational) elements of the programme
- the elements that could be modified in the programme development approach to increase the likelihood of achieving the planned results
- the added value of EEA & Norway Grants compared to other funding schemes
- the additionality and synergies of EEA and Norway Grants with the EU cohesion policy and Horizon 2020
- whether it is appropriate to maintain the current varieties in programme approaches (Social Dialogue and Decent Work Programme and ACF)

This assessment question shall be addressed from an *impact* and *sustainability* perspective.

Scope of the assessment

The scope of the rapid assessment is defined as follows:

1. The **Financial Mechanism 2014-2021** with its regulatory framework, instruments and practices (see building blocks). Core instruments are the stakeholder consultations, the concept notes and the programme agreements⁵².
2. **Programmes and funds** of the 2014-2021 funding period including ACF but excluding the regional fund and fund for youth employment, as well as the bilateral fund and technical assistance.
3. All **Beneficiary States** of the EEA & Norway Grants, provided that the MoU for the 2014-2021 funding period has been signed⁵³.

⁵² MoUs are included only to assess the influence of the MoU on the programmes; projects are included only to assess the influence of programmes on projects.

⁵³ Hungary is not part of the scope.

4. All **key-actors** –Financial Mechanism Committee, National Focal Points, Programme Operators and Fund Operators, Donor Programme Partners, International Partner Organisation, and the Financial Mechanism Office.

The following points are to be considered related to the scope of this assessment:

- Some sub-components of the regulatory framework and some instruments and practices of the programme development approach were developed incrementally during the programme development phase. Perspectives and understanding of what the programme development approach encompasses may vary depending on the role of actors in the programme development process; clarifying this will require the necessary attention of the assessment team during the inception phase.
- The programme development approach does not exist in a vacuum. Upstream, negotiations at political level between the Donor States and the Beneficiary States of the EEA and Norway Grants precede and outline the development of programmes; likewise, programmes shape the development of projects downstream. The assessment of the programme development approach shall consider these upstream and downstream elements.

Methodological approach

The bidder shall submit a methodological approach for this assessment which builds upon the assessment approach described hereafter, while offering added value.

The proposed methodological approach shall respond to the purpose, audience and use outlined above, and shall demonstrate the ability of responding to the assessment questions. The methodological approach shall include a preliminary assessment matrix.

General elements

The assessment approach shall be **'theory-based'**. This means that the assessment team shall first develop a *theory* on how programmes were assumed to be developed according to the quality at entry logic in the 2014-2021 funding period. The assessment questions on the programme development practices shall then be analysed against this *theoretical framework*. Developing a theory on programme development is the corner stone of the inception phase (see also *Assessment questions and Assessment phases and deliverables*).

The assessment approach shall be **use-oriented**, emphasising participation and learning of the stakeholders involved. Relevant findings shall be shared, and their interpretation debated during the assessment process with the FMO, the Donor States and the Beneficiary States and the ACF Fund Operators (see also *Purpose, audience and use*). The assessment deliverables shall include easy to understand visuals, where possible.

The assessment approach shall consider the **systemic nature** of the assessment subject, consisting of a focus on:

- the **interrelationships**, explaining how regulations, instruments and practices are connected in the programme approach, how sensitive they are to context and what the consequences are of these interrelationships.
- the **perspectives** of the key-actors, as different actors play a different role in the *programme development approach*. In addition, the contextual differences of Beneficiary States may also lead to diverging perspectives. Also, the findings of the assessment may lead to various insights, depending on the interpretation of different actors. The assessment approach of the assessment should capture differences in perspectives.

- the **boundaries** of the *programme development approach*, by focussing on those elements that the Donor States and the Financial Mechanism Office can change or influence.

The assessment is organised in two parts: a) the inception phase, which prepares the implementation of the assessment, and b) the actual implementation of the assessment.

Part A - Inception phase: developing a programme development theory

The *programme development theory* shall describe how the *programmes were assumed to be developed, based on the 'quality at entry' approach. This theory shall be expressed both through a narrative and through a graphic model.*

The programme development *theory* makes explicit what a “well-functioning programme approach” looks like, “what matters” in the programme development approach, and which “assumptions” underpin the programme development approach. The theoretical programme development approach shall assure that FMO and the assessment team are on the same page regarding the understanding of the programme development approach.

The purpose of developing a programme development theory is to:

- develop a common understanding of the *programme development approach*, based on the Agreements, on the practices of stakeholders, and on evidence-based insights on programme approaches in the public sector
- finalise the assessment design: adapting the assessment sub-questions where needed, adapt the methodological approach where justified, fine-tuning the assessment matrix, elaborating assessment instruments for data collection and any other methodological decision to take
- propose criteria for selecting 3 to 4 Beneficiary States for site visits
- propose criteria for identifying another Grants mechanism against which the EEA and Norway Grants could be benchmarked

The *programme development theory* identifies explicitly what is “valued” in the programme development approach, which forms the basis for fine-tuning the assessment matrix and for developing the assessment instruments.

The programme development theory shall be developed making use of **inside-out** (see i) and ii)) and **outside-in thinking** (see iii)). This should include:

- i) the regulations, instruments and practices of the Financial Mechanism for the EEA and Norway Grants *as they are*. This involves a **desk review** of the documents of the EEA & Norway Grants related to programme development
- ii) the experience of FMO staff and stakeholders with developing programmes. This will involve preliminary **key-informant interviews** at minimum with FMO management, the Reference Group of this assessment – including the representatives of the Donors States and several National Focal Points. This should allow to increase insights on the background and context of the 2014-2021 funding period and of its assessment, on the evolution of the 2014-2021 model, and on the regulations, instruments and practise of the Financial Mechanism for the EEA and Norway Grants as experienced by the key actors.
- iii) Evidence-based insights on what is known on what matters in programme approaches for achieving public policy outcomes. A **literature review** shall therefore be conducted and the **insights from leading experts** in that field shall be sought in a direct way (live exchanges) and integrated in the theory of the programme development approach

The assessment team shall ensure that the programme development theory reflects a shared understanding of the programme development approach of at least staff of FMO. The theory shall be built during the inception phase and shall be discussed with FMO staff in at least one workshop. The

purpose of this workshop is to fine-tune the programme development theory in line with the experience of the FMO staff on programme development, prior to finalising the assessment matrix and data collection instruments. The presence of leading experts on programme development approaches in the public sector during the workshop with FMO staff is indicated in order to enrich the debate and blend the research insights with the experience of FMO staff and insights of the assessment team. In addition, those elements of the programme theory that relate to the Donor States or the Beneficiary States shall be discussed with them.⁵⁴

Part B – Implementation of the assessment (addressing the assessment questions): comparing theory with practice

The methodological approach proposed by the assessment team for implementing the assessment shall generate evidence-based findings and insights. Data collection methods might include⁵⁵:

- a) an **in-depth lead time analysis** of the programme development phase based on detailed measuring points from the signature of the EEA Agreement to the signature of P(I)A and start-up of Projects (PDP start-up or launch call texts). Minimum measuring points are T_{MoU} , $T_{\text{kick-off meeting}}$, T_{TOR} in case of ACF, $T_{\text{stakeholder consultation}}$, $T_{\text{drafting meetings}}$, $T_{\text{conceptnote}}$, $T_{\text{P(I)A}}$, $T_{\text{call text or PDP launch}}$. The inception phase should lead to identifying potential additional measuring points and to identifying how to analyse in depth the timeline of the programme development phase. A case study approach is indicated for the analysis of the lead-time.
- b) a **quality assessment** of the building blocks of the programme development approach, the programme (implementation) agreements, the TOR for the FO selection and the memoranda of understanding⁵⁶, in order to have an objective and representative understanding of the quality. Care should be given to the quality assessment grid so that it reflects the theoretical framework and that the sampling strategy is methodologically sound and in line with the theoretical framework and the distribution of the EEA and Norway Grants over countries and priority areas
- c) a broad **online survey**, in order to involve a large number of stakeholders at different levels (see scope). The questionnaire should be based on findings from the inception phase, ensuring the relevance and usefulness of the collected information
- d) **focus-group discussions** with relevant staff of FMO, of Beneficiary States and where possible, of Donor States and Donor Programme Partners, and of Fund Operators
- e) **in-depth interviews** with key staff of FMO, FOs, DPPs, IPOs, Beneficiary States and Donor States
- f) **benchmarking case study** of a comparable Grant system, in order to bring external insights into the analysis. The benchmarking case shall contribute particularly to answering assessment question 4

Sampling criteria are the programme areas⁵⁷, the budget allocation per country and per programme area and the involvement of Donor Programme Partners or International Partner Organisations, and in the case of ACF, Donor Contact Points. The lead time assessment should assess 10 to 12 signed

⁵⁴ See Reference Group (in chapter *Management arrangements*).

⁵⁵ The lead time assessment will be based on available measuring points in the FMO data systems. FMO will not provide quality assessment grids for the quality assessment of the programme development approach process and deliverables. These will be developed by the assessment team during the inception phase.

⁵⁶ At least: Memoranda of understanding, concept note and programme (implementation) agreement, pre-defined projects and call texts; additionally, the stakeholder consultation, management and control systems, project level information

⁵⁷ The clustering of the programme areas in cohorts is to be decided during the inception phase, based on the specificities of programme areas.)

programmes⁵⁸. The sample size for the quality assessment will be minimum 33 programmes, including the 10 to 12 programmes that are part of the lead time analysis. For other data collection methods, the assessment team will propose a sample size in the bid, which can be modified in the inception report if justified. The online survey should be conducted as large as possible.

The assessment team may propose alternative methods that respond to the purpose of the rapid assessment as laid out in these terms of references. When doing so, the assessment team should explain the appropriateness of these methods to respond to the assessment questions and their comparable rigour.

The adapted assessment design (assessment questions, methodological approach, assessment matrix, assessment instruments, and selection criteria for benchmarking case and for the site visits) are part of the inception report.

Assessment phases and deliverables

The assessment process will be organised in four phases, going from March to October 2020:

1. Inception phase, resulting in inception report, including a programme approach theory
2. Implementation phase, part A resulting in intermediate report
3. Implementation phase, part B, resulting in draft final report

4. Reporting and dissemination phase, resulting in final report and in the publication of the report.

Phase 1 – Inception phase

The inception phase shall start with a kick-off meeting in Brussels.

The inception shall cover the elements described above in Part A - Inception phase: developing a programme *development theory*.

The inception report should describe the conceptual framework for undertaking the assessment, consisting of:

1. An overview chapter, describing the main findings of the inception phase and their influence on the methodological approach
2. A synthesis of the relevant findings of the literature review
3. The programme development theory (visual and narrative)
4. The adapted methodological approach for the assessment including:
 - a. an overall description of the methodological approach
 - b. for each assessment question the final assessment sub-questions,
 - c. an assessment matrix⁵⁹ describing how the data-collection and analysis methods, data sources, and sampling strategy will support the assessment questions
 - d. The data collection instruments that will be used in phase 2 of the assessment
 - e. a proposal for 3 to 4 site visits and their selection criteria rational for the choice
 - f. a proposal for a useful benchmarking case and its selection criteria
5. An adapted assessment work plan

⁵⁸ Including a cohort of programmes that took the longest time to be developed, a cohort representing those that took the shortest time, and a cohort of those programmes that took the average time to be developed.

⁵⁹ Commonly known as *Evaluation matrix*

The assessment team shall organise a meeting/workshop to discuss the draft report with staff of the FMO. The data collection of phase 2 will be launched after the validation of the adapted methodological approach, including the data collection instruments.

The inception report shall be limited to 15-20 pages, excluding the annexes.

The Team leader shall present the report to the Reference group. The Assessment Manager will provide comments on the inception report and will approve the final version of the inception report. The data collection of phase 2 will be launched after the approval of the inception report.

Phase 2 – Implementation phase, part A

Phase 2 is a broad analysis of the programme development approach, focussing on the quality of the process and the deliverables related to programme development.

The data collection instruments of phase 2 should allow to assess the programme development approach in a broad way (online survey, lead time assessment, quality assessment of key documents). It is expected that the findings of phase 2 will uncover elements that need further in-depth analysis in phase 3.

The intermediate report will consist of:

- Findings reflecting the appropriate analysis and interpretation of the data collected in phase 2 and answering preliminary to at least the assessment questions 1 and 3
- Gaps and limits in the data, limits of the methodological approach, or unanticipated findings requiring an adaptation of the methodological approach in phase 3;
- if required, an adaptation of the methodological approach of phase 3 (compared to what has been decided upon in the inception report) and of the work plan

The **intermediate report** is limited to 25-30 pages, excluding the annexes.

The findings in the intermediate report shall be presented with clarity, logic and coherence, using visuals where appropriate.

The team leader shall present the intermediate report to the reference group and to senior management of the FMO. The Assessment Manager will provide comments on the intermediate report and will approve the final version of the

intermediate report. If modification to the methodological approach of phase 3 is needed, this needs approval of the Assessment Manager prior to launching the data collection of phase 3.

Phase 3 – Implementation phase, part B

Phase 3 is an in-depth analysis of the programme development approach.

It is expected that Phase 3 deploys data collection instruments that allow to assess the programme development approach in-depth, such as in-depth open or semi-open interviews or focus group discussions.

The in-depth analysis will result in findings that provide answers to all the assessment questions. Findings and insights will be based on a sound analysis of the data that was collected in phase 2 and phase 3.

Given the systemic nature of the programme development approach (see *General elements*), phase 3 should include the development of a visual of how the programme development approach functions in practice, and that includes the identification of leverage points that are to be addressed for strengthening the programme development approach.

Phase 3 shall result in a draft final report of max. 50-60 pages, excluding the annexes and the executive summary.

The final draft report will consist of:

- An executive summary (3 pages maximum)
- An introduction addressing the rationale, background, purpose audience and use of the assessment
- A description of the methodological approach, explaining which methods have been used to address the assessment question(s) and elaborating upon limitations encountered (if needed)
- Findings of the assessment. The findings shall be specific, concise, clearly expressed and supported by qualitative and quantitative evidence. The findings shall be described in an objective way as analysed facts logically linked to the collected evidence
- Conclusions, directly based on the findings
- Recommendations clearly supported by the findings and conclusions, action-oriented, adequate and feasible. This draft final report will be presented to and discussed with the Reference Group and with the senior management of the FMO. The draft Final Report shall include the findings and their analysis (see the 4 main assessment questions), the conclusions drawn from the findings & analysis, and the recommendations.
- Annexes.

Phase 4 – Reporting and dissemination

The feedback provided by the Reference Group and the assessment manager on the draft Final Report (see phase 3) will result in finalising and delivering the final report.

The final report will be published, and the content will be presented and discussed with the FMC, the FMO, the Beneficiary States and the FOs.

Required expertise of the assessment team

The assessment team shall cover following knowledge/expertise/skills areas:

- Strong expertise of grants systems and of grants management
- Strong knowledge and expertise in public sector development, public policy implementation and programme management approaches in the public sector
- Strong command of results-based management and understanding of organisational management & development
- Strong understanding of the set-up of the EEA & Norway Grants, of the priority sectors and of the Beneficiary States of the EEA & Norway Grants
- Strong qualitative analysis skills, extensive expertise with designing and implementing qualitative assessment approaches and with a variety of data collection methods, including conceptualising and implementing e-surveys, focus-group discussions, key-informant interviews
- Proven experience with conducting strategic assessments
- Excellent drafting skills, ability to organise and summarise complex material clearly and to communicate audience-oriented
- Strong personal interaction skills, sound experience in engaging on assessment findings with a diversity of stakeholders and in engaging with senior management levels

The assessment team should consist of a small core team of 2 to 4 evaluators, led by a team-leader who ensures the day to day contact with the contract manager.

For each core-team member, please attach a signed declaration stating there is no conflict of interest for this assignment.

If additional leading experts would join the assessment team during the inception phase (see Methodological approach, part A), their CV needs to be part of the offer and will be assessed as part of the assessment team.

Evaluators that would join the assessment team after the inception phase will need to sign a declaration stating that there is no conflict of interest for this assignment, after that the Assessment Manager has approved their CV.

Management arrangements

Management of the assessment

The Results and Evaluation Unit of the FMO is responsible for overall management and steering of the assessment and for signing off the deliverables. The assessment is managed by Myriam Van Parijs, Results and Evaluation Officer, myriam.vanparijs@efta.int, + 32 2 211 18 48 and by Anton Popic, Head of the Results and Evaluation Unit, anton.popic@efta.int; +32 2 211 18 24.

Reference Group

A reference group is established and chaired by the Results and Evaluation Unit. The reference group provides overall advisory support. The reference group will be asked to comment on each deliverable in order to ensure that the assessment process and deliverables are adequate vis-a-vis the assessment purpose. This includes ensuring that the strategic orientation of the assessment is maintained and that appropriate choices are made regarding the assessment methodology, as well as highlighting which preliminary findings need further attention in the succeeding assessment phases. Reference group members liaise between the assessment team and the departments of the FMO, facilitate access to information sources and facilitate the dissemination of the assessment findings within the FMO.

The reference group consists of representatives of the different FMO departments, and remotely of representatives of the three Donor States. Representatives of the Beneficiary States may be invited to comment upon assessment deliverables too.

The team leader shall be in charge of presenting the inception report, the intermediate report and the final draft report to the reference group and of interacting with the reference group in Brussels. The team leader shall present the final report in Brussels.

Publication

The assessment will be published.

Timeline and deliverables

The timeline is approximate and subject to change provided that i) the submission of the final draft report and of the final report are not delayed and that ii) the FMO is given 14 calendar days for providing feedback on each deliverable.

This timeline does not include workshops or presentations by the assessment team in Brussels that are part of the proposal of the consultants. The team leader shall be in charge of all deliveries and will report to the Assessment Manager of the FMO on the team's progress, including the issues that may affect this assessment:

The content of the deliverables is described above (see *Assessment phases and deliverables*)

Phase	Dates	Deliverable	Detailed information
Phase 1 Inception	5 Mar – 18 Mar	Kick-off meeting	With management and Reference Group of FMO.
	5 Mar to 27 Apr	Inception report⁶⁰ 15-20 pages, excluding annexes.	By 27 April 2020: submission of the draft inception report By 8 May 2020: comments of the Assessment Manager Approval of the inception report hereafter
Phase 2 Implementation part A	28 Apr to 15 Jun	Intermediate report 25-30 pages, excluding annexes.	By 15 June 2020: submission of intermediate report By June 24 th : comments of the Assessment Manager provided. Approval of the final version of the intermediate report hereafter.
Phase 3 – Implementation Part B	16 Jun to 8 Sep	Draft final report 50-60 pages, excluding annexes	By 8 September 2020: submission of the final draft report By 29 September 2020: comments of the Assessment Manager provided.
Phase 4 - Final Report and Dissemination	9 Sep to 12 Oct	Final report and Dissemination Final report of max. 50-60 pages, excluding annexes and executive summary. An executive summary of 3 pages shall be provided, together with a one-page, user-friendly Brief and a one-page infographic.	Submission of the final report of the Programme development approach assessment by 12 October 2020 Presentation to FMC in Brussels hereafter. The one-page Brief and infographic shall be delivered by 30 October 2020.

Quality assurance

The internal quality assurance system put in place by the assessment team for this assignment will aim at ensuring that the assessment is implemented in a timely manner, that methodological rigour is applied in all phases of the assessment process and that the main assessment principles and standards shared by the international assessment community are respected. The internal quality assurance system shall ensure that the deliverables respond to the purpose and audience of the assessment. The findings shall be based on a valid analysis of data, ensuring a clear line of evidence to support the conclusions. The findings, conclusions and recommendations shall be logically coherent.

All written deliverables (drafts and final reports) shall be proofread for spelling, grammar and style prior to being submitted to the FMO.

Staff of FMO, and especially the Assessment Manager and Reference group members of the FMO, might attend some parts of the assessment (case study field especially or benchmarking).

⁶⁰ After circulation with Reference Group, the Assessment Manager will provide feedback that should be integrated into the Final Inception Report to be approved by the Assessment Manager. The Final Inception Report will be delivered on April 30th.

The intermediate report will be delivered by June 19th. After circulation for comments, the Assessment Manager will provide feedback that should be integrated into the Final Intermediate Report. Use of tools should await validation by the Assessment Manager.

The Assessment Manager may mobilise external senior advisors with sound expertise on programme development in the public sector with the aim to support the FMO in ensuring that the final report meets the purpose and fits the audience and intended use.

Available documentation

[Protocol 38C](#)

[The Agreement between Norway and the EU](#)

[Regulations](#)

[Blue Book](#)

[Active Citizen Fund Operators Manual](#)

[Programme Implementation Agreement template](#)

[Link to Programme Agreements of the FM2014-2021](#)

[Link to Rapid Assessments and Reviews on the previous financial mechanism](#)