

## EVALUATION BRIEF #8, September 2020

### Mid-Term Evaluation of Austrian Development Cooperation (ADC)'s Albania Country Strategy 2015-2020 (extended until 2021)

- ❖ ADC's strongest value added is the **respect and trust** it maintains **across government and non-governmental actors** and the donor community in Albania.
- ❖ The **Country Strategy (CS)** is **relevant** to context, needs and the EU-accession process. It has, however, been an **insufficient tool** to ensure policy adherence and a manageable strategic focus.
- ❖ A **more focused and selective approach at strategic and programmatic level** is recommended together with **increased resources for ADC's Coordination Office** in Tirana.
- ❖ **Third-party funding** – which is coming to **dominate** ADC's Albania portfolio – presents the greatest **risk to future relevance, effectiveness and sustainability**.
- ❖ Access the **full evaluation report** at:  
<http://www.entwicklung.at/en/ada/evaluation/evaluation-reports/evaluation-reports-2017-2020>

#### BACKGROUND AND CONTEXT

The Albania Country Strategy sets out the overall strategic focus of ADC's engagement in the partner country: to support Albania's EU-accession and regional cooperation with the Western Balkan countries. It also defines the thematic priority areas for cooperation – *Governance, Integrated Water Resource Management (IWRM)* and *Vocational Educational Training/Employability (VET)* - and the applicable cross-cutting issues – Human Rights Based Approach (HRBA), gender equality, social inclusion and environmental sustainability/climate change.

#### THE EVALUATION

This formative, mid-term evaluation was conducted by an independent evaluation team between May 2019 and August 2020. The purpose is to inform strategic decision-making, programming and implementation both in the context of the current CS and with a view to future cooperation. It assesses ADC's engagement in view of its relevance, coherence, effectiveness, efficiency, impact and sustainability. The timeframe covered is mid-2014 to May 2020. The main users of the evaluation are the Austrian Federal Ministry for European and International Affairs (MFA), ADC's Coordination Office (CO) in Tirana and the Austrian Development Agency (ADA).

#### METHODOLOGY

The evaluation uses a **theory-based design** which draws on **contribution analysis** (Mayne, 2008) to explore cause and effect. This included the reconstruction of an overall **Theory of Change (ToC)** for the CS and thematic ToCs for the three priority areas *Governance, IWRM* and *VET*. Furthermore, it adopts a **mixed-methods** approach. A total of **105 stakeholders** contributed to the evaluation with a gender ratio (female/male) of 68/37 including representatives from ADC, the Albanian Government, civil society and donors. Data collection methods consisted of desk research, interviews, focus groups, an online survey and workshops. The methodology was adapted in light of the Covid19 outbreak in early 2020, with the second field visit being replaced with online-interviews and an expanded survey

#### KEY FINDINGS AND CONCLUSIONS

The Country Strategy is **relevant** to context and needs as well as to the EU-accession process. It has, however, been an insufficient tool to ensure policy adherence and maintain a manageable strategic focus. Also, **coherence** of the thematic portfolios with ADC policies is not being sufficiently monitored. The reconstruction of the ToCs

shows a 'missing middle' regarding how direct results at project level are expected to lead to long-term impact.

In terms of **effectiveness**, the **Governance** sector shows a range of positive yet somewhat inconclusive results, given the portfolio's fragmentation.-. Significant results were achieved in the **IWRM** sector at output level with outcomes however relying on actions being taken forward by other actors in future. ADC also contributed to improving the quality and inclusiveness of **VET** in line with labour market needs through development of 'models' that may be scaled-up as part of future reforms. ADC's approach to **gender equality** shows potential for turning outputs into outcomes. Results related to **social inclusion** have been modest and too small in scope and scale to be strategically effective.

In terms of **efficiency**, a major strength is the ability of the **CO** to maintain a **flexible, close and collegial relationship with a large range of stakeholders**. Its support extended to the Albanian Government interagency cooperation through the Integrated Policy Management Groups (IPMG) was noted as particularly positive. The CO manages a heterogenous portfolio with dedication and commitment but is severely overstretched. Engagement in policy dialogue, which is essential considering challenges in Albanian governance and commitments to a HRBA, is not consistent.

On **impact**, the emphasis on **downstream application of the capacities** being developed to change the lives of target populations ("rights holders") is **missing**. Support through small governance and VET initiatives has contributed to positive but modest impacts on lives and livelihoods. There seem to be missed opportunities for emphasising impact through widespread application of a HRBA and social inclusion lens.

The **capacity and institutional development** foci in the CS are appropriate for contributing to longer-term **sustainability**. However, sustainability of many timebound projects is less certain, while sustainability of results in capacity development within government institutions depends on alignment with a broader reform process and institutional stability.

**Third-party funding** comes to overwhelmingly **dominate the portfolio**. The assumed benefits of becoming a major and more influential development actor (amid stagnant Austrian financial commitment) may create incentives to stray further from policy commitments and efforts to anchor

engagement in Albanian ownership. This is perhaps the **greatest risk** to future relevance, effectiveness and sustainability. ADC's strongest **added value** is the respect and trust it maintains across a range of actors and in the wider donor community in Albania.

## KEY STRATEGIC RECOMMENDATIONS

1. **ADC should narrow its criteria for selecting interventions within a new Albania CS**, giving stronger precedence to projects that are both aligned with contextually relevant application of ADC's thematic and cross-cutting policies and country needs as well as reflective of Austria's added value.
2. **ADC should continue to explore the application of some more specific sets of indicators coming out of the current 'leave no one behind' discourse**, while tailoring them to the Albanian context, most notably in relation to social inclusion with regard to overcoming ethnic discrimination and marginalisation of rural communities.
3. **ADC should use participatory methods to monitor compliance of capacity development initiatives with policies of particular relevance to Albania, bringing together duty-bearers and rights-holders** to take stock of the ways that these capacities are being applied
4. **ADC should apply lessons learnt about Austrian value added in implementation of the CS so as to select a narrower range of sub-sectors** (with particular attention to the governance portfolio), ideally not more than one per thematic area.
5. **A robust and more realistic system should be put in place for strengthening the Coordination Office** that considers the de facto role they play in policy dialogue, managing complex programmes, and staying abreast of political realities.
6. **The future strategy should more fundamentally integrate political and policy analyses as part of an effort to elaborate an explicit and pragmatic ToC** wherein results are more explicitly related to policy outcomes.
7. **ADC should prioritise applying a climate change lens in areas where there is broad, existing Albanian ownership (within or possibly even beyond the plans being made in the application for the Green Climate Fund)**, to align with both Austrian policy and Albanian priorities.