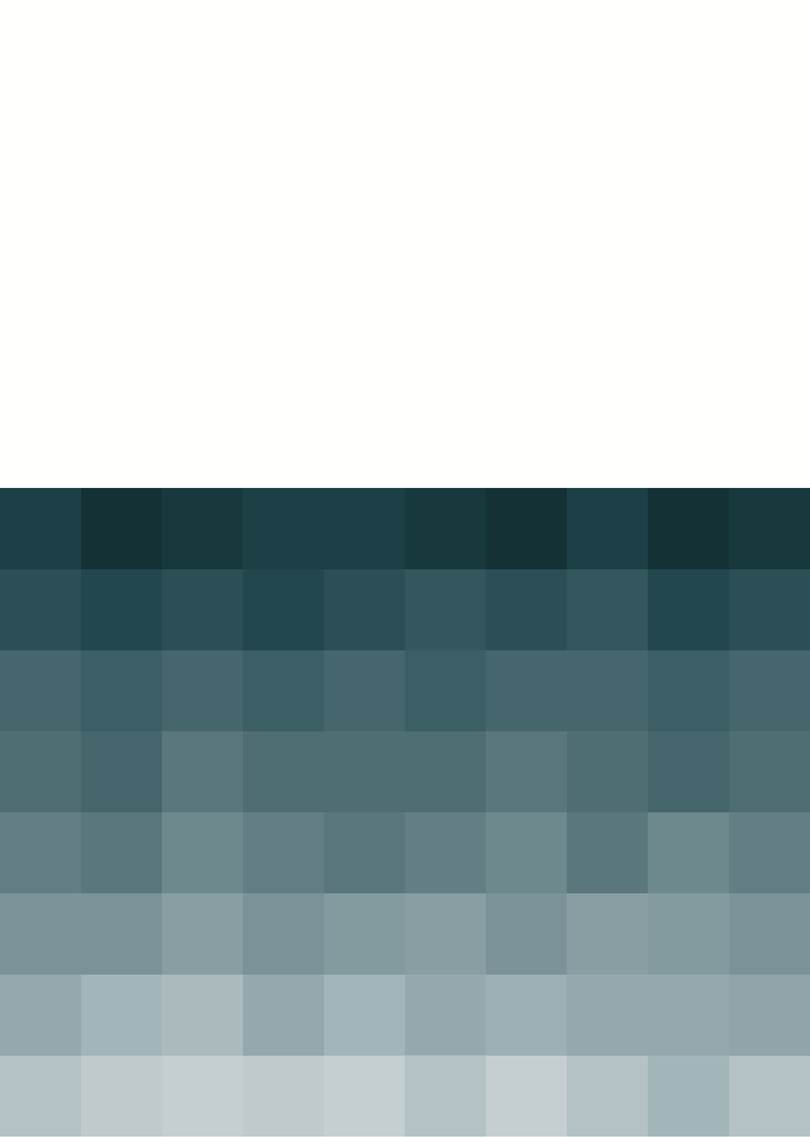
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EXECUTIVE SUMMARY

EX ANTE EVALUATION OF THE OPERATIONAL PROGRAMME OF THE FUND FOR EUROPEAN AID TO THE MOST DEPRIVED

19 August 2014

The aid provided in 2014–2020 by the Fund for European Aid to the Most Deprived (hereinafter – the Fund) is one of the new measures proposed by the European Commission (hereinafter – EC), aimed to help the most deprived people get out of poverty. The Fund supports national schemes which provide non*-*financial assistance toaddress food deprivation and reduce extreme forms of poverty by supplementing the EU Structural Fund and other EU and national policy interventions designated to reduce various forms of poverty and to promote social inclusion of those most deprived. This will contribute to the achievement of the Europe 2020 strategy’s objective of reducing the number of people in or at risk of poverty by at least 20 million by 2020.

The main objective of the ex ante evaluation of the 2014–2020 Operational Programme (hereinafter – OP) of the Fund is to improve the quality of planning and implementation of European aid for the most deprived in Lithuania in 2014–2020. In view of the fact that in 2014–2020 the so-called OP I operational programme will be prepared in Lithuania, ex ante evaluation appraised the contribution of the OP to the objective of reducing the number of people living in poverty or at risk of poverty and social exclusion; coherence of the programme and its relation with other relevant financial instruments; the consistency of the resources with the objectives of the operational programme; the contribution of the expected outputs to the results and thus to the objectives of the Fund; the involvement of relevant stakeholders; and the suitability of the procedures for monitoring the operational programme and for collecting the data necessary to carry out evaluations. On the basis of the analysis, recommendations regarding the Operational Programme, its administration system and administrative capacities of the authorities and applicants were formulated, and these were taken into account to a large extent when improving the draft OP and preparing it for submission to the EC.

It is important that the ex ante evaluation of the Fund’s Operational Programme, in addition to other aspects, had to explain the intervention logic or theory of change: how specific actions will contribute to the achievement of objectives and results and also to the efficient use of the Fund. The Lithuanian National Reform Agenda establishes that by 2020 Lithuania will seek to reduce poverty and social exclusion or the number of people at risk by 170,000, which is about 15% of the Lithuanian population at risk of poverty and social exclusion. The analysis of statistical data carried out during the evaluation showed that the problem of poverty and social exclusion in Lithuania is primarily related to insufficient income and low work intensity, due to which living conditions deteriorate. Therefore, the promotion of employment and social inclusion, increasing accessibility to public services, and also an effective social cash assistance system have the greatest potential in implementing the strategic objectives for poverty reduction. Actions supported by the Fund may only indirectly alleviate the situation of people who experience severe material deprivation by reducing their costs for food and/or basic consumer goods or allowing people to use funds saved at the expense of the received non-financial support for other needs.

During the ex ante evaluation it was established that the selected activities for financing – food and basic consumer goods (hygiene goods) assistance – correspond to the problems identified in the situation analysis and have the potential to alleviate the situation of those suffering from severe material deprivation. However, it was recommended to specify in the OP text in greater detail how food and basic consumer goods (hygiene goods) assistance of the Fund will be provided and how activities financed from other sources will complement those supported by the Fund. In light of this observation, the draft OP provided information about the accompanying activities (e.g. guidance and other assistance to beneficiaries) to be implemented by partner organisations using funds other than those from the Fund, which could help address the causes of poverty and involve representatives of the target group in activities for promoting employment and social inclusion, including those activities financed by the European Social Fund (hereinafter - ESF).

Over EUR 90 million is allocated to the implementation of the Operational Programme of the Fund, of which about 62% are planned for the acquisition of food and 33% – for the acquisition of basic consumer goods. Given that the only quantitative indicator mentioned in the draft OP is that up to 300 000 persons must receive support per single distribution, it can be assumed that EUR 40–45 per person/year will be allocated in support by distributing food and basic consumer goods. So it can be concluded that the OP budget is sufficient for the objective of the programme – to alleviate the situation of persons suffering from severe material deprivation through food and basic consumer goods assistance. The sufficiency of financing for achievement of the planned results will depend both on the number of distributions (4–5 distributions/year are planned) and the amount of food products and basic consumer goods distributed in a single distribution. The analysis conducted during the ex ante evaluation showed that the capacities of the Fund’s administrative systems, project manager and partner organisations to plan and implement activities properly may have the greatest impact on the efficiency of the implementation of the Operational Programme of the Fund and on the achievement of results. Furthermore, such external factors as other national and EU-supported programmes, reforms of social cash assistance system, and the economic cycle may influence implementation of the operational programme of the Fund and its indicators.

Although the distribution of functions and responsibilities between the authorities responsible for the implementation of the OP will be established only after the approval of the Operational Programme, during the preparation of the OP a Monitoring Committee was formed. It is composed of representatives of state institutions, municipal governments and non-governmental organisations working in the area of poverty reduction. In this way, in addition to other forms of partnership (roundtable discussions, survey, public consultations), it was sought to involve stakeholders in the preparation of the OP and to create conditions for the successful implementation of the principle of partnership in the future. It is planned that the Monitoring Committee will consider annual and final OP implementation reports and project implementation results. Members of the Committee will make proposals regarding improvement of the implementation of the OP. However, in order that the Monitoring Committee can carry out its functions properly, the relevant and reliable data on monitoring the OP implementation must be available. Having regard to the recommendation provided in the ex-ante evaluation, an opportunity to introduce a computerised information system for monitoring OP implementation using the technical assistance funds was planned. The system could be used by the authorities administering the Fund aid as well as by project manager and partners submitting information on projects implementation and results.

Although the main authorities responsible for the implementation of the OP have considerable experience in administering other EU-funded measures, implementation of the Operational Programme of the Fund for European Aid to the Most Deprived will require additional human resources to carry out activities directly related to implementation of the OP. It is planned that during the implementation of activities supported from OP funds, products and goods will be centrally procured by a public sector institution, which will subsequently distribute these products and goods to partner organisations. Such a centralised organisation of the implementation of OP activities ensures that the partner organisations do not incur additional administrative burden, which would be inevitable if each of them implemented the project independently. On the other hand, for some municipal governments implementation of the Fund-supported activities is a completely new function, so they are faced not only with the unexpected costs of administering the Fund-supported activities, but also the lack of human resources to manage the support. Having regard to the existing administrative capacity gaps, the eligible expenses planned to be covered from the technical assistance in the draft OP and intended for salaries, employee skill training, and strengthening of partner organisations are positively evaluated. These measures are in line with the capacity building needs for administrative and human resource and create conditions for effective implementation of the Fund-supported Operational Programme.