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### Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>AP</td>
<td>Action plan</td>
</tr>
<tr>
<td>BEEPS</td>
<td>EBRD-WB Business Environment and Enterprise Performance Survey</td>
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<td>COO</td>
<td>Country of Operation</td>
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<tr>
<td>CRR</td>
<td>Capital Resource Review</td>
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<tr>
<td>CSRM</td>
<td>Country Strategy Coordination &amp; Results Management Team</td>
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<tr>
<td>EPG</td>
<td>Economics, Policy and Governance</td>
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<td>ICGI</td>
<td>Investment Climate and Governance Initiative</td>
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<td>LTP</td>
<td>Legal Transition Programme</td>
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<td>LTT</td>
<td>Legal Transition Team</td>
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<td>OGC</td>
<td>Office of the General Counsel</td>
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<td>OP</td>
<td>Operation plan</td>
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<td>PPP</td>
<td>Public Private Partnership</td>
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<td>SCF</td>
<td>Strategic &amp; Capital Framework</td>
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<tr>
<td>TC</td>
<td>Technical Cooperation</td>
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<tr>
<td>TCRS</td>
<td>Technical Cooperation Reporting System</td>
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<tr>
<td>ToC</td>
<td>Theory of change</td>
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Introduction

The Evaluation Department’s (EvD) 2018 Work Programme includes a thematic evaluation of the EBRD’s Legal Transition Programme (LTP). The evaluation will focus on the impact and sustainability of activities approved and implemented over the period 2011-2018.

Introduced in 1995 as an ad hoc technical assistance resource, the LTP is now the EBRD’s key driver of legal reforms in its countries of operation (COOs). “The programme aims to reduce legal impediments to investments and to encourage the creation of legal rules and institutions necessary for a vibrant market economy”. It combines the Bank’s own resources and dedicated donor funds into a crucial instrument for enhancing the investment climate in COOs, enabling investors, including the Bank, to finance diverse and innovative projects across a range of national policy and regulatory contexts.

Internally, the LTT plays an important role in driving forward policy dialogue in COOs jointly with other teams, through its active participation in preparing and delivering country strategies, country diagnostics and flagship initiatives aimed at improving governance standards and the rule of law in the framework of the Investment Climate and Governance Initiative (ICGI). This role is anchored in key corporate documents: OGC’s Scorecard defines the Department’s role as “…[engaging] in policy dialogue with countries of operation through the delivery of the Legal Transition Programme and [supporting] country diagnostics through advice on the legal framework relating to the investment climate”. EvD previously evaluated the LTP’s performance in 2001 and in 2012. The evaluation team will use the findings of the 2012 review as the baseline for measuring progress in the programme’s delivery and results. The findings and recommendations from that 2012 review led to substantial changes in the LTP’s 2013-2015 operation plan and validating actual changes in delivery mechanisms and results management is one of the objectives of this evaluation. It is also timely to assess the programme’s strategic fit in the light of the recent changes in the Bank’s policies and strategies, particularly the CRR/SCF, the Enhanced Approach to Policy Dialogue, the 2016 Transition Concept update, and the new approach to country strategies as a key accountability framework.

Substantial analysis of the LTP’s work in the recent EvD Special Study on Investment Climate Support activities (2018) will be integrated into the current study to avoid overlaps and increase the synergies of evaluation findings and recommendations. Other recent evaluations that focused on specific aspects of the LTP’s work include studies on the EBRD’s Experience with Policy Dialogue in Ukraine (2014), the Infrastructure Project Preparation Facility (2018), the forthcoming special study on SEMED Policy Dialogue TC (2019) and the forthcoming cluster evaluation of Mongolia Mining Sector Operations (2019). It is envisaged that in 2019, EvD will undertake an in-depth evaluation of the Bank’s corporate governance activities, which represent a substantial part of the LTP portfolio. The evaluation team will ensure that linkages are achieved across the two studies.

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2 OGC Departmental Scorecard 2018
3 LTT has no scorecard of its own
5 SS15-086 EvD Special Study “The EBRD’s Investment Climate Support Activities”, October 2018
6 Two latter evaluation studies might include case studies that are relevant for the LTP evaluation and the teams will collaborate closely to avoid overlaps and achieve synergies in findings and recommendations
Context overview

1.1 The LTP: programme and governance

The LTP’s operations are guided by the three-year rolling actions/operations plans (AP/OP) that include reports on activities from the previous period. Chart 1 presents key corporate strategic milestones for the LTP’s strategic design and delivery since 2011. OPs are prepared in consultation with the core partner teams (banking, EPG) and approved by SPCom (and endorsed by the ExCom). They are regularly submitted to the Board for information. In 2018, the LTT shifted to one year action plans. The rationale behind the decision was the increasing demand for a dynamic response to country and client priorities and needs. EvD will look at the effects of this shift, particularly sourcing views from the LTT’s key partners and clients inside the Bank.

![Chart 1. Timeline of evaluation period](source: EvD own elaboration based on corporate documents)

During the evaluation period, the LTP’s OPs were strategically anchored to the Capital Resources Review 4 2011-2015 (CRR4) and the Strategic and Capital Framework 2016-2020 (SCF). Specifically, strengthening the LTP delivery is mentioned as crucial for achieving the SCF’s Resilience priority with the objective “[of strengthening] the resilience of reforms by promoting good governance institutions, inclusiveness and robust economic structures. To this end, the Bank will build a more structured policy dialogue capacity to foster transition, including through an ICGI targeting country-level frameworks and through further strengthening its toolkit such as the Legal Transition Programme”. The LTP is embedded in the Bank’s Enhanced and Structured Approach to Policy Reform Dialogue (2015), where its model of policy reform engagement was distinguished as highly effective and recommended for replication.

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8 BDS10-020 (Rev 2) and BDS15-013 (Final)
9 BDS15-013 (Final) p. 14
According to the OPs, the LTT delivers projects along four key work streams that form a "virtuous circle of legal reform":

(i) contribution to setting international legal standards and best practices (in collaboration with key international organisations);
(ii) conducting comprehensive country legal assessments and diagnostics;
(iii) support in developing and implementing legal reforms in COOs, building the institutional capacity of domestic institutions (jointly with internal and external stakeholders); and
(iv) outreach and knowledge sharing activities (events and publications, e.g. the Law in Transition Journal).

The LTP’s OPs had a varied set of priorities across four key work streams. Annex 1 provides details on the evolution of priorities over the 2011-2018 period. Most recently, the programme’s priorities and activities were adjusted to correspond to the Bank’s revamped Transition Concept while, as of 2017, the LTP’s activities are specifically anchored to the priority policy objectives of the individual Country Strategies (CS) and their delivery is monitored through annual CS delivery reviews (CSDR). The LTP also contributes to the implementation of the sector strategies where legal/regulatory challenges are defined as handicaps to expanding the portfolio and increasing investment levels. Although it is less clear how this contribution is monitored and assessed, as the EBRD does not treat sector strategies as accountability frameworks. For the moment CSs and CSDRs remain the only aggregated accountability framework with the ability to provide evidence on achieving policy and regulatory outcomes and impacts. The evaluation team will endeavour to find the evidence of LTP’s contribution to achieving the sector strategy goals.

1.2 The LTP portfolio

The LTP portfolio in the 2011-2018 evaluation sample includes 232 projects totalling €78.2 million. For comparison, in the previous evaluation period (2001-2010) there were 87 projects for a total of €26 million. It means that the number and volume of LTP projects has increased three-fold, while net cumulative bank investment (NCBI) in this period has increased by 13% – from €48.9 billion (2001-2010) to €55.6 billion (2011-October 2018) - with the number of operations decreasing from 2,263 to 2,214 respectively.

The evaluation team have undertaken an initial portfolio analysis, taking information from the following sources: (i) the list of Legal Reform projects (1996-2017) published by OGC on the external website; (ii) the OGC current list in Livelink; (iii) the TCRS system. Many projects include several assignments, the approval and implementation of which is spread over a number of years. The evaluation team manually mapped the list of Legal Reform projects to data from the TCRS system and a detailed portfolio description is presented in Annex 2.

Just over a third of LTP assignments are regional, followed by EEC and CA as the dominant regions (27% and 18% of volume respectively). The next biggest beneficiaries are SEE (11%) and SEMED (7%). In terms of number of projects, the majority are regional (32%) followed by EEC (28%) and CA (13%).

Chart 2 presents a more detailed picture of the dynamics of project approvals by region and year. Project approvals increased significantly in 2015 in most regions, almost doubling in terms of volume.
Focus

The TCRS system has not been adjusted to match the new transition concept with its six transition qualities. It still uses a mixture of the old transition indicators and strategic areas/initiatives and thus its usefulness to the current transition matrix is limited, as identified in other recent and ongoing evaluations (i.e. Sustainability Initiatives). It shows that more than 57% of LTP’s volume and 68% of its projects fall under the ‘Legal Transition, Environment and Policy Dialogue’ category (€44M and 158 respectively). Chart 3 below shows the distribution of the remaining 32% of projects and 43% of volume. ‘Well governed’ clearly leads in both volume and numbers.

According to TCRS approximately 70% of the portfolio does not align to any of the Bank’s strategic initiatives. Chart 4 shows the distribution of the remaining 30%.
1.3 Organisational Structure and Co-ordination

Introduced in 1995 as an ad hoc technical assistance resource, the Legal Transition Programme was institutionalised in 2002 as an integral part of the Office of General Counsel (OGC). Today it is implemented by the Legal Transition Team which is a separate team in the OGC structure. Its corporate objectives are integrated in the OGC’s scorecard which represents the accountability framework for the Programme. The LTT has extensive linkages to other OGC teams, particularly country lawyers as LTP’s work has a strong
country focus but its internal structure is arranged sectorally. The LTT has one specialist unit – the Financial Law Unit – with seven lawyers led by a Chief Counsel. All other policy areas are led by individual legal counsels based in London HQ (see Annex 3). Their core internal partners and clients are the respective banking teams.

**Co-ordination between banking and the LTP follows from the needs-based and demand-driven nature of the programme.** As was noted in interviews with the legal expert in the Investment Climate evaluation (2018) “We rarely do things just for the sake of doing. The bankers clearly identify the needs for the intervention – whether at the level of individual client (case of corporate governance) or at the level of sector or entire country (case of cross-cutting initiative).” **Co-ordination with the country segments of banking follows from demand-driven services provided by the LTT to the partner governments** – a written government request for intervention/assistance is an obligatory prerequisite for initiating a TC project/policy advice activity. It is essential that country directors/heads are involved in the process of acquiring such requests.

The LTP team currently includes 16 full time positions, mostly in London HQ plus one CCT position in Kyiv RO (corporate governance) and one in Cairo RO (?). This represents an increase of five experts, compared to the 2001-2010 period (from eleven). **With the three-fold increase in portfolio, the per capita ratio of projects has reached 20, compared to 8 in 2001-2010.**

**The LTT has multiple linkages with the Economics, Policy and Governance (EPG) department.** Particularly it is a core partner in developing country strategies (led by CSRM), country diagnostics (led by country economists); and country legal practical guides (led by country lawyers). The LTT is a crucial stakeholder in delivering the Bank’s Investment Climate and Governance Initiative (ICGI), which is managed by the EPG’s Governance team. It is part of the Steering Group that oversees the work of the investment councils supported by the EBRD. Due to its funding model, the LTT has close links with the Donor Co-financing Team (DCF).

### 1.4 Reporting and Monitoring

The LTP has a well-established system of monitoring and reporting which is rooted in its funding model (dominated by donor and SSF funding with some internal funding). Its annual reports represent a detailed account of the projects implemented and activities performed during the calendar year. More robust self-assessments are mostly present in the detailed case studies and special reports published in the LTP’s literature and the regular publication “Law in Transition”. The evaluation team anticipates a solid, documented evidence base at the activity level (outputs and short-term outcomes). Reporting at the level of long-term outcomes and the contribution to impact is more challenging and EvD will construct its own model to arrive at those (see methodology chapter).

**The 2012 LTP evaluation recommended** "more precise and measurable objectives in [LTP’s] three-year action plans" in order “to improve monitoring and provide the potential for the implementation of these plans to be effectively evaluated”. It also recommended integrating data on project results in its annual report. (Specifically, the latest OP 2018/Report 2017 contains Annex 2 “TC projects in 2017 – results”). Sometimes the OP includes a “summary of policy dialogue activities” for the previous operational period – e.g. OP2016-2018 for the period 2013-2015 – however this is a list of activities and their immediate results only. They also include information on the LTP being “an active participant in the development of the new TC results framework”.11

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10 At the end of 2018 the EBRD supported investment council secretariats in Albania, Armenia, Georgia, Kyrgyz Republic, Moldova, Tajikistan, Ukraine.

Approach

1.5 Scope

The thematic special study will look into the activities of the LTP as identified in its mid-term operational plans (OPs). The evaluation period will cover 2011-2018, spanning four operational periods:

- 2010-2012 – SGS09-341
- 2013-2015 – SGS12-252
- 2016-2018 – SGS16-221(Add 1)

The recommendations from EvD’s previous evaluation in 2012 were delivered in time for the preparation of the LTP 2013-15 OP, therefore the analysis of the 2011-2012 activities will be limited to a portfolio “health check” and strategic analysis will be focused on the 2013-2018 period only.

The LTP’s operational plans refer to the Bank’s corporate strategies - CRR4 2011-2015 and SCF 2016-2020 – as drivers of programme’s priorities and areas of intervention, although the portfolio analysis above indicates that 70% of projects were outside the Bank’s strategic initiatives. EvD’s analysis will include a focus on this duality of strategic role. As new country strategies are key accountability frameworks for Bank’s activities, including for policy teams like the LTT, EvD will analyse the LTP’s priorities and portfolio through their prism (country strategies and annual delivery reports). The evaluation team is cautious of the fact that this is a relatively new platform, launched in 2017, however it finds little value in looking back into historical strategies, as the Bank moved forward with the new format after learning lessons and improving its practices and algorithms.

The evaluation will have two lines of enquiry – external and internal. This means that the impact of the LTP’s activities will be sought not only in qualitative changes in the COOs, as presented in the Theory of Change below, but also in the Bank’s model of operation and delivery tools.

1.6 Theory of Change

The LTT does not have its own results matrix, and monitoring of deliverables and results is performed against project results frameworks (if available) and aggregated targets (e.g. the number of events organised or publications issued). There is a reference to the TC results framework and the LTP’s contribution in its creation in the most recent OP; EvD will pursue this with the LTT.

For the purpose of this evaluation, EvD has developed a theory of change (ToC) for the LTP (see Annex 4). This is based on the Bank’s strategic documents, including the Transition Concept, the Theory of Change for EBRD Transition Impact, the Compendium of indicators, and the LTP OPs as listed above. Each case study will follow the logic of the ToC and present key facts and findings accordingly. This evidence will then be used to inform the final report’s findings and recommendations. Highlighted elements of the ToC will form the scope of evaluation:

1. Legal assessments and law reform projects constitute the majority of the LTP’s activities. Analysing those, particularly in the three/four case studies, will make it possible to answer questions regarding the LTP’s efficiency, mobilisation and deployment of resources, and delivery mechanisms (based on project data, survey and interview data);

2. Mid-term outcomes: the LTP’s reports and information in various databases are focused on specific activities/project results, thus limiting the evidence to outputs. Until 2018 LTP did not have its own scorecard and its priorities were integrated into the OGC scorecard through general commitment to
objectives and the number of specific actions. The evaluation team will focus its analysis and research on mid-term outcomes, as reported by the Bank, countries of operation and international indices/rankings (based on data from the Bank and external sources);

(3) **Long-term outcomes contributing to the uptake of reforms:** identified elements will be analysed to seek evidence of the LTP’s contribution towards improving a country’s reform implementation/enforcement capacity in relevant fields with a high intensity of LTP activities (based on CSDR data, annual transition indicators and data from external sources);

(4) **Long-term outcomes contributing to changed behaviour:** although the most difficult to measure, this element of the evaluation will attempt to map the LTP’s footprint in changes to both external and internal perception/behaviour (based on survey, interview data and data from external sources).

### 1.7 Evaluation questions

Unlike in the 2012 review, EvD does not intend to conduct a detailed performance review of the entire LTP portfolio (including self-evaluation). The portfolio has increased threefold in both volume and numbers compared to the previous evaluation period (2001-2010) and EvD resources will be focused on strategically relevant elements of LTP work.

The evaluation team has identified several evaluation questions (EQs) that will guide the analysis and shape final findings and recommendations. Legal reform remains central to the EBRD’s value proposition. After more than 20 years of substantial contribution to delivering the Bank’s mandate in COOs the study will not focus too much on the LTP’s relevance. This issue has been extensively covered in two previous evaluations, and since the programme’s rationale and context remain largely unchanged, this evaluation will focus elsewhere. Therefore, the emphasis of the evaluation will centre on efficiency, effectiveness, impact, and sustainability both externally (benefiting the country) and internally (benefiting the Bank’s own policies and operations). In particular, the study will provide inputs into EvD’s ongoing strategic work to support a stronger results focus and architecture, strengthen the linkages between transactions, advisory work and wider transition objectives, and feed experience more effectively back into operational design and execution. The evaluation questions are:

1. Has the evolution of LTP’s approach to formulating priorities, selecting operations and deploying resources in the last five years been consistent with the Bank’s strategic and operational changes and recommendations from EvD and others?


2. How do the LTP’s individual activities contribute to the delivery of systemic policy results in COOs? Is sufficient evidence gathered, synthesised and shared across the Bank to support the LTP’s strategic role in delivering the Bank’s mandate?

*Focussing on (i) mid-term outcomes of legal assessment and legal reform projects in COOs, and (ii) their influence on the Bank’s strategic priorities, Strategic initiatives (i.e. ICGI) and the operational approach to investments (through country strategies).*

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12 According to OECD DAC Criteria for evaluating development assistance relevance is interpreted as the programme’s suitability to the priorities and policies of the target group, particularly answering the questions (i) to what extent are the objectives of the programme still valid; (ii) are the activities and outputs of the programme consistent with the overall goal and the attainment of its objectives; (iii) are the activities and outputs of the programme consistent with the intended impacts and effects?
3. Can change be observed in the uptake of LTP recommendations in the countries of operation and inside the Bank? Do changes appear to be sustainable?

Focussing on long-term outcomes and impact in the countries of operation, with evidence gathered from Bank’s own transition data and international rankings most relevant to LTP’s core work streams.

4. What are the LTP’s objectives for external collaboration with other institutions and how well has it performed?

Focussing on partnerships and co-ordination with other IFIs, international donors, international organisations specialising in legal reform, its implementation and capacity building.

1.8 Methodology and Deliverables

The logic of the study will be guided by the evaluation questions and underpinned by the evaluation matrix (Annex 5). In the reconstructed Theory of Change (Annex 4), EvD has identified focus areas for in-depth analysis. It will include a quantitative analysis of the LTP portfolio from 2011-2018 and desk-based research of key documents at programme and project levels. This will be complemented by a review of literature from external sources (including evaluation studies), particularly by international organisations with which the LTP collaborates in delivering its different products.

The evaluation team will consider using an outcome mapping method for capturing changes in the behaviour of internal stakeholders (enhanced take-up of the LTT’s recommendations/results of assessment/standard setting work) and possibly external stakeholders, if data is sufficient. For the latter, the results could be compared to the dynamics of behaviour-related international indices (i.e. corruption perception, BEEPS etc.).

Qualitative data will be harvested through:

- Internal in-depth semi-structured interviews (in HQ and ROs, to be selected based on the relevance of core in-depth topics/cases);
- Semi-structured interviews with the external stakeholders in selected COOs and with international partners;
- Survey of core LTT stakeholders inside the bank (estimated sample circa 100 people);
- Survey of core external partners.

The brief analysis of the LTP portfolio along the key criteria of effectiveness and efficiency will be complemented with several deep-dive case studies with a focus on specific policy reform interventions in a specific country or group of countries. These will follow the LTP’s theory of change developed by EvD and will include focus on the LTP’s impact and the sustainability of change. As one third of LTP projects are regional, the final sample of cases will include one or two large-scale programmes/projects involving several COOs.

List of potential case studies:

- CIS Inter Parliamentary Assembly collaboration on PPP (including the Model Law, Commentary, Practical Tools and Guides/Template)
- Support to the development of well-functioning energy markets (Tajikistan and Bulgaria)
- Court Bailiff capacity building (Mongolia, Kyrgyz Republic, Tajikistan)
- EBRD Government Procurement Agreement TC Facility with the WTO (Ukraine, Moldova, the Kyrgyz Republic, Tajikistan plus others in the pipeline)
- Factoring and leasing law reforms (Serbia, Montenegro, Kosovo, FYR Macedonia, Georgia and Tunisia)
- Enhancement of out-of-court restructuring regimes (Ukraine and others)
- Corporate Governance Codes.

The selection of three/four case studies will be guided by the evaluation questions, purpose of evaluation, and the availability of data for completed projects. Cases will be representative of various transition stages– advanced, early transition countries and the middle group. Selection will be based on: (a) the geographic expansion of the EBRD in new COOs with often more challenging regulatory environments; (b) the emergence of new dimensions of activities (inclusive, well-governed) and the growing role of traditional transition priorities (green, resilient); (c) solid track-record of long-term engagement with in-country stakeholders where establishing and measuring the results of policy, practice and behaviour changes is plausible; (d) other evaluations completed recently or planned for 2019 – to avoid duplication and ensure the consistency of messages.

Given the substantial size of the portfolio, the answers to the efficiency question (“how”) might be sought through the use of an outlier analysis – looking in depth into one of the most successful and one of the least successful projects in the evaluation sample and identifying the causes/remedies for the future.

The sequence of activities and deliverables in the evaluation process is presented in Chart 5 below.

**Chart 5. Evaluation process**

<table>
<thead>
<tr>
<th>Formulating approach</th>
<th>Desk Study</th>
<th>Field missions</th>
<th>Synthesis</th>
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<tbody>
<tr>
<td>Tasks</td>
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<td></td>
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<tr>
<td>Review of external literature and evaluations;</td>
<td>Review of strategic and project documents;</td>
<td>Country missions (up to 3);</td>
<td>Responses to evaluation questions;</td>
</tr>
<tr>
<td>Inventory of internal strategic and operational documents;</td>
<td>Interviews with colleagues in HQ;</td>
<td>Interviews with external stakeholders;</td>
<td>Key findings and conclusions;</td>
</tr>
<tr>
<td>Portfolio inventory;</td>
<td>In-depth interviews with LTT experts;</td>
<td>Interviews with colleagues at ROs;</td>
<td>Recommendations;</td>
</tr>
<tr>
<td>Formulation of evaluation questions;</td>
<td>Survey of internal counterparts at EBRD;</td>
<td>Gathering any additional evidence on the ground.</td>
<td>Presentation of key findings and recommendations to the Board and management.</td>
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<tr>
<td>Theory of change and evaluation matrix.</td>
<td>Survey of external stakeholders;</td>
<td>Draft responses to evaluation questions.</td>
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<tr>
<th>Deliverables</th>
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<tr>
<td>Approach paper</td>
<td>Desk papers/specific chapters for draft report.</td>
<td>Mission reports</td>
<td>Draft Final Report;</td>
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<td></td>
<td></td>
<td>Debriefings for country heads/directors</td>
<td>Final Report and cases;</td>
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<td>Presentation to the Board;</td>
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<td></td>
<td>Presentation for internal and external stakeholders;</td>
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<td></td>
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<td>Short briefing and possibly video.</td>
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Source: EvD
1.9 Potential problems and limitations of the study

The LTP portfolio has a solid documentation track record and the evaluation team anticipates a sufficient quantity of project-level information which will be strengthened by the data from in-depth interviews with core LTT staff. However, there may be limitations pertaining to deficiencies in the Bank’s TC information system and inconsistencies related to the project database (these facts have been well-documented in many previous EvD studies). The evaluation team anticipates a potential risk of insufficient information on certain aspects, particularly in relation to policy reform dialogue, which is not (usually) documented in great detail. Collaboration and trust from management colleagues and local counterparts in the relevant countries is essential for obtaining a comprehensive picture of the LTP’s interventions and impact; therefore if they are lacking, it will significantly hinder the value of the final report and recommendations. The team will mitigate these risks by establishing a collaborative approach to conducting the study from the outset.

In most EBRD operations, measuring sustainability objectively is challenging as, after withdrawal, the Bank has no access to information and also no resources to undertake extensive/expensive studies to see how sustainable the intervention was. The LTP’s activities are often multi-staged and long-term, supporting the same institutional partners continuously, which might offer a better chance of measuring the sustainability of results.

Administrative arrangements

1.10 EvD team

The EvD team members are Olga Mrinska, Associate Director, Senior Evaluation Manager (team leader), Victoria Millis, Associate Director, Senior Evaluation Manager, and Stephanie Crossley, Analyst. The team will draw upon support from consultants to research the specifics of LTP activities in selected case studies.

1.11 Management counterpart

The Director of the Legal Transition Team, Michel Nussbaumer, will be the main counterpart for the evaluation team at all stages of the evaluation. EvD will also maintain regular dialogue with the Office of the General Counsel and Marie-Anne Birken, General Counsel, at key stages of the study.

1.12 Peer reviewers

Tomasz Bartos, Associate Director, Senior Evaluation Manager, will be the internal reviewer for this study. Two external reviewers will be invited to comment on various iterations of the report. One of these is Mahesh Uttamchandani, Manager of the World Bank’s Finance, Competitiveness and Innovation Global Practice, and the other is Dr Gabriel Gari, Reader in International Economic Law at Queen Mary University of London. Dr Gari has an extensive understanding of the LTP’s functionality and effects gained through his course work, which sometimes benefits from contributions by LTT experts. EvD will mitigate any potential conflict of interest through careful management of inputs provided by the reviewers.
1.13 **Timetable**

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Date</th>
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<tr>
<td>Study starts</td>
<td>August 2018</td>
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<tr>
<td>Approach paper approved</td>
<td>February 2019</td>
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<tr>
<td>Consultants recruited</td>
<td>February-March 2019</td>
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<tr>
<td>Field visit complete</td>
<td>April 2019</td>
</tr>
<tr>
<td>Survey(s) complete</td>
<td>May 2019</td>
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<tr>
<td>Draft with executive summary circulated to internal peer reviewers</td>
<td>June 2019</td>
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<tr>
<td>Draft with executive summary cleared by CE for circulation to external peer reviewers</td>
<td>July 2019</td>
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<tr>
<td>Draft with executive summary cleared by CE for Management Comments</td>
<td>August 2019</td>
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<td>Final editing</td>
<td>September 2019</td>
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<td>Final approved by Chief Evaluator</td>
<td>September 2019</td>
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<tr>
<td>Final distribution within the EBRD and to Board</td>
<td>October 2019</td>
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<td>Web publication</td>
<td>October 2019</td>
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1.14 **Budget**

EvD travel budget – up to £20,000. Consultancy budget – up to £30,000.
**Sources**

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<thead>
<tr>
<th>Reference</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>OGC scorecard</td>
<td></td>
</tr>
<tr>
<td>PE11-537</td>
<td>Legal Transition Programme Review, 2012</td>
</tr>
<tr>
<td>PE01-178</td>
<td>Legal Transition Programme Mid-term Review, 2001</td>
</tr>
<tr>
<td>EvD Study “The EBRD’s Investment Climate Support Activities”, October 2018</td>
<td></td>
</tr>
<tr>
<td>SGS18-055</td>
<td>LTP 2017 Report and 2018 Operational Plan</td>
</tr>
<tr>
<td>SGS17-099</td>
<td>LTP OP 2017-2019</td>
</tr>
<tr>
<td>SGS16-221/Add 1</td>
<td>Information Session: LTP 2016-2018 OP</td>
</tr>
<tr>
<td>BDS10-020 CRR4 (Rev 2)</td>
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<tr>
<td>BDS15-013_SCF (Final)</td>
<td></td>
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</tbody>
</table>
### Annex 1: Summary of key points across the LTT’s Operational Programmes, 2011-2018, and the LTP 2012 Evaluation

<table>
<thead>
<tr>
<th>Period</th>
<th>Key points and quotes</th>
</tr>
</thead>
</table>
| 2010-12      | **“Allows for a fuller alignment of LTP activity with the Bank’s response to the financial crisis, while at the same time feeding into the CRR4 process.”** (CRR4 expected to have a greater emphasis on TC and policy dialogue with regard to institutional quality).  
**Priorities:** The scope of the LTP will widen, in part to remedy the shortcomings of legal frameworks that the financial crisis has exposed. Accordingly, more emphasis will be given to strengthening laws relating to debt restructurings and the insolvency of financial institutions. LTT will also further develop its expertise in areas of high relevance to the Bank’s business, e.g., debt enforcement mechanisms, agribusiness-related laws (such as facilitating pre-harvest financing), the regulation of credit bureaus, innovative aspects of telecoms regulation linked to the knowledge-based economy, as well as support for public-private partnership centres. The scope of the LTP will also broaden through an additional focus on public procurement law where the Bank has identified a strong need for policy dialogue and legal TC in its countries of operations.  
**In geographical terms,** the LTP will concentrate on the early transition countries, south-eastern Europe, Ukraine and Russia. + explore opportunities in Turkey  
**The need to assess the impact of technical cooperation,** including in the legal field, is gaining momentum both among fund providers and assistance implementers themselves. The task remains a challenging one, as the design of proper evaluation methodologies can be extremely complex and may require significant resources.  
**Identified directions:**  
1) Strengthening assessment tools – more hard data, focus on infrastructure regulation, insolvency, judicial capacity building and secured transactions;  
2) Widening comparative assessment work – including emerging markets into comparative assessment frameworks (Russia, Latin America);  
3) Deepening linkages with other Bank units – for example posting sector specialists in COOs with high needs (PPP in Moscow);  
4) Strategic importance of outreach work – in the light of the financial crisis. Proposed document summarising practical recommendations on how to deal with the consequences (banking sector regulation; credit and securities market and equilibrium between liberalisation and market protection);  
5) Considering the unfinished reform agenda in CEE – in specific areas, where highly additional;  
6) New approach to Turkish legal reform – recognising the challenges of advising on reform (pledge law, concession law, insolvency);  
7) Introducing new sectors – public procurement and judicial capacity;  
8) Developing new impact assessment methodologies - exploring the feasibility of applying randomised evaluation techniques to legal TC (Moldova trial)  
**Sector focus areas:**  
1) Concessions/Public Private Partnerships (PPPs)  
2) Corporate Governance and Securities Markets  
3) Infrastructure Regulation and Competition |

EvD Approach Paper 16
<table>
<thead>
<tr>
<th>2012 Evaluation PE11-537</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- Emphasise training legal practitioners and establishing institutions and administrative competency</td>
</tr>
<tr>
<td></td>
<td>- Short term projects vs long-term reform programmes; benchmarks and measurability</td>
</tr>
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<td></td>
<td>- Gap analysis has enabled the LTP to address systemic issues</td>
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<td></td>
<td>- Strongest impacts where there was well developed in-house expertise and the ability to focus efforts for an extended period</td>
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<tr>
<td></td>
<td>- Improve internal outreach: promote LTP work to Banking and liaise with other support units</td>
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<tr>
<td></td>
<td>- Legal assessments are critically important; the LTP has an adequate repository that can contribute to the new SEMED region</td>
</tr>
<tr>
<td></td>
<td>- Action plans lack clear objectives, milestones and timetables</td>
</tr>
<tr>
<td></td>
<td>- The LTP has paid due attention to the simplicity and transparency of proposed legislation: continue this</td>
</tr>
<tr>
<td></td>
<td>- Lack of hard evidence to assess the impact of some activities</td>
</tr>
<tr>
<td></td>
<td>- Endogenous conditions can hinder LTP reform efforts</td>
</tr>
<tr>
<td>2013-15 SGS12-252</td>
<td>Recommendations</td>
</tr>
<tr>
<td></td>
<td>- Undertake a strategic review; re-orient focus in some areas; increased resources required to strengthen and expand impact</td>
</tr>
<tr>
<td></td>
<td>- Continue updating legal assessments and fine-tuning set standards</td>
</tr>
<tr>
<td></td>
<td>- Increase focus on projects supporting legal reform e.g. institutional capacity building and training for judges and officials</td>
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<tr>
<td></td>
<td>- Set more precise and measurable objectives</td>
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<tr>
<td></td>
<td>- Report on results</td>
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<td></td>
<td>- More systematic collaboration with other organisations</td>
</tr>
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<td></td>
<td>- More focus on company law and secured transactions</td>
</tr>
<tr>
<td></td>
<td>- More efforts at developing local capital markets</td>
</tr>
</tbody>
</table>

**2013-15 SGS12-252**

**OP for this period takes on board EvD recommendations.**

- Factors influencing on changing the approach: the SEMED expansion, inter-IFI coordination, the crisis response, and country graduation, but also internal considerations, such as the CRR4 objectives, 2012 EvD's Study of LTP in 2001-2010, and the current reflection on how the Bank should step up its policy dialogue activities

- Three pillars introduced:
  1. Support EBRD operational initiatives;
  2. Selectively address cross-cutting problems in the business environment;
  3. Integrate the LTP into Bank’s PD agenda and develop a results framework

- **First Pillar:** SEMED expansion; food security; local capital market development; knowledge economy; EE, PS funding for infrastructure; CG in investee banks and companies; SME development; rescuing distressed businesses; public procurement.

- **Second Pillar:** Insolvency systems and judiciary. Focus on areas where the EBRD has identified a comparative advantage over other IFIs
• **Third Pillar** is a direct response to EvD Recommendations. (1) strengthening the use of LTT assessments (for country strategies, risk assessment); (2) better co-ordination with banking teams including more regular exchange sessions with MDs. (3) Closer links to ROs and SBS SCs to enhance their PD capacity (of which the LTT has a lot), (4) Improved results management – in close co-ordination with the Grant Steering Group, develop better baseline indicators for measuring outcomes and impact (outputs are good).

• Three prioritisation factors will shape the focus of LTT work: (1) country opportunities; (2) Bank’s investments; and (3) responsiveness to rapid changes

**Internal co-ordination**: focus on the Deauville Partnership for SEMED, DFI WG on CG in Investee Companies

**External co-ordination**: EBRD-UNCITRAL PP Initiative in CIS; IDLO partnership on judicial capacity; WB/IFC PSD support legislation work in SEMED; WB – collaboration with EIB and OECD on WB Development and Innovation Facility.

**Direct contacts with specialist counterparts**: UNCITRAL, UNECE, INSOL, OECD, UNIDROIT, EC, DFID, USAID, GIZ.

**Money**: 75% of work is TC funded, 40% of TC – from SSF

<table>
<thead>
<tr>
<th>2016-18 SGS16-221</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Shift to 10 country strategic themes</strong> as basis for LTT work:</td>
</tr>
<tr>
<td>1) PS competitiveness</td>
</tr>
<tr>
<td>2) Entrepreneurship and SMEs</td>
</tr>
<tr>
<td>3) Innovation and Knowledge Economy</td>
</tr>
<tr>
<td>4) Resilient and Effective Financial systems;</td>
</tr>
<tr>
<td>5) Development of Local Currency and Capital Markets;</td>
</tr>
<tr>
<td>6) Economic Inclusion and Gender Equality;</td>
</tr>
<tr>
<td>7) Good Governance;</td>
</tr>
<tr>
<td>8) Integration and Trade;</td>
</tr>
<tr>
<td>9) Infrastructure service/Energy Security;</td>
</tr>
<tr>
<td>10) Green Economy Transition.</td>
</tr>
</tbody>
</table>

**LTT work is guided by the Approach to Policy Reform Dialogue** (SGS15-220); it includes a three-step process of PD: (1) structured upfront country diagnostics; (2) a reality check – congruence with impact on private sector investments; (3) sufficient government buy-in (though signed MoU or letter of intent).

**SCF 2016-20** emphasises the need for a more structured policy dialogue approach to contribute to the Bank’s strategic orientations

**Results are to be measured through CS results frameworks and at project level**

**Objectives for the period:**

1) Country diagnostics (support to pilots in BiH, Egypt, Kazakhstan and Poland); traditional legal annex for all other CSs; assessments (concession/PPP, public procurement, factoring, insolvency laws);

2) Knowledge-sharing products (Law in Transition; public events; internet and intranet);

3) Country projects – in all regions and for all ten strategic themes

**Activities**: promote international standards and best practice; prepare diagnostics; engage governments in policy reform dialogue; TC activities to upgrade legislative frameworks and build institutional capacity in commercial law; disseminate lessons learned

**Focus**: commercial and financial law.
• Geographical focus: CEE and SEE (NPL under the umbrella of the Vienna Initiative); WB (dispute resolution and judicial capacity, ICT, resource efficiency); Greece and Cyprus (broadband and financial sector); Caucasus, Moldova and Belarus (PP, energy sector, ICT, transparency of extractive); Ukraine (PP and CG); CA (natural resources, SEI/REI, dispute resolution and judicial capacity); Kazakhstan (Green economy, CG and PPP); Turkey (factoring, CG, EE, natural resources); Russia (existing – agri, creditors rights and CG); SEMED (all areas).

• Interesting point – in the good governance strategic theme there is no mentioning of ICGI...

• Finance: 50% of TC covered from SSF.

• International collaboration: EBRD-UNCITRAL, Initiative for PP; EBRD-WTO initiative to facilitate GPA adhesion, IDLO, Vienna 2.0 on NPL collaboration with IMF, WB and EC. WB/IFC on PSD in SEMED.

• There is no mention of the three pillars in the document.

2017-19 SGS17-099

• There is no explanation why 2017-19 was prepared after 2016-18. Implicitly the change is explained by the introduction of the new SIP 2017-2019 and Transition Concept in 2016.

• The same cycle of activities is underlined: standards-diagnostics-develop TC-knowledge-sharing activities. (Dropped the "engage governments in policy reform dialogue" that was added in 2016 - or merge back into "develop TC". Also, standards and diagnostics tend to merge into one).

• LTP objectives:
  1) Promote international standards and best practice;
  2) Prepare diagnostics on legal, regulatory and policy matters;
  3) Develop TC activities with internal and external stakeholders;
  4) Knowledge-sharing activities.

2018 SGS18-055

The rolling SIP presumably necessitates the annual OP and annual report. The OP consists of only a country-by-country list of what was done in 2017 and is intended to be done in 2018, with other material sourced from the OP 2017-2019 (activities by transition quality). The results framework is absent, as in all previous OPs.

LTP priorities as presented to external stakeholders

Ebrd.com gives the following LTP structure across three pillars: This text dates back to the 2013-15 Action Plan.

• First pillar: The LTP supports EBRD operational initiatives in transition countries, such as promoting food security, energy efficiency, SME access to finance, the knowledge economy, local capital market development, and more efficient public procurement, as well as strategies and legal means for attracting private sector funding for infrastructure, and dealing with non-performing loans. This pillar also sees some new directions in the Programme, such as improving the corporate governance of EBRD investee companies.

• The second pillar selectively addresses cross-cutting problems in the business environment of transition countries through institutional reforms and capacity building measures, especially in areas where the EBRD has identified that it has a comparative advantage over other international assistance providers. In particular, this will include measures to improve insolvency regimes and to strengthen contract enforcement, including by the courts.

• The third pillar develops a results framework and integrates the Programme into the Bank’s broader policy dialogue agenda.
Annex 2: LTP Portfolio analysis

The LTP portfolio in the 2011-2018 evaluation sample includes 232 projects totalling €78.2 million. For comparison, in the previous evaluation period (2001-2010) there were 87 projects for a total of €26 million. The evaluation team have undertaken an initial portfolio analysis taking information from the following sources:

- the list of Legal Reform projects (1996-2017) published by OGC on the external website;
- the OGC current list in Livelink;
- the TCRS system (where the OL is a member of the LTT team, LTT/LTP is specifically referenced in the project title or where LTT is indicated as the project team)

Many projects include several assignments, the approval and implementation of which is spread over a number of years. The sum of the assignment volumes do not always equal to project volume, as the former are contracted amounts (actual spending) while the latter are approved allocations (intentions). For the purpose of this analysis, the evaluation team looked at both project and assignment data to capture the intensity and dynamics of LTP activities. Some of the charts below (and in section 2.2 of the main document) refer both to projects and assignments to give a more nuanced view. Because there are no project or assignment numbers on the list of Legal Reform projects, the evaluation team has mapped it manually to data from the TCRS system.

Table 1 below represents the geographical structure of the LTP portfolio in the evaluation period. One third of LTP projects are regional (and 34% of assignments), followed by EEC and CA as the dominant regions (25% and 19% of project volume, 27% and 18% of assignment volume respectively). The next biggest beneficiaries are SEE and SEMED with each having 9% of project volume and an 11% and 7% share respectively of assignment volume. In terms of number of projects, the majority is in EEC (28%), SEE (20%), or are regional (19%), while the number of assignments is dominated by regional (32%), EEC (28%) and CA (13%).

Table 1. Geographic distribution of projects and assignments (cumulative portfolio from 2011-2018)

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>Projects</th>
<th>Assignments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Volume, € mil</td>
<td>% of volume</td>
</tr>
<tr>
<td>TURKEY</td>
<td>0.63</td>
<td>1</td>
</tr>
<tr>
<td>RUSSIA</td>
<td>1.33</td>
<td>2</td>
</tr>
<tr>
<td>CEB</td>
<td>1.82</td>
<td>2</td>
</tr>
<tr>
<td>SEMED</td>
<td>6.84</td>
<td>9</td>
</tr>
<tr>
<td>SEE</td>
<td>7.32</td>
<td>9</td>
</tr>
<tr>
<td>CA</td>
<td>15.22</td>
<td>19</td>
</tr>
<tr>
<td>EEC</td>
<td>19.19</td>
<td>25</td>
</tr>
<tr>
<td>REGIONAL</td>
<td>25.91</td>
<td>33</td>
</tr>
</tbody>
</table>

Source: TCRS

For instance, a project approved in 2011 may have several assignments with individual approval dates ranging over the whole eight-year period of this review.
Chart 2 in section 2.2 present a more detailed picture of the dynamics of **project approvals by region and year**, while Chart 6 below illustrates the projects vs assignments dynamics. Project approvals increased significantly in 2015, almost doubling in terms of volume, but not as much in number, as demonstrated in Chart 8 below, showing the increase in average project size from 2015 onwards. In 2017 there was a dramatic increase in **assignment approvals**, where approximately €14.8 million is accounted for by 2017 project approvals, but the balance of approvals is from projects dating back to 2014 (see Chart 7).

**Chart 6. Volume and number of project and assignment approvals by year**

![Chart 6](chart6.png)

Source: TCRS

**Chart 7 Assignments by year, showing project approval year, € million**

![Chart 7](chart7.png)

* baseline horizontal axis represents assignment year, the level above shows project approval year
Source: TCRS
**Project budget** is an important factor determining the team’s workload and the LTP portfolio had significant fluctuations in this domain (see Chart 4). For example, in 2012 compared to 2011 the average project and assignment size dropped by 71% and 30% respectively. But thereafter the average project size climbed back steadily, peaking at €455,979 in 2017. Assignment sizes were more variable, and they peaked in 2017 (€207,285).

**Chart 8: LTT’s average project and assignment size by year of approval (€’000)**

Structure-wise, the LTP OPs had a varied set of priorities along four key streams of work (standard-setting, assessment, country projects, and outreach). Chart 1 presents the timeline of key corporate strategic milestones that affected the LTP’s strategic design and delivery, while table in Annex 3 provides a detailed record of the evolution of priorities in the 2011-2018 period. Most recently, the programme’s priorities and activities were adjusted to correspond to the Bank’s revamped Transition Concept that includes six dimensions of transition: competitive, resilient, integrated, inclusive, green, and well-governed. However, TCRS still uses a mixture of transition qualities and strategic areas/initiatives, therefore analysing the structure of the LTT portfolio by the six qualities only is challenging at this point. The most recent OP has a number of qualitative illustrations that position the LTP portfolio in the framework of six transition qualities (see Annex 6 – puzzle charts).

Additionally, as of 2017 the LTP’s activities are specifically anchored to the priority policy objectives of the individual Country Strategies (CS) and their delivery is monitored through annual CS delivery reviews (CSDR). It is less clear how LTP contributes to the implementation of the sector strategies where legal/regulatory challenges are defined as handicaps to expanding the portfolio and increasing investment levels. The EBRD does not treat sector strategies as accountability frameworks therefore CS remain the only aggregated accountability framework with the ability to provide evidence on achieving policy and regulatory outcomes and impacts.

Data from TCRS demonstrates that more than 57% of the LTP’s volume and 68% of its projects fall under the ‘Legal Transition, Environment and Policy Dialogue’ category (€44M and 158 respectively). Chart 3 in

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14 Currently EBRD has eight active sector strategies: Financial Sector, Energy, Transport, Agribusiness, Extractive Mining Industries, Property, ICT, Municipal and Environmental Infrastructure
section 2.2 shows the distribution of the remaining 32% of projects and 43% of volume with a clear leader—‘Well governed’—in both volume and numbers. As for transition impact criteria, as they are currently used in TCRs, approximately 63% of the LTP’s portfolio (volume and number) is assigned to the category ‘Institutions, laws and policies that promote market functioning and efficiency’. A further 14% is unassigned. Approximately 70% of the portfolio does not align to any of the Bank’s six strategic initiatives. Chart 4 in section 2.2 shows the distribution of the remaining 30%, where SEI/SRI is the top initiative by volume and number of projects in 2011-2018.

Annex 3: Organisational Structure of Legal Transition Team

![Organisational Structure of Legal Transition Team](Image)

Source: OGC
Annex 4: Theory of Change for Legal Transition Programme

**Inputs**

1. Standard setting
   - (1) Bank’s own resources (financial, human and otherwise);
   - (2) Donor funding
   - (3) Contributions of HQ and country teams;
   - (4) Contributions from COOs (financial and otherwise);
   - (5) Parallel contributions from other IFIs/donors

2. Legal assessment
   - (1) New/revised set of standards in LTT’s focus areas (not fixed)
   - (2) Model laws for various COOs
   - (3) Summary reports with key characteristics of legal fields in specific COOs/regions;
   - (4) Recommendations for change
   - (5) Improved practices of legal drafting, assessing impact, agreeing positions and building consensus for approval
   - (6) New knowledge and skills transferred based on BAP/BAS
   - (7) Publications
   - (8) Networks/platforms of likeminded stakeholders

3. Outputs
   - (1) Improved matrix for benchmarking and comparisons;
   - (2) Standards/model laws accepted/understood rationally & internationally
   - (3) Data for measuring progress in developing certain legal fields, plus baseline indicators
   - (4) New/improved laws and legal acts;
   - (5) Improved institutional capabilities;
   - (6) Improved capacity/skills/knowledge of legal experts
   - (7) Conductive environment for market efficiency, commercially sound decision making and sustainable infrastructure funding

4. Mid-term outcomes
   - Increased uptake of reforms: Stronger CG of firms and PFIIs; Stronger public governance framework; Higher quality of institutions
   - Changed behaviours: Stakeholders actively contributing to strengthening rule of law; Strong coalitions driving reforms forward

5. Long-term outcomes
   - Open and competitive markets providing a level playing field
   - Well-governed economies and firms

6. Impact
   - INTERNAL (operational data)
     - RISKS
       - Deficit of funds and capacity
       - Lack of mutual understanding
       - Lack of commitment
       - Macro risks
   - EXTERNAL (external data/LTP assessments)
Annex 5: Evaluation Matrix of LTP Evaluation

<table>
<thead>
<tr>
<th>Judgement criteria</th>
<th>Indicators</th>
<th>Sources of data</th>
</tr>
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<tbody>
<tr>
<td><strong>EQ1: Has the LTP’s approach to formulating priorities, selecting operations and deploying resources evolved in the last five years been consistent with the Bank’s strategic and operational changes and recommendations from EvD and others?</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1. LTP OPs are aligned with the Bank’s CRR/SCR and SIPs</td>
<td>• Relevant CRR/SCR/SIP objectives and performance indicators are present in LTP’s strategic documents</td>
<td>CRR, SCR, SIPs, LTP OPs, interviews with LTT and Bank stakeholders</td>
</tr>
<tr>
<td>1.2. LTP OPs are aligned with the country needs as defined in country diagnostics, CSs and ICGI MoUs</td>
<td>• LTP resources’ deployment is directly correlated with the country needs; • LTP’s activities are selected on the basis of objectively understandable priorities.</td>
<td>LTP OPs, LTP budget and staff structure, country diagnostics, CSs, CSDRs, ICGI MoUs and other relevant ICGI documents, interviews with LTT and Bank stakeholders, interviews with country stakeholders, country/sector case studies</td>
</tr>
<tr>
<td>1.3. LTP OPs are aligned with Transition Concept 2016 and Enhanced and Structures Approach to Policy Reform Dialogue</td>
<td>• LTP’s priorities and activities reflect and are consistent with the transition qualities and principles of enhanced policy reform dialogue</td>
<td>LTP OPs, Transition Concept 2016 and Transition ToC, Enhanced and Structures Approach to Policy Reform Dialogue, interviews with LTT and Bank stakeholders, country/sector case studies</td>
</tr>
<tr>
<td>1.4. Recommendations from 2012 EvD review have influenced the formulation of LTP priorities</td>
<td>• LTP’s objectives are measurable and precise • Evidence of increased focus on institutional capacity building and training of officials/judges • Evidence of legal assessments and standards set (with LTP participation) being used in defining Bank’s operational priorities and policy dialogue • Ops include structured report of results • Evidence of systemic collaboration with other organisations • Evidence of more focus on (i) company law; (ii) secured transactions; (iii) LC markets • LTP’s expert pool and resources are used to strengthen and expand the impact.</td>
<td>EvD 2012 Review, LTT OPs, interviews with LTT and Bank staff, survey of key internal stakeholders</td>
</tr>
</tbody>
</table>

**EQ2: How do the LTP’s individual activities contribute to the delivery of systemic policy results in COOs? Is sufficient evidence gathered, synthesised and shared across the Bank to support the LTP’s strategic role in delivering the Bank’s mandate?**

| 2.1. Presence of systemic and synthetic LTP reports/products bringing together discrete | • Availability and accessibility of systemic/synthetic reports/products; | LTP project and corporate documents, country legal assessments, COOs’ policy/legal documents, |
| project/activity outputs. | • These documents are referenced in the key banking and policy documents  
• These documents are referenced in the COOs’ key policy/legal documents | country/sector case studies |
| 2.2. LTP’s products contribute to formulation of country/sector challenges and country/sector policy objectives | • Mid-term LTP objectives are evident in country and sector strategic documents. Specifically these are: (i) improved matrix for benchmarking and comparison; (ii) standards/model laws accepted/understood, (iii) baseline and progress data for measuring progress in specific legal areas; (iv) new/improved laws/legal acts; (v) improved institutional capacities; (vi) improved capacity/skills of legal experts; (vii) Conductive environment for market efficiency, | LTP project and corporate documents, CSs, CSDRs, sector strategies and delivery reports (if available), interviews with, and survey of, EBRD staff, country/sector case studies |
| 2.3. LTP products and knowledge repository is accessible internally and externally | • Documents/products are easily located | Context analysis of Intranet and Internet, interviews with, and survey of, EBRD staff and external stakeholders |
| 2.4. LTP traces its inputs into Bank’s strategic and policy work, and consistently strives to enhance its impact | • LTT specialists are effective in pushing identified priorities and operations through various internal fora and platforms (ICGI, SBI, Investment Councils Steering Group etc) | LTP project and corporate documents, documents by other relevant departments, data on internal/external collaborative events and meetings, interviews with LTT and EBRD staff |

**EQ3: Can change be observed in the uptake of LTP recommendations in the countries of operation and inside the Bank? Do changes appear to be sustainable?**

| 3.1. Evidence of LTP’s recommendations influencing decision making in the Bank | • Evidence of active internal demand for and acceptance of LTP operational contribution, including from key decision makers  
• LTP’s resource allocations are focussing on the most pertinent issues | Interviews with, and survey of, EBRD staff, country/sector case studies, LTP budget and staff structure, project data |
| 3.2. Country and operational lawyers and bankers are aware of the LTP’s work/recommendations in the related areas and are using them in their work | • Specialist EBRD staff acknowledge LTP’s significance for successful delivery of their own work  
• Specialist staff uses LTP’s products/recommendations while preparing core operations’ documents | Interviews with, and survey of, EBRD staff, country/sector case studies, project documents, including documents on related investment operations |
| 3.3. Evidence of the LTP’s knowledge products and processes being used for capacity building in the Bank | • LTP products are used for delivering internal trainings, Policy Academy, specialised events | Internal documents, interviews with, and survey of, EBRD staff |
| 3.4. Policy areas with high concentration of LTP activities see substantial and sustained improvement in a number of countries/regions (Policy Uptake) | • Evidence of qualitative change in policy areas where LTP supported long-term and consistent reforms/changes  
• Policy stalls/reversals are due to country context rather than poor delivery of LTP | EBRD Transition indicators, external data sources (government statistics and international indices), interviews with EBRD staff and external stakeholders, survey of external |
| 3.5. Positive behaviour change could be observed among locals stakeholders | • Stronger codes and practices ensuring rule of law and fair treatment of investors  
• Local stakeholders demonstrating higher degrees of understanding of the need of positive investment climate  
• Existence of partner coalitions in COOs | EBRD Transition indicators, international rankings tracking perceptions/change of practices/behaviour, interviews with EBRD staff and external stakeholders, survey of external stakeholders |
|---|---|---|
| **EQ4:** What are the LTP’s objectives for external collaboration with other institutions and how well has it performed? | 4.1. Effective partnerships and co-ordination with other IFIs, international organisations and donors | • Joint/shared activities and projects in the countries with presence of other international partners with expertise in legal reform, its implementation and capacity building  
• Joint products  
• Sharing knowledge and resources | LTP documents, interviews with, and survey, of external stakeholders, country/sector case studies |
| 4.2. Complementarity in actions with other specialised international partners | • Use of EBRD (diagnostics) products by others  
• Use of others’ (diagnostics) products by EBRD  
• Absence of overlaps between LTP activities and those of other relevant partners in COOs  
• Collaboration in the area of standard setting between LTP and other relevant international organisations (UNCITRAL, IAIS, IOSCO, BIS, OECD,UNCTAD, IMF/WB, etc) | LTP documents, documents of relevant external stakeholders, interviews with, and survey, of external stakeholders, country/sector case studies |
| 4.3. High/sufficient level of satisfaction among LTP donors | • Donors are satisfied with LTP’s work and contribution to delivering Bank’s mandate and their own strategies in respective COOs | Donors’ documents, interviews with donors, survey of external partners |
Annex 6: LTP’s portfolio in the framework of six transition qualities