

Evaluation Summary

Budget support to the forestry sector in Turkey

Country: **Turkey**

Sector: **Forestry**

Evaluator: **Adelante Knowledge and development**

Date of the evaluation: **July 2018**

Key data on AFD's support

Projet number: CTR 1026, 1045 and 1057

Amount: 3 loans of €150 million each and 1 grant of €400,000 for technical cooperation (TC)

Disbursement rate: 100%

Signature of financing agreement: 1st loan: November 2011 – 2nd loan: January 2014 – 3rd loan: December 2016 – TC: September 2013

Completion date: 1st loan: December 2011 – 2nd loan: October 2014 – 3rd loan: December 2017 – TC: June 2018

Total duration: 6.5 years



Context

This budget support was granted in the context of the opening of EU-Turkey chapter 27 pre-accession negotiations and the design of Turkey's National Climate Action Plan after its signature of the Kyoto protocol.

Actors and operating method

The contracting authority was Turkey's Treasury

The technical cooperation was a partnership between the General Directorate of Forestry of the Ministry of Forestry and Water Affairs (OGM) and the Office National des Forêts (ONF).

There was a parallel funding and joint monitoring of this intervention with the European Investment Bank (EIB).

Objectives

To support the implementation of afforestation, erosion control and multifunctional forest management programmes, forest cadastre, geographical information system and to support forest villagers

To enable the development of policies that are compatible with the climate agenda, particularly in the forest sector

To promote France-Turkey bilateral exchanges on forestry

Expected outputs

The implementation of the budget lines corresponding to activities and investments listed above.

Exchanges planned under TC.

Performance assessment

Relevance

Two of the three components of the support (funding and policy dialogue) were not relevant to the objectives of climate change or to the improvement of the forestry sector policies and institutions.

The third component – technical cooperation (TC) – was relevant.

Financing was relevant to the Treasury by funding the Government's budget deficit.

Effectiveness

The programmes were aligned to procedures and policies and had moderate predictability and transaction costs.

They did not contribute to donor coordination, policy dialogue or to improved budget management. They did not contribute to the implementation of sector policies or to the functioning and organisation of the institutions.

The TC provided new know-how, skills and tools and contributed to better intra and inter sector coordination.

Efficiency

The provision of financing was very timely and matched the European Investment Bank (EIB) funding.

The implementation of the grant suffered delays and could have used up more resources.

Sector developments

Key performance indicators in the forestry sector attest to good management resulting in steady increase in forest land, wood production, erosion control and seedling production.

Sustainability

The forestry policy directions are likely to be maintained and their implementation ensured through adequate budget financing.

The TC is likely to outlive AFD's financial support.

Added value of AFD's contribution

Added value was found in AFD's rapid response to the Turkish Treasury's financing request, its consequent positive relationship with the Treasury and the initiating of a more regular and deeper relationship between France's and Turkey's national forestry institutions.

Conclusions and lessons learnt

The programme suffered from a **lack of clarity** of the instrument itself (budget support) and the objectives to be reached.

A last minute change of course during identification was not thought through and contributed to **lack of effectiveness of the programmes and poor policy dialogue**.

Flexibility of the technical partnership made it an effective instrument for cooperation.

Further **reflexion on how to make budget support most effective** in the Turkish context would be welcomed: in particular, ways to **gain adherence or buy-in of the end-beneficiary institution(s)** beyond technical cooperation should be explored. Working at policy level with a sector well known to the AFD (such as energy), with strong affiliations to climate change, could also be investigated.