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Sida Decentralised Evaluation

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Outcome Assessment and Lessons Learnt from Swedish Development Cooperation with Macedonia (1999–2012)

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Abbreviations and Acronyms

ALKA	Association for Local Development and Cooperation; also used as the name of the programme implemented by the Association
AMPEP	Albanian Macedonia People's Empowerment Programme
AREC	Agency for Real Estate Cadastre
BICA	Balkan International Center for Agro Economics
CRD	Civil Rights Defenders
CAD	Children's Aid Direct
CARDS	Community Assistance for Reconstruction, Development and Stabilisation
CeProSARD	Center for Promotion of Sustainable Agricultural Practices and Rural Development
CSO	Civil Society Organisation
EAR	European Agency for Reconstruction
EC	European Commission
EE	Energy Efficiency
EIA	Environmental Impact Assessment
EU	European Union
FASF	Faculty of Agricultural Sciences and Food
FFRM	Federation of Framers in Republic of Macedonia
HR	Human Rights
IAE	Institute of Agriculture Economics
IPA	Instrument for Pre-Accession Assistance
IPARD	Instrument for Pre-Accession Assistance for Rural Development
KEMI	Swedish Chemicals Agency
KtK	Kvinna till Kvinna Foundation
LRF	Swedish Association of Farmers
MAASP	Macedonian Agricultural Advisory Support Programme
MAFWE	Ministry of Agriculture, Forestry and Water Economy
MoEPP	Ministry of Environmental Protection
MOSP	Macedonian Ombudsman Support Project
MSEK	Million Swedish Krona (currency in Sweden)
NGO	Non-governmental organisation
NSSD	National Strategy for Sustainable Development
OFFS	Open Fun Football Schools
OSCE	Organisation for Security and Co-operation in Europe
PBA	Programme Based Approach
REC	Regional Environmental Center for Central and Eastern Europe
REF	Roma Education Fund
RES	Renewable Energy Sources

ABBREVIATIONS AND ACRONYMS

SAA	Stabilisation and Association Agreement
SAP	Stabilisation and Association Process
SCB	Statistics Sweden
SECTOR	Support to Environmental Civil Society in South Eastern Europe
SEPA	Swedish Environmental Protection Agency
SFARM	Support to Framers' Associations in Macedonia project
SLU	Swedish University of Agricultural Sciences
SME	Small and Medium Enterprises
SSO	State Statistical Office of the Republic of Macedonia
STAGW	State Agency for Geodetic Works
UKIM	Cyril and Methodius University in Skopje
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UniCoop	University Cooperation
WEE	Women's Economic Empowerment

Executive Summary

THE ASSIGNMENT

In October 2011, Sida commissioned Indevelop to carry out an “Outcome assessment and lessons learnt from Swedish Development Cooperation with Macedonia (1999-2012)”. The title of this report summarises well the main aim of this study, i.e. identifying results on an outcome level as well as providing a better understanding of what the Swedish Government and Sida could learn from the processes of the last decade’s development cooperation with Macedonia.

The overarching question in this study is “*to what extent and how has Swedish development cooperation been able to support the Republic of Macedonia in preparing itself for European Integration and the EU accession process*”. Sida has disbursed altogether about SEK 700 million to Macedonia between 1999-2011 divided between three sectors; agriculture, democracy and human rights and environment.

APPROACHES AND METHODS USED IN THE STUDY

The overall findings in this report are principally based on the study of 25 major projects. Out of these, four projects have been studied in more depth, as *case studies*. Interviews have been carried with over 80 key informants to obtain both specific and contextual information on the support. We have furthermore, and besides studying specific project related documents for all of the 25 major Sida funded contributions, reviewed a large number of key documents governing the support to Macedonia as well as contextual studies. The findings and conclusions were largely confirmed in workshops in Skopje (April 26, 2012) and Stockholm (May 4, 2012).

KEY FINDINGS

Relevance

Our overall assessment is that the Swedish supported projects within the agricultural sector have been relevant both in relation to the Swedish strategy, Macedonia’s needs as well as relevant to the EU integration process. Our overall assessment is that the great majority of the interventions within the environmental sector have been relevant to the Swedish strategy and interventions have been designed to facilitate the EU accession process. A large majority of the projects within the area of human rights and democracy have been relevant in relation to

the EU-accession process. Also, this support has been the core of Swedish development cooperation policy in general.

Efficiency

According to our interviewees and the analysis of case studies, the Swedish support appears to have been spent rather efficiently. However the picture is somewhat mixed and some projects could have been implemented in a more efficient, e.g. in some organisations too large funds and budgets have 'somewhat distorted the incentive systems within the Macedonian partner organisations and the low level of absorption capacity, particularly among Macedonian governmental organisations, has not been conducive to the efficiency of the support.

Sustainability

There are indications that knowledge and skills on individual and organisational level will be sustained after the support has ended. However, according to our assessment, sustainable results on the societal level remain unclear. Furthermore, the rapid phase out of the Swedish cooperation is likely to influence the sustainability for some specific projects in the Swedish portfolio. The sustainability of the Swedish support to human rights depends very much on the political context in which the civil society operates. The unfavourable environment and intolerance of the Government toward CSOs that are critical of government policies will naturally have an effect on the sustainability

Comparative advantages of the Swedish cooperation

In comparison to other donors, Swedish development support is often perceived by our interviewees as flexible with rather quick decision making processes. Also, the Swedish strategy processes have been transparent and consultative. In comparison to other donors, Sida and Sweden have the big picture in mind during the strategy process and in selecting contributions.

Gender equality and interethnic relations

Sida and the Swedish Embassy have had a rather strong profile on gender in the dialogue with Macedonian partners and stakeholders. However, in order to really make a difference Sida would have needed to be even more strategic, systematic and concrete on how the cross-cutting issues could have been integrated in the contributions as well as followed up in evaluations and monitoring exercises.

Inter-ethnic issues have been integrated in some projects but for the large majority of the projects the interethnic issues have not been properly integrated. It is also generally unclear what effect the Swedish supported projects have had on the interethnic relations in the country. It should, however, be recalled that the overall tendencies within Macedonian politics towards a more ethnically divided society are difficult to change, so even if more concerted efforts had been made it is not certain that outcomes would have been different.

LESSON LEARNT AND AREAS OF IMPROVEMENTS FOR THE COOPERATION

The design and selection of the portfolio

The support could have been more efficient, effective and sustainable if channels and connections of support had been selected more strategically to support Macedonia in its preparation for the EU accession. This could have been done by clearly prioritising elements of support in relation to key challenges in the EU accession process; carefully selecting contributions that mutually reinforce each other; clearly contributing to limited selection of the EU criteria (acquis); and targeting areas where Sweden has specific comparative advantages.

Furthermore, Sida sometimes has an overoptimistic picture of how fast changes can occur. Often development of the attitudes and norms of individuals, organisations and society take more time than expected. Also, some of the projects that were supported had rather unrealistic perspectives. They would have required a more thorough feasibility assessments and more realistically consider external risks and internal resources of the implementing partner.

The use of the evaluation instruments

The overall conclusion is that the evaluation instrument has been underutilised and that the reform cooperation with Macedonia could have been more effective and efficient if Sida and the embassy had made more strategic use of utilisation focused evaluations/ reviews at strategic points in time.

The use of the dialogue instrument to promote change

Sida and the embassy could more clearly and strategically promote a dialogue and interaction between the Sida funded partners and other key stakeholders within key strategic areas. Also, the dialogue could have been more effective if the Swedish Embassy had elaborated clearer strategies and plans on *how* to operationalise general formulated dialogue questions in the country strategies. These plans could then also have been followed up in a more systematic way.

KEY FACTORS FOR SUSTAINABLE EFFECTS

Local ownership and leadership

Projects having a strong local ownership within the management level of the organisation have had clear ideas on how to use the projects to develop and capacitate other parts of the organisation. According to our observations, one often overlooked factor is that it is the engagement, energy and interest of certain individuals that makes change happen.

Equal relationship

Another key factor for sustainable results is that partnerships works best if there is a genuine *mutual* interest to cooperate. The respect and (at least perceived) equality between partners increases the prospects for sustainable results.

Long term horizon

Unlike some other donors, Sida has during the evaluation period had a long term commitment and perspective and, not simply cherry-picked projects according to its own agenda but also listened to the needs and demands of the partners.

THE PHASE OUT OF THE SUPPORT

In summary, the phase out of the Swedish support has so far, and under the circumstances, been carried out in a fairly responsible manner. However, the phase out could have been further improved with additional financial and personal resources at the embassy earmarked to promote the sustainability of the effects, e.g. making it possible to have more in-depth dialogue with partners and stakeholders, additional network meetings between key actors, learning studies/exercises within all areas of support. Also, the phase out strategy could have been further operationalised and divided into specific goals and targets within the three sectors of support.

1 Introduction

The title of this report “Outcome assessment and lessons learnt from Swedish Development Cooperation with Macedonia (1999-2012)” summarises in a clear way the main foci of this study, i.e. it focuses on *identifying results on an outcome level as well as provides a better understanding of what the Swedish Government and Sida could learn from the processes of the last decade’s development cooperation with Macedonia.*

Except for the very early stage, when the focus of Swedish support was to a large extent humanitarian, the cooperation from 2001 onwards has been geared towards promoting Macedonia’s process towards European integration. Hence, one overarching question in this study is: to what extent and how has Swedish development cooperation been able to support the Republic of Macedonia in preparing itself for European Integration and the EU accession process.

The assignment was carried out by Joakim Anger (Team-Leader), Emilia Molnar, Marijana Milevska (local consultant with expertise in sustainable development and environment), Marija Nashkovska (local consultant with expertise in democracy and human rights), Irena Dzimervska and Boban Ilic (local consultants with expertise in agriculture and sustainable economical growth).

1.1 THE ASSIGNMENT

In line with the Phasing-out Strategy 2010-2012, *the overall purpose of the study is to provide Macedonia, Sweden and other cooperation partners deepened insights into the long-term outcomes and lessons learnt from the past decade of cooperation between the two countries with particular emphasis on the three major areas of cooperation – agriculturally based economic growth, democracy and human rights and environmentally sustainable development.*

The evaluation questions and issues in the original ToR were in the inception report formulated as tasks to be carried out in the study. The tasks proposed are drawn from the ToR and include the dimensions, principles and considerations

under the headings of Purpose and Objective and Scope and Review issues in the Terms of Reference¹.

- *Task 1: Describing the a) rationale for cooperation, b) key policies, c) strategic choices d) priorities, e) scope and modalities employed as well as f) dialogue approaches within the cooperation areas between 1999 and 2012.*
- *Task 2: Assessing the overall relevance, efficiency, effectiveness, impact (on outcome level) and sustainability of the country programme as a whole.*
- *Task 3: Identifying and assessing the Swedish comparative advantages in relation to other donor partners.*
- *Task 4: Describing and analyzing the role played by Swedish institutions and other Swedish actors and the possible implications on the European integration.*
- *Task 5: Assessing the relevance of a regional approach and perspective including analysis of interaction and synergies between the three country programs in Albania, Kosovo and Macedonia.*
- *Task 6: Assessing the Swedish approaches and achievements with regard to integrating the cross-cutting dimensions (gender, human rights/ Rights Based approach, interethnic issues and environment).*
- *Task 7: Describing and analyzing the preconditions and future prospects for a sustainable phasing out of the long-term cooperation and assessing the current status of phasing out strategy/plan.*

The primary intended users of this outcome assessment and lessons learnt are the Swedish government and Sida. Also, selected parts of this study should also be of interest for both Swedish and Macedonian implementing partners, including the Macedonian government.

¹ The original ToR is attached as annex 9. Yet for a more accurate description of the agreed scope of the assignment, see Indevelop's inception report from November 18, 2011.

1.2 STRUCTURE OF THE DRAFT REPORT

This final report includes the following sections:

- A summary of the approach and methodology
- The context of the Swedish cooperation and its trends and basic features
- Key findings on outcomes, relevance, efficiency, sustainability and effectiveness
- Special features and considerations of the cooperation
- Assessment of the phase out strategy of the Swedish support and
- Lessons learnt for the Swedish cooperation with Macedonia, what works and what does not and why?

Annexes to the study:

- Annex 1 - Summary of Sida funded interventions
- Annex 2- Case study on the support to the Farmers' Associations in the Republic of Macedonia
- Annex 3 - Case study on building capacity for Macedonian higher education, research and policy analysis in agriculture
- Annex 4 - Decreasing the education gap in Macedonia – Roma Education Fund case study
- Annex 5 - Case study on the support to the preparation of the National Strategy for Sustainable Development in the Republic of Macedonia
- Annex 6 - List of people interviewed
- Annex 7 - Selected references
- Annex 8 - List of people participated in the workshop In Skopje and Stockholm as well as the questions discussed at the workshop/seminar.
- Annex 9 - The original terms of references for the assignment.

1.3 APPROACHES AND METHODS USED IN THE STUDY

The overall findings in this report are principally based on an assessment of altogether 25 major interventions. Out of these, four interventions² have been studied in more depth, as *case studies*.

² To be clear, we refer to development *intervention* as the project or programme of the partner, whereas we define *Swedish contribution* - in line with the Sida terminology (see *Sida at work*, 2005) - as the support provided to the project or programme.

We believe that the scope of the evaluation has been appropriate and feasible and provides a sound basis to identify overall lessons learned and make overall conclusions of the Swedish cooperation with Macedonia. With this broad set of interventions, it has also been possible to draw specific conclusions and lessons learnt from the different areas of cooperation.³

The main elements of the method and sources used are the following:

Interviews with key informants to obtain both specific and contextual information. We interviewed a wide range of persons that have had management and programme officer responsibilities at Sida, the Swedish embassy in Skopje and Ministry of Foreign Affairs, as well as external informants (e.g. other donors) knowledgeable of the Swedish approach, strategies and methods within Reform Cooperation in Europe and its relation to EU accession. We also had interviews with a large number of Swedish and regional actors involved in the cooperation as well as with some of their counterparts. As part of the case studies, *focus group interviews* were carried out with key stakeholders and beneficiaries for the specific interventions. (See Annex 6 for the list of persons interviewed.)

We carried out a *desk review based on a number of key documents*, e.g. Sida country strategies, strategic plans and country reports (1999-2010) project documents and internal reports from project implementers, assessment memos and contracts, evaluation and external monitoring reports of the specific interventions. Also, documents (from the most relevant bilateral and multilateral donors, the European Commission and international NGOs) describing the contextual situation of Macedonia have been consulted. (See Annex 7 for a selective reference list.)

An additional and essential source of information for this study was *the workshop that was held in Skopje April 26 and the seminar in Stockholm May 4, 2012*. The purpose of the workshop and the seminar was to discuss the findings and conclusions of the first draft report as well as collect additional examples illustrating the findings.

Overall, the workshop in Skopje and the seminar in Stockholm confirmed the initial findings and conclusions of the first draft report.⁴ However, the exercises also

³ Note that the case studies are not to be viewed as standalone evaluation reports and should primarily be considered as input to the overall findings and conclusions. The reports have been written by the local consultants/experts based on a *sub terms of references* elaborated by the team leader. These Terms of References is presented in the Inception report of this study.

⁴ A 15 –page summary (which only was used at the workshop/seminar as working material) of the first draft report was sent out to the participants of the workshop summarizing the key finding and conclusions of the study. The main reason for not sending the full report at that time was to provide reader friendly reading and not provide the participants with details of their “own” projects detaching the concentration on the overall picture.

provided additional input and illustrative examples on the findings of the report. They also gave additional information that has been used to more clearly pin-point the lessons learnt and conclusions of this report.⁵

Finally in this process, the *final draft report were distributed to wide range of stakeholders* both in Sweden and in Macedonian having an final opportunity to comment on the report. These comments, foremost factual errors, have been taken into account in this final report.

1.3.1 The selection of case studies

The selection of the case studies was based on the following criteria. The support being analysed should

- a) be provided over a long time enough to be expected that it has generated clear results at the outcome level;
- b) strongly reflects long term objectives and thematic priorities as set out in the strategies for development cooperation with Macedonia;
- c) should provide insights into effectiveness and sustainability of results;
- d) is likely to have generated particular experiences and insights, beneficial for donors and cooperation partners; and e) is of particular interest for joint learning among cooperation partners.

The following contributions were selected as case studies⁶

Support to Farmers Associations in the Republic of Macedonia (SFARM)

The cooperation between the Swedish Federation of Farmers (Lantbrukarnas Riksförbund, LRF) and Federation of Farmers in the Republic of Macedonia (FFRM) aimed to support FFRM to become a professional interest organisation. SFARM had three phases between 2001 and 2010, and currently there is a final support provided to FFRM outside of the SFARM framework. The contribution for the first phase amounted 28,1 MSEK, for the second and third one 42,0 and 28,4 MSEK respectively. The final contribution is 6,0 MSEK. Total 104,5 MSEK, the study concentrated on support to FFRM during the third phase.

University cooperation between the Faculty of Agriculture at University of Cyril and Methodius and the Swedish University of Agricultural Sciences (SLU)

Institutional cooperation between the two universities with the objective to build capacity on Macedonian policy formulation and economic analysis related to the agricultural sector. The contribution for the first phase of the project, 2004-2007, amounted to 10,8 MSEK and for the second, 2007-2011, 11,3 MSEK.

⁵ See annex 8 for information about participants of the workshop and questions that were discussed.

⁶ The final selection of the case studies was made by Sida, in consultation with the Swedish Embassy in Skopje.

Support to the development of National Strategy for Sustainable Development (NSSD)

Support to the Ministry of Environment with the objective to develop a national strategy and an action plan for sustainable development in accordance with EU and Rio convention requirements in the period 2004-2011 with a total contribution of 28,9 MSEK.

Support to the Roma Education Fund (REF)

This support was regional with a total contribution of 20 MSEK to carry out Roma education projects in the Western Balkan countries of Bosnia and Herzegovina, Croatia, Serbia, Montenegro, Kosovo, Macedonia and Albania during the period 2006-2011.

Regarding the case studies, the approach and data collection methods consisted of a desk study of relevant documents, interviews (one-on-one and focus group) with key stakeholders, independent experts and even beneficiaries when applicable. Yet, it should be noted that these case studies are not stand-alone evaluation reports, but rather inputs to the overall findings. (See Annexes 2-5 for the specific case studies).

1.3.2 Other assessed contributions

The review of the 21 interventions (identified as being especially relevant) has been based primarily on document analysis of Sida assessment reports, project documents, internal result reports and external reviews and evaluations. This desk study has been complemented with interviews with Swedish partners and/or implementing organisations. The interventions studied were the following:

	Years	Sector*	No. of contributions	Total contribution (MSEK)
<i>Agriculture and sustainable economic growth</i>				
Macedonian Agricultural Advisory Services Project (MAASP)	2004-2011	Agriculture and forestry	2	57,8
Support to Statistics				
- Agricultural statistics	2004-2008	Democracy, HR and gender equality	1	13,4
- Macedonian-Swedish partnership in statistics	2009-2012		1	9,8
Cadastral Support				
- Strengthening the institutional capacity of STAGW	2005-2009	Democracy, HR and gender equality	1	30,5
- Capacity building for the implementation of the Strategy Plan for AREC	2009-2012	Environment	1	26,4
Credit Guarantee Fund	2002-ongoing	Market development	1	21
Project for continuation and enhancement of Agricultural Credit Discount Fund	2008-2010	Agriculture and forestry	1	1,5
Rural development				
- The Albanian Macedonia People's Empowerment Programme (AMPEP)	2001-2008	Democracy, HR and gender equality	7	29,6
- Projects at ALKA/CAD/ACTED	2001-2009	Democracy, HR and gender equality	3	37,1
				19

		ity and Agriculture and forestry		
Environment and sustainable development				
Local Environmental Action Plans (<i>Regional project</i>)	2004-2011	Environment and Sustainable infrastr. and services	2	11,8
Environmental civil society (<i>SECTOR</i>) (<i>Regional project</i>)	2006-2010	Democracy, HR and gender equality	1	5,5
Chemical Cooperation	2007-2009	Environment	1	4,0
Environmental Protection Agency (<i>SEPA</i>)	2004-ongoing	Environment	1	16,4
Quality and regulatory infrastructure development for food safety	2005-2012	Market development	2	16,7
Sustainable farming and energy practices (<i>Agro-Energy</i>)	2008-ongoing	Environment and Agriculture and forestry	2	14,6
Human rights and governance				
Macedonian Ombudsman Support Project (<i>MOSP</i>)	2005-2011	Democracy, HR and gender equality	2	5,5
Improved interethnic relations				
- Mozaik	2004-2009	Education	2	3,0
- Open Fun Football Schools	2003-2008	Democracy, HR and gender equality	3	3,2
- Triagolnik	2002-2010	Democracy, HR and education	3	15,0
- School of Tolerance	2003-2009	Democracy, HR and gender equality	3	3,1
Support to civil society through Framework Organisations				
- Civil Rights Defenders	2002-2010	Democracy, HR and gender equality	7	32,1
- The Kvinna till Kvinna Foundation	2002-2010	Democracy, HR and gender equality	8	33,8

* Sector classification used in the PLUS system.

A more detailed overview of the contributions is found in Annex 1.

1.3.3 Methodological limitations

The main findings of this study are based on case studies of four Sida projects and a desk review of documentation of an additional 21 Sida funded interventions, as well as a large number of interviews with key persons knowledgeable about the Swedish support. Based on this information the evaluators judge that it is possible to draw overall conclusions on the Swedish support to Macedonia.

However, ideally, in this type of very broad study, further in-depth analysis of Sida financed projects (e.g., as case studies) as well as additional interviews would ensure a higher degree of representativeness and most likely enrich the picture even further.⁷

Although this assessment is based on large amounts of written information from Sida and implementing organisations as well as monitoring reports from external consultant a crucial limitation of this study is the overall *lack of in-depth external* evaluations of projects and programmes supported by Sida in Macedonia. This problem is also discussed under the section of Lessons Learnt

One overall problem assessing effect (particularly on impact level) is the inherent difficulties in attributing the overall developments to Swedish cooperation per se. Therefore the focus in this study has been to assess whether Swedish development assistance has made relevant, effective and efficient *contributions* to identified development results. This specific limitation of assessing results is discussed further in section 3.7.

Furthermore, technical limitations in this assignment include:

- Due to the sheer volume of the documentation, it has been difficult both for Sida to identify the key documents and for Indevlop to screen and organize the documents.
- Some documents have been missing or difficult to find, but surfaced later.
- Incoherence within Sida's internal contribution management system (PLUS system) and that it does not fully correspond to the categories used in other Sida documents or by Sida staff. Furthermore, data from OpenAid⁸ do not always reconcile with data from other sources.⁹
- There has been a general difficulty to assess effectiveness (goal-attainment) largely because the goals formulated have many times been rather unclear and not possible to follow up either internally or by the evaluators.

⁷ Although the scope of the issues to be analysed is similar, the size of this consultancy assignment is very modest in comparison with other recent exit studies/evaluations that have had much longer time-frames and larger budgets, e.g. the Outcome assessment and lessons learnt with Russia, 2009 as well as the evaluations of the support to Vietnam, Sri Lanka and Laos, 2012.

⁸ Web-based information service on Swedish aid built on open government data. www.openaid.se

⁹ The sectors of support used in this report and by Sida in their country strategies and country reports (agriculture and economic development, sustainable development/environment and human rights and social cohesion) are not used in the same way in the PLUS system which is the base of the statistics that have been collected from the system. For example in the country report from 2007 it is claimed that agriculture and economic development absorbed 52,6% of the total disbursements that year. Yet, according to Open Aid far less of the support (28%) was categorized under the title agriculture and forestry.

2 Swedish Development Cooperation with Macedonia

2.1 POLITICAL AND SOCIO-ECONOMIC CONTEXT

The *Republic of Macedonia*¹⁰ peacefully separated from Yugoslavia in 1991 and stayed at peace during the Balkan war in the early 1990s. However, it was seriously destabilised by the Kosovo War in 1999, when over 300,000 ethnic Albanian refugees came from Kosovo, and Macedonia needed international humanitarian assistance.

The country which had already been the poorest and least developed among the ex-Yugoslav republics, also suffered from the legacy of state socialism. Typical problems of a transitional economy were - and to some extent are still - present including low economic productivity, high unemployment, insufficient privatisation, and lack of reliable legal frameworks that could ensure a stable and reliable business environment and attract foreign investment. Structural problems of the economy were further deepened by the loss of traditional markets in the other ex-Yugoslav republics, partially due to the war. After the one-party system ended the political landscape changed radically with the formation of numerous, ethnically homogenous parties representing the country's ethnic Macedonian majority and the Albanian minority.¹¹ All of the competing parties agreed, however, on the need to develop closer ties with the European Union and NATO.

¹⁰ The country's constitutional name is *Republic of Macedonia*. Nevertheless due to the ongoing dispute with Greece over the name of the country (discussed later in this chapter), the appellation *Former Yugoslav Republic of Macedonia* (often shortened as *FYR Macedonia*) is used by many international organisations, including the UN and the EU. Sweden recognizes the country's constitutional name. For the reason of simplicity in this report we refer to the country as *Macedonia*.

¹¹ The key political parties at present are the following: (1) *VMRO-Democratic Party for Macedonian National Unity, VMRO-DPMNE* A central-right party attracting ethnic Macedonian voters, founded in 1990. (2) *Social Democratic Alliance of Macedonia, SDSM* The successor to the communist party of the Yugoslav era. They are seen as moderates who stand for liberal economic policies. (3) *Democratic Union for Integration, DUI* The largest ethnic Albanian party formed in 2002. The party's main agenda is the full implementation of the Ohrid Agreement. (4) *Democratic Party of Albanians, DPA* Ethnic Albanian party with the agenda to increase representation of ethnic Albanians' interest. The party was formed in 1997 by a merger of two previous ethnic Albanian parties. (5) *Liberal Democratic Party, LDP* (6) *New Social Democratic Party, NSDP* Formed in 2005 with the leadership of a former prominent of the Social Democrat. The party has a social democratic ideology. (7) *New Democracy, ND* Founded in 2008 by a former DPA official with the agenda to protect the rights of ethnic Albanians.

In early 2001 an armed conflict broke out by the Kosovo border between Albanian guerrillas¹² and the Macedonian security forces. The insurgent forces called for autonomy or independence for the Albanian-populated areas. The international community was highly concerned over the insurgency. The conflict was ended with the *Ohrid Framework Agreement* signed by the four biggest political parties (two Macedonian and two Albanian) in August the same year. The agreement led to a new constitution that provided the basis for further reforms regarding minority representation and decentralisation. Albanian became an official language in areas where more than 20% of the population belongs to the Albanian minority, and participation of ethnic Albanians in the government institutions as well as in municipalities has since increased. Decentralisation of the public administration including reorganising municipalities¹³ and giving greater local autonomy to ethnic Albanians in areas where they dominate also follows from the Agreement. The year 2001 brought yet another important event for the country: the signing of the *Stabilization and Association Agreement* with the European Community. The Agreement has provided the frame for political dialogue between the signatory parties and for support to national reform processes, including the approximation of Macedonia's legislation to that of the EU. The support of Macedonia's EU accession has become the overall objective of all bilateral member state donors. Similarly, the strategies for Swedish development cooperation with Macedonia have since the early years considered the EU integration as the principal "engine of development" and place all contribution into this framework. In December 2005 the European Council granted Macedonia candidate status but without setting a date for the start of negotiations. A starting date still has not been given due to the long-lasting dispute with Greece over the official name of the country. Greece has a region called Macedonia and they are concerned about a possible territorial aspiration of their Northern neighbour. Furthermore, Greece claims that Macedonia is historically theirs. Similarly, the name dispute is the reason why Macedonia did not get an invitation to join the North Atlantic Alliance at the NATO summit held in Bucharest in 2008. The resolution of the naming conflict is the main political precondition of further accession both to the EU and the NATO.

According to the 2002 census, the population of Macedonia is 2,02 million, out of which 64,2% are ethnic Macedonian, 25,2% ethnic Albanians, 3,9% Turks and 2,7% are Roma¹⁴. The remainder belong to other ethnic categories such as Serb, Bosnjak and Vlach. 40% of the population live in rural areas. In spite of the steady

¹² The armed group was called National Liberation Army and had members both from Kosovo and Macedonia.

¹³ The Law on Territorial Organisation of the Local Self-Government in the Republic of Macedonia was passed in 2004.

¹⁴ Since Roma in the region tend not to disclose their ethnicity in a survey situation because of the stigma they experience, the census under-represents the real size of this minority. Roma NGO representative believe that the actual number of Roma is between 80 and 130 thousand (compared to the 54 thousand from the census data). See *Advancing Education of Roma in Macedonia*, REF, 2007.

economic progress in the past years (with a decline in 2009), poverty is still a crucial problem. 31,1 percent¹⁵ of the population live below the poverty line, absolute poverty is 26,6%¹⁶, and according to a recent UNDP survey, one out of 10 is socially excluded¹⁷ (i.e. not simply economically depressed but also lack access to social services and to civic and social networks). Multi-member households, unemployed, the elderly and those having low level of education are the most vulnerable to poverty. Rural poverty is growing, reflecting declining employment in agriculture, still regional or economic centres have a higher level of exclusion.¹⁸ Out of the ethnic minority groups the Roma are the most exposed to poverty, 89% of the Roma live under the poverty line.

As in other ex-socialist countries, there is limited interest in gender issues in Macedonia. Although the general perception is that the society is quite egalitarian, gender stereotypes represent patriarchal values, especially in rural areas and among some ethnic minority groups. Romani women are highly vulnerable because of the double discrimination they experience.¹⁹ Women are disadvantaged in the labour market and are economically active at a much lower level than men. Women's political participation improved in the mid 2000s as a result of a new election law that prescribes a 30% quota for both the parliamentary and the municipal elections. Still, as many observers point out, the fact that women have decision making positions does not automatically mean that they advocate for women's issues and there are still challenges for Macedonia in the field of gender equality.

The country has a small, open economy. During the past ten years a number of structural reforms were carried out to increase its competitiveness, resulting in a modest economic growth rate. The average real GDP growth reached around 3,7% from 2003 to 2006, accelerated to around 6% during 2007 and to 5% in 2008. Due to the global crisis the country experienced an economic decline in 2009. Currently, the low standard of living, high unemployment, significant level of corruption and the large informal economy are the most critical problems in the country's economy.²⁰

¹⁵ Source: Macedonia in Figures, State Statistical Office, Republic of Macedonia, 2010. The data refer to the year 2009.

¹⁶ Household Budget Survey, 2009

¹⁷ The UNDP "Social Exclusion Survey" was carried out in six countries (besides Macedonia in Kazakhstan, Serbia, Moldova, Tajikistan and Ukraine) and addressed both the drives and outcomes of exclusion. *Beyond transition – Towards inclusive societies*. UNDP Regional Bureau for Europe and CIS, 2011.

¹⁸ See the above referred UNDP study.

¹⁹ *Shadow Report on the Situation of Romani Women in Macedonia -2005*. Roma Center of Skopje, ERRC, Network Women's Programme

²⁰ For further data on the economic performance of the country see the website of the World Bank: www.worldbank.org.mk/

In 2011 Macedonia had a Human Development Index (HDI)²¹ of 0,718 (for comparison in 2005 the HDI was 0,704). The main political agenda is the EU accession process, but the process has effectively been put on hold at the moment because of the name dispute that has clear negative impact on the internal political debates and developments, including inter-ethnic relations.

Currently the ethnic groups live side by side using parallel institutions – seldom disturbing each other but not cooperating either. There is significant hidden tension between ethnic Macedonians and ethnic Albanians.²² Many are of the opinion that although the Ohrid Agreement prevented Macedonia from entering into an ethnic war. On the other hand it divided the country along ethnic lines and further locks it into inter-ethnic division and segregation. In the meantime the current government is busy (re)constructing the Macedonian identity on the basis of the presumed link to the world of antiquity. This nation building project is both a response to Greece and - as many ethnic Albanians perceive it - a threat to the fragile balance of this multi-ethnic society.

2.2 EU ACCESSION PROCESS

Macedonia was the first country in the region to sign a Stabilisation and Association Agreement (SAA) in April 2001 (in force since 2004). An Interim Agreement covering trade and trade-related aspects of the SAA applied between 2001 and 2004, providing virtually free access to the EU-market. The SAA focuses on respect for key democratic principles and the core elements which are at the heart of the EU single market. Macedonia gradually started assuming the core obligations of membership, aligning its legal and economic framework with that of the EU. The main elements of this process are (1) economic reforms to ensure a functioning market economy capable to cope with competitive pressure and market forces within the Union; (2) institutional and legal reforms to ensure democracy, the rule of law, human rights and respect for and protection of minorities; (3) enacting legislation in order to bring national laws in line with the body of European law, the *Acquis communautaire*. The first two points are also known as Copenhagen criteria of EU membership. This process has been guided by the *National programme for the adoption of the Acquis*, a specific instrument that provided details, timetables and costs for the fulfilment of each priority area defined by the EU.

²¹ The Human Development Index (HDI) is a composite statistic used to rank countries by level of "human development", taken as a synonym of the older term [standards of living](#). The HDI is a comparative measure of life expectancy, literacy, education, and standards of living for countries worldwide

²² According to the UNDP study on social exclusion, 46% of young population feels the intensity of ethnic strife. *Beyond transition – Towards inclusive societies*. UNDP Regional Bureau for Europe and CIS, 2011. Pg 32.

The SAA has been serving as the basis for regular political and economic dialogue between the country and the EU. Macedonia applied for EU membership in 2004. In December 2005, the European Council granted Macedonia EU candidate status, but did not set a date for the start of negotiations. The EU provides guidance to the authorities on reform priorities through the Association Partnership (adopted in February 2008).

Key dates in the country's path towards the European Union²³:

June 2000	The Feira European Council states that all countries in the Stabilisation and Association Process (SAP) are "potential candidates" for EU membership
November 2000	Zagreb Summit launches the Stabilisation and Association Process (SAP) for five countries of South-Eastern Europe, including Macedonia
April 2001	Signature of the Stabilisation and Association Agreement (SAA)
June 2003	At the Thessaloniki European Council, SAP is confirmed as the EU policy for the Western Balkans. The EU perspective for these countries is confirmed
March 2004	Macedonia applies for EU membership
April 2004	Entry into force of the Stabilisation and Association Agreement
May 2004	Council requests the Commission to prepare an Opinion on Macedonia's application
December 2005	Decision by the European Council to grant candidate status
February 2008	The European Council adopted the Association Partnership
October 2009	The Commission recommends the opening of accession negotiations

Financial assistance to the accession process was provided first through the Community Assistance for Reconstruction, Development and Stabilisation (CARDS) programme that was replaced by the Instrument for Pre-Accession Assistance (IPA). In the government the Secretariat for European Affairs (SEA), established in 2005, is in charge of the European affairs (and of the donor coordination) headed by the Deputy Prime Minister for Aid. Programming of the EU assistance is coordinated by SEA. After the Macedonian government had established the structure for Decentralised Implementation System for the management of EU funds, the management of IPA was decentralised to the country authorities in 2011. The Ministry of Finance became the contracting authority, having a sole responsibility for tendering, contracting and payment related to projects financed under IPA. Separately, the EU has also conferred the right for managing EU funds in the area of rural development (Instrument for Pre-Accession Assistance for Rural Development - IPARD) to the Agency for Financial Support of the Agricultural

²³ Source: http://ec.europa.eu/enlargement/candidate-countries/the_former_yugoslav_republic_of_macedonia/relation/index_en.htm

and Rural Development. Furthermore in each line ministry there is a special unit for EU projects, resulting that a total number of 460 government employees dealing with EU projects. While the objective of the decentralisation of the management of EU funds is to improve ownership and increase absorption capacity, the complicated and huge system of management (compared to the size of the country) and the uneven capacity among and within the ministries slows down the already cumbersome processes of using the funds.

2.3 TRENDS, BASIC FEATURES AND SCOPE OF THE SWEDISH COOPERATION WITH MACEDONIA

2.3.1 The start up of the cooperation

Swedish development cooperation with Macedonia was initiated in 1999, following the Kosovo crisis and initially had a strong humanitarian focus. Macedonia, being neighboring country to Kosovo, experienced a strong refugee flow that created a risk of increased political and social instability. In addition, the country suffered from a serious economic decline due to the loss of its previous markets and lack of investments. High level of unemployment, widespread poverty and ethnic tensions between the Macedonian majority and minorities – above all between Macedonians and Albanians – and a relatively large rural population characterised the society.

According to the *Strategy for aid to Kosovo and the surrounding region, in the short and medium term* (1999), the objective of the cooperation in the region was to meet the immediate humanitarian needs, promote peaceful development and secure repatriation, strengthen democratic development including institutional development and support to civil society, and finally create preconditions of a socially sustainable market economy and sustainable economic growth.

The guiding principles of Swedish support according to the strategy were:

- Long-term and regional perspective
- Flexibility to meet the upcoming needs
- Conflict prevention perspective
- Building on and making use of local resources
- Using already established channels for planning and implementation
- Humanitarian aid and development cooperation should be harmonized as much as possible
- Strong Swedish presence in the region
- Involvement of Swedish resources (organisations, companies, institutions)

In 1999 the amount of the Swedish support was 8, 34 MSEK. Out of that, 65% was devoted to humanitarian assistance channelled mainly through non-governmental and multilateral organisations.

2.3.2 The first strategy period, 2000-2002

The first long-term strategy for development cooperation with Macedonia covered the period 2000-2002 and aimed at poverty reduction through – similarly to the regional objectives – the promotion of stable peace in the region, democracy and respect for human rights, and socially sustainable market economy capable to generate sustainable growth. The need for humanitarian assistance decreased and gave space for interventions with a more long-term objective.

In the country strategy support to the public administration at the central and local level was highlighted as priority sector. However, weak political commitment to reform from the Macedonian side combined with the widespread corruption in the country prevented the implementation at the institutional level. Instead, support in this period focused on the strengthening of grass-root democracy. Sida support for human rights and democracy was mainly channelled through framework organisations and a large part of the programmes in this sector reflected a regional approach. The fact that agriculture generates over 10 percent of Macedonia's GDP and provides employment and income for people living in rural areas (about 40 percent of the total population) served as the rationale for programmes to support agriculture. Some of the programmes initiated in this period were extended in the following years. Private sector development was yet another field where Sida was active financing a large project supporting small and medium-size enterprises. For example, some of the large rural development projects and as well as the support to Support to Farmers Associations (SFARM) started already during this strategy period.

In these years the development cooperation was multifaceted, while in the later period a clear intention to concentrate emerged.

In 2000 the Swedish support to Macedonia increased only slightly compared to the previous year to 11,5 MSEK while reaching roughly 60 MSEK in the following two years.

2.3.3 The second strategy period, 2003-2005

In the second strategic period Swedish development cooperation had a more long-term focus and, concentrated on fewer areas. Since Macedonia signed the SAA in 2001, the Stabilisation and Association Process has provided the framework for Swedish bilateral support. Within this framework the following specific objectives were identified:

- The promotion of lasting peace and stability.
- The promotion of democratic society under the rule of law and the integration of all ethnic groups.
- The promotion of a socially sustainable market economy capable of generating sustainable growth and reducing poverty.

The objectives were basically the same as those of the previous strategy, except that there was a clear intention to highlight that democratic development should not exclude ethnic groups. This was a clear response from Sweden to the 2001 ethnic conflict and the Ohrid Peace Agreement that closed it. The Ohrid Agreement is considered to be a landmark in the ethnic relations of Macedonia and its

implementation has been closely followed by the international community. The agreement decreased interethnic tensions and resulted in the new constitution acknowledging minority rights. A significant outcome of the agreement is decentralisation, a process that is still ongoing.

Yet another new element in the strategy is that it includes the requirement of taking into consideration gender and environmental perspectives when analysing and planning programmes and projects.

Besides supporting the SAP to assist integration with Europe, other new items were added to the list of guiding principles such as:

- Giving attention to the endemic features of corruption
- Combining long-term approach and flexibility
- Integrating dialogue with partners and involvement of various actors into the development cooperation, and
- Promoting donor coordination.

The long-term core sectors identified for the cooperation were a) democratic governance (both strengthening democratic institutions and civil society actors), b) economic development (with a strong focus on agriculture), and c) environment as a new core sector. It is during these years where many of the current Macedonian partners were identified and projects initiated, for example NSSD, Unicoop, Cadastral support, support to the statistics and most of the human rights initiatives. In the period Swedish development assistance amounted to an average of 60 MSEK per year.

2.3.4 The third strategy period, 2006-2010

The strategy covering the period 2006-2010 continued to concentrate on the above listed long-term core areas of cooperation wherein *Agriculture* - considered to be the dominant mean of economic development and of high importance in the EU integration process - crystallised as the main focus area. The support to *Human rights and social cohesion* and to *Environment* was considered to be supplementary. Projects in the area of Human rights and social cohesion were or started to be phased out. However, the environment portfolio became stronger (and better balanced, covering central and local levels as well as civil society).

The change in the strategy, namely concentrating on one strategically chosen sector, narrowing down the portfolio and avoiding overlapping, reflects the change in the Swedish approach in general that emphasises aid efficiency. By focusing on one area greater efficiency and a stronger impact were expected. During this strategic period it was made clear that Sweden aims to contribute to poverty reduction by supporting Macedonia's aspiration for EU membership. The strategy was elaborated just after the European Council's decision to grant Macedonia candidate status. In the Agriculture sector Sweden had already been active and managed to establish channels of cooperation, meaning that within the sector Sweden had comparative advantage. In addition to this, restructuring the agricultural sector in accordance to EU requirements has been a strict precondition of the accession process, thus extremely important for Macedonia.

It was also stated in the strategy that bilateral support has to “supplement and pave the way for activities financed by the EU and other aid donors”. Consequently, more intense donor coordination was urged. Other donors, too, focused their assistance on areas highly relevant to the integration process and there was a risk of overlapping and even competition.

2.3.5 Phasing-out strategy, 2010-2012

After almost one year of preparation, the *Phase-out Strategy for Development Cooperation with Macedonia* covering the period 2010-2012 was adopted by the Swedish Government in August 2010.

The strategy process that started during the autumn of 2008 was originally planned to cover 2010-2014. Due to internal political reasons in the Swedish government the process stopped some weeks before the planned country meeting in April 2009. This was followed by months of uncertainty until a formal decision to phase out reform cooperation came in August 2009.²⁴

In line with the objectives for Swedish Reform Cooperation in Europe, the overall objective of Sweden’s cooperation with Macedonia during this period is continued development of closer relations with the European Union, strengthened democracy and equitable and sustainable economic growth. According to the strategy, cooperation is to be continued in the three current sectors:

- Agriculture and forestry
- Democracy, human rights and gender equality
- Sustainable social development²⁵

The principle objective of the phase out process is to conclude reform cooperation in a responsible manner promoting and safe guarding long-term sustainable outcomes. Compliance with and fulfilment of agreements already entered into, ownership, responsibility and long-term sustainable solutions, as well as measures to promote alternative donor roles and financing are listed as particularly important aspects of the phase-out.

With regard to aid exit justification, the termination of cooperation with Macedonia was decided in light of the expectation that the accession negotiations were to commence shortly. However, in December 2009 the Council of Ministers postponed granting Macedonia a starting date for accession negotiations. The reason is the long-lasting dispute with Greece regarding the constitutional name of the coun-

²⁴ See also section 5.4

²⁵ Note that the appellation of the sectors has changed compared to the earlier periods.

try. It is not clear though why this continued obstacle to starting negotiations was not foreseen after the events of the Bucharest summit (2008).

According to the strategy the total volume during the phase-out period will amount to approximately 80 million SEK.

2.3.6 Modalities and implementers

The dominant form of Swedish support in Macedonia has been project based, involving many Swedish partners. From 2006, as discussed above, there has been a clear attempt to concentrate on fewer sectors and prevent the fragmentation of support by shifting to a smaller number of larger projects. No budget support has been applied in Macedonia. In the 2006-2010 Strategy the argument for not using budget support was that the EU pre-accession funding was expected to target the state sector and that there was a high risk of corruption. In the first part of the 2000s there was a considerable lack of donor coordination, but in the second part of the decade donors engaged to support the EU integration process finally found each other and started to work together more strategically. In the latter part of the last decade, Sida took part in a joint working group to discuss and support the introduction of a programme based approach (PBA). This resulted in an Action Plan to introduce the PBA concept in the six selected key areas of cooperation adopted by the government in 2009. Nonetheless, by that time most of the participating donors had either phased out or had decided to phase out their cooperation. Since Sida did so as well, the remaining donors have not moved towards any joint financing arrangements (For details on PBA see section 2.4).

The Sida supported projects were implemented by different types of actors:

- *Swedish civil society and interest organisations* as implementing partners. Civil society has been supported mainly through Swedish framework organisations (e.g., Kvinna till Kvinna, Civil Rights Defenders and Olof Palme International Centre) present in the field and *Swedish interest organisation* such as Federation of Swedish Farmers.
- *Swedish authorities or institutions* (e.g., Statistics Sweden, Swedish Chemicals Agency) holding a framework agreement with Sida have planned and implemented both local and regional projects
- *Swedish research and education institution* (e.g., Swedish University of Agricultural Sciences)
- *Intergovernmental organisations* (OSCE) and *UN agencies* (UNICEF).
- Support through *regional organisations or funds*. E.g., the support to decrease educational inequalities for the Roma through the Roma Education Fund; support to environmental civil organisations through the Regional Environmental Center.
- *Private and publicly owned consultancy companies* were contracted for both specific assignments to provide technical assistance, conduct monitoring or evaluation missions and for implementing projects (e.g., the Macedonian Agricultural Advisory Support Programme).

2.4 SWEDISH DEVELOPMENT COOPERATION IN RELATION TO THE DONOR COMMUNITY

The main bilateral and multilateral donors

Donors arrived to Macedonia with a humanitarian and security focus that later was converted into more long-term development cooperation, though with a strong donor driven nature. Similar to Sida's approach, the modality used was mainly project-based targeting various sectors. With Macedonia's aspiration for EU membership most donor assistance, especially, but not exclusively, those of member states, became increasingly focused on supporting the accession process. USA, the Netherlands, Germany, Japan, Switzerland, China and Sweden have been the largest bilateral donors.

Bilateral donor	Gross ODA (09-10 average)*	Total assistance**	Main focus areas
United States	25 mUSD	394,4 mUSD	Democracy and governance, with focus on rule of law Accelerated economic growth Education Strengthening the capacity of local organisations and individuals to carry out democratic reforms
The Netherlands	10 mUSD	148,7 mEUR	Private sector development Education (structural reform, equal educational opportunities, tertiary education and fellowship) Defence sector Public finance management Good governance Trade stimulation Gender equality
Germany	17 mUSD	139,0 mEUR	Sustainable economic development (in connection to the EU accession process) Social infrastructure Environment (drinking water supply and wastewater disposal, environmental protection)
Japan	25 mUSD	119,7 mEUR	Health (Health sector development and health infrastructure) Reconstruction Disaster management Environment (Waste management and water supply)
Switzerland	11 mUSD	79,8 mEUR	Democracy (legislation, democratic participation and civil society, decentralisation) Environment (environmental protection, water supply and sanitation) Market development
China	n.a.	74,5 mEUR	Construction of hydro power plant Renovation of schools and supply of school busses (Note: total 3 projects)
Sweden	8 mUSD	62,4 mEUR	Democracy and human rights Agriculture, market development and sustainable economic growth Environment

* Source: OECD-DAC aid statistics www.oecd.org

** Source: Central Donor Assistance Database <http://cdad.sep.gov.mk>

From among the multilaterals the European Commission, the World Bank (with its programme to support economic competitiveness, and inclusive and sustainable growth) and the UNDP (focusing on good governance, social inclusion, energy and environment, public policy issues) have been the main actors.

The EU financial assistance was first provided through the CARDS programme focusing primarily on legislation and institutional capacity building, and later through IPA²⁶ supporting the accession process. Within the IPA programme 622 million EUR is provided for the period 2007-2013. However, due to low level of absorption capacity, structural weaknesses, the lack of capacity in the line ministries and the complexity IPA procedures only half of this amount has been contracted by January 2012.²⁷

Donor coordination

The period between the late 1990s and 2007 was characterised by a relatively low level of donor cooperation and lack of capacity from the government side to have a leading role in coordinating external assistance. Until 2006, coordination and information sharing between EU member states was handled by the European Agency for Reconstruction (EAR) which opened their office in Skopje in 2002. All member states, as well as some non-EU states (Norway, Switzerland), have been supporting Macedonia in the EU integration process as the main objective of their cooperation. EAR's role was gradually handed over to SEA, the government body in charge of European Affairs and donor coordination. The EU and the World Bank, as well as some bilateral donors, had ambition to, in line with the Paris agenda²⁸, foster donor harmonisation and the ownership of the Macedonian government. Sida was among the active supporters of this process.

After an almost two-year long preparation, a more Programme Based Approach (PBA) was introduced in five areas identified as priority sectors for donor assistance channelled through the Macedonian government. These priority sectors were: (1) Business environment, competitiveness, innovation; (2) Human capital; (3) Agriculture; (4) Environment and (5) Good governance. Institutional structures for implementation, including sector working groups, were established and basic principles were agreed by the donors and the government. Sweden offered and was accepted as the co-chair of the agricultural group (together with USAID) and be-

²⁶ IPA is designed with five components: (1) Transition assistance and institution building (2) Cross-border cooperation (3) Regional development (4) Human resources development (5) Rural development.

²⁷ One challenge for Sweden is also to influence IPA to become a more effective and relevant instrument, see section 5.5 for a further discussion.

²⁸ Note that Macedonia is not signatory of the Paris Declaration.

came a member of the environmental working group. The fact that Sweden had no representation in the working group on good governance indicates its withdrawal from the field of democracy and human rights, which had been the main focus area before. PBA in Macedonia was from the beginning, a kind of experiment. The approach has its origin in developing countries and Macedonia is the first country to explicitly link PBA to the EU accession process.²⁹

In spite of the initial ambitions, the PBA process never took off and functioned as it was planned, due principally to the following reasons:

- Implementation of a PBA presupposes long-term commitment from both the government and the donors. Most of the donors have never considered Macedonia to be a long-term cooperation partner due to the fact that it is a transitional country, aspiring for EU membership. By the time the institutional structure for implementation was ready most of the donors had decided to phase out making this donor coordination mechanism oversized and relevant.
- Some donors, like the EU delegation in Macedonia, are not a normal “donor agency” and not in tune with the approaches applied in development cooperation in the South (e.g. Paris declaration).
- There is a varied degree of capacity among the line ministries to really take the lead in the process. Some ministries turned out to be less capable to exert ownership while others have sufficient capacity. Successful implementation is very much dependent on the leadership and culture within each ministry.

Still, the Multi-annual Indicative Planning Document (MIPD) for 2011-2013 was planned and negotiated with EU on basis of PBA, mainly implying that EU has taken on a more central role as the main donor counterpart to the Macedonian government.³⁰

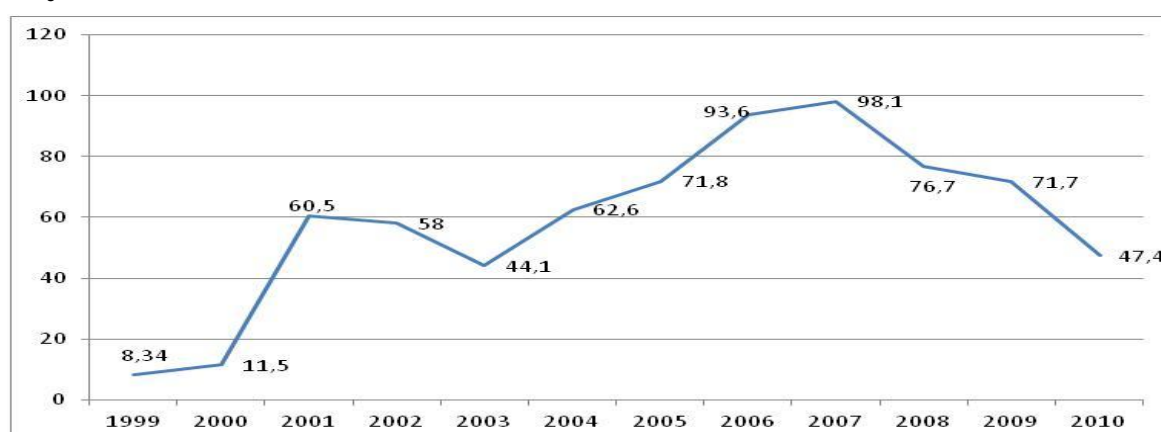
²⁹ Application of the “Programme-based Approach” concept for management and delivery of external assistance in Macedonia. Guiding Principles. Prepared by the joint donor coordination working group – February 2009.

³⁰ Yet, the PBA is mentioned in MIPD 2011-2013 but only in one sentence stating that the Commission will more increasingly use more sector-based logic or programme-based approach where the selected priorities span across sectors in its planning of pre-accession assistance.

2.5 SWEDISH DEVELOPMENT ASSISTANCE IN NUMBERS

As the graph below shows, after the first two years (which can be seen as inception period), development cooperation with Macedonia was consolidated amounting around 60 MSEK per year for a four-year period (with the exception of the year 2003 when it was 44,1 MSEK). Then Swedish support increased reaching its peak in 2007 with an amount of 98,1 MSEK. The past three years – reflecting the intention of phasing out - are characterised by a decrease of disbursement of funds.

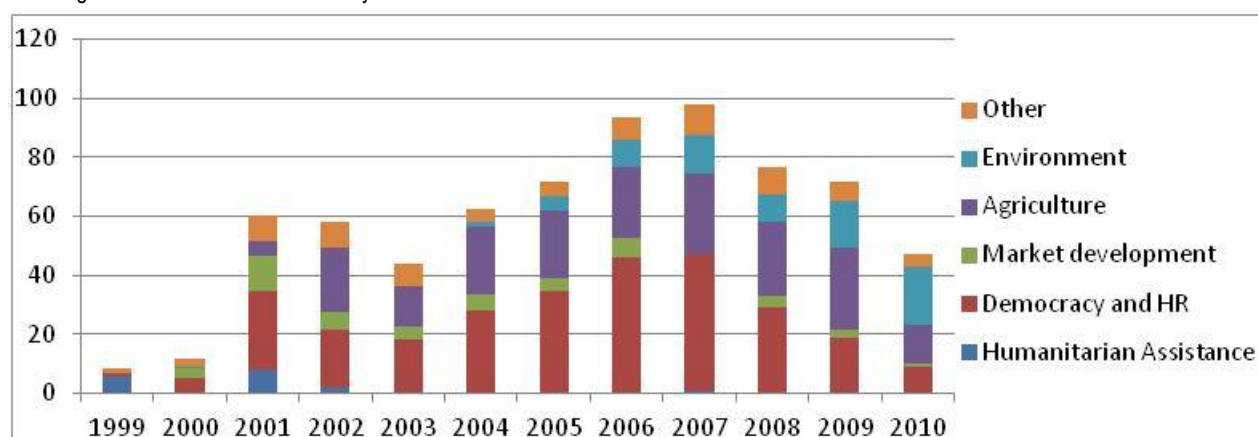
Figure 1 Total Swedish disbursements 1999-2011



Composition of the Swedish contribution

Within the composition of the Swedish contribution, there was a gradual rearrangement among the three main areas. While *Democracy and human rights* was dominant until 2008, *Agriculture* gained an increased share during the years becoming the main focus area for the last period. *Environment*, too, significantly increased its share.

Figure 2 Swedish disbursements by sector



2.6 THE INTERVENTION LOGIC OF THE SWEDISH SUPPORT TO MACEDONIA - THEORY OF CHANGE

In the first years of the Swedish development cooperation with Macedonia, Swedish support was spread across various sectors. From 2005, however, it became more focused on the three strategically selected areas (as discussed earlier in this chapter). Although there were some changes regarding how the strategies and Sida in practice defined the name and the content of the focus areas, these were basically the following: (1) Democracy and human rights (2) Sustainable economic growth and agriculture (3) Environment. At the end of the period under review, Agriculture had become the dominant area. In this section we attempt to reconstruct the intervention logic of the Swedish support that took form during the second part of the last decade. Furthermore, since 2007 the Swedish *Reform cooperation with Eastern Europe* has specific objectives and since then not governed by the general aims of development cooperation which further emphasised the focus on EU accession.³¹ The three main objectives of the Reform Cooperation are

- strengthened democracy
- equitable and sustainable development
- closer ties to the EU and its basic values

The support to Macedonia for most of the evaluation period has focused on promoting Macedonia's accession to the European Union assuming that poverty reduction - the overall objective of the Swedish development cooperation – will be achieved by supporting Macedonia in the EU accession process. This perspective became even more emphasised when Macedonia reached candidate status in 2005. The main reason for supporting Macedonia has more concretely been to assist Macedonia to reach the following criteria, set by EU.

- a) *Political criteria* for membership which require stability of the institutions, guaranteeing democracy, the rule of law, human rights and respect for the protection of minorities
- b) The *economic criteria* for membership, which states that membership of the union requires the existence of a functioning market economy to cope with competitive pressure from other members of the union
- c) The *capacity to assume obligations of membership*, i.e. the *acquis* in the treaties, legislation and policies of the EU

³¹ Although poverty reduction is not an explicit aim of the European reform cooperation, the specific aims are believed to contribute to an improved welfare for its citizens. See the Swedish government Spring budget Bill, 2007

The Swedish country strategies and operational plans have not specifically targeted the cooperation in relation to the specific criteria to be fulfilled under the EU accession. However, based on the overall goals of the projects in the portfolio we can reconstruct which criteria and aspects of the *acquis* have been targeted by the Swedish support. The support to *agriculture and economic development* is primarily dealing with the economic criteria and Chapter 11 (agriculture and of the rural development) and chapter 18 (statistics). The support to *environment and sustainable development* has principally focused on the overall policy of EU on sustainable development, chapter 27 (environment), chapter 15 (energy) and chapter 12 (food safety). Finally, the support to democracy and human rights is essentially based on the political criteria (e.g., the protection of minorities, women's rights and gender equality, anti-discrimination) and chapter 23 (judiciary and fundamental rights) and chapter 26 (education and culture).

The idea of using the EU integration process as a linchpin of the Swedish bilateral support has been built on the following overall implicit *assumptions*:

- The European integration process follows a predefined path and the current member states are open to accept new members;
- Greece and Macedonia would settle the dispute about the official name of the country in a short time; and
- There is a strong political will among the Macedonian politicians to move closer to EU according to the set criteria.

Based on the current trends, the concluding chapter will provide a general assessment and outlook for sustainable effects of this approach and methodology.

2.7 SECTORAL CHANGE PROCESSES AND CONTEXTUAL CHALLENGES FOR THE SWEDISH SUPPORT

2.7.1 Democracy and Human Rights

Support to democracy and human rights to help the democratic and peaceful development of the country and in a broader sense, of the whole Balkan region have been considered highly relevant among the international donors.

Main *challenges* in the field of democracy and human rights at the beginning of the cooperation were:

- Weak administration and judicial capacity
- Politicised administration, lack of professional and merit-based transparent administrative system
- Tense ethnic relations, and ethnic divergence
- High inequalities between women and men in socio, economic and political gains
- High level of corruption
- Low level of proficiency in the media combined with limited independence
- Weak civil society

Challenges specifically related to the EU accession (relevant for the Swedish co-operation from approximately 2005):

- Need to align the legislation with the *acquis*. Lack of capacity for implementation and efficient enforcement of new legislation

Changes and the current situation

Besides all the progress the country has made, there is still a serious *lack of transparency and accountability* at all levels of decision making, and there are few checks and balances in the system. The quality of public finances has not improved significantly. Lack of transparency is most apparent when it comes to public expenditures and funding of political parties.³²

Corruption continues to be a serious problem.³³ Although a legal framework for an anti-corruption policy has been established, implementation is slow and corruption remains prevalent in many areas. It undermines efficiency and has a negative impact on public trust. Positions in the public sector are filled on the basis of political commitments or party affiliations rather than on merits. Consequently citizens do not trust formal institutions, but tend to rely on personal connections and informal channels.

In spite of the fact that significant progress has been made in the *judicial system*, the independence of the judges has yet to be sufficiently strengthened. Also, the quality of the justice is poor in country.³⁴

Decentralisation is a basic principle of the Ohrid Framework Agreement and necessary laws have been adopted to transfer responsibilities from the central level to the municipalities. However, this process was not combined with a comprehensive fiscal decentralisation. The result of this is that many municipalities are not provided with adequate resources to fulfil their duties. The current fiscal system reinforces existing inequalities, rural and small municipalities with weak finances are unable to deliver basic public services.³⁵ Weak financial management capacity and lack of transparency further aggravate problems at the local level.³⁶

³² See *The Former Yugoslav Republic of Macedonia 2011 Progress Report*, Commission staff working paper, European Commission, 2011 and the reports of Transparency International.

³³ According to Transparency International's study in 2003 70% of the respondents were on the opinion that the political life is very significantly affected by corruption. According to data from 2010 judiciary, civil servants and political parties are perceived as the most corrupt. *Global Corruption Barometer 2003 and 2010*. Transparency International.

³⁴ *The Former Yugoslav Republic of Macedonia 2011 Progress Report*, Commission staff working paper, EC, 2011.

³⁵ See *Beyond transition – Towards inclusive societies*. UNDP Regional Bureau for Europe and CIS, 2011.

³⁶ Study of the corruption in the Republic of Macedonia and diverse approaches to fight against it. Sida,

Civil society The number of civil society organisations increased significantly from 1990 to 2010, however, the impact of the CSOs on social concerns and policies is limited and civic engagement is low.³⁷ The CIVICUS study³⁸ suggests that civil society over the past years had notable influence over the policies related to the protection of human rights and decentralisation. In general CSOs have also showed that they have capacity to raise funds from diverse sources. Nonetheless, civil society organisations have been and still are heavily dependent on foreign donors since in Macedonia there are basically no member-based civil organisations that could maintain basic operations from membership fees. Most NGOs can therefore be described as donor-driven, which has led to the present situation where there are very few NGOs active in the field of environment partly because of the lack of funding in this area. It is obvious that finances will be the main challenges with the withdrawal of the traditional bilateral donors. The system for allocation of state funds to NGOs is far from being well-functioning and decisions on funding are not transparent and are perceived to be made based on the political affiliation of the organisation rather than on any other criteria. It is not surprising that in such circumstances there are few CSOs acting as watchdogs. Observers also note that there are indications of backsliding as critically oriented CSOs become targets of public attacks launched by politicians and officials of political parties.³⁹ There is also a fear of abuse of the soon incoming EU funding that will be distributed through state administration bodies.

As for the *media* there are also clear signs of backsliding. The latest EU progress report states that lately “many editors and journalists have faced increasing undue political pressure and intimidation. In this context, journalists and editorial policies are easily influenced, resulting in widespread self-censorship.”

2.7.2 Economic development and agricultural sector

The transition from state socialism to a market economy has demanded enormous changes in regulatory frameworks as well as institutional capacity to fully implement regulations and laws. Low levels of competitiveness, high unemployment, limited access to investment capital, insecure property rights as well as corruption and a relatively large informal economy were among the most serious problems to be addressed. Business environment is a key accession partnership priority and most of the donors were active to a larger or smaller extent in this area.

2009 (Un-published document)

³⁷ Civic Engagement – Long Road to Go. CIVICUS Civil Society Index for the Republic of Macedonia. Macedonia Center for International Cooperation, 2011.
https://www.civicus.org/images/stories/csi/csi_phase2/macedonia%20acr%20final.pdf

³⁸ Ibid

³⁹ One outstanding example is the case of the Executive Director of the Open Society Institute who has been found guilty by the Lustration Committee of collaboration with the former Yugoslav State Security Service.

Within the Swedish development cooperation from 2006 onward, agriculture was identified as the main focus of the support for socially sustainable economic development. Agriculture is a traditional branch of the Macedonian economy. The climatic conditions are favourable for agricultural production and the country is rich in natural resources.⁴⁰ Agriculture production contributes 11% to the national GDP. If food processing activities are also considered, the agribusiness share has even higher rate in the GDP. In addition to this, over 40% of the population live in rural areas, and around 18% of the labour force is tied to agricultural production.⁴¹ More than 80% of the land belongs to private farms. Small family-based farms are typical: more than 40% of the farms are smaller than 2 hectares.

Main *challenges* in the agricultural sector at the beginning of the cooperation were:

- Land fragmentation
- Low productivity and low competitiveness, especially among small and medium entrepreneurs
- Poor product quality and standardisation
- Lack of democratic interest organisation representing farmers
- Difficulties to cope with the emerging and sometimes overwhelming EU requirements and regulations.
- Limited access to finance

Challenges specifically related to the EU accession (relevant for the Swedish co-operation from approximately 2005):

- Need for new legislation in line with EU requirements
- Need for a national strategy on agricultural and rural development, as well as need for increased capacity for implementation
- Need for appropriate subsidy support policy
- Lack of quality government services

Although Macedonia's economy moved steadily forward during the past decade and the legal system for a functioning economy is now in place, institutional capacity is still weak and there is a considerable weakness in the judiciary, which is characterised by slow procedures, insufficient resources and unreliable enforcement of contracts. The prevalence of corruption continues to adversely affect the business environment.⁴²

⁴⁰ Out of the total land area of Macedonia agricultural land comprises around 50% that is almost equally distributed between cultivated land and pastures. Macedonia exports fruit, vegetables, lamb meat, wine and tobacco. However, the country is a net food importer.

⁴¹ Source of data: *World Bank – FYR Macedonia Partnership Country Programme Snapshot*, September 2011.

⁴² See *The Former Yugoslav Republic of Macedonia 2011 Progress Report*, Commission staff working paper, European Commission, 2011.

2.7.3 Environment sector and sustainable development

The country started its independence with a severely polluted environment, a number of very hazardous industries, without environmental legislation suitable for the circumstances at that time, and low level of public awareness on environmental issues. By signing the SAA and aspiring for EU membership, Macedonia committed itself to harmonising its national environmental legislation with EU standards. Nevertheless the incorporation of the environmental *acquis* into national legislation has represented a particular challenge for the country.

Major challenges in the environmental sector at the beginning of the cooperation were:

- Lack of institutional capacity and management knowledge to prepare and enforce legislation as well as lack of administrative capacity to implement reforms both at the national and at the local level;
- The presence of trans-boundary environmental problems;
- Weak protection and management of natural resources; unsatisfactory waste and chemical management;
- Limited public awareness and interest in environmental issues;
- Polluting heavy industry from the ex-Yugoslav era; and
- Limited political interest and commitment to addressing climate change despite relatively high levels of vulnerability.

Although some progress has been made, the area of environment is still lagging behind in the harmonisation process. According to the latest EC progress report “very little effort was made to strengthen the administrative capacity for implementing and enforcing environmental legislation, which remains largely insufficient, both at national and at local level.” The report also states that “administrative capacity as well as technical and financial resources need to be considerably strengthened in order for the country to be able to align with, and implement, all the requirement of the EU climate change policy and legislation”.⁴³

⁴³ *The Former Yugoslav Republic of Macedonia 2011 Progress Report*, Commission staff working paper, European Commission, 2011.

3 Key Findings

The assessment of the outcomes, relevance, efficiency, effectiveness and sustainability is mainly based on the findings of the actual interventions that Sida has supported over the years. For the evaluation criteria such as outcome/effectiveness, relevance and sustainability we have made a distinction between different areas of cooperation. For efficiency these findings have been merged. For more information on specific projects, see the case studies (in Annexes 2-5) and the summary of the remaining projects (in Annex 1).

3.1 RELEVANCE

When assessing relevance we have mainly assessed whether the Swedish cooperation has been relevant (1) in relation to the needs for Macedonia to prepare itself for the EU accession process according to the criteria set by EU and (2) in relation to the goals of strategies of Swedish development cooperation.

It should be noted that some of the projects within this sector started already before Macedonia became a candidate country of EU and have thus been governed more by overall criteria for Swedish development cooperation, e.g. poverty alleviation and perspectives on the poor.⁴⁴

3.1.1 Agriculture and sustainable economic growth

The Swedish country strategies have, as described above, focused on the agricultural sector, partly because of the relevance according to the EU accession process but also because of the fact that large proportion of the citizens are active in this sector and agriculture provides a central component of their livelihoods. Also, the Macedonian government considers development of the agricultural sector as a key sector for further overall development of the country. The fact that the poverty is widespread among farmers has been a key argument for Sweden involving itself in this sector.

⁴⁴ It should also be noted that the assessment of the relevance have taken its departure from the actual Swedish portfolio within the three main sectors of support and *not* in contrast to what could have been an even more relevant selection of contributions at the time of decision. See section 5.2.1 for a further discussion on how Sida could have made the support more relevant in relation to the EU-accession agenda.

In comparison to other donors⁴⁵ the support to agriculture has been broad and rather ambitious covering key institutional development issues such as organisation of farmers, agricultural advisory services, as well as university cooperation to develop capacities for the formation of agricultural policies. The interventions within this area have covered certain niches, and the contributions have, according to our informants, been complementary to each other, with relatively few overlaps between the different projects. Our overall assessment is that all of the interventions within this sector have been relevant both in relation to the Swedish strategy and in Macedonia's needs since interventions within this area have been designed to facilitate the EU accession process (particularly chapter 11, but also promoting the economic criteria). Also, funding to agriculture has been complementary to the EU support within this area (where not many other bilateral donors have been engaged).

More specifically the support to *FFRM* through *SFARM* and the *Macedonian Agricultural Advisory Services Programme* (MAASP) dealt with creating a more competitive agriculture under the economic criteria relating to the chapter 11 on agriculture. However, these contributions were not specifically geared towards a specific component of the *acquis* in the EU accession process.

The support to the development of a sustainable agricultural statistics system (through SCB) is very much in line with chapter 18 that covers statistical infrastructure based on principles such as impartiality, reliability, transparency, confidentiality of individual data and dissemination of official statistics. These issues have been areas in focus of the Swedish support through SCB.

Credit Guarantee Fund and the *Agricultural Credit Discount Fund* are geared towards the criteria of economic development, but not clearly related to the EU accession agenda.

Cadastral Support/AREC support is relevant to both the economic criteria as well as chapter 23 on fundamental rights, most specifically related to *property rights*. More specifically the Cadastral support /AREC has supported the EU accession process through the so called INSPIRE directive providing clear requirement for the cadastral system.

More concretely the support to the EU accession process of Macedonia has had the following focus:

- *The preparation of Laws and secondary legislation* (e.g. Law on Farm Accounting Data Network -FADN)
- *Institutional reforms and capacity building* (Reform within the agricultural extension services according to the EU criteria, establishing FADN) – in-

⁴⁵ Within the area of agriculture USAID has focused their work on competitiveness; the Swiss cooperation has only worked with organic production.

strument will be used by the Ministry, farmers etc., improved advisory services through MAASP

- *Capacity building for formulation efficient policies* and performance of strategic economic analysis of the agricultural sector during the EU integration period (UniCoop project)
- *Support to the decentralisation process* (e.g. support to establishment of Local Action Groups (LAGs) and the Rural Development Network of Macedonia by MAASP)

All in all, Sida's portfolio within the area of agriculture is highly relevant to the EU integration process.

3.1.2 Environment and sustainable development

Environment and Sustainable development (environment) is one of the main goals of the European accession process and is even an overall objective for the European cooperation. In the EU accession process there are a number of reforms that need to be fulfilled in order for a country to become a member of the union. Both environment and sustainable development are key factors in the pre-accession agenda. The environment is among the three areas where Sweden is considered to have a comparative advantage and there have been relatively few donors targeting this sector. Environmental issues also occupy a considerable part of the Acquis.

Within in the Swedish environment portfolio the great majority of projects have, in some way, dealt with the Acquis on environment. A National Strategy for Sustainable Development is a requirement for all countries applying for membership and is key document for promoting a long term sustainable development. Support to Local Environmental Action Plans (a regional project) channelled through REC deals with decentralisation issues as well as general democratic principles and environmental management related to chapter 27. The Chemical Cooperation (though KEMI) dealt with chemical safety issues related to the same chapter. The cooperation with the Environmental Protection Agency has covered both general EU integration issues and overall EU policies on environment as well as waste management issues under chapter 27. CeProSARD's agro-energy project is specifically dealing with the field of renewable energy under chapter 15.

Within the area of environment it is only the support to civil society organisations focused on the environment that does not have an explicit connection to the EU accession criteria. However, it has to be noted that this support belongs as much to the area of democracy as to environment. In fact, its official sector category is *democratic participation and civil society*. Support to the Rural Development Network (as a follow up to MAASP) has the potential of creating a bridge for civil society engagement in the environmental aspects of the EU accession process.

Our overall assessment is that the great majority of the interventions within the environmental sector have been relevant to the Swedish strategy and interventions have been designed to facilitate the EU accession process.

3.1.3 Democracy and Human Rights

Support to democracy and human rights to help the democratic and peaceful development of the country and in a broader sense, of the whole Balkan region have been considered highly relevant among the international donors. As stated in the country strategies, democracy and human rights have been one of the key areas of Swedish support to Macedonia. The objective in this area has been to help bring about fair and non-discriminatory social development by enhancing the capacity of public institutions, strengthening civil society and promoting gender equality.

The Swedish portfolio within human rights and democracy deals with the core political criteria of the EU accession process. Swedish support promotes interethnic dialogue and increased civil participation. The support through the Swedish framework organisation, the Kvinna till Kvinna Foundation and Civil Rights Defenders⁴⁶, as well as the support to the Ombudsman through OSCE are highly relevant and are in accordance to the strategy. REF programs are relevant for the EU accession process since the support to decreasing the education gap between the Roma and non-Roma students contributes to Roma integration.

In comparison with many other donors the support to democracy, human rights and particularly gender equality is perceived to be rather innovative and visionary dealing with issues that many other donors do not tend to address. For example, the support to women's NGOs through the Swedish framework organisation Kvinna till Kvinna Foundation has, according to our informants, been very relevant in addressing the "macho" norms of society. This support also relates to women's right and gender equality under the Copenhagen criteria.

Also, the CRD and organisations working to promote interethnic relations do, given the current political context, undertake important and relevant work, although they are in many respect working against the tide. These types of organisations operating as counterweight to the state institutions are rather crucial and relevant for a functional democracy. Without external funding from development actors or other sources they will have severe difficulties to operate and survive. The core message of the support through CRD has been on political rights such as freedom of expression, access to justice and antidiscrimination policies, all key aspects of the political criteria.

Association for Local Development and Cooperation (ALKA) and the Albanian Macedonia People's Empowerment Programme (AMPEP) have contributed to decentralisation as well as to the strengthening of local democratic process in general.

⁴⁶ Former Swedish Helsinki Committee (SHC)

The support to the organisation's promoting interethnic dialogue, School of Tolerance and Mozaik, is relevant for the implementation of the Ohrid agreement and chapter 26 on education and culture setting up criteria for a non-discriminatory education system based on dialogue between different ethnic groups.

The support to the Ombudsman relates to general political criteria of EU, specifically on fundamental rights in chapter 23 and the EU Gender Acquis which deals with the role and function of the Ombudsman (as a protector of fundamental rights in relation to public entities).

In summary, all of the contributions to human rights and democracy have been relevant in relation to the EU-accession process. Also, this support has been in the core of Swedish development cooperation policy in general.

3.2 OUTCOMES AND EFFECTIVENESS

Assessing effects are inherently difficult. Donors, implementers and evaluators of development projects mainly struggle with three basic problems, the effect problem, the contribution problem and the lack of baseline data.⁴⁷ Outcome and impact both refer to *effects* or *change* caused by an intervention. One way to make a distinction between impact and outcome is that the outcome is more clearly connected to the intervention as such (clearer causality and attribution within the sphere of influence) while impact refers to more long term effects that the interventions *may* have contributed (but not so clearly attributed) to.

When assessing the effects of the support in this study we will deal with effects that are rather close upstream to the source (intervention) and that therefore to some degree could be attributed to the Sida funded intervention. We will, thus, focus on identifying outcomes which are in the sphere of influence of the intervention but not necessarily within its direct control.⁴⁸

Evaluating effectiveness is normally done by assessing the extent to which the interventions have reached their goals (on outcome level). In the case studies this

⁴⁷ *Effect problem* refers to the difficulty to assess the counterfactual reality (what would have happened if the interventions had not been implemented). The *attribution problem* refers to the difficulty to be certain to what extent the intervention contributed to the measured changes. Most interventions do not have clear-cut *baseline data* (reference situation) that makes it rather challenging to measure change and carry out an outcome or impact assessment.

⁴⁸ In general we have in this assessment detected several clear effects (on outcome level) that either could be directly attributed to the support of from Sida. We have primarily singled out outcomes where the Swedish support was perceived to have made a clear difference. Hence, one way to really pinpoint the difference is to think of what would have been the alternative scenario if Sweden (or any other donor) would not have supported the intervention. This counterfactual reality is of course difficult and sometimes impossible to assess. Therefore, in this report, we have as far as possible selected only clear-cut and rather non controversial examples of effects.

has been done. The assessment of the effectiveness of the selected four interventions is integrated into the section on outcomes /effects below. As for the other Swedish supported projects there are inherent difficulties to make such assessment based only on desk studies and complementary interviews. Many of the projects have been carried out in various phases with varied goals.

According to our observations (e.g. case studies) and according to the reports provided by both implementers and external consultants, the large majority of the interventions have had a positive effect on the capacity development among staff and organisations/institutions.⁴⁹

Yet, in the following examples, we have focused on more tangible effects in relation to what the organisations are/were aiming to achieve or what an enhanced capacity has resulted in (outside the organisations). These examples have been reported by the implementing party and in most cases verified by an external actor, e.g., external consultant.

The outcomes and effects of the four case studies are particularly highlighted.

3.2.1 Agriculture and sustainable economic growth

1. The support to the FFRM through SFARM

The SFARM project has led to the following main outcomes/effects which principally relate to the overall objectives of the project.⁵⁰ (for further information see case study in annex)

An overall effect of the project is that there is a firm understanding among farmers that there is a need to organise themselves in order to have strong voice and be able to influence the development within the sector. There has also been a raised awareness on the importance of active involvement of female farmers and female sector representatives in development of agriculture.

The project had the following objectives:

- *Development of professional management and democratic governance of farmers' associations.* The overall structure of FFRM has improved. Yet the governance and management of FFRM has remained weak due to an overwhelming financial and functional/managerial dependence on LRF. As a result FFRM still lacks strong leadership. This goal has not been reached.
- *Enhancement of the policy dialogue and advocacy role of FFRM* Partly because of the set up, approach and methodologies of the project, FFRM members were not able to express their positions/concerns to address the

⁴⁹ These effects are sometimes rather important and many times an important precondition for a sustainable support.

⁵⁰ Based on the case study on the SFARM support, see Annex 2.

main problems currently facing farmers in Macedonia. This goal has only partly been reached.

- *Facilitate higher levels of entrepreneurship and business development among farmers and other value chain stakeholders* A new type of cooperative was introduced within some areas. Approximately 16 cooperatives/ and or sister companies (owned by associations) were established thanks to the project. Five of them succeeded in surviving without project support and are providing services for farmers and generating income for their members. This goal has been partly reached.
- *Support to higher level of farmer's cooperation in production through establishment of machinery rings* Four machinery rings were established in Macedonia (Probistip, Negotino, Strumica, Gevgelija), as innovative way (in the Macedonian context) of sharing machinery. Experiences from Sweden were transferred in organising and supporting the operational functioning of the newly established Machinery rings, as well as development of a cost calculation matrix. This goal has been reached.
- *Enhancement of information dissemination through the FFRM magazine* The specialized farmers' magazine "Moja zemja" is one of the most positive achievements of the FFRM. Currently the magazine is 80% self-sustainable and functions as independent business entity of FFRM. The magazine has also to some extent been a positive example of how to start to change traditional gender norms in the sector by portraying female farmer/workers. This goal has been reached.

2. Building capacity for Macedonian higher education, research and policy analysis in Agriculture

UniCoop has, according to the case study, resulted in the following major outcomes.⁵¹ (for further information see case study in annex)

- Capacity of the staff of the Institute of Agricultural Economics within the Faculty of Agricultural Sciences and Food has significantly improved within the period of last ten years i.e., within the period of Swedish intervention there has been an overall enhancement of the scientific capacity of the institute.
- As pointed out during the interviews, the teachers' exchange resulted in introduction of new teaching methods and material into the BSc and MSc studies programme.
- The Swedish development intervention resulted in development of new curriculum. The changes in the legislative framework (endorsement of the

⁵¹ See the case study on UniCoop in Annex 3.

new Law on Higher Education) led to improvements in the BSc, MSc and PhD programmes.

- The research cooperation between IAE and SLU Department of Economics has had a positive effect on the international recognition of experts – agricultural economists from Macedonia. As a result of improved teaching and research capacity, experts from Macedonia are actively participating on international scientific conferences presenting the results of different research studies and assessments.
- Accreditation of the International Master Studies in Agribusiness was received in February 2009 by the Accreditation Committee of Macedonia and the international double degree master in agribusiness between FASF and SLU was accredited and launched in September 2009. The Agreements signed between both institutions (FASF and SLU DE) are valid for a period of five years, which implies that MSc will continue without Sida funding.
- In the programming for the third year of the Master studies full responsibility is to be given to teachers from Macedonia. The key effects that were identified by the interviews are that the new study programme is established according to and in fulfilment of the EU study requirements, which contributes to the EU approximation of Macedonia in the field of education.
- Involvement of MSc students as staff in the state institutions (Paying Agency, MAFWE, IAE) has a positive contribution to the valuable economic analysis and creation of adequate policy and implementing measures for EU approximation of Macedonian agriculture. IAE and the existing human capacities have valuable potential and are currently considered as one of the main advisors of MAFWE related to actual policy formulation. IAE being part of the state institution (FAFS) with its existing capacities and the capacities which are under development (MSc and PhD students) could be considered as a stable and solid hub of expertise.
- Establishment of the Balkan International Center for Agro Economics (BICA) is a positive result of the Swedish development support. Registration of BICA was completed in 2009 as an independent center within UKIM.⁵²

⁵² The institutional sustainability of BICA could be obtained with long – term agreement between UKIM and SLU for continuation of double degree master programme and recognition of students` credits between SLU and FAFS. Financial sustainability of BICA could be obtained through fees from students` education and project implementation.

1. **Strengthening the capacity at the state authority for geodetic works** which is cooperation between Macedonian cadastral agency (Agency of Real Estate Cadastre -AREC) and Swedsurvey has resulted in many outcomes. The most important effects is that a transparent cadastre secure the rights for everyone on the real estate market and thereby contributing to economic development. More specific outcomes include the following :⁵³
 - The Law on Real Estate Cadastre was adopted by parliament in April 2008 and the project has assisted several experts to assist in the elaboration of the law;
 - Elaboration of strategic plan for AREC 2009-2013 which was carried out in a participatory process;
 - A new user-friendly web site of AREC has been established;
 - According to continues surveys carried out, the perception of AREC among the general public has become more positive (as a result of the customer oriented approach which have been promoted by the project); and
 - Based on the laws a Real Estate Cadastre been established. Now 93% of the territory of Macedonia is covered within the system, which has dramatically increased the number of transactions of real estate in the country.

2. **The Macedonian agricultural advisory support programme** had the following effects (on an outcome level):⁵⁴
 - A public advisory service with skills to implement annual operational activities using a value chain approach, establishment of human resource procedures and developed methodology for the delivery of advice through grassroots offices in the current period of financial constraint;
 - Functional specialist groups in integrating gender equality, farm business management, rural development and environmental impact established within public advisory service;
 - Active private advisor groups and education institutions with outreach advisory programmes with established demand-driven information and advisory services for farmers and processors;
 - Advisor certification procedures designed in collaboration with the Vocational Education and Training (VET) Centre in the Ministry of Education and Science;
 - Advisors competent to prepare applications for national rural development programmes and IPARD;

⁵³ Based on interviews with the implementers and Sida personal

⁵⁴ Based on interviews and final report by the project implementer

- Core groups of advisors trained in use of advisory manuals related to (selected) EU standards and with the ability to cascade the new knowledge and skills to their peers;
- Establishment of multi-stakeholder research-advisory group competent in implementation of adaptive research and integration of results into advisory activities;
- Recognition by MAFWE, local government and EU delegation that MAASP was the core of expertise in the EU LEADER approach as a component of promotion of wider understanding of rural development approaches; and
- Establishment of a national rural development network and methodologies transferred to municipality stakeholders to assist them in future rural development planning and implementation activities.

3. Support to decentralisation and rural development through ALKA and AMPEP has for example lead to the following key outcomes:⁵⁵

- More than 200 rural communities mobilised through participatory processes to solve local problems (mostly related to infrastructure, water and other environmental issues) and projects implemented that have improved the living conditions in the participating villages;
- Municipality board members with knowledge in preparing and implementing village level development projects; and
- Strengthened local democracy and decentralisation processes with the involvement of inhabitants and municipalities.

4. The main outcomes from the Macedonian-Swedish Partnership in Statistics have been⁵⁶

- Statistical variables are EU-standard and improved (more reliable) agricultural statistics, livestock statistics and agro monetary statistics, which are crucial for decision making within this area; and
- Improved quality of Farm Monitoring System (it is used now by the national extension service through collaboration with MAASP).

5. The Guarantee Fund (GF) has led to the following outcomes:⁵⁷

- With this type of credit funds, the long term effects are potentially rather significant since in all cases when guarantee is issued it creates

⁵⁵ Based on the final report and the Learning study on rural development by Lars Erik Birgergård, 2009

⁵⁶ Improved Agricultural Statistics in Macedonia 2004-2008. Final Report. Statistics Sweden, 2009 and interviews

⁵⁷ This is according to interviews and documents from the implementer. However no external evaluation or monitoring consultant has yet examined this support.

possibilities for new jobs, expanding businesses etc. of which many have proven viable.

All in all, it is likely that the Sida funded projects, (focusing on capacity building, institution reforms and adjustment of the legislation) to at least some extent, have had a positive effect on providing the necessary pre-conditions for EU accession.

3.2.2 Environment and sustainable development

1. **The support to the preparation of National Strategy for Sustainable Development.** The document itself, as an output of the support, is ready but has not yet been implemented. (for further information see case study in annex) The preparation of NSSD has, according to the case study (see Annex 5), yielded the following key process related to outcomes:

A.

- In general, awareness of sustainable development among the stakeholders of Macedonia has increased. The transparent, multi-sectoral engagement and ownership for the joint planning process were successfully established along with a horizontal communication platform.
 - The process of elaborating the strategy has also raised awareness of the principles of sustainable development. The new participatory methodology engaged over 260 participants.
 - According to the NSSD Project documentation "The proposal for a National Strategy for Sustainable Development for the Republic of Macedonia is the ultimate and tangible outcome of a Sida funded Swedish co-operation project with the Ministry of Environment and Physical Planning of the Republic of Macedonia". Taking this into consideration the NSSD Project fully reached the objective of the financed support – the NSSD was prepared and adopted by the Government and recognized in the EU Progress Report as well.
 - Capacity for planning and management of sustainable development among the key stakeholders has been strengthened.
2. The outcomes related to the **Support to Environmental Civil Society (SECTOR)** through the Regional Environmental Center for Central and Eastern Europe (REC) are rather limited. The main reason is that organisations receiving the support are very dependent on external donor funds and without those most of the organisations that have been supported by external development funds have vanished. Identifiable outcomes were:
 - The organisational capacity of some of the supported NGOs increased. A few organisations have become experts.
 - In a few cases environmental civil organisations receiving grants from the project took active part in the process of developing local environmental action plans (LEAP) also funded by Sida and implemented by REC, which increased the effectiveness of both projects.

- Regional level cooperation on cross-border environmental issues has started with the involvement of regional and European actors.
3. The regional programme of supporting the development of **Local Environmental Action Plans** (so called LEAPs) has been implemented by the Regional Environmental Centre. The outcomes according to the implementing party and the external monitoring consultant have been the following:
 - The supported 12 municipalities have implemented or on their way to implement LEAP;
 - The methodological approach building on a wide participation, developed by REC, for elaborating the LEAPs endorsed by the government as the official methodology;
 - Vitalised municipal work and exchange between the municipal administration, inhabitants and business, leading to a more transparent and participatory planning processes also within other sectors in the 12 municipalities that were supported;
 - A very good network established between the municipalities through the project which is also used for issues other than the LEAP project itself.
 4. The project for **Quality and Infrastructure Development for Food Safety and Quality** channelled through the Swedish state agencies (Swedac and SLV) claims to have led to the following outcomes:⁵⁸
 - Training of government officials from the Food and Veterinary Agency in adopting governmental control systems in accordance with the European laws on food safety;
 - Support to a number of laboratories in preparing for accreditation by adopting the requirements of the international standard ISO -17 025.
 5. The main outcomes of the **Swedish Environmental Protection Agency Support** are claimed to be:⁵⁹
 - Better understanding of EU processes and requirements within the MoEPP;
 - Improved capacity of environmental authorities in Macedonia in terms of officials' ability to take part in upcoming EU-adhesion negotiations and EU-legislative decision process as well as fulfilling the requirements of EU-legislation in the field of nature

⁵⁸ This project has not been evaluated nor monitored by an external consultant.

⁵⁹ The information is based on the Final report and from interviews.

protection (It is however unclear what concrete development effects this capacity development and raised awareness have had)⁶⁰; and

- Within the specific waste management projects: Locally adapted and efficient plans and tools for closure and after-care of landfills not complying with EU-requirements developed; increased capacity for inspection of landfills in Macedonia; pre-conditions established for acceptance among the public and decision-makers on the need for closure and after-care on non-compliant landfills.

6. The **Agro-energy project** through the implementing partner CeProSARD has had an effect on the awareness of rural renewable energy in six municipalities. This project is an offshoot from the NSSD. At the moment there have been no concrete effects (outcomes) of the support (ongoing) although some of our informants claim that the project has promising potential.

7. The **Chemical cooperation** through the Swedish Chemical Agency (KEMI) did not generate the expected results and had rather insignificant outcomes. Towards the end of the project a new law on chemicals was passed in parliament, which could be partially attributed to the *project*.

In summary, the support of Sida in the environment over the last decade has on an overall level brought Macedonia somewhat closer to fulfilling the EU criteria. This has also partly been verified by EC which have mentioned some of the Swedish supported initiatives as important drivers in their yearly Progress Reports (e.g. CeprosSard and NSSD)

3.2.3 Democracy Human Rights

The *support to Roma Education Fund*, has according to the case study,⁶¹ led to the following key outcomes and effects. (for further information see case study in annex)

A *key outcome* of the supported interventions is the increased level of education for different age groups of Roma and created opportunities for continuation of the education or employment of the beneficiaries.⁶² Another *key outcome* of the interventions is

⁶⁰ See the evaluation of SEPA commissioned in 2010.

⁶¹ See Annex 4 for more information.

⁶² The number of Roma enrolled in the primary, secondary and tertiary education from the beneficiaries of the interventions as well as the number of Roma beneficiaries employed or promoted demonstrate that the interventions supported the inclusion of Roma in the education system and the labour market.

the mobilisation of Roma communities and their increased interest for education.⁶³ An additional *outcome* is the involvement of the local governments, preschool institutions, secondary schools, local non-governmental organisations and their active participation in the implementation of the interventions.⁶⁴ Finally there is an increased Roma participation in the field of education related projects.

In relation to the goals the following effects have been attained within the programme's three sub-projects.

The sub-project *Roma Graduate and Enhance their Lives* completely achieved its three objectives. The target of 50 adult Roma successfully completing their secondary education thus increasing percentage of Roma population in Macedonia with high school diploma was surpassed by two. Promotion of the opportunity for completing the secondary education among the Roma population in the three municipalities resulted in organizing a new cycle for 43 Roma to complete their secondary education.

Inclusion of Roma Children in Public Preschools had six objectives and mixed effects. The objectives and targets were revised and decreased after the first year of implementation, including the number of children, parents and municipalities. The project succeeded to enrol the specified number of Roma children in the preschool education, and to include the targeted number of municipalities. However, it is not visible whether the project achieved its objective to improve the capacities of the Roma parents and preschool staff, due to lack of data related to these stakeholders. In addition, the project achieved to a certain extent its objective to ensure regular attendance of the Roma children in the preschool institutions with average attendance of 86.7% compared to the target of 93%.

The sub-project *Scholarships for Roma High School Students* had three objectives. The objective of providing Roma high school students with scholarships was completely achieved. The achievement of providing tutorship and mentorship to the Roma high school students is unclear because of the lack of data on the number of students receiving mentorship and tutorship. There are available data about the number of selected mentors and tutors, but not complete data related to the recipients of these ser-

⁶³ The increased number of applications for the scholarships for the secondary education, applications for completing the secondary education by adult Roma and creating waiting lists for enrolment in preschool institutions are clear indicators that the interventions raised the awareness of the Roma communities regarding the importance of education to improve their lives and the lives of their families.

⁶⁴ The interventions managed to obtain financial and in-kind support from the local governments and to engage the staff from the education institutions to support the participants through mentorship and tutorship.

vices. The objective regarding the provided support the 4th year Roma high school students to pass the State Matura Exam, was achieved.

1. The Swedish **Support to the Ombudsman's office** channelled through OSCE is crucial for the rule of law in the country. Main outcomes of the Swedish support are:⁶⁵
 - A broad recognition among stakeholders for a need for such institution (which would not have been the case without Swedish support);
 - A high level of efficiency and effectiveness and the work of the Ombudsman's Office, which is also recognisably more professional; and
 - An increased level of reports/denounces which is a clear indicator that the institution is not only well known among the general public but also trusted.
2. The support to **Civil Society through Swedish framework organisations** *Kvinna till Kvinna and Civil Rights Defenders (former Swedish Helsinki Committee)*. According to an external evaluation carried out in 2010⁶⁶, the main outcomes of the support are the following:
 - The support to CRD was in the evaluation considered as rather important for the democratisation process and accession to European standards, since many of the organisations that CRD are working with are watchdog organisations. As confirmed by the organisations, the work is focused very much on change in legislation and change in the practice of authority, rather than on partner organisations themselves. CRD and its partners have had on-going and significant impact in the area of the rule of law and approximation to the EU. CRD's focus on ensuring the rights of the individual, and the approach taken by CRD partners, changed the responses within some Government institutions.
 - The support to KtK has led to that some (but not all) traditional women's organisations have developed from being service deliverers to being also (and foremost) advocacy organisations. These areas of change are particularly notable in women's education; women's participation in the decision making processes (both political parties and structures of local self government); combating violence against women and women's health. Work-

⁶⁵ According to an external evaluation commissioned by OSCE in 2011.

⁶⁶ Evaluation of the Swedish support to Civil Society in Western Balkans through Swedish framework Organizations, 2010.

ing relationships between KtK partner organisations and municipalities and authorities have improved and strengthened. Mobilisation of women's organisations and national networking has improved. As a result of the work of KtK and its partners, amendments have been made to health legislation (related to women's health). There is a higher level of participation of women in local political structures. Partners advocated for the introduction of the Law on Equal Opportunities and the Family Law.

3. **Support to improve interethnic relations.** The support has been implemented by the Search for Common Ground (through the project *Mozaik-bilangial kindergarten*), the centre for non formal education –Triagolnik (with various project), Cultural Project Association (with the project *Open Fun Football School -OFFS*) and Macedonian Centre for Human Rights and Conflict Resolution (with the project *School of Tolerance*). According to a Sida financed learning study⁶⁷, the activities carried out by the NGOs appear to have had the following effects (outcomes) on the direct stakeholders (children/learners, teachers, parents):

- Stakeholders and beneficiaries significantly developed or changed their attitudes with regards to child upbringing, communication skills and conflict resolution.
- Especially the Mozaik project had a very positive impact on the behaviour of both the teachers and the parents. The Mozaik concept has been officially recognised and integrated into the curricula.
- OFFS brought stakeholders together, enhanced a culture of volunteerism, and positively changed the attitude of teachers and trainers.
- The project implemented by Triangolnik has reached about more than 15000 children /youth and to empower them and work to create conditions for their participation in decision making in society. The methodology and approach which were elaborated in Macedonia are also being exported to neighbouring countries in the Balkans.
- As for the School of Tolerance (in Gostivar) there was a lack of true sense of involvement from school management, teachers and parents. One lesson learnt from this project if not key actors are involved in the design and implementation effects will not be sustainable and true ownership will not be developed.

⁶⁷ Learning study of the achievements and experiences of projects on inter-ethnic education and youth work in Macedonia, Sida Review, 2010:14.

On the societal level, it is difficult to draw verifiable conclusions about the changes and in what respect the activities carried out by the organisations have led to appropriate outcomes.

Much of Sida's support to Macedonian organisations and institutions would most likely not have developed without the Swedish support to this sector. Sida has to some extent been able to provide a mechanisms to articulate their concerns and problems related to their rights, e.g. the support to the Ombudsman as well as CSO working on advocacy have been crucial in this respect. As mentioned in section 3.4.3 the environment and development of human rights are currently going in the wrong direction. However, without the Swedish support it could at least be concluded that situation could be even worse.

3.3 EFFICIENCY

The assessment of efficiency of the Swedish cooperation is mainly based on the perception by implementers of the support focusing on the question “whether same (or better) effect/results could have been achieved with less financial resources?”.⁶⁸ This section also pinpoints key external factors affecting the efficiency of the support.

According to our informants and the analysis of case studies, the funds appear to have generally been spent efficiently. However in hindsight, it is of course possible to identify areas where efficiency could have been improved.

On an overall level a systematic and strategic connections to other donor funded initiatives is often considered as a key factor for efficient (and effective) use of the funds. Generally, Sida's portfolio has been in line with the country's need to meet the EU accession criteria and Sida/Embassy has been active promoting the Programme Based Approach (PBA). Donor harmonisation and alignment to the Macedonian government's agenda was, for a few years (from 2008 to 2010), a top priority and had potential to make the use of funds more efficient. But as described in section 2.4, this structure has become obsolete.

The Sida funded projects within certain sectors such as agriculture (MAASP, FFRM and UNICOOP) – and support to CSO promoting interethnic dialogue (Mozaik, Triangolnik, Fun Football School, School of Tolerance), have been com-

⁶⁸ Hence, the assessment will primarily be based on the perception of stakeholders of Swedish development support such as the Macedonian Government, implementing organisations and external consultants

plementary but greater attention to potential synergies could perhaps have led to enhanced efficiency. The contacts between these organisations have been rather limited, mainly because they have different roles and functions. The support within these niches could most likely have been more efficient (and effective) if the different projects had collaborated more on both managerial and operational level. Although the Swedish embassy in Skopje regularly arranged meetings between some of the implementing organisations (for example within the agricultural and environmental sector) it was sometimes difficult to create a common ground for change of experiences.

The factors influencing efficiency are, according to our observations, related to the Sida contribution management system, management of funds by the implementing partner and to contextual factors.

According to interviews with implementers, the flexible approach of Sida has led to a more efficient use of funds, since where necessary Sida has approved reallocation of funds. Furthermore, the leadership and culture in the implementing organisations have, according to our observations in the case studies, had an important effect on how efficient funds are used in the projects.

One interesting observation in relation to efficient use of funds is that when funding is shrinking, as is now the case when the Sida support is about to end – some development actors have become more alert and creative and more efficient with the remaining funds.

Another factor that promotes an efficient use of development funds is that Sweden/Sida, to a large extent, are using local expertise within areas where local capacity is available, instead of contracting expensive international consultants.

Yet, there are also some examples where too large funds and budgets distorted the incentive systems within the organisations being developed. For example In the case of FFRM, the large and long term external support has created an attitude where value for money and efficient use of funds has not been promoted.

External factors affecting efficiency are principally the rather low level of capacity among many of the governmental partners and public bodies. The level of absorption capacity and rapid management/ staff turnover make the support channelled through the government less efficient. As a result, the majority of project implemented through government or public entities are done in project form (through Project Implementation Units, PIU) separated from the ordinary activities in the government. Furthermore, labour cost for people working within a project is, according to government sources, often about twice that for employees in the state structure, which also promotes an inefficient migration from the public service into projects.

3.4 SUSTAINABILITY

Sustainability is assessed in this report in relation to the likelihood that results identified will be sustained and developed after Sweden ends its support. Sustain-

ability is a complex concept and there is need to consider different aspects. Key questions regarding sustainability in the Macedonian context have been the following:

- a) Has the intervention had a sustained effect on structures and systems (manifested in institutions, laws, rules, regulations or norms) particularly in relation to changes in these structures and systems in relation to EU accession?
- b) Are the effects of the intervention sustainable in the organisation (in relation to ownership and ability to cover recurrent costs)?
- c) Is knowledge sustained in the individuals and will the individuals involved in the Sida funded programmes be able to make use of and implement their new knowledge, abilities and skills in other organisations and contexts?
- d) Is the cooperation between the Swedish and Macedonian partner sustainable and will it continue also after development cooperation funds have ended and be more of an actor driven cooperation?

The majority of the Sida funded programmes fulfil one or two of these aspects while others are even more successful. A general observation is that many interventions are likely to have a sustainable effect on the individual and organisational level. According to our interviews there are several indications that knowledge and skills have been used by individuals in order to develop their own organisations or institutions. However, according to our assessment, sustainable results on the societal level remain unclear and in some of the initiatives (e.g. FFRM, several of human rights/democracy initiatives, Guarantee Fund) sustainability is threatened mainly due to three factors⁶⁹:

- The premature phase out of the Swedish cooperation which is likely to influence the sustainability for some specific projects in Swedish portfolio.
- The original set up and design of some of the projects which have not been fully realistic.
- Political development and circumstances outside the control of Sida and the Swedish embassy.

One interesting observation is that where the partners (for example the statistical and cadastre cooperation) have used the requirements of the Acquis as a clear benchmarks in the cooperation. This is most likely one reason why these projects have been rather successful in institutionalising the support, which in turn has encouraged sustainability. For example, the SCB support has already entered into a new phase as a *twinning project* within the IPA funding mechanism, which for is a natural continuation of the bilateral support. Also the Swedish mapping, cadastral and land registration authority (Lantmäteriet) has together with Swedesurvey, signed a MoU with AREC

⁶⁹ See also section 5.2 for a further discussion on lessons learnt for Sida

to continue the cooperation after the phase out searching for new financial sources, including IPA.

3.4.1 Agriculture

The outlook for sustainable effects of the cooperation within the Agricultural portfolio is rather mixed. The two different case studies within agriculture provide two very different pictures about the future sustainability of the programmes.

In the case study of the *UniCoop* programme the prospects for sustainability are rather promising from the point of view of possible future relationship between the actors and the effects on structures. Capacity developed during the cooperation has the potential to be used in policy making and analysis in general. The fact that the Swedish development intervention was located in an institution with a long tradition (over 60 years existence) and which is part of the educational system in Macedonia and there is little threat that such an institution financially will fail.⁷⁰ Also, the capacities on the side of IAE (Institute of Agriculture Economics) within the Faculty of Agricultural Sciences and Food have been increased significantly so that they are capable of continuing with the international master studies, after completion of bureaucratic procedures. As a result of the project, local researchers are capable to carry on the analytical and policy formulation work in the agro and food sector in the future.

Overall the case study concludes that the Macedonian partner in this cooperation is able to sustain the results of the cooperation and that measures undertaken in this cooperation are sustainable. Also, although the intervention will no longer be financed by development funds, there is a wish among the actors to continue to cooperate (actor-driven cooperation). One reason for this is the fact that SLU also claims that they are benefiting from the cooperation and therefore has self-interest to cooperate without development assistance.

For the other project within this sector as a case, SFARM, the prospects for sustainability are much bleaker. This project used a different design, approach and methodologies. As mentioned above some of the outcomes such as a better awareness and understanding of the need for functional farmer organisations, as well some of the cooperatives created by the project will be sustained. However, the organisation as such will have severe difficulties in carrying out its intended tasks and retaining the trust of its members. One key factor in relation to sustainability is that FFRM, during a large part of the project's duration, has been supported by the Swedish partner to grow rapidly, in terms of personnel and new offices both in Skopje and field offices in other parts of the country. This organisa-

⁷⁰ In addition, in the EU context there are many possibilities for University cooperation (Erasmus, Copernicus, FP7 etc.) which can provide both Universities with various ways for further cooperation.

tional set-up (and related recurrent costs) was not matched by income (or even potential income) from membership fees or other core sources of domestic funding.

According to the case study the low financial contribution by the members and the limited ability of FFRM to attract other funding resources will most likely lead to the organisation failing to maintain its core functions once Swedish funding stops.

3.4.2 Environment

For Sida funded studies and strategic plans, such as National Strategy on Sustainable Development and Local Environmental Action Plans, sustainability could be measured based on how successfully they are implemented in the future. The LEAPs are, according to REC, partly or fully implemented in the 12 municipalities. For the overall national strategy (NSSD), it is unclear what the prospects are for implementation. In contrast with the much smaller LEAPs, the strategy did not include a clear action plan and consequently no budget. The risk of having a strategy without a proper analysis of the financial and personnel resources required for implementation is that the strategy becomes a wish list rather than a concrete viable document. Also, weak connections and ownership from local governments in general and LEAPs in particular during the NSSD process will most likely affect the sustainability.

Sida/the embassy are reported to have taken active role in terms of pressuring the government to actually implement the NSSD. Sida has even made a lot of efforts to join the forces with World Bank in implementation of the Green Growth project.

3.4.3 Democracy and human rights

According to the EU Progress Report for Macedonia for 2011, civil society has received extensive financial support from the EU under the IPA Civil Society Facility and national programmes, as well as through the European Instrument for Democracy and Human Rights. Aid objectives include the wider involvement of civil society in decision making and an increased capacity of independent civil society organisations. The national programmes currently being implemented provide significant support to improve the development and sustainability of civil society organisations and further capacity building of the government unit for NGO cooperation. Civil society can now start to be involved in the monitoring of the overall implementation of EU aid.

However, the environment in which civil society operates continues to be unfavourable, especially for advocacy activities. There is constant intolerance of the Government toward CSOs that are critical of the government policies and support for the CSOs that are favouring government policies. Due to the provisions in the Law on Citizens' and Associations and Foundations adopted in 2010 for re-registration, the number of the CSOs decreased sharply. In part, this process was good for cleaning the list of organisations that existed only on paper, but has not contributed to the development of the civil society sector. CSOs supportive of the government policies continue to have better access to funds from the government sources, although there are established criteria on the distribution of the funds for

the civil society sector. Moreover, these funds are too small to provide any institutional support to the organisations.

The support to Macedonian Civil Society Organisations that have promoted human rights and interethnic dialogue will thus be rather vulnerable when cooperation is phased out. These organisations will remain dependent on foreign support to operate independently of the government. For these types of organisations there are limited possibilities to acquire EU funding, partly because they are normally too small and have too little capacity for applying for such grants, and partly due to the fact that EU requires that the organisations are approved by the government, which affects and infringes the independence of the organisations receiving such grants.

Other interventions within this portfolio that were implemented through the government or state agencies show that there is a risk that the activities stop when the external funding is ended. One clear strategy (used by the Roma Education Fund) to counteract this is to gradually turn the responsibility over to the government but still remain engaged in the project with some minor activities to actively discourage a fading of political will.

Furthermore, the integration of gender equality perspectives and adherence to EU Gender Acquis in state agencies is weak and will most probably not be maintained after the phase out of the projects.

4 Special features and considerations of Swedish (Reform) cooperation

The reform cooperation in Europe has special features in relation to development cooperation with other countries. For example, there are generally more Swedish actors (particularly Swedish state actors) actively involved in the Reform Cooperation in Europe in comparison to general development cooperation with other countries.

The main reason for this is naturally that the overall goal of this cooperation was to bring the countries closer to the European Union, which is an experience that Swedish agencies themselves underwent in the 1990s. The more recent experiences of cooperation with particularly the Baltic countries, when they were in process becoming member states of EU, has also influenced the decisions of which type of actors that ought to be included in the cooperation and used as a channel of support.

4.1 CHANNELS OF SUPPORT (INTERMEDIARIES)

The support to Macedonia has been largely project oriented. As described in chapter 2, this has been done either through Swedish state agencies, Swedish and regional civil society organisations, Swedish and international consultancy firms, or through multilateral organisations. These channels of support have their pros and cons, which are briefly summarised below. The information is primarily based on actual results of using different type of channels and complemented by interviews with implementers of different channels of support as well as Sida officials.

4.1.1 Swedish state agencies and civil society organisations not primarily working within the field of development cooperation

In the cooperation with Macedonia there has been a strong focus on partnership support through Swedish state institutions (e.g. KEMI, SEPA, SWEDAC, SCB). In interviews with representatives for Swedish state organisations operating in Macedonia, the following picture of advantages and disadvantages has emerged. These findings are also in line with an evaluation of the “Central Government authorities in development cooperation” that was carried out by SADEV in 2010.⁷¹

⁷¹ SADEV, 2010:3

The advantages

- Having gone through similar processes during the Swedish EU integration and having had responsibilities for implementing legislation gives a special legitimacy to their contribution and cooperation. There are many examples of this in the support to Macedonia.
- There is a solid knowledge on issues of cooperation and a natural respect between civil servants from equivalent organisations, and the organisations to a significant extent “speak the same language”.
- It is within the strategy of the overall Swedish Policy on Global Development to include the state sector in the development cooperation and form an opportunity to bring about and disseminate Swedish core values from its origin or from the “horse’s mouth”.
- If the conditions are right, these forms of cooperation can create situations where both partners have a mutual interest to cooperate in the future and provide a possible base for actor driven cooperation (without aid funds).

The disadvantages

Many of the state agencies are not used to working in a different cultural context and underestimate what makes change possible in a specific situation. Macedonian bureaucratic incentive systems (including factors related to poor salaries, politization and corruption) are considerably different from Northern Europe.

- The state agencies are not specialists in development and sometimes have insufficient knowledge of development cooperation policies and modalities. Implementing Sida support often requires that the support should be designed according to the policies and modalities of Swedish development cooperation (i.e. mainstreaming gender equality, focusing on ownership, sustainable capacity building, change management, leadership). This is an area of competence which some (but not all) Swedish state agencies themselves lack capacities. Also, Swedish state agencies sometimes have difficulties to learn within development cooperation processes and quickly adapt to new situations, and often need a rather long planning horizon.

LRF is similar to the abovementioned organisations. LRF is a member based interest organisation where development cooperation is not part of its core business. Using LRF as a channel of support reflects similar traits as the state agencies. One important difference between LRF and the state agencies mentioned above is that

LRF had no previous experience of development cooperation before it began working in Macedonia.⁷²

4.1.2 Consultancy firms specialised in managing development projects

(Scanagri, GRM and Swedsurvey)

Using consultancy firms, in essence, provides a reversed image of using a state agency as an implementing partner. The positive aspects are that consultancy firms are rather flexible entities that often are able to adapt the context and find solutions which work best in the given situation. Operating within a market tends to make these organisations faster to react and respond to different needs that arise. Consultancy firms specialised in development normally have key expertise in managing change processes (e.g., techniques and methodologies to promote ownership and long term results, mainstreaming of gender equality, etc.⁷³).

On the other hand, without a strong backing (or at least the perception of backing) from a large (credible) home organisation it is sometimes difficult to get the same credibility in their relations to the partner as a state agency could have.⁷⁴ Also, the possibilities of future (actor-driven) relations between the consultancy firms and their Macedonian partners could be considered as rather slim.

4.1.3 Swedish civil society organisations specialised in development

(Kvinna till Kvinna, Civil Rights Defenders)

These organisations are specialised in development as well as their sectoral areas of work. KtK had an office and CRD have had regular visits from the offices in Serbia and Stockholm. As presented in the recent evaluation of Swedish support through Swedish Framework Organisations in the Balkans⁷⁵, they have had many *advantages*. The framework organisation support is highly valued by partners because it is not only about technical channelling of funds, but also about moral and technical cooperation between people with a common interest. The organisations have used different approaches and strategies to support and strengthen local partners. KtK has used a close coaching and networking methods, CRD has used a professional and political backstopping model. Yet the very fact that Kvinna till Kvinna and CDR are also CSOs (and not a bank or consultants), sharing the vision

⁷² Normally, development cooperation project are carried out through LRFs sister organisation Swedish Cooperative Centre (SCC) in which LRF is one of the board members.

⁷³ Normally the market drive makes consultancy companies more adaptable and easier for Sida to govern than state agencies and some CSOs.

⁷⁴ One exception to this rule is Swedsurvey, which is a publically own company (owned by Lantmäteriet, the Swedish mapping, cadastral and land registration authority) which has been able to combine the advantages from both being a consultancy firm but with the backing from the public agency.

⁷⁵ See Evaluation of Support to the civil society in the Western Balkans, Sida, 2010

and goals of their partners, is one of the main reasons that brought about the *added value* and quality in these relationships.

The evaluation identified the following success factors:

- Being value-based and driven by a commitment to a cause;
- “Practicing what they preach” in terms of democracy and human rights;
- Ability to understand and adapt to the local context and use emerging opportunities;
- Ability to identify the most effective local change agents nationally and locally;
- Being flexible and listening to local priorities and needs;
- Capacity to contribute with particular expertise, skills and networking opportunities in their respective focus area; and
- Wanting to empower partners in their own right – not see them as project implementers – and contributing to core costs.

The *disadvantages* with this type of cooperation have included difficulties to present clear short term results, which is partly due to the area of work and partly due to the design and set up of their interventions.

4.1.4 Regional organisations

Among the positive aspects of channelling the funds through regional organisations often based in a third country (e.g., REF and REC in Hungary, Fun Football Schools with the head office in Broenby, Denmark) are that:

- They normally have worked extensively with methodological development and have many lessons learnt that they can draw upon in project implementation.
- Though their networking activities the regional organisations can often raise additional funds.
- The organisations have a regional overview, which also means that they can mobilise political pressure also at regional and European level. This means that joint issues of a region could be tackled in a more synchronised way.

The disadvantages are that:

- Regional support is foremostly handled by Sida in Stockholm and since the Swedish embassy is not involved in administration, it does not always feel clear ownership of the support. Consequently the embassy uses the regional support in the dialogue only to a rather limited extent, for example in relation to Roma issues.
- This support is not perceived as being Swedish, but rather stemming from the regional organisations. The fact that Sweden is a “back donor” has sometimes not been clearly disclosed. In some cases we have seen that beneficiaries do not know that the funds ultimately were coming from Sweden. This is not to say that Sida should hoist the Swedish flag in every project but rather that the potential entry points for dialogue and advocacy is lost if the information about where the fund are coming from is unknown among the key stakeholders.

4.2 THE REGIONAL APPROACH AND PERSPECTIVE

During the evaluation period the reform cooperation strategies in the Western Balkans focused on specific challenges in countries rather than the Western Balkans region. For political reasons this has been logical since most of the countries of the former Yugoslavia have very much promoted their specific national agendas. Therefore, between 1999 and 2007, there were some efforts to coordinate the support from Sida Stockholm. Also, regional organisations such as REF and REC, have for a long time worked with issues similar to other countries in the Balkans. However these programmes have not been backed by an official Swedish strategy for Development Cooperation. An exception to this is a special guiding document from the Ministry of Foreign Affairs on Roma issues.

In relation to the re-organisation of Sida in 2008, a new team for Albania, Macedonia and Kosovo (ALMAKO) was established. Connected to the fact that the embassy of Sweden in Macedonia covers political issues also for Kosovo and Albania it was seen as administratively appropriate to connect the development cooperation in the countries into one team with a manager based in Stockholm. Although this initiative seemed sensible from an administrative perspective it was not backed by an in depth analysis about possible regional synergies among efforts in Albania, Macedonia and Kosovo and no concrete strategy to guide the team's work. Also, the manager of the ALMAKO lacked the formal mandate to promote the possible synergies within the team. In fact, over the time some regional projects have been changed into bilateral partly because the regional synergies were considered as small and partly to increase the ownership of the support (which often is more natural with a bilateral counterpart). Since political and socioeconomic challenges for the three countries are rather different, no regional approach emerged on the ground and consequently, in the latest re-organisation of Sida in 2010 ALMAKO was discontinued.

More recently new discussions have begun in the Swedish Ministry of Foreign Affairs and Sida to identify genuine trans-boundary challenges and problems in the Western Balkans which also need trans-boundary solutions, for example within the area of criminality, environment and shared learning about EU accession processes. Such a strategy would, of course, form a more natural base for cooperation and a regional approach among relevant embassies in the region.

4.3 CROSS CUTTING ISSUES

4.3.1 Gender equality

An overall finding is that Sida and Swedish Embassy have had a rather strong profile on gender in the dialogue with partners and stakeholders, at least this is how it is perceived among many other donors and development partners.

With the exception of the projects specifically geared towards gender equality (such as those channelled through Kvinna till Kvinna), gender equality issues have, in most cases, been not, or only been shallowly mentioned in the assessment

memos from Sida, in the project documents and in reports. Also gender was often missing from the ToR for the external monitoring consultants and evaluations. However although gender equality issues have not been thoroughly mentioned in the official documents, Sida has in its dialogue with their partners promoted specific gender related activities. Some examples are SFARM, that undertook a gender study and had specific activities directed toward female farmers, and MAASP that organised women's rural development groups.

Although gender issues have been identified as dialogue issues in the country strategies, and since 2003 it has been required to take gender into consideration when analysing and planning programmes and projects, there has (with the exception of the Women's Economic Empowerment -WEE initiative 2009-2010) been little trace of systematic thinking within this area during the evaluated period. In a number of cases gender issues in the project were seen as counting exercises, i.e. counting women and men among participants of project activities or among beneficiaries.

In order to really achieve relevant outcomes Sida would have needed to be more strategic and systematic on how the issue is integrated in the contributions and should have followed up this process of mainstreaming properly.

In summary, in order to really make a difference Sida would have needed to be even more strategic and systematic on how the issue is integrated in the contributions as well as followed up in evaluations and monitoring exercises.⁷⁶

Women's Economic Empowerment

One mainstreaming tool is the WEE. It focuses on promoting women's economic influence and independence (focusing on women's income and economic situation, promoting that women have strategic decision making positions, promoting the use of gender disaggregated data, etc.) A specific Sida initiative of promoting WEE was implemented in Macedonia, Albania and Kosovo. In Macedonia the main activities consisted of assessment of gender mainstreaming in UniCooP and AREC, assessment of gender mainstreaming in the SFARM project proposal and recommendations to strengthen the WEE perspective. According to local partners and Sida officials, the WEE perspective makes gender mainstreaming more hands on and concrete and has good potential for influencing approaches. The WEE perspective is perceived by project officers and partners to be a more feasible and effective entry point than other traditional (RBA) approaches or tools.⁷⁷

⁷⁶ These findings are largely based in on following consultancy reports "Gender Portfolio analysis Macedonia Country Programme, 2009, Catharina Schmitz", "Follow up report on gender mainstreaming in UniCoop and AREC, 2010 Dori Pavloska-Gjorgjieska", "Recommendations for strengthening gender perspective in FFRM support, 2010 Catharina Schmitz" and "Securing sustainability for WEE initiatives in Macedonia programs during phase-out 2010 Catharina Schmitz"

⁷⁷ See for example the Final report on the Project Strengthening focus on women's economic empow-

One lesson learnt is that it has proven difficult to address and incorporate a WEE perspective in ongoing programs. The perspective needs to be incorporated in the design phase in order to address and comprise the most relevant areas from a WEE perspective. If gender equality through WEE remains only a dialogue issue for the embassy or if gender related activities are added on afterwards, the results are not likely to be sustainable.

WEE was introduced the same year it was decided that Sida would withdraw its support from Macedonia. As a result, the interest of designing new project phases in accordance with the WEE perspective was considerably reduced when it became clear that Sweden could not support these further efforts. If allowed to continue as originally planned, the WEE concept would most likely have been spread to other areas of cooperation.

4.3.2 Inter-ethnic relations in Swedish development cooperation

As described above, the need to address inter-ethnic tensions is key rationale for Swedish engagement in the country. In the portfolio there have been some projects that particularly dealt with this issue, for example Mozaik, the Open Fun Football Clubs, School of Tolerance and the Roma projects.⁷⁸ Besides these specific contributions geared towards human rights and dealing explicitly with interethnic relations, few Sida funded projects have systematically integrated inter-ethnic aspects as part of the design and follow up of the projects. Yet there are some exceptions, in for example the support to FFRM the issue of inter-ethnic relations was very much discussed during the design and set up of the project.

In summary, inter-ethnic issues have not been properly integrated into the interventions and it is generally unclear what effects the Swedish supported projects have had on the interethnic relations in the country. It should be recalled that the overall tendencies within Macedonian politics towards a more ethnically divided society are difficult to change, so even if more concerted efforts had been made it is not certain that outcomes would have been different.

4.3.3 The rights-based perspective

Together with gender, a rights-based perspective is expected to be mainstreamed in all Swedish development interventions. Yet outside projects specifically dealing with this (e.g., the Roma projects and projects funded through CRD and KtK), the Rights Based Approach promoting transparency, participation, accountability and non-discrimination has not been explicitly visible in the design of the projects, or in monitoring and evaluation.

erment in development cooperation, Catharina Schmitz, 2010

⁷⁸ See the Learning study on interethnic dialogue and youth work, Joakim Anger et al., Sida 2010.

4.3.4 Environmental sustainability

Swedish development cooperation in Macedonia has given strong priority to sustainable development and the environment. In the Swedish development strategy from 2006 and in the phase out strategy it is one of the main focus areas. Also, environmental sustainability is one of the so called cross cutting issues. However, generally environmental concerns have not been integrated into Sida's assessment (and project documents), and we have seen few traces of environmental impact assessments (EIAs) in projects outside the sphere of specific environmental projects, although EIAs are mandatory for all projects. In some of the Sida funded projects (e.g., MAASP) there have been attempts to develop skills within Macedonian institutions to use such tools. Yet, in the case of MAASP there was a severe lack of interest and ownership to undertake EIAs.

5 The phasing out strategy and process of implementation

The decision to phase out development cooperation was taken by the Swedish Government in 2009 at the same time as the process of elaborating a four year development strategy for 2010-2014 was underway. Hence, Sida had to suddenly stop its preparation on the strategy for development cooperation and instead prepared a two-year phase out strategy which was decided upon during the autumn 2009.

According to the Swedish Ministry of Foreign Affairs the decision for phasing out the support was principally based on the new revised *criteria for selecting partners*, i.e. the political decision to focus bilateral aid to fewer countries. In this regard other countries simply were given higher priority than Macedonia.

Another argument that has been circulating in the debate is that Macedonia (at the time of the decision) was about to meet the *graduation criteria* (i.e. improvement in key development indicators) and that it was expected (or “hoped” as the phase out strategy puts it) that the decision on commencing negotiations with the EU would be taken in 2010 in accordance with the programme of the Belgian Presidency.⁷⁹

As described in section 2.4 a number of donors have gradually phased out their bilateral support by the end of the last decade more or less for the same reasons. Yet other bilateral donors (notably Switzerland and USAID) came to other conclusions. Apart from not being EU member states (and not able to influence through this channel) the following arguments were put forward:

- a) Although Macedonia has been developing economically and is considered as a middle income country, the social and economic data are not very promising and the poverty is still wide spread among some groups in society.

⁷⁹ However, this argument was not perceived as fully realistic and strong according to interlocutors at the Ministry of Foreign based on previous experiences with the Baltic Countries and Croatia where development cooperation ended just prior to EU accession (which in any case would be many years down the road for Macedonia)

- b) Although the IPA funding is rather comprehensive, there are still gaps (for example the health sector) that are not covered at all and some areas where the Macedonian partners have difficulties to acquire funding.
- c) There is a risk that civil society organisations will not have access to appropriate levels of funding and key state institutions such as Ombudsman will be underfunded. Respect for human rights and democracy and the independence of media and civil society are openly threatened and the trend is, according to our interlocutors, rather bleak.

5.1 ASSESSMENT OF THE PHASE OUT

This section briefly assesses to what extent Sida has followed best practices of aid exits and is primarily based on the *six success/critical factors* from joint donor experience of phase outs and exits as described in the comprehensive “Managing Aid Exit and Transformation report” carried out in 2008⁸⁰.

1. *It is important how the message of exit is conveyed, i.e., that it is done on a proper political level with respect of the partner country. Preferably this should be done on political level since the decision will be perceived as a political decision.*

The Macedonian government (the Secretariat of European Affairs) believes that the message was channelled to the Government in a correct and respectful way. Furthermore, the counsellor for development cooperation did visit all stakeholders with the message that the Swedish government had decided to terminate the cooperation. According to our informants these gestures have been very much appreciated.

2. *The time frame ought to be realistic so that the relevant stakeholders are involved in the planning and the implementation of the exit process. Long term planning with involvement of key stakeholders is naturally ideal.*

As stated above, the phase out strategy was originally supposed to be a full strategy for the period 2010 -2014, preparing for the phase out strategy that would start 2015. Naturally the Swedish government’s decision to phase out earlier came as a surprise for Sida and the Macedonian partners. However, eventual phase out was expected and also seen as a natural step towards further EU integration. For some of the projects, the two year period to prepare for a responsible phase out has been too short, which has had a negative effect on the sustainability of the results.

⁸⁰ See the synthesis report of *Managing Aid Exit and Transformation. Lessons from Botswana, Eritrea, India, Malawi and South Africa*, by Anneke Slob and Alf Morten Jerve, Sida 2008.

3. *The fulfilment of ongoing commitments (not only the legal obligations) is also a critical factor for successful phase out.*

In general, Sweden/Sida has fulfilled its contractual obligations and is mainly considered to be a responsible donor. Also, the fact that Sida has taken steps and measures to ensure that partners could find other sources of finance has been very much appreciated by partners. Yet, the decision taken by the Swedish government to phase out support to Macedonia made it difficult to fulfil some of the oral commitments made by Sida and the embassy during the preparation of the later abandoned strategy planned to cover the next 4-5 years.

4. *The volume of aid is seen as an important factor, i.e. that necessary funds are allocated, and sometimes there is even need of increasing the volumes during the phase out in order to enable sustainable cooperation.*

When it became clear that the country strategy 2010-2014 was going to be transformed into a phase out strategy, Sida calculated that the cost for a responsible phase out according to the strategy would cost around 100 million SEK. Nonetheless, only about SEK 80 million was allocated, forcing Sida to somewhat lower their ambition for the phase out period. According to the general lessons learnt from other aid exits,⁸¹ successful phase outs are often more costly than ordinary operations. With an additional 20 million of funding Sida and the embassy could have worked more actively with concrete exit strategies and learning exercises and better follow up connections between key actors within certain areas. .

5. *Institutional capacity of the partners is of key importance. Yet often donors do not undertake proper assessments of the capacity of partner institutions and organisations and therefore underestimated the capacity development needs of the partners to cope with the withdrawal of funds (both state agencies and CSOs).*

Although almost all respondents acknowledged that there was sufficient warning of the impending end of funding (2-3 years), and although the messages were clear, the phase out was felt to be abrupt among many of the Macedonian partners. In some areas such as rural development and for civil society organisations working with interethnic dialogue, Sida organised and conducted a learning exercise/study with the aim to bring organisations working within the same area together and to learn for the future. Yet, most of the respondents

⁸¹ Ibid

would have liked Sida and Swedish embassy to take a more active role in the phase out processes.

A general observation is that Sida and the Swedish embassy have a rather good overview of the capacities and future needs of the government and other partners. In one key project, Sida has commissioned an external consultant to carry out an organisational assessment on the partner organisation (FFRM). In this case the conclusion was that Sida had severely overestimated the capacity of the organisation to cope with the phasing out of external funding. This is also the major reason why Sida provided additional final support to strengthen institutional capacity.

6. Institutional capacity of the donor is of key importance for a successful exit

In March 2011 the Swedish counsellor of development cooperation retired. Sida took a decision not to replace him for the remaining 1.5 years of the support. Currently development cooperation is handled by two National Programme Officers guided by Sida Stockholm in development cooperation matters. The downsizing of human resources naturally has repercussions. With additional funding it would have been possible to keep the presence of a counselor on development cooperation during the last two years of the phase out which mostly likely would have been beneficial for the dialogue between the Swedish embassy and the Macedonian stakeholders and other donors (that could “inherit” Swedish funded initiatives).

In summary, according to the above the phase out of the Swedish support has so far, and under the circumstances, been carried out in fairly responsible manner. However, the phase out could have been further improved with additional financial and personal resources at the embassy earmarked to promote the sustainability of the effects, e.g. additional network meetings between stakeholders, learning studies/exercises within all areas of support. Also the phase out strategy could have been further operationalised and divided into specific goals and targets within the three sectors of support.

5.1.1 Key recommendations for the exit

An effective dialogue or negotiation requires clear entry points. The reform cooperation with Macedonia in the last 12 years has given Sweden many relevant entry points and leverage in the dialogue with local stakeholders (with both government and civil society sectors). In the situation, where Sweden has a full-fledged embassy but no development cooperation funds, the dialogue and possibilities to influence will most likely be limited and there is a great risk that these entry points will vanish.

Other donors that phased out their development cooperation (DFID, the Netherlands)⁸² have recognised the importance to have a “seat at the table” and be able to advocate for the priority issues (outside the framework of development assistance). For both the Dutch and the British embassies it has been evident that the leverage will be stronger if some money can be put behind the statements and they have therefore set up a “strategic fund” in order to facilitate the dialogue between the embassy, state and civil society actors. According to the representatives of the embassies this is also an important and fairly cost effective instrument for the embassies to justify their presence in the country.

Based on these experiences it appears natural that the Swedish Ministry of Foreign Affairs support the Swedish Embassy in Skopje to explore the possibility to have a strategic fund that would make it possible to continue an effective dialogue in strategic areas such as environment (sustainable development), gender and human rights.⁸³ The likelihood of “walking the talk” is naturally greater if there are funds to commission experts or organise meetings and events that could facilitate such change. This type of funds, if used fast and flexibly, could have the potential to take advantage of windows of opportunities that arise. In a small country as Macedonia with few vocal international actors, the preconditions to influence the public debate ought to be rather favourable.

It is also *recommended* that Sida further explore the possibilities to include Macedonia in a regional approach. With new trans-boundary problems emerging (e.g. environmental issues) this approach is likely to become even more important.

Although Sweden/Sida has not elaborated a specific phase out plan according to the main 6 lessons learnt identified in Managing Aid and Exit Transformation, the principals seem to some extent to have been followed during the phase out process. It is however *recommended* that lessons learnt (when still applicable) are used more explicitly during the remaining months of the phase out period.

⁸² The British are present in the country with the so-called policy funding that supports projects related to EU accession process with the focus on democracy, rule of law, human rights and protection of minorities, which makes it possible for the Embassy to maintain some leverage. Similarly, the Dutch, who phased out at the end of 2010, are still supporting some initiatives in the niche of the rule of law and connect dialogue to the same issue.

⁸³ The evaluator has not explored the *current* technical/legal possibilities/obstacles to set up such fund within the framework of the Swedish donor policy and financial management system but recognizes at the same time that other countries appear to have this possibility outside the framework of ordinary development assistance.

5.2 POSSIBLE COOPERATION BETWEEN MACEDONIA AND SWEDEN AFTER SIDA'S PHASE OUT

The majority of the current development cooperation initiatives between Swedish and Macedonian will also in the future depend on external funding. In many cases this means that the cooperation will end when the bilateral funding is stopped in December, 2012.

Nevertheless, some regional initiatives could still get Swedish/Sida funding, however, these will most likely be limited to ongoing regional projects, for example for the support to the Roma minority and other truly regional projects (depending on the focus of the forthcoming regional strategy for Western Balkans). Furthermore, participants in Sida financed International Training Programmes (ITP) are still eligible to attend the training although the bilateral support is concluded.

The predominant donor channel for the next coming years in Macedonia will be the EU's IPA funding, where there are plans to disburse about 100 million Euros per year. Although, the inflexible IPA structures are inherently difficult to influence, Sweden should (through the Swedish delegation in Brussels, Ministry of Foreign Affairs and the Embassy of Sweden in Skopje) take the opportunity to further promote core Swedish values into this support and disseminate lessons learnt from the bilateral support. For example, the current development within the human rights and democracy in Macedonia calls for further support to the civil society active within this sector. Under the current requirements of IPA funding, only large civil society organisations oriented towards social services will be able to acquire support. The Swedish commitment towards gender equality is also an area where engagement should be considered, since the IPA instrument has been rather weak in strengthening the role and obligations of the public sector on gender equality.

Some state agencies such as the Swedish tax authorities have already been able to set up a twinning project with their counterparts in Macedonia (under IPA) with specific aim to move closer to the requirements that EU sets on the member countries.

Furthermore and although not part of this study, there is a fairly large Macedonia Diaspora based particularly in Southern Sweden whose role could be further explored for how the ties between the countries could be strengthen and promoted by the Swedish embassy irrespective of the development cooperation between the countries.

6 Lessons learnt

6.1 COMPARATIVE ADVANTAGES OF THE SWEDISH COOPERATION

Several external informants stated that Swedish support, in comparison with other multi- and bilateral donors, is perceived as being built on trust and honest relationships, is flexibly handled, transparent, and promotes ownership and coordination among donors attempting to apply a Programme Based Approach.⁸⁴

More specifically, our informants have given the following picture.

- In comparison to other donors Swedish support is often perceived as flexible, and Sida has a rather quick decision making processes with no unnecessary bureaucratic delays.
- The Swedish strategy processes have been transparent and consultative. With a few exceptions the Swedish approach is perceived to be built on respect for Macedonia counterparts and has stressed that it is only the local partner that will and can make change.
- Sida and Swedish partners have usually (but not always) listened to their partners and let their needs (or/and rights) form the support based rather than promoting their own solutions. This has meant that Sida has not “cherry-picked” projects they already had plans for. Also, Sweden and Sida have often sought out a role where inputs could be catalytic and complementary in relation to other much larger IPA funding (and other multilateral funding).
- In comparison to other donors, Sida and Sweden have the big picture in mind during the strategy process and in selecting contributions.
- From an outside perspective the division of labour between Sida Stockholm and the Swedish embassy in Skopje is perceived as smooth and coherent.
- Sida has always communicated and worked in coordination with other donors as exemplified by Sida’s efforts in developing the Programme Based Approach.

⁸⁴ These comparative advantages were largely confirmed in the workshop in Skopje, April 26 as well as during the seminar in Stockholm, May 4, 2012

6.2 AREAS OF IMPROVEMENTS FOR SIDA AND THE EMBASSY

Sida and Swedish embassy have had mainly three instruments to steer and manage Swedish reform cooperation with Macedonia:

1. Design of country strategies and selection contributions that are supported
2. Use of monitoring and evaluation instruments
3. Use of the dialogue instrument to promote certain issues

According to our observations, although Sida and embassy have actively used these instruments, there are possibilities for improvements within all areas.⁸⁵

6.2.1 Design of country strategies and selection of interventions that are supported

Regarding the design of strategies and selection of approaches and strategies, the following observations have been made.

The selection of contributions in accordance with the EU accession agenda

As noted in section 3.1 the support to Macedonia can generally be considered as relevant and has been complementary to EU accession process. The large majority of contributions is, according to our assessment, appropriate and has given Sweden a number of fruitful entry points and contacts in different areas of the Macedonian society.

Yet the relevance as well as effectiveness and sustainability could have been further enhanced if channels and connections of support had been based on a *systematic analysis and selected more strategically to support Macedonia in its preparation for the EU accession*. This could, for, example have been done by:

- Carrying out a thorough strategic analysis of the needs of Macedonia and based on this, specifically prioritising elements of support in relation to key challenges in the EU accession requirements (Acquis). Although the EU accession been an overarching theme for Swedish development cooperation since the beginning an updated analysis should have been carried out in 2005 when Macedonia reached EU candidate status.
- Targeting areas where Sweden has specific comparative advantages.

In our understanding, the main two reasons for Sida not carrying out the proper analysis and adjusting the project portfolio according to the specific EU requirements. The main reason for this were a limited knowledge and understanding of the specific requirements under EU accession among Sida personal and how to use them as strategic tools in the dialogue and negotiations with the implementing

⁸⁵ These observations were to a large extent confirmed and further complemented at the workshop in Skopje and in the seminar in Stockholm

partners.⁸⁶ Also, most of the cooperation in 2005 (when Macedonia reached candidate status) was up and running and that a clearer focus towards EU accession would most likely have required redesigning many of the projects already initiated.

Feasibility and risk assessment

In the design of the strategy and selection of contributions Sida often has an over-optimistic picture of how fast changes can occur. Often, it takes more time than expected to promote development of the attitudes and norms of individuals, organisations and society. There has also often been a substantial gap between the visions of the strategy and the concrete measures to fill this gap. Also, some of the projects that were supported had rather unrealistic perspectives (e.g. FFRM and KEMI). These projects would have required a more thorough feasibility assessments taking into account both external risks and internal resources of the implementing partner. In projects with high risk Sida could sometimes be clearer (and tougher) on the fulfilment of contractual obligations and project activities before disbursing new funds.

A more strategic combination of funding mechanism. As presented above the different channels of support have inherent advantages and disadvantages. For Sida, the challenge is to strategically identify and select a feasible combination of channels of support. For example, Swedish state agencies are in general an appropriate choice when the partners have a fairly strong capacity, i.e., “knowing what support is needed” and where the cooperation is based on sharing experiences of the EU integration process. However, if and when Swedish state agencies are to take on a broader institutional capacity development role not including core business issues (e.g. including mainstreaming aspects as gender equality, RBA, environmental sustainability, etc.) Sida should further encourage cooperation between the state agencies and specialists, through civil society or consultant support.

Experience from countries that have recently joined the EU

The experiences of the EU accession process from Eastern Europe countries are more recent and in many respects are much more relevant than Swedish experience of EU accession in the early 1990s.⁸⁷ Sida could have drawn more on other countries in Eastern Europe that have more recently gone through the EU accession

⁸⁶ One example and suggestion on how to concretely use the EU Acquis is the Sida sponsored consultancy report “A Guide to EU Acquis on Gender Equality and EU strategies for WEE, Women’s Economic Empowerment Series, Sida, October 2010” This outline in a simple way key challenges of EU Acquis and concrete recommendations to deal with them.

⁸⁷ Although the Swedish EU accession process were technical complicated the Eastern Europe countries had and still have much greater challenges in their EU accession process. This includes not only to reform the entire public administration but also to promote a totally new attitude among public officials.

process. A third country from Eastern Europe could have been engaged already in the project design phase, complementing the experiences from the Swedish partner.⁸⁸

Yet it is important that Sida clearly understands that the conditions for a successful EU accession have varied among Eastern European countries. For example in the Baltic countries (which are often mentioned as a successful example) the pre-conditions were significantly different from Macedonia. According to a study carried out in 2004, the most important comparative advantages for the Baltic countries was a very strong political will and ownership from the leading politicians to reform the countries from the foundation according to the EU accession agenda. These are all crucial factors that to some extent are missing in Macedonia.⁸⁹ These and other issues need to be taken into account when using the experiences from other countries.

6.2.2 Evaluations and Results Based Management instruments

One important way of reflecting on and learning from success factors and mistakes is to carry out strategic *utilisation focused evaluations* and reviews. Between 1999 and 2012 rather few external evaluations, and mid-term reviews have been commissioned by Sida Stockholm and/or the Swedish embassy in Skopje.⁹⁰ However, a number of internal evaluations have been commissioned by the implementing partners⁹¹

In some of the large projects within the area of sustainable development and agriculture, Sida has commissioned external monitoring consultants following the work implemented.⁹² Although these missions and monitoring reports have been valuable for Sida in their decision making and dialogue with the implementing party, they do not replace the need for external evaluations. Furthermore, the scope and time allocated for such monitoring missions is not sufficient to be used as ba-

⁸⁸ Since 2009 The Swedish Government has a Partnership Programme (or mechanism) in order to increase the participation of the most recent EU Member States as partners in Swedish development cooperation in Eastern Europe and Western Balkans. The Programme “aims to strengthen contacts between the parties and in the long run contribute to increased programme cooperation”. Although Macedonia is part of this programme the mechanism has not been utilised and seems to be fairly unknown by responsible personnel in Sida Stockholm and at the Swedish embassy Skopje.

⁸⁹ See for example the outcome assessment of the development cooperation between Sweden and the Baltic countries, Sweden's support to the transition of the Baltic countries 1990-2003 by Krister Eduards et. al, 2004. Political will refer here to the willingness and political possibility to undertake structural changes that can be politically complicated (painful for many – or/and resulting the loss of privileges) and the capacity/knowledge to implement these changes. This is most likely also a reason for the lack of political ownership of development processes in the country.

⁹⁰ See annex 7 for more information.

⁹¹ For example, SEPA, MAASP, SCB and OSCE commissioned an internal evaluation towards the end of the project, see also annex 7

⁹² The monitoring consultants have been used to follow up some of the projects, see annex 7 for details

sis for decisions on more comprehensive changes in the setup and approach of the interventions.

The overall conclusion is that the evaluation instrument has been underutilised and that the reform cooperation with Macedonia could have been more effective and efficient if Sida and the embassy had made more strategic use of utilisation focused evaluations/ reviews at strategic points in time, e.g. between phases of contribution, mid-term reviews or when external factors made it necessary to reassess the design, roles and responsibilities, and working methods.⁹³ In some of the interventions, such as SFARM, it is clear that external evaluation between the different phases could have improved (or even stopped) the project in an earlier stage. One notable exception and good example when the evaluation instrument was used in a decisive way was the cooperation between KEMI and its Macedonian counterparts. In the mid-term review commissioned by Sida it was concluded that the Macedonian counterpart had insufficient capacity and ownership of the project and it was consequently decided that Sweden would end the project prior to set concluding date⁹⁴. This is an example where evaluation results helped Sida to make a clear cut and correct decision (to which KEMI also agreed).

In the phase out strategy it is stated that “in depth performance monitoring, results analysis, and experience should be given priority in connection with the phase out”. However, when it was decided that development cooperation was being phased out Sida and the embassy did not believe that there was a need to carry out full-fledged evaluations of the specific project support. Hence, during the phase out period no external project evaluations and reviews were commissioned by Sida. Instead Sida has been commissioned a limited number of broader learning studies or evaluations of different forms of cooperation.⁹⁵

According to several of the implementing organisations, Sida has sometimes been unclear on what type of results is required in the narrative reporting. However, lately the overall results orientation according to Results Based Management principles has (according to several partners) created a better dialogue between Sida and the implementing partners on results, focusing more on what has been achieved, rather than on what has been done (as was formerly the case when Sida required reporting according to strict LFA matrixes).

⁹³ It should be noted that the function of a midterm review or evaluation could differ; sometimes it could be for learning purposes for the partners and sometimes as a tool for supporting a decision by Sida.

⁹⁴ Mid Term Review of Sida's support to the cooperation on chemicals risk management in South East Europe, 2007-2010

support, SIPU, Feb 2010

⁹⁵ See annex 7 for further information

6.2.3 The use of the dialogue instrument and communication strategy

In the country strategies the dialogue questions are integrated parts of the Swedish political ambitions within development cooperation. In practice, these are issues in which Sweden has a point of view and wants to influence the partner's attitude.⁹⁶

As stated above, generally the dialogue between partners has been conducted in a transparent, respectful manner and in most cases built on trust. Also, according to implementers, there are many examples where Sida and the embassy have been helpful in facilitating the dialogue and pushed for certain necessary changes at the government level. Yet according to our observations the dialogue instrument has been somewhat underutilised to promote clear-cut results.⁹⁷

Lack of an operational communication plan The dialogue questions have been rather broadly formulated. In the strategy for 2003-2005 no dialogue issues were defined. According to the strategy for the period 2006-2010, the "emphasis in the dialogue is to be on poverty issues, including social development and rights from the perspective of the poor, and on gender equality". In the phase out strategy the focus has been on "reforms for closer relation with the EU, gender equality and local ownership" as well as on ensuring sustainability for the results of the cooperation.

Sida's experience from countries such as Tanzania and Kenya suggest that a clear dialogue strategy which involves the whole embassy staff as well as Sida Stockholm, could make a certain difference for the overall effects of the support. Generally, the embassy has had good connections and entry points and has generally been active in its dialogue with partners, other donors, EU in Skopje and Brussels. Still, although the Swedish Embassy had annual country plans where dialogue issues were included there was no really concrete strategy for *how* to operationalise these dialogue questions into concrete plans. Furthermore, the dialogue has not been followed up by Sida Stockholm in a systematic manner. Also, an important factor for a viable dialogue is a constructive communication between Sida, the Ministry of Affairs and the embassy as well as the internal communication between the embassy staff (e.g. the counsellor/head for development cooperation, the ambassador and the programme officers).

Dialogue instrument in sensitive situations In general the embassy has tended to have a direct dialogue with implementer rather than the Macedonian institution

⁹⁶ The focus of this section is the bilateral dialogue between the Swedish embassy and the Macedonian counterparts. Although not part of this assignment, the *three-part dialogue* between Macedonia, the EU and Sweden is of crucial importance in influencing the whole reform agenda. According to personal at Sida and Ministry of Foreign Affairs, Sweden has been one of the more active countries and placed itself strategically in relation to this dialogue, both in Skopje and in Brussels.

⁹⁷ It is of course necessary to strike a sensible balance between on one hand being respectful and listening and on the other hand clearly advocating for your own ideas.

having the final responsibility. In some of the projects that were less successful, for example the Chemical Cooperation (through KEMI), the dialogue instrument could have been used in an earlier stage to put pressure on the responsible counterpart (in this case the Ministry of Health). Hence, one lesson learnt is that Sida and the embassy could have been tougher on in the dialogue with partners not performing up to expected standards.⁹⁸

6.3 KEY FACTORS FOR SUSTAINABLE EFFECTS OF THE COOPERATION

Based on the case studies, desk studies, interviews with stakeholders as well as discussions in the workshops connected to the study, four success factors have emerged. As we see it, these factors have made a substantial difference in the efficiency, effectiveness and sustainability of the initiatives that Sida has supported in Macedonia. The following lessons learnt are both relevant for Sida as a donor but also to consider by the Macedonian government when designing and implementing development/reform cooperation initiatives.

Leadership and organisational culture

Proper analysis, design and structure are indeed import factors for sustainable results but cannot guarantee a successful implementation of development projects. According to our observations, one often overlooked factor is the engagement, energy and interest of certain individuals that make change happen. In the Macedonia portfolio there are some examples of projects that have had a proper design but have not been able to deliver the results expected. With new individuals in key positions on management level, the situation has in several cases turned around and the projects have become both more efficient and effective (e.g. the support to Cadastre).

Local ownership

Another very clear success factor relates to the issue of ownership. Among the different projects implemented and channels of support, the large majority have had ownership in mind. Yet, for example at some of the projects implemented by the government or governmental agencies, (e.g. Chemical cooperation, Food safety) a genuine ownership was not found at the outset. The project on chemical cooperation had to be stopped early, while others (such as Food safety project)

⁹⁸ This lesson learnt was also confirmed in the workshop in Skopje with Macedonian partners and calls for a further reflection on how to balance and combine clarity/toughness with flexibility. Theodor Roosevelt's motto; "speak softly and carrying a big stick" might be of some guidance when balancing these two factors.

eventually found a proper ownership of the project and thereafter started to generate positive results. MAASP suffered primarily from a lack of local ownership on the part of responsible Ministry and the extension agency which were not prepared to undertake a comprehensive reform of advisory services. In projects having strong local ownership (for example UniCoop and the support to the AREC/Cadastre) the management level of the organisation has had clear ideas on how to use the projects to develop and capacitate other parts of the organisation.

Equal relationship

Another key factor for sustainable results is that partnerships work best if there is a genuine *mutual* interest to cooperate. The respect and (at least perceived) equality between partners increases the prospects for sustainable results. Our findings from the case studies underlined that results are most positive when both partners have a relatively equal position in the project planning, design and implementation. The University Cooperation is perhaps the best example of this.

Long term horizon

Unlike some other donors, Sida has, during the evaluation period, had a long term commitment and perspective, not cherry-picking projects according to its own agenda but also listening to the needs and demands of the partners. For example, many of the projects that Sida has supported are geared towards ground work (eg. institutional development and preparatory analysis) inherently not leading to fast measurable effects, (e.g., NSSD, LEAP and institutional cooperation, human rights and gender equality projects). Although these long term investments are not likely to produce fast measurable results they are often necessary conditions for long term sustainable reforms.

6.4 CONCLUDING REMARKS

From about 2005 the support to Macedonia has been firmly anchored in the belief that Macedonia would move from being EU candidate country to a member state. As shown in this report, Swedish cooperation has been targeted toward some of the key areas in the EU accession process, which has also been in line with the ambitions and policies of the Swedish development cooperation.

Using the EU integration process as a framework and for leverage, the support has (as stated above) been based on three fundamental assumptions, i.e. the EU integration process in general would continue as planned, the name issue would be solved, and political will and commitment to be a part of EU would remain strong.

The assumption for using EU accession as the main vehicle for support has lately been challenged:

- The name dispute that for many years has effectively stopped Macedonia from entering into negotiations does not seem likely to be solved in the near future.

- The agenda among leading politicians and the difficulties to adjust to the political criteria of the EU accession have resulted in the country entering into a more nationalistic path.
- Also, the severe economic crises in several of the European countries have led to general sentiments among EU members not proactively supporting the enlargement agenda for the time being.

These factors have once again led to a new situation for Macedonia where the EU accession process that just a few years ago seemed fairly predictable is now put in an unclear situation. With new actors such as Turkey and China making large financial investments in the country, and in a time when the threshold toward an EU membership seems difficult to cross, it is possible that Macedonia will seek new paths for the future.

Annex 1 – Summary of Sida funded interventions

The desk study on the 21 interventions presented in this section is based on key documents provided by Sida. These *include proposals, assessment memos, decisions, monitoring and evaluation reports (if there were any) and final reports*. Based on this information we have briefly analyzed the documents to present objectives, and briefly assess relevance, main results, sustainability and mainstreaming cross-cutting issues.

In case the projects have been reviewed by external consultants (by external monitoring consultants or through evaluations/mid-term reviews), this have been a key source of information. However the overall lack of relevant information in the documents limited the possibility for detailed review. In particular it was difficult to see how projects had handled issues of gender, environment and ethnic relations.

In sum, in some projects there are a lot of information available while in others almost nothing. Hence although we have systematically reviewed the documents we have in this annex presented the information as it has been presented in the Sida reports without trying to standardize the information too much. For example, often project documents did not have a clear results framework and are not following the same structure with regards of presenting purpose and objectives, relevance and outcomes and how they deal with cross cutting issues. In general the descriptions of the projects in annex 1 reflect the diversity of written information available for the different Sida supported interventions.⁹⁹

The desk study was complemented with key informant interviews (for some of the projects) focusing on the information gaps identified during the document review with special regard to outcomes and longer term impact as well as sustainability. Information obtained in this way has been integrated into the review.

The desk study is divided into the three main areas of Swedish support;

- a) *Democracy and human rights,*
- b) *Sustainable development and environment and*
- c) *Agriculture and economic growth*

⁹⁹ Although not a part of this study this is an interesting finding in itself.

Macedonian Ombudsman Support Project (MOSP) 2005-2011 Total contribution: 3,1 MSEK (2005-2009) and 2,4 MSEK (2009-2012)		Sector: Democracy, human rights and gender equality Sida specific main sector: Legal and judicial development Contribution ID: 76003544 (2005-2009) and 53030032 (2009-2012)	
Project goal/purposes, main activities; Implementing partner	Relevance according to Swedish country strategy; cross cutting dimensions	Main outcomes (according to final reports and/or external evaluations)	Other comments
The overall goal has been to strengthen the protection of the constitutional and legal rights of the citizens of Macedonia and to promote all ethical groups' participation and representation through a strengthened Ombudsman institution. The project purpose has been to develop the Ombudsman Institution in Macedonia (OIM) so that it can operate with a substantially increased effectiveness and efficiency, by contributing to the institutional and professional development and increase the effectiveness and efficiency of the institution. The support started with a Pre Assessment to identify priority areas for improvement. The support has been broad and covering several capacity building areas (2005). Project activities included: a) Various different trainings in case handling, good governance, administration, discrimination, torture prevention as well as human rights training for the Ombudsman staff. Training on strategic planning. b) Study visits and workshops for experience exchange (both internationally and regionally)	The project has been relevant in regards to the overall Swedish strategy as well as for democratic development of Macedonia, specifically in the area of rule of law and Rights Based Approach.	The support was evaluated at the end of the 2011¹⁰⁰. The main results were for example: - The Ombudsman institution has a broad recognition among key stakeholders (which would not been the case without the Swedish support). Citizens and other stakeholders have an increased trust in the institution. When the support started many strong stakeholders questioned the entire mandate of the institution. According to the evaluation "the Ombudsman thus appears to have reached the level where its mandate is undisputed". - The increased level of complaints is clear indicator that there is increased awareness among the general public about the existence of the institution. - The quality in general of inquiries, inspections, decisions and other activities carried out by the Ombudsman institution are efficient and the work professionally. - The Ombudsman has reached a high level of efficiency and effectiveness.	The OIM is funded by the state budget that covers regular institutional costs (such as salaries and rent). However, it does not cover costs for capacity building, promotion or maintaining or improving of domestic and international cooperation. Therefore, there is still a need for external support to further develop the organization. Also in order to uphold its independence foreign support is most likely needed, due to the trend of further politicized public administration in Macedonia. The Dutch embassy will partly finance the Ombudsman when the Swedish support is withdrawn.

¹⁰⁰ The Macedonian Ombudsman Support Project (MOSP) 2005-2011. Final Evaluation. By Timo Manninen, 2011.

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c) Installing technical equipments d) Promotion of Ombudsman role and competences in the mass media (TV shows, theatrical play, printed promotion materials) e) Improvement of cooperation with local and central level authorities (roundtable debates in the capital and in other municipalities) d) Improve the regional cooperation of the public defenders (regional ombudsman conference) g) To conduct an overall evaluation of the Ombudsman programmatic support and to carry out audit of the financial part The support has been channeled through OSCE in Skopje.		A series of TV programs broadcasted in 2010 was found to be outstandingly successful by the final evaluation. (Note that the privately owned TV channel broadcasting the program was closed in summer 2011.) Similarly, the anti-discrimination training (in 2010) was considered highly professional in approach and methods, leading to very positive impact on the daily work of those handling discrimination issues.	
Support to civil society through Swedish framework organizations – Civil Rights Defenders 2002-2010 Total contribution: 32,1 MSEK (altogether 7 contributions)		Sector: Democracy, human rights and gender equality Sida specific main sectors: Democratic participation and civil society and Human rights Contribution ID: 76001645, 76002168, 76002603, 76002989, 76003569, 76003720, 76003962	
Project goal/purposes, main activities; Implementing partner	Relevance according to Swedish country strategy; cross cutting dimensions	Main outcomes (according to final reports and/or external evaluations)	Other comments
CRD's overall goal was to "strengthen the capacity of the partners within the fields of freedom of speech, strengthen rule of law and protection against discrimination." Specific objectives: In the area of rule of law main objectives of CRD were to increase people's access to laws, including Macedonian and European case law, to enhance people's access to justice through provision of legal assistance	This support through the Swedish framework organizations is in line with the Swedish strategy and it is also relevant to the needs of Macedonia in their efforts to promote a democratic development.	The support to Civil Society in Western Balkans through Frameworks organizations was evaluated in 2010¹⁰¹. Macedonia was one out of five countries receiving the support. The support to CRD has been considered as rather important for the democratization process and accession to European standards, since many	Watch dog organizations are rather important in Macedonia, particularly in the current political context. Therefore if these organizations do not receive external funding, they probably will not survive. All local NGOs supported by CRD are

¹⁰¹ Evaluation of Support to the Civil Society in the Western Balkans. Sida 2010.

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and to improve the accountability and compliance of duty-holders through general human rights monitoring. In the component of freedom of speech, CRD had objectives to enhance people's access to diverse and balanced information by improving professionalism in journalism, to enable a higher level of professionalism among the media through advocating for a proper implementation of the Broadcasting Law. In the area of non-discrimination CRD strived to reduce the number of Roma that are without personal documentation, hence improving their social, economic and civil rights and to ensure the existence of a professional LGBT organization and put the issue of LGBT on the agenda of political parties. Major activities of the interventions and supported project proposals in all areas were related to advocacy activities for proper implementation of the adopted legislation as well as watch dog activities i.e. monitoring the implementation of the legislation in each of the three components. In addition, provision of free legal aid to citizens in need related to their human rights is also part of the major activities within the interventions. The support has been implemented by 16 local civil society organizations and media outlets.		of the organizations that CRD are working with are watch dog organizations. CRD and its partners have had on-going and not-insignificant impact in the area of the rule of law. The CRD focus on legislation, on systems that assist individuals to access information and on encouraging respect for human rights within Government systems have the potential to directly influence Macedonia's EU accession agenda. The focus on ensuring the rights of the individual, and the approach taken by CRD partners, changes the responses within particular Government institutions. The CRD approach in Macedonia emphasises partnership and a focus on the work of partners rather than on particular projects. The work is focused externally, i.e. on change in legislation and change in the practice of authority, rather than on partner organisations themselves.	still existing and active in the civil society and perform their work as watchdogs, now supported by other donors, but not by the state funds for NGOs. The most long-standing local partner of CRD, the Macedonian Helsinki Committee is currently in large organizational turmoil, since the Executive Board fired all employees (highly-skilled human rights lawyers). An audit is ongoing in the organization and there is no information of the results up to today.
Support to civil society through Swedish framework organizations – The Kvinna till Kvinna Foundation 2002-2010 Total contribution: 33,8 MSEK (altogether 8 contributions)		Sector: Democracy, human rights and gender equality Sida specific main sectors: Human rights and Women's equality organizations and institutions Contribution ID: 76001616, 76002057, 76002517, 76003743, 76002942, 76003330, 76003591, 7600395	
Project goal/purposes, main activities; Implementing partner	Relevance according to Swedish country strategy; cross cutting dimensions	Main outcomes (according to final reports and/or external evaluations)	Other comments

<i>The activities of KtK have been focusing on promoting women's rights, support women's participation in decision making, support projects in areas of war and conflict to foster women's participation in peace processes and to help recover from war trauma.</i> <i>KtK has worked since 1993 in the Balkans, and in Macedonia since 1999 with the more or less the same foci, supporting local partner organizations.</i> <i>For Macedonia KtK defined the following strategic focus-areas in the last period (2008-2010):</i> - <i>Support to women's participation in decision making processes</i> - <i>Support women's education (i.e. general gender awareness, feminist studies on university level)</i> - <i>Support to Roma women's initiatives, specifically on Roma women's participation in decision making</i> - <i>Support to combating violence against women and women's health</i> <i>The support has been implemented by 9 local civil society organizations and 3 networks of women's organization involving 44 women CSOs.</i> <i>KtK had a long-term approach, supporting local NGOs for several years and providing core funding as well to allow partners to follow their own agendas as well. Different type of capacity development and networking activities were carried out to strengthen the partners as advocates for women issues.</i>	<i>This support through the Swedish framework organizations is in line with the Swedish strategy and it is also relevant to the needs of Macedonia in their efforts to build a stable democracy.</i>	<i>The support to Civil Society in Western Balkans through Frameworks organizations, where Macedonia had been one out of five countries receiving the support, was evaluated in 2010.</i> <i>According to this evaluation¹⁰², the support to KTK has resulted that traditional women's organizations has developed from being service delivery producers to being also (and foremost) advocacy organizations.</i> <i>The areas of change particularly notable in the work of the organisation directly related to strategic focus (women's education; women's participation in the decision making processes—both political parties and structures of local self government; combating violence against women and women's health). Working relationship between the partner organizations and municipalities and authorities has improved and strengthened. Mobilization of women organizations and national networking has improved. As a result of the work of KtK and its partners, amendments have been made to health legislation (related to women's health). There is a higher level of participation of women in local political structures. Partners advocated for the introduction of the Law on Equal Opportunities and the Family Law.</i>	<i>The support to KtK's partners has been important for starting the advocacy movements for women's rights. In fact it is still perceived to be crucial.</i> <i>Currently there is a risk that it could be difficult for KTK partners to attract alternative funding. Two of the KTK partners – Shelter Center and Women Organization Sveti Nikole - are very active and managed to get alternative funding for their activities. Others are not that visible, with limited impact working on local level mainly and as partners in projects implemented by larger organizations, but rarely focused on women issues.</i> <i>The use of NGOs as implementing partners is a positive component of the program. It would be worth considering the use of a Swedish NGO – National NGO partnership as a framework organisation. While it will be important to allow the framework organisations to operate within their existing priorities, these must fit within Sida's overall strategy for the Western Balkans and each country, meaning these strategy statements must form part of the tender documentation and tendering NGOs must be willing and able to provide services within one or more of the strategic priorities.</i>
¹⁰² Evaluation of Support to the Civil Society in the Western Balkans	Sida 2010.		

Support to environmental civil society in South Eastern Europe (SECTOR) 2006-2010 Total contribution: 5,5 MSEK in Macedonia; 3,7 MEUR in the region		Sector: Democracy, human rights and gender equality Sida specific main sector: Democratic participation and civil society Contribution ID: 53000023	
Project goal/purposes, main activities; Implementing partner	Relevance according to Swedish country strategy; cross cutting dimensions	Main outcomes (according to final reports and/or external evaluations)	Other comments
Implementing partner: Regional Environmental Center for Central and Eastern Europe (REC); Note: REC has a legal status with special regional purpose, based on an intergovernmental co-operative arrangement with a multilateral nature. SECTOR was a regional framework programme. Overall objective: to contribute to poverty reduction in Albania, Bosnia and Herzegovina, Croatia (to a limited extent), Macedonia, Serbia and Montenegro and Kosovo through facilitating the countries implementation of MDG 7 "Ensure Environmentally Sustainability". Objective: to strengthen environmental organizations in their role as actors in society and to support their activities to improve the environmental situation. Expected results: - Environmental civil organizations strengthened by building independent institutions, and developing organisations' skills and viability. - Awareness created in communities regarding environmental issues. - ECS actors enabled to build links between environment and development in other sectors and between stakeholders and participate more in environmental decision-making at national and local level. - ECS strengthened to promote positive environmental change. Activities carried out:	Environment is a priority in the strategy for cooperation with Macedonia, it is relevant to the country's EU accession process. Civil society is acknowledged as an important actor in the area of environment. There is a clear need for watchdogs. Some grant projects involved minorities into their activities and there were attempts to ensure multi-ethnic representation during the implementation. Still neither gender nor inter-ethnic relations were properly mainstreamed.	Efficiency and effectiveness represent a mixed picture. The organizational capacity of the NGOs increased significantly, however, this did not necessarily lead to more sustainable projects. While there are a number of examples of firmly anchored project with good sustainability prospects and even a potential of a wider impact on the local community, others were of a one-shot nature.¹⁰³ The result of the awareness raising component is similar: in general here is a low public interest in environmental issues, that has been successfully challenged by a some local projects. (Number of projects supported in Macedonia through national grants: 22.) Limited results on the national level probably due to lack of collaboration between the NGOs and the weakness of their strategic approach. All of the supported projects targeted environmental issues on local level.	The program design represents a comprehensive and innovative approach for supporting civil society and the environment. That is why Sida staff refers to the support as environmental. However, according to the near end review, the implementation could have been strengthened by different sequencing of the components and by prioritizing the coherence between the components. REC-capacity to modify the implementation practices in relation to the experiences has been limited.¹⁰⁴ SECTOR coexisted with the LEAP program, also implemented by REC. In a couple of cases there were direct connection between them (i.e. SECTOR-grantees supporting LEAPs), which increased affectivity. Limited sustainability due to lack of funding possibilities and public awareness. The environmental NGO sector is very weak, organizations are rarely member-based, it

¹⁰³ Support to the environmental civil society in the Western Balkan 2005-2009, Near end Review, Olessen

¹⁰⁴ Ibid.

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- Assessment of civil society (during the inception period). As a main output of this activity a series of NGO Directory was produced; Information gained was built in the further steps of the programme - Capacity development of the ECSOs - Project support (grants programme) - Support to regional cooperation Note: this support is often referred as support to the environmental sector.			is depending on (foreign) funds and cannot fulfill the role of watchdog. This also results in lack of awareness of environmental issues among the population. The programme continues in Serbia and Albania. Lessons learnt from the previous phase have been fed into the new phase (more focus on NGOs active in advocacy and lobbying).
Support to projects aiming improved inter-ethnic relations Mozaik (2004-2006 and 2006-2009) Contribution: 1,3 and 1,7 MSEK Open Fun Football School (2003-04, 2004-05, 2005-08) Contribution: 0,3, 0,6 and 2,3 MSEK School of Tolerance (2003-04, 2004-06, 2006-09) Contribution: 1,4, 0,7 and 1,0 MSEK Tringolnik (2001-2010) Contribution: total 14 MSEK	Sector: Education; Sida specific main sector: Primary education and Early childhood education; Contribution ID: 76003147 and 76003681 Sector: Democracy, Human rights and gender equality; Sida specific main sector: Democratic participation and civil society; Contribution ID: 76002598, 76003021 and 76003517 Sector: Democracy, Human rights and gender equality; Sida specific main sector: Human Rights; Contribution ID: 76002685, 76003334, 76003643		
Project goal/purposes, main activities; Implementing partner	Relevance according to Swedish country strategy; cross cutting dimensions	Main outcomes (according to final reports and/or external evaluations)	Other comments
The overall objective was to create a better understanding and dialogue between the different ethnic groups starting with young people. The support to projects aiming improved inter-ethnic relations was channeled through civil society organisations: - Search for Common Ground with the project Mozaik-bilingual kindergarten - Macedonian Centre for Human Rights and Conflict Resolution/ the Macedonian Helsinki Committee for Human Rights with The School of Tolerance project	In line with the Swedish strategy and efforts to support one of the key challenges in Macedonia, i.e. the interethnic tensions. Peaceful and balanced relationship between the ethnic groups in the country is a general interest of not only Macedonia and its neighbors in the Balkans but of all EU members.	In 2010, Sida commissioned a Learning Study¹⁰⁵ on all projects. External evaluation was carried out on the Mozaik project. According to the Learning Study, the NGOs appear to have had an effect (outcome) on the direct stakeholders (children/learners, teachers, parents). It was observed that these stakeholders developed or changed their attitude positively with regards to child upbringing, communication skills and conflict resolution. However, on societal level it is more difficult to say	In the mid-term perspective (the next five years at least) it is not likely that the Government (with own domestic resources) will be able to sufficiently finance activities which support inter-ethnic relations. Hence, the sustainability of these projects very much depends on the strength of the specific organization

¹⁰⁵ Learning Study on the Achievements and Experiences of Projects on Inter-Ethnic Education and Youth Work in Macedonia. By J. Anger, R.A. van't Rood and Z. Gestakovska. Sida 2010.

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- Cross Cultures Project Association, a Danish NGO, with the project Open Fun Football Schools (OFFS). What these Civil Society Organizations have in common is that they are promoting alternative approaches to inter-ethnic youth work and education of different age groups. The objective of Mozaik has been to develop inter-ethnic understanding among children and their parents and to improve teaching methods in kindergartens. Main method applied: bilingual teaching, using child-centered pedagogical methods and organizing workshops for parents on parenting methods. The objective of OFFS has been to promote reconciliation and integration by bringing together children and trainers with different social and ethnic background to rally around an activity of common interest (i.e. football). The objective of the School of Tolerance project was to contribute to improvement of inter-ethnic relationships in a Gostivar high school by bringing students with different ethnic background together and by bringing democracy to the school. Methods applied in the extracurricular activities: experimental learning and process-oriented activities . Triangolnik has supported and implemented various projects to promote interethnic dialogue among youth.		anything certain about the changes and in what respect the activities carried out by the organizations have made a difference. Mozaik project had a very positive impact on the behavior of both the teachers and the parents. The Mozaik concept has been officially recognized and integrated into the curricula. OFFS brought stakeholders together, enhanced a culture of volunteerism, and positively changed the attitude of teachers and trainers. The School of Tolerance (in Gostivar) there was a lack of true sense of involvement from school management and teachers. Parents have not been involved either. The project failed to develop lasting ownership. The projects implemented by Triangolnik has reached about more than 15000 children /youth empower them and work to create conditions for their participation in decision making in society. The methodology and approach which was elaborated in Macedonia is also now being exported to neighboring countries in the Balkans.	and their ability to attract new funding from external sources. The IPA funding is generally difficult to acquire and very administratively burdensome. Approaches such as child-centered pedagogy and positive affirmation are considered as alternative in Macedonia and not yet present in the mainstream education. The overall trend towards a society divided by ethnic lines is not something that could be stopped by the initiatives and activities carried out by the organizations.
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SUSTANABLE DEVELOPMENT AND ENVIRONMENT

Quality and Regulatory Infrastructure Development for Food Safety and Quality/SPS in South East Europe 2005-2012 Total contribution: 1,1 MSEK (2005-2008) and 15,6 (2008-2012)		Sector: Market development Sida specific main sector: Sanitary and phytosanitary measures (SPS) Contribution ID: 71001796 (2005-2008) and 71001923 (2008-2012)	
Project goal/purposes, main activities; Implementing partner	Relevance according to Swedish country strategy; cross cutting dimensions	Main outcomes (according to final reports and/or external evaluations)	Other comments
Start up period between 2005 and 2008. Background: Sida had supported to projects relating to this programme 1) an international training course (in 2003) covering issues related to food safety and international trade in food and 2) a situation mapping in 8 countries in the region and analyses of the countries' need for support in enhanc-	Membership in the EU requires increased capacity in quality and regulatory infrastructure for food and food-stuff. By adapting to the EU and WTO the country could gain access to new export	The project is ongoing, but the project implementer claims that a number of outcomes have been achieved, e.g. , a methods and training for key personnel in the private food producing industry to secure the safety of foods.	The SPS project faced with many difficulties due to a number of changes in Sida-Stockholm, in Macedonia and in Swedac. At the outset, there was also a lack of ownership from the authorized Ministry (Ministry of Health). When a new inde-

ing food safety systems as well as their systems and procedures for export of food, referred as start up. Second phase: Overall objective: to contribute to create conditions for economic development to enable poor men and women in the agriculture sector and food industry to improve their living situation. Programme objectives: - To support Macedonia in adapting to requirements of the European Union and the provisions of the WTO agreements in the area of food safety and international trade in food and foodstuffs - To support Macedonia in harmonizing the field of food safety and trade in food and foodstuffs to further enhance the political and democratic dialogue in South East Europe Implementing partners: Food Directorate, Ministry of Health of the Republic of Macedonia supported by SWEDAC and SLV. Programme activities: capacity development and strengthening relevant institutions Same programme for Bosnia and Herzegovina providing opportunities for cooperation.	markets for agricultural goods, thus improving the potential for economic growth. Growth could conducive to poverty reduction. Furthermore, the programme is in line with "Sida's Policy for Trade Related Development Cooperation". Although according to the assessment memo gender perspective is a requirement, its implementation has not been followed up (besides counting male and female participants of certain activities). Ethnic dimension is not taken into consideration but Environmental Impact Assessment has been undertaken.	The programme has further supported government officials in adopting governmental control systems (in accordance with the European laws on food safety). Also, the programme has supported a number of laboratories in preparing for accreditation. The laboratories have been supported in adopting the requirement of the international standard ISO -17 025.	pendent authority was established (Food and Veterinary Agency) and took over the project the ownership became clear, the project has after this started to carry out planned activities and to deliver clear results. One lessons learnt of this project is how important it is to cooperate with a relevant body that understand how they themselves can use the support. In the short run a more rigid regulatory framework can have negative impact on poverty (due to higher food prices). On the long run however it is foreseen that better food quality, in line with EU standards and regulations, will increase the competitiveness of the food producers, which can generate higher income for farmers and those involved in the food industry.
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Promotion of Sustainable Farming and Energy Practices in the Rural Communities of the Republic of Macedonia (Agro-Energy) 2008- ongoing Total contribution: 4,6 MSEK (2008-2010) and 10,0 (agreed for 2010-2013)		Sector (2008-2010): Environment; Sida specific main sector: Environmental policy and administrative management Contribution ID: 73000907 Sector(2010-2013): Agriculture and Forestry; Sida specific main sector: Agricultural development Contribution ID: 53030067	
Project goal/purposes, main activities; Implementing partner	Relevance according to Swedish country strategy; cross cutting dimensions	Main outcomes (according to final reports and/or external evaluations)	Other comments
The overall objective of this contribution is to support the government in formulating policies and strategies for Energy Efficiency (EE) and production and use of Renewable Energy Sources (RES) through developing and promoting sustainable energy practices for farmers and communities in rural Macedonia. The support has been carried out in two phases: inception and implementation phase. It is still ongoing. Activities carried out: a) Investigating work for the design of a bankable project document for the Implementation b) Establishing an institutional set-up for project implementation c) Piloting Energy Efficiency practices and production and use of Renewable Energy Sources suitable for small scale investments – supporting 6 pilot units using EE and RES d) Establishment of project's office Implementing partner: Center for Promotion of Sustainable Agricultural Practices and Rural Development (CeProSARD)	The project seems clearly relevant for the country and in line with Sweden's focus areas of the country strategy 2006-2010. The contribution has been very much connected to EU –integration, and to specific parts of the IPA. The Project is in full compliance with the National Strategy for Sustainable Development and practically the idea for this Project was initiated by the NSSD. The criteria for awarding the grants for installation of equipment for piloting Energy Efficiency practices and production and use of Renewable Energy Suitable for small scale investments was closely related to the gender issue. The criteria were designed in such a manner that the female farmers were highly encouraged to apply for the grants. During the selection of the applicants this criteria was highly respected and at least half of the selected applicants were women.	Since the project is still ongoing it is difficult at this time to observe clear effects (outcomes) of the support. Yet, the activities proposed under the inception phase appears to have been implemented according to the plan, according to the Final report from CeProSARD The Inception Phase has also been used to establish a multi-stakeholder Steering Committee, conduct activities to raise the awareness of rural renewable energy in six municipalities, and to arrange three workshops on promising technologies.	This project is in essence the next step and practical implementation of the NSSD. The project is the first of this kind that introduces RES and EE in the rural areas in Macedonia. The project has supported Ministry for Agriculture to introduce the stimulation of RES utilisation in the rural areas as a official support measure as it is done and supported through EU IPARD funding. Sida has been active in steering committee meeting. According to the external consultant this committee would also be an appropriate forum to review and harmonize the policies of the proposed revolving fund under the project with the subsidy of the financial facilities offered under the IPA support. Yet the link between the project and the stakeholders who will formulate the national strategy for renewable energy could be advantageous if the strategy liaison committee involved the Energy Agency of Macedonia. CEPROSARD (NGO) is considered by the responsible programme officers as a strong institution. After a system audit, the financial management system was strengthen as well. It will most likely have possibilities to attract funding also after the Swedish phase out It is expected that a) Energy Efficiency and Renewable Energy Sources will be part of eligible future EU IPARD funding and b) the training centre on EE and RES will be established as planned (with CeProSARD and a Municipality as partners). These two outcomes

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			combined would promote RES and EE issues being advanced over the years to come.
Support to the Swedish Environmental Protection Agency's (SEPA/Naturvårdsverket) cooperation with partners in South Eastern Europe (SEPA) 2004-2012 ongoing Total contribution: 16,4 MSEK		Sector: Environment Sida specific main sector: Environmental policy and administrative management Contribution ID: 71001576	
Project goal/purposes, main activities; Implementing partner	Relevance according to Swedish country strategy; cross cutting dimensions	Main outcomes (according to final reports and/or external evaluations)	Other comments
The support to Macedonia consisted of three different contributions: 1. "The support to the Macedonian national preparations for the coming EU membership..." Overall objective: to support an environmentally sustainable development in the SEE region. Development objective: to support environmental authorities and institutions in the SEE region to develop an effective environmental management, so that the countries fulfill national and international obligations. The cooperation should focus on facilitating the countries EU alignment process and Stabilisation and Association Process. It should encourage interaction between the administration and private enterprises and encourage private business self-regulation.¹⁰⁶ 2. Improved system for collection of municipal waste in Macedonia The project objective was to improve the conditions for developing a well functioning system for collection of municipal waste in Macedonia 3. Participants recruited to International Training Programme (ITP) within the field of environment	This support is relevant in the light of the effort to prepare Macedonia for the EU requirement within the sector. Sustainable development and environment are top priorities of EU and there are specific requirements on solid waste management for municipalities which are tackled by the waste project.	In 2010, SEPA commissioned and evaluation of the Macedonian programme. According to the final report of SEPA the project objective is fulfilled since MoEPP now feel more confident about the coming EU-adhesion negotiations and the regular EU-decision process. According to the final report and the evaluation the project also contributed to better understanding of the role of policy departments within the MoEPP and other ministries in the EU integration process, which contributed to better understanding of the EU requirements regarding nature protection and what steps are needed to secure implementation of the EU nature legislation. In addition, the support has provided insights of how to operate in Brussels and the role of different EU institutions. The waste project, according to the evalua-	According to the evaluation, both projects designed and focused to prepare Macedonia to take lead and institutionalize the projects in the regular activities (both on national level with the EU project and on municipal level with the waste project). There are "indications that methodologies and processes will continue to be used after the project is completed, for example the handbook elaborated within the EU project has been endorsed by the Minister of Environment". The cooperation with Sida is perceived to work rather well and there is good dialogue and strong interest at the embassy. Yet, according to SEPA Sida could further clarify (with a template) the requirements for results.

¹⁰⁶ The Swedish Environmental Protection Agency's cooperation with partners in South Eastern Europe 2005-2009. Assessment Memo, June 20, 2005

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Background: Since 2004 Sida had framework agreement with SEPA. The programme is a sub-agreement within the framework. Implementer: Swedish Environmental Protection Agency Cooperation partner: MoEPP and other relevant authorities		tion, led to the following results: 1. Locally adapted and efficient plans and tools for closure and after-care of landfills not complying with EU-requirements is developed. 2. Increased capacity for inspection of landfills in Macedonia. 3. Preconditions established for acceptance among the public and decision-makers on the need for closure and after-care on non-compliant landfills.	SEPA also claims that both Sida and SEPA could improve in creating meeting spaces among actors active in the same area. Knowledge about what others are doing is of course the first step towards contacts and possible cooperation and synergies.
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Chemical Cooperation (KEMI) Chemical Risk management in Macedonia 2007-2009 Total contribution: 4,0 MSEK (note the agreed amount was 7,0 MSEK)		Sector: Environment Sida specific main sector: Environmental policy and administrative management Contribution ID: 71002278	
Project goal/purposes, main activities; Implementing partner	Relevance according to Swedish country strategy; cross cutting dimensions	Main outcomes (according to final reports and/or external evaluations)	Other comments
Overall objective was to contribute to the minimization of adverse effects of chemicals on human health and environment, creation of preconditions for access to EU and establishment of free movement of goods in order to improve chemical safety and obtain sustainable development in the Republic of Macedonia. Project objective was to contribute to the establishment of an adequate system for placing on market and use of chemicals in relation to the danger and risk they present; and to contribute to the establishment of adequate institutional capacity and creation of appropriate administrative tools for achievement of adequate chemicals control by the organization of help-	The subject is highly relevant and it is a part of the EU accession process that legislation within this area has to be up to European standards. In the assessment memo cross-cutting issues are mentioned (under relevance chapter) but they are not integrated in the contribution as such. The final report does not cover gender nor interethnic issues.	The activities in Macedonia have not given the expected results. This was concluded in the Mid-term review report from February 2010 in which it was recommended to phase out the work during 12 to 18 months. Furthermore, it was concluded that the problem was not the actual design of the project (which worked well in Serbia) but rather the fact that the host organisation, MoH, had insufficient capacity and ownership of the	KEMI identified early that Macedonia needed to find its institutional solution that guarantees an appropriate administrative capacity. Activities such as education of central employees, training of inspectors, development of a chemicals register, building a system for approvals of biocides etc. need a minimum of experts available for training. Sida initial idea was to let the Ministry of

ANNEX 1 - SUMMARY OF SIDA FUNDED INTERVENTIONS

desks for industry, the development of technical guidelines as well as development of inventory of chemicals placed on the market in an electronic data base. The programme was set up through the so called Följsam agreement with Sida and the Swedish Chemicals Agency (KEMI) as implementer. The Ministry of Health in Macedonia was the key counterpart to this cooperation.		project activities to produce the expected outcome.¹⁰⁷ When it was decided that Sweden would end the project in prior to set concluding date, the Macedonian counterpart started to be rather active and the project contributed to that a new chemical law corresponding legislation was passed in the parliament. However these results came late in the project and thus little time to carry out trainings, information events, etc. to be built on the new legislation.¹⁰⁸	Environment take care of this support. Of unclear reasons Ministry of Health became the counterpart. Already at the outset Sida felt that Ministry of Health did not take the necessary ownership of the support and it did not prioritise the issues at stake either. One lessons learnt in this project is that the dialogue between the partner should be clear and frank in an earlier stage. In this project the time was running and the Swedish partner did not sufficiently use Sida, as the contracting agency, to put pressure on the counterpart.
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Support to the Development of Local Environmental Action Plans (LEAP) 2004-2011 Total contribution: 5,8 MSEK (2004-2007) and 6,0 MSEK (2007-2011)		Sector (2004-2007): Environment; Sida specific main sector: Environmental policy and administrative management Contribution ID: 71001567 Sector (2007-2011): Sustainable infrastructure and services; Sida specific main sector: Urban development and management Contribution ID: 71002383	
Project goal/purposes, main activities; Implementing partner	Relevance according to Swedish country strategy; cross cutting dimensions	Main outcomes (according to final reports and/or external evaluations)	Other comments

¹⁰⁷ Mid Term Review of Sida's support to the cooperation on chemicals risk management in South East Europe, 2007-2010 support, SIPU, Feb 2010

¹⁰⁸ The final report from Chemical Cooperation, 2011

<i>This regional programme has been implemented by Regional Environmental Center (REC) through its country office in Macedonia.</i> <i>Sida has decided to support development of Local Environment Action Plans (LEAPs) in Albania, Bosnia-Herzegovina, Macedonia and Serbia and Montenegro with a total amount of approximately 25 MSEK. The support has been implemented as four separate projects (one for each country) but all the projects build on the same concept and addresses similar issues. The projects aim to support the decentralization process in the different countries and strengthen the involved municipalities to take on their new responsibilities. The programme in Macedonia had two phases.</i> LEAP 1 The objective of LEAP 1 in Macedonia <i>To adopt a methodology recognized as a standard procedure for development of LEAPs in Macedonia, on national level;</i> <i>To define, estimate and rank environmental problems at local level based on the risk on human health, eco-systems and overall quality of life;</i> <i>To create the LEAP for each of the six beneficiary municipalities, that will develop strategies and activities for decreasing of the environmental risks in these municipalities;</i> <i>To raise public awareness and responsibility for protection of the environment and to increase public support regarding environmental investments in the six beneficiary municipalities.</i> <i>In LEAP II, 6 municipalities in Macedonia were granted. The LEAP documents were prepared according to the Methodology for</i>	<i>In accordance with the EU pre- accession plan and highly relevant since it also aims to strengthen municipalities from below and thereby also contributing to capacity building of the decentralization process.</i> <i>Unclear how gender aspects have been covered during phase 1, in phase 2 these aspects were included but in a rather general level. In other countries where there is a third phase of the support gender issues have been taken into account in a much more systematic way.</i>	<i>Through LEAP 1 it became compulsory that will be necessary to have such plans</i> <i>One important outcome is that LEAP process has vitalized municipal work and exchange between the municipal administration, inhabitants and business. Macedonian municipal officials also report that a very good network has been established between the municipalities through the project. The network is used also for other issues than the LEAP project itself.¹⁰⁹</i> <i>The participatory methodology that REC has developed for elaborating the LEAPs has been endorsed by the government as the official methodology.</i> <i>A real outcome of this project is of course if the action plans are implemented (all of it or al la carte), and if there is national budget that correspond to the need.</i>	<i>Both phases were monitored by external consultants and system audit has also been conducted. The system audit carried out by KPMG concluded that REC is an organisation with good governance, and that internal control systems are supported by professional steering documents, systems, knowledge and competencies¹¹⁰</i> <i>One lessons learned in this programme is that recruitments and personal qualification are crucial these factors that make the difference and make change possible.</i> <i>Another lesson learnt is that the project could have stronger ties to the Ministry of Environment and to the NSSD process.</i> <i>REC which is an international organization with it center in Hungary but with national offices could have been more instrumental in taken into account local experiences when they developed the guidelines.</i>
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¹⁰⁹ From assessment memo for LEAP 2

¹¹⁰ KPMG ; System audit on REC, 2008

preparation of LEAP document that is adopted on national level.			
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AGRICULTURE AND ECONOMIC GROWTH

Strengthening the Institutional Capacity of the State Authority for Geodetic Works in Macedonia 2005-2009 Total contribution: 30,5 MSEK Capacity building for the implementation of the Strategy Plan for AREC 2009-2012 2009-2012 Total contribution: 26,4 MSEK (15,5 MSEK has been disbursed until October 2010)		Sector (2005-2009): Democracy, human rights and gender equality; Sida specific main sector: Public sector policy and administration management Contribution ID: 73004884 Sector (2009-2012): Environment; Sida specific main sector: Environmental policy and administrative management Contribution ID: 53030011	
Project goal/purposes, main activities; Implementing partner	Relevance according to Swedish country strategy; cross cutting dimensions	Main outcomes (according to final reports and/or external evaluations)	Other comments
The support that is often referred as Cadastre support, consisted of two contributions or phases, for 2005-2009 and 2009-2012. FIRST PHASE (2005-2009): Strengthening the Institutional Capacity of the State Authority for Geodetic Works in Macedonia Objective: to develop the institutional capacity of the State Agency for Geodetic Works (SAGW), later called Agency for Real Estate Cadastre (AREC) Implementing partner: Swedesurvey The Swedish support was integrated into a larger World Bank financed project called "Macedonia Real Estate Cadastre and Registration Project" (RECRP) (Total budget: 17,1 mUSD during 2005-2011). The objective of the World Bank project was to support the development of a unified real estate cadastre, including revision of the legal systems, policies and strategies, establishment of geodetic frameworks, introduction of private geo-	The support is highly relevant to both the Swedish country strategy and to Macedonia. Very relevant for the EU accession process – contributes to the fulfillment of requirements on land administration for EU membership and to sustainable economic development. Cross-cutting issues (environmental impact, gender, ethnic relations) were dealt with in the assessment memo(s). Project activities developed to provide support to disadvantaged groups (e.g. rural women, female members of the Albanian ethnic group) by information sharing and legal advice. However, no specific activities targeted the Roma. Gender equality well-integrated into the	Increased institutional capacity. "Sida's support is assessed to have contributed highly to the overall reform process and to the transformation of the state agency. The State Agency for Geodetic Works, with a reputation of a corrupt and politically misused agency, has developed into a partly self-financed, client-oriented Agency for Real Estate Cadastre (AREC) firmly working towards reaching the EU standards."¹¹² A new law (adapted in 2008) and 26 by-laws have been prepared with the technical expertise provided by Sida. The Agency has been converted into a well equipped, semi self-financed, client oriented organi-	Swedish support well-harmonized with the WB project. It had been developed in parallel with the development of the WB project and was clearly based on the priorities of SAGW/AREC. Good example for alignment and donor harmonization. During the first phase regular monitoring (six monitoring missions) was performed by an external (independent) consultant. The World Bank, too, continuously reviewed the RECRP and the Capacity Building Project. Furthermore, there was collaboration between the WB and the Swedish monitors. The second phase, too, is monitored externally.

¹¹² Initial Assessment. Strengthening the Institutional Capacity of the Agency for Real Estate Cadastre in Macedonia: July 2009- June 2012.

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detic practices and development of effective, efficient and simple procedures and practices for real estate registration. The objective of the Swedish support was to improve the institutional capacity of the main Macedonian stake-holders who managed this WB project. Other main donors supporting complementary activities at SAGW/AREC: Norway, the Netherlands and Japan. SECOND PHASE (2009-2012): Capacity building for the implementation of the Strategy Plan for AREC Objective of the second phase: "to enable AREC to implement its Strategic Plan in order to become an efficient and effective service delivery organization that fulfills its vision and strategies through capacity building"¹¹¹ Implementer: Swedesurvey.	project activities of the second phase (producing gender disaggregated statistics, equal opportunities to acquire property rights, increasing awareness of gender issues within the organization, awareness rising among the population related to equal property and inheritance rights).	zation. This resulted in the increased registration of real estate property from 45% in 2005, to 82% in 2008.¹¹³ A transition from public to private cadastral surveying has been carried out. Furthermore, the project contributes to private business development.	The coordination of activities supporting the Cadastre reform has been strongly owned and project activities have been integrated into the operation of the Agency. Strong leadership at AREC – but there is a need for decentralization.¹¹⁴ The Strategic Plan provides the framework for a PBA process with the ownership of AREC.
Agricultural Statistics in Macedonia 2004-2008 Total contribution: 13,4MSEK Macedonian-Swedish Partnership in Statistics 2009-2012 Total contribution: 9,8 MSEK		Sector: Democracy, human rights and gender equality Sida specific main sector: Statistical capacity building Contribution ID (2004-2008): 76002527 Contribution ID (2009-2012): 76003886	
Project goal/purposes, main activities; Implementing partner	Relevance according to Swedish country strategy; cross cutting dimensions	Main outcomes (according to final reports and/or external evaluations)	Other comments
Part of a regional program. The overall objective of the support to statistics in the Balkan is to strengthen the national production of statistics as a tool in the EU approximation process as a mean to develop democratic and stable societies.	Public administration was a priority sector in the country strategy during the first phase. Modern and reliable statistics is seen as a key area in the transition of	The first phase (2004-2008) of the project was not evaluated/reviewed. However, the regional programmed was reviewed in 2007 by Ramböll. According to this, SCB repre-	The agricultural census, that was a prerequisite for most of the statistical components of the first project, was prolonged (from 2003 to 2007) setting back the project considerably.

¹¹¹ Assessment Memo, Capacity Building for the Implementation of the Strategic Plan for AREC 2009-2012. 20 April, 2009.

¹¹³ Monitoringreport 6. Strengthening of institutional capacities of the State Authority for Geodetic Works in Macedonia, Skopje, September 2008 by Åke Sahlin

¹¹⁴ Notes from Internal Outcome Assessment Exercise 2-4 December 2008

Project objective in Macedonia: a strong foundation for a sustainable agricultural statistics system giving adequate, reliable and timely information meeting the needs of the Macedonian society and EU requirements.¹¹⁵ Implementer: Statistics Sweden (SCB) with whom Sida had a framework agreement (Följsam) for co-operation in the Balkan since 2002. Local partners: State Statistical Office of the Republic of Macedonia (SSO) and the Agency for Support and Development of Agriculture (NEA) The project has been linked to activities financed through CARDS. The project was managed from a regional office in Belgrade. The dominant means of implementation was short-term consultancy conducted by SCB experts. The project in Macedonia covered statistical system development on the fields of agricultural, forestry and environmental statistics, agro monetary statistics, metadata and dissemination with the main focus on agriculture during the first phase. During the second phase there was a shift in focus from agricultural statistics to metadata.	public administration. Other actors, such as civil society and media and donors also requires reliable data. The support is in line with the Macedonian government's strategy on agricultural development. Reliable statistics are essential in the modernization process of the agriculture sector that is of importance in the country's economy. EU approximation process requires the statistical system to comply with the Acquis. Gender was integrated into project activities. (A group of staff members at SSO were trained in gender statistics.)	sents a high quality in building technical knowledge related to the various fields of statistics, but less competent in other fields such as management and strategic dialogue. Results include improved agricultural statistics, livestock statistics and agro monetary statistics. Statistical variables are comply with EU-standards. Increased capacity of the SSO staff related to statistical methodologies. New instruments, regular monitoring and surveys implemented. Improved quality of Farm Monitoring System (it is used now by MAASP as a tool for improving its service).¹¹⁶ A gender statistics working group was established that has the responsibility of producing and publishing gender statistics.	One lesson learnt from this experience was not to build the entire chain of results and plan activities on contextual assumptions (such as the census). Another lesson learnt from cooperation is that SCB should have done what they do best, i.e. provide expertise/knowledge within the area of statistics. Within other areas, such as change management/institutional building/gender equality, SCB has less competence. There it had to contract external consultants. The cooperation between SCB and its counterpart will continue within a Eurostat programme (IPA funding) after the bilateral support will have been phased out. One important advantage in comparison with SCB projects outside Europe is that the aquis of the European integration sets a tight frame on what goals and standards to achieve.
Macedonian Agricultural Advisory Support Programme (MAASP) 2004-2011 Total contribution: 29,4 MSEK (2004-2008), 28,4 MSEK (2008-2011)		Sector: Agriculture and forestry Sida specific main sector (2004-2008): Agricultural policy and administrative management Contribution ID: 7300569 Sida specific main sector (2008-2011): Agricultural development	

¹¹⁵ Decision on contribution to Agricultural Statistics in Macedonia, 19 December, 2002

¹¹⁶ Improved Agricultural Statistics in Macedonia 2004-2008. Final Report. Statistics Sweden, 2009

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Contribution ID: 73000902			
Project goal/purposes, main activities; Implementing partner	Relevance according to Swedish country strategy; cross cutting di- mensions	Main outcomes (according to final reports and/or external evaluations)	Other comments
The first phase was from 1st December 2004 to 31st December 2007. The second phase of the programme and runs from 1st January 2008 to 31st December 2010 The purpose of MAASP is to support the Ministry of Agriculture, Forestry and Water Economy (MAFWE) to develop a national pluralistic agricultural advisory system and, within specific geographical areas, improve the conditions for the rural poor people in Macedonia by enhancing the quality, relevance and accessibility of advisory services. The programme's activities are organized within three sets of action: (a) consolidation of advisory services reform at the national level; (b) strengthening of selected value chains through increased market orientation of advisory services; and (c) poverty alleviation through advisory services for diversified rural development. The programme's activities are guided by a Co-ordination and Support Group with members from various units within the Ministry of Agriculture, Forestry and Water Economy (MAFWE), the Programme worked with the governmental National Extension Agency (NEA), farmer organisations and a range of other public, private and civil society actors at national and local levels. The programme was managed by GRM International AB and Växa Halland Consortium, and had the Macedonian Consulting Group (MCG) as a national partner.	The project has been very relevant in regards to the overall Swedish strategy, particularly from 2006 and onwards. EU accession was the core of this contribution. There were conscious efforts in relation to gender equality, for example by getting together women agricultural advisors in working groups and also by organizing women's rural development groups. During the formation of different working groups MAASP has strongly encouraged women to participate and to give full contribution to the work of the groups. The MAASP has targeted both Macedonian and ethnic Albanian areas.	No external evaluation was commissioned on this contribution. The information from the monitoring consultants was considered sufficient. The Rural Development Network of the Republic of Macedonia is a direct successor of the MAASP Program. One of the most important and active Thematic Groups within the RDN is the Women Economic Empowerment Group. Outcomes: a) A public advisory service with skills to implement annual operational activities using a value chain approach. b) Functional specialist groups in gender, farm business management, rural development and environmental impact established within public advisory service. c) Active private advisor groups and education institutions with advisory services for farmers and processors. d) Advisor certification procedures designed in collaboration with the Vocational Education and Training Centre in the Ministry of Education and Science. e) Advisors competent to prepare applications for national rural development programmes and IPARD. f) Core groups of advisors trained in use of advisory manuals related to (selected) EU standards and with the ability to cascade the new knowledge and skills to their peers. g) Establishment of multi-stakeholder research-advisory group competent in implementation of adaptive research and integration of results into	Sustainability was encouraged by an approach that supported the development of capacities and awareness in relation to new challenges facing advisory services. The programme was relatively unique in that it did not directly fund advisory activities in the second phase so as to ensure that Macedonian actors took the lead in all activities. The extent to which this ownership has proven sustainable with the public sector advisory service and in multistakeholder collaboration is uncertain and could not be assessed in this review. Much will depend on the extent to which MAFWE and the National Extension Agency recognize the importance of a proactive role for advisory services in EU accession. The Rural Development Network is well placed to mobilise civil society engagement in these processes and has the potential to fill a central gap in the EU accession process. Other donors appreciated this approach to broad capacity support, but often applied more traditional approaches of directly financing service provision through short term projects.

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		advisory activities. h) Establishment of a national rural network and methodologies transferred to municipality stakeholders to assist them in future rural development planning and implementation activities.	
Credit Guarantee Fund in Macedonia 2002-Ongoing <i>Total contribution: 21 MSEK</i>		Sector: Market development Sida specific main sector: Informal/semi-formal financial intermediaries Contribution ID: 76001826	
Project goal/purposes, main activities; Implementing partner	Relevance according to Swedish country strategy; cross cutting dimensions	Main outcomes (according to final reports and/or external evaluations)	Other comments
Founder of the Guarantee Fund is the non-profit organization "Small and Medium Enterprises Development Support Center" - SMEDSC, Skopje. The organization was established in December 2001, became operational September 2002. Having in mind that the Guarantee Fund works with "vulnerable" category of clients (such as start-up companies, existing SME's, farmers) GF put its focus on the development strategy. The goal is to help SME's and farmers to overcome the collateral problem when applying for finances from financial institutions. The amount of 21 million SEK is provided for issuing guarantees. About 15 million is to be paid back to Sida in 2015. The remaining amount is for grants.	As for the relevance, the support contributes to a better functioning market economy, that has the potential to create job opportunities that indirectly can lead to poverty alleviation.	This project has not been evaluated. This is a revolving fund and the total sum of issued at the end 2010 was 3.766.393 Euro¹¹⁷. According to the credit funds implementing organization SMEDSC, the fund has attributed and contributed to employments of more than 1500 Macedonians.¹¹⁸ Effects on long term are potentially significant since in all cases when guarantee is issued it creates possibilities for new jobs, expanding businesses etc.	The effects of the GF is sustainable since many SME have been able to access market and are now self sustained thanks to the Fund. The Fund itself has potential to be truly sustainable, but due to, the current economic crisis there is now a higher number of guarantees and existing clients having difficulties in repaying their loans. Hence, it appears as the GF will have difficulties to continue after 2015 when the loans of 15 million SEK are to be paid back to Sida.

¹¹⁷ Short introduction from Guarantee Fund of Skopje, 2010

¹¹⁸ According to SMEDSC own estimations, 2008 (about 1/3 of the women)

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			The GF has applied to Sida to write off the loans, but the application was declined by Sida in March 2011. As a result GF are slowing down activities by shortening the guarantee period and also reducing the number of guarantees in order to be able to pay back to Sida the loan amount. The future of the GF is therefore unclear.
Project for Continuation and Enhancement of the Agricultural Credit Discount Fund 2008-2010 Total contribution: 1,5 MSEK		Sector: Agriculture and forestry Sida specific main sector: Agricultural financial services Contribution ID: 76004132	
Project goal/purposes, main activities; Implementing partner Background The project is a continuation of ACDF activities, developed within the Agricultural Financial Service Project financed by IFAD and co-financed by Sida (May 2002 – June 2008). The main objective of the project is: Sustainable agricultural financial services established which are commercially viable and yet appropriate and affordable by the target group. The specific objectives are: 1) ACDF established as a sustainable unit within the Ministry of Finance; 2) Expanded and improved cooperation with participating financial institutions (PFIs) achieved; 3) 1000 new loans committed, with greater outreach to women and MAFWE program beneficiaries. Partner: Ministry of Finance - Agricultural Credit Discount Fund unit is the recipient party of this support.	Relevance according to Swedish country strategy; cross cutting dimensions The relevance of the support lies in its potential to strengthen the development of agricultural sector. As of June 2008 from all ACDF loans 13% were approved to females, and 15% of loan volumes, which was considered as a modest share in the total portfolio. During the project life, ACDF has been making on-going discussion with PFI's ensuring equal opportunity to female borrowers. Lending to women borrowers has been prioritized and increased to the satisfactory extent of 19% from the loans number and 27% of loans volume as of March 1, 2010.	Main outcomes (according to final reports and/or external evaluations) According to the organization itself, ACDF has achieved its major objective: nine private finance Institutions now actively use the ACDF scheme and they clearly see the potentials of the agricultural sector, as well as the effects from investing in it. This is pretty evident in the change of the loan portfolio of the financial institutions, where the share of the agricultural portfolio in their total portfolio is continuously increasing.	Other comments The implementing organization has argued that the Government will continue the ACDF activities after the closing of Swedish funds. The main argument is the positive role ACDF can play regarding the usage of EU pre-accession funds. These credits would ensure resources for financing individual projects of farmers, thus enabling them to apply for the IPARD funds. Furthermore, the Ministry of Finance has started the procedure for ACDF institutionalization within the Macedonian Bank for Development and Promotion, thereby maintaining the existing refinancing scheme, i.e. credit criteria, target group, participating financial institutions, etc.

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The Albanian Macedonia People's Empowerment Programme (AMPEP) 2001-2008 Total contribution: 29,6 MSEK (altogether 7 contributions)		Sector: Democracy, human rights and gender equality and Agriculture and Forestry Sida specific main sector: Government administration and Rural development Contribution ID: 76000984, 76002044, 76002131, 76002706, 76002978, 76003177, 76003662	
Project goal/purposes, main activities; Implementing partner	Relevance according to Swedish country strategy; cross cutting dimensions	Main outcomes (according to final reports and/or external evaluations)	Other comments
Sida's support to AMPEP related to the decentralization process and to some extent to rural development. Although there have been altogether seven contributions from Sida, the programme itself had two main phases: first from 2001 to mid-2004, second from mid-2004 to 2008. First phase The objectives changed three times, they were not clear, vague unable to provide guidance on the selection of activities. According to the Learning Study¹¹⁹, during this first period the program was "characterized by a search for programme concept applying a learning-by-doing approach". On the other hand, during this early period 12 different Sida representatives gave several contradicting and unclear instructions on what to do and how. Implementer partner: from 2001 to 2003 Naturresursforum supported by a consultant as programme manager. Since 2004 the implementer was PEP International, an international NGO founded by the above consultant in 2003 with the aim to further develop the idea of AMPEP. Activities were carried out in Albania and South-West Macedonia fostering cross-border experience exchange, and included local level community mobilization and awareness-raising of communities to their own capacities to solve common problems.	The support is relevant both to the Swedish country strategy and to Macedonia's need for democratization and decentralization. Gender was considered as women's participation, meaning that (from 2004) quota requirements ensured women's involvement.	Evaluation was conducted on the programme together with the ALKA programme in 2008. The first phase represented a certain degree of unprofessionalism on both sides that caused dissatisfaction within Sida and among the programme staff. The programme design was significantly revised after an external review asked by PEP International who was unsatisfied with the development of AMPEP. This revision indicated the beginning of the 2nd phase. The second phase of AMPEP that followed the reorientation of the project has produced very positive results. Over 250 villages and 20 municipalities were involved where small grants were provided mostly for local infrastructure projects (e.g. water system, (re)construction of roads) developed within a collective decision making process. By 2007 in all active villages 70% issued	One lesson learnt from this contribution is that a mid-term review is conducted (which in this case was the request of the implementer organization) and review results are channeled back to the implementation properly that can guide the whole project to a direction where there is a higher possibility to achieve results. The review was in fact useful for Sida providing guidance to develop a more clear focus. Both in the case of AMPEP and ALKA there was a "Value for money", meaning that using local labor, municipality money and Sida funds (by cost-sharing) a lot have been achieved, e.g., roads were built, schools were renovated and water pipes were (re)constructed. As for sustainability, the experience gained by the participating municipali-

¹¹⁹ Lessons Learnt from the Integrated Rural Development Programme (ALKA) and the Albanian Macedonia People's Empowerment Programme (AMPEP) by Cvetko Smilevski and Lars Erik Birgergård, 2008. Sida Evaluation 2008:48.

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Second phase More clear focus on decentralization and on mobilizing citizens in villages to solve common problems by planning and implementing community-based projects. AMPEP focused on rural communities, used criteria for selecting municipalities and villages, put emphasis on awareness raising and participatory processes, provided training and used an expanded village council as the institutional framework of local projects. Within the program cooperation between Albanian and Macedonian municipalities was fostered.		equal invitation to men and women. Participation of women in 2007 was 40%. And 12% of villages committees had female members.	ties/communities in decentralized problem solving and collective decision making is an asset that has some potential to be used in the future. However, sustainability of the promoted process and approach depends on the ability and interest/willingness of the municipalities.
Support to Community Enablement Approach Program (2001-2002) Support to Integrated Rural Development Programme (2002-2004) (ALKA) 2001-2009 Total contribution: 6,0 MSEK (2001-2002), 15,3 MSEK (2002-2004) and 15,8 SEK (2004-2009)		Sector: Democracy, human rights and gender equality (2001-2002 and 2004-2009) and Agriculture and Forestry (2002-2004) Sida specific main sector: Government administration (2001-2002 and 2004-2009) and Rural development (2002-2004) Contribution ID: 76001670, 76002303, 76003141	
Project goal/purposes, main activities; Implementing partner	Relevance according to Swedish country strategy; cross cutting dimensions	Main outcomes (according to final reports and/or external evaluations)	Other comments
Sida's support to ALKA related to the decentralization process and to some extent to rural development. The objective was slightly modified over the years but the overall objective has been to contribute to decentralization by capacity building of rural communities and local governments in solving common problems, mostly related to infrastructure. Implementer: The programs were owned by different actors (2001-02: CAD; 2002-04: ACTED; 2004-2009: ALKA)¹²⁰ throughout the years – with certain continuity both in terms of staff and project activities.	The support is relevant both to the Swedish country strategy and to Macedonia's need for democratization and decentralization.	Evaluation was conducted on the programme together with the AMPEP programme in 2008.	Besides the listed ones two additional contributions to ALKA projects have been provided by Sida to support 1) the "Cleaning Strumica river bed and Monospitovo drainage channels" and to 2) support the organisation's project focusing on agriculture and environmental protection. Both in the case of AMPEP and ALKA

¹²⁰ CAD: Children's Aid Direct (British NGO). Under CAD a team called IRDU was formed to work on rural development at village level. Sida supported the activities of IRDU. When CAD terminated its activities in 2002, IRDU was taken over by ACTED (French NGO). In 2004 IRDU was transformed into a local NGO called ALKA (Association for Local Development and Cooperation) with members of the IRDU staff.

Community Enablement Approach Program – CAD (2001-2002)

The main **goal** was to increase the health potential and living abilities of children and youth living in the rural communities of Macedonia. The project goals tend to enable the communities to judge, prioritize and implement practices and sustainable solutions for the problems their population faces.

Integrated rural development program – ACTED (2002-2004)

The programme was based on the CAD's experience on the community enablement approach. It was also in response to the sudden increase in pace of the Government's decentralization process. One of the **goals** was building capacities of the IRDU Team and its transforming into local Macedonian organization.

Integrated rural development program – ALKA (2004-2009)

The Overall Program Objectives- Sustainable rural development, promotion and support of decentralization process in the Republic of Macedonia on grassroots level.

Activities: Capacity building of rural communities and Local Government administration; promotion of "good governance"; support in solving priority infrastructure problems and completion of the community projects; increasing the co-operation between the communities and Local Government.

One **specific objective** of this period was to promote ALKA methodology (based on supporting the active participation of all stakeholders).

The program involved participation of the community in all stages and, what is more, it initiated the bond of the communities that participate with their representatives.

The programme continued to enable rural communities to work together and to tackle their own priorities. It also promoted links with the Municipalities and participation in decision-making, thereby supporting the decentralization process.

Improved living condition and increased development potential in 32 communities; 150 implemented community projects. Strengthened community capacity and increased understanding of the decentralization processes.

there was a "Value for money", meaning that using local labor, municipality money and Sida funds (by cost-sharing) a lot have been achieved, e.g., roads were built, schools were renovated and water pipes were (re)constructed.

As for sustainability, the experience gained by the participating municipalities/communities in decentralized problem solving and collective decision making is an asset that has some potential to be used in the future. However, sustainability of the promoted process and approach depends on the ability and interest/willingness of the municipalities.

ALKA as a dedicated CSO has the capacity to attract donors, currently it is receiving funds from the Swiss cooperation.

Annex 2 – Case study on the support to Farmers' Associations

Conducted by: Boban Ilic and Irena Dzimrevska, contracted short term consultants
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List of Abbreviations and Acronyms

EU	European Union
EUR	Euro (currency of the EU)
EC	European Commission
FFRM	Federation of Farmers in Republic of Macedonia
IPARD	Instrument for Pre-Accession – Rural Development Component
LRF	Swedish Association of Farmers
MAFWE	Ministry of Agriculture, Forestry and Water Economy
MSEK	Million Swedish Krona (currency in Sweden)
Sida	Swedish International Development Cooperation Agency
SFARM	Support to Farmers' Associations in Macedonia project

Introduction

The presented report summarizes the key findings and the conclusions of the review of the resource material, reports (Annex 1), as well as the interviews and focus group discussions with boundary partners and key stakeholders, which had/have different positions and roles in relation to the Swedish development cooperation intervention.

This case study mainly focus on the period 2001-2010 when Swedish development cooperation was directly supported by Swedish partners (ScanAgri consulting firm and LRF) through the projects SFARM I – Farmers' Organizations, SFARM II- LRF-FFRM cooperation and SFARM III.

The current and final phase of Swedish development intervention mainly focused on institutional support to FFRM is carried out by FFRM and is entitled: "Support to the FFRM Project Promoting Farmers' Interests in Macedonia 2011-2012". The current phase of cooperation i.e. project was not entirely examined due to lack of relevant documentation since this phase of cooperation is on-going and is under the implementation.

In order to prepare the case study on the SFARM projects related to the FFRM, eight (8) one-to-one interviews, two (2) focus group discussions have been carried out with and two (2) written contributions received by project partners and staff i.e. MAFWE representatives, current and former staff and members of FFRM, SFARM, Swedish Embassy current and former employees, former national coordinator in SFARM III, monitoring and training expert engaged in SFARM and LRF staff. (Annex 2).

The case study presents independent observations of the evaluators, which is not influenced by any of the involved parties. The case study encompasses the development cooperation intervention from the very beginning in 2001 until present time.

1. Background of the intervention

Swedish development interventions in support to the associations in Macedonia started in 2001. The project was commonly referred to as the “ScanAgri project” (formally referred as SFARM I). It was aimed to support the agriculture development in Macedonia mainly through support to farmers` associating and introducing democratic governance in the existing farmers` associations.

The Federation of Farmers in Macedonia (FFRM) was at an early stage of its establishment and development when the first project phase started in 2001. The financial portfolio of the first phase (SFARM I- Farmers` Organizations) was 28,1 MSEK.

The second phase of intervention by the Swedish development cooperation, commonly known as SFARM II- LRF- FFRM cooperation which started in 2004, was focused on support to organizational and democratic development of the Federation of Farmers in Macedonia as a unique umbrella union of farmers` associations in Macedonia. The project interventions were also focused on the FFRM members (local and regional farmers` associations). The project aimed at support to higher level of farmer`s cooperation in production through establishment of machinery rings, enhancement of the policy dialogue and advocacy role of FFRM, as well as development of professional management and democratic governance of farmers` associations. According to the project documents, the SFARM II also sought to facilitate higher levels of entrepreneurship and business development among farmers and other value chain stakeholders. Partnership between FFRM and the Swedish Federation of Farmers (LRF) was established in 2004 with the signing of a Declaration of Cooperation between both organizations. Consequently, the development intervention through SFARM II was implemented in close partnership with LRF. The second project phase financial package of 42,0 MSEK was distributed in a period of 3 years.

The third project phase (SFARM III) implemented in the period July 2007- July 2010 focused on FFRM organizational development, enhancement of information dissemination through the FFRM magazine, development of advocacy and policy dialogue of the organization, as well as development of entrepreneurship within value chains. The SFARM III project differed from the previous project phases in the sense that the project interventions were planned to be “demand driven” i.e. based on a requirements and requests of the FFRM. The Swedish development intervention was implemented with a financial package of 28, 4 MSEK.

Current cooperation between FFRM and Sida is conducted through a project (2011-2012) with a value of 6,0 MSEK with an objective to ensure that FFRM emerges as a sustainable, client orientated organization within and after the Sida phase-out from Macedonia.

2. Relevance of the intervention

2.1 *In relation to Swedish development strategies*

- As stipulated in a series of strategies for Swedish Development Cooperation in Macedonia (Period 2000-2002, 2003-2005, 2006-2010 and Phase-out strategy 2010-2012) and the realized projects referred to as SFARM I, SFARM II and SFARM III, **the cooperation in the sector of agriculture has been playing an important role** and was considered by Sida as the main field of economic cooperation between Sweden and Macedonia.
- Consequently, the Federation of Farmers of the Republic of Macedonia (FFRM) has been as one of the **main subject i.e. partner organization** for the Swedish Development Cooperation. As per the interviews and review of the reports, the cooperation between Sweden and Macedonia in the field of agriculture and especially related to the cooperation with FFRM, engaged most of the Swedish development efforts, measures and resources 100,5 MSEK in the entire period of intervention (2001 until present time).
- The justification of such an approach by the Swedish development intervention was based on the fact that agriculture and rural development in Macedonia over the last 10 years produces approximately 12% of the National GDP and if agro-processing is included the percent increases up to 19%. In addition, around 43% of the population in Macedonia is affected and/or interconnected with the agricultural production, processing and/or is living in the rural areas, whereas the main economic activity is agriculture, i.e. food production¹²¹.
- Additional reasoning for the Swedish development intervention was the fact that the EU approximation process of Macedonia is very much dependent on the reforms undertaken in the agricultural sector in the pre-accession period. The Swedish development intervention targeted in a wider scope the EU approximation as a whole and issues related to the agriculture, which are subject of negotiation later on, when the country starts the negotiation process with the EU (Negotiation Chapter 11, 12 and 13).
- Consequently, the Swedish development intervention channeled through SFARM I, II and III and FFRM as a main partner, was aimed to create a strong farmers' advocacy organization, which can play the role of a true and respected representative of the farming community in Macedonia. The Swed-

¹²¹ National Agriculture and Rural Development Strategy (NARDS), Ministry of Agriculture, Forestry and Water Economy of the Republic of Macedonia

ish development intervention, in relation to the needs of Macedonia as a partner country, was planned in accordance with the expressed needs through consultations with farmers associations, involvement of Government institutions (primarily MAFWE), and wider stakeholders (i.e. donor funded projects in the agriculture sector).

- However, two questions in relation to FFRM remain unanswered. The questions could be formulated as “*In which stage of the FFRM development was the Swedish development intervention planned and realized?*” and “*What was the role of the SFARM projects (Management) in determination and estimation of the volume and value of the Swedish development intervention for each particular stage i.e. new projects’ phase?*”
- The majority of the interviewed boundary partners and key stakeholders stressed that the Swedish development intervention and particularly the **SFARM project management** (Project Management Unit, ScanAgri and LRF) was driving force in the determination of the needs. Even if FFRM requested the support and development cooperation, following the procedures related to implementation of project measures it can be observed that leading role in articulation of the FFRM needs, as well as planning and implementation of project measures were within the international partner i.e. SFARM project management. This situation mainly occurred since FFRM seems that did not have clear vision and strategy for the future of the organization and consequently on that, defined real needs, realistic objectives and priorities.
- The summarized opinion of the interviewees was that **the whole process seemed to be “supply driven”** and did not really reflect the demands of the Macedonian side, **i.e. SFARM was not observed to be “demand driven”**.

2.2 *Relevance in relation to needs of Macedonia*

- In relation to the needs of Macedonia, as a recipient country, as well as the need for having a strong voice of the Macedonian farmers, the relevance of the support and Swedish development intervention in that field was not questioned by any of the interviewees. Most of the interviewees were aware that the civil society engagement in the reform processes of the Macedonian agricultural sector, more concretely, an **umbrella organization** of Macedonian farmers’ associations, presented through the **FFRM is necessary**.
- The main remarks from the boundary partners and key stakeholders refer to the correlation between the momentum of the development intervention related to the development stage of the civil society, more concretely the farmers’ association, and the approach of the development intervention, i.e. how the development cooperation was planned and implemented.
- Namely, the FFRM, both as an umbrella organization and within its local structures, over time did not reach the status of an independent, self-sufficient and self-sustainable organization. Interviewees attribute this to the position of the SFARM project management in relation to the FFRM. Although, at a first glance, it seemed that the FFRM was developing its needs expressing the interest of its membership, the SFARM management had a paternalistic relation

and approach to the whole process. The reviewed reports by the consultants indicate that the democratic process of expressing the needs of the membership was in place. For example, development of the SFARM III project objectives was done on a participatory process followed by series of planning workshops in the regions with involvement of broader FFRM members in defining problems, needs and priority actions.

- However, the overall opinion by the interviewees is that the prepared plans and documents for the Swedish development intervention, i.e. SFARM projects, were guided and dominated by the SFARM management team and national project staff, partly due to deficiency of capacities within the FFRM and its members.
- A summarized conclusion can be drawn that the Swedish intervention and the development measures respected the expressed needs of the country. This especially refers to the role of Sida and the Swedish Embassy in Macedonia.
- The hindrance in the response to the country needs and, respectively, development of FFRM, occurred in the interpretation of the needs of the country, in particular in the implementation of the Swedish development intervention through the SFARM project management.

2.3 Relevance in relation to the EU integration process

- The EU integration process of Macedonia and its agro and food sector very much depend on reforms being undertaken in the pre-accession period. Several parallel processes and axes of reforms of the sector are ongoing in Macedonia in the last decade, such as:
 - Legislative (adoption of the Acquis Communautaire),
 - Institutional (creation of new institutions) and
 - Building capacities in the sector – administrative capacities of the Government, as well as civil society representation, i.e. strong, independent and respected non-governmental organizations.

The Swedish development intervention, especially in the third axis – building capacities of the non-governmental organizations, mainly through the FFRM, was justified throughout the measures for **structural reforms** of the organization, **capacity building** measures and measures for support to the **development of market relations** and **entrepreneurship** (creation of agricultural cooperatives).

- The development measures undertaken in the implementation of the SFARM projects **were in line** with the intention of the Swedish development cooperation to strengthen the economic position of the Macedonian farmers in order to “survive” the competition once Macedonia will become an EU member state.
- Furthermore, compared to the situation before the Swedish development intervention through the SFARM projects, the advocacy role of the Macedonian farmers was very weak. Over time it has increased. Most of the interviewees see positive development in that sense; however the **FFRM did not succeed in establishing full capacity to play the advocacy role** in relation to governmental institutions. This situation appears because the FFRM, under the

guidance and the dominant role of the SFARM projects' management, **lost its identity** in terms of **leadership**, **ownership** of the organization and **common sense** and **coherence** of the farmers in Macedonia. In different stages of the Swedish development intervention there were attempts from the Government to interfere in the independence of FFRM. Political affiliation of the FFRM management structure over time was the main reason that the advocacy role of the organization was inadequate and partial.

- As stated above, the issue of ownership of the organization, beside the well structured units of FFRM and the preconditions created by the Swedish development intervention for organization's influence of the EU approximation process of the Macedonian agriculture, can be described as a subject which needs further efforts to be solved in a course that the FFRM becomes a legitimate and quality partner in the EU approximation process.
- As stipulated in the report by the Swedish Development Advisors, the FFRM, in its strategic plans, is on a reactive, rather than on a proactive course. This also refers to the FFRM role in the EU approximation process.

2.4 Integration of the gender equality issues in the intervention

- According to the EU Negotiation Chapter 23, the judiciary and fundamental rights, gender equality and women's rights are one of the negotiation issues.
- As per the Strategies of the Swedish support to Macedonia, gender equality is one of the aims in the two out of the three cooperation sectors: Agriculture and forestry and Democracy, human rights and gender equality.
- Gender equality is a relatively new area of concern in Macedonian society, especially in the agriculture sector, and through the project intervention it was given a high priority. Even imposed with the EU approximation process and Sida priorities, the gender equality issue is integrated in the FFRM agenda as priority. Following the development process from its start until today it can be obviously seen that awareness on importance of gender equality and its consideration into practice is significantly improved.

3. Main outcomes of the intervention

3.1 Key outcomes - effects of the intervention on the boundary partners

- From the position/role in which of the interviewees are/ were in relation to the SFARM projects and FFRM (SFARM project staff, FFRM current/ former management, LRF, Macedonian Government-MAFWE, Swedish Embassy), as well as the different experiences they had/have with the SFARM projects and FFRM, there is a variety of opinions and personal positions towards the key outcomes of the Swedish development intervention.
- All the interviews/discussions were meant to be objective in terms of assessing the outcomes. There is no black and white picture of the Swedish development intervention and the comments related to the outcomes which derived from the interviews. The opinions noted are following the line from negative opinions about the set-up of the whole FFRM – SFARM relation to objective

analysis of the real outcomes of the intervention along to positive and not critical description of the outcomes of the intervention. The presented observation in this case study by the short-term evaluators, addresses the summarized interpretation of the key outcomes which are evaluated as positive ones through outcomes which have relatively small achievement to the negative ones.

- The reviewed reference material (literature, reports, strategies) was sufficient to present a complete overview of the process of intervention, outcomes and impacts. However, the examined reports show a distinction in relation to the purpose they have been prepared and by whom. The effort of the contracted short-term evaluators is to take a neutral position and to make an objective assessment and analysis. In comparison to the interviews and focus groups discussions, the opinion of the boundary partners and the key stakeholders about the outcomes, the evaluators find a correlation to the report prepared by the Swedish Development Advisors (October 2010). According to our opinion, the mentioned report and the opinion of the majority of the interviewees are almost identical.
- Key outcomes which were mostly repeated as positive ones:
 - a) The overall structure of the FFRM has improved during the period of the development intervention. The interviewed boundary partners and key stakeholders, depending on their involvement in the creation of the FFRM, expressed their opinion that the operational FFRM structure, as it is for now, responds to the needs of the Macedonian farmers. All of the interviewees outside the FFRM, were aware of the details about the constant changes in the management of the FFRM (3 presidents within 3-4 years). Their opinion is that the constant grouping, disunity and internal fights, as well as, the absence of understanding of the role of FFRM in the society, contributed to the weakening of the FFRM due to the divisions inside the Management Board and conflicts with the Executive Director, i.e. the executive part of the FFRM.
- Creation of the regional centers within the FFRM has been evaluated by the interviewees as a positive aspect of the performance of the FFRM. Among the regional centers there was a difference in the functioning and achievements. The regional centre covering the region of Southern Macedonia has been observed by the interviewees as the best one in terms of sequence, quality and provision of services to the members. It is the opinion that not only members of the FFRM benefited from the services, but rather the wider farming community. With their activities and charging for the services, this regional centre almost reached financial self-sustainability.
- By contrast, the regional centre covering Western Macedonia with FFRM operations was pointed out as being weaker in its operations/activities and did not really attract the attention of the farmers in that region.

- The differences in the achievements of the regional centers were attributed by interviewees as being due to differences in the management and leadership skills of the regional managers.
- It was pointed out by interviewees that the leadership of the FFRM in the Head Quarter and the Management Board was and is a problem in the functioning of the FFRM. In general, the interviews show that the regional centers, by contrast, played a positive role in the operational functioning of the FFRM.
 - b) Another positive aspect and impression by the boundary partners and the key stakeholders was that the specialized farmers' magazine "Moja zemja" is one of the most positive achievements of the FFRM. Under the consultancy and guidance of the LRF consultants the FFRM developed content of the magazine "Moja Zemja" and its marketing which are "replication" of the similar magazine of LRF intended for its members.
- The magazine itself, in its quality and content, has been accepted by the farmers considering the efforts to bring the reliable information to the farmers in Macedonia. The creation of the magazine and its existence has been judged as a successful one. Dissemination of information to the farmers, for the FFRM over time became regular practice. By addressing technical aspects (production techniques, marketing, various analysis), as well as policy issues and information about the governmental programs for support to the farmers. In regard to IPARD – EU Instrument for Pre- Accession for Rural Development (criteria, eligibility and explanation of measures), the FFRM truly became almost the only source of information adapted to the needs of the Macedonian farmers and their level of understanding of the information. As of 2003, when the magazine was launched, until 2011, the magazine is 80% self-sustainable, mainly financed through marketing advertisements and readers' subscription. This refers to the version of the magazine printed in Macedonian language. The version prepared in Albanian language "Toka Ime" did not reach its sustainability and printing was terminated in mid 2009. However, a shortened version of the magazine in Albanian language is still available.
 - c) Due to its historical connotations, the cooperative, as a form of association of farmers, has negative image in Macedonia. However, the SFARM II project had a component for establishment of a new form of business association of farmers, i.e. establishment of a new kind of cooperatives. During the SFARM project intervention 16 cooperatives and/ or sister companies of farmers associations (owned by associations) were established. This form of association of farmers provided opportunities to smaller farmers to associate their property and become more competitive on the market. In addition, the cooperative, as a form of association of farmers, provided a new dimension to the farmers' association, i.e. joint purchase of inputs and sale of goods, which the associations, as non-profit organizations, did not have. Over the time only 5 cooperatives out of 16 established, succeeded to survive without project support and are providing services for farmers.

The success cases of the cooperatives established with the support of the Swedish development intervention depended on the leadership, managerial and pro-active capacities of the managers of the cooperatives. One of the most successful cooperative is the First Wine Growers Cooperative in Negotino, which reached the level of financial self-sustainability. The other cooperatives/ sister companies owned by the farmers associations did not succeed to become fully fledged cooperatives in its sense. Most of them serve the local farmers' associations as a tool only to purchase inputs at lower prices and in that way contribute to reduce production costs.

- d) Another outcome, which is evaluated as positive, is consideration of the role of women in the agricultural sector. The outcome was the establishment of the Network of Women Farmers within the structure of the FFRM. The role of the Network is raising the awareness of rural women on the importance of their active involvement in development of the agriculture in Macedonia through their associating. Enhancement of women's entrepreneurship has been done through capacity building measures on development of businesses and leadership. In that respect, a limited liability company of rural women for handicrafts and other agricultural production was established. However, due to disputes in the management of grant received by SFARM, this entity is liquidated.
- In addition, the principle of gender equality is promoted through pioneer steps for active involvement of rural women in management of the FFRM. Currently, out of 12 members of FFRM Management Board one is women. Contrary, out of 10 FFRM employees 7 are women.
- e) Capacity building measures organized within the Young Leaders' School resulted in enhanced leadership capacities of young farmers from remote rural areas. Out of approximately 180 Young Leaders' School, fifteen are very active and became leaders of associations of farmers in their areas or and involved in the management structures. The achievement of this intervention measure is especially evident in the South-East part of Macedonia – Strumica region. In addition, these young professionals take active participation in promoting democracy, transparency and accountability in their environment. The Network of Young Leaders, established within the FFRM, is one of the outcomes of the Swedish development intervention, with an aim of active involvement of young farmers in agricultural economic activities in rural areas, enhancement of entrepreneurship, with a perspective of a long-term impact - non-abandoning the rural areas. Although, the demographic trends i.e. movement of rural population towards urban areas is un-avoidable process, still this development intervention measure contributed that this process has a lower magnitude.

- The recent changes in the conditions for membership into the FFRM, i.e. the possibility for individual membership, resulted in an increased number of young farmers as members of the FFRM, although there is a negative trend in the number of local associations as FFRM members. Out of 112 associations members of FFRM in 2005 (2006-102, 2007-98, 2008-85, 2009- 54, 2010-39) in 2011 the number of associations members of FFRM decreased to 47. The decrease of member associations as reported by the FFRM management was in a direct correlation with increase of membership fee (2005- 1000 MKD, 2011- 5000 MKD¹²²). In 2011 for the first time an individual membership for farmers has been introduced and at the moment there are 44 individual farmers FFRM members).
- f) During the focus group discussion and interviews with boundary partners and key stakeholders, it was confirmed that the FFRM succeeded in providing equal opportunities for all the ethnicities in Macedonia. Involvement of the minorities in the management structure of the FFRM contributed to mitigation of the interethnic tensions within the FFRM. However, the regional structures of the FFRM are somehow an image of the regional concentration of the ethnicities in Macedonia, i.e. in the regional structures in Eastern Macedonia the Macedonian ethnicity is predominant, while in the Western part of Macedonia the Albanian ethnicity is predominant in the FFRM regional structures. During the discussion with interviewees, cooperation between farmers with different ethnic background was perceived as stable and on satisfactory level.

Key outcomes with relatively small and limited achievements:

- g) The overall opinion of the interviewees was that, although FFRM was trying to play the advocacy role on behalf of the Macedonian farming community, the result of this outcome can be described as very limited. At a certain point in its development, FFRM (directly guided by the Swedish development intervention, i.e. the SFARM projects) was accepted by the Macedonian Government as a recognized partner in the policy dialogue and reform processes. During the time, there were conflicts and divisions within the FFRM based on ethnic origin of the Management Board members. The SFARM project successfully contributed in the resolution of conflicts within FFRM and FFRM successes to overcome the inter-ethnic tensions and divisions.

¹²² Exchange rate 1 EUR = 61,35 MKD

- However, the FFRM did not succeed to build a stronger position and reputation as the only respected and qualified umbrella organization, which based on facts and interest of the farming community in Macedonia, is the real representative and voice of the farmers' interests.
- Due to the lower education level of the members (farmers, mostly with high school education) FFRM members were not able to express their positions/concerns in a structured approach, using the argumentative and explanatory method (writing skills) and to address the relevant problems the farmers in Macedonia are facing.
- As it was pointed out the FFRM has limited analytical, PR and managerial skills and capacities. Only limited number of staff (3-4) out of total 10 FFRM staff have the capacity to address the challenges in front of FFRM as a partner in the policy dialogue and reform processes. The contracted evaluators did not find evidence why this failure occurred during the development intervention.

Key outcomes which were mostly repeated as negative ones:

- h) The governance of the FFRM has been seen by most of the interviewees as a negative aspect during the entire time of support by SFARM. Within the various reports, as well as the interviews held, it is obvious that an overwhelming dependence of FFRM on SFARM has prevailed, year after year. The reason for that was, first of all, the financial dependence in all aspects of the FFRM from SFARM. The member services provided by FFRM did not cover the actual FFRM costs, therefore the SFARM projects subsidized the financial gap between the revenues obtained by the membership fee and FFRM services and the actual expenditures of the organization.
- This situation was leading towards a hidden involvement of SFARM management in the decision making within the FFRM structures. This dependence was perceived by interviewees as influencing to great extent FFRM decisions, which were in favor of the projects' goals and objectives.
- Even the SFARM projects with active involvement of LRF as counterpart organization thought LRF advisors (at relevant positions in LRF organization) was engaged to support the process of strengthening the governance and management functions of FFRM and its member organizations through Statute formulation, education on governance and trainings on managerial and technical matters, the FFRM throughout the years did not succeed to develop democratic system, leadership, organization management, as well as to develop attractive service packages. Since years the SFARM projects, beside the small portion of resources from the membership fee, were FFRM's only financial resource.
- The financial and management dependence of the FFRM produced a situation where the FFRM never succeeded to create a leadership in the organization. This was because all the decisions related to the financial matters were in the hands of the SFARM Management. In other words, it meant that even if on

- paper the FFRM had a President, Managing Board and executive part, i.e. Executive Director, all were dependent on the decisions of the SFARM projects.
- In addition, FFRM staff members and the national SFARM staff, never had a real voice in defending the Macedonian position in the whole development process. The opportunistic attitude of the Macedonian staff in the FFRM and the SFARM projects (again related to the described dependency) was the reason for lack of leadership in the FFRM. This situation led to a problem of ownership of the project activities and results within the FFRM. Among the interviewees, there was rarely a clear distinction between where the role of SFARM, as a project, ends and where the FFRM, as a Macedonian Farmers' Umbrella Organization, starts. During the whole period of the Swedish development intervention, among the farmers and other stakeholders, the FFRM has been seen as a “marionette” type of organization headed and dominated by the SFARM management, and consequently the Swedish development intervention. In general there was a phenomenon of confused roles between FFRM HQ and SFARM. Even if there was an attempt from FFRM to take over the leading role (during SFARM III project), this attempt was not very successful due to the fact that financial management remained within SFARM management.
 - This does not immediately imply that this was an intention by the Swedish development intervention. Such a situation and interpretation by the Macedonian partners, derived from the interviews, was mainly seen as being due to the attitude and dominance of the SFARM Management and passive and dependent position of FFRM.
 - In addition, within the SFARM III project, there was an interruption of the dependency, namely Project Director in the SFARM III project was of the Swedish, while the National Project Coordinator was with Macedonian nationality. However, even the roles of the national staff were defined in the project document and the Terms of Reference in practice, the decisions have been influenced by the Project Director and in practice the National Project Coordinator had no decision making power. Again it led to a situation where SFARM III, although formally led by Macedonian staff, i.e. the National Project Coordinator (Project Director was occasionally in the country), was dominated by the Swedish side.
 - In this situation in the FFRM, due to the lack of leadership, weak management skills, absence of clear strategic and operational planning, with deficiencies in the financial management (planning, transparency, procedures, shortcomings in the financial reporting and overall accountability), led to decrease of reputation. As a result of this, the FFRM actions were mainly on the operational side, putting the strategic orientation aside. The effect of such negligence was decline of number of member farmers' associations and farmers in total.

3.2 What effects have the cooperation had on the inter-ethnic relations?

- One of the main reasons for increased Swedish development intervention in Macedonia was related to the ethnic conflict which occurred in Macedonia in 2001, which led to the so-called “Ohrid Agreement”. This agreement paved the way for reconciliation among the ethnic groups in Macedonia. Though this conflict in Macedonia had its roots in the lack of rights for the ethnic minority groups, it was never posed in the level of farmers and the farming community. Through the FFRM and its structures, all the major ethnic groups in Macedonia have been adequately represented (currently out of 11 members of the Management Board, 4 belong to different ethnic background- 3 Albanians and 1 Vlach). The initial title of the FFRM was “Federation of Macedonian Farmers” (FMF) which implied that only Macedonian ethnic group is part of the Federation. The name was changed as a result of broad discussions between the farmers with involvement of the ethnic groups (mainly Albanian origin). The conclusion of this discussion was that the FMF, as a title of the umbrella organization, did not reflect and include all the ethnicities in Macedonia. Because of that, the name was changed in 2005 to the “Federation of Farmers of the Republic of Macedonia”. It implies that all the farmers, regardless of their ethnicity, are welcome to be part of the FFRM. The interethnic relations in the FFRM cannot be described as a better or worse than the interethnic relations in the Macedonian society in general. The process of reconciliation among the ethnic groups is ongoing and has a relative positive trend. The evidence for this is the gradual implementation of the so called “Ohrid Agreement” and increase of number of the ethnic minorities in the public and civil society sector (out of 23% of Albanian ethnicity representation has reached 16,9% in the public sector and administration)¹²³. The positive outcome of the Swedish development intervention through SFARM is that the FFRM, from its early stages of development, became a platform for discussion among farmers, regardless of their ethnicity. There was an interesting phenomenon that the ethnic background of farmers currently does not have any relevance when farmers are addressing and discussing their common problems and interests. The Swedish development intervention in that sense, contributed in the representation, consideration and inclusion of ethnic minorities in the FFRM as a farmers’ organization. Some divisions on the ethnic background could be noticed in the FFRM development when it comes to election of the FFRM management board, when there were grouping of the farmers based on their ethnicity. It was an interesting detail that the ethnic minority representation in the

¹²³ Protection of multi-ethnic country – Aisling Lion, University of Bradford, UK 2010

FFRM structures is neither below nor above the percentage of the ethnic minority groups in Macedonia in general.

- It can be concluded that the Swedish development intervention through the SFARM projects contributed to the lessening of the interethnic tensions, i.e. played a role in improved the relations between the different ethnic groups in Macedonia. The “lessons” from the ethnic conflict in 2001 for the entire population in Macedonia and consequently the Macedonian farmers, were very much accepted by the different ethnic groups and there was no ethnic division in the work and performance of the FFRM. Even a stronger statement has been made by the interviewees that the division based on ethnicity has no relevance in 2011 for the farmers in the country in comparison to the situation in 2001.

3.3 *What effects have the cooperation on gender equality?*

- Traditionally the agriculture sector in Macedonia is considered as a “male” sector. This implies that most of farms and agriculture households are owned and led by male family members. On the contrary, in practice, women are an important part of the labor force involved in almost all agricultural operations.
- Facilitation of women associating and entrepreneurship through support to establishment of associations of women farmers contributed to increase of active role of rural women in the development of agriculture sector and development of rural areas. Additionally, sustaining gender equality in the agriculture sector has been done through governmental policy measures and introduction of additional positive criteria for farms which are owned by women.

Based on the statements of the interviewees, the Swedish development cooperation succeeded to address the importance of the gender equality issue in the agricultural sector. This means that the FFRM has recorded **positive developments** in treating the gender issue in an appropriate manner.

- Inclusion of women and their active participation in the Management of the FFRM is significant effect to the gender equality in the governance of the organization.

4. **The sustainability of intervention**

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- Referring to the final financial report of the SFARM III (only one available to the consultants) out of 30, 519 MSEK; 12, 322 MSEK were used for salaries of the staff assigned for the action including the engaged experts; 1,474 MSEK for international travel and allowances; 597,397.00 SEK for local travel; 1,232 MSEK for office running costs.
- The budget for the implementation of the general project activities estimates 486,709 SEK; 9,828 MSEK for activities directed to association development and governance; 1,037 MSEK for competence development measures; 1,032 for training measures.

- Following the presented figures it can be seen that the great part of the budget for project activities was allocated to the measures directed to association development and governance. However, based on the above presented figures and achievements the cost effectiveness of the intervention can be seen as weak.
- Based on the explanation presented in the above items and the opinion of the interviewees, as well as based on the reviewed reference material and reports (Annex 1), the sustainability of the FFRM is at a very low level. It can be even described that the sustainability of the organization is almost impossible to be achieved in the short and medium term perspective. Although on one hand the structure of the FFRM was considered as good one by the interviewees, on the other hand it is very costly. Considering the financial contribution by the members (described in section 2.1 -e) and the limited ability of the FFRM to attract other funding resources, the organization most probably cannot sustain and cannot respond to the challenges confronting the organization, once the Swedish funding stops. The anticipated increase of FFRM membership for 10-15% annually as of 2009/ 2010 did not happen realistically. Contrary, the FFRM membership decreased over the years.
- As an illustration, for the period February 2011- August 2012 (18 months), the support from Swedish development cooperation is 6,0 MSEK i.e. approximately 600.000 EUR. This implies that per year FFRM in a modest mode of operation in order to be functional need roughly between 150-200.000 EUR (10 employees, office operational costs for the HQ and regional centers, utilities, activities of the organization, etc.). Considering the fact that from the membership fee which should be the base for covering at least 30% of the operational costs of the organization (rough estimate), at the moment based on the figures presented by FFRM they are able to collect around 4500 EUR, only.
- The presented example obviously shows that the organization did not reach financial sustainability in order to maintain its operations.

5. Lesson learned from the cooperation

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- As previously pointed out, the “supply driven” cooperation, i.e. dominance and paternalistic attitude of the Swedish side through SFARM, is likely to lead to the failure of the cooperation and results achieved. This also suggests that the results of the cooperation are inadequate given the scale of Swedish development cooperation and the funding invested in the development of the FFRM.
- The top-down approach on the “implementing side” of the development intervention and measures undertaken could be a key negative lesson which can be learnt out of this example of cooperation. The above statement means that the top-down approach was not imposed by Sida and/or Swedish Embassy. It was rather a result of the management (on the implementing side, i.e. on the project level – SFARM). In that respect, a clear division and distinction has to be

made on each level of the development intervention, where the top-down approach and the dominance of the Swedish side has been applied. Even though, the official assessment of the SFARM III proposal, reported lack of sufficient sustainability programming, the project was approved. Therefore, existence of project management unit outside of the beneficiary organization results with decrease of responsibility and ownership of the project activities and consequently the results.

- The second lesson and/or observation is that the “exit strategy” of the Swedish development intervention was supposed to be planned in the very beginning of the development intervention, i.e. after the first phase of intervention (SFARM I). The designed volume and structure of the FFRM was supposed to be in accordance with the ability of the FFRM management and membership to provide self-sufficiency and financial sustainability. In that case, there would be a sufficient time to fix and improve all the deficiencies of the FFRM before this cooperation ended. This suggests that even the Swedish development intervention was operationally driven to achieve the results of the projects, did not have a strategy how to phase out its support and to leave a sustainable legacy organization which is able to take care of itself.
- It is noted in the reports that the phase out strategic document was adopted in August 2010 and is valid for 2010 until 2012¹²⁴. Such a quick phase out decision was not announced to the partner country. The suggestion is that a phase out needs to be proclaimed early enough, in order the partners to be ready to take over the full responsibility of the results of the operations.
- Although in the documents reviewed it was reported that the ownership, in this particular case, of the development process was formally on the Macedonian side, the impression is that it has never been genuinely “Macedonian”, but it was rather an imposed process. The reason for that was, on one side, the financial dependency of the FFRM on SFARM and on the other side, the main decisions about the staffing, operations, and functioning were made by the SFARM management. It led to a conclusion that truly this was not a “demand driven and locally owned” development process.
- However, the evaluators observed during the interviews that the Swedish development intervention in general, the role of Sida and the Swedish Embassy in facilitating the development cooperation between Sweden and Macedonia, have been efficient, transparent, flexible and appreciated by the Macedonian side, excluding this example of SFARM projects and FFRM. It was pointed out by the interviewees (Sida and the Swedish Embassy current and former staff in Macedonia) that maybe Sida and the Swedish Embassy in Macedonia

¹²⁴ Phase-out strategy for Swedish support to Macedonia January 2010-December 2012

were insufficiently informed, as the communication and direct contacts of SFARM was with LRF and Sida Headquarters in Stockholm.

6. Recommendations

- Swedish development interventions should use the already established way of respect to the partner needs. The intermediary (in this case the SFARM projects) entrusted to carry on the development cooperation should be monitored by Sida in more efficient manner.
- From the very beginning of the development intervention the ownership of the development process should be with the local partner. This means that the intervention should be led locally, in this case FFRM. The same goes for the process of achieving financial sustainability that has to be planned and agreed upon at the very beginning.
- Project Implementation Unit structures should be avoided, especially if located outside of the local partner's organization.
- The role of the Swedish development intervention (although established as a rule in other cases) should be advisory and not an executive one on behalf of the local partner.
- Though, the need for Swedish development intervention in this case has been explicitly requested by the Macedonian side (described in the Swedish Development Strategy), in the implementing phases it was taken over by the SFARM management. Such a situation unavoidably leads to dependency of the local partner. Hence, this should be avoided in the early stage of the development intervention. If the absorption capacity of the beneficiary side is limited and the local partner is not able to carry on the cooperation, it has to be stopped after the first attempt to establish cooperation in that particular field.
- The absorption capacity on the local partner to accept and implement the development cooperation with Sweden should be examined thoroughly at the very beginning of the intervention.
- Swedish development intervention should be more careful in the process of selection of the partners and national personnel, who are supposed to bear the cooperation.

ANNEX 1: List of resource material and reports

DAC Guidelines and Reference Series, Quality Standards for Development Evaluation

Financial Report, Period 2007.11.01. – 2008.04.30, A project funded by SIDA, Support to Organizations in Republic of Macedonia

Final Report on gender representation and women involvement in SFARM Project activities in the period 2001-2010

Macedonia SIDA Country Report 2005

Phase-out strategy for Swedish support to Macedonia,
January 2010 – December 2012, Supported by Government Offices of Sweden

Republic of Macedonia, Semi-annual report January- March 2003 – SIDA

SFARM III, Project Document, July 2007 – June 2010

SIDA's Evaluation Guidelines 2010, The secretariat for Evaluation (UTV)

SIDA Support to Natural Resources Development 2007-2010 Quality Assurance Mission,
September 2009, Draft Report

SIDA Support to Natural Resources Development, Draft Report by Quality Assurance Team,
March 2007

Support to Farmers' Associations in the Republic of Macedonia, Final Report, July 2007 –
June 2010

Sweden's Strategy for Multilateral Development Cooperation
April 2007, Supported by Government Offices of Sweden

Systems- Based Audit of Federation of Farmers in the Republic of Macedonia,
Final Report, October 27.2010

The Republic of Macedonia, SIDA Country Report 2006

The Republic of Macedonia, SIDA Country Report October 2003 – June 2004

ANNEX 2: List of persons met, interviewed or written contributions received

No	Organization/ institution	Person	Position
1	Ministry for Agriculture, Forestry and Water Economy	MSc, Valentina Stojanovic - Tufa	Chief of Cabinet of the Minister
2	Ministry for Agriculture, Forestry and Water Economy	Mr. Pance Nikolov	Department for analysis and planning
3	Government of the Republic of Macedonia	Mr. Serif Memeti	Former MAFWE employee
4	Federation of Farmers in Republic of Macedonia	Mr. Trajan Dimkovski	Executive Director
5	Federation of Farmers in Republic of Macedonia	Mr. Andrija Sekulovski	Current President of FFRM Assembly
6	Federation of Farmers in Republic of Macedonia Association of sheepbreeders Kicevo	Mr. Daut Dumani	Member of Management Board of FFRM
7	Federation of Farmers in Republic of Macedonia	Ms. Marija Gjoseva- Kovacevic	Manager of SIDA project (Current phase)
8	Federation of Farmers in Republic of Macedonia	Ms. Eleonora Veljanovska	Coordinator of Network of Young Leaders
9	First Vine growers Cooperativ,	Mr. Aleksandar	Member of Management Board of

	Negotino Local Association of vinegrowers, Negotino	Ristovski	FFRM Former SFARM employee
10	Local association of women farmers, Istibanja, Vinica Former handicraft cooperative, Istibanja, Vinica	Ms. Olga Stojmenova	President of the association; Former FFRM member and former member of FFRM Executive Board
11	International Business College Mitrovica, Kosovo*	MSc, Dori Pavlovska – Gjorgjievska	Former National project coordinator
12	CeProSARD	Ms. Gabriela Micevska	Former SFARM employee – monitoring and evaluation officer and former Advisor to the Minister of Agriculture
13	Swedish Association of Farmers	Ms. Anna Hammarstedt	Responsible for cooperation between FFRM and LRF
14	SFARM	Mr. Sten Rune Lundin	Former SFARM Project Director
15	Embassy of Sweden in Skopje	MSc, Biljana Dzarotova – Petrovska	National Program Officer
16	USAID AgBIZ	MSc, Vasko Hadzievski	Former SIDA National Programme Officer

Kosovo "This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence."*

Annex 3 – Capacity for education, re- search and analysis in agriculture

CASE STUDY ON BUILDING CAPACITY FOR MA- CEDONIAN HIGHER EDUCATION, RESEARCH AND POLICY ANALYSIS IN AGRICULTURE

Conducted by: Boban Ilic and Irena Dzimrevska, contracted short term consultants
January 2012

Introduction

The presented report summarizes the key findings and the conclusions of the review of the resource material, various reports and written contributions (Annex 1), as well as the interviews and focus group discussions with project partners, boundary partners and key stakeholders which had/have different positions and roles in relation to the development cooperation intervention.

In order to prepare the case study on the Swedish development intervention, i.e. UNI-COOP project, six (6) one-to-one interviews, one (1) focus group discussion have been carried out with project partners (teaching staff of the Faculty of Agricultural Sciences and Food (FASF)), boundary partners (MAFWE representatives, Swedish Embassy in Macedonia (current and former staff) and programme alumni and current students). In addition, one written contribution has been received by staff of the Swedish University of Agricultural Sciences (SLU).

The case study presents independent observations of the evaluators, which is not influenced by any of the involved parties.

1. Background of the intervention

The cooperation between the Universities, i.e. St. Cyril and Methodius University (UKIM), Faculty of Agricultural Sciences and Food (FASF) and Swedish University of Agricultural Sciences (SLU), Department of Economics (DE), started at the beginning of 2000 and a full-fledged cooperation project funded by Sida was developed in 2003. The project was entitled: “Building Capacities for Macedonian Higher Education, Research and Policy Analysis in Agriculture” and designed to be implemented in two phases - the first phase of the project was in the period 2004-2007 and the second phase in the period 2008-2010 (prolonged to June 2011), with a phase out phase July 2011 – August 2012. The value of the development cooperation for the period 2004-2007 was 8.5 MSEK, 2008-2011 (June)- 13.7 MSEK and planned cooperation 2011

(July)-2012- 5,2 MSEK¹²⁵. The total financial contribution of the Swedish development cooperation for the entire period of UniCoop is estimated to 27.4 MSEK.

The project is a capacity building project, and through the cooperation with the Department of Economics at SLU, Macedonia was expected to build up its own capacity to formulate efficient policies and undertake strategic economic analysis of the agricultural sector during the EU integration period

The development objective of the project was defined to contribute to an improved Macedonian policy for, and economic analysis of the agricultural sector with respect to trade, marketing, production and processing.

The immediate objectives of the project are¹²⁶:

1. To improve the Department's of Agricultural Economics and Organization capacity to undertake policy formulation and economic analysis on issues of strategic importance to the agricultural sector, particularly trade, marketing, production and processing.
2. To improve governmental staff and other actors' in the industry capacity to undertake policy formulation and economic analysis on issues of strategic importance to the agricultural sector, particularly trade, marketing, production and processing.

2. Relevance of the intervention

2.1 *In relation to Swedish development strategies*

As stipulated in the reports for the Swedish Development Cooperation in Macedonia and the realized project: "Building Capacities for Macedonian Higher Education, Research and Policy Analysis in Agriculture", further on referred to as UniCoop, **cooperation in the agriculture sector has been playing an important role**. Special attention has been given to the enhancement of Macedonian capacity for policy formulation in line with the Common Agricultural Policy of the EU (CAP) and the increased need for cooperation between the Agricultural Universities from Sweden and Macedonia.

In relation to the sector objective in the Phase-out Strategy for Swedish support to Macedonia 2010-2012, sector agriculture and forestry, the objective defines that "agriculture in Macedonia will become better aligned with the EU regulations". Among other

¹²⁵ The budget of 5, 2 MSEK for the UniCoop for the period 2011-2012 is estimated and not agreed.

¹²⁶ These objectives were revised for the second phase of the project, in 2008, see annual report for that year, page 10.1. Improve the capacity of the Department of Agricultural Economics and Organization for higher education, research and policy analysis in agriculture.2. Improve the capacity of governmental staff and other actors' of the sector for economic analysis in agriculture with focus on agricultural economics.

things, the sector objective will be achieved by providing phase-out support to the higher education and research in agriculture economics and strengthening of associated policy and analysis capacity.

The justification of such an approach by the Swedish development intervention was based on the fact that agriculture plays important role in Macedonia both in terms of value added and employment. As subsistence agriculture still dominates in most parts of the country, farming ensures a minimum level of food security and socio-economic stability in rural areas. Therefore, the sector has an important function as a social and economic buffer for the rural economies. On the other hand the policy makers face a number of difficulties (such as low competitiveness, not adequately used production potentials, depopulation of rural areas), therefore proper policy analysis and formulation is the main challenge to contribute to solving all these problems.

An additional justification for the Swedish development intervention was the fact that the EU approximation process of Macedonia is very much dependent on the reforms undertaken in the agricultural sector in the pre-accession period. Agriculture, rural development and related issues (fishery, food safety etc.) represent approximately 40 per cent of the total “Acquis”. Therefore the biggest challenge in the upcoming negotiation process is Chapter 11 (Agriculture and Rural Development), Chapter 12 (Fisheries), and Chapter 13 (Food Safety).

Consequently, the Swedish development intervention channeled through the UniCoop Project with partnership between SLU and FASF, was aimed to contribute to an improved Macedonian agriculture policy and economic analysis of the agricultural sector with respect to trade, marketing, production and processing.

2.2 Relevance in relation to needs of Macedonia

Bi-lateral cooperation between SLU and FASF started with mission of a SLU delegation in Macedonia for assessing the problems and needs of the Macedonian agriculture sector. Joint research paper was produced and discussed between SLU and FASF and this phase of cooperation formulated the needs of the Macedonia for Swedish development intervention. In 2003, the second phase of cooperation started and was intended to help Macedonia in building capacities for efficient agriculture policy formulations followed by economic analysis needed for agricultural sector. The Macedonian side formulated the need for development cooperation for knowledge exchange and acquisition of skills in areas such as agro-management, agro-marketing, education in agriculture sector and impact analysis for the Macedonian agro and food sector the EU in view of Macedonia EU accession.

The relevance of this development intervention has been determined jointly between the Macedonian and Swedish partners in an analytical, participative and appropriate manner which realistically responded to the needs of the country at the time when it was planned.

2.3 Relevance in relation to the EU integration process

The EU integration process of Macedonia and its agro and food sector depends on the reforms undertaken in the pre-accession period in terms of legislation (adoption of the *Acquis Communautaire*), creation of new institutions and capacity building.

The reforms require especially in the initial period of the integration process building of capacities i.e. human resources followed by improved agro-economic teaching and research including improved education programmes.

The policy formulation in accordance with the needs of the country in the pre-accession period combined with the step-by-step approach in the adoption of CAP are measures which a EU potential candidate country such as Macedonia must implement in order to fulfill the criteria for EU membership.

This particular development intervention, concentrated on creation of pre-conditions for improved policy formulation in the agro and food sector by producing qualified human resources and MSc and PhD studies will in a due time contribute to overall objective of EU approximation. Parallel to that, curriculum development and staff exchange between Swedish and Macedonian Universities contributed to an improved “national production” of qualified human resources.

These development measures were combined with technical support (improved library, didactic material, research facilities etc.) and research cooperation in the field of modeling and analysis of the agricultural policies.

It can be concluded that the development cooperation between the Universities covered very important aspect of the EU integration process of Macedonia i.e. it provided necessary pre-conditions in terms of building capacities on a national level which can support the EU accession process of Macedonia.

2.4 Integration of the gender equality issues in the intervention

Core values of the project are democracy, gender balance, respect to sexual orientation and disability, respect to minorities, environment and no corruption.

The gender equality principle (as stated by the project management which also is evidenced in the project documentation), was fully integrated in all aspects of the development intervention. While planning the project measures gender balance was considered as main priority. This can be clearly perceived by representation of both - male and female as teaching staff, as well as gender structure of students. In addition having in mind that Macedonia is multi-ethnic and multi confessional country it is noted that ethnic minorities and different religious confession are adequately represented in the project. As an example Turkish and Vlach minority students attend the PhD studies at SLU. In terms of sexual orientation the evaluators while revising did not found any basis or evidence of discrimination.

Corruption has not been reported neither in reviewed reports/ resource documentation nor any indication during the interviews with project partners.

3. Main outcomes of the intervention

During the interviews and focused group discussions it was stressed that the overall project was evaluated as positive, as it resulted in increased capacities for agro-economic analysis and policy formulation. The key outcomes and effects defined by the boundary partners are listed as follows:

3.1 Key outcomes - effects of the intervention on the boundary partners

- a) **Capacity of the staff** of the Institute of Agricultural Economics within the Faculty of Agricultural Sciences and Food **has significantly improved** within the period of last ten years i.e. within the period of Swedish intervention. Taking into consideration that capacity building is defined as core of the project and as it is reported, greater part of the project activities from its start were directed to fulfillment of this objective. The project activities such as teachers' exchange, development of educative and teaching material, development of new teaching curriculum, inclusion of MSc students of the international master studies as staff of the Institute, joint participation in the research activities contributed to the enhancement of the scientific capacity of the institute.
- b) As pointed out during the interviews, the teachers exchange as measure resulted with **introduction of new teaching methods and material** into the BSc and MSc studies' programme in the period when the Faculty and the University in general were competing to fulfill and implement the "Bologna criteria". The teaching material has been upgraded with development of four compendiums for the undergraduate level of studies.
- c) The Swedish development intervention resulted in **development of new curriculum**. The changes in the legislative framework (endorsement of the new Law on Higher Education) led to changes in the BSc, MSc and PhD programmes. The Swedish development intervention influenced the completion of reforms both of BSc and MSc programmes, while the PhD curricula development according to the new Law is on-going.
- d) Nine MSc scholarship students successfully **defended their master theses** and with their work on one hand contributed to augmentation of agriculture policy formulation and analysis, and on the other hand through their employment in different institutions in the country are considered as meaningful capacity for Macedonian agricultural sector in general. Three of the graduated students **received PhD scholarships** within the project framework and currently are in Sweden developing their research thesis, whereas one of the master students is on PhD studies at the IAE where she is employed.
- e) In addition, **teachers' exchange** (Swedish teachers in Macedonia and teachers from Macedonia in Sweden) provided opportunity for discussions of other cooperation issues such as **research cooperation**. Several agro-economic studies with active participation of experts from Macedonia and Sweden, as well as other EU member states are completed or are on-going ("Support to agriculture in Macedonia – explanatory assessment"; "Estimating costs for production using farm accounting data"; "Development of farm representative models based on mathematical programming"; "Farm business planning –Agriwise"; "Macedonian farmers' attitude towards the EU accession" etc.).

- f) The research cooperation between IAE and SLU Department of Economics is continuously improving the human capacities and has positive effect on the **international recognition of experts** - agro-economists from Macedonia.
- g) As a result of **improved teaching and research capacity** experts from Macedonia actively are participating on international scientific conferences presenting the results of different research studies and assessments. Therefore the **international exposure and recognition** of researchers from Macedonia has been intensified and strengthened. Significant results of the research projects are recognized and opportunities for expansion of international cooperation are opened within different instruments (e.g. 7th Framework Programme - EC FP7). Additional positive argument is that the master thesis of one of the student from Macedonia at SLU was evaluated as one of the best by SLU. Following the **significant increase of capacities and reputation of Macedonian agro-economists**, IAE will be the host of an International Conference on agro-economy scheduled for October 2012.
- h) Additionally, capacity building measures were directed not only to staff and students of IAE but also to other researchers and teachers from the FAFS. Language courses and training for improvement of academic writing skills were organized for young researchers and teachers at FASF.
- i) Following the above mention it can be concluded that **increase of standards for academic research** is a positive effect of the Swedish development intervention.
- j) Within the Swedish development intervention **facilities at IAE were up-graded** and new equipment, access to scientific journals and articles, as well as software are available for teachers, researchers and students. Investments in new organization of the library of the Faculty as a modern learning center, as well as new literature which is available will contribute to the process of increase of knowledge and strengthening of human capacities at FASF. During the interviews it was pointed out that the side effect of the teachers` exchange measures is exchange of cultural behavior and lifestyle.
- k) Following the dramatic and rapid changes in the last two decades in terms of reforms in the social system and consequent changes in the agriculture sector, transformation of the education system towards the Bologna system and orientation of Macedonia towards the EU, priorities which were jointly defined by Macedonian and Swedish partners for the Swedish development intervention were establishment of **International Master Studies in Agribusiness** and the **Balkan International Centre for Agricultural Economics**.

The accreditation of the International Master Studies in Agribusiness has been received in February 2009 by the Accreditation Committee of Macedonia and the international double degree master in agribusiness between FASF and SLU has been accredited and launched in September 2009. The Agreements signed between both institutions (FASF and SLU DE) is valid for a period of five years. This implies that MSc will continue without Sida funding. As stated by the SLU representative in her written contribution, an Agreement between the FASF and SLU to maintain the double degree master programme after the project end is in final stage of preparation.

Quality of the studies have been assured by regular evaluation systems at UKIM and SLU which is done through course evaluation by students done after each course, annual evaluation from teachers and annual evaluation from Sida.

The results show that teachers are satisfied with the cooperation and working environment, but at the same time the studies are demanding both for professors and students. The interviewees underlined that positive aspect of cooperation is that both partners (FASF, SLU- DE) had/ have equal position in the project planning, design and implementation. The teaching staff for the first year had a proportion 50:50, at the second 65:35 with a majority of Macedonian staff. In the programming for the third year of the Master studies full responsibility is to be given to teachers from Macedonia. The key effects that were identified by the interviews are that the new study programme is **established according to and in fulfillment of the EU study requirements** which contributes to the **EU approximation of Macedonia** in the field of education. Additionally, IAE staff improved their teaching skills and consequently new learning skills are being transferred to students from Macedonia which results in improvement of knowledge and professional skills.

- l) Research activities (i.e. sectoral studies, estimating costs etc.) developed within the Swedish development intervention, are basic and are crucial for **quality policy formulation and economic analysis** on issues which are of strategic importance for Macedonia as an EU candidate country. Involvement of master students as staff in the state institutions (Paying Agency, MAFWE, IAE) has a positive contribution to the valuable economic analysis and creation of adequate policy and implementing measures for EU approximation of Macedonian agriculture.

IAE and the existing human capacities have **valuable potential** and are currently considered as one of the main advisors of MAFWE related to actual policy formulation.

IAE being part of the state institution (FAFS) with its existing capacities and the capacities which are under development (MSc and PhD students) could be considered as a stable and solid hub of expertise.

- m) **Establishment of the Balkan International Center for Agro Economics (BICA)** can be considered as positive result of the Swedish development intervention. As reported, the legal/ formal status of BICA at UKIM still has to be resolved due to legislative gaps. Two alternatives have been proposed - one is to create the center as private entity and the second one is to register it as an association. However, based on recommendation by Sida currently the strategic plan is to register BICA as a research center of UKIM when the University regulatory framework is completed.

Based on strategic planning of BICA, as stated during interviews, the institutional sustainability of BICA could be obtained with long – term agreement between UKIM and SLU for continuation of double degree master programme and recognition of students' credits between SLU and FAFS. Financial sustainability of BICA could be obtained through fees from students' education and project implementation.

3.2 What effects have the cooperation had on the inter-ethnic relations?

This development cooperation was not designed in a way to really take the inter-ethnic aspects into account. The reason is that in the academic environment ethnic differences between highly educated teachers, researches, MSc and PhD students are not considered and can be described as non-relevant in the everyday life in Macedonia.

Academics are open and educated therefore, they accept the differences on the ethnic background as something normal. Usually ethnic origin of teachers, researchers, students is not something that the academics measure or observe, but rather their quality and success in academic world are really subject of relevance and judgment.

However, observing the intervention outcomes and the ethnicity of first of all students which acquired and are acquiring MSc and PhD diplomas it can be noticed that students were not only of a Macedonian ethnic origin. Out of 18 Master Students and three PhD students four are from other ethnic groups in Macedonia (Serb, Turk, Vlach, Albanian etc.). Basically, the inter-ethnic aspect of the development cooperation has been fulfilled but rather unintentionally. Additionally, the teaching staff of the Macedonian partner in this cooperation i.e. University is with a different ethnic background (one out of ten belongs to other ethnic group).

3.3 What effects have the cooperation had on gender equality?

Following the gender structure of the research and teaching staff at FASF - IAE before and during the Swedish development intervention, it can be observed that before the start of development intervention male employees at IAE (former Cathedra for agro-economy) significantly predominated.

Giving special attention to gender balance within the period of Swedish development intervention the gender structure of teaching and research staff changed. Currently there is a balance (8 men, 8 women) between female and male staff at the Institute.

In regards to the students, the development intervention promoted the values of equality and in that respect, there is well balanced representation of female and male (10 men, 8 women).

4. The sustainability of intervention

The explanations presented in the previous chapters and the opinion of the interviewees, as well as based on the reviewed reports, the sustainability of the University cooperation is provided and guaranteed.

The sustainability of the effects of the cooperation and impacts achieved can be seen from various aspects. First aspect would be that the Swedish development intervention was located in an institution with a long tradition (over 60 years existence of FASF). It is an institution which is part of the educational system in Macedonia and there is no threat that such an institution financially will fail i.e. will not back up the results of the cooperation which are obvious.

In addition, in the EU context there are many possibilities for University cooperation (Erasmus, Copernicus, FP7 etc.) which can provide both Universities with various ways for further cooperation. These possibilities can be further explored within the frame of the Agreement between the two universities to maintain the double degree possibilities.

As important outcome within this intervention was the fact that also the capacities on the IAE side have been increased significantly so, that they are capable to continue with the international master studies, after completion of “bureaucracy” procedures on the Macedonian side. Namely, in the certain stage of the implementation of the project disbursements and payment of the project finances were problematic due to introduction of new changes within the Central Treasury of Macedonia. Even the Swedish Embassy had to intervene in front of Macedonian Authorities in order to overcome the problems related to disbursement of project funds. The suitable structures have been established with the respective academic and research background. The fact is that the Swedish development intervention in this particular case produced human resources in Macedonia who are capable to carry on the analytical and policy formulation work in the agro and food sector. It is already an achievement which will provide the country with the respective resources on a long-standing period.

Another aspect is that in Macedonia due to this Swedish development intervention and cooperation, the number and quality of staff produced in the last ten years is tripled and the quality is increased compared with the period of 20 years before the start-up of the cooperation. Namely the small cathedra of agro-economics within the Faculty of Agriculture, with approximately of 5-6 teaching staff in the last 20 years before the Swedish development cooperation has increased to an Institute of Agro-Economics with 16 research and teaching staff.

It can be concluded that Macedonian partner in this cooperation is able to sustain the results of the cooperation and that measures undertaken in this cooperation are sustainable. This means that after the Swedish intervention stops financing, the cooperation between the Universities would continue in accordance with the planned Agreement on continuation of the cooperation.

5. Lesson learned from the cooperation

- Equality and respect between the partners in the cooperation is one of the successes' factors.
- Good planning in the first phase and mutual respect between the involved parties is a crucial for the success and sustainability of the intervention. One can observe that maybe the planning took longer period (initial contacts and joint studies between Universities started in 2001 and the project started in 2004), however it is better to plan longer and to design development interventions which from the very beginning have a potential to be successful.
- Ownership – during the entire period of intervention the beneficiary side was responsible for its role in the cooperation and at the end of Swedish intervention the Macedonian partner can completely take over the responsibility related to the outcomes of the intervention.
- The Swedish development intervention was based in an institution which provides financial stability and seriousness.

- In comparison to other Swedish development intervention in the agriculture sector (UniCoop with approx. 3 Million Euro in comparison to SFARM with approx. 10 Million Euro) the cost benefit relations between this intervention and the other with higher inputs (value) are conversely disproportional i.e. with a relatively smaller funding the results of the cooperation are relatively higher.
- Legislative framework, rules and procedures can have negative un-expected effect in terms of delay of project implementation. Problems which appeared in financial management, particularly in terms of payment of the project finances by Treasury of Macedonia to FASF (according to Law on Higher Education and UKIM rules) were successfully overcome in cooperation with Swedish Embassy in Skopje.
- Cooperation between project management units and Swedish Embassy/Sida in the recipient countries is one of the important pre-conditions for smooth project implementation. Cooperation between UniCoop Project and Sida/ Swedish Embassy in Macedonia is considered as highly professional and cooperation with Sida in Macedonia is considered as effective, trustworthy and flexible.
- Cooperation between equal partners from both the Swedish and recipient's side is applied in the development cooperation.
- Planning of the cooperation was applied with inclusion of both partners.
- Reduced size of management team of the development cooperation was leading to more efficient implementation of the development measures. Once the management team was downsized the efficiency increased.
- In this particular case it is proved that structured institutions can take care about the cooperation during implementation phase and are able to continue and carry on after the end of development cooperation. The absorption capacity of the beneficiary side has to be thoroughly examined as an important pre-condition for sustaining of the development measures

6. Recommendations

The evaluators do not have particular recommendations for this particular case study. Based on the resource material, reports and interviews this development intervention has been carried out successfully in terms of its sustainability, inclusiveness of both Swedish and Macedonian side and in terms of the outcome presented in this study.

List of resource material

- Building Capacity for Macedonian Higher Education, Research and Policy Analysis in Agriculture
- With a Focus on Agricultural Economics, UniCoop, Completion Report 2008 – June 2011/ A project funded by Sida
- Building Capacity for Macedonian Higher Education, Research and Policy Analysis in Agriculture
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- International double-degree Master in Agribusiness, Presentation, December 22.2011
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- Project Evaluation, Presentation December 22.2011
- Report of Factual Findings for an Expenditure Verification of a Grant Contact For the period January 1, 2008 – December 31, 2008
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- Report of Factual Findings for an Expenditure Verification of Financed Grant Agreement Project: “Building capacity for Macedonian policy formulation and economic related to the agricultural sector” Skopje, 10, 2009
- Report of Factual Findings for an Expenditure Verification of Financed Grant Agreement
- Project: “Building capacity for Macedonian policy formulation and economic related to the agricultural sector”; June 21, 2010
- Republic of Macedonia Semi-annual report January- March 2003 – Sida
- Sweden’s Strategy for Multilateral Development Cooperation, April 2007, Government Offices of Sweden
- The Republic of Macedonia, SIDA Country Report October 2003 – June 2004
- The Republic of Macedonia, SIDA Country Report 2006

List of persons met and interviewed

Person	Organization/ institution	Function
Prof. Dragi Dimitrievski	Faculty of Agricultural Sciences and Food, Skopje	Dean and IAE staff
Prof. Dragan Gjosevski	Faculty of Agricultural Sciences and Food, Skopje	Professor IAE, Director of BICA
MSc, Ana Simonovska	Faculty of Agricultural Sciences and Food, Skopje	Teaching and research assistant, IAE
MSc, Ivana Janevska Stamenkovska	Faculty of Agricultural Sciences and Food, Skopje	Coordinator of the UniCoop project
MSc, Marina Petrovska	Faculty of Agricultural Sciences and Food, Skopje	IAE staff, MSc, former student on double studies programme
MSc, Valentina Stojanovic - Tufa	Ministry for Agriculture, Forestry and Water Economy	Chief of Cabinet of the Minister
Mr. Pance Nikolov	Ministry for Agriculture, Forestry and Water Economy	Department for analysis and planning
Mr. Serif Memeti	Government of the Republic of Macedonia	Former MAFWE employee
MSc, Tina Ericson	Department of Economics, Swedish Univer-	Project leader UniCoop

MSc, Biljana Dzar- tova – Petrovska	sity of Agricultural Sciences (SLU) Embassy of Sweden in Skopje	National Program Officer
MSc, Vasko Hadzievski	USAID AgBIZ	Former National Programme Officer

Annex 4 – Decreasing the Education Gap– Roma Education Fund Case Study

Conducted by Marija Nashokovska

Background of the Swedish International Development Cooperation Agency – Sida - financed projects through REF in Macedonia

REF was created in the framework of the Decade of Roma Inclusion in 2005. Its mission and ultimate goal are to close the gap in educational outcomes between Roma and non-Roma. The Republic of Macedonia is among the twelve countries that joined the Decade of Roma Inclusion and currently holds the Decade Presidency until June 30, 2012.

Roma population in the Republic of Macedonia comprises 5-6% of the total population according to the estimation of REF¹²⁷, although according to the official statistics from the 2002 census, Roma represent 2.66% of the population in the country. The data in the revised National Action Plan (2009-2011) for the education of Roma show that the Roma inclusion in the educational system at all levels is around 23-25% and that the percentage of illiterate Roma is 26% male and 44% female.

In the period 2005-2010 REF received 1.978.768 € from Sida, to support education activities in the six Western Balkan countries (Bosnia and Herzegovina, Croatia, Serbia and Montenegro¹²⁸, Kosovo, Macedonia and Albania). In Macedonia three projects were supported with 359.097 €. In addition, 332.744 € from Sida were used for the tertiary scholarship program 2009 for all Western Balkans countries including Macedonia. However, there are no available specific data for what portion was used for Macedonia except for the number of students, which for the school year 2008/2009 is 111 Roma students. For other expenses, such as technical assistance, communication, country facilitators, 282.685 € were disbursed from Sida funds. The basic facts for the three projects are presented in Table 1.

Table 1: REF Projects Supported by Sida

Project Number	Implementing Organization	Grant Amount in €	Start Date	End Date
MAC043	Roma Cultural and Education Centre	55.893	01.01.2009	31.12.2010

¹²⁷ Advancing Education of Roma in Macedonia, REF Country Assessment 2007

¹²⁸ Montenegro became an independent country in 2006

MAC051	Ministry of Labour and Social Policy	38.554	01.11.2009	31.08.2011
MAC052	Ministry of Education and Science	264.650	01.11.2009	31.08.2011
Total:		359.097		

The overall goal of the three projects can be summarized as contribution toward the increased level of education of Roma. More specifically, each of the three projects is targeting different age groups of Roma. MAC051 is targeting Roma children to be enrolled in pre-school education as a preparation for the primary education. MAC052 is targeting Roma high school students, while MAC043 targets the adult Roma that have not completed secondary education.

The objectives of the project MAC043 were to support 50 Roma adults from three municipalities in Eastern Macedonia to complete their secondary education, to contribute to the increased number of Roma with completed secondary education and to promote the secondary education among Roma in the targeted municipalities, but also in the other Roma communities around Macedonia. Main activities in the project focused on securing that Roma adults selected in the project regularly attend the courses and pass the exams.

MAC051 objectives were to increase the number of Roma children (777 children for two years) in public preschool institutions one year before their enrolment in the primary education; to improve the capacities of the 1554 Roma parents, 108 preschool teachers and 21 Roma assistants; to improve the social skills and proficiency in Macedonian language of the children attending the preschool institutions; to increase the abilities of preschool staff in combating prejudice and stereotypes against Roma; to raise the public conciseness about the problem with Roma children and to involve authorities in the local municipalities in finding solutions; and to encourage and support early child development. Securing regular attendance of the children in the preschool institutions and their enrollment in the primary education were the main activities of the project.

MAC052 objectives were to provide 800 Roma secondary students (first, second and third grade) with GPA 3.00 and above with scholarships; and to provide 1.606 Roma secondary students with school-based mentorship and tutorship support according to their needs and interests. Originally, the duration of the project was planned for ten months, but it was extended for an additional eleven months. In the second year of implementation the objectives of the project were to provide 700 scholarships to Roma secondary students (1st, 2nd, 3rd and 4th year), to provide tutorship to all Roma secondary students and to provide support to the 4th grade students to register and successfully pass the State Matura exam. Main activities of the project included selection of students, recipients of the scholarships, selection of mentors to work with the students, and disbursements of the scholarships according to the achieved results of the students.

7. Relevance of the Sida financed projects through REF in Macedonia

7.1 In relation to Swedish development strategies

The projects implemented by REF in Macedonia are relevant in relation to Swedish development strategies. In the *Sweden's Policy for Global Development* from 2008 it is stated

that “the Government’s point of departure is that development is ultimately driven by people’s own willingness and ability to better their circumstances. Efforts to promote development in developing countries and combat poverty in all its dimensions must be aimed at creating opportunities for individuals to raise their living standards and enhance their ability to determine their own lives.” This statement is fully applicable to REF projects in Macedonia, because all of the projects are providing opportunities for Roma people through education to raise their living standards and combat poverty. Also, it is Swedish intention to fight the poverty through putting the individuals – poor women, men and children in the centre and comprehend the daily reality of poor people’s lives. The education of Roma children and adults supported through the projects in Macedonia is directly connected with providing an opportunity to Roma population to fight the poverty on individual level and to secure better life for them and their families.

In the *Phase-out Strategy for Swedish Support to Macedonia, 2010–2012* there is a concern about the growing segregation related to social and educational conditions between ethnic groups and recognition of the income poverty among Roma. All projects contribute to the integration of Roma in the education system starting from the preschool education and give prospects to Roma to become more competitive on the job market and increase their income.

REF projects in Macedonia are also relevant to the *Guidelines for Swedish Assistance to the Roma Population in the Western Balkans (2006)* because through education they are supporting Roma to escape from poverty. The document recommends that “although education is not included in the present Swedish country strategies for the Western Balkans, it is recommended that attention be paid to this area, as education is of highest priority for the development of the Roma communities.” Recognizing that the country strategies have limitations in supporting education, the Guidelines recommended to channel the support on a regional level as is the case with the REF supported programs.

7.2 Relevance in relation to needs of Macedonia

In the *National Program for the Development of Education 2005-2015*, Macedonian Government recognized that education should be accessible to all members of the society regardless of their gender, age, ethnic group, socio-economic situation and other social factors. The principle of equality does not mean only equal opportunities, but also ensuring that everyone can achieve their potential in their education. These statements demonstrate that REF programs are relevant for the needs of Macedonia to ensure that Roma have equal opportunities to obtain their education regardless of their age (preschool, secondary education, adult education).

Education is one of the four strategic priorities in the *National Program for the Work of the Macedonian Government* for the period 2008-2012. Among the main initiatives supported by the Government are extending the duration and compulsory of primary and secondary education. The compulsory primary education is extended from eight to nine years for all children, introduced in the school year 2007/2008 and the secondary education is compulsory for all children from the 2008/2009 school year. In addition, the Government program includes activities for revising primary education curricula and introducing a life skills program in all primary education grades. Moreover, constructing new schools and physical rehabilitation of old schools is another priority to improve the conditions in education. All these reform steps should achieve maximum enrolment of all children in the education sys-

tem. REF programs are supporting the enrolment of the children in the education system, especially taking into consideration that Roma children are the least included in the regular education system.

In 2005, the Macedonian Government adopted the *National Strategy on Roma*, where the education is one of the four priority areas. Among the general aims of the Strategy, the better integration of Roma in the mainstream of Macedonian society, reduction of Roma poverty as the most vulnerable group, and long-term development of the Roma community in every respect are stated. In addition, *National Action Plans* (NAPs) have been developed for each of the four priority areas. NAPs have been revised in 2008 and included activities planned for the period 2009-2011. The revised NAP on Education identifies numerous problems that should be addressed during 2009-2011 period, including specific problems in the primary and secondary education. According to the NAP, low enrolment rate, unregistered children, high drop-out rates, specifically girls' drop-out rates and discrimination and segregation are major problems in primary and secondary education. REF supported projects in Macedonia are contributing to increase of the low enrolment rate by including the children in the preschool education one year before their enrolment in the primary education and desegregation of Roma children. Through the scholarship support for the high-school students, the program is contributing to reduce the drop-out rates and to promote role models among the Roma children that will motivate their peers to regularly attend school.

7.3 Relevance in relation to the EU integration process

The situation and inclusion of Roma, including their education, is an important part of the political criteria for the EU integration process of Macedonia. A significant portion of the political criteria in the EU progress report are devoted to Roma issues. According to the *EU Progress Report 2011* some progress can be reported in the area of Roma inclusion. The report notes that efforts were made to implement the action plan for education by carrying out projects in the area of education and in the social sphere and the enrolment rates of Roma children in secondary and university education steadily increased. The integration of the Roma in the education system improved, with increased enrolment in secondary and university education. Therefore, REF programs are relevant for the EU integration process since the support of the high-school students and their completing secondary education assist the students to enrol in tertiary education.

In the report, numerous challenges have been noted such as the drop-out rates of Roma children in the early education and the limited inclusion of the street children, almost exclusively Roma in the education system. The REF supported activities for the inclusion of Roma children in preschool education are relevant for reducing the drop-out rates in primary education, because children are starting the education with acquired skills and proficiency in the Macedonian language which is a very important precondition for successful start of their primary education.

7.4 Integration of gender equality issues in the interventions

REF supported projects in Macedonia considered gender equality issues in their activities regarding the equal opportunities for men and women to be included in the project activities. For MAC043 and MAC052 interventions it was a counting exercise and when selecting the participants (specifically secondary education students and adults to complete their

secondary education), the implementers considered the gender perspective. In the MAC051 intervention for inclusion of Roma children in the preschool education, the most important criterion was the age and there are no available data regarding the gender of the children.

In all three interventions there are windows of opportunities to integrate the gender equality issues that were not considered. In the preschool education intervention, all Roma assistants employed in the preschool institutions are female. The preschool teacher profession in Macedonia is considered as ‘a woman profession’ and almost all educated preschool teachers are women. However, the project staff could have put efforts to identify the availability (if any) of Roma men preschool teachers and encourage them to apply for the positions. In providing the scholarships for the secondary students, additional criterion could be added to the selection criteria in order to support both female and male students that are attending schools which are considered traditionally female (medical schools) or male (technical schools) professions. The integration of the gender equality issues in the Roma adult education intervention could have considered presenting data related to enrolment of male students in the vocational school for textile (profession that is also considered as ‘female profession’ in Macedonia).

8. Main outcomes of the Sida financed projects through REF in Macedonia

8.1 Key outcomes of the interventions

REF has 13 indicators which are used to measure the outcomes and impact from different interventions. All interventions supported through REF should align their indicators and measurement with the REF indicators. The three interventions supported in Macedonia contribute toward the achievements in two areas: access and participation to education and quality of education.

In summary, the achievements of the three interventions are in line with the objectives in the project documents. The *key outcome* of the supported interventions is the increased level of education for different age groups of Roma and created opportunities for continuation of the education or employment of the beneficiaries.

The preschool education intervention (MAC051) contributed to increased participation of Roma children in preschool education institutions and included 18 municipalities in the implementation of the intervention. Approximately 87% of the Roma children attending the preschool institutions for the two years of the implementation enrolled successfully in primary education. The secondary education intervention (MAC052) through the scholarship scheme increased the retention and achievement rate and student transfer to the next grade for all participating Roma students. Less than 2% of the scholarship recipients dropped-out from school or repeated the school year. The adult education intervention (MAC043) increased the level of education of 52 adult Roma and provided opportunities for them to get promotion at their current work or to be more competitive on the labour market in the three municipalities. Three of the adult Roma continued their education at the Macedonian universities, which was not considered as one of the expected results.

Another *key outcome* of the interventions is the mobilization of Roma communities and their increased interest for education. The increased number of applications for the scholarships for the secondary education, applications for completing the secondary education by adult Roma and creating waiting lists for enrolment in preschool institutions are clear indi-

cators that the interventions raised the awareness of the Roma communities regarding the importance of education to improve their lives and the lives of their families.

An additional *key outcome* is the involvement of the central and local governments, pre-school institutions, secondary schools, local nongovernmental organizations and their active participation in the implementation of the interventions. The interventions managed to obtain financial and in-kind support from the local governments and to engage the staff from the education institutions to support the participants through mentorship and tutorship.

8.2 What effects have the cooperation had on the inter-ethnic relations?

Although the interventions are targeting the Roma ethnic group directly, the nature of the activities requires that Roma children are cooperating, studying and interacting with members of other ethnic groups. All three interventions contributed to the integration of the Roma children and students into the mainstream education. Roma students in the secondary education are enrolled in high schools all over the country and are studying together with the students from different ethnic groups. Children in the preschool education are in the mixed groups and interact with the children their age from different ethnic communities.

Problems are noted in some of the preschool institutions, where parents of the Macedonian children were opposed to the integration of the Roma children and their interaction with the other children. There were several cases of signing a petition from the parents against the inclusion of the Roma children. Although the problems were solved with the involvement of the management of the preschool institutions, these cases demonstrate that the institutions and the project were not sharing information on time with the parents of the other children. In some preschool institutions there were examples of segregating the Roma children by separating them in a group together with the Roma assistant.

There are no reported problems of segregation and exclusion in the other two interventions, i.e. the integration of Roma students and Roma adults in the regular secondary education. Through the involvement of different actors, from different ethnic communities (teachers, students, municipality authorities, non governmental organizations) the interventions contributed toward the improvement of the inter-ethnic relations and increased awareness to accept and interact with the Roma, therefore to reduce the prejudices and stereotypes against Roma. In addition, the employment of Roma assistants (six of them permanently) in the preschool institutions is another step in Roma inclusion in the society and opportunity for the children to interact with members from different ethnic communities early on and to avoid the creation of prejudices and stereotypes.

8.3 What effects have the cooperation had on gender equality?

Taking into consideration that Roma girls and women are less educated due to the traditions in the Roma families, the interventions are a huge step in increasing the education level of Roma girls and children. Two interventions (secondary school scholarships and adult Roma education) considered the gender aspect in selecting the participants and there is an equal representation of both genders among the participants. Roma girls and young women had equal opportunities to compete with Roma boys and young men to receive a scholarship or to complete their secondary education.

In the preschool education intervention, the main criterion for selecting the children was the age (3.8 – 5.7 years) i.e. one to two years before the required age to be enrolled in primary education. However, the intervention overlooked the opportunity to record data about the gender of the enrolled children in the preschool institutions. The preschool education intervention employed 17 Roma women as assistants in the preschool institutions, thus contributing toward the increased employment rate among Roma women.

9. The sustainability of the Sida financed projects through REF in Macedonia

The issue of sustainability of the REF supported interventions in Macedonia through Sida funds has different perspectives for each of the interventions. It should be noted that these interventions are supported through the regional funding of Sida and are not directly affected with the phase-out of Sida from Macedonia. There are 1.950.000 € Sida funds available for regional development interventions through REF for the period 2011-2013. The continuation of MAC052 now contracted as MAC065 for the period September 2011 – July 2013 is supported with 334.864 € from Sida funds.

Each of the three interventions is continuing. These are new interventions in terms of new contracts and funds from REF, but they are continuations of the previous activities – enrolment of Roma children in the preschool institutions, scholarships for the secondary Roma students and support to adult Roma to complete their secondary education. The difference is in the amount granted from REF – the intervention for the secondary students scholarships received more funds, while the interventions for preschool education and education of adult Roma received less funds compared to the previous phase. All three interventions supported through Sida funds were in the different stage of implementation.

The secondary education scholarship intervention for Roma students is supported since 2005. In its first phase (2005-2009) it was implemented by the Foundation Open Society Institute Macedonia (FOSIM) in cooperation with the Ministry of Education and Science (Department of Education for Minority Languages). From 2009, the Ministry is implementing the intervention and the office is located within the Ministry premises.

The preschool education intervention started in 2006 and in that pilot phase was implemented by the Ministry of Labor and Social Policy - MLSP (Child Protection Department), Roma NGOs, local governments, public pre-schools and the Ministry of Education and Science. In the second phase, the same actors were involved in the implementation except the Ministry of Education and in the third phase (the intervention subject to this case study), the Unit for Implementation of the Strategy and Decade of Roma Inclusion, a department in the MLSP is implementing the intervention, with the office located in the Ministry premises.

This is a step forward toward sustainability of both interventions, because in addition to providing premises, the Ministries support the interventions through funds from the state budget (MAC051 – 606.740 € and MAC052 – 102.940 €). Although it looks as if the interventions are already integral parts of the government institutions, which should ensure their sustainability, there are numerous bottlenecks that jeopardise the perspective of the interventions to enter the annual work programs of the Ministries.

There are problems with the committed funds from the Ministries due to the heavy administrative procedures to allocate the funds and make them available in reasonable timeframe. All payments done by the government institutions must be approved by the Ministry of Finance, including the approval of new employments. The Government is aware that the administrative procedures are the main obstacle in implementing activities supported by foreign donors. Therefore a Sector for EU and International Finances and a Department for Bilateral and European Financial Cooperation within the Ministry of Finance have been established aiming to deal with internationally funded interventions and to facilitate the implementation. However, in practice this Department does not have the given role.

In addition, out of seven employees (four in the Ministry of Education and three in the MLSP) directly working on the implementation of the intervention, only two are employees of the Ministries. It is very difficult to assess the ownership and sustainability of the interventions in a situation when the perception of the interventions is that these are projects located within the Ministries. In addition, although the MLSP committed to employ on a long-term contract 1/3 of the Roma assistants in the preschool institutions it required intensive advocacy and lobbying activities from Roma representatives in higher positions in the Government to fulfil this commitment.

The two interventions implemented by the government Ministries required additional support to overcome the obstacles related to administrative procedures involving people outside the project offices. Besides the Country Facilitator, staff received support from individuals from Roma community, appointed to higher positions in the Government. Despite the fact that there is established Unit for Implementation of the Strategy and Decade of Roma Inclusion and appointed Minister without portfolio responsible for the Roma Decade, there is no evidence that the interventions received any support from them. This is an additional sign that the sustainability of the interventions is not ensured and requires activities to support the government structures in building the ownership and integrating the interventions in the Ministries' work programs.

The education of adult Roma in three municipalities supported by REF through Sida funds was a pilot project, and has been scaled up currently with smaller support from REF and increased contribution from the participating municipalities and secondary schools. Through the involvement of the municipalities, the organization Ternipe MK is promoting the Law on Adult Education, which regulates the support from the state and municipalities budgets for completion of the compulsory education (primary and secondary). Currently, the law has not been implemented properly and this intervention is piloting the opportunities for organizing activities for completion of compulsory education by the municipalities. Considering that the intervention is implemented in a limited number of municipalities, it will require wider promotion among other municipalities where there is a significant Roma population and encouragement for the municipalities to register the population in their territory without completed compulsory education.

10. Communication channels

The interventions in Macedonia supported by REF through Sida funds are part of established communication channels from REF. There is a clear hierarchy in the communication. Representatives from the interventions are communicating directly with the REF Country Facilitator. The Country Facilitator located in Macedonia is communicating with REF headquarters in Budapest, and REF headquarters are communicating with Sida Stock-

holm. Taking into consideration that Sida is supporting regional program in six Western Balkans countries this chain of communication is reasonable, efficient and effective. Yet, it would possibly have been more effective if the Sida Office in Macedonia had been involved in this formal communication channel. According to the interviews with the Country Facilitator and the representative from the Swedish Embassy, there are regular meetings between them, but they are more a result of a good will and are informal, without actual involvement of the Sida Office in Macedonia in the implementation or monitoring the progress of the interventions.

It is interesting to note that neither the Country Facilitator nor the representatives from the implementing partners were aware that the funds for these interventions were coming from Sida. Their perception is that REF was the donor. In the contract between Sida and REF it is stated that when REF is producing reports, studies and other information Sida's cooperation as financier shall be indicated. The agreement does not provide any other details regarding the visibility of Sida on lower level such as the activities of the supported interventions. In the annual reports and on the REF websites, Sida is clearly presented as one of the contributors.

The REF Executive Director characterizes past and current cooperation with Sida as highly positive. Sida is considered as one of the most flexible donors compared to their other more than ten donors, and REF would like to have more donors like Sida. The communication with Sida is timely efficient for all issues that require discussion or in the exchange of information. Sida representatives as other donors are invited to participate at the monitoring visits organized by REF. Actually this might have been used as a window of opportunity to involve the Sida Office in Macedonia to have closer insight in the progress of the interventions and to provide advice regarding the delays in the implementation, since they are quite experienced in dealing with such situations in their other supported interventions within the government institutions.

11. Lessons learned from the cooperation

Lessons learned from the cooperation related to the interventions supported through REF in Macedonia include:

- While supporting government institutions to implement interventions to secure sustainability of the activities is important it is not sufficient alone. There is a need for capacity building activities for the government representatives about projects implementation and incorporation of the interventions' activities in the strategies and annual programs of the Ministries.
- There is a clear hierarchy in the established communication channels between REF and Sida, which is good for avoiding any bottlenecks in the communication. REF representatives from the headquarters in Budapest are communicating with Sida Stockholm. However, Sida Office in Skopje is not involved in the communication and the personnel in Macedonia could have been a great asset for Sida Stockholm in providing first-hand information related to the achievements of the interventions. This is very important in a situation when REF is reporting on annual basis and there are not very much details related to the interventions in Macedonia, especially the challenges that emerge during the implementation.
- The boundary partners are completely responsible for the implementation of the interventions, which is great step toward the ownership of the implementation. Thus far, this responsibility does not demonstrate that the government institutions feel ownership

over the interventions. The interventions are not included as part of already established departments within the Ministries and staff is considered as employees of the projects, not the Ministries. There is a lack of interest in the Ministries to demonstrate more ownership over the interventions due to the awareness of the Government that certain interventions such as these two are of interest to foreign donors and has the comfort to spend state budget funds on other initiatives. In addition, there are established departments in the Ministries dealing with pre-school education and high school scholarships and the interventions should be incorporated within these departments, contrary to the current project offices. There is a need for support to the government institution to incorporate the interventions in their regular work programs.

- Sida is considered as a very flexible donor compared to other bilateral donor, without extensive requirements and interventions in the implementation. Although Sida visibility is satisfactory within REF activities and publications, there is a need to increase Sida visibility with the grant recipients through REF. The boundary partners should be informed about the source of the funds they are receiving, which is not the case in Macedonia.
- Although gender issues are considered in the interventions, there is a lack of activities to mainstream the gender issues as one of the Sida thematic prioritizations. There is a need for guidance about mainstreaming the gender issues.

12. Recommendations

All three interventions are addressing needs of the Roma community in Macedonia related to education that require full attention in order to reduce the education gap between the Roma and non-Roma and are absolutely justified. Taking into consideration that presented interventions are part of a regional support from Sida to REF that will continue until the end of 2013 at least, the following recommendations could be used to improve the performance of the regional efforts:

- *Increase the visibility of Sida support to interventions.* The boundary partners of REF were not aware that the funds are coming from Sida. Although the visibility of Sida is satisfactory and according to the agreement when it comes to REF reports, website and other documents, at least an information regarding the funds' source should be included in the grants award from REF to boundary partners.
- *Involve the country Sida/Swedish Embassy personnel in the communication channels regarding the local interventions supported by REF through Sida funds.* The involvement of the country staff is two-folded: on one side, Sida will have firsthand information related to the supported interventions and on the other, opportunities for additional or different support (not necessarily financial) could be explored, such as guidance for resolving problems emerging with the governmental institutions or supporting them to incorporate the interventions in their annual programs and supported through the state budget.
- *Government institutions applying for funds from REF should involve representative from the Ministry of Finance to avoid as much as possible delays in the implementation due to administrative procedures.* From the reports and from the interviews it is clear that bureaucracy heavily influences the implementation and the outcomes of the interventions and jeopardizes the sustainability of the intervention. The Department within the Ministry of Finance has a role to facilitate the implementation of internationally supported interventions and should be involved in the application process in order to minimize the possibilities for delays as noted in the two interventions.

- *Stronger ownership of the interventions should be demonstrated by the boundary partners, especially government institutions.* It is a great achievement that two of the interventions are implemented by government institutions, which is a strategic intention of Sida supported programs. However, REF should require stronger commitment by the partners, such as integration of the ‘project unit’ in the existing departments of the institutions including the personnel that is working on the implementation. That will also reduce the fluctuation of the people working on the interventions that are leaving their positions when better opportunities for them emerge.
- *Better emphasize gender issues in the interventions.* Besides the counting exercise of female and male participants in the interventions, REF should seek a more comprehensive approach in tackling gender issues. For instance, providing additional categories of scholarships (aside the two categories that are merit-based) that will be awarded to female students attending technical schools or to male students attending medical or textile schools.
- *Include advocacy activities related to the interventions so as to ensure sustainability of the interventions when implemented by nongovernmental organizations.* This is a recommendation based on the adult Roma intervention and might not be generally applicable. Although the organization is constantly interacting with the involved municipalities, advocacy activities toward the decision-makers about the adult education in Macedonia should be implemented to move forward with the implementation of the Law on adult education and allocation of state budget funds for completion of the compulsory education.

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6. National Program for the Work of the Macedonian Government 2008-2012
7. National Strategy on Roma
8. National Action Plan for Education of Roma
9. EU Progress Report 2011 for Macedonia
10. Law on Adult Education
11. Sida-REF Agreements
12. REF Reports to SIDA on Funds Disbursement
13. REF Annual Reports
14. REF Audit Reports
15. Advancing Education of Roma in Macedonia
16. REF External Evaluation Report
17. Projects’ Documents and Reports (MAC043, MAC051, MAC052)

List of Interviewed People

Roma Education Fund (REF):

1. Judit Szira – Executive Director
2. Marius Tabac – Monitoring and Evaluation Officer
3. **Stela Garaz – Program Officer**
4. **Eben Friedman – Policy Advisor**

5. **Senad Mustafov – Country Facilitator**

6. Ajsel Memet – Country Coordinator for Scholarship Program

Swedish Embassy Skopje:

1. Mentor Kadriu – Program Officer
2. Biljana Džartova - Petrovska - Senior Program Officer

Boundary Partners:

1. Shejla Fidani - Project Coordinator, Ministry of Education and Science (MAC052)
2. Emil Amedov - Project Coordinator, Ministry of Labour and Social Policy (MAC051)
3. Nahida Zekirova - Project Assistant, Ministry of Labour and Social Policy (MAC051)
4. Sebihan Demirovski - Project Assistant, Ministry of Labour and Social Policy (MAC051)
5. Ermina Redzepova - Project Coordinator, NGO Ternipe MK(MAC043)

Annex 5 - Support to the Preparation of Strategy for Sustainable Development

CASE STUDY ON THE SUPPORT TO THE PREPARATION OF NATIONAL STRATEGY FOR SUSTAINABLE DEVELOPMENT IN THE REPUBLIC OF MACEDONIA

Conducted by Marijana Milevska

Background of the Sida financed project/programme

Name of the Project: Support to the Preparation of National Strategy for Sustainable Development in the Republic of Macedonia

Start date of the Project: 13 February 2006

End date of the Project: 30 June 2009

Budget:

Support to the Ministry of Environment and Physical Planning (MoEPP) with the objective to develop a national strategy and an action plan for sustainable development in accordance with EU and Rio convention requirements in the period 2004-2011 with a total contribution of 15.925.100 SEK (Contract amount) + 1 No Cost Extension (02/2006 – 02/2008 + 05/2008) + 1 Cost Extension (+ 10/2008) + 2 Cost Extension (+ 07/2009 + 3.992.450 SEK). **Total Budget 20,45 MSEK.**

The project was implemented by the consortium Scanagri Sweden AB (lead), NIRAS A/S and Euroconsultants S.A. The main aim of the NSSD Project, which was executed from February 2006 to June 2009, was to support the Republic of Macedonia in the preparation process of its National Strategy for Sustainable Development (NSSD) as part of the accession process to EU. The NSSD Project was implemented through a number of phases and it had three extensions. As a result of the Logical framework process the objective structure of the Project was as it follows:

Strategic Objective

Sustainable development in the Republic of Macedonia, encompassing the economic, social and environment dimensions.

Project objective

To lead a participatory process of developing a National Strategy for Sustainable Development, meeting the requirements of EU-association for the Republic of Macedonia.

OutputsSpecific Project Objective Area 1 - Awareness increased

Output 1: Awareness of sustainable development among the stakeholders and the People of the Republic of Macedonia increased;

Specific Project Objective Area 2 - NSSD prepared

Output 2: Framework for sustainable development in the Republic of Macedonia
For acceleration of domestic and foreign investments defined;

Output 3: Strengths of the Republic of Macedonia to fully participate in the process of
globalization identified.

Output 4: National Strategy for Sustainable Development in compliance with
EU-requirements elaborated;

Specific Project Objective Area 3 - Capacity increased

Output 5: Capacity for planning and management of sustainable development
among the key stakeholder strengthened;

Output 6: Institutional setup and coordinating mechanisms for implementation and
maintenance of the process of sustainable development established

Originally, the Project was scheduled for 2 years. However, as a result of circumstances that were beyond the control of the Project, three extensions were approved by Sida and the Ministry of the Environment and Physical Planning based on the strategic assessments and progress reporting.

Relevance of the Sida financed project/programmeIn relation to Swedish development strategies*Country Strategy for Macedonia*

The Project for Support to the Preparation of the NSSD in Republic of Macedonia is highly relevant to the Swedish development strategies, since the Sustainable Development including environment is one of the main priority areas in the Swedish Country Strategy for Macedonia¹²⁹.

The project is directly addressing the issue of sustainable development:

NSSD Project	STRATEGY FOR SWEDISH DEVELOPMENT COOPERATION WITH MACEDONIA, 2006-2010¹
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¹²⁹ Strategy for development cooperation with Macedonia, January 2006 – December 2010 – published by the Swedish Ministry of Foreign Affairs, printed in 2006, Article no: UD 06.017

Strategic Objective: <u>Sustainable development in the Republic of Macedonia, encompassing the economic, social and environment dimensions.</u>	AIMS and FOCUS: Agriculture, focusing on sustainable economic development , Human rights and social cohesion <u>Sustainable development/Environment</u>
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European integration

The EU accession process lies at the heart of Swedish development cooperation with Macedonia. The overall goal of Sweden's efforts in the development cooperation field is to help create conditions that will enable poor people to improve their lives¹³⁰.

The concept of sustainable development is one of the main goals of European integration and it is the core of the European model society¹³¹. Sustainable development is an overall objective for European cooperation in the EU; cf. Article 2

in the Treaty on European Union, stipulating that, the objective of the Union is to “promote economic and social progress and a high level of employment and to achieve balanced and sustainable development.” Therefore the NSSD for the Republic of Macedonia has a EU integration dimension. In December 2005, the Republic of Macedonia was awarded candidate status for EU membership and the country is thus obligated to prepare a National Strategy for Sustainable Development (NSSD)¹³².

Sector Guidelines

Developing a policy framework and strengthening conditions for environmental protection and sustainable development is a targeted area for support in Sida's guidelines for environment cooperation with South-East Europe¹³³. This includes multi-sector interventions as well as strategy formulation.

The Project corresponds well to these guidelines since the Project succeeded to design NSSD that fulfils the obligations made by the Republic of Macedonia internationally and to the EU, but its primary purpose is to provide an effective framework for sustainable development that, via reviews of existing policies and sector strategies, offers practical guidelines for the public and private sectors¹³⁴.

¹³⁰ Strategy for development cooperation with Macedonia, January 2006 – December 2010 – published by the Swedish Ministry of Foreign Affairs, printed in 2006, Article no: UD 06.017

¹³¹ Romano Prodi, President of the European Commission European Parliament, (Strasbourg, May 2001)

¹³² ANALYTICAL REPORT for the Opinion on the application from the Republic of Macedonia for EU membership, {COM (2005) 562 final}, Brussels, 9 November 2005, page 121.

¹³³ Guidelines for Sida's environmental cooperation -South Eastern Europe; Sida – August 2003, Division for SEE

¹³⁴ NSSD in the Republic of Macedonia – Part II (Adopted on 12.01.2010 by the Government of the RM)

Relevance in relation to needs of Macedonia

Before the implementation of the Project Support to the Preparation of the NSSD in Republic of Macedonia several sector strategies existed in Macedonia. However, there was no integrated strategy on a national level that covers all aspects and contributions to overall sustainable development. This resulted in incomplete policy analysis, conflicting political priorities, missed synergies during the implementation, and non-effective strategies. The process of preparation of the NSSD facilitated comprehensive sector strategy formulation. The basic fundament for the whole strategy development process is 11 cross-cutting sector analysis and assessment reports (AAR), which are available on request from the NSSD Project Office. They have been prepared by the National Specialists. For the sake of a more focused strategic orientation, the 11 Analysis and Assessment Reports – covering 4 Cross-cutting Support Units and 7 Sector Working Groups – have been merged into six main issue areas. They constitute the strategic structure on which the NSSD is build:

1. Policy and Legal Framework (cross-cutting)
2. Environment (cross-cutting)
3. Energy (cross-cutting)
4. Rural Development (includes agriculture, forestry, and tourism)
5. Social Issues (includes employment, social care, health, and education)
6. SMiLES (including Small – and Medium-sized enterprises (SMEs), Infrastructure, Transport, and Industry)

The NSSD has become an effective framework for sustainable development that takes full advantage of the past planning efforts and serves to encourage incremental domestic and external investments through identification of a number of demonstration and pilot projects early on during implementation of the NSSD. These should be used as practical demonstration of costs and benefits of SD based development. They will function as integrated and good examples in the awareness and commitment raising activities. Furthermore, they will provide guidance and inspiration in relation to the municipalities and the private sector, which will have the main role and functioning in relation to the operational part of making the Republic of Macedonia sustainable.¹³⁵ Furthermore, the funding support provided by the international donor community gives a strong signal to the banking sector as well as to private investors, both foreign and domestic, to invest in SD projects stated in the Sustainable Development Pilot Projects Catalogue¹³⁶.

¹³⁵ NSSD Part I - Annex No. 2 Report on Pilot & Demonstration Projects Component C (p. 38)

¹³⁶ NSSD Part 2 - Annex No. 6, p.299

Sustainable development is an integral part of the first priority of Macedonia - EU integration.

The NSSD is highly relevant to the Macedonian needs in terms of poverty reduction. One of the mayor challenges for Macedonia is unemployment. In order to reduce poverty this challenge must be faced. Sustainable economic grow is the primary solution for the problems of high unemployment and increasing level of poverty. The NSSD is offering the opportunity to make the society source-efficient through introduction of process of change that stimulates innovation and job creation. The implementation of the NSSD should have positive influence on the poverty reduction in Macedonia.

12.1 Relevance in relation to the EU integration process

As mentioned above, EU integration is the first priority of Macedonia. The most important continuous and ongoing processes in the Republic of Macedonia are the implementation of the Ohrid Framework Agreement, Decentralization of the Local self-government, Strengthening of the economy, reduction of the unemployment rate and poverty reduction, fight against corruption and organized crime and reform of the judicial system. Sustainable development is an integral part of all these processes.

According to the "Council Decision on the principles, priorities and conditions contained in the European Partnership with the Republic of Macedonia", adopted by the Council of the European Union on 15 June, 2004 (the European Partnership for the Republic of Macedonia is based on the provisions of the Council Regulation (EC) no. 533/2004 and it states short-term and mid-term priorities concerning the preparations of the Republic of Macedonia for further integration with the European Union), under short-term priorities, sector environment, states: "Develop a National Strategy for Sustainable Development in accordance with the acquis, including comprehensive plan for implementation of the recommendations specified in the conclusions of the World United Nations Summit on Sustainable Development, in Johanesbourg 2002".

The European Partnership Agreement concluded in June 2004 outlines main priority areas for further integration into the EU and the development of the NSSD has been identified as a short-term priority. The NSSD is in line with the acquis and the plan for the implementation of the recommendations set out in the conclusions of the UN Summit on Sustainable Development in Johannesburg in 2002.

NSSD Project:	Report of the World Summit on Sustainable Development ¹³⁷
Strategic Objective Sustainable development in the Republic of Macedonia, encompassing the economic, social and environmental dimensions. Output 4: National Strategy for Sustainable Development in compliance with EU-requirements elaborated.	Improving coherence and consistency in national and international institutions as well as their capacity to integrate the three components of sustainable development. National sustainable development strategies provide a means for national integration and cooperation.

The Analytical Report for the opinion on the application from the Republic of Macedonia for EU membership again highlighted the need for a National Strategy for Sustainable Development.

"There is no National Strategy for Sustainable Development and the Second National Environmental Action Plan should be developed as a priority."¹³⁸

The Project succeeded in preparing a national strategy for economical, social and environmental sustainable development that should take the full advantage of the past planning efforts in the country before and after the World Summit for Sustainable Development in Johannesburg 2002. The strategy is relevant for the EU integration process since it practically fulfills the obligation of EU membership in relation with sustainable development EU policies.

"The national strategy for sustainable development was adopted and a consultative body advising the government on sustainable development policy was established"¹³⁹

Gender mainstreaming in the intervention

During the process of the preparation of NSSD gender equality was not treated as a cross-cutting issue. The Team Leader of the NSSD Project Unit stated that in the participatory approach gender equality was taken into consideration only in terms of gender disaggregation data in project activities, such as participation on workshops. Practically there is no evidence that the gender issues were addressed.

¹³⁷ http://www.johannesburgsummit.org/html/documents/summit_docs/aconf199_17_add1.pdf

¹³⁸ ANALYTICAL REPORT for the Opinion on the application from the former Yugoslav Republic of Macedonia for EU membership Chapter 27 – Environment, Brussels, 9 November 2005 SEC (2005) 1425

¹³⁹ The Former Yugoslav Republic of Macedonia 2010 Progress Report, Chapter 27 - Environment, Brussels, 9 November 2010

Main outcomes of the Sida financed project/programme

Based on the interviews and reports a wide range of groups/individuals were affected with the changes:

- Local experts, Ministries and other Governmental institutions, Macedonian Academy of Science and Art, Chamber of commerce, business associations farmers, processors academia, private sector, civil sector. However, there is a lack of involvement of the Local Self-Government Units (LSGUs) in the whole intervention.
A wide set of outcomes were identified. However, the following list contains the key outcomes:
- Awareness of sustainable development among the stakeholders and the People of the Republic of Macedonia increased;
- Strengths of the Republic of Macedonia to fully participate in the process of globalization identified.
- Capacity for planning and management of sustainable development among the key stakeholder strengthened;
- Macedonia EU integration process supported
- Multi-sectorial engagement and ownership for joint planning for the first time in Macedonia;
- Local experts adopted concept of sustainable development in their particular area of expertise and enriched knowledge on other sectors out of their own area of expertise. Established platform for communication on expert's level from different areas of expertise. The team formed by local experts and the implementation process that was led completely by the local team members supported by international experts.
- Transparency and participation during the whole process: experts, ministries, government, secretariat, Macedonian Academy of Science and Arts. Ministries and institutions established a horizontal communication platform which is a rare form of communication in Macedonia;
- Raised awareness on the principles of sustainable development through building links among the stakeholders. The new participatory methodology engaged over 260 participants (from ministries, CSOs, business sector) organized in sectorial working groups (WG) and cross-cutting support units (CCSU): WG Agriculture, WG Tourism, WG Transport and Communication, WG Industry, WG Forestry, WG Energy, CCSU Environment, CCSU Social Issues, CCSU Policy, CCSU Employment Issues,

In terms of decisions and policies:

- NSSD was officially adopted and
- National Council for Sustainable Development (NCSD) is in a phase of establishment.

The Chairperson of this NCSD is the Vice-Prime Minister for Economic Affairs

Cross-cutting issues, gender and inter-ethnic relations?

There is no evidence that the inter-ethnic relations and the gender equality were treated as cross-cutting issues. It seems that these issues were not effected in any way during the intervention

The sustainability of the Sida financed project/programme

The complexities of sustainable development were not well-known in Macedonia, even in the circles of the national experts, before the start of the preparation of NSSD. Therefore, the intervention had to raise awareness of the multiple components of sustainability to be considered in developing the strategy.

On the one hand, the NSSD was prepared and adopted during the course of the implementation. The lack of Action Plan and other external factors delayed its implementation, but this was beyond the scope of the project intervention time frame. Sida, in the phasing out period, approached many donors in order to present the NSSD project and promote the possibility of implementation by other donors before taking the decision to involve in WB Green Growth Trust Fund that will take one part of NSSD towards implementation.

Overall, the project was fully implemented, yet the process still has yet to move fully into an implementation phase. The World Bank Green Growth trust fund is likely to ensure that the process of implementation is effective partially in advancing the existing strategy for sustainability towards promotion of green growth.

According to the latest published information on the Green Growth web site of the WB:

The Green Growth Program is an ‘umbrella’ program of analytic work and non-lending technical assistance. The Program’s objective is to support the Government of Macedonia in:

- (i) assessing the economic costs and benefits of a shift to greener growth taking into account projected climate change; and with this knowledge,
- (ii) prioritizing for implementation actions identified from the **National Strategy for Sustainable Development (NSSD)** supplemented by the Program’s recommendations.

As the analytic work progresses, **the Program will shift towards technical assistance** to support the government in advancing its existing strategy for sustainability towards implementation, by supplementing the cross-cutting and sector analysis and assessment reports undertaken as part of the NSSD with the new analytic work under **the Program** to create a more complete strategy for green growth; and by then assisting in development of the NSSD Action Plan.

Another aspect of the sustainability of the intervention can be observed from the perspective of the human capital trained and upgraded in the principles of sustainable development during the preparation of NSSD. Most of the local experts involved in

the intervention continued on a daily basis in their regular vocational engagements to use and promote principles of sustainable development. “The knowledge gained over the process cannot be lost” (Local expert quote). Furthermore, some of the knowledge studies ordered additionally and prepared by local experts served afterwards as basis for the preparation of new project interventions such as: Agro-Environment by CeProSARD, KfW projects on wind turbines and reparation of existing electro power plants with new technologies, etc. Additional interventions will continue to be supported under the Swedish Embassy in Skopje mandate (small-scale projects, presentation of Swedish concepts for sustainable development, business promotion).

Lesson learned from the cooperation

- Sustainable development is a long-term process and the results cannot be verifiable assessed at this point. Long-term processes have to be carefully communicated with all stakeholders that are expected to adopt and proceed with the process after the end of the intervention. Risks include political changes and the shorter-term mandates of key stakeholders. Therefore, flexibility and openness to consider justified extension of project interventions can be crucial for successful and thorough implementation. In NSSD case, Sida’s flexibility to provide one no-cost extension and two cost extensions, stretching the time frame of the intervention for an additional 17 months resulted in the adoption of NSSD and ensured part of the implementation through taking the decision to involve in WB Green Growth Trust Fund that will take one part of NSSD towards implementation.
- Additionally, such a long-term process raised the expectations of local experts to be intensively involved in the further implementation of NSSD. Clear messages on the potential for future interventions should be prudently conveyed to stakeholders and partners in order to avoid raising expectations on uncertain prospects.
- Adjustments are needed in complex processes. Flexibility and additional involvement by the donor can be crucial for the success of such processes. NSSD project faced several needed adaptations in order the implementation to be pushed further. The bankruptcy of one of the entities having the implementation contract jeopardized the whole process by changing the international team leader in the middle of the process. In addition, conflict was generated by two involved implementers without strict delegations of the responsibilities. In such cases, donor involvement in the resolution of the conflict is essential. Sida commitment with additional efforts and time in the process helped the local team to stay motivated and kept the dynamic already built in the team. Finally, the decision on appointment of the local team leader was a necessary adjustment that further provoked additional changes but was essential to continue with the process. The adjustments changed the whole course of the process, and to some extent the methodological approach. The process was initially planned to be internationally expert driven but during the implementation was transformed into locally led and internationally supported. The strong leadership and coordination skills of the local team leader fostered the team spirit that was driving force of the process during the preparation of

- NSSD. This upgraded the capacity of the local team beyond the planned outcome and empowered them to use the principles of sustainable development not only in their daily professional engagements but also internationally. The local team leader was involved afterwards in the preparation of the National Strategy for Sustainable Development and Civil Engineering in Montenegro.
- Ownership and institutionalization of NSSD. The ownership of the final document was not taken into consideration at the very beginning of the Project. The document has not been in the focus during the course of the whole process. An initial decision to establish a separate NSSD Project Unit was justified in order not to limit the ownership only to the Ministry of Environment and Physical Planning (MoEPP).. Moreover, the inclusion of the MoEPP might have been better if 2 or 3 technical coordinators were planned from the beginning. It might have been good idea to try physically placing the project unit in MoEPP during the preparation phase and thus strengthen their ownership over the process and later on implementation of NSSD. It would tackle also on the contribution in cash from MoEPP that was not realized in the process.
 - There were no finances for implementation of a small scale pilot projects planned in the Project Proposal. These small scale pilot project would be practically an introduction to the implementation of the NSSD. It might have encouraged stronger institutionalization and would create implementation experience. In that regard, preparing first NSSD in Macedonia, a more practical and concise approach to such a complex concept, could perhaps have led to faster in implementation of the pilot projects and avoid de-motivation provoked by various delays in implementation.
 - The final decision to create the National Council for Sustainable Development (NCSD) chaired by the Vice-President of the Government for Economic Affairs was done after detailed discussions and different scenarios being developed. This decision created wide inclusion and built consensus among all Ministries involved in sustainable development. On the positive side, it encourages governmental commitment on high level and matches the cross-cutting involvement in multisectorial issues related to sustainable development. On the negative side, the Cabinet of the Vice-President lacks the human capacity needed to drive the implementation process. It recently consisted of a 7-member team, and the Vice-President at the moment is a chairperson of several other multisectorial Councils such as: Regional Development, Competitiveness and Industrial Policy. The Cabinet will be fully staffed doubling its current personnel at the beginning of 2012 and is expected to hold its first constitutional meeting of the NCSD in March 2012. The World Bank already works on it through their Green Growth initiative and will use the trust fund to pressure for the institutionalization of the implementation process.
 - The approach in the preparation of NSSD itself was participatory and allowed involvement of different government institutions, the public, the private sector and civil society. The only remark is that local self-government was not adequately represented in the preparation of NSSD. Being a macro-economic document might be a justification for their low involvement, although their role and capacity in the implementation of NSSD will later on be vital for the process. The building of political ownership seems not to have been in focus

during the process. This is very important when it comes to operationalization and institutionalization of the NSSD. One mechanism to build the capacity of the political system on the topic of sustainable development could have been through dissemination of reports and discussions in different commissions within the Parliament.

- Sustainable development, as a complex and multi-sectorial topic, provoked close horizontal communication, something which is lacking on all levels in Macedonia. By raising attention to complexity it was possible to build consensus among different stakeholders on sustainable development. Channels of communication within the a given Ministry tend to function within vertical line structures, but among the Ministries on all levels, central, regional and local there is a lack of effective horizontal networks. The NSSD succeeded to establish cooperation and links among different institutions that continued after the intervention. The process also upgraded the level of knowledge of each participant in process outside their core expertise
- Capacity upgraded in the process of preparation of NSSD on the topic of sustainable development remains embedded in the institutions where the local experts were based. For instance, due to this capacity of a local expert lecturing and mentoring PhD candidates in the Economic Institute in Skopje, a PhD theme on sustainable development was approved for the first time in Macedonia. It would have had even more sustainable results in the capacity building process on sustainable development of the country if some of the local experts were involved in the working groups of the Green Growth initiative. At the moment none of the 12 local experts involved in the preparation of NSSD is engaged in the Green Growth initiative. At the moment there is no explanation for this.

13. Recommendations

- The gender and inter-ethnic issues should be a part of the Action Plan for implementation of the NSSD.
- It is very important to stress the importance of the concept of sustainable development in the wider public and political discourse through the media. Building the capacity of media representatives on the issues of sustainable development could ensure wider impact.
- The team of national specialist who were practically the driving engine of the whole intervention should be involved in the further process of implementation of the NSSD.

Annex 6 – List of people interviewed

Swedish Embassy Skopje

- ✓ Lars Wahlund, Ambassador, Swedish Embassy Skopje
- ✓ Åsa Pehrson, Counsellor, Swedish Embassy Skopje
- ✓ Biljana Džartova-Petrovska, Senior Programme Officer, Sida Skopje
- ✓ Mentor Kadriu, Programme Officer, Sida Skopje
- ✓ Vasko Hadzievski, previous Programme Officer at Sida Skopje

Sida

- ✓ Daniel Asplund, former Head of Cooperation, Skopje
- ✓ Thomas Nyström, Programme manager
- ✓ Klas Markensten, former Head of Department of Europe
- ✓ Mikael Elofsson, former team leader, ALMAKO
- ✓ Robert Backlund, former Programme officer with responsibility to support to the civil society in the Western Balkans
- ✓ Jonas Bergström, Programme officer
- ✓ Peter Troste, former Head of Cooperation, Embassy of Skopje (2009-2011)
- ✓ Peter Herthelius, former Programme officer with responsibility for the support to agriculture and rural development
- ✓ Helena Sancho, Programme Manager/Policy Advisor, Department for Reform and Selective Cooperation

Ministry of Foreign Affairs

- ✓ Birger Karlsson deputy director (kansliråd),
- ✓ Lisa Bjuggstam, deputy director (kansliråd)

Donors, regional and intermediary organisations

- ✓ Diter Thiel, First Councillor, EC Delegation
- ✓ Petra Anderson, Political adviser, EC Delegation
- ✓ Silva Pesic, Human Rights adviser, UN Skopje
- ✓ Lilia Burunciuc, The World Bank, Skopje
- ✓ Denis Boskovski, The World Bank, Skopje
- ✓ Krisina Kolozova, Assistant Head of Cooperation, Swiss Agency for Development and Cooperation, State Secretariat for Economic Affairs
- ✓ Gert Kampman, Deputy Head of Mission, Counsellor, Embassy of the Kingdom of the Netherlands
- ✓ LeAnna Marr, Education Office Director, USAID
- ✓ Irena Stevchevska, Head of Programme, British Embassy
- ✓ Marie-Astrid Huemer, Deputy Head Rule of Law, OSCE
- ✓ Judit Szira, Executive Director, REF
- ✓ Marius Taba, Monitoring and Evaluation Officer, REF
- ✓ Stela Garaz, Programme Officer, REF
- ✓ Eben Friedman, Policy Advisor, REF

- ✓ Senad Mustafiov, **Country Facilitator, REF**
- ✓ **Beata Bislim Olahova, Project Grant Manager, REF**
- ✓ Marta Szigeti Bonifert, Executive Director, Regional Environmental Center
- ✓ Radoje Lausevic, Deputy Executive Director, Environmental Policy Directorate, REC
- ✓ Gordana Kozuharova, Regional Director for South Eastern Europe, REC
- ✓ Chris Henshaw, Country director, National Democratic Institute
- ✓ Zoran Stojkov, Director, Center for Institutional Development
- ✓ Ajsel Memet, Country Coordinator for Scholarship Programme

Macedonian partners, Macedonian government officials and experts

- ✓ Orhideja Kaljosevska, Secretariat for European Affairs, Government of the Republic of Macedonia
- ✓ Uranija Pirovska, State Advisor for international and public relations, Ombudsman Office
- ✓ Valentina Stojanovic–Tufa, Chief of Cabinet of the Minister, MAFWE
- ✓ Pance Nikolov, MAFWE, Department for analysis and planning
- ✓ Serif Memeti, former MAFWE employee
- ✓ Trajan Dimkovski, Executive Director, FFRM
- ✓ Andrija Sekulovski, Current President of FFRM Assembly
- ✓ Daut Dumani, Member of Management Board, FFRM, Association of sheepbreeders Kicevo
- ✓ Marija Gjoseva- Kovacevic, Project manager, FFRM
- ✓ Eleonora Veljanovska, Coordinator of Network of Young Leaders, FFRM
- ✓ Aleksandar Ristovski, Member of Management Board of FFRM
- ✓ Former SFARM employee, First Vine growers Cooperativ, Negotino Local Association
- ✓ Olga Stojmenova, President of Local association of women farmers, Istibanja, Vinica
- ✓ Former handicraft cooperative, Istibanja, Vinica
- ✓ Dori Pavlovska–Gjorgjievska, former National project coordinator, American University
- ✓ Gabriela Micevska, former SFARM employee – monitoring and evaluation officer and former advisor to the MAFWE
- ✓ Dragi Dimitrievski, Dean, Faculty of Agricultural Sciences and Food, Skopje
- ✓ Dragan Gjosevski, Professor IAE, Director of BICA, Faculty of Agricultural Sciences and Food, Skopje
- ✓ Ana Simonovska, Teaching and research assistant, IAE, Faculty of Agricultural Sciences and Food, Skopje
- ✓ Ivana Janevska Stamenkovska, Coordinator of the UniCoop project, Faculty of Agricultural Sciences and Food, Skopje
- ✓ Marina Petrovska, IAE staff, MSc, former student on double studies programme
- ✓ Strahinja Trpevski, Chamber of Certified Architects and Engineers
- ✓ Vesna Indova, Ministry of Environment and Spatial Planning
- ✓ Silvana Mojsovska, Institute of Economy
- ✓ Vlado Vukovik, Faculty of Agricultural Sciences and Food, Skopje

- ✓ Romela Popovic – Trajkova, Cabinet of the Vice Prime – Minister of Economic Affairs, Government of the Republic of Macedonia
- ✓ Lidija Krstevska, Agency for Real Estate Cadastre
- ✓ Grigor Ralev, Team Leader, Agency for Real Estate Cadastre
- ✓ Darko Aleksov, Executive director, Citizens association "MOST"
- ✓ Shejla Fidani, Project Coordinator, Ministry of Education and Science
- ✓ Emil Amedov, Project Coordinator, Ministry of Labor and Social Policy
- ✓ Nahida Zekirova, Project Assistant, Ministry of Labor and Social Policy
- ✓ Sebihan Demirovski, Project Assistant, Ministry of Labor and Social Policy
- ✓ Ermina Redzepova, Project Coordinator, NGO Ternipe

Swedish partners and implementers

- ✓ Peter Mossop, Civil Right Defenders
- ✓ Anne Andersson, programme coordinator, SEPA (Naturvårdsverket)
- ✓ Cecilia Stafsing, project manager, SEPA (Naturvårdsverket)
- ✓ Katarina Wenell, SWEDAC
- ✓ Tommy Österberg, Swedsurvey (*e-mail correspondence*)
- ✓ Elicien Gomez, programme manager of Western Balkans, SCB
- ✓ Anna Hammarstedt, programme manager, LRF (SFARM)
- ✓ Tina Ericson, Project leader UniCoop, Swedish University of Agricultural Sciences (SLU) University of Agricultural Sciences (SLU)
- ✓ Ingrid Näslund, UniCoop (*e-mail correspondence*)
- ✓ Sten Rune Lundin, Former SFARM Project Director (*e-mail correspondence*)

Consultants

- ✓ Jan Eriksson, monitoring consultant (agricultural projects)
- ✓ Catharina Schmitz, advisor on gender issues
- ✓ Johan Holmberg, Monitoring consultant (sustainable development)
- ✓ Lars Erik Birgergård, evaluator

Annex 7 – Selected references

Context related analysis and research

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- ✓ Gender Portfolio analysis Macedonia Country Programme, 13 March 2009, Catharina Schmitz
- ✓ Follow up report on gender mainstreaming in UniCoop and AREC, 1 December 2010 Dori Pavloska-Gjorgjieska
- ✓ Recommendations for strengthening gender perspective in FFRM support, 21 June 2010 Catharina Schmitz
- ✓ Securing sustainability for WEE initiatives in Macedonia programs during phase-out 21 June 2010 Catharina Schmitz

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- ✓ The near end review of the Support to the environmental civil society in the Western Balkan 2005-2009, Near end Review, G. Olessen (2010)

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- ✓ Learning Study on the Achievements and Experiences of Projects on Inter-Ethnic Education and Youth Work in Macedonia. By Joakim Anger, Rogier A. van't Rood and Zhaklina Gestakovska. Sida, 2010
- ✓ Lessons Learnt from the Integrated Rural Development Programme (ALKA) and the Albanian Macedonia People's Empowerment Programme (AMPEP), Lars Erik Birgergård and Cvetko Smilevski, Sida, 2008
- ✓ Evaluation of Support to the Civil Society in the Western Balkans. Final Report. By Annika Nilsson, Joakim Anger and Jim Newkirk. Sida, 2010

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- ✓ Review of the Macedonian Ombudsman Support Project (MOSP) 2005-2011" by Timo Manninen, 2011

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- ✓ Monitoring reports of support to agriculture and economic development, MAASP, UniCoop and SFARM and CeProSARD, by Jan Eriksson
- ✓ Monitoring Report on LEAP II and NSDS by Johan Holmberg
- ✓ Monitoring of the support to the Strengthening of institutional capacities of the State Authority for Geodetic Works (AREC) in Macedonia, by Åke Sahlin SIPU

Annex 8 – Participants in the workshop in Skopje and Stockholm

The workshop in Skopje April 26, 2012

Main questions at the workshop were the following

1. Advantages and disadvantages of approaches and methods of the Swedish Reform cooperation in Macedonia in comparison to other donors?
2. Has Swedish reform cooperation been relevant and able to support Macedonia for its EU accession? How could it be made even more relevant?
3. What have been the success factors for making development effects of the cooperation between Sweden and Macedonia sustainable (on different levels)? What should be done in future to make the effects more sustainable?
4. What are the main lessons learnt for *the Macedonian government and Macedonian civil society* in its cooperation with Sweden and Sida? What could you have done to make the support more effective/efficient/sustainable?

These issues were thoroughly discussed during a whole day using a world café exercise. The participants were the following

- ✓ *Participants at workshop in Skopje, April 20*
- ✓ Zoran Bardakoski, National Extension Agency
- ✓ Verna Ilievska, National Extension Agency
- ✓ Ivana Janevska Stamenkovska, Faculty of Agricultural Sciences and Food, Skopje
- ✓ Blagoje Najdovski, FFRM Media
- ✓ Sarah Maliqi, Civil Rights Defenders
- ✓ Safet Ballazhi, Center for Human Rights and Conflict Resolution
- ✓ Darko Stojkoski, Open Fun Football Schools
- ✓ Daniela Andreska, Center for Sustainable Development, ALKA
- ✓ Zarko Deponov, Center for Sustainable Development, ALKA
- ✓ Tome Sekerdziev, OSCE Mission to Skopje
- ✓ Efimija Dimovska, Project for cot. ACDF
- ✓ Aneta Atanasovska, Guarantee Fund
- ✓ Marija Gjoshcheva Kovacevic, FFRM
- ✓ Tatjana Velkova-Jovanchevska, State Statistical Office
- ✓ Isidora Sidorovska, Centre for non-formal education, Triangolnik
- ✓ Senad Kustafov, Roma Education Fund
- ✓ Gligor Ralev, AREC
- ✓ Tanja Cenova, AREC
- ✓ Vilma Venkovska, Centre for Common Ground
- ✓ Katarina Georgievska, REC

- ✓ Liljana Tanevska, CeProSARD
- ✓ Kristina Kolozova, Swiss Cooperation Office
- ✓ Gabriela Micevska, CeProSARD
- ✓ Vasko Hadzievski, USAID
- ✓ Sida and the Swedish embassy in Skopje : Åsa Pehrson, Counsellor, Swedish Embassy Skopje
- ✓ Biljana Džartova-Petrovska, Mentor Kadriu, Anders Hedlund, Sida 29 participants

The seminar in Stockholm May 4, 2012

The seminar covered the following issues;

1. Which were the main success factors as well/ comparative advantages and disadvantages for Sida's support to Macedonia, eg. with regards of selecting appropriate methods and channels of support?
2. Which are the main lessons learnt that Swedish actors could bring with them in the cooperation with other countries in the Western Balkans, and what could be done better??
3. In what way has the (hasty) phase out of the cooperation affected the sustainability of the support?
4. Which realistic possibilities are there to continue the support with Macedonian partners without external fund from Sida?

The participants were the following

Sida

- ✓ Mikael Elofsson,
- ✓ Thomas Kjellson, programme officer
- ✓ Anders Hedlund, responsible for the phase out of Macedonia
- ✓ Tomas Nyström, programme officer
- ✓ Daniel Asplund, former head of cooperation in Skopje
- ✓ Anki Singer, programme officer
- ✓ Helen Holm, programme officer
- ✓ Peter Hertelius, former programme officer of the agricultural support
- ✓ David Friberg, former head of Sida office in Skopje (1999-2002)
- ✓ Carin Morin former country manager

The Swedish embassy in Skopje

- ✓ Biljana Džartova-Petrovska, programme officer
- ✓ Mentor Kadriu, programme officer

Ministry of Foreign Affairs

- ✓ Lisa Bjuggstam, UD-EC
- ✓ Maria Lundgren, UD-EC

Partners

- ✓ Anne Andersson, SEPA/ Naturvårdsverket
- ✓ Marie Månsson, CRD
- ✓ Anna Hammarstedt, LRF
- ✓ Lars Lindgren Swedesurvey och Tommy Österberg Lantmäteriet
- ✓ Mie Romée och, Kvinna till Kvinna
- ✓ Ulf Svidén, SEPA/Naturvårdverket
- ✓ Hanna Sällström, Kvinna till Kvinna
- ✓ Lilian Törnqvist, KEMI/Kemikalieinspektionen
- ✓ Tina Ericson, internationell coordinator SLU, Unicoop

Consultants

- ✓ Lars-Erik Birgegård, evaluator
- ✓ Jan Erikson, monitoringkonsult jordbruk
- ✓ Johan Holmberg, monitoringkonsult miljö
- ✓ Catharina Schmitz, consultant working with mainstreaming of the projects

Annex 9 – Terms of Reference

Final draft 2011-08-31

Terms of Reference

Outcome Assessment and Lessons Learnt from Swedish Development Cooperation with Macedonia 1999-2012

1. Background

- Swedish development cooperation with Macedonia was initiated in 1999, following the Kosovo crisis and having a strong humanitarian thrust. The first long-term strategy for development cooperation with Macedonia covered the period 2000-2002 aiming at poverty reduction through the promotion of

- Stable peace in the region
- Democracy and respect for human rights
- Socially sustainable market economy and growth .

Other key principles included environmental sustainability, gender equality, use of Swedish ,

flexibility, local presence , adaptation to EU systems and requirements in cooperation sections use of Swedish resources and institutions and improved donor coordination. Emerging key areas included agriculture, public administrative reform , human rights and civil society and business development .

- The subsequent strategy covering the period 2003-2005 confirmed the emerging concentration on three long-term areas of cooperation – economic development based on sustainable agriculture, Human Rights and social cohesion and environmentally sustainable development. This orientation was confirmed and consolidated in the sub-subsequent Strategy for Development Cooperation 2006-2010. The financial frame gradually increased from around 45,0 SEK during the first strategy periods to 70,0 MSEK in 2006-2009 with a major part allocated to agricultural cooperation.

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- In late 2008, preparations were initiated to prepare for a new strategy for the period 2010-2014 including a participatory outcome assessment process and start-up and stakeholder meetings in Stockholm in January 2009. An ambitious study on corruption was also carried out in early 2009. Only weeks before the scheduled country-meeting in Macedonia in March 2009, the Swedish Ministry for Foreign Affairs suspended the ongoing preparation process referring the increasing work-load due to the forthcoming EU- chairmanship. In late August 2009, Sida was informed about a forthcoming Government decision to phase out development cooperation with Macedonia beyond 2011-2012 and that Sida therefore was expected to prepare a proposal for a phasing out strategy for the remaining period. A new series of start-up and stakeholder meetings were held in early 2010 and the

country-meeting in April 2010. Based on a proposal from Sida, the Government on August 12, 2010 formally adopted a Phasing-out Strategy for Development cooperation with Macedonia covering the period 2010-2012 with a financial frame of 80,0 MSEK.

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- In line with the objectives for Swedish Reform Cooperation in Europe, the overall objective is *continued development of closer relations with EU, strengthened democracy and equitable and sustainable economic growth* with continued cooperation in the three current sectors agriculture and forestry, democracy, human rights and gender equality and sustainable social development. The principle process objective is to conclude reform cooperation in a responsible manner promoting and safe-guarding long-term sustainable outcomes including:

-
-
-
-
- Compliance and fulfillment of agreements,
- Ownership , responsibility and long-term sustainable solutions
- Promotion of alternative donor roles and financing incl. EC-dialogue as well as alternative forms for continued involvement of Swedish actors
- In-depth performance monitoring and analysis of results and experiences from past cooperation
- Continued promotion of the aid effectiveness agenda
- Continued dialogue regarding gender equality, national ownership and EU-integration prerequisites.
-

From spring 2011, the Sida country office consists of two national program officers.

With regard to aid exit justification, the termination of cooperation with Macedonia reflects both “the graduation argument “ and the “revised criteria for selection of partner” . (see further “Managing Aid Exit and Transformation”.)

2. PURPOSE AND OBJECTIVES

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- In line with the Phasing-out Strategy 2010-2012, **the overall purpose of the study is to provide Macedonia, Sweden and other cooperation partners deepened insights into the long-term outcomes and lessons learnt** from the past decade of cooperation between the two countries with particular emphasis on the three major areas of cooperation – agriculturally based economic growth, democracy and human rights and environmentally sustainable development. The review should further provide guidance and recommendations with regard to the on-going phasing out process enhancing the prospects for a sustainable termination of the cooperation.

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- The **primary target group** of the study is the Governments of Macedonia and Sweden and related institutions, government and non-government cooperation partners and stakeholders. The international development community (UN, bilateral agencies etc) is also a target group although not the primary.

- The **specific objective** of the study is to provide documentation, assessment, from the past cooperation with regard to the following dimensions:
 -
 - the **evolvment, scope and main features of the development cooperation** between Sweden and Macedonia from 1999- 2012. This will include the **political and socio-economic context and pre-conditions** such as the rationale for the cooperation, key policies, strategic choices, priorities, main driving forces and the modalities employed within the cooperation – and major changes over time - with particular emphasis on the period 2003-2012;
 - **relevance of the cooperation;** both of the country program as a whole and the interventions identified for specific studies (as below), with particular focus on the period 2003-2012;
 - **Effectiveness and impact of the cooperation with a main focus on the outcome level.**
 - the approaches and achievements with regard to integrating the cross-cutting dimensions **gender equality, promotion of human rights and environmental sustainability;**
 - the current **status and preconditions for a sustainable phasing out of long-term cooperation, providing guidance as necessary to promote national and local ownership and sustained results.** The assessment should draw on the criteria and findings of the joint donor evaluation entitled **”Managing Aid Exit and Transformation” 2008** and insights from other recent exit processes within Swedish development cooperation;
 - The concrete output of the evaluation will be a report as tentatively outlined in annex 4 and workshops in Sweden and Macedonia.
- The Consultant shall provide conclusions and major lessons learned of the issues studied as above.

3. SCOPE AND REVIEW ISSUES

The study will be guided by the following principles and considerations:

- Emphasis will be given to **the three main cooperation areas** – economic growth through agriculture, democracy and human rights and environmentally sustainable development particularly with regard to results achieved;
- A broader description of the cooperation and its three sectors. Within each co-operation area, and in cooperation with Sida, 1-2 **contributions** will be selected for more in-depth and detailed study and assessment (see suggested contributions/projects in annex 3). The criteria for selection will tentatively be; - the contribution’s size and length, - availability of documentation, - potential for learning, - a spread of perceived successful and less successful contributions.
- The long and broad cooperation within the field of **agriculture should be given particular attention** while recognizing the plans to undertake a separate in-depth evaluation of this cooperation and its results after 2012 . The efforts to apply the concepts of Women’s Economic Empowerment (**WEE**) and the long-term support to the Federation of Farmers of the Republic of Macedonia (**FFRM**) should be firmly reflected in the assessment.

- Has the thematic priorities been reflected in the overall cooperation? Special consideration shall be given to;- The special programme related to **Women`s Economic Empowerment** (WEE) including
 - strategic approach, application, outcomes and lessons learnt;
 - the **inter-ethnic effect** (intended or unintended) of the Swedish involvement in the main sectors/thematic areas of cooperation;
- The **special features of Swedish (Reform) cooperation in Europe** should be reflected in the assessment including:
 - the strong role played by **Swedish institutions and other Swedish actors and** the possible implications of this for ownership, effectiveness and sustainability of the cooperation;
The emphasis on **European integration as a means to poverty reduction**;
 - the relevance of a **regional approach and perspective**
 - **Interaction and synergies** between the three country programs in Albania, Kosovo and Macedonia
 - Assessment of effectiveness of the Swedish support should include considerations with regard to Swedish **comparative advantages and division of work** and roles between concerned donor partners.

4. IMPLEMENTATION STEPS, TASKS AND METHODS

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- **4.1 The study is expected to include the following main steps:**
 - Identification and desk study of basic documentation
 - In cooperation with Sida, selection of projects/contributions for more in-depth study and analysis (see Annex 3)
 - In cooperation with Sida, identification of key persons and actors for meetings and interviews (see Annex 1)
 - Choice and development of an adequate methodology, including e.g. interview guides etc.
 - Preparation and presentation of an Inception report
 - Initial interviews and meetings in Sweden
 - Country visits and field work in Macedonia
 - Follow-up meetings Sweden
 - Analysis of collected data
 - Preparation of draft report
 - Planning and implementation of two seminars/work-shops in Macedonia and Sweden having the draft study report as a major input
 - Preparation of final report (see Annex 4)
-
- **4.2 Documentation:**
 - The desk-study is expected to be based on *existing material* such as:
 - MfFA documentations such as country strategies, policies etc
 - Sida documentation on country programming and follow-up
 - Sida contribution management documentation – decisions, monitoring, reporting, studies and reviews
 - Macedonian strategic documentation – sector, projects, programs
 - Documentation from other partners – institutions within relevant areas

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- Sida and the Embassy will assist in identification and access to relevant documents.

4.3 Interviews with key institutions and staff will take place

- in Sweden (MFA, Sida, ambassaden, Swedish development cooperation partners)/Institutions/organizations)
- In Macedonia (Government, institutions, CSO:s , partner organizations, international donors and independent regional/international organizations)

- Focus group discussions and thematic work-shops/meetings are expected to be important tools for information, critical discussions and sharing of experiences

Sida/Embassy will if necessary assist as required in identification of key persons/actors and facilitation of the interviews.

-
- **4.4 Workshops/seminars in Macedonia and Sweden.** Using the draft report as input, the events will provide an important opportunity to test and enrich observations and tentative conclusions together with key stakeholders .
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- The study should be guided by the **OECD/DAC Evaluation Quality Standards and adhere to the Glossary of key terms in Evaluation and Results-Based Management.**
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5. PRACTICALITIES

5.1 Team Organization and Qualifications

Sida expects the assignment to be carried out by a team of at least two consultants whereof one will be the team leader. Together the team shall represent at least the following key competencies and experiences:

- Extensive experience of Swedish and international development cooperation
- Extensive competence with regard to evaluation and results assessment
- Relevant subject matter knowledge and experience within at least two of the three main thematic areas concerned – agriculture, environment and democracy/human rights;
- Experience from development/reform Cooperation in Europe

Gender balance in the team is preferred. One of the team members should be Macedonian with the ability and/or means to understand and communicate in Macedonian and Albanian.

The assignment is to be carried out during the period mid-September 2011- April 2012. Total time input is estimated to a maximum of 15 working weeks.

5.2 Reporting

Within three weeks after the start of the assignment, the consultant shall present an Inception Report in English presenting the general approach for the study, evaluability issues, further elaboration of evaluation questions, an up-dated time-plan and a detailed Work Schedule, proposed projects/contributions for more in-depth

study and a preliminary list of persons to be interviewed. The report should not exceed 25 pages.

A draft final report should be presented not later than 15th February 2012 and shall be used as basis for a work-shop in Macedonia and a seminar in Sweden to test and enrich preliminary findings and conclusions.

Furthermore, Sida and the principal stakeholders shall be given the possibility to comment the draft report in writing.

A final report shall be presented not later than 15th April 2012 and is not expected to exceed 60 pages excluding annexes. A rough tentative outline is given in Annex 4. Further guidance on the report format provided in Sida Evaluation Manual, Annex B.

- **5.3 WORK PLAN AND TIME SCHEDULE**

- The study shall be undertaken during the period October 2011 – April 2012 with the following broad time-lines:

- Initial meeting with Sida - September 2011
- Draft Inception report and inception meeting with Sida - October 2011
- Final implementation plan - October 2012
- Implementation – field work - November 2011 – February 2012
- Draft reports presented to Sida/RES - 15th February 2012
- Presentation to Macedonian partners – country work-shop March 2012
- Presentation and seminar in Stockholm - March 2012
- Final report delivered to Sida – 15th April 2012

Annexes

- 1. Key Cooperation partners in Macedonia and Sweden**
- 2. Cooperation projects/program areas and Swedish interventions of special interest**
- 3. Key documentation**
- 4. Report outline**

ANNEX 1**Cooperation partners in Macedonia and Sweden****1. Macedonian key partners:**

- SEA
- Ministry of Health
- Ministry of Environment
- Ministry of Agriculture
- Ombudsman Institution
- Selected Macedonian CSO:s
-

2. Swedish partners:

- SEPA
- Swedish Cadastral Services
- Swedish Framework CSO:s
- Swedish Chemical Protection Agency
-

3. Other:

- EU/EC
- OSCE
- Swiss Development Cooperation
- UNDP
- UNICEF
-

- ANNEX 2**- Cooperation projects/programmes of special interest****1. Agriculture and rural development**

- - Guarantee Fund – rural credits
- ACDF – agricultural credits
- - FFRM – the national agricultural producer organisation
- MAASP – agricultural extension
- AREC – cadastral services
- - Agricultural statistics

2. Environmentally sustainable development:

- NSSD
- EPA – environmental prtotection
- Chemical protection
- Food safety
- Ceprosard - Rural energy

3. Democracy and Human rights

- Support to Macedonian CSO:s through Swedish frame-work organisa-
tions (KtK, Helsinki
Committee/CRD , ForumSyd)
- Support to the Ombudsman Institution through OSCE
- Support to interethnic integration

4. Other

ANNEX 3**- KEY DOCUMENTATION****A. General:**

1. Sida documentation and reports relating to contribution management and follow-up i.e project proposal, assessment memos, contributions decisions, specific agreements ,progress reports and specific in-depth evaluations or reviews and related documentation on the partner side.
2. Development Cooperation Strategies 2000 – 2005; 2006-2010; Phasing out Strategy 2010- 2012
3. Sida Annual Reports, Semi-annual Reports and Strategy Reports (since 2008)
4. Special studies and reports
 1. Learning Study on Interethnic relations
 2. Learning Study on Rural Development
 3. Review of civil society support 2008???
 4. Study on Corruption.... January 2009
 5. Project/programme Evaluation reports (Ombudsman, etc).....
 6. Outcome assessment – Swedish Embassy/Sida December 2008
 7. Managing Aid Exit and Transformation – Joint Donor Evaluation 2008.
-
5. Documentation and reports from other agencies
 1. EC/EU Annual Progress Reports
 2. WB? Other partner country reports? Macedonian government reports of particular interest ???Civil society reports

ANNEX 4**REPORT OUTLINE**

1. Executive Summary
2. Introduction
 - Background
 - Approaches and methods used in the study
3. Development Cooperation with Macedonia - an overview of basic features, context, scope , content and evolvement 1999-2012
4. Findings
 - 4.1 . Overview of challenges, relevance , efficiency, effectiveness effectiveness and sustainability :
 - Summary overview
 - Specific challenges and contextual features
 - Modes of cooperation
 - Assessment of overall relevance
 - Assessment of efficiency
 - Assessment of overall effectiveness
 - Assessment of overall impact
 - Assessment of overall sustainability
 - Working modalities, roles, dialogue and advocacy
 - Aid effectiveness: overall challenges, performance, achievements

4.2. Assessment of key results and prospects for sustainability per **major cooperation area**

- Relevance
- Efficiency and modes of cooperation
- Effectiveness
- Outcomes and impact
- Sustainability
- Working modalities and dialogue
- Aid effectiveness and donor cooperation
- Prospects for sustainability and related risk analysis

4.3 European integration and poverty reduction – the Macedonian experiences

4.4 Approaches and achievements with regard to thematic dimensions and priorities in the cooperation - human rights, gender equality, environmental sustainability, interethnic relations

4.5 The phasing out strategy and process of implementation - an assessment of status and prospects for a sustainable exit.

5. Conclusions and recommendations

- 5.1 Overall conclusions from the assessment
- 5.2 Lessons learnt
- 5.3 Recommendations
- Annexes

(to be further adapted as necessary to the guidelines in “Format for Sida Evaluation Reports, Sida Evaluation Manual, Annex B)

Annex 10 – Inception Report

1. Introduction

This inception report expands upon the approach described in Indevelop's implementation proposal. It is based on a review of selection of available documentation and some additional, brief interviews. It is presented in order to ensure that there is transparency and consensus on the approach taken in this study.

According to the ToR, the overall purpose of the study is *“to provide Macedonia, Sweden and other cooperation partners deepened insights into the long-term outcomes and lessons learnt”* from the past decade of cooperation between the two countries with particular emphasis on the three major areas of cooperation a) agriculturally based economic growth, b) democracy and human rights and c) environmentally sustainable development. Furthermore, the review is to provide the ongoing process of phase-out with guidance and recommendations.

The study will include a description of the socio-political context of the Swedish support and assess the relevance, effectiveness, efficiency and impact (with main focus on the outcome level) as well as sustainability of the cooperation. Also, the consultants will assess the integration of cross-cutting dimensions such as gender equality, promotion of human rights and environmental sustainability, and the challenges regarding aid effectiveness. The study will also reflect on the special features of the Swedish (Reform) cooperation.

The *primary target group* of the study is, according to ToR, the Governments of Macedonia and Sweden and related institutions, government and non-government cooperation partners and stakeholders.

This assessment is an evaluation of 10 years of development cooperation during a phase out, which means that the approach and methodology will differ considerably from a regular evaluation assignment focusing on one particular programme or project.

Structure of the inception report

In the first call off response Indevelop provided some general notions on the approach and methodology of the assignment. Based on ToR, discussions with Sida and the desk review, this Inception Report includes the following parts:

- General considerations and evaluability issues as well as clarification of the evaluation scope (section 1 and 2)
- Based on the purpose, objectives and proposed scope stipulated in the ToR, this inception report includes a proposal of concrete tasks to be carried out and questions to be answered in this study (section 3)

- Proposed approach and methodology including data-collection methods (section 4)
- Our initial understanding of the evolvement scope and main features of the cooperation (Annex 1)
- Updated work-plan for the study (section 5)
- Sub-ToR for the local consultants (Annex 3)
- Draft interview guide to be used in the case studies (Annex 6)
- Draft outline of the report (Annex 2)

2. Assessment of scope of the evaluation

The title “Outcome assessment and lesson learnt from Swedish Development Cooperation with Macedonia, 1999-2012” summarises in a clear way the main foci of this study, i.e. the study will focus on identifying results on an outcomes level as well as provide a better understanding of what the Swedish Government and Sida could learn from the processes of the last decade’s development cooperation with Macedonia. Except for the very early stage, when cooperation to a large extent was humanitarian, the cooperation has from 2001 been geared towards promoting Macedonia’s process towards European integration. Hence, an overarching question in this study is: to what extent and how has Swedish development cooperation been able to support the Republic of Macedonia in preparing itself for European Integration?

As decided in the start up meeting, the study will principally base its findings and conclusions on altogether 19 major *interventions*. Out of these, 4 interventions will be studied in more depth (as case studies). We believe that the scope of the evaluation is appropriate and feasible and will provide a sound basis to identify overall lessons learned and make overall conclusions of the Swedish cooperation with Macedonia. With this broad set of interventions it will also, most likely, be possible to draw specific conclusions and lessons learnt from the different areas of cooperation. Thus, the main findings of the report will basically be based on the relevance, effects (on outcome level), effectiveness, efficiency, sustainability of the 4 contributions we are using as case studies and the other 15 contributions studied, mainly as a desk study. The assessments of *Swedish contribution* from Sida’s and Swedish embassy in Skopje will mainly be based on its adequacy (design), efficiency and timeliness.¹⁴⁰

¹⁴⁰ To be clear, we refer to development *intervention* as the project or program of the partner country, whereas we define *Swedish contribution* - in line with the Sida terminology (see *Sida at work*, 2005) - as the support provided to the project or program.

2.1 Initial notions on Swedish cooperation with Macedonia

During the inception visit (carried out by the Team leader 7-11 November, 2011), several external informants stated that Swedish support, in comparison with other multi and bilateral donors, is perceived as being built on trust and honest relationships, is flexibly handled, transparent, promotes ownership and coordination among donors attempting to apply a Programmed Based Approach (although the Paris Agenda never really rooted in Macedonia)¹⁴¹. However the Swedish support is also perceived as not being able to show/produce measurable results to the same extent as other donor funded projects.¹⁴² In the case studies and complementary interviews we will dig deeper to examine this notion.

According to the strategy of development cooperation with Macedonia 2010-2012, the decision for phase out was principally based on the fact that, at the time of elaboration of the strategy (autumn 2009)¹⁴³ Macedonia was expected to have entered negotiation process toward becoming a full member of the European Union. However, this process has effectively been stopped by the Greek government which thus means that one of the main pre-conditions of phasing-out is not present anymore.¹⁴⁴ Yet, this new factual reality has not yet been taken into consideration when implementing the current phase out strategy. One question related to this is how the changing pre-conditions should be taken into consideration, also bearing in mind conclusions and recommendations of the joint donor evaluation “Managing Exit and Transformation”, 2008?

2.2 Case studies

In the first meeting with Sida, it was agreed which criteria would be used when selecting contributions for more in-depth study and analysis. The selection of the case studies is based on the following criteria. At least one contribution should be selected from each of the three main areas¹⁴⁵, and the support/contribution:

¹⁴¹ In one respect, one could state that the consensus on working together toward European integration and the procedures inevitably and effectively have replaced the Paris agenda approach.

¹⁴² However, it has to be noted that achieving sustainable effects is not equivalent with being able to measure the results, i.e. “it is not everything that counts that could be counted”.

¹⁴³ During the period most donors gradually phased out their bilateral support. EU (through its large IPA about 100 Euro million/year), World Bank, USAID, the Swiss and to a small extent the Dutch cooperation have remained in the country.

¹⁴⁴ With the composition of the current coalition government in Greece as well as the current economic crisis, there is a risk that the southern neighbor will put the negotiations on halt for a long time to come.

¹⁴⁵ In the ToR it is stated that agriculture “should be given particular attention” in the assessment. Therefore two contributions have been selected for the study. However, ToR also stated that there are plans to undertake a separate in-depth evaluation of this area after 2012. During the start up meeting with Sida it was agreed that case studies could not entirely replace the evaluation planned but be considered as a fore runner to such initiative.

- should be provided over a long time enough to be expected that it has generated clear results at the outcome level;
- strongly reflects long term objectives and thematic priorities as set out in the strategies for development cooperation with Macedonia;
- should provide insights into effectiveness and sustainability of results;
- is likely to have generated particular experiences and insights, beneficial for donors and cooperation partners;
- be of particular interest for joint learning among cooperation partners.

The final selection of case studies was done by Sida and in conjunction with the Swedish Embassy in Skopje. The case studies that were selected are¹⁴⁶:

LRF/FFRM - Support to Farmers Associations in the Republic of Macedonia (SFARM)

The cooperation between the Swedish Federation of Farmers (Lantbrukarnas Riskförbund, LRF) and Federation of Farmers in the Republic of Macedonia (FFRM) aimed to support FFRM to become a professional interest organization. SFAM had three phases between 2001 and 2010.

University cooperation between the Faculty of Agriculture at Skopje University and the Swedish University of Agricultural Sciences (SLU)

Institutional cooperation between the two universities with the objective to build capacity on Macedonian policy formulation and economic analysis related to the agricultural sector. The contribution for the first phase of the project, 2004-2007, amounted 10,8 mkr and for the second, 2007-2011, 11,3 MSEK.

Support to the development of National Strategy for Sustainable Development (NSSD)

Support to the Ministry of Environment with the objective to develop a national strategy and an action plan for sustainable development in accordance with EU and Rio convention requirements in the period 2004-2011 with a total contribution over 21 MSK.

Support to the Roma Education Fund (REF)

This support was regional with a total contribution of 20 MSEK to carry out Roma education projects in the Western Balkan countries of Bosnia and Herzegovina, Croatia, Serbia, Montenegro, Kosovo, Macedonia and Albania during the period 2006-2011.

Regarding the case studies the approach and data collection methods will follow standard review methodologies and include interviews with key stakeholders and

¹⁴⁶ Note that data referring to the Swedish contribution will be checked against statistics available in the PLUS system.

even beneficiaries when applicable. For further information on data collection methods and proposed format for the case studies including interview guides (see Annex 6). Yet it should be noted that these case studies are not standalone evaluation reports, but rather inputs to the overall conclusions.

2.3 Other relevant contributions to be assessed

Other interventions that will be studied, though in a less ambitious manner, are the following.

Agricultural and sustainable economic growth

Macedonian Agricultural Advisory Services Project (MAASP)

Agricultural Statistics (ScB)

Cadastral Support/AREC¹⁴⁷

Credit Guarantee Fund

Agricultural Credit Discount Fund (IFAD)

Rural development (PEP; ALKA)

Environment

Local Environmental Action Plans (*Regional project*)

Environmental civil society (*Regional project*)

Chemical Cooperation (KEMI)

Environmental Protection Agency /Naturvårdsv

Food Safety/SPS

CeproSard agro-energy

Human Rights and Governance

Support to the Macedonian Ombudsman Institution

Interethnic relations – (Mozaik, Fun Football Schools, School of Tolerance)

Support to civil society through Framework Organisations

Review of the above 15 interventions (identified as being especially relevant) will be based foremost on document analysis (e.g., internal result reports and external reviews and evaluations) complemented with interviews with Swedish partners and/or implementing organisations.

¹⁴⁷ We will review the cadastral support with slightly higher ambition level in comparison than the other contributions on this list. Although, information will mainly be based on analysis already carried out, it will be complemented by with interviews with at least 3 representatives of key stakeholders involved in the contribution (e.g., the financier, the implementer and the Swedish partner organisation).

3. Relevance and evaluability of evaluation questions

As pointed out in the proposal for this assignment we would in the inception report clarify the issues and considerations that the study would cover. In this section this is formulated as **tasks to be carried out** in the study. The tasks proposed are drawn from the ToR include the *dimensions, principles and considerations* under the headings of *Purpose and Objective* and *Scope and Review issues* in the ToR. All proposed tasks are followed by short paragraph on how we propose to carry out them, i.e. data collection methods, sources as well as identification of perceived obstacles and how to overcome them.

3.1 Background to the Swedish development cooperation with Macedonia

Task 1: Describing the a) rationale for cooperation, b) key policies, c) strategic choices d) priorities, e) main driving and restraining forces f) scope and modalities employed as well as g) dialogue approaches and within the cooperation areas 1999-2012

This section will preferably be divided into the 4 strategy periods of the cooperation - a) start-up of the cooperation b) 2000-2002 c) 2003-2010 e) Phase-out, 2011-2012 - and describe the evolvement of the support to provide a clear background. The historical overview will cover 12 years, but according to the ToR focus on last 8 years. Important points of departure for the last 10 years will be the Ohrid Agreement.

The section will be a summary based on a desk study of Swedish country strategies, country and strategy reports as well as other independent documentations. The European Commission's yearly progress reports (related to main challenges of the enlargement strategy) will be an important source of information, putting Swedish development cooperation into context. Also, Open Aid (www.openaid.se) will provide good overall information and statistics on disbursements to the different sectors over the years. Interviews with key Sida/MoFA personnel and Macedonian counterparts will be conducted and complement the document analysis. This part will be rather descriptive balancing and contrasting different views of the cooperation. The description of the cooperation will be put into its political and socio-economic context and pre-condition for the Swedish cooperation.

Task 2: Assessing the overall relevance, efficiency, effectiveness, impact (outcome) and sustainability of the country program as a whole (Key Findings)

The assessment of these key evaluation criteria is very much the essence of our study and could be considered as a summary of the entire report. It will be based on findings and conclusions that evolve from the case studies, assessments of other

intervention of relevance, interviews with key informants, etc. There is however a need to define what we mean with these concepts in this particular study. We propose to use the following definitions in this study.

Relevance: Has the cooperation been relevant in relation to the needs for Macedonia to prepare itself for the EU accession process and has it been relevant in relation to the strategies of Swedish development cooperation? We will emphasize the different phases and expectations (not always fulfilled) regarding the EU accession process, including what the driver was behind the sector focus (with special regard to agriculture). Recall that this is not a “normal” Sida programme country in that respect.

Efficiency: It will not be possible to carry out strict cost efficiency measurement of the cooperation. We propose instead that efficiency in this report will be considered as an assessment of how the Swedish cooperation is perceived in comparison to other development cooperation initiatives (with focus on main instruments and modalities used). Hence, the assessment will primarily be based on the perception of stakeholders of Swedish development support (e.g., the Macedonian Government) vis-à-vis other countries’ support.

Effectiveness: In this study effectiveness will be defined to what extent the 19 interventions have reached their goals (on outcome level). The information will be based on the reports of the implementing parties as well as external evaluations when applicable. In the four case studies, additional interviews with so called boundary partners will be conducted.

Impact (Outcome): In this study we will focus on effects that are rather close to the source (intervention) that we can reasonably attribute to the intervention. We will make use of an Outcome Mapping inspired evaluation technique, which is further described in section 4.3 below.

Sustainability: Sustainability will be assessed in relation to the likelihood that results identified will be sustained and developed after Sweden ended its support (e.g., institutions and organizations as well as development effects, relations between Swedish and Macedonian parties).

3.2 The Swedish-Macedonian cooperation experience

Task 3: Identifying and assessing the Swedish comparative advantages in relation to other donor partners

We will in this task assess the evolvement, quality of Swedish contributions to partners in relation to the aid effectiveness agenda such as partner ownership including and efforts to harmonize the support with other donors. Also, Sida’s analysis of the feasibility and risks, as well as dialogue strategies will be analyzed under this section. This information will be collected for example through discussions with other donors and key actors. It will, when doing this analysis, be important to understand better

what sticks out with the Swedish cooperation in comparison to other like-minded and not like-minded donors? In what way has Sida been able to set the stage for EU to proceed as lead donor in the pre-accession process?

Task 4: Describing and analyzing the role played by Swedish institutions and other Swedish actors and the possible implications on the European integration

Here we need to look critically on Swedish actors' approach and methodologies in relation to their Macedonian counterpart. E.g., to what extent have the Swedish actors promoted ownership and sustainability. This will be analyzed through desk research, interviews with Swedish development actors, external experts and Macedonian counterparts.

Task 5: Assessing the relevance of a regional approach and perspective including analysis of interaction and synergies between the three country programs in Albania, Kosovo and Macedonia

This analysis will be based on interviews with representatives of the Swedish embassy in Macedonia telephone interviews with representatives of other country programs in Albania and Kosovo as well as current and former team leaders and directors at Sida in Stockholm. Also, to what extent different organizational set-ups at Sida in Stockholm, for example ALMAKO (and other previous regional approaches) influenced synergies and interactions will be briefly discussed.

3.3 Cross-cutting issues and dimension

Task 6: Assessing the Swedish approaches and achievements with regard to integrating the cross-cutting dimensions

This analysis will primarily be based on the case studies (see Sub-ToR for local consultants), but also be a part of the more rudimentary analysis of other projects. Furthermore, information on these issues will also be collected through assessment memos and reporting. Regarding gender equality we will for example a) focus on women's participation in intervention in different roles such as beneficiaries, project staff, decision making roles; b) assess if gender analysis has been used in planning process, if gender problems have been identified c) assess whether identified problems regarding gender inequality have been turned into objectives within the intervention; d) assess if the project has reported on the gender goals; e) assess if sex-disaggregated statistics have been developed.

Task 7: Assessing the special programme related to Women's Economic Empowerment (WEE) including the efforts to apply the concepts of Women's Economic Empowerment (WEE) in the cooperation

The specific process implemented over the two year period will be followed up by partners, and other relevant actors to assess impact on projects that were targeted.

Task 8: Assessing intended and/or unintended inter-ethnic effects of the Swedish involvement

This information will partly be based on the “Learning study on interethnic relations” (Sida, 2010) which analyses describes the Swedish supported projects within this area. This issue will also be covered by complementary interviews with key stakeholders as well as complementary discussions. It will be important to assess to what extent Sida and the embassy have contributed to promoting the spirit and fundamental elements of the Ohrid Agreement.

Task 9: Assessing the Swedish strategic approach and application of environmental sustainability¹⁴⁸

In this section attention will be given to how Sida support has raised awareness, engagement and developed relevant skills in relation to how environmental issues will be regulated and how incentives will change as part of the EU accession process. In this section will also be given to issues related to the challenges of encouraging greater Macedonian ownership of this agenda.

3.4 The phasing out strategy and its implementation

Task 10: Describing and analyzing the preconditions and future prospects for a sustainable phasing out of long-term cooperation

The information will to a large extent be based on current conditions in the country in the strategic areas Swedish development cooperation is operating as well as the assessment and opinions of the Macedonian counterparts from Governmental, private sector and civil society level. The views of current Sida and MFA in Stockholm as well as other embassy staff (MFA) will be taken into consideration when doing this analysis. This analysis touches upon ownership issues and also of the extent to which institutions and organizations have been developed in a sustainable manner.

Task 11: Assessing the current status of phasing out strategy/plan and identifying current driving and restraining forces

¹⁴⁸ The broader issues on aid effectiveness will be dealt with under task 1,2 and 3.

This assessment will, according to ToR, draw on findings of the joint donor evaluation entitled "*Managing Aid Exit and Transformation*" (2008) and on insights from other recent exit processes within Swedish development cooperation. Furthermore, the fact that the preconditions for phasing out the development cooperation with Macedonia look dramatically different than when the phase out strategy was elaborated will also be taken into account. During the inception visit, discussions regarding the special situation have already been started but will continue, mainly with Sida, representatives of Ministry of Foreign Affairs and Macedonian stakeholders. This analysis should also provide input to the forthcoming exit plan.

3.5 Lessons learnt and recommendations

Task 12: Compiling lessons learnt and making recommendations

Lessons learnt and recommendations will be based on the findings and conclusions of tasks above.

4. Proposed approach and methodology

As stated in the proposal the methodology will include various sorts of data collection methods such as desk reviews, key informant interviews and focus groups interviews (with some of the groups of boundary partners). Data collection and analysis will be carried out in the framework of our general methodological approach that makes it possible to gain an accurate picture of the more than 10 years of development cooperation in Macedonia.

4.1 Our methodological approach

The main elements of our methodological approach are the following:

- Use of modified Outcome Mapping (OM) that focuses more on how programs *facilitate change* rather than on how they *control or cause* such change, i.e. outcomes
- Methodological triangulation¹⁴⁹ to ensure reliability and accuracy (document studies, interviews/focus group discussions)
- Ensuring consultation with and participation by relevant stakeholders
- Validation by stakeholders and incorporation of comments and disagreements in the draft report

¹⁴⁹ i.e. have the ambition to obtain data from different sources or/and with different data collection methods on the same issues

The overall findings on relevance, effectiveness, impact (outcome), efficiency and sustainability of the cooperation will to a large extent be based on the assessment of the actual interventions that Sida has supported over the years as well as complementary interviews with external informants knowledgeable of the Swedish approach, strategies and methods.

4.2 Data collection methods

Desk review

In order to fully understand the results of Swedish development cooperation in Macedonia it will be necessary to adopt both a *descriptive and an explanatory* perspective, taking into account historical and political influences in Sweden, the EU and Macedonia. For this reason the desk review will pay considerable attention to contextualizing the interventions analyzed in light of developments over the past decade in Sweden, in the EU and Macedonia. Existing documents (strategies, reports, reviews) of the Swedish cooperation as well as those of other relevant agencies will serve as primary sources of data, which will be complemented by secondary analysis of quantitative data (e.g., data from UNDP and World Bank surveys) and by explanatory information from interviews with key stakeholders (see below).

Interviews with key informants to obtain contextual information

In order to contextualize the development cooperation between Sweden and Macedonia complementary interviews are planned to be conducted with a range of actors in both Sweden and Macedonia. Interviews will constitute a major source of information for this evaluation. The interviews will be semi-structured, meaning that they will proceed according to an Interview Guide common for all interviews with similar interviewees but at the same time will allow a certain level of flexibility. Semi-structured interviews will let the interviewees bring in aspects or issues other than those planned by the evaluator. The interview guide will have both open and closed-ended questions. Draft interview guides for the case studies are enclosed (Annex 6). The interview guides are still working documents, and will be tested by the local consultants before being finalised. Notes will always be taken to summarise the responses provided at each interview.

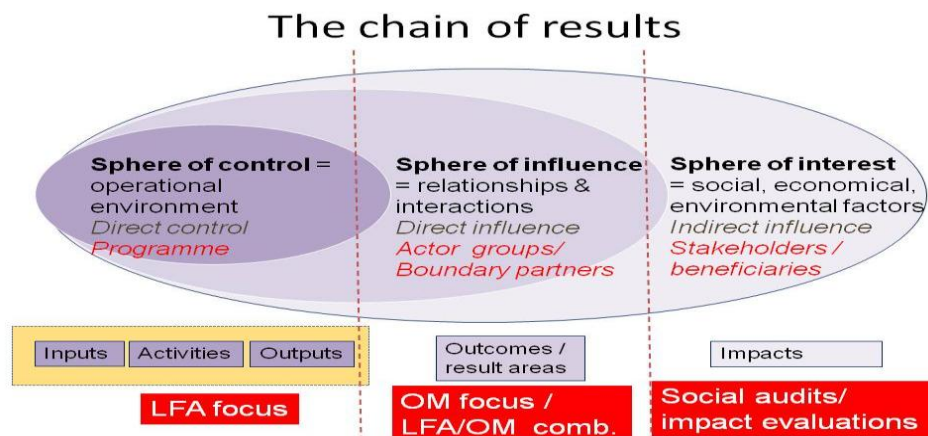
Focused group discussions

Focus group interview, that is gathering a relatively homogenous group of 6-8 individuals together and leading a structured discussion about their experiences and opinions, can spark a dynamic process among the participants, allowing for a deeper discussion of issues such as expectations and satisfaction than individual interviews may provoke. It also has the advantage of providing information from several informants at the same time. When applicable, focus group interviews will be carried out with boundary partners and beneficiaries.

4.3 Outcome Mapping and the limitations of assessing effects

Assessing effects are inherently difficult. Donors and implementers of development projects mainly struggle with three basic problems, the effect problem, the contribu-

tion problem and the lack of baseline date.¹⁵⁰ Outcome and impact are both referring to *effects* or *change* caused by an intervention. One way to make a distinction between impact and outcome is that the outcome is more clearly connected to the intervention as such (clearer causality and attribution within the sphere of influence) while impact is referring to more long term effects that the interventions *may* have contributed (but not so clearly attributed) to. The relation between outcome and impact is described in the model below.¹⁵¹



Hence, when assessing the outcomes in the case studies, we will take our departure from the chains of results (intervention logic) presented in the project proposals, but will focus on the effects that can be clearly attributed to the intervention as such.

The information needed is mainly qualitative and related to development and changes in strategies, processes, relationships, performance and behaviour. To capture this data the evaluation team needs information from Sida, Swedish partners and local implementers, boundary partners, beneficiaries as well as from external observers. The national consultants will form a very useful source as “external observers” as they have key expertise with their respective development area.

¹⁵⁰ *Effect problem* refers to the difficulty to assess the contra-factual reality (what would have happened if the interventions had not been implemented). The *attribution problem* refers to the difficulty to be certain to what extent the intervention contributed to the measured changes. Most interventions do not have cut *baseline data* (reference situation) that makes it rather challenging to measure change and carry out an outcome or impact assessment.

¹⁵¹ See www.outcomemapping.ca for more information. OM used in this report will be based on traditional results framework (often LFA) since most projects have been designed in this manner. Yet, OM and the focus on boundary partners will make us able to see broader and capture results often missed with a traditional LFA approach.

We propose to use an Outcome Mapping inspired methodology according to the following steps.

1. Identify the boundary partners

In this study the boundary partners are defined *as those individuals, groups, and organizations with whom the program interacted directly and with whom the program anticipated opportunities for influence*. Through this influence the program is trying to make changes that are aimed at contributing to human and ecological well-being by providing the partners with new tools, techniques and resources to contribute to development process.

Social change is very much about change in behaviour and since most of Sida's development interventions are about promoting social change, it is natural and logical to focus on these type of changes.

2. Identify the outcome challenges for the boundary partners

Outcome Challenge is the ideal change of changes of behavior, relations and actions of the Boundary Partner. We will take departure from the original project document where these challenges often are defined as project purpose(s), intermediary objectives, etc. However, we will also try to identify outcome challenges that are not formulated but implicitly understood from the project document or/and the implementing parties.

3. Define questions for different for the different boundary partners

When elaborating the questions to the Boundary Partners some of them are general, but they need of course to be specified to the different partners. Please see a preliminary identification of groups of boundary partners in Annex 5 and examples of questions in Annex 6.

4. Assessment of the outcomes

Outcomes are defined as changes of the behavior, relationships and activities of the boundary partners within the areas of influence of the particular intervention. When assessing the outcomes we will in this study focus on outcomes as behavioral changes. These outcomes can be logically linked to the programme's activities, even if they were not directly caused/attribution by them.

5. Updated Work Plan

The study will be carried according to the following steps:

1. **Start-up (24 October 2011)** Initial discussions were held with Sida in Stockholm. These discussions focused on the overall expectations of the evaluation, field visit planning and gathering of documentation. During this stage, the contributions to be subject of the in-depth study and analysis were selected. Furthermore, in cooperation with Sida key persons and actors were identified for meetings and interviews during the inception visit.

2. **Identification of basic documentation** (*November, 2011*) Sida provided the Team with a number of documents e.g., Sida's cooperation strategies, country plans and country reports, as well as specific documents related to the case studies such as assessment memos, external evaluations, annual reports, workshop reports, monitoring reports, financial reports and other relevant documentation that provide an overview of Sida's efforts in Macedonia.
3. **Inception visit** (*7-11 November, 2011*) During the first visit the team leader met key persons at the embassy, key stakeholders and the Macedonian members of the Evaluation team. (See Annex 5 for the list of persons contacted during the visit.)
4. **Preparation and presentation of the Inception Report** (*November, 2011*) Based on the inception visit and initial desk research we have elaborated this inception report. The Report will be discussed with Sida and the Implementation Plan will be finalized in line with the discussions.
5. **Desk research** (*November-December 2011*) Based on the written documentation provided, the team will make a brief desk review of the 15 interventions with high relevance and will study the context of the development cooperation.
6. **Initial interviews and meetings in Sweden** (*November-January*) The consultants will meet and interview relevant Sida programme officers, current and former managers at Sida Europe as well as Swedish counterparts from state agencies, universities and civil society organizations. It is assumed that the majority of these interviews will be carried out in Stockholm.
7. **Conducting case studies** (*November 2011 – January 2012*) Based on the clear instructions (sub Tor, see Annex 3 for more information) including tasks, format for reporting as well as interview guides, the local experts will collect and analyze the data needed. The team leader will be in close contact with the local team during this process. The draft case studies are to be submitted to the team –leader not later than 31 December, 2011.
8. **The second field visit** (*January, 2012*) Based on the information collected by the local experts during the field work and on the findings and conclusions of the desk study the Swedish consultants will make additional and complementary interviews with different stakeholders.
9. **Follow-up** (*Early February, 2012*) Based on initial findings, the consultants will meet with Sida to discuss the outcome of the field-work and to finalize the Report outline.
10. **Analysis and preparation of draft report** (*January-February, 2012*) Analysis of the results will begin already with the desk review, and continue throughout the field work. During the field visits the team will continuously discuss

what they have discovered and the implications for the study questions. This process of continual questioning, analyzing, re-questioning, and re-analyzing will permit to adjust the questions as needed, ensuring that all pertinent questions are eventually answered. The draft report will be submitted to Sida during week 8.

11. **Planning and implementation seminar and workshop in Sweden and Macedonia** (*March, 2012*). The team will present the results of the overview at a seminar at Sida and will organize a workshop around the findings in Macedonia. The details of the events need to be further discussed with Sida and the Swedish Embassy. A preliminary suggestion is to have a one-day workshop in Skopje inviting key stakeholders followed by a half day follow-up seminar with personnel from Sida and the embassy to discuss the implications for the final report. Preliminary costs for the seminar in Skopje are included in the budget.
12. **Preparation of Final Report** (*March-April, 2012*) Based on inputs from the seminar and the workshop the team will elaborate a final report.

Annex 1 – Swedish Development Cooperation with the Republic of Macedonia. Main features and trends¹⁵²

The start-up of the cooperation

Swedish development cooperation with Macedonia was initiated in 1999, following the Kosovo crisis and at start had a strong humanitarian focus. Macedonia being neighboring country to Kosovo experienced a strong refugee flow that had the risk of increased political and social instability. In addition, the country that had already been the poorest and least developed among the ex-Yugoslav republics, suffered from a serious economic decline due to the loss of its previous markets and lack of investments. High level of unemployment, widespread poverty and ethnic tensions between the Macedonian majority and minorities – above all between Macedonians and Albanians – and a relatively large rural population characterized the society. The legacy of the state socialism and the typical problems of a transitional economy were all present.

According to the *Strategy for aid to Kosovo and the surrounding region, in the short and medium term* (1999), the objective of the cooperation in the region is to meet the immediate humanitarian needs, promote peaceful development and secure repatriation, strengthen democratic development including institutional development and support to civil society, and finally create preconditions of a socially sustainable market economy and sustainable economic growth.

The guiding principles of Swedish support according to the strategy:

- Long-term and regional perspective
- Flexibility to meet the upcoming needs
- Conflict prevention perspective
- Building on and making use of local resources
- Using already established channels for planning and implementation
- Humanitarian aid and development cooperation should be harmonized as much as possible
- Strong Swedish presence in the region
- Involvement of Swedish resources (organizations, companies, institutions)

¹⁵² The source of the numerical data in this section is Openaid (www.openaid.se). Note that the reliability of the Openaid data according to Frank Rasmussen (Sida/PLAN) is questionable, thus these data need to be checked against statistics available in the PLUS system.

In 1999 the amount of the Swedish support was 8,34 MSEK, out of that 65% were devoted to humanitarian assistance channeled mainly through non-governmental and multilateral organizations.

The first strategy period, 2000-2002

The first long-term strategy for development cooperation with Macedonia covered the period 2000-2002 aiming at poverty reduction through – similarly to the regional objectives – the promotion of stable peace in the region, democracy and respect for human rights, and socially sustainable market economy capable to generate sustainable growth. The need for humanitarian assistance decreased and gave space for interventions with a more long-term objective.

In the country strategy support to the public administration at the central and local level was highlighted as priority sector. However, weak political commitment from the Macedonian side combined with the widespread corruption in the country prevented the implementation at the institutional level. Instead, support in this period focused on strengthening of grass-root democracy. Sida support of human rights and democracy was mainly channel through framework organizations and a large part of the programs in this sector reflected a regional approach. The fact that agriculture generates over 10 percent of Macedonia's GDP and provides employment and income for people living in rural areas (40 percent of the total population) served the rationale for programs to support agriculture. Some of the programs initiated in this period were extended in the following years. Private sector development was yet another field where Sida was active financing a large project supporting small and medium-size enterprises.

In these years the development cooperation was multifaceted, while in the later period a clear intention to concentration emerged.

In 2000 the Swedish support to Macedonia only slightly increased compared to the previous year (it was 11,5 MSEK), but in the following two years it amounted roughly 60 MSEK (See the graph below).

Second strategy period, 2003-2005

In the second strategic period Swedish development cooperation had a more long-term shape concentrated on fewer areas. Since Macedonia signed the Stabilisation and Association Agreement in April 2001, the Stabilisation and Association Process (SAP) has provided the framework for Swedish bilateral support. Within this framework the following specific objectives were identified:

- The promotion of lasting peace and stability
- The promotion of democratic society under the rule of law and the integration of all ethnic groups
- The promotion of a socially sustainable market economy capable of generating sustainable growth and reducing poverty.

The objectives are basically same as those of the previous strategy, except that there is a clear intention to highlight that democratic development should not exclude ethnic groups. The armed ethnic conflict that had broken out in the beginning of 2001 near the Kosovo boarder and its closing by the Peace Agreement signed in Ohrid half year later was the reason why this new topic appeared in the text of the strategy. The Ohrid agreement is considered to be a landmark in the ethnic relations of Macedonia and its implementation has been thoroughly followed by the international community. The agreement decreased interethnic tensions and resulted in a new constitution acknowledging minority rights. A significant outcome of the agreement is decentralization a process that is still ongoing.

Yet another new element in the strategy is that it conceives the requirement of take into consideration gender and environmental perspectives when analyzing and planning programs and projects.

Besides supporting the SAP to assist integration with Europe, other new items were added to the list of guiding principles such as:

- Giving attention to the endemic features of corruption
- Combining long-term approach and flexibility
- Integrating dialogue with partners and involvement of various actors into the development cooperation
- Promoting donor coordination.

The long-term core sectors identified for the cooperation were a) democratic governance (both strengthening democratic institutions and civil society actors), b) economic development (with a strong focus on agriculture), and c) environment as a new core sector.

Third strategy period, 2006-2010

The strategy covering the period 2003-2006 continued to concentrate on the above listed long-term core areas of cooperation with Agriculture, considered to be the dominant mean of economic development and of high importance in the EU integration process, crystallized as the main focus area. The environment portfolio became stronger and more well-balanced covering central and local levels as well as civil society. Projects in the area of democracy and human rights were or started to be phased out.

Phasing-out strategy, 2010-2012

After almost one year of preparation, the *Phase-out Strategy for Development Cooperation with Macedonia* covering the period 2010-2012 was adopted by the Government in August, 2010.¹⁵³ In line with the objectives for Swedish Reform Cooperation in Europe, the overall objective of Sweden's cooperation with Macedonia during this period is continued development of closer relations with the European Union, strengthened democracy and equitable and sustainable economic growth. According to the strategy cooperation is to be continued in the three current sectors:

- Agriculture and forestry
- Democracy, human rights and gender equality
- Sustainable social development.

The principle objective of the phase out process is to conclude reform cooperation in a responsible manner promoting and safe-guarding long-term sustainable outcomes. Compliance with and fulfillment of agreements already entered into, ownership, responsibility and long-term sustainable solutions, as well as measures to promote alternative donor roles and financing are listed as particularly important aspects of the phase-out.

With regard to aid exit justification, the termination of cooperation with Macedonia was decided in the light of the expectation that the accession negotiations are to commence shortly. However, in December 2009 the Council of Ministers postponed granting Macedonia a start of date for accession negotiations. The reason behind is the long-lasting dispute with Greece regarding the constitutional name of the country.

According to the strategy the total volume during the phase-out period will amount to approximately 80 million SEK.

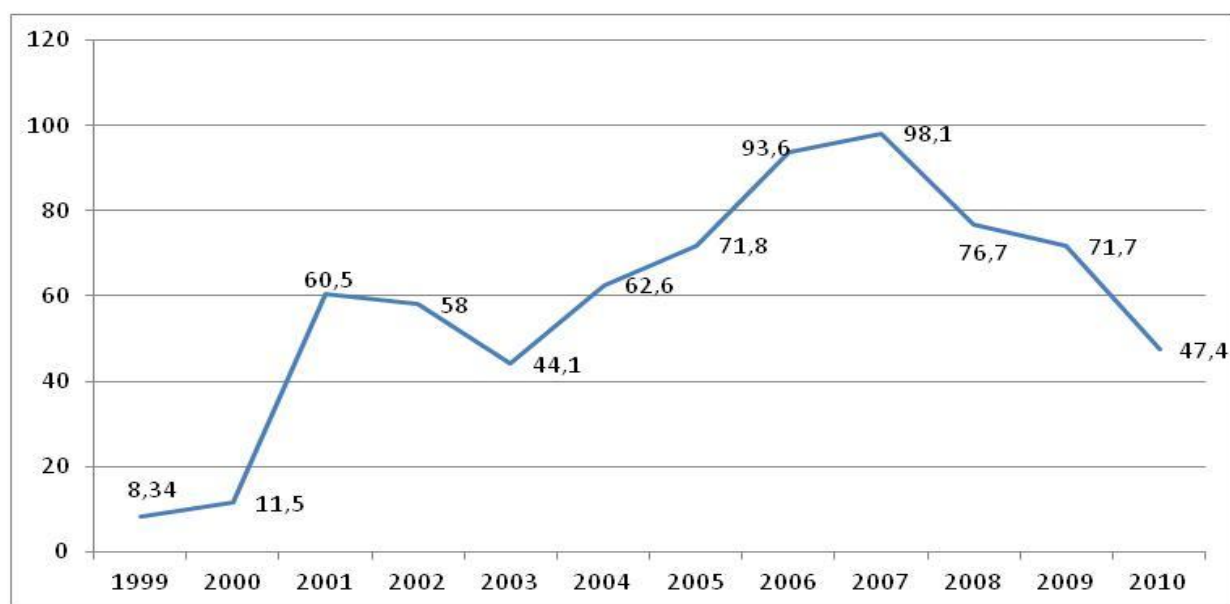
Trends of the development cooperation with Macedonia

Amount of the Swedish contribution

As the graph below shows, after the first two years, that can be seen as inception period, development cooperation with Macedonia got consolidated amounting around 60 MSEK per year for a four-year period (with the exception of the year 2003 when it was 44,1 MSEK). Then Swedish support increased reaching its peak in 2007

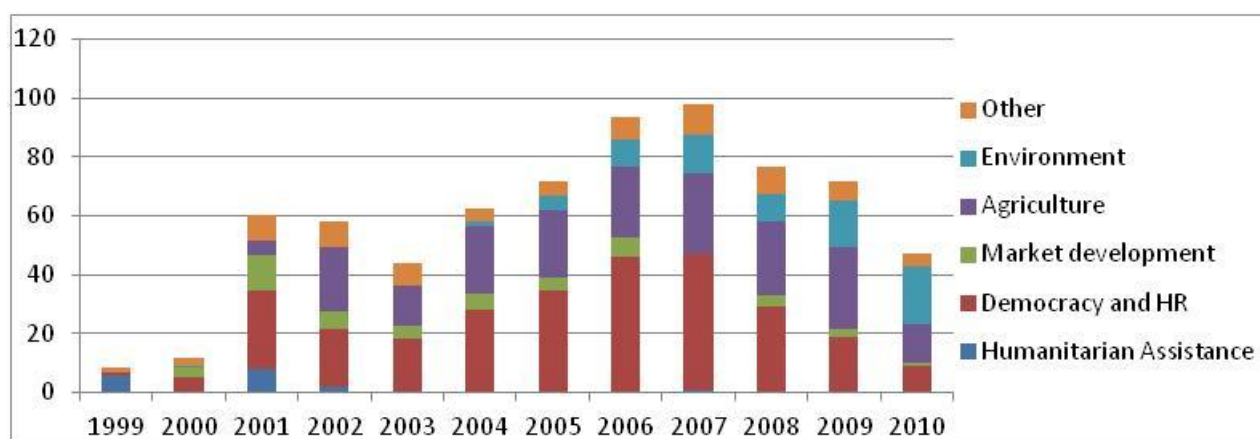
¹⁵³ The strategy process that started during the autumn of 2008 was planned to cover 2010-2014. Yet, it stopped just a few weeks before the planned country meeting in April 2009. This process and its effects on the cooperation will be further described in the draft report.

with an amount of 98,1 MSEK. The past three years – reflecting the intention of phase out - are characterized by a decrease of disbursed funds.



Composition of the Swedish contribution

As for the composition of the Swedish contribution one can detect the rearrangement among the three main areas. While *Democracy and human rights* was dominant until 2008, *Agriculture* gained an increased share during the years becoming the main focus area for the last period. *Environment*, too, significantly increased its share.



Annex 2 – Preliminary Outline of the Draft Report

Executive Summary (2-3 pages)

1. Introduction (2-3 pages)

- 1.1 Background (1-2)
- 1.2 Approaches and methods used in the study (1-2 pages)

2. Development Cooperation with Macedonia (8-12 pages)

- 2.1 Short description of the political and socio-economic context and pre-conditions
 - 2.1.1 Key milestones during the last 12 years
 - 2.1.2 The role and development of the civil society sector and the state
 - 2.1.3 The role and development of the business and agricultural sector
- 2.2 Overview of basic features. Context, scope and modalities employed within the cooperation

3. Key Findings (8-12 pages)

- 3.1 Overall
 - 3.1.1 Relevance of the cooperation
 - 3.1.2 Efficiency
 - 3.1.3 Effectiveness of the support
 - 3.1.4 Key outcomes
 - 3.1.5 Sustainability of results
- 3.2 Findings in relation to the 3 main sector
 - 3.2.1 Agriculture
 - 3.2.2 Environment
 - 3.2.3 Democracy and Human Rights

4. Special features and consideration of Swedish (Reform) cooperation in Europe (8-10 pages)

- 4.1 The role of Swedish institutions and other Swedish actors
- 4.2 Comparative advantages of Swedish support
- 4.3 The regional approach and perspective (cooperation between Albania, Kosovo and Macedonia)
- 4.4 The effect of inter-ethnic relations of the cooperation (process and results)
- 4.5 Integration of a Rights-based approach and Gender equality
 - 4.5.1 Evolvment of strategies (relevance and process)
 - 4.5.2 Results achieved
 - 4.5.3 Women`s Economic Empowerment (WEE)
- 4.6 Environmental sustainability
 - 4.6.1 Strategic approach and application of environmental sustainability
 - 4.6.2 Main lesson learnt of integrating environmental sustainability in the development cooperation
- 4.7 The phasing out strategy and process of implementation
 - 4.7.1 The current status of phasing strategy/plan
 - 4.7.2 Implications for the changing preconditions for the phase out

5. Lessons learnt and recommendations (4-6 pages)

5.1 Lessons learnt

- 5.1.1** Overall approach and comparative advantages of the Swedish cooperation
- 5.1.2** Swedish approach to aid effectiveness agenda and donor cooperation
- 5.1.3** Specific challenges for different modes of cooperation
- 5.1.4** Working modalities and use of the dialogue instrument
- 5.1.5** Risk analysis of sustainability for major Swedish contributions

5.2 Key recommendations

Annexes

1. Terms of References
2. Case studies x4 (20-30 pages)
3. Reference List
4. Persons interviewed

Annex 3 – Terms of References for the Local Consultants

Outcome Assessment and Lesson Learnt from Swedish Development Cooperation with Macedonia, 1999-2012

Consultant(s) name:

Background for the assignment

This ToR is based on the general ToR for the assignment. For more information on the background of the assignment, see the general ToR. This draft ToR will be revised and finalized during the inception visit by the Team –Leader (7-11 November in Skopje)

The Purpose

The purpose of sub ToR is to provide clear instructions for the local consultants to carry out their part in the overall assignment. The results of the case studies will form an important basis for the overall findings and conclusions of the overall report and it is therefore crucial that a common approach and methodology is applied in all different case studies.

Scope

- To carry out 1-2 case study(ies) of one Sida financed projectprogramme
- Carry out complementary interviews and with key stakeholders of other interventions within the area of Human Rights and Governance/Agriculture/Environment (about 8-10 interviews in Skopje, see attached list of contributions of special relevance)
- Provide oral input and ideas on the issues on in the general ToR, throughout the project period
- Provide written feedback on the draft report elaborated by the team leader

Specific tasks related to the case studies

- Assess the *outcome* (and footprints) of the selected intervention(s)
- Assess to what extent the achieved outcomes are *sustainable*?
- Assess to what extent the interventions have reached their objectives (*effectiveness*)
- Asses the *relevance* of the intervention in relation to Macedonian needs and in relation to the goals of the Swedish development strategy?
- Asses to what extent the Swedish cooperation (through the case study) has prepared Macedonia to the EU integration process? Could have it be done in a more efficient way?
- Assess how gender issues have been integrated in the case study. Assess also how interethnic aspects/dimension have been dealt with from Sida and Swedish embassy.
- Identify lessons learned of the cooperation, i.e. what could have been done different (from part of Sida and the partner) in order to improve the results of the cooperation?

Proposed methodology

In general an Outcome Mapping inspired methodology will be used to assess the results of the intervention. See www.outcomemapping.ca for further information on the OM meth-

odology in general. Please note, that the inception report describes the approach and methodology in further detail.

Main data collection methods will be:

- desk review of the reports of the interventions. Relevant reports will be provided to you by Indevelop, additional reports may also be provided from the cooperation partners
- interviews with key informants such as boundary partners¹⁵⁴ key strategic stakeholders
- focus group interviews with beneficiaries or/and rights holders

Reporting

Each case study shall be summarized in a report for about 10-12 pages. The report(s) shall be submitted to the Team-Leader not later than December 30, 2011.

¹⁵⁴ Individuals and groups or organizations with whom the program interacts directly and with whom the program could anticipate some opportunity to influence

Annex 4 – Proposed format for the case studies

The reports shall summarize key findings, conclusions in the following format

1. Background of the Sida financed project/programme

Describe the scope, give start and end date of the project/programme, Swedish funds disbursed per year and in total, outreach main, other basic facts, intervention logic (overall goal, project purpose and expected outputs and main activities etc.)

2. Relevance of the Sida financed project/programme

- 2.1 In relation to Swedish development strategies
- 2.2 Relevance in relation to needs of Macedonia
- 2.3 Relevance in relation to the EU integration process
- 2.4 Describe and analyze in what way gender equality issues have been integrated in the intervention

3. Main outcomes of the Sida financed project/programme

- 3.1 Based on interviews and other reports identify key outcomes (i.e. effects that the intervention has had on the so called boundary partners)
- 3.2 What effects have the cooperation had on the inter-ethnic relations?
- 3.3 What effects have the cooperation had on gender equality?

4. The sustainability of the Sida financed project/programme

Describe and assess to what extent the outcomes and organizations have been sustainable after the Swedish support had been phased out

5. Lesson learned from the cooperation

Assess and identify main lessons learned of the relation between the Swedish and Macedonian parties. What could be done differently to enhance the results and make the cooperation more efficient? (Focus on issues related to the process of the cooperation e.g., ownership as well as organizational and managerial issues. The role of the donor/Sida should also be emphasized)

6. Recommendations

Annex 5 – Preliminary list of persons to be interviewed

Persons met during the inception visit

Lars Wahlund, Ambassador , Swedish embassy Skopje
 Åsa Pehrson, Counsellor, Swedish Embassy Skopje,
 Diter Thiel, First Councillor EC delegation
 Petra Anderson -political adviser at the EC delegation
 Silva Pesic- human rights adviser at the UN in Skopje:
 Peter Mossop, Civil Right Defenders
 Zoran Stojkov Manager, Director Center for Institutional Development
 Darko Aleksov executive director, Citizens association "MOST"-
 Chris Henshaw-country director, National Democratic Institute-
 Marie-Astrid Huemer, Deputy Head Rule of Law, OSCE

To be interviewed

General

Orhideja Kaljoshevska, Secretariate for European Affairs
 Lilia Brunciuc, World Bank
 Mirjana Pehcevska, TACS
 Mirjana Najcevska, Center for Human rights

Sida

Daniel Asplund
 Thomas Nyström

Klas Markensten f.d Europa AC
 Peter Horm
 Ulla Andrén, AC m.m. Europa 2000-2011 (bl.a jordbruksbiståndet arkitekt)
 Mikael Elofsson, TC ALMAK 2007-2011
 Sofi Berghald, Europa/RES
 Britta Olofsson, Europaveterean
 Jonas Bergström (?),Landansvarig 2009
 Ulrika Lindberg Labauskas – biståndsråd Skopje 2004-2007
 Nina Strandberg, f.d Genderenheten
 Peter Troste, sista biståndsrådet Skopje (2009-2011)
 Lisa Mossberg, landansvarig MK m.m. 2006 ? – 2009
 Peter Herthelius , Naturresursavdelningen
 Ulrika Cronenberg- Mossberg , ambassadör Skopje -2008
 Biljana Džartova-Petrovska, Senior Programme Officer, Embassy
 Mentor Kadriu, Programme Officer
 Eva Belfrage, Programme officer , Sida (responsible for the Roma support)
 Vasko Hadzievski, prev. PO Agriculture, Emb, Skopje

Konsulter

Jan Eriksson (uppföljningskonsult lantbruk m.m.)
 Johan Holmberg, f.d. chef Naturresursavdelningen m.m.(miljö)
 Catharina Schmitz, WEE/Indevelop
 Lars-Erik Birgegård (rural development)

Ministry of Foreign Affairs

Malena Mård, UD/EC
 Birger Karlsson, UD/EC
 Lars Schmidt, EU-enheten
 Peder Spångberg, EU-enheten
 Erik Holmqvist, UD/EC

Swedish partners

Ramorganisationerna KtK, ForumSyd, SHC/CRD, OPC
 KEMI (Torbjörn Lindh och Lilian Törnqvist)
 Naturvårdsverket (Cecilia Mattsson, Anne Andersson)
 Jordbruksverket/SVEDAC (Katarina Wenell, Ingrid Arremark)
 Lantmäteriet/Swedsurvey (Kent Nilsson, Tommy Österberg, Lars Lindgren)
 SCB (Fredrik Boode)
 LRF (SFARM) (Anna Hammarstedt)
 SLU (Univ. Cooperation) Tina Ericsson, Ingrid Näslund)
 Swedfund (Guarantee Fund)

Regional partners

East-West Institute (Border Cooperation)
 Regional Environmental Centre – REC
 ERRI
 Roma Education Fund

Key Bilateral/Multilateral partners in Macedonia

Dutch development Coop
 Swiss Development Cooperation
 British development coop
 USAID
 EU/EC: IPA

Annex 6 – Draft Interview Guide for the Case Studies

The Interview Process: An Overview

The interview process incorporates several phases:

1. Preparation for the interview
2. Conducting the interview
3. Follow up conversations
4. Preparation of the case study

In the preparation phase it is important for the consultant to familiarize him-/herself with the background materials regarding the investigated intervention as well as with the role that the person to be interviewed had in the intervention. During the preparation phase, the consultant should contact the person to be interviewed (via e-mail and/or phone) to arrange the place and time of the interview.

The interview should start with the introduction of the consultant, his/her role, the aim of the assessment, the expectations from the interview and the approximate duration of the interview. During the interview, consultant should take notes that will be used later in the preparation of the case study.

At the end of the interview, the consultant should ask for availability of the person interviewed in the upcoming period for possible clarifications or additional questions via e-mail or phone if it is necessary.

Based on the notes, the consultant uses the information from the interview in the preparation of the case studies including quotes when and where appropriate.

All interviewed persons' names, affiliation and contact should be included in the List of Contributors (or Interviewed People) as appendix to the case study.

Interview Questions

The questions for the interviews are divided in several categories according to the information that is required to assess the Sida financed project/programme herein-after called intervention.

I. Questions related to *Outcomes*

1. What have been the main achievements from the intervention)?
2. What has been changed as a result of the intervention in terms of decisions, policies, and behaviors? Please give examples!
3. According to you which groups/individuals were affected with the changes?
4. How did you/your organization contribute to these achievements? Methods used? Strategies implemented?
5. What were the unanticipated effects from your intervention? (not planned in the project document)?

6. What kind of support did you/your organization manage to get during the implementation of the intervention (support from citizens, other organizations, media...)? Please give examples!
7. Has you/your organization managed to interact and/or influence government institutions?
8. How relevant the achieved outcomes of the intervention are for the situation in the country? Explain!
9. How relevant are the achieved outcomes of the intervention for the EU accession? Explain!

II. Questions related to *Sustainability* of the achieved outcomes?

1. From your perspective, how sustainable are the achieved outcomes from the intervention? Explain!
2. Would you emphasize which are the most sustainable achieved outcomes from the intervention? How were they achieved?
3. What have you/your organization done (advocacy activities for example) to contribute to sustainability? Please give examples!
4. To what extent has the current staff and leadership of your organization incorporated to approaches and methods promoted through the Sida intervention in day-to-day work?
5. To what extent the organization has been able to build relationships and alliances for change through the intervention?
6. Do these relationships and alliances currently include collaboration on a regional level or with Swedish institutions?
7. To what extent has the organization been able to influence the government institutions through the intervention?
8. What would happen with the achieved outcomes when the support stops?
9. From your perspective, has the organization been able to mobilize support and resources?
10. What strategies do you have to mobilize resources in the future when Sweden has phased out its support? Are there for example domestic (state or membership based/private) funding possibilities (prospects and obstacles)?

III. Questions related to *Effectiveness*?

1. To what extent have you reached the objectives of the Sida financed support? If any of the objectives was not reached to the expected level, what was the reason for that?
2. Were there alternative ways to reach the objectives?
3. How do (did) you measure/monitor the progress? Is (was) it possible to alter plans when needed? Give examples!
4. To what extent the situation of your target group has improved?
5. To what extent the environment (legislation, changes in policies) affected the reach of the objectives of the intervention?
6. To what extent has the functioning of your organization improved?

IV. Questions related to *Relevance* of the intervention?

1. How relevant is the intervention in relation to the situation and national policies/strategies of Macedonia?
2. How relevant is the intervention in relation to the EU accession agenda of the country?
3. How relevant is the intervention in relation to the Swedish development goals?
4. How relevant is the intervention in relation to the needs of the target group/s? Were the needs of the target group/s changed over time? Did you adapt the intervention according to the newly emerged needs, if so please explain how?
5. Were these target groups differentiated between men and women and different ethnic groups and did the intervention prove relevant to these different groups?
6. How did you assess the needs of the country/target group over time?

V. Questions related to Macedonia's preparation for the EU integration process through the intervention

1. In what way the intervention supported the country in the preparation for the EU integration? Please give examples!
2. Was the EU agenda present in the intervention from the very beginning?
3. Which specific areas of the country's EU agenda were targeted with the intervention?
4. In your opinion, could something be done differently in order to tackle the issues from the EU agenda in Macedonia in a more effective or efficient way?

VI. Questions related to *Gender Issues and cross cutting issues*

1. How did you incorporate the gender issues in the planning of the intervention? Were there a gender strategy related to the intervention?
2. Have gender goals gender problems been turned into objectives within the intervention?
3. What specific groups (if any) were targeted with the intervention related to gender issues?
4. Has the project reported on the gender goals?
5. In what way the gender issues were considered during the implementation of the intervention? Was it only counting operation to present numbers? Did you consider other aspects of gender issues such as accessibility, availability in planning and executing the intervention?
6. Are you aware of the concept Rights based Approach (RBA)? If so, in what way has been integrated in the project/programme, please explain?
7. Which considerations or/and active activities have carried out to promote interethnic relations in the programme?

VII. Questions related to *Lessons Learned*

1. From your perspective what are the most valuable lessons learned from the intervention? Explain!
2. What would you do differently to achieve better results and to improve the cooperation?

VIII. Relations and cooperation with Sida/ The Swedish Embassy

1. Overall, how would you assess your cooperation with Sida/Swedish Embassy, how has it evolved during the years (with regards of contacts, dialogue supervision, etc)?
2. What was the role and contribution of Sida/Swedish Embassy in the planning and implementing the intervention?
3. If you have other donors please describe the *comparative advantages/disadvantages* of the cooperation with Sida/Swedish embassy?
4. From your perspective in what way could Swedish support be handled more effectively?
5. Do you have any other comments, ideas to present related to the intervention or questions to ask



OUTCOME ASSESSMENT AND LESSONS LEARNT FROM SWEDISH DEVELOPMENT COOPERATION WITH MACEDONIA (1999–2012)

In 2011 Sida commissioned, as part of its phasing-out, an outcome assessment on the 12-year long Swedish development cooperation with the Republic of Macedonia. The overall purpose of the study has been to provide Macedonia, Sweden and other co-operation partners with insights into the long-term outcomes and lessons learnt from the cooperation.

Following the contextualization of the cooperation the study presents findings using the five DAC evaluation criteria of relevance, efficiency, effectiveness, sustainability and impact in all the three main cooperation areas, i.e. Human rights and democracy, Agriculture and Environment. Special emphasis is given to the assessment of the extent and means of supporting Macedonia in the EU accession process. The study identifies the comparative advantages as well as weaknesses of the Swedish cooperation, and provides a summary of success factors.

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