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**WORLD LEARNING  
SEMI-ANNUAL REPORT:  
April – September 2007**

**CONTRACT #: RAN-I-00-05-00026-00  
Task Order No. 2**

**USAID PROJECT OFFICE: USAID/MACEDONIA**

**Strategic Objective 4.1 (Cross-Cutting)**

**ISSUANCE DATE: 10/30/07**

This publication was produced for review by the United States Agency for International Development. It was prepared by Anita Reichert of World Learning.

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## **DISCLAIMER**

**The authors' views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.**



## **I. Washington, D.C.**

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### **A. Meetings, Conferences, and Presentations**

- May 27-June 1, Dorothea Antonio and Colin Davies represented World Learning at the NAFSA (Association of International Educators) Conference in Minneapolis. Dorothea chaired a session and Colin presented at a session.

### **B. Solution Provider Outreach**

The Resource Center coordinated visits to the FORECAST office from seven training providers. The substantive meetings focused on training capabilities, proposal writing guidance, and issues of training program management. Visits were made by the following organizations: Georgetown University; University of Northern Colorado; Harvard University; Minnesota State University; World Services La Crosse; University of California, Santa Cruz; Colorado State University; and University of Missouri, Columbia.

## II. FORECAST/Macedonia

For information regarding the most recent training/HICD activities for participants from Macedonia please refer to the status chart in the Appendix.

### A. Success Stories

Please see the Appendix for full details on the following Success Stories:

- “Cvet” Craftworks Decorate Paris Catwalks and US Artisan Shops

Representatives of a women’s artisan association attended training in the US for entrepreneurs and leaders of handicraft organizations. As a result of this training, and the contacts that were made, the association has exhibited clothes, pillows, and other home accessories in New York, Frankfurt, and Paris, and is now receiving support from the World Bank, UNICEF, and the Swiss Embassy. As one of its members says, “Never in all these years did we ever dream that our pillows would be decorating the sofas on the “Martha Stewart Show” or that stars like Sandra Bullock and Keanu Reeves in the movie “Lake House” would take a nap on them.”

- Center for Economic Analyses Offers Serious, Thorough and First-of-a-Kind Analyses of Government Initiatives

The president of the think-tank, the Center for Economic Analyses (CEA), was one of those who attended training in Poland and Holland. As well as being exposed to very successful macroeconomic forecasting models, they learned how experienced think-tanks function, the types of activities they carry out, and their institutional design and business strategies. Macroeconomic forecasting models have now been introduced in Macedonia, to improve the quality of public debate on macroeconomic issues, and to offer realistic analyses of proposed Government initiatives.

### B. Media Coverage

- As reported in the April 12 edition of *Biznis*, on April 11, USAID and World Learning donated portable computers to all State Education Inspectors aiming at modernizing the State Education Inspectorate (SEI) and improving its performance as part of the Human and Institutional Development Program. As part of a full package of interventions, USAID is providing the SEI with portable computers. The goal is to bring SEI services up to European standards. “Modern technology makes it faster and easier for everyone to know what’s going on,” said Dwaine Lee, USAID Education Office Director. “That’s so relevant for the Education Inspectorate — an organization entrusted with making sure children and young people receive the best quality education and which must make sure its decisions are just, non-partisan and fair to all concerned.” Other interventions include strengthening the SEI’s

organizational and professional capacities through numerous trainings, technical assistance, and in-kind support. The initiatives have been tailored to help the Inspectorate as it fulfills its new mandate under the Law on Education Inspection, enacted in July 2005.

- The apparel factory Kimiko in Struga concluded a three million euro contract with the German Army for production of underwear in the next two years, according to an article in *Kapital*, April 12. In accordance with the contract, Kimiko will export about 16,000 pieces of underwear by the end of 2009 for the German NATO contingent as end users. Prior to being contracted, Kimiko was visited by a five-member delegation that assessed its production process positively and stated that the products meet the NATO standards. The negotiation process with the German Army lasted for nearly two years. Two former participants and Kimiko employees, Mr. Marko Godzo, Business Manager and Ms. Edita Ginovska, Business Administrator, participated in a Strengthening the Capacity of Apparel Manufacturers training program in 2004 in Stip, Macedonia.
- *Kapital* featured an article on April 19 about a former participant who is part of the Macedonian winery Skovin and its management team, explaining that the winery has concluded a three-year contract for export of more than two million bottles of wine with MoRo, a leader in importing and retailing alcoholic drinks in Russia. The first shipment, to be exported by the end of the month, consists of 28,800 bottles of Muscat, Chardonnay, Semillon, Macedonian White, Macedonian Red, Kale, Vranec and Teran. Skovin wine will be sold in the MoRo retail network throughout Russia. Ms. Marija Miteva, Head of Sales and Marketing Department Manager of Skovin, participated in a Wine Marketing Course in 2005 in the US.
- Returned participant Valentina Taseva was quoted in the May 24 edition of *Kapital*, “Semos Education started with only two employees back in 1996. Today, the company team counts 33 employees and trainers. Semos Education offers 80 courses in different areas, including Microsoft and Cisco Certification Programs. Our Mission is to offer our customers continuous high-quality life-long IT education”, said Valentina Taseva, Managing Director of Semos Education. Ms. Valentina Taseva, Managing Director of Semos Education, participated in an International Executive MBA program, 2005-2006 in Bled, Slovenia.
- As quoted in the June 22 edition of *Biznis*, “This is the first time that a system for assessment of the fight against corruption efficiency through measurable instruments is established in Macedonia. This system, based on a number of indicators, will show how all governance segments and institutions within the system function in terms of combating corruption. Having this system, we comply with the requirements of the European Commission and GRECO related to this field”, said Ms. Gabriela Konevska Trajkovska, the Vice Prime Minister of Macedonia, at the press conference held in occasion of the presentation of the adopted State Program for Prevention and Repression of Corruption, as well as the Action Plan of the Government, developed in cooperation with the State Commission for Prevention of Corruption (SCPC). According to Ms. Mirjana Dimovska, SCPC President, the State

Program is a very important document for Macedonia in the process of implementation of tasks related to fight against corruption. “The Program covers 34 areas of corruption to be overcome. To that effect, 140 activities, 298 activity indicators and 251 key performance indicators of the institutions involved in the implementation of the program have been identified”, said Ms. Dimovska.

USAID and World Learning signed a Memorandum for Understanding and Cooperation with the State Commission for Prevention of Corruption in relation to an intervention that supports further implementation of the National Integrity System as well as institutional capacity development at the Secretariat of State Commission for Prevention of Corruption. The State Program for Prevention and Repression of Corruption and the Action Plan of the Government were developed as part of this intervention.

- *Utrinski Vesnik* featured in an article in its July 7 edition about the final fashion show of Academia Italiana students that will be open on July 8 as part of the Skopje Summer Festival. Projects in fashion, interior and graphic design will be part of the *World Is in Your Hands, Design It* show. “In my opinion – from the aspect of both director of the teaching process and professor at Academia Italiana – the first academic year was successful. We set teaching and student achievements evaluation standards, two very important segments of our work, especially, if we take into consideration that this is a highly specialized school that should generate trained professional designers for the Macedonian labor market. Due to the entire Academia Italiana team committing to completing tasks with ultimate professionalism and enthusiasm, the achievements of the students are on a level higher than the expected” – stated Nikola Eftimov, director of the teaching process and professor at Academia Italiana. World Learning organized a training program on Capacity Building of Accademia Italiana, aiming at improving the future professors’ teaching skills and methodology typical for the academy, upgrading their skills with the newest technology, computer programs and design in 2006 in Florence, Italy.
- As quoted in *Biznis* on July 13: “The initial findings, related to the identified weaknesses that facilitate corruption, show that the Macedonian public administration, both on central and local level, is inefficient and insufficiently professional, with lack of transparency, low level of accountability, cases of nepotism, external influence on court decision making, and the high level of black economy only adds to the expansion of corruption. To that effect, it is our ultimate goal to permanently control corruption using prevention and repression measures,” said Ms. Mirjana Dimovska, President of the State Commission for Prevention of Corruption (SCPC), at the presentation of the State Program for Prevention and Repression of Corruption. USAID and World Learning signed a Memorandum for Understanding and Cooperation with the State Commission for Prevention of Corruption in relation to an intervention that supports further implementation of the National Integrity System as well as institutional capacity development at the Secretariat of State Commission for Prevention of Corruption. The State Program for Prevention and Repression of Corruption was developed as part of this intervention.

- An article in the July 30 edition of *Utrinski Vesnik* featured Ms. Radmila Sekerinska, the President of the Social Democratic Union of Macedonia and the first Macedonian citizen to achieve a Master's Degree at the Fletcher School of Law and Diplomacy, Tufts University. The Fletcher School is the oldest and one of the most distinguished schools of law and diplomacy in the US. As part of the USAID academic initiative, Ms. Sekerinska successfully completed the Global Master of Arts Program (GMAP) I – July 31, 2005 – July 21, 2007 at the Fletcher School in Massachusetts.
- *Dnevnik* and *Total*, July 30 edition, featured the Macedonian Visual Effects Studio, FX3X, which nominated for the Emmy Award by the American Academy for Television Arts and Sciences, as recognition for the special visual effects that the company created for a TV show broadcasted by the American broadcasting network, NBC. This project was supported by USAID. “The technical assistance, with which USAID supported us in 2003, changed our way of working. This initiative traced our future path and facilitated our way to growing into a competitive company on the global market,” stated Kristijan Danilovski from FX3X. Mr. Kristijan Danilovski participated in Entrepreneurial Management Training in 2003; Mr. Danilovski, along with five other FX3X representatives, participated in Specialized Training for Digital Media in 2004 in the US; Mr. Danilovski and Mr. Milivoje Gjorgjevik participated in Digital Media Training in 2007 in the US.
- *Kapital*, September 13, wrote about the individuals, institutions and associations that disclose numerous suggestions for changing the current macroeconomic policy; yet, none of these suggestions is based on quantitative analyses of the effects of the announced Government measures. The mission of the Center for Economic Analyses (CEA) is to fill in this vacuum in the discussions about the challenges Macedonian economy is facing with, as well as to provide platform for different developmental initiative comparison. Therefore, CEA uses the “CEA-Macro” macroeconomic forecasting model, based on the modern economic theory and pragmatic empirical approach, to provide first-of-a-kind and unique analysis of what we can expect from the economic measures undertaken by the Macedonian Government. The analyses show that the announced Government measures [if implemented as stated during the election campaign and subsequently at the press conferences of the Government] will have very positive influence on the business climate and the life standard in the country. Mr. Marjan Nikolov, CEA President, participated in a Forecasting Models for Macroeconomic Policy training program in 2003 in the Netherlands and Poland and an Upgrading Forecasting Macroabc Model for Macroeconomic Policy program in 2007 in the Netherlands.

### **C. Third Country Training**

- Leadership Training for Confederation of Free Trade Unions took place April 11-21 in Krakow, Warsaw and Gdansk, Poland for 12 participants. The ten-day training supported trade union leaders at national, regional and local levels, members of the Confederation of

Free Trade Unions of Macedonia. The goal of the training was to address the efforts of the Confederation for creating more decentralized labor movement and comprehensive development of all desired components that it is committed to: organizing new members, advocating stronger for better legislative changes, developing the organization's media outreach, involving more women and youth, developing the union's coalition with civil society groups, and at the same time, being proactive, as a union, on the path of Macedonia's transition into the European Union.

A focus on democratic decision making and the way it is conducted into a decentralized trade union structure, advanced leadership training, team building approaches, decentralized decision-making practices within unions and providing opportunity for participation, observation and first-hand knowledge of local campaigns with leaders from NSZZ Solidarnosc was the most important part of this program.

- Good Agricultural Practices Training was held May 7 – 12 in Ljubljana, Slovenia for 13 participants. The five-day training assisted the Ministry of Agriculture, in particular the Agricultural Inspectorate, the Phyto-sanitary Inspectorate and the Food Directorate in obtaining experience for preparation and implementation of Good Agricultural Practices. After the completion of the training, the trainees will take part in the GAP-Development Working Group and participate in the Macedonian GAP legal framework drafting process. At a later stage, the Ministry will set up the necessary infrastructure for the implementation of the GAP in Macedonia, and based on the knowledge and experience obtained during the training, will implement the GAP in the primary agricultural production.
- Single Window Study Tour was held June 17-22 in Stockholm, Sweden for 6 participants by the Swedish Customs Future Centre. The Macedonian Government launched the project for development of a single window system for import and export in January 2007. Since *Single Window* is an extremely complex project and it requires a high level of competence and experience by the stakeholders, this five-day study assisted the members of the working groups to better understand what Macedonia has to do in order to develop a functional and operational single window system, how to develop it and what were the problems that the host country faced in the process.
- Social Contracting was held July 1-7 in Budapest, Hungary for 8 participants by DemNet/ Foundation for Development of Democratic Rights. This training event supported the Ministry of Labor and Social Policy, the State Institute for Social Activities, media, representatives from two municipalities and NGOs in acquiring knowledge of different models of social contracting, methods for developing partnerships with each other and with businesses in order to introduce a functional and transparent model of social contracting, and to promote quality service standards.
- Upgrading Forecasting Macroabc Model for Macroeconomic Policy took place

August 19 – 25 in the Hague, the Netherlands for 4 participants. The training supported representatives from the Sector for Economic Policies and Regulatory Reform at the Secretariat General of the Government of Macedonia (GoM), the Center for Economic Analyses (CEA), the National Bank of the Republic of Macedonia, the University Ss. Cyril and Methodius and the Business Environment Activity. The goal of the training was to strengthen the capacity of the Sector for Economic Policies and Regulatory Reform to conduct macroeconomic analysis on initiatives aimed at formulation of economic policy, coordinate the development and implementation of the economic policy and, in particular, identify strategic priorities while respecting resource constraints. In addition, the training was aimed at capacity building of politically independent think-tank in economics, national bank and academia as more advanced entities in macroeconomic modeling, thus expected to serve as support infrastructure to the Sector in macroeconomic modeling after the training.

- Seal of Quality Training Program was held August 26-31 in Zagreb, Croatia for 17 participants. The five-day training supported representatives from the National Association of Meat and Dairy Processors in Macedonia, the Ministry of Economy, the Ministry of Agriculture and electronic and printed media. This training addressed performance gaps in: modification and implementation of the Seal of Quality program, i.e. leveraging knowledge and experience to modify the existing quality standards; implementation of EU regulations; implementation and accreditation of quality control systems and food safety systems, such as HACCP, ISO etc.; laboratory role in the certification process, and public - private dialog. In addition, the participants acquired knowledge in the particular steps Croatia took in creating its model for “Croatian Creation” and “Croatian Quality” promotional activities.

#### **D. In-Country Training**

- Creating and Maintaining School Web Pages with MAMBO Tool took place April 28 - May 20, 2007 nationwide in Macedonia for 700 participants by 20 Members of the Association of IT Teachers of Macedonia. This training program supports IT and non-IT teachers from all 330 primary schools nationwide Macedonia. The main goal of the training is to train at least two teachers from each of the 330 primary schools in Macedonia to be able to create and design, update and maintain their school’s web site in order to contribute to web page content with subject news, lessons and extra activities. That way, they will keep students, parents, local community and general public aware of all school’s achievements, activities and needs. In order to achieve better results, an instructional manual in Macedonian and Albanian was developed and distributed to each trainee along with the MAMBO software.
- Technical Assistance/Macedonian Information and Communication Technology Center of Excellence took place December 2006 - July 2007 in Skopje. This technical assistance intervention supports the Macedonian Association of Information and Communication

Technology members in their goal to develop a business plan, on the basis of which the Macedonian ICT Center of Excellence will be established. The Center is foreseen as a tool for promoting and implementing transfer of knowledge and technologies generated by individuals, universities and existing enterprises to the business sector. The Center will provide logistical and financial support, business development and marketing coaching services, intellectual property protection activities and follow-up to IT innovative start-up and existing IT companies in performing research and development activities.

- Technical Assistance/ Developing a National Plan for Maintenance and Sustainability of ICT in Schools took place May 21 – July 15. Ms. Lucia Mushkova, IT Consultant, finalized the National Plan that incorporates an analysis of the current situation of ICT equipment available in the schools, including categorization of the PCs, current methods of maintenance of the ICT equipment in the schools and other related questions. In addition, the Plan identifies several optimal models for maintenance of the *existing* IT equipment and the IT equipment that is expected to be provided in the near future and takes into consideration the different roles of the relevant stakeholders at central and local level and the schools themselves. The National Plan was presented in front of the Ministry of Education and Government representatives.
- School Based Assessment - Phase II took place September 14-16 in Struga for 234 participants. This training was a continuation of the training delivered in January 2007 and supported the Ministry of Education and Science in its endeavor to promote active learning methodologies as one of the key factors for school improvement and achieving high standards of student learning and development. During the workshop, key assessment concepts – such as, validity and reliability - were discussed, the distinction between criterion-referenced and norm-referenced approaches to assessment was drawn, and the application of strategies across subject areas was emphasized.
- Competency-Based Economies through Formation of Enterprise (CEFE) ToT Program was held September 6-16 in Ohrid for 22 participants. This training event supported Instructors at the Business Administration Faculty, Computer and Communication Technologies and Languages Department at the South Eastern European University (SEEU) and a mixture of out-of-campus consultants who have applied to work on a part-time basis for the need of the Business Development Center (BDC). The training was executed using the interactive, participatory CEFE Methodology, and based on the Experiential Learning Cycle through the following phases: Action/Experience Phase, where the participants “lived” a simulation situation; A Publishing Phase, where the results, strategies etc. were made public; Evaluation/ Processing Phase, where they analyzed the lessons learned; Generalizing Phase where the link between the simulated situation and the real world was established, and finally the Application Phase, when the participants applied what they have learned.

## **E. Noteworthy Events**

- April 25, the National Association of Meat and Dairy Processors, at a special ceremony, presented the third revision and upgrading of the Seal of Quality Standards. During the ceremony, the results from the latest field research were presented according to which in the past year the sales of the Seal of Quality Products was increased by 15%. The home brands make 70% of the market share as opposed to 30% of the imported brands. Out of 54 Association members, 20 are awarded with the Seal of Quality. World Learning has supported the National Association of Meat and Dairy Processors by organizing several in-country and third country trainings in FY05, FY06 and FY07, the goal of which was the introduction and implementation of EurepGAP and HACCAP standards.

## **E. HICD Activities**

- Ministry of Justice
  - In April, the report on Intervention #2 (Issues-Based Team Building) was hand-delivered to the Minister of Justice and the two proposed options for Intervention #3 (Strategic Planning) were discussed with him. A one-to-one coaching session for the State Secretary was conducted in April.
  - Intervention # 3 was held in April to develop a draft MOJ 2008-2010 Strategic Plan. There were in total 19 participants, including the two State Advisors from the General Secretariat.
  - The outputs of the first phase of Intervention # 4 (Strategic Planning) were finalized following the completion of this intervention. The report, including the draft sector-level strategic plans, quick wins update, individual SWOT analysis and mapping of sector-level activities against MOJ priorities, were hand-delivered to the Minister of Justice.
  - Preparation activities were conducted for Intervention #5.2 (Leadership and Management Training). The goal of this intervention is to develop the leadership and management skills of 39 managers within the MOJ (group 1: June 12 -13; group 2: June 14-15; group 3: June 18-19). The following activities were conducted in advance of the event:
    - 39 MOJ staff members were interviewed to gather feedback on the existing level of skills that managers demonstrate with their teams.
    - 23 MOJ managers completed Myers-Briggs instrument;
    - A local coach was hired. The current scope of work covers the following two main areas:
      1. Real time facilitation during the intervention sessions, and
      2. Support of the transfer of learning at the work place – observe and coach managers to ensure skills learned are used. Coaching will be conducted with each manager following skills training with volume to be agreed upon additionally and depending on the needs of the individuals.
    - The data gathered from the individual interviews with 38 MOJ managers was shared with the local coach and Vector consultants and was used during the Leadership and

Management Training. This data will further be used for the purposes of the one-to-one coaching sessions to be conducted by the local coach in July-August-September;

- A series of three separate two-day Leadership and Management Trainings was conducted, June 12-19. The goal of this intervention was for the MOJ managers to develop leadership and management skills. The participants had an opportunity to practice those skills during the training prior to applying them in the daily work. In addition, the participants developed individual Action Plans to strengthen their leadership and management practices. The implementation of these Action Plans will be monitored and further supported by the local coach;
- During the last week of June, preparation activities for intervention #3 (Quick wins: IT interventions) were conducted.
- A Vector partner company IT Specialist spent three days (July 3-5) at the MOJ and the MOJ IT Center working closely with the MOJ IT specialist. Following the IT audit, the Vector IT Specialist produced a report of findings and recommendations for Antivirus and Firewall. Those recommendations were discussed (among other topics) with the Minister and other MOJ staff during the videoconference that was held on July 12. The process of procuring the required hardware and software began on July 19, when an advertisement was published in three newspapers
- During the week of July, 14 individual coaching sessions were conducted for the MOJ managers by the local coach. The first cycle will be completed before the end of the summer, whereas the second will be conducted early fall.
- Late August, a local IT company was selected as a provider of IT hardware and software for the Ministry of Justice and its IT center. The IT equipment will be installed late September/early October.
- Preparations for the *All Staff Session* are ongoing. An invitation letter was drafted by Vector and sent electronically by the Minister to all (90) MOJ employees. This will be a unique opportunity for the MOJ staff to get together, learn in more details about what is currently happening at the MOJ (in terms of ongoing activities within our program) and discuss issues of vital relevance to them. The event will be held in Skopje, on September 29.
- The key activity that marked the month of September was the Staff Involvement Day (September 29) which brought together all MOJ employees (80 out of 99 employees were present at the event) including the Minister and the State Secretary. Prior to the Staff Involvement Day, meetings with the Government Agent/State Advisor (September 27) and the Minister and the State Secretary (September 28) were held in order to prepare them for their presentations on September 29. In addition, a briefing session took place with 10 MOJ managers, who had previously attended the Leadership and Management training, to prepare them for their role of table facilitators at the Staff Involvement Day.

- State Education Inspectorate

- In April, a ceremony was organized for donating portable computers to the State Education Inspectors. This was one of the many interventions aiming at modernizing and improving the State Education Inspectorate performance.
- In April, working sessions were held with the SEI management staff. The purpose of these sessions was to develop a Personnel Development System based on the SEI job profiles. In addition, the SEI management staff was provided with techniques for conducting performance appraisal interviews and giving constructive feedback to their subordinates.
- To ensure professional use of the donated equipment and software, all State Education Inspectors were enrolled in IT courses. In the towns outside of Skopje, individual IT teachers were hired to conduct the courses. The IT courses will be implemented between May 28 and July 6, and will be constantly monitored by the WL team.
- A series of meetings were organized with On.Net, a local Internet provider, with the objective of ensuring that all State Education Inspectorate offices are connected to the Internet, thus increasing the efficiency of the internal communication of SEI. WL submitted a request to On.Net for provision of free Internet services to SEI offices, to which On.Net responded immediately by agreeing to extend their services to SEI in the areas where they already provide Internet free of charge. The coverage of the remaining SEI offices is subject to further negotiations between WL and On.Net.
- Mr. Brian Oppenheim, the Field of Activity Expert of the Performance Assessment Team, was contacted concerning the Integral Evaluation Training scheduled for late fall. Discussions with the expert and the SEI Director are ongoing concerning the design and contents of these trainings.
- A Strategic Planning Session with the SEI management staff was held July 2-3, during which the participants developed a three-year Strategic Plan for SEI.
- During August, a number of meetings were held with the SEI Director to determine the professional development needs of the inspectors. The Administrative Procedure training was identified as first priority, and therefore, it has been preliminary scheduled for mid September.
- September 18, WL/Macedonia and Mr. Klaus Wittkuhn held a meeting with the SEI management staff to discuss the status of the interventions and to identify the areas where additional USAID support is needed. In addition, Mr. Wittkuhn presented the Performance Monitoring System tailored to monitor the performance of SEI. Starting from October, all Unit Heads will start filling out the data necessary for measuring the Key Performance Indicators.
- September 28-29 in Prilep, one half of the State Education Inspectors were trained in conducting administrative procedures. A local expert, supported by an experienced state advisor from the Ministry of Education and Science, conducted the training. The goal of the training was to train the state education inspectors in the most important rules of general administrative procedure related to certain types of administrative acts and their adoption, rules for submission, amending and repealing those. The training for the second half of State Education Inspectors is scheduled for October 5-6 in Skopje.

- Land O'Lakes Quality Control Lab
  - World Learning organized additional coordination meeting with SPMG and LOL. Following this meeting, USAID and LOL met with the Minister of Agriculture to discuss potential government inclusion in this process in the role of the Lab's Advisory/Supervisory Board Member. In addition, all stakeholders agreed that prior to the organization meeting with all potential investors, a meeting with Swedmilk, the main potential investor, would be organized.
  - World Learning, Land O'Lakes, QCL and SPMG met with Swedmilk to discuss future steps and possibility of involvement of the Government of the Republic of Macedonia (GOM) in this project.
  - The Ministry of Agriculture representatives visited the QCL to explore the possibility of potential involvement of the Government of the Republic of Macedonia in the QCL. USAID and LOL representatives met with the Minister of Agriculture and the Director of Veterinary Directorate to explore the possibility of potential involvement of the Government of the Republic of Macedonia (GOM) in the QCL. Following the meeting, the consulting company hired to develop the business plan for the QCL will prepare additional analysis that the GOM asked for at the meeting.
  - SPMG and Land O'Lakes (LOL) representatives met with Veterinary Directorate representatives. SPMG worked on an abridged version of the Action Plan and shared it with all stakeholders. SPMG will provide additional analysis if the Ministry of Agriculture requests so. During this meeting, LOL discussed the possibility of setting criteria, the meeting of which would enable the authorization of the lab by the State, a project that may be nominated by GoM via LOL.
  - SPMG submitted an abridged version of the Business Plan to the Ministry of Agriculture. A coordination meeting among all stakeholders will follow.
  
- State Commission for Prevention of Corruption
  - WL, the local pillar experts and the SCPC worked on finalizing the State Program and Action Plan.
  - A narrative introduction part of the program was developed and translated in English.
  - Intense preparations were made for Phase II of this project, the retreat for the Performance Monitoring System.
  - A donor meeting was conducted on May 22. The objective of the meeting was purely informative, to elicit donor input and discuss with donors areas where interventions under the updated State Program and Action Plan complement their current activities, and, if possible, avoid potential overlaps. In addition, SCPC during this meeting wanted to explore further cooperation with donors in a mutual fight against corruption in Macedonia.
  - Preparations started for Phase III, i.e. the performance assessment of the Secretariat.
  - The SCPC officially adopted the State Program and Action Plan on May 28.

- PDI and WL worked on the development of an Excel-based Performance Monitoring System, which will be finalized and presented to the Secretariat on July 9 & 10. Meanwhile, WL will work on exploring the possibilities of web based PMS to be designed locally.
  - The performance assessment of the Secretariat was conducted between June 18 and 23. WL staff conducted additional interviews with the Commission members during the week of June 25. Once all information needed is collected, PDI will write a report on findings and recommendations. Preliminary findings were already communicated to the top management of the Secretariat.
  - The Government of the Republic of Macedonia and the State Commission organized a donor meeting as a continuation of the donor event on anticorruption policy organized back in January 2007. The objective of this meeting was to ensure joint understanding on the state priorities in the fight against corruption through the presentation of the State Program and the Action Plan, and to understand the donor views and recommendations in this area. Representatives from approximately 20 Embassies and international donors working in the country were present at the meeting.
  - Performance Design International (PDI) conducted additional interviews with the President of the State Commission for Prevention and Repression of Corruption.
  - PDI, WL and the SCPC Secretariat worked on development the values for all KPIs of the excel-based Performance Monitoring System.
  - PDI presented the excel-based Performance Monitoring System to the Secretariat.
  - PDI and WL have developed the job profile templates for the Secretariat that will be part of the findings and recommendations report, which is expected by the end of August.
  - WL and the SCPC Secretariat worked on revising and finalizing the KPI's and their values for the excel-based Performance Monitoring System (PMS).
  - The final PMS and SCPC progress reports were presented in front of USAID representatives.
  - Performance Design International is working on finalizing the Findings and Recommendations Report, which will be submitted to WL/USAID at the beginning of September.
  - PDI and WL worked on mapping core processes within the SCPC Secretariat;
  - PDI and WL presented the Finding and Recommendations Report to USAID, the State Commission for Prevention and Repression of Corruption and the SCPC Secretariat;
  - WL conducted additional meetings with the SCPC Secretariat staff concerning the Findings and Recommendations Report;
  - USAID and WL met with the SCPC Secretariat to follow up on the actions and activities related to media and journalists identified in the State Program for Prevention of Corruption.
- Bureau for Development of Education

- As response to the RFP for a Field of Activity Expert (FoAE), WL received proposals from two Slovenian experts. Ms. Natalija Komljanc from the National Education Institute in Slovenia was selected to be part of the Performance Assessment Team as FoAE.
- At the beginning of May through a competitive bidding process, Mr. Klaus Wittkuhn was selected for the position of a Performance Expert for the Performance Assessment of the Bureau of Development of Education (BDE). Because of the tight timeframe of the assessment, Mr. Wittkuhn proposed two additional experts from his organization, Ms. Monique Muller and Mr. Jaime Hermann, to be part of the Performance Assessment Team.
- The performance assessment of the BDE started on May 21. Focus Group Discussions (FGD) and interviews were held with representatives of all BDE sectors. In addition, the team visited one regional unit in Stip where roles, responsibilities and key processes within the unit were discussed. The team also worked on compiling data and coming up with the first hypotheses.
- The team continued with gathering information through conducting additional FGDs with the regional units, individual interviews and meetings with the BDE representatives. By the end of the second week of June, the first findings and recommendations were scheduled to be presented to the BDE Director, Deputy Director and Heads of Sectors.
- After an extensive period of gathering information through focus group discussions, individual interviews and review of documentation during the months of June and July, a meeting with all team members was held in Bonn, Germany, between July 31 and August 4. The purpose of the meeting was to consolidate data, discuss findings and formulate the recommendations for the final report.
- August 15-30, the WL team conducted a target audience survey in 8 primary and secondary schools with the school principals and teachers. The purpose of the survey was to check the schools' awareness of the new BDE competences, to determine the areas in which the schools need support by the advisors and the way the schools would like to cooperate with the BDE advisors in the future.
- By mid September, the team worked intensively on compiling the report on findings and recommendations that resulted from the assessment of the BDE. Prior to presenting the report to the BDE Director and Deputy Director on September 20, it was reviewed by the local and the foreign Field of Activity Expert as well as by an external expert, who gave very positive feedback. The findings and recommendations in the report were well accepted by the BDE top management. In the upcoming period, the team will work on finalizing and translating the report and designing an intervention package meant to address the identified performance gaps in the institution.

## **F. Academic Programs**

- Ms. Jadranka Pakic: enrolled in IEDC BLED School of Management in Slovenia, Part-time Executive MBA, June 2007 - December 2008. Ms. Velevska received an excellent feedback and was congratulated on her performance as a team leader during Module 1 by the team members and by the Mentor-Director of the Alumni Association.
- Ms. Elena Cvetkova: enrolled in IE Business School in Spain, Full-time international MBA, September 2007 - December 2008. The International MBA program at the Instituto De Empresa Business School is ranked third in Europe and 11<sup>th</sup> globally by the Financial Times. The program has an international character, covering over 900 hours of class work during which over 500 practical case studies are examined, including multimedia practical cases, simulators and interactive games.
- Mr. Nikola Gjorgiev: enrolled in Oxford SAID Business School in England, Full-time MBA, September 2007 - September 2008.

### **G. Cost Saving Measures**

- \$300 was saved by providing interpretation in-house for interventions related to HICD/State Education Inspectorate (SEI).
- \$470 was saved by providing translation in-house for documents related to HICD/Ministry of Justice (MOJ).
- \$2,167 was saved by applying reduced M&IE rates for the third country training program Leadership Training for Confederation of Free Trade Unions.
- \$250 was saved by providing interpretation in-house for interventions related to HICD/Bureau for Development of Education (BDE).
- \$708 was saved by providing translation in-house for documents related to HICD/Ministry of Justice (MOJ).
- \$1,630 was saved by providing translation in-house for documents related to HICD/Ministry of Justice (MOJ)
- \$15,000 was saved in negotiated training fees for the third country training program, Single Window Study Tour.
- \$300 was saved by providing translation of in-house for documents related to HICD/Ministry of Justice (MOJ).

**Total Savings.....\$20,825**

### **III. APPENDIX**

- A. Intervention Status Report – April - September 2007
- B. Success Stories for April - September 2007

**APPENDIX A: INTERVENTION STATUS - NEW STARTS - APRIL - SEPTEMBER 2007**

	UST	TCT	ICT	TA	Small Grants	EMT	Academic	Partnerships	HICD Activities	TOTALS
<b>Number of Interventions</b>										
<b>Macedonia - period</b>	1	8	0	1	4	0	4	0	1	19
<b>cumulative</b>	4	15	17	5	4	0	4	0	7	56
<b>Number of Participants (if applicable)</b>										
<b>Macedonia - period</b>	2	68	0	n/a	n/a		4		n/a	74
<b>cumulative</b>	15	110	4030	n/a	n/a		4		n/a	4159

Appendix B to FORECAST/Macedonia Semi-Annual Report  
April - September 2007  
Success Stories

Macedonia – START

**“Cvet” Craftworks Decorate Paris Catwalks and US Artisan Shops**

**Challenge:**

Ms. Spasika Tasevska has been an inspiration and a driving force for a group of 240 women and 34 teenagers from the town of Krusevo in her endeavour to turn her brilliant ideas, enthusiasm and entrepreneurial spirit into projects that can trigger social change and improve the economy in this very small charming town in the heart of Macedonia. But, as she says, never in all these years did she ever dream that her pillows would be decorating the sofas on the “Martha Stewart Show” or that stars like Sandra Bullock and Keanu Reeves in the movie “Lake House” would take a nap on them. “Cvet” is a women’s non-governmental organization of highly skilled knitters, crotchetiers and embroiderers of all ages. The main purpose of the organization is to engage women in manufacturing specific handicrafts that are typical for the region of Krusevo, thus enabling economic strengthening and socialization of these women.

**Initiative:**

From 2002 to 2005, Aid to Artisans, a USAID-funded project, helped Macedonian artisans tailor their handicraft production to the needs of local and export markets. In August 2002, Ms. Taseska attended a ten-day Market Readiness Training for entrepreneurs and leaders of handicraft organizations. Apart from the unique hands-on training experience, which helped her build a successful business, Ms. Tasevska was able to exhibit her products at the New York Gift Fair and establish contacts that turned into business deals. After the training, Cvet worked on contemporary designs by ATA designers Keith Recker, Margaret Wood and Lynda Grose, and learned how to expertly apply basic, speedy crochet and embroidery techniques to a series of home accessories destined for the US market.

**Results:**

Since 2003, Cvet has been producing clothes, unique pillow designs and other home accessories for renowned companies like Klein Reid in the US and Soukotyssu in France. They have exhibited their pillows at many international fairs, including the New York International Gift Fair, Tendence Ambiente in Frankfurt and La Maison in Paris. A project with the Parsons School of Design resulted in a fashion show attended by leading buyers and designers. The Macedonian-made products were featured as one of the 18 collections of clothes juried, and they placed 5th. Cvet continuously receives offers for cooperation from countries like Slovenia and Greece, and from projects sponsored by the World Bank, UNICEF and the Swiss Embassy. In some cases, Cvet withdraws due to

lack of necessary space, given that their current premises do not allow them to operate at a level that meets demand.

**Pullout Quote:**

Spasika Tasevska says: "Many homes worldwide have been decorated with the products made by skilled Krusevo women. This gives us hope, strength and confidence that we can add even more value and make positive change for the entire region".

**Summary:** Representatives of a women's artisan association attended training in the US for entrepreneurs and leaders of handicraft organizations. As a result of this training, and the contacts that were made, the association has exhibited clothes, pillows, and other home accessories in New York, Frankfurt, and Paris, and is now receiving support from the World Bank, UNICEF, and the Swiss Embassy. As one of its members says, "Never in all these years did we ever dream that our pillows would be decorating the sofas on the "Martha Stewart Show" or that stars like Sandra Bullock and Keanu Reeves in the movie "Lake House" would take a nap on them."

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Macedonia – FORECAST

**"Center for Economic Analyses Offers Serious, Thorough and First-of-a-Kind Analyses of Government Initiatives"**

**Workshop on startmodel update with Mr. Marein van Schaijk**

**Challenge:**

The Center for Economic Analyses (CEA) is a think-tank founded by economists, with a mission to continuously research the economic development and economic policy of the Republic of Macedonia and to offer policy-relevant recommendations and solutions where deemed appropriate. Upon initiative of Business Environment Activity, a USAID-funded project, CEA will be supporting the Government of the Republic of Macedonia in utilizing the macroeconomic forecasting model in daily operations. The model is an instrument that will help to strengthen macro and micro economic policy analyses, priority setting and strategic planning in macroeconomic forecasting and quantitative analyses in support of budget preparation and, furthermore, provide a platform for comparing different economic policy initiatives.

**Initiative:**

Through the continuous support of USAID, in September 2003, Mr. Marjan Nikolov, CEA President, together with representatives of the National Bank and the Ministry of Finance of the Republic of Macedonia attended a three-week "Macroeconomic

Forecasting” training in the Netherlands and Poland. As well as being exposed to very successful macroeconomic forecasting models, Mr. Nikolov learned how experienced think-tanks function, the types of activities they carry out, and their institutional design and business strategies. In addition, in August 2007, during the “Upgrading Forecasting MacroABC Model” training, CEA representatives, in cooperation with the Dutch experts, upgraded the original macroeconomic model to an operational version applicable to the Macedonian economy, similar to the financial programming model used by the International Monetary Fund. By using this model, CEA will assess the consistency of the economic initiatives of the political parties, as well as the price that has to be paid for their implementation.

### **Results:**

CEA followed the Dutch and the Polish model and directed its activities towards developing itself into a think-tank that contributes significantly to strengthening the Macedonian civil society and promotes open dialogue/debate on important policy issues. Only two weeks after Mr. Nikolov returned from the second training in the Netherlands, CEA undertook analyses of nine Government initiatives included in the 2006-2010 Government Program or announced at its press conferences. The main intention of CEA, through continuous improving and upgrading of the macroeconomic forecasting model, now called CEA’s Macro Model, is to use its potential for enhancing the quality and strengthening the discipline of the public debate on macroeconomic issues, thus offering unique, realistic analyses of the proposed Government initiatives and estimation of their effects on key macroeconomic variables of the country. The weekly economic magazine “Kapital” publishes CEA analyses once a month.

### **Pullout Quote:**

Mr. Marjan Nikolov, the President of Center for Economic Analyses, finishes the first article published in “Kapital” reiterating that, “From now on, CEA will be publishing the analyses of the most important economic issues, moves and politics of the Government of the Republic of Macedonia and consecutively, their effect on businesses and lives of citizens. It is our common goal to improve the standards and the quality of discussions and public debates on economic, in particular, macroeconomic issues”.

### **Summary:**

The president of the think-tank, the Center for Economic Analyses (CEA), was one of those who attended training in Poland and Holland. As well as being exposed to very successful macroeconomic forecasting models, they learned how experienced think-tanks function, the types of activities they carry out, and their institutional design and business strategies. Macroeconomic forecasting models have now been introduced in Macedonia, to improve the quality of public debate on macroeconomic issues, and to offer realistic analyses of proposed Government initiatives.