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EXECUTIVE SUMMARY

STRATEGIC OVERVIEW

USAID's Small Business Expansion Project (SBEP) catalyzes MSME growth as a source of job creation and improved incomes in Macedonia. SBEP identifies opportunities and facilitates MSME linkages to promising market opportunities, financing, and technology, with a particular focus on import substitution instead of the more traditional emphasis on exports. The SBEP approach to stimulating MSME growth in the near and medium term is to identify opportunities where local producers in outlying regions can meet specific sourcing needs of lead firms operating in the country. This focus on inward-looking supply chain enhancement takes advantage of existing systems and resources, strengthening or creating new linkages throughout value chains in the agriculture, food, construction, and light manufacturing industries, among others.

In parallel, the Project fosters critical public-private dialogue and partnerships at the regional and local levels as means of supporting MSMEs and regional economic growth. Through these efforts, SBEP is developing a replicable model for sustainable regional economic development, starting in the Project target regions of Polog and Pelagonija and eventually adding a third region.

The key issue SBEP takes on is poorly integrated supply chains, a reflection of weak or non-existent linkages among MSME suppliers, aggregators, and end-buyers. These linkages were well-established in the former Yugoslavia, but the void left behind in Macedonia has led to informality, massive inefficiencies, and declining competitiveness across sectors. A related issue is the extremely limited public-private dialogue and coordination among stakeholders to structure and implement strategic funding proposals and programs. SBEP comes at the problem from both ends, by fostering dialogue among disparate stakeholders, and by working directly with lead firms and MSMEs to identify needs, facilitate market linkages, implement proof-of-concept initiatives, and take these initiatives to scale.

SBEP prioritizes two mutually-reinforcing categories of local economic development initiatives:

- **Supply Chain (SC)** integration and strengthening to benefit MSMEs and link them to markets, finance, technology, and support services
- **Public-Private Dialogue (PPD)** leading to strategic priorities, funding proposals, partnerships, and implementable economic programs

In its first year, SBEP has proactively engaged with firms, municipal governments, and existing programs at the regional and local levels to identify opportunities and test approaches. To date, SBEP has worked with over 100 MSMEs and facilitated linkages with lead firms in six distinct value chains: dairy and fodder, vegetables, wild-gathered products, tool and die, packaging, and printing. Over the four year life of the project, SBEP expects to leverage a minimum of \$25 million in lead firm purchasing power redirected toward local firms. The resulting MSME growth is expected to create at least 5,000 new jobs, and sustain or improve many times more.

The Project quickly recognized that one of the most promising opportunities for MSME growth lies in the food and agriculture industry, which comprises some 16% of GDP and employs over 20% of the national population.¹ SBEP recognizes massive growth opportunity in this sector, and has largely focused its efforts on its development. The *Grow More Corn* campaign and similar initiatives in various value chains, the progress of which detailed in the following sections, present a model of wide-ranging transformational impact based on the introduction of new technologies and enhanced market linkages.

Project activities are implemented through local Business Service Organizations (BSOs) – here SBEP includes public-sector partners such as the local governments and their Local Economic Development (LED) offices, the Regional Development Centers (RDCs), the National Agricultural Extension Agency (NEA), the Public

¹ Macedonia State Statistical Office, 2007

Enterprise for Forests *Makedonski Shumi*, the National Park *Mavrovo*, as well as civil society organizations, private firms and consultants with specific technical expertise and a proven track record of providing solutions for MSMEs (e.g. *Preda Plus*, *ALRD*, *PointPro*, *ProBio*, *Magan-Mak* and *MKonsalting*). By executing Project initiatives through local firms and public-sector bodies, SBEP validates their expertise, enhances and adds to their experience, and thus builds up their capacity and strengthens their credibility. This adds to a stronger local knowledge base in areas like supply chain enhancement and access to finance, further developing the local economy.

New opportunities are vetted through an iterative process involving public and private stakeholders. All the initiatives supported by SBEP are the result of extensive conversations with local actors including mayors, Local Economic Development offices (LED), Regional Development Centers (RDC), chambers of commerce, business owners, and civil society organizations. This organic approach to local economic development has proven to be much more effective than a “top-down” strategy.

The flexibility of USAID/Macedonia has allowed SBEP to test a variety of approaches and adapt initiatives to the specific needs and conditions of different municipalities. The critical element of this process is economic viability; an initiative must show potential to create value at multiple levels in order to bring about the public and private buy-in necessary for sustainable success. “Value” in this sense is not limited to financial value, but refers to progress on all outcomes that the SBEP seeks to develop, especially those resulting from MSME growth, job creation, and improved livelihoods.

Critically, USAID investment in SBEP initiatives is relatively small compared to the purchasing power and investment potential brought by the partner lead firms. This reflects a truly sustainable market-driven approach; initial USAID support – including everything from subsidies for pilot drip irrigation schemes, to success fee-based contracts with business service organizations (BSOs) for matchmaking initiatives, to sponsorship of certification courses for wild product gatherers – will quickly give way to sustained private investment. After demonstrating positive initial results, both lead firms and MSMEs themselves will invest in the new technologies and/or methodologies that have been shown to create value at all levels.

QUARTER OVERVIEW

During this third quarter of FY 2013, initiatives within both of SBEP's main components have seen significant progress. Developments within the Supply Chain component include planting of the corn on the demo fields and installing the drip irrigation systems; a conference on wheat and identification of wheat farmers for pilot activities; opening of the first collection center for wild herbs and mushrooms in rural Polog; identification of local suppliers for lead firms in light manufacturing, and more. As for the Public-Private Dialogue component, the first among the Women in Business initiatives was implemented; dates were set for two Diaspora Investment events, gathering diaspora members; more trainings took place within the LEADER/LAG project and activities regarding the development of a Local Economic Development strategy for Prilep and a Pre-feasibility Irrigation Study for Novaci have started. SBEP's partners in both regions as well as the local BSOs and consultants hired for the particular initiatives have applied themselves intensively to contribute to these efforts.

Throughout the quarter, SBEP staff has continued meeting with all relevant stakeholders in the communities, including local authorities, local businesses, civil society actors and citizens to best understand the dynamics of the groups the Project is interacting with and to identify opportunities for economic development and future intervention. In that context, meetings were held with the mayors of Tetovo, Bogovinje, Prilep, Mogila and Novaci, some of whom are new in office after the March local elections, and who are major partners and also leaders in some of the Project's activities.

In May, SBEP representatives met for the first time officially with the Deputy Minister for Agriculture, Forestry and Water Economy, Mr. Zoran Konjanovski. The purpose was to share information about the Project's current activities, as to date the Ministry has not really been involved in what SBEP is doing in the field. It was agreed for Ministry representatives to participate in events organized by SBEP and provide information about their activities and programs. SBEP has shared a list of upcoming events, and is waiting for the Ministry officials to pick and join events that are of interest to them.

SUPPLY CHAIN COMPONENT

Within its Supply Chain component SBEP aims to identify and support business opportunities that show potential to create value at multiple levels, the critical element being economic viability. SBEP focuses on identifying and facilitating opportunities for import substitution supply chain enhancement, targeting lead firms operating in Macedonia that have a procurement need which could be met by local providers. Identified opportunities are assessed through communication with relevant stakeholders, and they are supported if they bring progress on outcomes that the Project seeks to develop, especially those resulting in and from MSME growth.

Each initiative is evaluated for criteria including its market potential, its transformational impact on the supply chain, its scalability and replicability. In addition, public-private dialogue facilitates leveraging of public and private investment in the process, thus stimulating local ownership and ensuring sustainable success of the initiatives. Gender, youth and environmental considerations are an intrinsic parts of the opportunity assessment process, as well as the mobilization of local BSOs, which contributes to their own capacity building.

SBEP's approach allows the MSMEs involved to harness the investment and know-how of larger firms in developing local supply chains to meet market requirements. This enhances the economic viability of the small firms, which gain access to new technologies and technical assistance, as well as the security of purchasing agreements with buyers. As these firms grow and demonstrate their capacities to meet the pricing, volume, and quality needs of buyers, they become viable alternatives to importing inputs at the lead firm level.

Following are the developments from the second quarter of 2013 within the various supply chain initiatives supported by the Project.

GROW MORE CORN INITIATIVE

During this quarter, activities have continued as part of SBEP's flagship supply chain initiative - *Grow More Corn*. In a nutshell, the 40-plus farmers who make up the pilot groups in both Polog and Pelagonija received trainings and consultations about how to grow corn with the drip irrigation system by *MaganMak* – the local provider; all of the systems were laid by the end of June, with slight delay because of the weather conditions; an Israeli expert with the pioneering firm Netafim visited a portion of the demo plots and provided tailored advice and guidelines to all the farmers included in the activity; launch events to mark the activity and spread the word took place in both regions. At the same time, SBEP staff continued discussing the initiative with other interested stakeholders, including farmers, dairies, as well as financial institutions, in order to prepare for expanding the initiative and its impact next season, through a new group of farmers.

Supply Chain Component	Activities this quarter
Grow More Corn Campaign	<ul style="list-style-type: none"> Initial trainings held in each region (on April 2 in Pelagonija and on April 10 in Polog) Drip irrigation systems laid on a total of 42 hectares of land, belonging to 45 farmers in Polog and Pelagonija by the end of June Israeli expert Eli Matan of Netafim visited both regions to lead trainings with the pilot group farmers Launch events held in both regions (May 7 in Polog and May 13 in Pelagonija) Consultations continue with relevant stakeholders (farmers, dairies, financial institutions, etc.) for expanding the initiative next season

The following section provides more details regarding the activities that SBEP undertook during the third quarter of FY 2013 within the *Grow More Corn* initiative.

In April, the farmers who were selected to be part of the first pilot group to grow corn with drip irrigation and modernized farming protocols had their first joint meeting and training about the benefits of the system and how to use it properly. The training for the 30 farmers from Pelagonija took place in Bitola, at the offices of SBEP's partner the National Extension Agency on April 2; the Polog training was held at the RDC Polog in Vrapchishte on April 10. The second training comprised both the group of 15 farmers that received drip irrigation, as well as the 28 farmers who received only advice on modern farming protocols. The experts from Skopje-based *Magan-Mak*, which is providing the technology and technical assistance, delivered the presentations, with input from the Water Supply Company *Strezevo*, and answered questions that the farmers had in this initial get together as a group.

Later during the same month, most of the farmers planted the corn, while some delayed sowing due to the heavy rains, which drenched the soil and in some cases made it temporarily unsuitable for sowing. These farmers planted the corn in May. As the drip irrigation system can only be laid after the plants have sprouted and are 5-6 inches tall, the laying of the systems in both regions was completed by the end of June. A total of 42 hectares of land, on 45 different plots, were covered in Polog and Pelagonija.

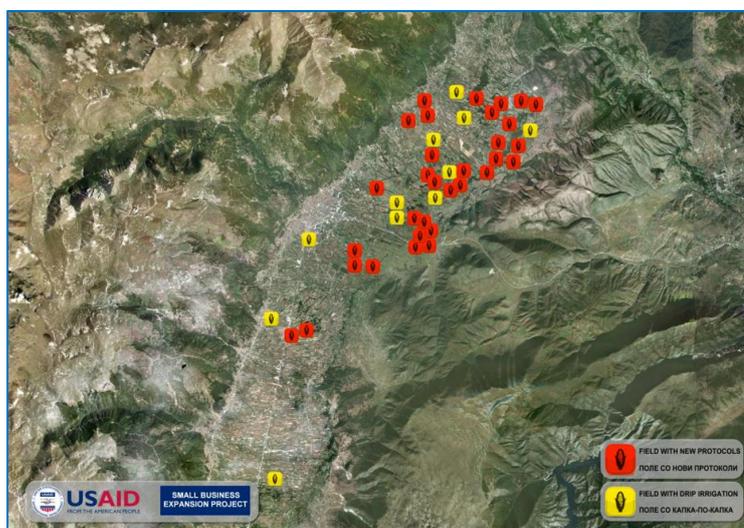


Figure 1 Corn demo plots in Polog with drip irrigation (yellow) and seeds only (red)

May also saw the official launch of the initiative in both regions. Events that gathered farmers, mayors and other SBEP partners, but also the US Ambassador and his Deputy, were organized in Polog and in Pelagonija.

The first event took place in Polog on May 7, and it consisted of visits to two of the 15 demo plots in the region. Farmers, mayors, business owners were joined by the US Deputy Chief of Mission, Mr. Brian Aggeler, to visit the fields and discuss the project and its benefits.

The visit began at the demo plot which is located at *Vežë Sharri*, the biggest egg producer in Macedonia, and continued at the other, located at the VET school in Tetovo. Both locations were chosen because of their specific importance for the initiative. Namely, the owner of *Vežë Sharri*, Mr. Arben Abdurahmani, had given the initial impetus for the idea to grow more corn in Macedonia, by articulating the strikingly simple – but great – need for local corn in the country. The demonstration plot at the *Vežë Sharri* plant is important because it will serve as a showcase for the farmers from neighboring villages, who will be able to see for themselves and learn about how to grow more corn with this technology which hasn't been used to in Macedonia to date for this crop. The Vocational Education School *Mosha Pijade* in Tetovo was the second location visited as part of the launch event in Polog. This demo plot is important because the school has an agricultural program in which some 50 students enroll each year. Through the project, they will receive additional practical knowledge about how to grow corn with this technology. Current students from the school assisted in laying the system, thus learning about the entire procedure from the very beginning. They will follow it through to harvest, practicing the farming protocols needed for a successful yield. As a number of the students come from farming families, they will be able to take home what they have learned and apply this new technology to the benefit of their own families and communities.

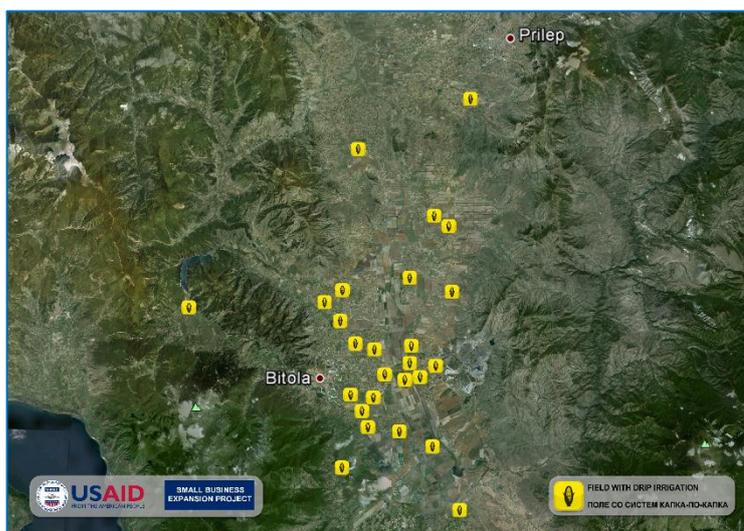


Figure 2 Corn demo plots with drip irrigation in Pelagonija



Figure 3: Arben Abdurahmani (middle), owner of SBEP partner firm *Vežë Sharri*, talks with US Deputy Chief of Mission Brian Aggeler at the launch of the Grow More Corn initiative in Polog



Figure 4: Tetovo Mayor, Teuta Arifi (in the middle) and US Deputy Chief of Mission Brian Aggeler learning about drip irrigation at the launch of the Grow More Corn initiative in Polog

On both locations in Polog, signs were erected marking the demo plots and explaining that the field is irrigated by drip technology. The signs have been designed to look like a scarecrow, traditionally used in corn fields, and they have been put up on a number of demo plots. It was especially important to have such signs on those fields that are located near a road, thus facilitating additional outreach by providing interested farmers with initial information about the project and allowing them explore further the possibilities of using the new technology themselves.



Figure 5 The scarecrow sign is marking the demo plots with corn on which drip irrigation is installed

A similar *Grow More Corn* launch event took place in Pelagonija on May 13, which was attended by the US Ambassador to Macedonia, Mr. Paul Wohlers. In fact, the Ambassador not only launched the initiative in Pelagonija, but also visited other activities implemented by SBEP in the region, gaining a perspective both broad and deep on the SBEP approach and the stakeholders involved in Project initiatives.



Figure 6 US Ambassador to Macedonia, Paul Wohlers in discussion with farmers in Pelagonija, in the home of one of them

During the day, Ambassador Wohlers met with the Mayors of Novaci and Mogila, Mr. Lazar Kotevski and Mr. Stevo Pivkovski, respectively, both of whom are crucial partners in the various activities that affect these mostly agricultural municipalities in Pelagonija. A few of the best farmers from both municipalities are part of the first pilot group that received drip irrigation. Ambassador Wohlers met with the farmers and discussed with them their experiences and views about their work, as well as the challenges they face. He emphasized that they need to consider themselves as small businesses and not simply traditional farmers, who with the assistance provided by USAID through SBEP can become stronger and more sustainable.

At the same time, they can serve as examples for their colleagues, who are already lining up for next season, when SBEP plans to offer this technology to a new group of farmers, expanding its efforts for changing the dynamics of corn production in the country and further scaling the impact of *Grow More Corn*.



Figure 7 US Ambassador, Paul Wohlers, and Mayor of Mogila, Stevo Pivkovski, together with farmers walking towards a demo corn field

In the beginning of June, farmers received another round of trainings and advice from an Israeli expert on drip irrigation for corn, Mr. Eli Matan from Netafim, the pioneering irrigation technology firm which invented drip irrigation over 50 years ago, and has ample experience in its application for corn. SBEP invited Mr. Matan to spend a day in each of the regions, talking to farmers about the technology, explaining all the details regarding its use: how the corn needs to be planted as well as when the fertilizer needs to be administered, in order to provide continuous feeding and watering of the plants and ensure the high yields which are



Figure 8 Israeli expert Eli Matan explaining corn farming protocols with drip irrigation to farmers in Polog

expected by using the technology and following the protocols properly. SBEP is also partnering with the National Extension Agency (NEA) to provide on-site monitoring and technical assistance to farmers. This is part of the NEA's mandate as a government agency, but a lack of funding in recent years has kept its specialists from doing much field work. SBEP sees the NEA as a key partner in ensuring the sustainability of the effects created under *Grow More Corn*.

In addition to the trainings and consultations that farmers have received since their selection for the pilot group, the Project in collaboration with experts from *Magan-Mak* has provided additional support, as well. Namely, an SMS service has been put into place, by which the farmers receive notifications on their mobile phones about the timing of when to start or stop irrigation or mix the fertilizer into the water, so that the best effects are achieved. The service also serves as a "helpline" for partner farmers with questions about any aspect of the program.

"A lot of farmers from the area have come to see [the new drip irrigation system]. They ask a lot of questions about it. They even come to the corn field when I'm not around to see how the system is laid out. When asked, I tell them that the goal of this system is to save on time, water, and still increase production. This is very important to us." said Nehat Aliu, a farmer from the village of Kamenjane in Bogovinje.



Figure 9 Corn grown with drip irrigation and modern farming protocols approximately a month after being planted (left), and four weeks later (right)

Progress in the fields has been visible already: if the corn was 20 inches high a month after being planted, four weeks later it was as high as 70 inches. This gives good hope that the process is going along as planned, and at harvest time, there will be significantly more corn and silage compared to production without the drip irrigation technology or the protocols. Namely, assuming approximate yields of 5-6 tons per hectare until last year, the projections for this year's yields, based on the progress of the plants so far, is a minimum of 12t

per hectare, doubling or even tripling yields for at least 400 farmers in the coming years. This will bring transformative effects and help small farmers rethink their livelihoods – as viable, vibrant small businesses, not simply farmers by default.

When asked whether he noticed an improvement in the way his corn was growing compared to previous years, Nehat Aliu, a corn farmer from the village of Kamenjane in Bogovinje, said: *“Not only can I see a difference from previous years, but it’s also visible in comparison to my other [non-drip] corn field. There is a big difference [in size].”*

As the initiative gains momentum, more and more farmers, local leaders, and lead firms in corn-reliant industries are recognizing just how significant the

effects will be. The potential increase of 100-200% in yields among SBEP’s partner farmers will fundamentally and drastically improve overall corn production to the benefit of the various value chains linked to it, including the dairy, egg, poultry, beef and food processing sectors, representing massive potential for MSME growth in Macedonia. Even the small businesses (*MaganMak* and others) providing agricultural inputs will benefit from the expanded production, as will public utilities like the water supply companies.

A concrete example of an initiative that has been influenced by SBEP’s *Grow More Corn* program and its focus on irrigation and farmers is the revival of the idea of the municipality of Novaci to expand the *Strezevo* irrigation system onto its territory. SBEP is supporting the development of a pre-feasibility study that will enable the municipality to apply for funds and implement the project. (More on this in the PPD component of this report.)

INDUSTRIAL TOMATOES INITIATIVE

Industrial tomatoes are another sector in which SBEP is deploying its Supply Chain program. In May, the three farmers who were selected to be in the pilot group planted their tomato seedlings. The local producer of tomato paste from Bitola – *Konzervna (Kompanija Zivko Radevski)*, which buys from the three producers – provided them with high quality seedling material and has committed to purchasing the increased supply of tomatoes. The farmers are expected to harvest up to 120 tons per hectare, a monumental improvement over the current average of 20 tons per hectare. *MaganMak* oversaw the installation of drip irrigation systems on the one-hectare plots in June, and provided the farmers with guidelines about the watering and fertilizing protocols for the plants. SBEP expects the tomato pilot to result in improved and stabilized incomes for the small farmers, who will grow in number as results are shown. As in the *Grow More Corn* initiative, the NEA will assume its same on-site advisory role with current and future tomato farmers.

Supply Chain Component	Activities this quarter
Industrial Tomatoes Initiative	<ul style="list-style-type: none"> • Tomato paste producer <i>Konzervna</i> from Bitola prepared the seedlings for the three farmers who will grow industrial tomatoes with drip irrigation • The farmers planted the seedlings on to their demo plots and the drip irrigation systems have been installed as planned

WHEAT PRODUCTION INITIATIVE

Wheat is another important crop which to date has been produced in low volume and quality in Macedonia, mainly because of inappropriate, outdated inputs and cultivating practices. SBEP has therefore started an initiative to help improve the quality and quantity of this crop, which is used both for human and animal consumption. SBEP's partner in this initiative, local consulting company *MKonsalting*, is taking the lead on implementation of this activity.

Supply Chain Component	Activities this quarter
Wheat Initiative	<ul style="list-style-type: none"> • Wheat conference held on May 21 in Bitola • Meeting with a number of farmers in Novaci/Mogila held on June 12 • Selection of wheat farmers for pilot group underway

MKonsalting organized a wheat-focused conference entitled *How to Increase Your Wheat Yields* on May 21 in Bitola. Some 50 participants took part, among them farmers, mill owners, and agricultural input suppliers. The first part of the conference focused on wheat varieties, and how the crop is cultivated, fertilized and protected. Professor Ljupco Jankuloski from the Agricultural Faculty in Skopje explained in detail the use of modern agro-technical measures and the importance of using certified seeds which would ensure higher and stable yields, while *Magan-Mak* expert Ivan Postolovski's presentation concentrated on how to protect and fertilize the wheat.



Figure 11 Young wheat stalks in Pelaqonija

The second part of the conference was reserved for presentations on how farmers can access funding. Marija Vaskova from *MKonsalting* and Goran Kovacev from the *Macedonian Bank for Development Promotion* presented on bank loans that are available to farmers, as well as other options including the EU IPARD program and the National Program for the Development of Agriculture and Rural Development.

As a follow-up to the conference, a meeting was organized in the municipality of Novaci on June 12, when a dozen wheat farmers gathered to learn about the pilot program planned within SBEP. The initiative will provide technical assistance to up to 40 farmers on how to grow better quality and higher yields of wheat, and will also facilitate the supply chain linkages between wheat farmers and mills (*Zito Altan* and others). At the meeting, the farmers were presented with the option to become part of the pilot initiative, set to begin this coming fall. Another point of discussion which Ms. Vaskova brought up was the possibility for the farmers of participating in a pilot group for testing new seed varieties and becoming seed producers instead of just seed users.



Figure 12 Consultant Marija Vaskova from MKonsalting, chairing the meeting with wheat farmers in the municipality of Novaci

The wheat initiative aims to restore broken linkages in the supply chain in the country. A starting point is the Skopje-based mill, *Zito Altan*, which plans to expand its supply chain in Pelagonija and is considering opening a wheat collection center there. SBEP and *MKonsalting* have facilitated communication between *Zito Altan* and Pelagonija farmers, and also between the mill and the municipality of Novaci, where there is potential for establishing a collection center. By the fall sowing season, *MKonsalting* is expected to help conclude purchasing agreements between *Zito Altan* and farmers, thus providing the farmers with a guaranteed buyer.

The wheat initiative is another example through which small farmers are encouraged to think of themselves as small businesses, and provides a replicable and scalable model which SBEP and partner BSOs can transfer to other supply chains and regions.

WILD-GATHERED PRODUCTS INITIATIVE

Another high-profile supply chain enhancement initiative has seen major progress this quarter - that related to the market for wild-gathered products including herbs and mushrooms.² The wild-gathered products sector presents great potential for job creation and income improvement in Macedonia, but until now has been an unregulated and poorly-integrated sector. Informal collectors sell on a spot market to export-seeking buyers who set prices themselves. Furthermore, as much of the collection takes place on public

Supply Chain Component	Activities this quarter
Wild Gathered Products Initiative	<ul style="list-style-type: none"> • 4 trainings for collectors of wild herbs and products conducted in the municipalities of Bogovinje, Vrapchishte and Tetovo, resulting in up to 150 trained collectors • Study tours organized to already existing collection centers in Makedonski Brod, Probistip and Veles • Regulation for collecting in an organic and sustainable way developed for the National Park Mavrovo • Collection Center in the village of Pirok fully functional, to be officially opened in July

² The regulation of the Public Enterprise *Macedonian Forests* and of the National Park *Mavrovo* refers to these as "other forest products"

lands, the government is missing a real opportunity to regulate the industry, thereby improving outcomes for the collectors and securing the sustainability of the forests. While in other regions in Macedonia, there are Collection Centers, Polog is lacking such businesses which would buy the products collected, despite the large numbers of collectors and the abundance of products out there in the forests. Through this initiative, SBEP plans to support the establishment of at least four Collection Centers in the Polog region, each of which has the potential to create 300 stable seasonal jobs and generate improved incomes of up to \$7,800 annually (over 60% above average national per-capita income). These Centers will also serve as the focal points for certification and outreach to collectors in rural areas.

This quarter, trainings and certification courses for collectors in Polog have continued. Training sessions for collectors took place in the municipality of Bogovinje on May 11 and June 1, and in the municipalities of Vrapchishte on May 18 and Tetovo on April 13. To date, some 145 collectors have been trained on organic and sustainable collection of the wild herbs and mushrooms occurring naturally in local forests. The trainings were conducted according to the regulation published recently by the Public Enterprise for Forests *Makedonski Shumi*, the national body responsible for managing Macedonia's forests, which will also issue collection permits to the collectors. In addition, they will receive certificates provided by SBEP partner BSO *Probio*, a registered certifying body, and sign contracts with the first Collection Center that has

“The new Collection Center will provide me with a guaranteed buyer. I think the income will be better as well.” said Shaban Abdili, a collector with 25 years of experience, when asked what the newly established Collection Center in Pirok meant for his job.



Figure 13: Collection Center owners from Polog talking to colleagues from Makedonski Brod

been established with SBEP's support in the village of Pirok, in the rural municipality of Bogovinje, thus completing all legal requirements to engage in this economic activity. Its location is convenient for the collectors in rural areas of Polog as they will have easy access as well as a secure buyer for the products they collect. The contract signing with the collectors will be done in the beginning of July, when the Collection Center in Pirok will be officially opened.

Also during this quarter, the owners of the newly established Collection Center in the village of Pirok visited two different collection centers that have been operating for several years in other parts of the country – in Makedonski Brod and in Probistip. The purpose of the visits was to learn about their experiences related to their relationships with collectors, but also with companies purchasing the gathered products. In addition, they discussed specifics that relate to the purchase and storing of particular herbs, and the equipment needed for handling and processing, such as refrigerators for the mushrooms. Furthermore, the owner of the collection center in Probistip is very interested in buying products from the center in Pirok, but more importantly, he has offered to mentor his colleagues in the coming period, and share insights gained during his seven years of experience.

Another set of activities within this initiative is related to developing and organizing this economic opportunity for the local population of the municipality of Mavrovo and Rostusha and the *Mavrovo* National Park. Discussions and preparatory activities with these local partners have continued for opening collection centers there, as well as for training and certifying interested collectors.

The National Park covers 93% of the municipality and is an entity in its own right when it comes to managing the forests and the biodiversity on its territory. As is the case with the Public Enterprise *Makedonski Shumi*, which is responsible for the forests outside areas designated as National Parks, the National Park *Mavrovo* needs to adopt rulebooks and guidelines which will specify the conditions for organic and sustainable collection of these other forest products on its territory. For that purpose, SBEP has provided technical assistance through its BSO partner *ProBio* to a working group from the National Park for preparing the necessary documentation, which is to be adopted by the Park’s Managing Board in early July.



Figure 14: Maps in a Collection Center where the environmentally clean collection regions are clearly marked

Subsequently, trainings will be held according to the new regulation, starting with the National Park rangers, who will be responsible for controlling the situation in the forests. In addition, to mobilize the local population, a campaign will take place to inform them about this opportunity: a couple of info days, posters, fliers and TV ads.

At the same time, SBEP and the local partners continue to seek opportunities for opening collection centers in the National Park, starting with the previously-identified opportunity in the village of Janche. Operations have been delayed because of the new regulation that is being passed by the Park, but SBEP continues to provide support and monitor the Center’s progress toward full operation.

SBEP’s Wild Gathered Products initiative excellently highlights the intersection of the Project’s two components. Both supply chain enhancement and public-private dialogue are critical to the success of this initiative; a mutually-reinforcing cycle is created where the market-driven component and the PPD aspects inform and improve one-another.

LIGHT MANUFACTURING INITIATIVE

Restoring broken supply chains or establishing new ones in the field of light manufacturing represents another line of activities within SBEP’s supply chain component. Similarly to other sectors such as agriculture, food processing, and textiles, local MSME manufacturers are often unable to meet the requirements of larger firms in terms of quality, price or quantity, presenting serious obstacles to establishing business relationships. Subsequently the larger companies, both Macedonian and foreign, resort to importing supplies. However, discussions with the larger companies have shown that many firms are willing to substitute imports with local supply, but do not have the time or resources to identify potential contractors.

Supply Chain Component	Activities this quarter
Light Manufacturing Initiative	<ul style="list-style-type: none"> In this pilot phase, consultants identified 4 local light manufacturing suppliers for Johnson Controls and 4 for Comfy Angel

Knowing that this type of service is needed and has the potential to expand, SBEP has initiated a three-month “matchmaking” pilot program in which local supply chain experts will identify opportunities for LM sector import substitution. To start with, two consultants, Mr. Dejan Janevski and Mr. Goce Peshev, were hired to search for local suppliers for two major companies: Prilep-based *Comfy Angel*, a Macedonian-British joint

venture producing beddings for export; and *Johnson Controls*, a large American multinational producing electronics for the automotive industry, with local operations based in Skopje. Should these companies decide to switch certain aspects of their procurement to local supply, provided that local companies can satisfy their

requirements, it would mean significant growth opportunities for local subcontractors.



Figure 15 Macedonian-British joint venture Comfy Angel willing to procure packaging materials locally

During this quarter, the consultants have identified several MSMEs that may be able to fit into the lead firms' supply chains. By doing nationwide research and not only limiting themselves to the regions in which SBEP is operating, they were able to identify four local companies that have the potential to become subcontractors for each of the lead firms in this phase. The next steps include facilitating the communication and the

establishment of business relationships and purchasing agreements between the larger companies and the smaller MSMEs. The process enables the lead firms and local MSMEs to build mutual trust and establish a foundation for long-term cooperation.

Another aspect of the consultants' research relates to detecting and understanding the challenges local light manufacturing companies face. Also, stakeholders will be interviewed for opinions and feedback about this type of service, so that it is tailored to meet market demands. This type of "matchmaking" program has applications across sectors and may be tested in other areas under SBEP. More detailed feedback is expected from the consultants in the beginning of July, which will inform the subsequent activities in this initiative.

VITAMINKA/ARTISANS INITIATIVE

SBEP is also facilitating linkages between Prilep-based confectionary leader Vitaminka and local artisans with capacity to provide merchandise to the company for their corporate giveaways. Again, this falls among the efforts to plug local suppliers into the supply chains of bigger companies. In the past quarter, two women artisans – a seamstress and a designer – produced a sample giveaway kitchen set with Vitaminka's logo: an apron, a bag, an oven-mitten and a pan-holder. Local BSO partner Preda Plus, which is coordinating the SBEP-Vitaminka partnership, organized a meeting with Vitaminka's Purchasing Department, at which the sample

Supply Chain Component	Activities this quarter
<i>Vitaminka/Artisans Initiative</i>	<ul style="list-style-type: none"> Vitaminka presented with artisan products for corporate giveaways



Figure 16 Hand-made decorative copper plate made by Prilep artisans as a sample corporate giveaway for Vitaminka

kitchen set was presented, along with the business model for its production. A few hand-made copper decorative plates, made by another local artisan, displaying local motifs were also presented to Vitaminka. Currently, the company acquires most of its promotional merchandise from China, mostly because of the low price, but also because of the variety of products available to choose from. Their main concerns with local suppliers is that they cannot offer prices that can compete with those of Chinese products, nor produce the needed quantities on time. In addition, local artisans lack know-how and perhaps new ideas on how to design marketable products.

As a result of the meeting, Vitaminka agreed to consider purchasing a smaller kitchen set including a small number of items, if an appropriate price can be reached. Also, they found the decorative copper plates as potential corporate gifts for partners. As for the design of corporate giveaways, they are willing to meet with local artisans and share with them catalogues with products they purchase abroad, so as to provide them with ideas about what could represent a sought-after product. Although small in scale, this initiative is important for SBEP because it demonstrates yet another way that lead firms can look “inwards” for sourcing needs. It is unlikely that Vitaminka ever would have thought to seek out local producers for corporate giveaways, and probably just as unlikely that local artisans ever would have approached a large firm like Vitaminka. SBEP looks forward to continuing to facilitate this partnership, and take the model to other firms with similar needs.

Upcoming events: SBEP Supply Chain Component

- *Official launch event of the first Collection Center for wild-gathered products in the village of Pirok, municipality of Bogovinje in the beginning of July*
- *Informational campaign and trainings for collectors in the National Park Mavrovo*

CHALLENGES: SUPPLY CHAIN COMPONENT

With the Supply Chain component, even though *challenge* would be too strong a word, it is worth noting that the matchmaking between lead companies and local suppliers, i.e. the restoring of broken linkages, takes time and effort to do. It is a process that consists of research and identification of potential partners and subsequently probing and testing each other’s capacities and potential for cooperation. It could only be called a challenge in the sense that it is a complex process that might take longer for things to come to fruition.

This is equally true for processes in which only the partnering companies are involved, and also for those that are facilitated by Projects like SBEP or consultants. Still, speaking generally, unless the partners are dedicated to the project pursued together, then the success of the project may be compromised. Business partners need to be chosen carefully, so that expectations from both sides are met.

In terms of interventions and initiatives led by Projects like SBEP, this often means “picking winners” initially to ensure that first efforts in a new area are successful and can attract other, less established firms to the program. This is the same reason that SBEP has partnered with some of the leading small farmers to roll out the Grow More Corn initiative; these so-called “early adopters” are extremely important in establishing momentum around an initiative.

PUBLIC-PRIVATE DIALOGUE COMPONENT

Public-Private Dialogue (PPD) comprises the second main component of the SBEP strategy. SBEP facilitates dialogue between public institutions, businesses and civil society with the purpose of identifying and responding to solid opportunities for economic growth. By contributing to the dialogue, stakeholders take ownership in the activity, but also mobilize additional support, drawing on resources and knowledge at many levels and within varying contexts. This structure also provides for the sustainability of both the process and the initiatives supported; the Supply Chain and PPD components operate as mutually-reinforcing mechanisms for the design and implementation of SBEP initiatives.

In Polog, SBEP is working with and through the municipal LED offices, the Regional Development Center, the Chamber of Commerce of Northwest Macedonia, GIZ and other groups, as well as with a number of large and small businesses, including farmers. The initiatives that saw the most developments this quarter have been focused on Diaspora Investment and Women in Business initiatives.

In Pelagonija, the main partner for mobilizing all societal actors for dialogue and cooperation is the Regional Development Center, but also the municipal mayors from the rural municipalities. This quarter, the most prominent activities were those related to the LEADER LAG and the Local Economic Development strategy for Prilep, as well as a feasibility study for expanding the irrigation system in the municipality of Novaci.

It is worth reiterating that all of the PPD initiatives are inherently tied to SBEP's supply chain activities in that strategies and models from the market-driven component both inform and draw upon discussions and programs under the PPD component. The enhancement of supply chains and import substitution as a strategy for local development is being recognized by local public officials as a viable avenue for economic growth.

WOMEN IN BUSINESS INITIATIVE

Women's entrepreneurship in Polog is one of the areas in which SBEP seeks to identify opportunities for building capacities and supporting growth. It has therefore initiated a program which focuses on "Women in Business", adding to the discussions and activities that have preceded it led by GIZ, the North-West Chamber and other actors in the region.

By contracting local BSO the Association for Local and Rural Development (ALRD) to map out the scope and scale of existing and potential businesses owned or managed by women, SBEP expects to obtain information about opportunities which are worth supporting, because of their potential to grow and engage other women in economic activities. Again, the market approach is the base for this initiative; SBEP seeks out opportunities for supply chain linkages that will ensure market-driven sustainability.

As a result of the mapping, ALRD has identified several opportunities, which are being considered in more detail for support. These include subsidizing the procurement of a lacto-freezer for farmers who are cooperants of the woman-owned *Munevere* dairy from Brvenica; and providing sowing machines for *Princesha*, a local shop for wedding gowns from Gostivar. While the specifics of these initiatives are still being defined, a third has come to fruition during the past quarter: the *Naser Nara* company from the village of Kamenjane in the municipality of Bogovinje, which is a cake workshop owned by Ms. Rabije Sinani.

PPD Component	Activities this quarter
<i>Women in Business Initiative</i>	<ul style="list-style-type: none"> The first of the initiatives that ALRD identified as a result of the mapping of economic opportunities for women has been implemented

Ms. Sinani produces cakes and sweets for traditional weddings, the key feature of the local tourism economy. During the summer high season she has up to 50 orders of cakes a day; she now plans to expand her business to include more local restaurants and shops. To be able to satisfy the increasing demand, she has solicited assistance from the women from the village, many of whom are disadvantaged: single mothers, and women who have lost their husbands and/or have limited opportunities to engage in



Figure 17 Ms. Rabije Sinani, explaining the idea behind her business

economic activity due to patriarchal cultural norms in this rural Albanian and predominantly Muslim community. Ms. Sinani also buys milk, butter and eggs from women in the village; thus, as her business expands, actors within her supply chain will benefit. To increase production and respond to market demand, Ms. Sinani is currently preparing her workshop for HACCP certification, which will enable her to make deals with shops and restaurants that wish to sell her products.

SBEP support is in the form of a refrigerator and a laminator (machine for rolling out dough). In return, Ms. Sinani will train 20 women from Kamenjane and neighboring villages on how to make wedding cakes and sweets. She will also engage at least 10 of them on a long-term basis in her workshop.

This initiative highlights how a small up-front investment can have a big impact, and showcases the kind of initiative that SBEP is eager to support within its Women in Business program in Polog. It is

“Last year, I was asked to bake a five-story cake, but I didn’t have a refrigerator like this one. I finished the cake at 1.30 am and because I couldn’t take it to a restaurant, it didn’t turn out like it was supposed to. Now, with the refrigerator, it is much easier to store even bigger cakes. As far as the laminator is concerned, before I could only produce 22 packs of pasta a day. Now I can do much more.” said Ms. Rabije Sinani, wedding cake maker from the village of Kamenjane, about the new equipment donated by the Project.



Figure 18 Ms. Sinani showing one of the women she is training how to use the laminator

also an example which will be of relevance to the group of women that are planning to form a not-for-profit organization to help women entrepreneurs either establish a business, or, like Ms. Sinani, grow an existing enterprise.

As for the group of women business leaders who with the support of SBEP, GIZ, the Northwest Chamber of Commerce and the RDC Polog decided to establish a not-for-profit organization, multiple working meetings were held, at

which consultant Ms. Nikica Kusinikova from BSO *Konekt* helped them develop the vision, mission and goals of the organization. This group consists of 10 women, among whom a Managing Director of a private school, an Owner of a dairy company, an Owner of a call center, and also Ms. Rabije Sinani, the cake workshop owner. Even though the composition of the group fluctuated (not all of the members were present at all of the meetings), the essential elements for the statute of the organization were developed, written out by Ms. Kusinikova, and distributed to all the members. The conference for launching the organization, initially planned for early summer, was postponed for the fall, in order to allow the group more time to brainstorm and develop early initiatives, and gain experience as an association. Communication with the group will continue in the coming period and they will be able to learn and follow the examples which ALRD and SBEP will implement in the meantime.

DIASPORA INVESTMENT INITIATIVE

SBEP is fully committed to long-term, sustainable economic growth in Macedonia; the widespread Macedonian Diaspora presents a compelling opportunity to leverage investment for sustained growth. Macedonians operating businesses throughout Europe carry significant investment potential, which SBEP in partnership with the Economic Chamber of

PPD Component	Activities this quarter
<i>Diaspora Investment Initiative</i>	A number of meetings held with stakeholders, regarding July workshops, planned for July 18 in Tetovo and July 24 in Gostivar

Northwest Macedonia sees as an opportunity for local economic development. Current capital flows from the Diaspora are largely limited to remittances, while investment is low. Lack of information, but also lack of incentives, are the main reasons. By mobilizing diverse stakeholders, SBEP is shaping an initiative to inform and engage this group and also to advocate for more investment-friendly policies. This pilot phase of the initiative is currently focused on Polog, with the intention to develop a replicable model which can be later used in other communities with significant Diaspora.



Figure 19 Diaspora investment meeting at the RDC Polog

In the past quarter, a number of planning and coordination meetings were held with representatives of the Economic Chamber of Northwest Macedonia, GIZ RED, and the Local Economic Development (LED) offices from the municipalities in Polog. As Diaspora members tend to return home during the summer months, it is crucial to take advantage of their presence in the country, so that more information is both gathered and shared with them, in order to develop actionable steps toward attracting serious Diaspora investors.

In July, two events will be organized at which Diaspora members will be invited to participate: one in Tetovo on July 18 and the other in Gostivar on July 24. Those who come from the smaller municipalities will be invited to attend one or the other meeting. The purpose of these get-togethers (which will be organized as Iftar dinners, as they will happen during the Ramadan fast) is to generate enthusiasm and gain perspectives from Diaspora community about investing in their home communities, but also to learn about the obstacles and limitations they face when trying to start a local business. This will also be an opportunity to discuss examples of successful businesses that have been started by returnees as motivation for others who are considering such endeavors.

The mayor of Tetovo, Ms. Teuta Arifi, who is also the president of the Council of the Regional Development Center, which encompasses all the municipalities in the Polog region, is expected to speak at both events. The input from the meetings will also be used to inform the platform for advocating about changes in the policies. As a complementary activity, municipalities are planning to establish liaison offices for Diaspora, so that the economic potential that they can offer is harnessed.

LOCAL ECONOMIC DEVELOPMENT STRATEGY FOR PRILEP / PRE-FEASIBILITY STUDY FOR IRRIGATION SYSTEM IN NOVACI

SBEP is also deploying resources on issues of strategic importance to municipalities in the Pelagonija region. Prilep and Novaci will benefit from expert support through SBEP in their efforts to develop plans and documentation for strategic projects.

In Prilep, Mayor Marjan Risteski has approached SBEP for assistance in developing the municipality's Local Economic Development strategy. Like with other initiatives, SBEP is mobilizing top-notch expertise to support this endeavor. Namely, a group of local consultants, both from BSOs and free-lance, covering areas from infrastructure and energy efficiency (*PointPro*) to light

manufacturing supply chain (*Dejan Janevski* and *Goce Peshev*) and corporate social responsibility (*Konekt*), have been hired to contribute to the efforts of developing the strategy. After internal coordination, SBEP staff members, the consultants, and representatives from RDC Pelagonija met with Mr. Risteski and municipal officials on June 13th, and discussed the preparation of the Local Economic Development strategy and the possibilities of expanding SBEP's activities in the city. Some of the main points of discussion were related to the current situation with the various supply chains and the opportunities for linking smaller local suppliers with larger companies; the capacities of the industrial



Figure 20 SBEP's consultants with Prilep municipality representatives discussing the design of the LED Strategy Plan

PPD Component	Activities this quarter	Expected Outcomes
<ul style="list-style-type: none"> Prilep Local Economic Development Strategy 	<ul style="list-style-type: none"> Consultants on infrastructure, energy efficiency, light manufacturing supply chain and corporate social responsibility hired to analyze and upgrade the municipality of Prilep's LED strategy 	<ul style="list-style-type: none"> Identifying a few feasible projects that will boost Prilep's economic development MSME growth
<ul style="list-style-type: none"> Novaci Irrigation System Pre-feasibility Study 	<ul style="list-style-type: none"> BSO PointPro hired to develop a pre-feasibility study for irrigation system in Novaci 	<ul style="list-style-type: none"> A pre-feasibility study to be used for applying for funding

zones; the economic importance of the upcoming Beer Festival, especially for the tourism and hospitality industry, etc. As a follow up to the meeting, it was decided that the all stakeholders should take a closer look at the economic capacities of the city, each within their area of expertise, and the municipal administration will provide information as needed. The idea is to update the existing strategy, but also identify a few feasible projects which can be implemented in the coming period and will mean a significant boost for the local economy.

In Novaci, SBEP is providing the municipality with technical expertise for preparing a pre-feasibility study for expanding the much needed irrigation system on its territory. Local BSO *PointPro* has been hired to conduct the study, which the municipality will be able to use to apply for funds for its implementation. This rural municipality, which is known for its wheat and corn production, is in need of proper irrigation systems, as the majority of the farmers use virtually no irrigation, relying only on rainfall. The advantage of developing an irrigation system where there is none is that it is significantly easier to introduce new technologies among local farmers (eg, drip irrigation), which not only saves water, but also helps increase yields. As a first step in the development of the study, a survey will be conducted with the locals to identify more precisely both their needs for irrigation and their readiness to pay for it. The survey will take place in early July.

LEADER/LAG INITIATIVE

Perhaps the most tangible public-private dialogue activity that SBEP is promoting is the LEADER/LAG activity in Pelagonija. This process, which started in the fall of 2012 is aimed at training local stakeholders on accessing financing for projects through EU development funding opportunities. As a result of the process, the Projects expects three subregional Local Action Groups (LAGs) to be established, which would cover some 100,000 citizens altogether. SBEP's strategic partner for Pelagonija, the Regional Development Center, has been responsible for the series of trainings of local actors to bring them up to speed on the process and correct methodology for preparing and implementing projects through this EU mechanism.

PPD Component	Activities this quarter
LEADER/LAG Initiative	<p>Third training cycle: <i>"Skills for conducting analysis and assessment of the local stakeholders"</i></p> <ul style="list-style-type: none"> • April 10, 2013 Prilep • April 11, 2013 Resen • April 15, 2013 Bitola <p>Fourth training cycle: <i>"Skills for conducting analysis of the territory"</i></p> <ul style="list-style-type: none"> • May 13, 2013 Bitola • May 15, 2013 Prilep • June 4, 2013 Resen <p>Meetings: <i>"Establishing Local Action Group (LAG)"</i></p> <ul style="list-style-type: none"> • June 20, 2013 Bitola • June 27, 2013 Prilep • July 2, 2013 Resen



Figure 21 Participants in a training for LEADER LAG in Resen

During this quarter, the third and fourth training cycles were conducted, the first focusing on skills for analyzing and assessing local stakeholders, and the second on skills for conducting analysis of the territory. Subsequently, the first round of meetings took place in all three subregions – Bitola, Prilep and Resen – the purpose of which was the actual establishment of LAGs.

The LAGs will consist of participants who took part in these four cycles of trainings. They come from both the public and private sectors and represent the local community in this forum, which will enable them to exchange ideas and prioritize initiatives of interest to all. Other initiatives within SBEP involve stakeholders who are members of this group, thereby spreading ideas and know- to inform some of the potential opportunity areas.



Figure 22 Work group during a LEADER LAG training in Bitola

The coming period will see the establishment of the LAGs themselves, and more thorough development of the ideas generated in the process so far.

CHALLENGES: PPD COMPONENT

A predictable challenge within the public-private dialogue process in general is the change of officials after elections. While those who have been in office before may have learned about and adopted innovative approaches to solving issues, newly elected officials often need time to catch up with new developments. For a regional Project like SBEP, local election cycles can stall approaches and/or initiatives.

In Macedonia, the mandate of mayors is four years, and the last local elections took place in March 2013. In Polog, only the two big municipalities, Tetovo and Gostivar, gained new mayors, while the citizens of the smaller seven ones gave their trust to the mayors who were already in office. In Pelagonija, the situation is the reverse. The two largest municipalities, Bitola and Prilep, as well as the municipality of Novaci, kept the incumbent mayors, while the remaining six elected new ones. This type of change is important in any public-private dialogue and in this case it is significant for the implementation of the LEADER / LAG initiative within SBEP's PPD component. Namely, this initiative especially relies on dialogue and cooperation between public and private entities, so when a partner –especially the local government - lacks commitment, the whole initiative can suffer. That is why it is necessary to ensure that the newly elected officials are given the opportunity to understand the mechanisms and benefits of a project like SBEP for local and regional development. In that context, SBEP is considering organizing a study tour for local mayors to Croatia, so that they can see first-hand what a LAG looks like, how it works, and how it can contribute to improving the lives of the communities within their municipality and region.

Upcoming events: SBEP PPD Component

- Visit to Ms. Rabije Sinani's Cake Workshop (Women in Business initiative) on July 3, 2013
- Diaspora Investment Iftar dinners on July 18 2013 in Tetovo and July 24 in Gostivar
- LEADER/LAG meetings in Pelagonija, for the establishment of LAGs

OTHER PROJECT UPDATES

PROJECT ADMINISTRATION

During this quarter, SBEP's team grew in both the Tetovo and Skopje offices. In Tetovo, Mr. Fisnik Shabani was temporarily engaged – from April to June - to help out with activities within the *Grow More Corn* initiative. Similarly, the Skopje office took on two interns to assist with administrative and outreach activities: Ms. Tatjana Stojkova and Mr. Atanas Dimitrov started their probationary period of three months in May. Depending on their performance and the needs of the Project, their engagements may be extended.

MONITORING AND EVALUATION

As part of its baseline data collection, SBEP staff prepared and began administering questionnaires with the beneficiaries of its activities: the corn farmers, the collectors of wild herbs and mushrooms, and the women entrepreneurs and their employees in Polog, for example. The questionnaires contain queries relating to their current situation in terms of experience, income, as well as specific ones depending on their economic activity. These parameters will be followed throughout the life of the Project, and feed into the PMPs as needed. In addition, all major project events are being documented with photographs and videos, and partners and beneficiaries are interviewed for feedback and opinions on the initiatives implemented by SBEP.

In addition, the database that has been custom developed for SBEP, is continuously being populated with all the entities (companies, SBEP partners, etc.) and ongoing activities of the Project. In this quarter, all of the past and ongoing SBEP activities were entered into the database, and will be connected to the PMPs. The baseline figures associated with the PMPs will be entered as they are gathered and processed. Each of SBEP's activities has notes, documents (reports, memorandums of concurrence, subcontracts, memorandums of understanding) and picture galleries attached to it.

Also during this quarter, SBEP staff met several times with representatives of MSI, a company hired by USAID to conduct an Impact Evaluation of SBEP. In addition to providing information on initiatives developed to date, SBEP and MSI discussed the approach SBEP is taking to implement its activities.

ANNEX I: SBEP CALENDARS OF ACTIVITIES FOR CURRENT REPORTING PERIOD

~ April 2013 ~						
◀ Mar 2013						May 2013 ▶
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 Meeting with Munevere cooperants (Tetovo and Zelino) Organic cooperative meeting (Prilep) Discussing SBEP's support to APZRM Pece - collection center (APZRM)	2 Educational event with Pelagonija corn pilot farmers (APZRM) Kiril and water issue - Prilep water company	3 Meeting with corn producers in Gostivar and Kamenjane Association for Rural and Local development - Women initiative Meeting with Lumni SEEU	4 Study tour - Skenderaj VET school Meeting with Agroproduct and MetalArt (v. Gradec) Meeting with NEA Tetovo	5 Women initiative - Woodrow Willson Tetovo	6
7	8 SBEP Staff meeting FFRM	9 Meeting with Economic Chamber of North-West Macedonia Peace Corps Conference (Hotel Porta) Wheat update	10 Training with Polog farmers on drip irrigation (Dzheciste) Meeting with Polog farmers regarding seeds Meeting with Johnson Controls	11 Meeting with Goce from FFRM	12	13 Training - Second group of wild herb collectors (with NGO EKO Natyra from Tetovo)
14	15 Polog women Initiative - Follow up meeting (Woodrow Wilson School) Meeting with IDEAS about diaspora	16 Trip to Prilep (Mimi, Ana, Dejan and Goce) Meeting with Vineta - Prilep LED Meeting regarding the drip pilot plot (Prilep VET school) Comfy Angel (supply chain initiative) Meeting with the herb collection center in Bogovinje for organization of the trainings Visit to the primary school in Zerovjane	17 Visit to VET school Short visit to the Municipality of Mavrovo to talk about the tourism event in May Visit to Tutto (v. Jance)	18 SBEP Team Retreat - all day event	19 Meeting with Tetovo Mayor - Teuta Arifi Meeting with the Manager of the National Park Mavrovo - Oner Jakuposki Distribution of corn seeds for the corn farmers in Polog	20 Women Initiative - Working meeting (Woodrow Wilson)
21	22 SBEP Staff Meeting Briefing on light manufacturing initiative	23 Visit to Novaci and Strezovo with PointPro Visit to Bitola for preparation of the event on 13 of May	24 Meeting with the manager of National Park Mavrovo - Oner J. Meetings about diaspora initiative - Zhelino SBEP Filing Review Diaspora initiative - Tearce Carl - Meeting with Ambassador Effie Ben-Matityau (MASHAV) Carl - Meeting with Croatian Deputy Ambassador - Michal Hershkovitz	25 Meeting with Daniel - SBEP Database Developer Presentation of the AgBiz Project for contract farming Diaspora initiative - Vrapcishte Diaspora initiative - Brvenica Meeting with PointPro regarding the Strezovo Irrigation System	26 Scale delivery to Tutto Preparig the event location in Polog for 7 of May (VET School and Vezeshari)	27 Setting up of the drip irrigation system on Vezeshari demo plot
28	29 Meeting with the VET School Visit to Woodrow Wilson School Meeting with the LED Officer in Gostivar Municipality Meeting with Sulejman - Agroproduct Meeting with the LED Officer in Bogovinje Meeting with Municipality of Tetovo	30 Meeting with CeproSard Promote wildherb initiative - v. Urvic and Novo Selo	Not			

◀ Apr 2013		~ May 2013 ~					Jun 2013 ▶
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	
			1	2 Promote wildherb initiative - v. Urvic and Novo Selo	3	4	
5	6	7 Polog Corn Launch Event Promote wildherb initiative - v. Jelovjan and Novak	8 Women in Business - Workshop (Mavrovi Anovi) Diaspora Meeting (GIZ Tetovo) Meeting with corn farmers in Polog	9	10 Meeting with Marija Vaskova regarding the Wheat Conference Meeting with Crimson Capital	11 Training for collectors of wild herbs (Novo Selo)	
12 Visit of a collection center with Bogovinje and Tutb and training for collection centers	13 A2F and RCI Tourism Events in Podgorica Visit to Novaci with US Ambassador	14 A2F and RCI Tourism Events in Podgorica Rotary guests visit	15 A2F and RCI Tourism Events in Podgorica Median Review Visit to Mayor and herb/mushrooms collectors in Municipality of Tearce Visit to Mayor and herb/mushrooms collectors in Municipality of Jegunovce Visit to herb collection center in Veles	16 Visit to sunflower farmer in Brvenica Diaspora meeting (GIZ Tetovo) Women in Business initiative in Polog - Vision, Mission, Goals Workshop continued Visit to corn farmer in Polog	17 EVAL Team Meeting Signing of MoU with the municipality of Mavrovo and National Park Mavrovo	18 Training for collectors of wild herbs (Vrapchishte)	
19	20 Meeting with Deputy Minister Konjanovski Meeting with PredaPlus Meeting regarding the Prilep strategic planning	21 Wheat Conference - Pelagonija - Hotel Epinal Meeting with Emilia Gjeroska MoU signing with Municipality of Novaci	22 Presentation of the Polog Women Initiative Mapping Exercise Signing of contract and meeting with Vrapciste mayor - PointPro Meeting with Ivan - Flores	23 Diaspora Meeting - RDC office in Dzhepchishte Visit Mebi Prima collection center	24	25	
26	27	28 The Impact of Climate Change on the Livestock - Rural Development Network Workshop	29 Agriculture Conference (Skopje Fair) Training session on USAID Disability policies and procedures	30 Diaspora Meetings 3 (RDC Office in Dzhepchishte) Meeting with Vitaminka	31	Notes:	

◀ May 2013		~ June 2013 ~					Jul 2013 ▶
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	
						1 Training for wildherb collectors in Municipality of Bogovinj	
2	3	4 Meeting with ZRLL to define next steps Meeting with Marija Vaskova regarding the Wheat follow up event in Novaci	5 Prilep strategy - Coordination meeting with the group of consultants	6 Instaling drip sistem in Kamenjane Meeting with PointPro to discuss the Novaci survey Intaling drip sistem in Brveniva	7	8	
9	10 YES analysis - Workforce needs	11 Prilep economic council meeting Meeting with Emilia Gjeroska and Mayor of Prilep to discuss about Pelagonija LEADER	12 Novaci survey discussion with Mayor of Novaci and Nikolina Meeting Mayor of Novaci, Zhito Altan and Marija Vaskova Follow up meeting with wheat farmers, Zito Altan and Marija Meeting with RDC and Mayor of Resen Meeting with Emilia to discuss the survey, study tour and pilot projects	13 Instaling drip systems in Falishe Meeting with BiMilk and Mogila Brainstorming with Mayor of Prilep, LED, Nikica, Simon, Goce and Dejan Lunch with PredaPlus	14 CEED/RCI event on women etrepreneurship TAM/BAS	15	
16	17 Diaspora Meeting in RDC Office Dzepechiste Meeting at the National Park Mavrovo Meeting with Mayor of Bogovinj on municipal EE projects Meeting with recycling company in Brvenica Meeting with drip farmers in Tearce	18 Visit CERMAT in Bitola	19 SBEP Staff Meeting (PR for diaspora) Meeting with UNDP selfemployment project Meeting with AFSARD (Agency for financial support of agriculture and	20 First LEADER meeting in Bitola Meeting with Chamber of Northwest Macedonia (Arben Halili) Meeting with Dejan on light manufacturing Meeting with Marija on wheat Epi centar	21	22	
23	24 Women initiative - field v visit in Gostivar, Kamenjane, Brvenica	25 Meeting with Epicentar Supporting drip farmers for using the drip system in Kamenjane	26 Meeting with the Impact evaluation team at the SBEP offices Visit to Probistip with Mebi Rrima Meeting with drip armers in v. Falishe	27 First LEADER meeting in Prilep Meeting about the media-campaign for Wild Herb Colleection in Mavrovo SBEP Staff Meeting (PR for diaspora) Meeting with Dejan Janevski regarding the Light Manufacturing Initiative Instaling drip system in v. Zilce, and supporting drip farmer in	28 Meeting with Balkan Mlin Meeting with Nelina Kafe about the diaspora speech Meeting with Ponika Plus about the diaspora speech Meeting with Maktois Company (kinder egg toy producer) Signing a MoU with an aronia producer	29	
30	Notes:						