

PD-ABP-718

RESULTS REVIEW AND RESOURCE REQUEST
MACEDONIA

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June 1997

R4 PART I
FACTORS AFFECTING PROGRAM PERFORMANCE

A. Progress Toward Successful Transition by the Cooperating Country

Since Macedonia gained its independence in 1991, the country has made significant progress in the transition to a democratic system and a market economy. The government negotiated a stabilization program with the IMF and World Bank that called for restructuring of fiscal and economic systems. In accordance with this program, Macedonia has

- reduced inflation from 1,925 percent in 1992 to 4.5% in 1996. Inflation this year is expected to be 2.5%.
- brought wages under control
- increased government foreign currency reserves above levels targeted by the IMF
- stabilized the exchange for the denar at roughly 27 to the Deutsch Mark, and authorized the establishment of private exchange facilities independent of government control of exchange rates
- reduced or eliminated most subsidies, price controls, and protective tariffs
- implemented policy changes in social assurance programs to improve the solvency of the pension, welfare, employment, and health insurance programs
- initiated privatization of all non-strategic socially-owned enterprises, with almost 1,000 companies now privately owned and operated (out of approximately 1,500 trade, industrial, and agriculture enterprises)
- increased capitalization requirements for both banks and savings houses
- initiated the restructuring of the major bank (Stopanska Banka) in the country (one which held about 70% of all deposits and an equal portion of all debts).

In many cases, Macedonia's performance not only met, but exceeded, the targets set by the World Bank. The one exception has been the privatization process, which has moved more slowly than was originally anticipated. This was due, in some degree, to the decision to privatize via outright sale rather than via employee vouchers. Some delays were also caused by the decision to initiate a special restructuring program for the 25 "loss leaders", which involved the placement of shadow managers and trustees into these companies to allow restructuring prior to privatization. Delays were also experienced in the area of the agricultural kombinats, due to delays in passage of a denationalization law. This law is not yet passed, but privatization of the kombinats

has been initiated.

In addition to these economic activities, Macedonia undertook a major reform of the legal systems, designed to bring laws into compliance with the new constitution approved in November, 1991. While some key legislation remains to be enacted (such as laws on collateral, denationalization, accounting standards and investment funds, and a modern commercial code), most basic laws are now in place.

There has also been significant progress in the transition to a democratic system. Since independence, two sets of national elections and one set of local elections have been held; all were deemed largely fair and open by both domestic and international observers. The number of political parties has dropped significantly, with alliances being formed among parties to consolidate popular support. A law passed last year on territories increased the number of municipalities from 34 to 123. Some of the government authorities centralized in the national government following independence have been returned to the local government level, although not to the extent recommended by most international organizations. Draft laws on local government revenue authorities have not yet been passed.

The role of the media has strengthened, although government influence over major media outlets is still considered excessive. There are over 200 independent radio stations in Macedonia, and over 20 independent television stations. There is a steady increase in new print media outlets, and a slow but steady improvement in the quality of reporting. A lively price war between news dailies appears to have increased public readership. The national law on broadcast frequencies has not yet been passed, which leaves many of the new independent outlets vulnerable to government shutdown. And most of the radio stations provide only (usually musical) entertainment, with little or no coverage of either domestic or international political, social, or economic activities.

B. Significant Economic, Social or Political Developments that Affected and/c. May Continue to Affect Progress and Which Could Influence the Enabling Environment

The imposition of sanctions against Serbia, and the year-long trade embargo imposed by Greece in 1995, imposed high costs on Macedonia at a critical point in their transition to a market economy. Prior to the sanctions, fully 60% of Macedonian export products went to or through the other former Yugoslav republics. Efforts to reroute this trade through Greece were only mildly successful, and even this route was closed by the Greek embargo. With the lifting of the sanctions and the embargo last year, Macedonia regained access to its historic markets, only to find that most had shifted to alternate sources in the interim. Macedonian businesses are now struggling to regain old markets and to identify new ones. Foreign interest in investment in Macedonia appears to be increasing, although slowly, with Greece the major foreign investor at this time. The lack of new technologies and of access to credit to improve production facilities and product quality, the need to reduce the burden of large bad debts, and the difficulties of dealing with low productivity due to retention of large

numbers of surplus employees, have all acted to impede economic recovery. Lack of basic management skills is also a major obstacle to improving the profitability of many Macedonian businesses.

As noted above, many of the laws supporting key legal reforms have been enacted. However, implementation and enforcement remain a problem. For example, new tax laws were enacted in January 1994, but tax collection efforts remain inadequate. Implementation of a VAT, originally scheduled for January 1995, has now been postponed three times, to January 1996, then January 1997, and currently January 1998. Without basic tax administration systems in place, effective implementation of a VAT is highly questionable. In other areas, laws have been enacted, but without supporting structures and institutions for implementation, and actual enforcement is extremely weak. This has had a negative impact on business and banking, as the courts are generally not willing to take action against borrowers. The lack of implementing regulations, and the reluctance of the courts to enforce new commercial laws, has also had a negative impact on foreign investment. A potential problem looming on the horizon is the failure by many new owners to comply with repayment requirements under the privatization process. This could throw a significant number of companies into default, possibly leading to either bankruptcy proceedings or resale.

Several concerns also remain in the area of democratic processes. Citizen discontent with the day-to-day business of governing remains a problem. Outside of elections, most citizens still view the government as the responsible agent for change, with minimal need for their own active participation. The NGO community remains very small in comparison to other countries in the region, and, where more active, has been much more interested in addressing specific problems (such as the local environment or humanitarian needs) than in engaging in a dialog with the government on policy. While the media is ostensibly independent of government control, government influence is still strong. Even those media outlets not influenced by the government cannot be considered truly independent, as many are owned or financed by political parties, large companies, or special interests.

C. Major Factors which Could, in the next few years, lead to significant instability in the country and therefore threaten program sustainability and retention.

Ethnic tension remains a concern in Macedonia. The problem of autonomy for ethnic Albanians in Kosovo continues to be an issue for Albanian-Macedonians, most of whom have family ties with Kosovars. The Macedonian government continues to encourage retention of UN peacekeeping forces in Macedonia, arguing that the situation to the north could threaten domestic security. Recent events in Albania also raise concerns about potential spillover of civic unrest into Macedonia. And Albanian-Macedonians continue to express strong concern about their status in Macedonia, which they view as inappropriate in light of their proportion of the population. The government's resistance to the establishment of an Albanian-language university in Tetovo, the arrest and imprisonment of university officials, and the government's refusal to permit the flying of the Albanian and Turkish national flags above public

institutions -- all remain points of contention between the Albanian-Macedonian community and the government, despite the inclusion of Albanian political parties in the majority coalition. The government has, however, expanded Albanian-language instruction at the university pedagogical institute, an action that evoked large public demonstrations in protest.

Another potential threat to social stability is the large number of unemployed and underemployed workers. Improving profitability of the previously socially-owned enterprises will require shedding of significant numbers of unproductive employees. These newly-unemployed impose a large burden on the already underfunded social assurance programs and could lead to social and political unrest. Economic recovery, at the (slow) rates anticipated, will not provide sufficient new employment opportunities to meet the needs of these workers. Without significant investment in retraining programs, and without access to credit, large numbers of the unemployed are unable to find productive self-employment opportunities.

Public trust in the financial systems, perceived as having increased marginally over the last year, has been significantly eroded by a series of savings house failures over the last few months. These failures, allegedly implicating senior government officials, have also undermined citizen trust in their government institutions and led to personnel changes at the highest levels of the central bank and the government.

The greatest potential economic threat is that of balance of payments. Macedonia has received continued financial assistance from the IMF and the World Bank, and has successfully renegotiated its debts to the Paris and London Clubs. But the problem of Macedonia's ability to meet requirements for repayment of all these debts may have a significant negative effect on the economy in the near future, unless the economy experiences a steady, and quicker, recovery.

The lack of progress in the negotiations with Greece on resolution of the name of the country remains an irritant, although a less significant one now that the embargo has been lifted and Greece is no longer exercising its veto in EU assistance programs. Greece is, in fact, becoming a major investor in Macedonian business. The social and political unrest in Albania is affecting the potential of that country to become a major trading partner; while the economic unrest in Bulgaria is also impeding potential business relationships. The rail connection with both countries remains incomplete, despite considerable emphasis placed on these linkages by the Macedonian government.

R4 PART II
PERFORMANCE DATA TABLE
NARRATIVE ANALYSIS

S.O. 1.3 Private Sector

Describe Overall Progress:

The privatization process for the approximately 1,500 non-strategic socially-owned enterprises required that enterprises submit privatization plans to the Privatization Agency. As of May 1997, almost all companies had submitted their plans, and 1,000 had completed the process. Most privatizations were through management buyouts, with a small number of companies electing sale to employees. [It should be noted that most agricultural land, and most production, has always been private. Only the kombinats were socially-owned and therefore subject to the privatization process.] About 388 "strategic" companies remain outside the privatization process, most of them natural monopolies and/or public services. These companies pose a special problem for privatization in that they must be regulated by the government in the public interest. The government has not yet addressed these regulatory issues, although they remain committed to privatizing as many of these companies as possible. The government has approved a decision to split the PTT into telecommunications and postal units, and to sell a minority interest in the telecommunications component. The government has also approved a process for construction of new roads by concession.

Most of the newly-created private companies deal in trade, and therefore employ very few people. This sector is therefore not yet at the point of providing employment opportunities for the many workers already fired by the larger socially-owned enterprises. It is not expected that these businesses will grow quickly enough to absorb a significant proportion of these workers, nor of the surplus workers expected to be fired over the next few years. The World Bank program to provide retraining for fired and surplus employees has made little progress in addressing this need. There is, however, a sizable gray economy which is absorbing some of the surplus, and which is helping to prevent large-scale social unrest due to the poor overall economic situation. Macedonia did turn the corner in 1996 with a slight increase in GDP (under 2%).

With the removal of the sanctions against Serbia and the Greek embargo, many businesses are now exploring ways to regain former markets and to identify new ones, but progress is slow. Foreign investment has also not been at the level anticipated, largely due to the continued perception of Macedonia as part of the former Yugoslav republic and therefore involved in the problems to the north. The banking sector has been very slow to respond to the needs of the business

community, and has been very conservative in providing access to the large amount of credit now available from the World Bank, the European Bank, and other foreign and international financial institutions.

Business-related laws have been enacted only very slowly, and many in the business community perceive them as being unresponsive to the real needs of the marketplace. It is still difficult for a creditor to resolve debt issues in the courts, and mechanisms for resolution of contract disputes are nonexistent or underutilized.

Summarize ENI's Significant Contribution

USAID has contributed to the development and growth of the private sector in a number of ways:

- A team of experts provided assistance to the Privatization Agency in the development of procedures for the privatization process.
- An English-language booklet, entitled "Doing Business in Macedonia", was developed and has been widely distributed to potential foreign investors.
- A micro-lending program has provided credits to 125 micro-enterprises, providing employment opportunities and serving as examples to others interested in self-employment.
- A farmer-to-farmer program has provided direct assistance to several hundred Macedonian farmers in improving their production, reducing demands for pesticides and fertilizer, implementing quality control measures for agricultural products, increasing the number of producer associations, and expanding into new markets.
- A dairy marketing program has assisted 3,000 farmers to learn how to improve sheepbreeding, comply with sanitation standards, and control livestock diseases, to improve the quantity and quality of dairy products.
- A business resource center has worked with almost two hundred new, or newly-privatized, companies to improve financial management, business planning, and product development, in order to improve their profitability.
- USAID-funded legal advisors have provided assistance in the development and implementation of tax and banking laws, and are assisting in the development of new laws in such business-related areas as collateral, bankruptcy, and commercial law.
- USAID-funded advisors have developed training programs and operating manuals for bank supervisory functions of the central bank.

- A USAID-funded university has developed and implemented an undergraduate business management curriculum at the universities in Bitola and Skopje.
- USAID-funded training programs have provided U.S.-based training in a variety of business-related skills for over 100 Macedonians.
- USAID-funded advisors to the Bank Rehabilitation Agency have assisted in the recovery of \$17.8 million in the course of negotiations on business debt resolution.

What should be done?

IR 1.3.1. Private Sector Businesses Become More Profitable

The goal under this intermediate result is to improve management practices in order to accelerate growth of a viable private sector. USAID will work with private companies to

- encourage institution of corporate governance procedures,
- improve organizational structures, to develop business plans
- increase net operating income and return on assets
- improve capital adequacy
- rationalize product mixes and expand customer base
- formulate and implement marketing strategies
- develop new products, and
- implement international accounting standards

Assistance will be provided through training programs, self-help tool kits in specialized areas of management, and hands-on assistance by long-term resident advisors and short-term specialized volunteer experts. Activities to be undertaken provide both general business assistance and more targeted, specialized assistance to such sectors as agriculture, manufacturing, and finance.

IR 1.3.2. A Competitive Environment for Business is Established

The goal under this intermediate result is to improve the competitive environment through legal reforms in areas critical to the efficient operation of a market economy. Laws targeted for USAID assistance include collateral, bankruptcy, a commercial code, alternative disputes resolution, the practice of law, and accountancy.

R4 PART II
PERFORMANCE DATA TABLE
NARRATIVE ANALYSIS

S.O. 2.1. Citizen Participation

Describe Overall Progress:

Enactment of key laws supporting the transition to a democratic society has slowed over the last two years. After two years of debate, the Parliament was unable to enact a new law for national elections prior to the second set of national elections in 1994. The new law has yet to be passed but is under active development in light of public demand for early national elections. A new law on local elections was passed only after significant delays, and then just a month before the scheduled elections. Because of these delays, local government officials remained in office for almost a year beyond the legal expiration of their terms of office. Although the local elections were generally deemed fair and open, there was considerable concern about the lack of public access to voter registration lists prior to election day. The government has acknowledged these problems and has strongly committed to public posting of such lists well in advance of election dates for the next national election.

Now that local elections have been completed, Macedonia has initiated the transition to the new municipal units of government, involving an increase from 34 municipalities to 123. The smallest of these new units of local government comprises less than a thousand people, raising questions about economic viability. In any event, there are 89 new municipal units, all of which will require significant levels of assistance in order to develop the institutional capacity to govern. And laws have yet to be passed which will provide sources of revenue at the local government level.

At the national level, the government has been constrained by IMF from increasing the overall size of the government. Government salaries have also been frozen for the last three years. These staff constraints have made it difficult for the government to provide for the new governmental functions that came with independence: border control, foreign relations, tax administration, treasury functions, banking oversight, debt resolution, etc. And caps on salary levels have made it difficult to attract new talent to government service. There has also been little progress in establishing a modern, professional civil service with hiring and promotion based on merit rather than on patronage and family ties.

Citizen apathy towards government decisionmaking remains high. Macedonia has the smallest NGO community in the region, with many NGO's focussing almost entirely on humanitarian programs. The educational, environmental and women's

organizations are the most active, although they are increasingly interested in engaging in policy dialog with the government. Financing remains a significant problem for NGO's, due largely to the overall economic situation. And there remains considerable concern about lack of transparency and internal democratic systems within the NGO's themselves.

The government has not yet enacted the new broadcast law, so most of the new independent radio and television stations are broadcasting on unlicensed frequencies, leaving them vulnerable to government intervention and closure. The government still controls the major printing houses, and the supply and distribution of paper for the print media, again creating vulnerabilities for those openly critical of the government. And many of the "independent" stations are in fact financed by special interests or political parties, which imposes restrictions on their editorial freedom. Journalism is not a separate university curriculum, but is taught as part of the faculty of law. The level of competence for journalists as a group is quite low, although this is changing.

Summarize ENI's Significant Contribution

USAID has contributed to the development and growth of public participation in a number of ways:

- USAID-funded advisors have provided extensive assistance to Macedonian NGO's in capacity-building: financial management, organizational skills, grantsmanship, strategy development, and member recruitment. Assistance has included small grants to support project activities such as newsletters, networking, community-building activities, and environmental awareness.
- USAID-funded advisors have worked closely with five local governments to develop their capacity for management of public services and infrastructure, economic development, revenue generation, and public involvement in decisionmaking. Three mayors have visited several U.S. cities to learn about different approaches to local government as practiced in the United States.
- USAID-funded advisors have worked with the government to address changes needed in election laws and procedures; many of the recommendations made have been incorporated in revised laws.
- USAID funding has been used to provide direct support to new media outlets through purchase of equipment, training, and funding of operating costs. Several dozen journalists have obtained training in investigative reporting, basic writing skills, and management of media operations. American journalists have provided in-country assistance in reporting techniques, use of new technologies, and curriculum development.
- USAID-funded advisors assisted in the development of a draft national law

on non-governmental organizations which has been approved by the Council of Ministers for submission to the parliament.

What should be done?

IR 2.1.1. Citizens are Empowered to Participate

The goal under this intermediate result is to encourage citizens to speak out on issues of importance to them. USAID activities are working to increase the number, membership, capacity, and activities of indigenous NGO's. Activities also include working with political parties to increase their capacity to address economic and social issues, and to improve their internal management practices. USAID-funded activities also focus on getting people together to peacefully resolve their problems, across ethnic, gender, and social lines. This has involved organizing round table discussions between NGO's and government officials, encouraging the establishment of parent councils in ethnically diverse schools, and assisting in the conduct of town meetings that bring citizens together with their elected officials to discuss common concerns.

IR 2.1.2. Government Actively Involves Citizens in Problem-solving and Decisionmaking

The goal under this intermediate result is to encourage government bureaucracies to listen to, and actively solicit, the views of citizens in the day-to-day governance of the country. USAID is working at both local and national levels to establish mechanisms for such public participation; to ensure that regulatory procedures include solicitation of, and responsiveness to, public opinion; and to enact laws which protect the right of citizens to express their opinions on government decisions and activities. USAID activities will also encourage ethnic and gender diversity in the government workforce, compliance with principles of merit hiring and promotion, and establishment of standards of ethics for government officials.

IR 2.1.3. Media Acts as an Effective Instrument of Citizen Involvement

The goal under this intermediate result is to ensure a citizenry which is well-informed on current issues requiring government action. USAID will encourage further expansion of the independent media, and improvement in the quality of reporting on social, political and economic issues. True independence, as reflected in accurate and unbiased reporting, will be supported through training programs, provision of equipment, and financial support.

R4 PART II
PERFORMANCE DATA TABLE
NARRATIVE ANALYSIS

S.O. 4.0 Other Activities

Describe Overall Progress:

4.2.1. Court System

Key laws supporting the judicial system have been enacted. Most judicial appointments were completed in October 1996. The Macedonian Judges' Association (MJA) has established a program for continuing judicial education and is working to develop a code of ethics for judges. The Ministry of Justice continues to exercise control over the budget, but the MJA is lobbying for its own appropriation of funds. Court procedures have not been revised at this point in time, but the Supreme Court has requested assistance in implementing a number of recommended changes.

4.2.2. Pension System Reform

As part of the IMF and World Bank stabilization program, Macedonia has passed laws to increase pension eligibility ages, to reduce individual pension levels, and to increase contributions by employers to the public pension fund. These reforms, and further reforms currently under consideration, have elicited strong public interest and involvement. The system remains, however, a pay-as-you-go system, and there continue to be delays in the payments to pensioners. Recent negotiations with the IMF and World Bank will result in additional changes to the system to improve solvency of the fund. There are currently no private pension plans in existence.

4.2.3. Rural Credit

The government, after much discussion, decided that the time is not right for a law on credit unions/cooperatives. The current system of financial institutions, encompassing banks and savings houses, is still considered financially shaky, with a number of savings institutions having recently been closed due to insolvency. This has made the government even more reluctant to initiate yet a third type of financial institution in this environment.

At the same time, there is a real need for farmers to have greater

access to credit, although the commercial banks continue to be very leary of loans in the agricultural sector. Exacerbating the situation is the reluctance of many farmers to put their money into the existing banking system because of concerns about the possible "freezing" of such assets (as happened in 1991) or the potential loss of savings due to further failures.

Summarize ENI's Significant Contribution

4.2.1. Court System

USAID has provided technical assistance to the judges' association, both to increase their institutional capacity and to develop a continuing judicial education program. A grant was provided to help establish an association central office and staff. A training-of-trainers workshop provided interested judges with basic training skills, in preparation for the implementation of a formal education program, which is now being implemented under a grant from USAID.

4.2.2. Pension System Reform

USAID has provided technical assistance to the Pension Fund to assess potential reforms aimed at improving the solvency of the fund. This has included a study of possible reform measures and training of Pension Fund staff. Recommendations are under preparation for development of a private pension system.

4.2.3. Rural Credit

USAID, on advice from several ministries, developed draft legislation which would have permitted the creation of cooperative credit institutions. The government's recent decision to defer such legislation has resulted in a need to rethink the program. The project has developed an alternative approach to credit unions which is currently under consideration by the central bank, and has shifted resources to a larger public information effort, to educate citizens and government officials about the advantages of user-owned financial institutions.

What should be done?

IR 4.2.1. The court system functions as an effective instrument of rule of law

The goal under this intermediate result is to improve court administrative

procedures to improve the efficiency and effectiveness of the court system.
USAID will

- work with the Supreme Court on implementation of recommendations made for improving court operations
- provide training for court officials and lawyers
- assist in the identification of appropriate technologies for recording court sessions.

Assistance will be provided through training programs, small grants for capacity building, and direct assistance and advice on implementation of new procedures.

IR 4.2.2. The government improves the financial stability of the pension system

The goal under this intermediate result is to improve the solvency of the Pension Fund through implementation of reforms such as further increases to the retirement eligibility age, improvements in collection of payroll taxes, institution of penalties for non-compliance with payroll tax laws, and a shift from defined benefit to defined contribution, and establishment of a trust fund to invest pension funds. USAID advisors will also provide assistance in the establishment of a private pension system.

IR 4.2.3. Rural businesses and farmers have access to credit

The goals under this intermediate result are to

- provide a mechanism to attract "mattress money" for use in the economy
- provide farmers with access to credit
- increase confidence in financial institutions
- allow farmers to establish a credit history for later use in commercial banks
- demonstrate to the commercial banking sector the profitability of lending to farmers

Activities will include the establishment of a savings house with branches in rural areas that will operate as credit cooperatives, the provision of skills training for branch managers and staff, and assistance to farmers in developing credit applications supported by business plans.

R4 PART III
A. SPECIAL MANAGEMENT ISSUES

Workload: The USAID mission in Macedonia remains small, although recruitment has been completed for all approved staff positions. The staffing currently allocated, once all positions are filled, is probably adequate for management of the portfolio, but only if the number of individual contractors/ grantees is reduced below the current level of about 30. Of special concern are the number of very small projects which serve primarily to support other projects. The mission has been shifting resources away from these small projects and into the larger projects, which then deal directly with the service providers. This is being done for a number of support organizations: FSVC, IDLI, IESC, MBA Corps, CDC, and VOCA. Having the larger projects deal directly with these service organizations has improved the quality of the inputs, ensured adequate in-country support and follow-up, and reduced the management burden on the mission. This trend needs to be continued and expanded, to establish and maintain appropriate workload levels for mission staff.

Full implementation of the reengineered systems also continues to pose problems for the mission. Two SO Teams is about the maximum that the mission can handle, and the teams currently do not include any counterparts. The workload associated with bringing Macedonian counterparts on board will be staggering. The lack of direct access to MRS and NMS systems means that most reports must be prepared manually, again a considerable workload when dealing with 30+ projects.

Communications: USAID Macedonia is still a dial-up post for email services, although the installation of an internal LAN system has been completed. The State Department satellite system is now being installed, which will allow us to "go live" on email.

Procurement: The slowness of the procurement system remains a serious problem. Use of omnibus contract mechanisms has resulted in some improvement in speed of acquisition, but at some loss in quality and control. The mission is moving back to contracts as the standard procurement instrument, in accordance with agency handbook guidance. Grants and cooperative agreements simply have not provided the degree of substantive involvement that is needed to implement the reengineered systems. On the other hand, contracts need to be more results-oriented, with greater flexibility provided to contractors to adjust the activity in response to changing conditions and priorities. The recent issuance of an RFP for agricultural marketing reflected our first attempt at soliciting proposals focussed on results rather than on implementation of mission-mandated activities.

R4 PART III
B. ENVIRONMENTAL ANALYSIS ISSUES

As the 1995-1997 program does not anticipate any authorization of capital construction, no requirement for environmental assessments or examinations is expected.

PERFORMANCE DATA: BASELINE, TARGETS, AND ACTUAL RESULTS

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
				YEAR	VALUE	1996		1997		1998		1999		2000	
						Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
IR 1.3.1	Private sector businesses become more profitable	Change in number of target companies with improvements in profitability (sales-costs)	Definition: Unit:: Number	1996	0				0	50			100		200
		Change in volume of bank deposits	Definition: Unit:: Per Cent	1996				5		5			5		3
		Change in volume of bank loans	Definition: Unit:: Per Cent	1996	TBD			10		10			15		20
		Change in number of new rural depositors	Definition: Unit:: Number	1996				0		0			0		5
		Change in volume of foreign bank credit	Definition: Unit:: Per Cent	1996				25		75			100		

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LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1996		1997		1998		1999		2000	
				YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
IR 1.3.11	Private businesses improve management practices	Number of companies/financial institutions' quality (% change in compliance with international standards)	Definition: Unit:: Number	1996				90		78		199			
		Comments/Notes:													

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PERFORMANCE DATA: BASELINE, TARGETS, AND ACTUAL RESULTS

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1996		1997		1998		1999		2000	
				YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		Number of target companies/financial institutions that: -have implemented international accounting standards	Definition: Unit: Number	1996				90		78		198			
		-have established organizational structures and personnel systems	Definition: Unit: Number	1996				120		23		143			
		-have developed business plans	Definition: Unit: Number	1996				90		43		133			
		-established skills-training programs	Definition: Unit: Number	1996				108		46		154			
		Number of target companies/financial institutions that have instituted corporate governance procedures	Definition: Unit: Number	1996				90		23		113			

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LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS											
				YEAR	VALUE	1996		1997		1998		1999		2000			
						Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual		
IR 1.3.1.2	Private business improve financial soundness	Number of target companies obtaining (attracting) foreign investment	Definition: Unit: Number	1996						6			12				
		Number of target companies that: -increased net operating income	Definition: Unit: Number	1996				90		54			144				
		-increased return to assets	Definition: Unit: Number	1996				90		30			120				
		Number of (or % increase in number of) target companies obtaining new loans	Definition: Unit: Number/Percent	1996				12		13			25				
		Number of companies improving their capital adequacy	Definition: Unit: Number	1996				60		31			91				
		Number of new loans issued by banks to private companies	Definition: Unit: Per Cent	1996						10			15			20	

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS							
						1996		1997		1998		1999	
				YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		<i>Comments/Notes:</i>											

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PERFORMANCE DATA: BASELINE, TARGETS, AND ACTUAL RESULTS

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS											
				YEAR	VALUE	1996		1997		1998		1999		2000			
						Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			Definition: Unit: Per Cent	1996	TBD												
IR 1.3.1.3	Private businesses improve sales and marketing practices	Number of companies that have formulated marketing strategies	Definition: Unit: Number	1995				108		70			178				
		Number of companies that have rationalized their product mix	Definition: Unit: Number	1995				90		56			146				
		Number of companies that have identified their potential customer base	Definition: Unit: Number	1995				72		54			126				
		Number of financial institutions implementing customer service policies/plans	Definition: Unit: Number	1996	0					2			5			8	

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LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
				YEAR	VALUE	1996		1997		1998		1999		2000	
						Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		Number of financial institutions expanding types of loan instruments utilized	Definition: Unit: Number	1996	0					2		5		8	
IR 1.3.2.	A competitive environment for business is established	Change in agricultural subsidies as a percent of the national agricultural budget	Definition: Unit: Per Cent	1996	70%					60		50		40	
		Per cent change in backlog of commercial cases pending before the courts	Definition: Unit: Per Cent	1996	TBD					10		15		20	
		Per cent change in tax compliance by private sector	Definition: Unit: Per Cent	1996	TBD					70		80		90	
		Per cent change in volume of transactions on the stock exchange	Definition: Unit: Per Cent	1996	TBD					5		10		20	
		Change in total investment	Definition: Unit: Per Cent	1996	TBD					10		15		20	

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LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS							
						1996		1997		1998		1999	
				YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		Comments/Notes:											

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PERFORMANCE DATA: BASELINE, TARGETS, AND ACTUAL RESULTS

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1996		1997		1998		1999		2000	
				YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		<i>Change in foreign investment</i>	Definition: Unit: Per Cent	1996	TBD					10		15		20	
IR 1.3.2.1	<i>Laws are enacted that support a market economy</i>	<i>Law on denationalization enacted</i>	Definition: Unit: Year	1996						X					
		<i>Collateral law dealing with movable property enacted</i>	Definition: Unit: Year	1996						X					
		<i>Modern commercial laws enacted</i>	Definition: Unit: Year	1996								X			
		<i>Modifications to law on trading companies enacted</i>	Definition: Unit: Year	1996						X					

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LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS										
				YEAR	VALUE	1996		1997		1998		1999		2000		
						Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
		Bankruptcy law enacted	Definition: Unit: Year	1996									X			
		Revised law on bar enacted to tighten up the requirements for the private practice of law	Definition: Unit: Year	1996	TBD								X			
		Revised law on business and agricultural cooperatives enacted	Definition: Unit: Year	1996	TBD					X						
		Law on arbitration enacted	Definition: Unit: Year	1996						X						
		New law on accountancy enacted	Definition: Unit: Year	1996	TBD					X						
		Modification in law on obligations consistent with protection of security interest in movable collateral enacted	Definition: Unit: Year	1996									X			

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LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS							
						1996		1997		1998		1999	
				YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		<i>Comments/Notes:</i>											

PERFORMANCE DATA: BASELINE, TARGETS, AND ACTUAL RESULTS

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1996		1997		1998		1999		2000	
				YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		Modern law on execution procedures consistent with protection and efficient foreclosure of registered security interest in collateral enacted	Definition: Unit: Year	1996						X					
IR 1.3.2.2	Laws are effectively implemented	Self-reporting system for taxes implemented	Definition: Unit: Year									X			
		Lien registry established	Definition: Unit: Year									X			
		Nationally uniform, modernized cadastral system in place	Definition: Unit: Year									X			
		Rationalized and simplified system of land use regulation established	Definition: Unit: Year											X	

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1996		1997		1998		1999		2000	
				YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		Number of financial institutions implementing management information systems in accordance with supervisory standards	Definition: Unit: Per Cent	1996	0							20		40	
		Number of financial institutions sharing credit information on an interbank basis	Definition: Unit: Per Cent	1996	0					20		30		40	
		A more effective system for clearing commercial transactions through banks is established	Definition: Unit: Year	1996	0							X			
		Standardized forms and procedures are developed for the formation of commercial companies	Definition: Unit: Year							X					
IR 1.3.2.3	Laws are effectively enforced	Per cent change in resolution time for collateral collections against immovable property	Definition: Unit: Per cent	1996	TBD							10		30	
		Per cent change in bankruptcy resolution times	Definition: Unit: Per cent	1996	TBD					20					

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1996		1997		1998		1999		2000	
				YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		Comments/Notes:													

PERFORMANCE DATA: BASELINE, TARGETS, AND ACTUAL RESULTS

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1996		1997		1998		1999		2000	
				YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		<i>Change in creditor perception of fairness in court enforcement of commercial and financial transactions</i>	Definition: Unit: Per cent	1996	TBD							20		40	
		<i>Per cent change in SME bank loans secured by registered security interests in movable assets</i>	Definition: Unit: Per cent	1996			0		0			25			
		<i>Change in number of cases resolved through use of alternative disputes resolution</i>	Definition: Unit: Per Cent	1996	TBD					10		30		50	
		<i>Per cent change in processing time for land-related administrative transactions</i>	Definition: Unit: Per cent	1996	TBD					20		40			
		<i>Number of denationalization claims resolved</i>	Definition: Unit: Per Cent	1996	TBD							60		100	

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS										
				YEAR	VALUE	1996		1997		1998		1999		2000		
						Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
		Number of companies with positive debt resolution	Definition: Unit: Number	1996	TBD			100		150		250				
		7.	Definition: Unit:													
		1.	Definition: Unit:													
		2.	Definition: Unit:													
		1.	Definition: Unit:													
		2.	Definition: Unit:													
		Comments/Notes:														

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PERFORMANCE DATA: BASELINE, TARGETS, AND ACTUAL RESULTS

LEVE L	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS											
						1996		1997		1998		1999		2000			
				YE AR	VALU E	Targ et	Act ual	Targ et	Act ual	Targ et	Act ual	Targ et	Act ual	Targ et	Act ual		
2.1	Better -informed citizens increase involvement in political and economic decisionmaking	Per cent change in voter turnout in local and national elections	Definition: Unit:														
		Elections and referenda held and deemed open and fair	Definition: Unit:														
		Change in number of laws enacted which involve public participation	Definition: Unit:														
		Change in citizen awareness of economic, social and political issues	Definition: Unit:														

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS												
						1996		1997		1998		1999		2000				
				YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual			
IR 2.1.1	Citizens are empowered to participate	Change in active membership of citizen-based organizations and groups	Definition: Unit: Per cent	1995	25							35					35	
		Change in number of citizens who report having actively participated in citizen-based organizations and groups	Definition: Unit: Per cent	1995	TBD	5	0	15	6	25								
		Change in number of meetings held between citizens and government/elected officials	Definition: Unit: Per cent	1995	TBD	5	1	15	4	25								
IB 2.1.1 .1.	Non-governmental/community organizations effectively promote citizen involvement	Change in number of activities generated by target citizen-based organizations and groups	Definition: Unit: Number	1995	TBD	10	2	15	3	20								

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LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1996		1997		1998		1999		2000	
						YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		<i>Change in number of coalition activities sponsored by target citizen-based organizations and groups</i>	Definition: Unit: Number	1995	TDB	10	2	15	2	20					
		<i>Change in number of multi-ethnic activities by target NGO's</i>	Definition: Unit: Per cent	1995	TDB	23	2	5	20	26				30	
		<i>Change in number of NGO's with written strategic plans</i>	Definition: Unit:												
		<i>Comments/Notes:</i>													

PERFORMANCE DATA: BASELINE, TARGETS, AND ACTUAL RESULTS

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS										
						1996		1997		1998		1999		2000		
						YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target
		Change in number of target NGO's with quality written plans	Definition: Unit: Per cent	1995	0	20	0	5	2	50					100	
		Change in number of target NGO's with diversity of funding sources	Definition: Unit: Per cent	1995	0	81				75					50	
IR 2.1.1 2.	Political organizations effectively represent their constituencies	Change in number of claims filed of polling place irregularities	Definition: Unit: Per cent	1994	TBD								30			
		Change in number of referenda held at local and national levels	Definition: Unit: Number	1995	0					2					7	

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1996		1997		1998		1999		2000	
				YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		<i>Change in membership in political parties</i>	Definition: Unit: Per cent	1995	TDB					10		15		20	
		<i>Change in number of activities sponsored by political parties</i>	Definition: Unit: Per cent	1995	TDB	0		1		15		20			
		<i>Change in level of public awareness of party platforms</i>	Definition: Unit: Per cent	1996	TDB			10		20		30			
IR 2.1.2	<i>Government actively involves citizens in problem-solving and decisionmaking</i>	<i>Number of public forums held by national government</i>	Definition: Unit: Number	1995	0			2		5		7			
		<i>Number of public forums held by local government</i>	Definition: Unit: Number	1995	0			3		6		10			

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1996		1997		1998		1999		2000	
						YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		Number of actions/activities undertaken by national government as a result of citizen initiatives	Definition: Unit: Number	1995	0			1		3		5			
		Number of actions/activities undertaken by local government as a result of citizen initiatives	Definition: Unit: Number	1995	0					3		5		7	
		Comments/Notes:													

PERFORMANCE DATA: BASELINE, TARGETS, AND ACTUAL RESULTS

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
				YEAR	VALUE	1996		1997		1998		1999		2000	
						Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		<i>Ratio of open to closed sessions of city councils</i>	Definition: Unit: Per cent	1995	TBD						10		20		
		<i>Number of target citizen-based economic development organizations created by local governments</i>	Definition: Unit: Number	1995	0						3		10		
		<i>Number of actions taken by local government to reduce its intrusiveness in local business activity</i>	Definition: Unit: Number	1995	0						3		5		
		<i>Number of cooperative actions taken by local governments to improve local environment and urban beautification</i>	Definition: Unit: Number	1995	TBD			10		15		20			

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1996		1997		1998		1999		2000	
						Year	Value	Target	Actual	Target	Actual	Target	Actual	Target	Actual
IR 2.1.2. 1.	Laws are enacted to ensure citizen participation	Revised national election law enacted	Definition: Unit: Year	1995						X					
		Law on local elections enacted	Definition: Unit: Year	1995				X							
		Law on parliamentary elections enacted	Definition: Unit: Year	1995						X					
		Revised law on political party financing enacted	Definition: Unit: Year	1995						X					
		Law on administrative procedures is enacted	Definition: Unit: Year	1995								X			
		Law on modern civil service system enacted	Definition: Unit: Year	1995						X					

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1996		1997		1998		1999		2000	
				YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		<i>Law on standards of ethics for government employees enacted</i>	Definition: Unit: Year	1995						X					
		<i>Comments/Notes:</i>													

PERFORMANCE DATA: BASELINE, TARGETS, AND ACTUAL RESULTS

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS										
				YEAR	VALUE	1996		1997		1998		1999		2000		
						Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
		Law on public access to public records enacted	Definition: Unit: Year	1995								X				
		Law on NGO's enacted	Definition: Unit: Year	1995				X								
		Law on TV/radio diffusion enacted	Definition: Unit: Year	1995				X								
		Per cent of new laws overturned in court	Definition: Unit: Per cent	1995	TBD					15						
IR 2.1.2.2	Government procedures demonstrate commitment to citizen participation in decisionmaking	Change in number of pending applications for citizen registration	Definition: Unit: Per cent	1995	TBD			10		20		30			46	

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS										
						1996		1997		1998		1999		2000		
				YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
		Change in number of appeals of government regulations/decisions	Definition: Unit: Per cent	1995	TDB			5					10			
		Change in number of merit-based appointments in target local governments	Definition: Unit: Per cent	1995	0				5				10	20		
		Change in number of merit-based appointments in national government	Definition: Unit: NPer cent	1995	0				5				10	20		
		Change in timeframes for recruitment and hiring processes	Definition: Unit: Months	1995	TBD				1				>1			
		Change in registration times for NGO's	Definition: Unit: Months	1995	3			2					1			
		Per cent of senior government positions held by women	Definition: Unit: Per cent	1995	TBD			20		30			40			

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1996		1997		1998		1999		2000	
						YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		Comments/Notes:													

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PERFORMANCE DATA: BASELINE, TARGETS, AND ACTUAL RESULTS

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1995		1997		1998		1999		2000	
				YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		<i>Per cent of senior government positions held by ethnic minorities</i>	Definition: Unit: Per cent	1995	TBD			5		10		15		20	
		<i>Change in ratio between fees levied and collected</i>	Definition: Unit: Per cent	1995	TBD			10		50		60			
		<i>Change in confidence level of citizens toward government</i>	Definition: Unit: Per cent	1996	TBD			10		20		30			
IR 2.1.3.	<i>Media acts as an effective instrument of citizen involvement</i>	<i>Per cent change in audience of media</i>	Definition: Unit: Per cent	1996	TBD			15		25		40			
		<i>Per cent change in number of PSA's broadcast</i>	Definition: Unit: Per cent	1996	TBD			15		30					

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1995		1997		1998		1999		2000	
						YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		Number of minutes of free media ad time per candidate/party	Definition: Unit: Per cent	1996	TBD							30			
		Number of minutes of reporting/editorial media time per candidate/party	Definition: Unit: Per cent	1996	TBD							30			
		Number of minutes of coverage of citizen initiatives	Definition: Unit: Per cent	1996	TBD			10		20		30			
		Number of inches of free print ad coverage per candidate/party	Definition: Unit: Per cent	1996	TBD							20			
		Number of inches of print reporting/editorial coverage per candidate/party	Definition: Unit: Per cent	1996	TBD							20			
IR 2.1.3.1	Competence of journalists is improved	Number of investigative reports published	Definition: Unit: Per cent	1996	TBD			10		15		20			

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1995		1997		1998		1999		2000	
						YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		<i>Comments/Notes:</i>													

PERFORMANCE DATA: BASELINE, TARGETS, AND ACTUAL RESULTS

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS										
				YEAR	VALUE	1996		1997		1998		1999		2000		
						Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	
		Change in public perception of media objectivity	Definition: Unit: Per cent	1996	TBD			10		15						
		Creation of a professional association of journalists	Definition: Unit: Year	1996	0											A
		Modern journalism curriculum adopted and implemented	Definition: Unit: Year	1996	TBD											A
IR 2.1.3.2	True media independence is established	Per cent change in media coverage of issues (ethnic, economic, political, social)	Definition: Unit: Per cent	1996	TBD			10		15		20				
		Per cent change in cross-ethnic coverage in the ethnic press	Definition: Unit: Per cent	1996	TBD			10		15		20				

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LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
				YEAR	VALUE	1996		1997		1998		1999		2000	
						Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		Change in access to and use of independent news services	Definition: Unit: Per cent	1996	TBD			20		25		30			
		Change in diversity of news sources	Definition: Unit: Per cent	1996	TBD			10		15		20			
			Definition: Unit:												
			Definition: Unit:												
			Definition: Unit:												
			Definition: Unit:												
		Comments/Notes:													

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PERFORMANCE DATA: BASELINE, TARGETS, AND ACTUAL RESULTS

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS											
				YEAR	VALUE	1996		1997		1998		1999		2000			
						Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual		
IK 4.2.1.	The court system functions as an effective instrument of rule of law	Change in volume of notary functions performed in court	Definition: Unit: Per cent	1995	TBD	0					-20		-40				
		Percent change in processing time for land-related administrative transactions	Definition: Unit: Per cent	1995	TBD	0					-10		-40				
		Procedures for judicial discipline in place	Definition: Unit: Year	1995	TBD								X				
		Number of cases brought on civil rights violations	Definition: Unit: Per cent	1995	TBD			-20		-55		-70					
		Per cent change in court backlogs	Definition: Unit: Per cent	1995	TBD			-20		-55		-70					

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1996		1997		1998		1999		2000	
				YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		Permanent mechanism for continuing judicial education established	Definition: Unit: Year	1995	TBD					X					
		MJA capacity for defending judicial independence established	Definition: Unit: Year	1995	TBD			X							
		Modern Court administrative systems implemented	Definition: Unit: Year	1995	TBD					X					
		Establishment by MBLA of a voluntary CLE program	Definition: Unit: Year	1995	TBD			X							
IR 4.2.2.	The government improves the financial stability of the pension system	Per cent change in employers (including self-employed) in compliance with payroll tax system	Definition: Unit: Per cent	1996	TBD			70		80					
		Number of workers participating in voluntary private pension (or pension supplement) plans	Definition: Unit: Per cent	1995	0					10		15			

LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS							
						1996		1997		1998		1999	
				YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		Comments/Notes:											

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LEVEL	RESULT STATEMENT	PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		TARGETS AND ACTUAL RESULTS									
						1996		1997		1998		1999		2000	
						YEAR	VALUE	Target	Actual	Target	Actual	Target	Actual	Target	Actual
		Comments/Notes:													