



USAID
FROM THE AMERICAN PEOPLE

SERBIA CONTINGENCY PLANNING AND ECONOMIC SECURITY PROGRAM (SCOPES)

SEMI-ANNUAL REPORT #1

MAY 31ST – SEPTEMBER 30TH 2006

October 31, 2006

This report was produced for review by the United States Agency for International Development. It was prepared by Development Alternatives, Inc.

SEMI-ANNUAL REPORT #1

MAY 31ST – SEPTEMBER 30TH 2006

October 31, 2006

DISCLAIMER

The author's views expressed in this report do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

Development Alternatives Inc.
Humska 3
11000 Belgrade, Serbia and Montenegro
Phone: (381) 11 3690 757
Fax: (381) 11 2647 222
Under Contract: DFD-I-00-05-00250-00
Task Order #1

TABLE OF CONTENTS

Section 1: Introduction	4
SCOPE Timeline.....	5
Overview of SCOPES's Next Six Months.....	6
Section 2: Executive Summary	7
Comp 1 – Preparedness and Planning	7
Comp 2 – Economic Development.....	9
Surge Capacity Plan	9
Section 3: Component I – Preparedness and Planning	10
Section 4: Component II – Economic Development	13
Section 5: Surge Capacity Plan (Contract Option 1)	19
Annex #1	20
Success Story #1	20
Success Story #2.....	21
Annex #2	22

Section 1: Introduction

Development Alternatives, Incorporated (DAI) is pleased to submit this first Semi-Annual Report for the Serbia Contingency Planning and Economic Development (SCOPEs) project. SCOPEs is a new five-year program that will strengthen the local capacity to respond to emergencies and the needs of vulnerable populations. It is funded by the American people through the United States Agency for International Development (USAID). The SCOPEs program is part of USAID's larger strategy to promote the development of a strong and stable market democracy in Serbia and support the reforms needed for Euro-Atlantic integration. SCOPEs will be closely linked to existing programs, complementary in its approach and leveraging other available resources in the areas where it will work. It will be implemented through two distinct activities:

- Developing the capacity of selected municipalities across Serbia to plan for and respond to natural disasters, crises and emergencies.
- Introducing measures to increase employment in areas of Serbia with concentrations of vulnerable populations.

The success of SCOPEs will depend on how communities address and manage crises if and when they arise, and on the equitable access of their residents to sustainable livelihoods. Identification of pilot municipalities will examine both the existing capacity to cope with potential crises as well as the lack of resources for economic development.

Community Crisis Prevention, Preparedness and Response Planning. Under this goal, local and national actors, as well as USAID and other international donors, will develop and improve mechanisms for crisis response. To achieve this outcome, two activities are envisaged:

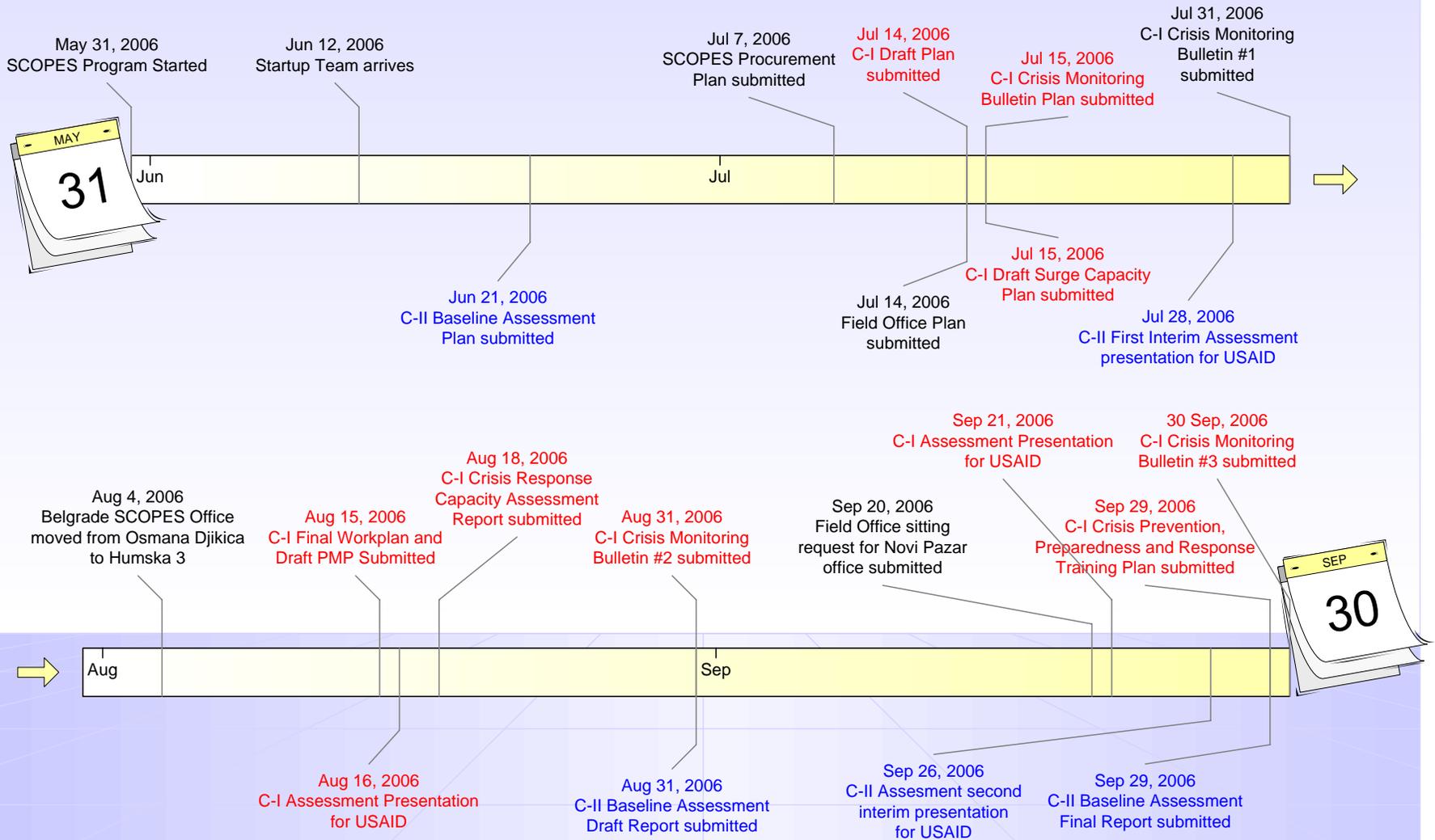
1. Develop preparedness plans with target municipalities, including training of municipal-level actors and other first responders and coordinating with relevant national and international agencies.
2. Enhance USAID's own readiness to give immediate humanitarian assistance in the event of a natural disaster or social crisis through the establishment of an on-call surge capacity.

Local Economic Security and Development. SCOPEs aims to help improve economic security in vulnerable areas and among vulnerable populations. This means targeting areas of high unemployment to support the capacity to provide stable living standards that empower individuals and families with the resources to participate with dignity as members of their communities. Three core activities are key to this objective:

1. Expand economic opportunities for at-risk populations in selected vulnerable areas;
2. Improve local government capacity to plan for and to meet the needs of vulnerable populations;
3. Promote wide-spread and broad-based civic participation and social inclusion for all members of the community.

This report covers program activity from the inception of the project on June 1, 2006, through September 30, 2006. As this is our first report, the amount of time covered is shorter than the usual 6-month period covered in a Semi-Annual report, the focus is more on assessment and planning, and provides very little on impact or results (which will be the focus of subsequent reports). This is a natural function of where the project is in its life cycle. Some of the most significant milestones over the past four months are outlined in the following graphic: SCOPEs Semi-Annual Report, June – Sept. 2006

SCOPES Timeline - May 31st - September 30th 2006



Overview of SCOPES's Next Six Months

Over the next six months SCOPES has already planned the following activities:

- Hold our first “Crisis prevention, Preparedness and Response” trainings in 14 target municipalities. These trainings, provided to members of municipal Crisis Management Teams, representatives of the business community and civil society, focus on the development of an improved “all-hazards” disaster management capacity.
- Continue to refine and improve the monthly Crisis Monitoring bulletin.
- Develop a plan to assist the Government of Serbia with a policy framework to normalize their disaster management plans.
- Finalize a work plan for the Component II Economic Development Team. The work plan will specify which municipalities and vulnerable groups will be targeted for assistance.
- Once the Component II work plan is developed, the Team will begin to implement their plan.
- Revise the (Optional) Surge Capacity Plan.
- Complete local staff hiring in the two field offices in Vranje and Novi Pazar.

Section 2: Executive Summary

The Serbia Contingency Planning and Economic Development (SCOPES) project has had a very successful start-up period and in the 4-short months that the project has been operating has met all deliverables on time according to the ambitious schedule required in the task order contract. These deliverables include, but are not limited to, 3 Crisis Monitoring Bulletins, program assessments for both the Crisis Preparedness Team and Economic Development Team, a first draft of the Surge Capacity Plan, and a training plan for how we intend to start approaching Component I capacity building at the local level.

On the administrative side of project start-up, three offices were identified and opened (Belgrade, Vranje and Novi Pazar), a procurement plan submitted and approved, and critical local staffing positions filled. A complete and current staffing plan is presented in the chart on the following page. It is important to note that with most of the remaining positions marked to-be-determined (“TBD”) recruitment is already advanced (positions have been advertised, candidates short-listed, and interviewing in progress). It is only the grants-related positions that we have not yet started recruiting as the definition and operation of the grants facility will be an activity of focus for the next reporting period.

Some of the most significant team accomplishments over the past six months include:

- **Comp 1 – Preparedness and Planning**

Disaster Management Assessment. We found that the current state of disaster management in Serbia has strengths, including functional models from pre-1991, a larger number of trained personal than expected, and a strong desire by Ministries to close the gaps; and areas that need adjustment, including a lack of a standardized system for response, a lack of a legal framework for response activities, a need for better coordination, and outdated equipment and procedures. All of these issues and more will be addressed by the Preparedness and Planning team activities.

Trainings Designed. Training activities are the first activities that will be implemented at the municipal level in 14 target municipalities. The trainings will initially focus on “all-hazards” management capacity. Participants will be members of the municipal Crisis Management Teams.

Crisis Monitoring Bulletin. SCOPES has produced 3 monthly Crisis Monitoring Bulletins for USAID. These Bulletins analyze events happening inside and outside Serbia that have the potential to contribute to instability or impede effective response to disasters.

Policy Development. Our assessment revealed that all actors involved in crisis management saw a need for a national normative policy framework for disaster management. The current legislation is outdated. With draft legislation under consideration, SCOPES can play a valuable role by offering models and advice to those in relevant Ministries.

○ **Comp 2 – Economic Development**

Economic Development Assessment. The Assessment focused on three vulnerable groups; youth, the poor and internally displaced persons and refugees. Based on the indicators for vulnerability that were developed as a result of the assessment, 12 municipalities were identified as highly vulnerable. Of these municipalities (of which 11 of the 12 are in South and Southwest Serbia), seven will be targeted immediately for level/sector assistance and job/vocational training support for local municipal governments.

○ **Surge Capacity Plan**

DAI submitted a draft Surge Capacity Plan on 15 July 2006, within the 45 days allotted by the contract, however, this plan suffered from not having the benefit of the subsequent assessment of the current disaster preparedness situation in Serbia. A revision of the Surge Capacity Plan will be completed in the first quarter of the next reporting period.

Challenges

The prior period was not without its share of obstacles that the program team had to overcome, such as:

1. The lack of access to municipal hazard plans, which are currently considered confidential documents, impacted the direction of training development. The program aims to overcome this obstacle in the first quarter of the next reporting period through the execution of a Memorandum of Understanding with the Civil Defense Agency, which will allow SCOPES access to these plans.
2. The gradual phasing in of the key long-term expatriate staff over the first four months resulted in more use of short-term technical assistance than might otherwise have been the case in order to meet the ambitious deliverable schedule.
3. The sequencing of one of the deliverables, the (Optional) Surge Capacity Plan was less than ideal. As mentioned above, though the draft was submitted on time according to contract requirements, it was clear that the initial draft would have benefited from the findings of the Component I assessment and would have been a more satisfactory product had the initial draft been required and submitted in September. A revision of the plan will be submitted in November.
4. The front-loading of technical deliverables into the first few months of the program sometimes resulted in the allocation of limited staff resources away from recruiting of local staff (normally one of the highest priority activities during the first few months of a program) so as to meet deliverable deadlines. Though this has resulted in a longer recruitment and vacancy filling period than project management would have liked, SCOPES has benefited greatly from being able to draw on local staff of exceptionally high caliber that came to us through prior USAID-funded programs (such as CRDA and SLGRP).
5. The Local-Hire Compensation Plan has not yet been approved by USAID. Furthermore, no local long-term staff approvals have been received.

Section 3: Component I – Preparedness and Planning

Assessment – Summary of findings

During the period of July 18 and August 19, 2006, the SCOPES Component I team, together with consultants from IRG and two local consultants, undertook an assessment of national and municipal Disaster Management systems to assist with informing subsequent activities of the SCOPES program. Preliminary findings and recommendations were presented to USAID and other USG representatives on two different occasions in August and September 2006. A draft report was submitted on August 18, 2006.

Summary of Report

The current state of disaster management in Serbia has strengths and areas which could use some adjustments. The baseline factors for creating and operating a functional holistic system have some very positive elements:

- Recollection by the populace of a functional pre-1991 model that provides a strong sense of history and a basic grasp of the core concept to the functions to be carried out;
- A significant number of trained personnel currently in service to the government, ranging from those active now on a regular basis to those in need of varying degrees of refresher training. This is considerably better than needing to start "from scratch";
- Realization by the executing Ministries of some existing gaps in mechanisms currently in place and a desire to close them;
- Concrete plans and systems on the municipal level, complete with an array of organized actors (including government functionaries, the Red Cross of Serbia, and other players, such as faith-based organizations) that have served in crises to date as the first line of defense until the designated agents of the national government arrive to assist;
- Desire to meet or exceed western European standards in disaster management, for reasons that include plans for regional cooperation on DM and efforts toward accession to the EU;
- Presence of a dedicated Faculty of Civil Defense, which not only produces trained graduates in the field of DM, but has also started, in cooperation with the Fund for an Open Society/Open Society Institute, a pilot program¹ for public awareness and civil society education on the issues involved;
- National reconstruction efforts that have been sympathetic to the needs of the affected populations. For example, the Ministry of Capital Investment described its policy to help some of the population who lost their homes in Serbia's 2005 and 2006 floods: supplies were provided to build a new home, and workers were provided a daily wage for the work. This allowed not only for the creation of new housing, but also provided jobs and a capital economy (non-construction workers could work on food production, retail, etc.); and
- A population not unfamiliar with the actions needed in the event of a disaster, as demonstrated by informal and ad hoc systems created over the past 15 years.

Balancing out this list are characteristics that will need to be examined and addressed in any revised disaster management system, including the following:

¹ Entitled "Culture of Safety", the Faculty of Civil Defense is running this public awareness and training course in high schools in several of the larger cities in hopes of using the data gathered to convince the Ministry of Education to reintroduce it country-wide.

- The current lack of standardized systems means that each disaster is unique in how communications will be addressed, how authority will be divided, and when certain elements (such as the army) will be activated. In disasters, for both victims and rescuers, time is of the essence – as discussed in Section III.a of the assessment – and Serbia's lack of standardized systems can be slow to prevent, respond and recover;
- The legal framework for the current national DM system is piecemeal, with certain elements held over from pre-1991. Others, created in the past 15 years, do not conform to previous laws or take into account the political and economic realities faced by the population today;
- The shift in the NGO and INGO community away from humanitarian assistance to “standard” development work, often responding to international donor interests, has meant a loss of trained specialists and cohesion of response within this community;
- Public awareness is highly localized. In both prevention and response, a more dynamic, open system is required;
- Coordination of response is extremely varied;
- Preparation and response to possible events must be planned, even if the topic is politically unpopular. This is not always the case under the current system;
- The role of the army is unclear within the current system. How it is activated, what is its status since the dissolution of the State Union, and what is its place in the DM system are all components enmeshed in lack of clarity.
- The initiative for a new draft law is an excellent first step, but must not be considered a panacea for the lack of systems;
- The DM community is faced with certain financial constraints that can prove critical in terms of expensive items such as equipment.² This is compounded by the fact that those resources currently available are being underutilized, be from lack of mechanisms to transfer them, lack of understanding what is available/possible, or other reasons; and,
- The donor community is frequently unsure where to plug in to the process.

Taken together, the strong and weak points of the current system provide some excellent opportunities for cooperation in a variety of ways: between municipal actors and republic level counterparts; among the Ministries themselves; among national actors and the donor community; and, among networked participants (Red Cross of Serbia, faith-based organizations, etc.) with all the aforementioned actors.

Description of the design for trainings

Crisis prevention, preparedness and response training activities are the first activities planned to be implemented at the municipal level in a total of 14 target municipalities. Based on the findings of the SCOPES Component 1 assessment and ongoing skills and needs inventory in those municipalities, the training plan focuses on development of “all-hazards” disaster management capacity. Participants invited to the training will be members of the municipal Crisis Management Teams convened under law by each municipality’s president or his/her representative, including municipal-level representatives of relevant ministries, trustees of the Commissariat for Refugees and representatives from civil and business sectors. The training strategy is aimed at developing the capacity within SCOPES to replicate the training in other municipalities as the project scales up its activities to other municipalities over the life of the

² An example of this arose in a discussion with the Ministry of Interior’s Directorate of Protection and Rescue. They estimated that estimated total value of equipment needed over the next five years of 50M-70M Euros. This is compounded by three factors: only 30M Euros have been set aside for this; most municipalities do not even have a total annual operating budget (for everything) of 1M Euros; and, this 5-year estimate does not take into account any attrition or maintenance/replacement costs of the equipment currently in place.

project. At the end of this round of training, SCOPES will have available tested training materials and experienced training teams. The strategy also takes into account the contract requirement for the initial group of municipalities to have general disaster management plans for between 5 and 9 municipalities in place by December 1, 2006.

The developed training plan is treated as a living document. Future training activities will be defined based on the status of the development of a disaster management framework and system at the national level, on lessons learned from the implementation of this first round of trainings and on SCOPES team meetings with Crisis Management Teams in each municipality before and after training implementation.

Bulletin – Summary and Plan for future bulletins

During the reporting period, SCOPES produced three Monthly Crisis Monitoring bulletins for use by USAID as required by contract. The Bulletin is designed to summarize and analyze events both within and outside Serbia in a concise and easily understood manner. The bulletin focuses on the threats or crises, as well as the responses, in the domains of political, social, economic, environmental, and natural events. So far the principal sources of information for the bulletin are 1) reports from relevant organizations that are reporting on events in Serbia; 2) the news media; 3) firsthand reports from USAID partner representatives and; 4) analytical assessments from professionals engaged to work with SCOPES. Data and relevant information are collected, analyzed, selected and published by SCOPES Component 1 team. SCOPES seeks for relevant actors which are dealing with Crisis Monitoring and could contribute on a regular basis in the future development of the Bulletin.

Policy development

SCOPES assessment of national and municipal crisis response capacity revealed that all actors expressed a desire for a national normative or policy framework on disaster management. The desire is fuelled by the combination of an increasing frequency and severity of disasters, unnecessary time lag in response efforts, and a desire for Euro-Atlantic integration. Without this framework, Serbia's current disaster management legislation is either outdated or unspecific and is inadequate to address planning, mitigation, response, and recovery operations. The issue of insufficient legislation was raised by interlocutors at all levels as the single most important reason for the breakdowns experienced in the current system. Without clear outlines of authority, directions for coordination, accessing resources, planning, etc., the system will continue to function at a sub-optimal level. Legislation is particularly important in the cultural context of the Republic of Serbia, where there is a tradition of taking a prescriptive view of the law. If action is not legally stipulated, then there is a reluctance to take on responsibility or to create structures to fill the vacuum.

In Serbia, the Ministry of Interior and the Ministry of Defense has each prepared its own draft law on national disaster management. While Serbia's normative framework for disaster management is in the drafting phase, SCOPES has a unique opportunity to support the process. To complement SCOPES' initiative on the formation of a Disaster Management Working Group, an informal body in which international and national actors can coordinate and share information, SCOPES can provide models of best practice. This would also complement the regional work of the Stability Pact Disaster Preparedness and Prevention Initiative in South Eastern Europe (DPPI SEE), as well as other civil defense capacity-building measures ongoing in European multilateral structures. Where civilian agencies are concerned, serious attention has been given to civil protection by European and regional organizations only recently.

Section 4: Component II – Economic Development

Assessment Summary

The assessment in support of the Economic Security Component of USAID's Serbia Contingency Planning and Economic Security Program (SCOPEs), was conducted during July and August in 2006, and covered a wide range of territory in Serbia, including regions in the North, South Central, South West and South. Over 30 municipalities were featured in the assessment, many of which are among the least developed and most impoverished and vulnerable in the country. In each area the Assessment Team conducted site visits, interviews, and collected relevant qualitative and quantitative data.

The assessment's analytic framework focused on three general vulnerable groups: youth, the poor, and internally displaced persons (IDPs) and refugees. This categorization allows for maximum precision and flexibility, since the specifics of vulnerable groups *vary considerably* in each region, while enabling specific ethnic or gender focused sub-groups to feature prominently, since the most vulnerable groups in a given area may well be one or the other. Vulnerable group analysis was complemented with extensive study of the relative level of local economic development (market access, local production, etc) in each area.

This analytical framework implicitly applied a conflict lens to the analysis, since assessed areas were those most likely to be adversely impacted by instability associated with potential or actual conflict. Having assessed the respective vulnerable groups in each area and noted local economic conditions, selection criteria were applied to comparatively rank assessed areas. The selection criteria included a number of quantitative and qualitative indicators, with the level of vulnerability the primary consideration.

The selected areas are all in the South, South West and South Central regions of Serbia. Of the 12 municipalities identified as being the most vulnerable, 11 were from the South and South West regions; the only non-Southern area is Kraljevo, which is positioned as the key entry point for IDPs into Central and Northern Serbia, and which is not as developed as the neighboring municipalities of Kragujevac and Cacak.

The assessment identified implementation approaches that will most effectively promote economic security and enhanced stability within the highest priority vulnerable groups. A programming framework was proposed to assist this. The largest and most important piece would address economic security directly through firm level/sector assistance and job and vocational training (Component 2.1). Most of the team's future activities will revolve around this subtask. Support to local municipal governments (Component 2.2) to implement economic development activities and help foster an environment that is more conducive to entrepreneurship will be embarked on only to the extent that such activities support Component 2.1. Community groups and NGOs focused on assisting vulnerable groups may also be harnessed to support local development initiatives (Component 2.3).

The proposed assistance strategy will engage the most vulnerable municipalities in the South West, the South and South Central Serbia with more targeted. By concentrating on fewer municipalities initially that are fully engaged with the market integration approach of SCOPEs, interventions can be tailored to the specific needs of the sub-groups of the vulnerable populations within a municipality and achieve greater impact.

Selection Criteria & Selected Regions

The selection criteria for areas in which to implement SCOPES Component II flow from the analytical framework and consider two main issues: (1) the relative vulnerability of specific populations in each area; and (2) the level of local economic development in each area.

The relative vulnerability of specific populations is analyzed by studying the condition and challenges of the three main vulnerable groups (youth, poor, and IDPs and refugees), as well as the specific sub-groups within each general group. The groups were analyzed quantitatively (using statistics on youth as a percentage of population, IDPs as a percentage of population, etc.) as well as qualitatively (site visits, interviews, analysis, etc.). The level of local economic development is analyzed by applying the market integration framework and understanding the employment rates, level of exports, and access to capital, among other factors.

The primary criterion is the actual level of vulnerability, measured on a comparative basis, that is current in a given area or municipality. To better gauge the measure of vulnerability, the Assessment Team developed a quantitative model of vulnerability that provides an additional means of measuring vulnerability alongside qualitative analysis. Specifically, the model uses a combination of 14 economic and social indicators³ to calculate a comparative ranking of relative vulnerability. These indicators include local unemployment rates and trends over the 2002-2004 period, the growth in social product per capita, 2002-2004, as well as crime rates, voter participation, and other proximate measures of economic stability and civic health.

While the importance of the model's rankings are inherently limited based on the imperfections of the data, the findings of the model generally correlate quite closely with the Assessment Team's qualitative findings. A few key points to note include that most of the highest ranked/vulnerable areas are in the far South and/or near the boundary with Kosovo. In fact, 11 out of 12 of the most vulnerable areas are either in the South West or the South; the only non-Southern area is Kraljevo, which is positioned as the key entry point for IDPs into Central and Northern Serbia, and which is not as developed as the neighboring municipalities of Kragujevac and Cacak.⁴ Overall, five of the nine devastated areas included in the assessment ranked in the top 12 most vulnerable areas based on the included economic data and indicators.

The comparative vulnerability analysis, whether quantitative or qualitatively driven, led the Assessment Team to conclude with a fair degree of analytical and empirical substantiation that the most vulnerable areas were primarily in the South and South West of the country, along with several municipalities in the center. These three regions should therefore justifiably be the primary focus of proposed Component II assistance.

While areas in the North such as Sid are also classed as vulnerable – whether measured quantitatively or assessed qualitatively, the overall higher levels of local economic development, market integration and lower vulnerability of key sub-groups in the assessed areas in this region strongly suggest that at current funding levels Component II should

³ Economic indicators: ratio of number of unemployed to employed; percent of youth in total unemployed population; percentage of employed in social enterprises in privatization process; percentage employed in SME sector; trend in SME sector in 2002-2004; Social Product; trend in Social Product 2002-2004; and Social/Political indicators: history of conflict; crime rate; percent of voter participation in local elections; percent of IDPs and refugees; percentage of Social cases; percentage of youth in population; percentage of women in local assembly.

⁴ The 12 most vulnerable municipalities according to the model are: Bujanovac, Kraljevo, Kursumlija, Medvedja, Novi Pazar, Presevo, Priboj, Prijepolje, Prokuplje, Sjenica, Tutin, Vladicin Han.

concentrate resources on assisting vulnerable groups and economic security in the southern areas of the country.

The further logic of focusing on the South, South West and South Central areas of the country (Sandzak & Municipality Raska, South Serbia and Central Serbia) is that these areas broadly overlap and are contiguous, allowing for programming flexibility and economies of scale and logistics given the need to coordinate programs across linked geographic areas while minimizing administrative and logistical expenses.

Implementation Recommendations

Given the varying findings associated with the key vulnerable groups and market integration levels presented in Section III, recommending specific strategies of assistance under Component II requires a significant degree of programming flexibility. In particular, the strategies must allow for a shifting and potentially wide geographic focus, as well as varying programming areas and levels of intensity. The central point is that vulnerability is not a static concept; political, economic and social developments may exacerbate or diminish it within a given community or region, and one group may become more vulnerable even as a similar group or community in a neighboring municipality may be less exposed or trending toward greater stability. To address this variability, the Assessment Team recommends the adoption of assistance strategies that are inherently flexible, whether with respect to programming focus and phasing, geographic coverage and/or levels of intensity. As implementation proceeds and vulnerability increases or decreases in a given area, Component II assistance will respond accordingly.

The three-part proposed programming framework includes firm level/sector assistance and job and vocational training (Component 2.1) and support to local municipal governments (Component 2.2) in support of the first subcomponent, both to be dedicated to economic security-focused activities, and support to selected community groups and NGOs focused on assisting vulnerable groups and local economic development (Component 2.3). In the following reporting period, a work plan detailing specific interventions and the operation of a grants program will be developed to support these activities.

A concise summary of potential programming areas appear below.

Program Area	Programming Description*	Target Vulnerable Group(s)
Component 2.1: Expand Economic Opportunities in Priority Areas		
Sector Assistance at Firm Level	<ul style="list-style-type: none"> ▶ Addresses demand side of market. ▶ Sector assistance primarily focused at firm level, but may be across municipalities & regions with emphasis on market integration. ▶ Select on process to identify sectors with highest potential for impact on identified vulnerable groups. ▶ Areas to be emphasized to include: <ul style="list-style-type: none"> -Production and quality control -Marketing and communications -Financial management -Supply chain integration with larger domestic and multinational companies -Investment promotion -Finance support: (promoting SME lending, organizing Diaspora Investment Fund, etc) 	<ul style="list-style-type: none"> ▶ Poor: <ul style="list-style-type: none"> -Redundant workers -Subsistence wage earners ▶ IDPs & Refugees: <ul style="list-style-type: none"> -Unemployed -Subsistence wage earners
Training & Job Placement	<ul style="list-style-type: none"> ▶ Addresses supply side of market. ▶ Training programs specifically oriented toward one or more local vulnerable groups <ul style="list-style-type: none"> -Focus on developing technical, industry-specific skills and knowledge -Co-sponsored with local government, business associations, businesses, others ▶ Job placement programs focus on one or more of the targeted vulnerable groups <ul style="list-style-type: none"> -Applicants will first enter training programs to ensure baseline skills and commitment -Involve students through specific externship/internship programs linked to specific industries/sectors in select communities -Placements in private Serbian or international companies with a local presence 	<ul style="list-style-type: none"> ▶ Poor ▶ Youth: <ul style="list-style-type: none"> -Students ▶ IDPs & Refugees: <ul style="list-style-type: none"> -Unemployed -Subsistence wage earners

Note: () The specifics of each component will vary depending on the specific location. Details on each component will be developed during the workplan development process*

Program Area	Programming Description*	Target Vulnerable Group(s)
Component 2.2: Improve Local Government Capacity in Priority Areas**		
LED Support	<ul style="list-style-type: none"> ▶ Technical assistance to support specific municipal government activities that impact target groups. For example, assistance to implement an activity identified in LED Plan to ensure target groups are included. ▶ Technical assistance in development of local economic plans to ensure vulnerable groups are considered and included ▶ Establish effective monitoring and evaluation schemes, including local surveys and/or data collection to better measure key economic and vulnerability indicators ▶ Support municipal efforts to attract and negotiate with prospective foreign investors ▶ Coordination with existing local economic councils (eg, EEEs and MECs) 	<ul style="list-style-type: none"> ▶ Youth: <ul style="list-style-type: none"> -All local groups ▶ Poor <ul style="list-style-type: none"> -All local groups ▶ IDPs & Refugees <ul style="list-style-type: none"> -All local groups

Note: () The specifics of each component will vary depending on the specific location. Details on each component will be developed during the workplan development process*

*(**) Per USG instruction, no direct 2.2 assistance will be provided to municipal governments led by anti-return representatives.*

Program Area	Programming Description*	Target Vulnerable Group(s)
Component 2.3: Expand Civic Participation in Priority Areas		
Youth Development	<ul style="list-style-type: none"> ▶ Co-sponsoring initiatives with local counterparts to increase youth participation in local political and economic affairs, such as job fairs and civic outreach activities involving youth ▶ Support to local initiatives that encourage inter-ethnic & inter-religious exposure & cooperation such as development of community activities that are inclusive 	<ul style="list-style-type: none"> ▶ Youth –All local groups
Local Association & NGO Development	<ul style="list-style-type: none"> ▶ Technical assistance to build capacity of local independent NGOs to promote greater civic engagement and participation, such as program review and prioritization ▶ Support to link local NGOs in neighboring municipalities to pool resources, share programming experience, and coordinate planning and activities across a wider area, 	<ul style="list-style-type: none"> ▶ Youth –All local groups ▶ Poor –All local groups ▶ DPs & Refugees –All local groups
Media Outreach	<ul style="list-style-type: none"> ▶ Training to equip local media representatives to provide more accurate and effective LED related reporting: <ul style="list-style-type: none"> – Training on LED issues and terminology – Co-sponsoring educational talks and public venues discussing important local economic issues that can be covered by the local media – Identifying & connecting media representatives to international capacity building programs, such as World Press Institute at Macalester College 	<ul style="list-style-type: none"> ▶ Youth –All local groups ▶ Poor –All local groups ▶ DPs & Refugees –All local groups

Note () The specifics of each component will vary depending on the specific location. Details on each component will be developed during the workshop and regional process.*

To the maximum extent possible, SCOPES will look to collaborate with and leverage the resources of other USAID programs (such as MEGA) and other donor programs (such as the MIR-II program in South Serbia and the new PRO program in Sandjak) in all of the above subcomponents, but especially Components 2.2 and 2.3 so that SCOPES can focus the maximum possible resources on Component 2.1.

USAID Feedback

USAID provided formal and informal feedback during the assessment process on several occasions. Two formal feedback meetings took place in mid September, following the Draft Assessment Report, and in mid October, following the Final Assessment Report. Additionally, the SCOPES team took into consideration suggestions and comments from the two USAID SCOPES presentations, in July and September respectively.

USAID has suggested to the SCOPES team that Component II assistance should be focused on fewer municipalities to ensure impact. The seven municipalities preliminarily identified by USAID and SCOPES to receive assistance to start are: Bujanovac, Medvedja and Presevo in South Serbia, Kraljevo and Kursumlija in Central Serbia, and Novi Pazar and Prijepolje in Sandzak. As discussions between the SCOPES team and USAID on this topic are ongoing, the mix of municipalities may be altered as the team progresses through work planning.

Next Steps

The first draft of the Economic Security Component Work Plan is due on 1 December 2006. Following recommendations from USAID, the SCOPES team has begun the preliminary stages of work planning. The following steps will be completed before the Draft Work Plan is submitted: 1) The final identification of specific municipalities, 2) Additional details of programming interventions tailored to each locality, 3) Selection of specific sector and sector assistance strategies, 4) Identification of metrics and indicators for the Performance Monitoring Plan and 5) Continued coordination with other donor and government funded programs.

The SCOPES team is currently in the initial stages of elaborating on the general programming areas presented in the Assessment Report, by identifying potential interventions and how to SCOPES Semi-Annual Report, June – Sept. 2006

tailor assistance to the needs of the concerned vulnerable groups and geographic areas. The Economic Security Team has already started gathering more specific data points to tailor interventions by conducting additional site visits to South and South West Serbia.

As part of the first phase of the work plan, the Component II team will develop a method to identify the specific segments of those sectors that will be assisted. The team will consider investment activities within sectors in the selected municipalities, Government of Serbia statistics on the relative importance of various sectors within a municipality, previously conducted surveys, such as the Deloitte Agriculture Survey, and existing strategies, such as the Fresh Fruit Strategy completed by USAID SEDP. Particularly to address job training and placement, the Component II team will also consider sectors outside the selected municipalities. Those will be sectors in which jobs may be available for trained, skilled workers from the municipalities. Construction might be an example where SCOPES could provide needed training for workers who might find well paying seasonal employment outside their municipality.

The exact metrics and indicators that will be used in the Performance Monitoring Plan will also be defined in the course of the work plan development, and will address each of the three core areas: *expanded economic opportunities*, *improved local government capacity*, and *expanded civic participation*.

SCOPES Component II is also currently expanding on the gap analysis already completed in the Assessment phase and carefully considering other programs supported by donors and the national government as the work plan is prepared. On the one hand, the component will look for opportunities to cooperate and collaborate. On the other, staff will be careful of duplication. For example, in addition to USAID-MEGA, other donors are also supporting development of local municipal LED plans. Component 2.2 will only provide this kind of assistance to a selected municipality that is not receiving it from elsewhere. Cooperation and collaboration will be especially important to Component 2.2 and 2.3 since they will receive relatively fewer SCOPES resources than Component 2.1.

Section 5: Surge Capacity Plan (Contract Option 1)

One primary goal of the SCOPES Program is to “Establish the means for a rapid and effective USAID response in the event of a crisis or conflict.” Resources to implement the Surge Capacity Plan are not part of the core activities in the task order but are an option that can be invoked by USAID in response to a crisis, conflict or emergency.

DAI submitted a draft Surge Capacity Plan to USAID on 15 July 2006, within the 45 days allotted by the contract, however, the draft contained a number of obvious weaknesses, as it was produced very early on in the project and did not have the benefit of being informed by a comprehensive assessment of the current state of disaster preparedness at the national and municipal levels. Such an assessment was subsequently performed from late July through August, was very well received by USAID, and has guided all follow-on efforts including the preparedness and planning training design.

Therefore, by the end of this reporting period, DAI had begun to revise the original Surge Capacity Plan based on the results of the assessment and feedback received by USAID. The original plan was a broad overview, and the revised plan will provide a much more specific “road-map” to specific action that may need to be taken in the event of an emergency. The revised plan will include mapping of capabilities, existing plans (or lack of plans), interests, readiness, funding and potential “tie-ins” with other USG-funded and international partners operating in Serbia. In addition, the plan will outline how SCOPES will coordinate activities with all appropriate organizations and Serbian national and municipal agencies. It will also map out the key people in organizations and government that will manage crises.

Moreover, the revised plan will have specific data detailing amounts of money, quantity of supplies, location of resources, numbers of people, and parties responsible in order to deal with an emergency surge. The Crisis Response Teams will be pre-identified and their responsibilities outlined in advance. The revised plan will also more specifically outline the “triggers” for providing assistance.

The revised plan will be developed by the end of November and we expect that it will be fully actionable by that point. This is important because it is highly possible that a final decision on Kosovo’s status will be determined as early as the beginning of December and there is some concern that this decision could trigger population movements.

Annex #1

Success Story #1

Preševo/Presheva forms a Crisis Management Team

Until the SCOPES assessment on municipalities' capacity to respond to crisis, the Albanian-majority, southern Serbia municipality of Preševo/Presheva had not convened its Crisis Management Team, a body whose formation is mandated under Serbian law as the responsibility of presidents of municipal assemblies/mayors. Preševo/Presheva Mayor Ragmi Mustafa took office in September 2005 but did not name a full Crisis Management Team until one day before a September 2006 scheduled meeting with SCOPES to discuss the current state of municipal preparedness. Only then did the Mayor appoint four new members of the Crisis Management Team to replace those ousted a year earlier by the change in municipal administration.

On September 14, 2006, SCOPES was present at the first meeting of the new team, chaired by Rexhep Rexhepi, the Ministry of Defense/Department of Civil Protection representative in Preševo. Mayor Mustafa presided over the meeting in his official capacity as head of the Crisis Management Team, but handed over operational duties to Mr. Rexhepi. At that meeting, it was clear that the Department of Civil Protection representative was the only team member to have seen all of the municipality's emergency response plans. Under law, each municipality is required to have response plans for approximately 18 different kinds of hazards, including natural and manmade disasters and environmental threats. Technical experts and other members of the Preševo Crisis Management Team, such as Ministry of Interior officials (police and firefighting), the Ministry of Health official, and a veterinarian were aware only of those parts of the emergency response plans that directly affect their specific areas of expertise.

At a follow-up Crisis Management Team meeting on September 22, 2006, Mayor Mustafa and Mr. Rexhepi outlined new procedures for sharing the content of the emergency response plans with members, expanding membership of the team, and including the city's residents, at ward/*mesna zajednica* level, in emergency preparedness activities. He proposed that high schools in Preševo include public awareness programming in health and safety for the city's 2,000 students.

At this early stage in program implementation, SCOPES has already contributed to strengthening emergency preparedness in Preševo/Presheva, by compliance with the municipality's legal requirement to convene a Crisis Management Team, and greater communication among those persons in the municipality charged with first response in crisis. In this southern Serbia municipality that has seen conflict and crisis during the past several years, SCOPES has helped foster a culture of prevention.

USAID – funded Organizations Support SCOPES Start-up



The start-up phase of most USAID-funded projects is usually a very hectic and difficult time as the expat management get used to working in their new surroundings and the local staff become accustomed to working for a new boss at a new organization. While SCOPES has certainly had a some challenges in starting up quickly, the project has benefitted greatly from the experience, skill and connections with other USAID projects that are already operating in Serbia.

Initially, the SCOPES project benefited from the kindness of the SLGRP/MEGA projects as we were allotted space in their facility in order to provide SCOPES with a solid base in which to launch the project from “Day 1.” Allowing SCOPES to use this space gave us the administrative tools that were needed to field the start-up team quickly, including a dedicated internet and phone connection and a conference room in which to hold our initial meetings. Having access to this

facility also made it much easier for the Crisis Planning team to “hit the ground running” and be able to deliver their first reports on time.

The Economic Development Team also benefited greatly from being based out of the CHF/CRDA program offices. By being able to tap into the experience and knowledge of their CRDA colleagues, the SCOPES Economic Development team was able to gain a very quick handle on the situation from which the project was starting.

Furthermore, all of the CRDA partners provided valuable contacts and information to the Economic Development team. Specifically, ADCI/VOCA and ADF helped the SCOPES project with our initial vulnerability assessment and both the CHF and Mercy Corps programs have allowed their staff to help new SCOPES staff by providing introductions to key people in their municipalities and given us generous back-ground materials on the partnerships that have been formed and that should be continued. SCOPES even used the Mercy Corps office in Novi Pazar as our base before we opened our office there and we will continue to share office space with CHF in Vranje until their program is phased out next summer.

“The good will that exists towards CRDA programs and SLGRP throughout Serbia has made the start-up of SCOPES much easier.” - Brian Holst, Chief of Party, SCOPES

The assistance we have received has not only made SCOPES programming easier, but will make the transition from CRDA programming to SCOPES programming as smooth as possible. This has, therefore, made everything easier for SCOPES, for the program municipalities that must transition from one project to another, and also for USAID by providing continuity in their programming.

Annex #2

List of Deliverables

FY/number	Name	Date
06/01	C-II Baseline Assessment Plan	Jun 21
06/02	Procurement Plan	Jul 7
06/03	C-I Draft Plan	Jul 14
06/04	Field Office Plan	Jul 14
06/05	C-I Crises Monitoring Bulletin (CMB) Plan	Jul 15
06/06	C-I Surge Capacity Plan, Draft	July 15
06/07	C-I CMB #1	Jul 31
06/08	C-I Workplan, Final	Aug 15
06/09	C-I Draft Performance Monitoring Plan	Aug 15
06/10	C-I Crisis Response Capacity Assessment Report	Aug 18
06/11	C-I CMB #2	Aug 31
06/12	C-II Baseline Assessment Report, Draft	Aug 31
06/13	C-I Crisis Prevention, Preparedness and Response Training Plan	Sep 29
06/14	C-II Baseline Assessment Report, Final	Sep 29
06/15	C-I CMB #3	Sep 30