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**USAID Democracy Network
in Partnership with American ORT**



Second Quarterly Report
July 1 – September 30, 1999



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**USAID DEMOCRACY NETWORK
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**QUARTERLY REPORT: July – September 1999
EXECUTIVE SUMMARY**

The DemNet project has successfully moved beyond the start-up phase. Primary training of trainers was completed, and the first ten NGO partners were selected after a rigorous pre-application and selection process approved by USAID. The Grants Review Panel was formed and actively participated in the selection process. The NGOs selected represent a diverse group from the Federation and RS as well as from USAID-selected priority sectors. The public presentation of the first ten grantees selected generated positive press and public awareness of the NGO community in BiH and its importance to the country.

A commitment to selecting grantees from all parts of BiH led to a diverse group with equal numbers from the Federation and the RS. In similar fashion, the members of the Grants Review Panel (GRP) were selected from candidates from all over BiH with the final selection representing a balance from both RS and the Federation.

As a first step toward generating publicity for NGOs in BiH, a press conference and ceremony were held to recognize the first ten grantees. The presence of the US Ambassador and the USAID Mission Director along with a prominent Federation official, all of whom reinforced the value of the NGO sector to BiH, guaranteed broad television, radio and print media coverage. The event also provided an opportunity to announce the second grant round and the availability of micro-grants to a broad audience across BiH.

Extensive training of the DemNet local cadre of trainers included the themes of NGO Governance, NGO Training Standards, Social Skills Training, Fundraising and Public Policy. Earlier training had already focused on Strategic Planning. The staff in Albania provided additional emphasis on the ORT approach to NGO development with practice sessions dealing with policies and procedures for board and staff. Additionally, the trainers prepared for the organizational and needs assessments that they would be conducting of the NGO partners with practice sessions with NGOs in Albania and Hungary. The training in Hungary arranged for the BiH trainers to network with model NGOs from the region, some of which may be possible partners for DemNet BiH NGOs seeking internships in other countries.

The ORT grants were awarded on the last day of this quarter. Detailed impact tables with specific benchmarks are being developed for each NGO partner during November and December (to be included in the next quarterly report). ORT will deliver customized technical assistance and training to the IDG partners to achieve: a voluntary, independent governing board of directors, a clear mission statement, bylaws/statute, policies and procedures, a financial management system, a strategic plan with short-term and mid-term goals, an organizational structure, job descriptions, performance evaluation criteria and systems, and a diversified fundraising plan which will strengthen the organizational capacity and governance structure of each NGO.

ROUND ONE GRANT SELECTION

The DemNet staff reviewed 113 concept papers (CPs) for Institutional Development Grants (IDGs) and 96 CPs for Micro-grants (MGs) following the criteria and weighted scoring system agreed upon with USAID.

The process of selection began with the review of the Grants Review Panel (GRP). Those members reviewed the rankings and selected 20 semifinalist NGOs which were then visited by a team of DemNet assessors to conduct organizational assessments.

Following the assessments, the GRP met again and selected the final ten grantees. While the first selection relied heavily on the rankings, the sectors of work and including finalists in equal number from the RS and the Federation, in the second round the Panel also sought to include NGOs from large and small towns and from geographic areas that had been somewhat underserved by NGOs such as eastern and southern RS and western Herzegovina.

FIRST MEETING OF GRANTS REVIEW PANEL (GRP)

The at-large local members of the Grants Review Panel who were chosen by a team of international and local experts familiar with BiH's NGO sector represent a broad cross-section of the country. Five at-large members were selected from a pool of twenty-five nominations, all of which came from NGOs. Milorad Ivosevic is a lawyer from Doboje. Dr. Vlado Markuljevic is a professor of economics from Banja Luka. Ruza Rimac is an economist and NGO leader from Livno. Tatjana Karazic is a High Court judge from Mostar. Nermina Smaljic is a health professional associated with a local NGO in Zenica.

The GRP was rounded out with representatives from USAID, the American liaison officer for the DemNet program (first Michael Cox and then his replacement Benjamin Feit) and two local staff, Mirela Begic from OTI Sarajevo and Dragan Kesic from OTI Banja Luka. USAID DemNet staff completed the panel with three representatives including the Country Director, the Institutional Development Director and another local staff member, Olja Bijelica.

DemNet staff provided the GRP with all the documents in local language that had been circulated during the opening workshops and provided an orientation to the DemNet strategy and approach to working with the NGO sector in BiH.

DemNet staff provided the panel with a "blind" set of materials for their review and first vote. Panel members were provided with the city, ranking and sector of work, such as democracy and human rights, rule of law, economic development, or social safety net. They then made a first selection without knowing the names of the organizations. As a second round, the names were revealed and summaries provided describing the organizations. Twenty semi-finalists were selected, although one NGO was eliminated since DemNet hired its director as Program Manager. That NGO is eligible to apply in the second round.

The panel followed the same process for the Micro-grants and 16 were selected as semi-finalists.

IDG AND MG SEMIFINALISTS NOTIFIED

All 209 organizations were notified in writing. Those that were not selected for further consideration received a letter outlining briefly the weaknesses of their proposals. The IDG semifinalists were sent an additional packet of information and an application form to provide additional information about their organization. The deadline was August 9. MG semifinalists were informed that selections for micro-grants would be made in October.

ORGANIZATIONAL ASSESSMENTS

The BiH DemNet staff conducted nineteen organizational assessments during the month of August. In each case two Program Advisors and two observers participated in the interviews that were conducted. Each interview lasted from two and a half to four hours. The role of the PAs was to pose the questions and to collect documents. Observers, members of the Program Management Unit (PMU) and consultants from the Hungarian DemNet program, were there to assure transparency and consistency in approach.

A scoring system based on the criteria that had been published was established to score the results of the surveys. Two readers reviewed and scored all applications.

SELECTION OF TEN DEMNET PARTNERS

The GRP met September 15 and selected ten NGOs as the first recipients of the Institutional Development Grants.

ANALYSIS OF GRANT ROUND ONE PROCESS AND MODIFICATIONS FOR GRANT ROUND TWO

Immediately following the selection of the first IDGs, DemNet staff conducted an analysis of the process and refined documents and the process for Grant Round Two.

The DemNet staff combined the concept paper and application, creating a document that was simpler than the former application and fuller than the original concept paper format. In that way we could eliminate one step and secure more information in the first step of the process.

Additionally, the new plan is to conduct only one assessment of each of the thirty semi-finalists in round two rather than conduct two assessments as in grant round one – an organizational assessment of the semifinalists and a second needs assessment of the selected grantees. We shall combine elements of the organizational and needs assessment into one tool, streamlining the process, and, again, providing more information about potential grantees at an early stage for the GRP to consider.

The impetus for these changes is to complete the program in a timely fashion within the two-year timeframe. In order to do that we are also combining grant rounds two and three into one round. Therefore, twenty grantees will be selected in the second and final round.

DemNet staff analyzed the micro-grant process at the same time and also refined those documents, simplifying the process of application.

SEPTEMBER 30 PRESS CONFERENCE AND CEREMONY TO HONOR FIRST GRANTEES

To launch the first publicity geared toward highlighting both specific NGOs in BiH and also the value of their work for society, DemNet organized a recognition ceremony and press conference to announce the first ten grantees.

DemNet staff researched media in the cities where grantee organizations are located and provided that information to the USAID press officer who sent out releases.

Distinguished speakers for the press conference and ceremony were American Ambassador Thomas Miller, USAID Mission Director Craig Buck and Mr. Amrudin Nurak, Assistant to the Federation Minister of Social Policy, Refugees and Displaced Persons. The position of Justice Minister for the Federation was vacant at the time and therefore no speaker was present from that office which also carries considerable responsibility for NGO liaison. The Minister of Justice from Republika Serpska was unavailable.

Other guests included Jakob Finci of Soros and representatives from Via Media, the Federation Ministry of Justice, World Learning, Freedom House, Red Crescent Red Cross, American Bar Association, ICMPD, Quaker Peace and Service, Save the Children, IRC, ICVA, the BIH NGO Council, OSCE, many of which had been of enormous assistance in the start-up phase of the DemNet project. Honored guests were the representatives of the NGOs that had been selected as the first grantees. The Grants Review Panel members were present, as well as staff of the USAID Democracy Office and Press Office and DemNet staff. About one hundred persons attended.

DemNet Director Suzanne O'Hatnick announced that Grant Round Two IDG applications and micro-grant applications would be available at the DemNet office the first week of October.

Fourteen media were present: Radio FERN, TV Hayat, ONASA, RTVBiH, TV OBN, SRNA, Oslobođenje, Dnevni Avaz, SRT, BH Press, RFE, Radio DISS, Studio 99. Three national television stations carried coverage of the event as well as local newspapers and radio.

GRANTEES

In-depth organizational needs assessments and a survey of financial capacity following the benchmarks delineated by USAID are to be conducted in the third quarter as outlined in the Technical Proposal following the final selection of the first ten grantees. Nonetheless, initial information gathered during the organizational assessment phase yielded important information about the grantees.

Five are from the Federation: Center for Civic Cooperation (Livno), DISS (Sarajevo), Forum of Women Alternativa (Kakanj), Friends (Tuzla), and Refugee

Service for Return (Drvar). Five are from Republika Srpska: Bureau for Human Rights (Bijeljina), Future (Modrica), International Lex (Banja Luka), Solidarity for the South (Trebinje), and Women of Trnovo (Trnovo).

While all have strengths, in general, those from the Federation have more sophisticated systems in place, a result of more contact with the international NGO community. The uneven nature of developmental stages provides an excellent opportunity for mentorship, not just the first group with the second, but among the first group itself, particularly in connection with financial management.

A brief description is attached of each NGO with comments about areas of strength and those areas to be developed through the IDG program.

TRAINING OF NGO PARTNERS

The first training of NGO partners began September 30 with a two-day board and staff retreat in Jahorina. DemNet staff introduced the DemNet strategy of strengthening boards and staff to be partners in management of the NGO and delineated the different roles that staff and board play.

Presentations were made on the roles of board and staff, recruiting board and staff, job descriptions and policies and procedures, statutes and bylaws and international NGO standards adapted for BiH. Written material in local language supplemented the presentations.

There was an opportunity for grantees to ask questions, seek clarification and time to begin to become acquainted with one another and with the DemNet staff.

A schedule was discussed for each NGO to conduct an initial review with DemNet PAs of all internal documents and statutes with the idea of revising those that do not conform with international standards. In addition, all NGOs agreed to review their board and staff roles and if necessary recruit additional members before the retreat scheduled for mid-November.

TRAINING OF ADVISORS

As important as providing training and technical assistance to a core group of NGOs in BiH is developing a corps of local trainers highly skilled in conceptualizing, designing and delivering the full complement of training for NGO development in BiH.

NEUM TOT

Relying on expert trainers from the region as a cultural bridge to the subject matter, initial training focused on NGO governance: board and staff roles and the elements of managing a successful NGO. Social skills training highlighted different approaches to decision-making with particular focus on a collaborative method. This training was to prepare program advisors to conduct their consulting in an empowering, non-authoritarian style.

The trainer from the Czech Republic presented fundraising training, an approach that acknowledged but was not deterred by the common cultural barriers that exist in formerly Communist countries to raising funds locally and privately.

Using a Slovak model, another trainer presented a workshop and training in public advocacy, a concept new to most in BiH. The DemNet team developed an understanding of the concepts and the new vocabulary of advocacy and began to consider of advocacy approaches with can be applied in BiH.

DEMNET STAFF RETREAT

From July 26 - August 02, 1999 the DemNet staff attended an eight-day retreat on NGO Development, Leadership, and Strategic Planning in Tirana, Albania. Fourteen Bosnian staff members, including the regional advisor and American project director participated in the program. ORT's local partner in Albania, the Albania National Training and Technical Assistance Resource Center (ANNTARC), designed and conducted the retreat. In addition to ANNTARC training consultants, Deborah Valencia of American ORT and Carrie Gruenloh of DemNet Hungary provided support.

The program was designed to provide participants with the knowledge and skills needed to strengthen Bosnian NGOs according to international NGO standards. Training agenda and curriculum was developed based on the organizational and staff needs. The final curricula took into consideration the fact that some participants had a limited understanding of issues related to organizational development. Based on the curricula developed, the consulting team prepared a detailed agenda and manual for the retreat.

The retreat required rigorous efforts on behalf of participants and training consultants. During the retreat, sessions conducted were as follows: international NGO standards; NGO board of directors; strategic planning; statute and organizational chart; reporting procedures; strategic public relations campaign; employee performance evaluation; monitoring and evaluation; fundraising and revenue generation; financial management; policies and procedures manual; internal operating systems; and consulting skills. A one-day internship was also conducted at two Albanian NGOs: the Albanian Disability Rights Foundation and the Women's Center. The purpose of the internship was to allow the Bosnian staff opportunity to gain on-site experience in conducting organizational assessments, which they would be responsible for once returning to Bosnia.

By the end of the retreat the participants clearly increased their understanding of international NGO standards. They participated in the development of various materials for organizations including: mission and vision statements; draft statute; organizational chart; position descriptions and employment contracts; reporting procedures; short-term and mid-term goals and objectives; public relations materials including the organization's logo, letterhead, fax cover sheet, an outline of the press kit, introductory letter to donors; and a set of policies and procedures including, personnel, administrative, financial, and transportation.

Pre-post evaluation was conducted at the beginning and end of the training program to measure progress in knowledge and skills. Pre-post evaluation showed that participants' knowledge was significantly improved and skills substantially developed.

The Foundation for Development of Democratic Rights (FDDR DemNet) organized and implemented a three day study tour program from August 3-6, 1999 for the staff and management of USAID Democracy Network BiH in Partnership with American ORT. The purpose of the study tour was to view different models for development of international standards, gain a firmer grounding in assessment methods, conduct a practice assessment, and spend additional time revising the ORT assessment tool for use in Bosnia Hercegovina.

PLANS FOR THE THIRD QUARTER

DemNet moves into an intense period working with IDGs to identify benchline data, develop implementation plans, disburse grant funds and continue with training, targeted technical assistance, education and applications for internships with Freedom House and participant training with World Learning.

NGO Partner activities will include the following:

- select additional board members to have minimum number of seven members
- advertise for executive staff and select
- call Assemblies to meet and pass governing authority to board of directors, drafting new statutes to enable them to do so if necessary
- identify priority needs for DemNet grant funds

DemNet Program Advisors and PMU activities will include the following:

- advise NGO partners on restructuring issues
- work with NGO partners to develop grant budgets including training, technical assistance and operational needs
- receive additional training in consulting skills
- make presentations at regional forums announcing second IDG grant round and micro-grant availability.
- conduct financial pre-award survey of NGO partners
- join PAs in consulting skills training
- Monitoring and Evaluation System (MES) will be developed and presented to USAID

The focus will be on continued work with current NGO partners, assessments of potential new partners plus awarding of micro-grants and further development of a public relations strategy, including the following:

- Develop Workplans and benchmarks for each IDG
- Computerization of Monitoring and Evaluation System (MES) and training of DemNet staff on how to use system

- Board and Staff conference and training
- Signing of sub-grant agreements and transfer of grant funds to most grantees *
- Identification of NGO grantee working group for public relations campaign to educate citizenry about value of NGOs in Bosnia's economic and political life
- Further development for Grantees of board policies and procedures and staff policies with Technical assistance of Program Advisors
- Ranking of Grant Round Two applications
- Meeting of GRP to select semifinalists for round two IDGs
- Awarding of micro-grants
- Establishing grantee to grantee mentor relationships to assist weaker grantees with financial management: Livno as mentor to Drvar; Kakanj as mentor to Trnovo; Tuzla as mentor to Modrica. * Grantees in the cities noted need to improve their financial management systems before they receive grant funds (Drvar, Trnovo, Modrica).
- Develop Leadership Development Certificate Program
- Combined organizational and needs assessments conducted of round two IDG applicants beginning with assessments in RS to avoid January holiday closures
- Continued Technical Assistance to round one grantees, tailored to address each NGO's specific identified needs and to include non-executive staff, both volunteer and paid
- Micro-grants awarded for short-term targeted projects of citizen education, advocacy or issues-based coalitions.
- Advice to NGO partners on Participant Training and Freedom House internship applications
- Continued contact of PMU with international community and with local, Cantonal and entity and state government officials regarding NGO community.
- Continued focus of PMU on addressing the needs of NGOs to understand and to operate productively under the current laws affecting NGOs
- Overall strategy planning with outside consultant, VIA Media as local consultant and IDG working group to develop public relations campaign to focus on raising the visibility and credibility of the NGO sector in BiH.