



**USAID**  
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**WORLD LEARNING  
SEMI-ANNUAL REPORT:  
October 2006 – March 2007**

**CONTRACT #: RAN-I-02-05-00026-00  
USAID PROJECT OFFICE: USAID/MACEDONIA**

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

**ISSUANCE DATE: 4/30/07**

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## **DISCLAIMER**

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



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

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

- November 3, Dorothea Antonio and Scott Van Alstine made presentations at the conference of the American Council on International Intercultural Education in Washington, DC.
- November 9-10, Colin Davies, Dorothea Antonio and Eric Corens presented at the NAFSA (Association of International Educators) Regional Conference in Baltimore.
- February 14-16, Lisa Posner Olocco, Dorothea Antonio, and Eric Corens made panel presentations at the National Council on International Visitors (NCIV) Annual Meeting in Washington, DC.
- March 30, Dorothea Antonio made a presentation at the World Education Services "Recruiting International Students" workshop in Washington, DC.

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

- The Resource Center coordinated visits to the FORECAST office from thirty-four training providers. The substantive meetings focused on training capabilities, proposal writing guidance, and issues of training program management. Visits were made by the following organizations: University of Northern Colorado; Greater Cleveland Partnership; Cleveland Council on World Affairs; University of Connecticut; Osgood Center; Colorado State University; Global Education Services; Oregon State University; East Central College; Judge George Paine; University of Minnesota; Iowa State University; Berry College; University of Pennsylvania; Indiana University Southeast; World Wide Sires; Xavier University; World Services LaCrosse; California State University, Sacramento; American University; Lift the Children; World Trade Center Institute; Illinois State University; Minnesota State University; George Washington University; Shawnee State University; State University of New York at New Paltz; Rivier College; University Central Florida; Palomar College; Shenandoah

University; Western Illinois University; California State University, Chico; and Belmont University.

## **II. FORECAST/Macedonia**

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

### **A. Success Stories**

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

- Popov Winery's First Wine Export Follows Macedonians' Training in California  
Following his attendance at a training program in California, along with a group of other Macedonian wine sales and marketing managers, the owner of a family-owned winery has started exporting his wine to Switzerland and Slovenia, and is now negotiating with potential importers in Bosnia and Herzegovina, Serbia and Montenegro.
- Tehnokoop Today: Doubled Sales, Increased Export, Improved Marketing  
Following a US training program on marketing and on the introduction of technology in the furniture industry, the general manager of a Macedonian furniture company has made significant changes in production and marketing. This year has seen a tripling of his company's exports, and he has developed markets not just to neighboring countries but also to Cyprus and Portugal.

### **B. Media Coverage**

- As reported in *Biznis* on October 6, the Fonko winery reinforces the position of Macedonia on the European wine map and declares it as a country that produces great wines. Chardonnay Limited Edition 2005 – the most frequently awarded Fonko white wine - won its third golden medal at Mundus Vini in Germany. More than 4,495 samples from 33 countries worldwide were presented at the prestigious quality wine competition Mundus Vini 2006 in Germany. Apart from the gold medal holder, Chardonnay Limited Edition 2005, the red Fonko wines Merlot, Bucephall / Vranec, and Pinot Noir were awarded Recognition for Quality. Mr. Stefan Trajkovski, Export Department Manager of Fonko, participated at a Wine Marketing Course in 2005 in California.
- The Macedonian advertising agency Media House won the Open Ad Golden Drum Idea Award for a TV video at the Golden Drum Festival in Portoroz, Slovenia, reported the October 16 edition of *Biznis*. The prize was awarded for the first time this year. The Festival represents a competition for non-commercial advertisements, i.e., ideas created for the purposes of the Festival only. Mr. Goce Dojcinovski, General Manager of Media House, said

that it was a great satisfaction to be the first one awarded in the category, and, moreover, the first Macedonian company to win the first prize. He added that this year, in general, Macedonian companies achieved considerable success at the Festival. A total of 2,576 companies from 42 countries participated at this year's Golden Drum Festival. The winning video, entitled "The Pool," featured the slogan "We will teach you to make money... and nothing else!," advertising a business school. As soon as Media House returned to Skopje, it signed an agreement with the American College to use the advertisement to market the college. Mr. Dojcinovski participated at a Marketing Association training program in 2003 in Arizona.

- An article in the October 20 edition of *Biznis* featured a story about New Trend, a Textile Technology Center which is a joint investment of the USAID e-BIZ Project and the Zmaj Promet Company from Stip, which will introduce embroidery as a new service line for its clients. The embroidery services are being introduced in partnership with the German Wefers Stick Design, and aim at further strengthening the position of the Macedonian companies and making them more competitive on the global market. New Trend offers commercial services to Macedonian apparel manufacturing companies, to help them compete in the global market through cost reduction of production processes, improvement of response time to client orders, overall quality, and business connections with EU buyers and customers. It introduced new services for small and medium sized apparel companies in Macedonia, using the latest technology and software in the areas of Computer Aided Design (CAD) and Computer Aided Manufacturing (CAM). All those new services are leading to a stabilization of overall employment in the industry and the creation of higher quality and better paid jobs in computerized marker making, automatic spreading & cutting, design, sales/marketing, computer aided production planning, raw material sourcing and other specializations. The Center has been operating for 2 years and has provided CAD/CAM services to more than 90 customers in the Macedonian apparel industry, thus achieving a 45% market-penetration. Ms. Suzanka Angelova, General Manager of New Trend and Mr. Dragan Arsovski, Sales and Marketing Manager of New Trend, participated in in-country training in Strengthening the Capacity of Apparel Manufacturers.
- *Kapital* ran a story on December 7 stating that the Popov winery exported 18,000 bottles of wine to Switzerland, the first export of the winery. The Swiss partner company, Rimus and Ram, will distribute the five exported types of wine to its retail network. An additional 20,000 bottles of wine will be exported to Slovenia by the end of the year. Mr. Miro Popov, Sales Manager of Popov, participated in a Wine Marketing Course in 2005 in California.
- An article in *Utrinski Vesnik* on December 14 announced that the Kiril and Metodij primary school and the Marija Kiri Sklodovska secondary school from Skopje won the first prizes at the best school MAMBO tool-developed web-site competition, organized by USAID within the Macedonia Connects Project. Each school received a \$1000 award of IT equipment. Ms. Bogatinova Jelena and Ms. Cadikovska Meri, teachers at Marija Kiri Sklodovska participated

in the in-country training program in Creating and Maintaining Web Pages with MAMBO Tool in 2006.

- The December 14 edition of *Kapital* ran a story about the management of the Technokoop furniture company in Skopje, stating that they concluded the year with increased exports of 300%, which was primarily due to increased exports to Serbia. According to the Marketing and Sales Manager, this increase came as a result of the 50,000 Euro investment in modern production machinery which increased the company's exports not only to Serbia, but also to Portugal, Cyprus and Croatia. Mr. Toni Bozinovski, General Manager of Tehnokoop, participated in Entrepreneurial Management Training in 2003 in the US.
- The January 19 edition of *Biznis* featured the results of the research, analyses and work of the independent Quality Control Laboratory (QCL) of Land O'Lakes, established with USAID support, showing that not only is the quality of food products higher, but the consciousness of consumers, manufacturers and retailers for the value of safe food on the market is greater as well. Eight years ago, when QCL was established, about 70% of its work covered control of products with or product-candidates for Seal of Quality. At the moment, only 30% of the QCL work is control of such products and the rest is control of other products. "Currently, QCL is in the process of obtaining accreditation for the ISO 17025 Standard, a feature of quality control laboratories. We are the first privately owned laboratory that has applied for this standard," said Ms. Anastasija Dapcevska-Adzieva, Manager of QCL. Starting in March 2006, World Learning is conducting a Market Assessment and developing a Business/Sustainability Plan for the Land O'Lakes Quality Control Lab.
- An article in the January 19 edition of *Utrinski Vesnik* featured a story about the State Commission for Prevention of Corruption. "The fight against corruption and organized crime is the backbone of the political system, therefore we need a systematic and institutional approach to address the issues at hand," said Ms. Gabriela Koneska-Trajkovska, Deputy Prime Minister of the Government of the Republic of Macedonia, at a ceremony during which a Memorandum of Understanding and Cooperation was signed between the State Commission for Prevention of Corruption and World Learning, implementing contractor for the USAID Human and Institutional Development Program. This MOU stipulates terms of cooperation between the two parties within a project that supports the anti-corruption activities of the Commission. "Our goal is to demonstrate to the European Union that we can fight corruption, but we have to prove this with results," added Ms. Koneska Trajkovska. On January 18, USAID and World Learning signed a Memorandum for Understanding and Cooperation with the State Commission for Prevention of Corruption in relation to an intervention that supports further implementation of the National Integrity System as well as institutional capacity development at the Secretariat of State Commission for Prevention of Corruption.
- *Utrinski Vesnik* reported on February 3 that the Ministry of Justice of the Republic of Macedonia and the USAID Human and Institutional Development Program signed the

second Memorandum of Understanding (MOU). This MOU is directly related to the implementation of recommendations issued as a result of a Performance Assessment of the Ministry of Justice in June 2006. “The intervention package is a result of the Performance Assessment conducted by USAID and it will contribute to the internal improvement of the Ministry of Justice,” said the Minister of Justice, Mr. Mihajlo Manevski, adding that the interventions are very important for the further capacity strengthening of the Ministry. The new USAID Macedonia Mission Director, Patricia Rader, who signed the MOU on USAID’s behalf, stressed that this document reaffirms the Government of Macedonia’s commitment to the improvement of the judiciary system. On February 2, USAID and World Learning signed the second Memorandum of Understanding and Cooperation with the Ministry of Justice on the intervention package concerning the implementation of the recommendations from the Performance Assessment of the Ministry of Justice conducted in June 2006.

- As reported in *Kapital* on February 22, the Fonko red wine Merlot 2004 and white wine Chardonnay 2005 were awarded golden and silver medal respectively, at the Selections Mondiales des Vins Canada. Merlot 2004 was selected the winner from more than 3,000 types of wines coming from over 30 countries in the world. Thirty percent of the entire Fonko production is exported to Serbia, Bosnia, the Netherlands, Germany and China, whereas the remaining part is intended for the domestic market. Mr. Stefan Trajkovski, Export Department Manager of Fonko, participated in a Wine Marketing Course in 2005 in California.
- *Spic* featured former participant Nikola Buleski–Bule in its March 7 edition in an article entitled “Elegant Outfit Signed by Bule.” As stated in the article, the new spring-summer collection by Nikola Buleski–Bule is in the stores. The trendy and practical dresses, jackets, skirts, blouses and trousers, targeting women between the ages 25-45, are suitable for both formal and informal occasions, and can be worn both during the day and night. Bule produced the new collection alone and the next collection he will work on consists of unique and exclusive outfits. Mr. Buleski-Bule, Fashion Designer, participated in a one-year Pattern Making and Production academic program, 2004-2005 in Milan, Italy.

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

- Law on Courts took place November 18–30 in Dublin, Ireland and Bratislava, Slovakia for 8 participants. The study tour focused on capacity building of selected judges, court presidents, court administration (secretaries, coordinators) and MOJ representatives on legislative drafting, more specifically related to the Court Book of Orders. The participants were exposed to different administration and management systems of the courts in Ireland and Slovakia. These modern systems and court administration practices gave the participants ideas on how to adjust and incorporate these regulations and practices into their local court environment.

- Supply Chain Management and Advanced Injection Molding Processes in Machine Tool Industry was held February 11-18 in Celje, Slovenia. This training program supported 13 entrepreneurs who own/manage machine tool companies, including staff of the Advanced Engineering Technology e-BIZ Center CIRKO MES CE (Center for Investigation Research and Continuing Education/Mechanical Engineering System Center of Excellence). The injection molding and supply chain management were the two main topics of the training program. The primary goal of this training program was to provide the participants with the know-how needed for a successful performance in the present state of the injection molding industry and with the basics for operating the supply chain management systems.
- Tariff Rate Calculations took place March 25-30 in Marlow, United Kingdom for 3 participants. This training program included two representatives of the Agency for Electronic Communications (the Macedonian Regulatory Agency) and one representative of the Ministry of Transport and Communications of the Republic of Macedonia. The main goal of the training was to enable the Regulatory Agency to establish transparent and clear rules for setting interconnection tariffs based on internationally accepted methodologies. It provided the foundations for understanding the regulatory models and the instruments of regulators to enable regulation of the telecommunications sector and ensure a fair and competitive market that promotes growth and consumer benefits. The training was provided by INTERCAI Mondiale Ltd.

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

- Utilizing ANGEL Software in Instructions at SEE University took place September 25–October 6 in Tetovo for 38 participants. This ten-day train-the-trainers event was organized to support 38 Professors and Assistants at SEE University, in the Instructional Support Center particularly. Its goal was to teach participants how to develop instructional materials via usage of the ANGEL Software, so that they may become trainers for their colleagues in all faculties later, and teach them how to use the software as well.
- Supervised Occupational Experience (SOE) took place October 16-18 and October 23-24 in Skopje for 16 participants. This training program supported teachers selected from 70 schools with Vocational Student Organizations (VSOs), so that they may share new skills with colleagues, and increase the organizations' overall experience at taking advantage of business and employment opportunities. It consisted of two phases: phase I (which ended on October 24) involved a first group of 16 teachers and VET advisors, who worked with a consultant on developing ideas and a manual on how to integrate an SOE program into the existing VET curriculum and VSO activities. The VET advisors are crucial for integrating the program into future curriculum changes. The objectives of the training were for the participants to: find opportunities for their students to go into a workplace environment as

part of their educational experience; communicate directly with the industry; recognize students for proficiency in the workplace.

- Workforce Development Training was held October 9-20 in Tetovo for 21 participants. This program supported SEE University by training faculty and staff on how to create a career center that is designed to improve the ability of students and alumni to find internships and full-time employment. The vehicle for accomplishing these goals was to train faculty/staff in how to deliver two proposed syllabi in career development. The projects and exercises required in these courses will be used by students to help them plan their careers. A second objective was to train a few potential employers in Macedonia on how to enhance their relationship with faculty and staff at SEEU and other higher educational institutions. A third objective was to train SEEU alumni and make them an integral part of the SEEU Career Centre activities. Many SEEU graduates are employed in Macedonian companies and they should be used to help future SEEU graduates take full advantage of the Career Centre services.
- HACCP Training for Government of Macedonia Food Inspectors took place November 12-18 in Struga for 26 participants. The primary objective of the training was to improve Macedonian Food Inspectors' knowledge, experience and capacity to facilitate the EU approximation process, to improve their knowledge and capacity to satisfy current EU legislation regarding food premises, as well as to improve their knowledge of GMP and HACCP systems.
- Supervised Occupational Experience (SOE) - Phase II was held January 17-18 in Struga for 85 participants. Ten VET advisors and 6 teachers, trained during the first phase of this program in October assumed the role of SOE trainers for colleagues coming from 70 schools throughout Macedonia. Teachers attending the workshop were taught the essentials of developing a good SOE program, which will help Vocational Student Organizations increase their overall experience at taking advantage of business and employment opportunities.
- School Based Assessment - Phase I took place January 10-13 in Struga for 31 participants. This training was organized to support the Ministry of Education and Science in its endeavor to promote active learning methodologies as one of the key factors for school improvement and achieving high standards in student learning and development. An initial group of 31 participants – selected teacher trainers, BDE advisors and State Education Inspectors – were trained in the key concepts in student assessment by two International Reading Association (IRA) consultants. In August 2007, the core of 20 trained teachers will train additional 180 teachers.
- Administrative Training was held March 5-9 and March 19–23 for 16 participants. This training program included 16 SEEU staff members, i.e. human resources personnel and representatives of the major administrative units in an effort to upgrade the university administrative processes, including clear identification of responsibilities, reporting lines, and

administrative structure of the university and its non-instructional personnel. The objective was to create additional position descriptions and to train targeted SEEU personnel in the methodology and tools required to continue the effort both for current and future positions.

## **E. Noteworthy Events**

- November 16, the Center for Institutional Development (CIRa) and the Civil Society Strengthening Project (CSSP) presented the results of the Research on Philanthropy in the Republic of Macedonia. The research was designed by CIRa, implemented by CSSP during the summer 2006, and was funded by USAID. The main objective of the research was to assist the NGO sector in creating more systematic and long-term approach in meeting the challenges that philanthropy practice faces. The main conclusion of their research showed that the increased participation of citizens and domestic corporations will render NGOs sustainable. In addition to the presentation of the results, there was a panel discussion with distinguished actors in the field of philanthropy in Macedonia, two local businessmen, an NGO activist and a guest panelist from the US. The panel discussion was mainly focused on the methods that individuals and corporations use in asset donation. At the end, the audience had a chance to ask questions regarding the experience the philanthropists had in cooperation with the NGO sector in particular.

September 25-October 7, nine NGO leaders, one of whom was from CIRa, and one who represented CSSP, attended a two-week Civil Society Philanthropy Development Study Tour in Hungary and Slovakia. The study tour enabled the participants to gather the experience of the countries that recently joined the EU, where philanthropy is a well-developed practice in raising funds for NGO sustainability.

- January 24, in Skopje at its anniversary celebration, CIRKO Mechanical Engineering Systems Center of Excellence summarized its activities of the past year and provided an analysis of the results achieved. The presentation of all domestic and some international cooperation proved that CIRKO MES CE has established itself in the machine tool industry as a reliable partner to many domestic and foreign companies and institutions. In addition, CIRKO MES CE presented its vision for the future through 3D digitalization, according to which it exceeds the expectations of its customers. World Learning supported the Macedonian machine tool industry via two third country training programs: (Marketing Skills for Outsourcing for Macedonian Machine Tool Companies, November 2005, and Training in Reverse Engineering, Feb-March 2006) and two in –country training programs (Marketing Skills for Outsourcing for Macedonian Machine Tool Companies, October 2005, and CAE/Numerical Simulations in Concurrent Engineering, July 2006). All four assisted CIRKO in establishing business cooperation with a counterpart organization in Slovenia, TECOS - Slovenian Tool and Die Development Centre.

## **F. HICD Activities**

- HICD activities for the Ministry of Justice

The budget for the intervention package (phase 2) was approved by the USAID HICD committee in October. A Memorandum of Understanding for phase 2, to address the implementation of recommended interventions, was drafted by World Learning and shared with the Ministry of Justice during a meeting that USAID and World Learning had with two staff members of the European Integration Sector at the Ministry of Justice. These two members individuals were appointed by the Minister of Justice as part of a working group leading to the signing the second MOU. The second MOU was signed on February 2 between the Ministry of Justice and World Learning/USAID. The signing of the MOU was conducted in the presence of media and was immediately followed by a meeting between the Minister of Justice and USAID/WL representatives, including Ms. Patricia Rader, the new Director of USAID/Macedonia. This MOU is related to the second phase of the HICD program at the Ministry of Justice, i.e. the implementation of the intervention package with an overall budget of \$225,999.

The first intervention, Creating Case for Change, under phase 2 was implemented during the week of February 19. Individual meetings were conducted with the Minister, Deputy Minister, State Secretary and other leaders within the Ministry including all the Heads of Sector and the majority of State Advisors. The purpose of each of the meetings was to create the case for change by explaining the content of the organizational scan in detail to each individual, remind them of the part that they played in the scan findings, confirm the current relevance of the work, and stress their critical role going forwards. Meetings were held individually to ensure all senior members of the MOJ team had an opportunity to speak openly, given the observed tension across the top team that was observed last year.

The findings, recommendations and roles of the senior team within the following recommendations were received very well by the target group. All of them demonstrated commitment to the project and now have a clear understanding of their behavior and actions going forwards towards the success of the project. The content of intervention two was discussed in more detail, including the subject of conflict resolution, which will begin to be addressed on March 23 and 24.

A Stakeholder meeting was conducted on March 20 including representatives from USAID, Court Modernization Project and World Learning as well as Alan Stevens and Valerie Proctor, experts from Vector Europe Business Consultants implementing the interventions at the MOJ. The purpose of this meeting was to summarize the outcomes of Intervention # 1 and MOJ priorities that were brought to World Learning's attention during this intervention;

to discuss the MOJ IT issue - both as an MOJ priority and as a “quick win”- and to present objectives and expected outcomes of Intervention #2.

On March 20, a meeting was held between the project team and the Justice Minister and State Secretary. The purpose of this meeting was to present the objectives of Intervention #2 and to discuss with the Minister and the State Secretary the individual roles they are expected to play during the second intervention.

Intervention #2 was conducted on March 22 and 23. This team building initiative was designed to ensure that the senior team will function more effectively by strongly focusing on roles, responsibilities and immediate tasks and implementing agreed ground rules (without outside facilitation) in the future.

The next intervention will take place during the week of April 23. The purpose of Intervention #3 is to develop a detailed plan (including resources and budget) for the delivery of MoJ priority activities during 2007 and 2008. The same 16 senior team members who attended the previous two interventions will participate at this event as well.

- HICD activities for the State Education Inspectorate

On October 19, USAID and WL met with the Minister of Education and Science. During the meeting, Mr. Klaus Wittkuhn presented to the Minister the Final Report on the Findings and Recommendations from the performance assessment conducted at the State Education Inspectorate last spring. After the presentation to MOES, Mr. Wittkuhn had a half-day working session with the new Director of the State Education Inspectorate, during which the director was introduced to previous findings and recommendations, as well as the implementation of the intervention package. The budget for the intervention package (phase 2) was approved by the USAID HICD committee. The Memorandum of Understanding for phase 2 (to address the implementation of recommended interventions) was drafted by World Learning and shared with the new Director of the State Education Inspectorate.

In November, the Memorandum of Understanding #2 was approved by USAID Budapest and sent to the Ministry of Education and Science and the State Education Inspectorate for their review. The Intervention package of SEI was expanded with additional interventions related to the establishment of 1) a Coordinating Body of the Ministry of Education and Science, 2) assessment of the Law on the Bureau for Development of Education, and 3) initiation of cooperation between the State and the municipal education inspectors. Based on the changes in the SEI intervention package, the SEI budget was revised and sent to USAID for approval. Following the Minister’s and the Director’s consent to the additional interventions proposed in the intervention package for SEI, WL will arrange the signing of the MOU#2 and officially launch the implementation of the proposed interventions.

MOU #2 was signed between MOES/SEI and USAID/WL on December 12, and the implementation of Phase II has been started. The preparations of the first two activities under the intervention package (purchasing of laptop computers and establishing a Coordinating Body within MOES) are on-going.

The implementation of the activities related to establishment of a Coordinating Body within the Ministry of Education and Science (MoES) started in early January. Mr. Klaus Wittkuhn held individual interviews with the directors of the bodies and the deputy heads of sectors in MoES. The aim of this activity was to learn the existing relations and the relations that should be established in the future in order to achieve more effective communication and coordination among the different bodies and sectors within MoES. In relation to the procurement of laptops for the State Education Inspectors, out of 22 companies that requested tender documentation, 12 companies provided their offers by January 31, the deadline for submission of proposals.

The intervention concerning the establishment of effective coordination and cooperation between the State Education Inspectors and the Municipal Education Inspectors began in early February. Mr. Klaus Wittkuhn, Performance Expert, together with the WL team (SEI Implementation Team) conducted individual interviews with a representative sample of Municipal Inspectors in the period between February 5 and 8. The summarized results will be used as a basis for a one-day workshop with the State Education Inspectors on the same issue, scheduled for March 5.

The SEI Implementation Team started the preparations for the three-day workshop on Development of the Performance Management System of the State Education Inspectorate, scheduled for March 6-8.

In relation to the procurement of laptops for the State Education Inspectors, the Evaluation Committee selected Doajen Data Systems as a winning company that offered both a configuration within the range of minimum and maximum requirements outlined in the Request for Bids as well as an acceptable price.

On March 5, a meeting was held with the SEI management staff. The purpose of the meeting was to identify overlaps in responsibilities between State and Municipal Education Inspectors, recommend possible ways of cooperation among them and suggest amendments to the Law on Education Inspection.

A three-day workshop was held March 6-8 with the SEI management staff on development and implementation of a management system for SEI.

A contract for the purchase of 42 laptops was signed with Doajen Data System, the company that submitted the best offer in the bid both in terms of configuration and price. Since the Government of Macedonia provided Microsoft Office licenses free of charge for all laptops,

the initial price of the laptops was additionally reduced. On April 11, a ceremony for handing over the laptops to SE Inspectors will be organized.

- HICD activities for Business Performance Improvement of the Quality Control Lab

In October, SPMG conducted an accounting due diligence of the Quality Control Lab, and presented results to WL, Land O'Lakes and USAID. SPMG reviewed the results of market research activities conducted previously and decided to conduct complementary, yet limited additional qualitative research that will target 25-30 food and beverage companies.

SPMG conducted a qualitative research via in-depth interviews that targeted approximately 25 food and beverage companies, several governmental and non-governmental institutions and other relevant parties from the industry.

In February, SPMG conducted meetings with three potential investors for the Quality Control Lab (QCL). All of them expressed interest in the idea of investing in the QCL and, once they review the business plan document, they will inform SPMG of their decision. Based on the results from the first round of meetings, SPMG, in close cooperation with the QCL, will organize a coordination meeting and will decide on further steps concerning the negotiations with the stakeholders who are interested in investing.

In March, World Learning organized a coordination meeting with SPMG, LOL and WL, during which the results of the meetings with potential investors were presented and a strategy for the first organization meeting with all investors was discussed.

- HICD activities for the State Commission for the Prevention of Corruption

On January 18, World Learning/USAID signed a Memorandum of Understanding with the State Commission for Prevention of Corruption and the Government of Macedonia for an anti-corruption program that will be implemented in the period between February and July, 2007. The aim of this program is to support the National Integrity System and build institutional capacity at the Secretariat of the State Commission for Prevention of Corruption. It comprised three phases:

- Phase I: Development of Key Performance Indicators based on which a “new”, updated and upgraded State Program for Prevention and Repression of Corruption and Action Plan will be adopted by the State Commission.
- Phase II: Development of a Performance Monitoring System to collect and report data related to the Key Performance Indicators above;
- Phase III: Building of institutional capacity at the Secretariat of the State Commission for Prevention of Corruption, so that it may:

- Implement, manage and utilize the Performance Monitoring System,
- Deliver the State Commission's full mandate under the law. To that effect, a full comprehensive performance assessment of the Secretariat (and the larger system within which it evolves) will be conducted, to identify root causes of any performance gaps and suggest solutions to close identified gaps. An intervention package will be developed and presented/proposed to the State Commission and the donor community at large.

The following activities were undertaken by World Learning in February:

- Conducted the Peripheral Stakeholder Survey with 5 donor agencies. The aim of this survey was to learn what other donors are doing in the area of combating corruption, particularly concerning Key Performance Indicators that are used for measuring corruption or for assessing the success of anti-corruption measures and activities.
- Hired two Performance Experts and two Anti-corruption Experts who will work on developing Key Performance Indicators and a Performance Monitoring System, and on building the institutional capacity at the Secretariat of the State Commission for Prevention of Corruption.
- Hired 7 Local Experts who will act as pillar experts and facilitate the workshops during Phase I. In addition, World Learning hired 1 Local Anti-corruption Expert who will support the foreign experts throughout the Program.
- Conducted preliminary general meeting with all participants involved in Phase I.
- Implemented the first round of workshops with representatives of the 6 pillars of the National Integrity System.

The first round of workshops with representatives of the six pillars was organized between February 26 and March 5, during which corruption related - problems in all 6 pillars were identified. The second round of workshops with representatives from the six pillars was organized between March 12 and 19, during which actions and KPIs were identified. In the period between the above-mentioned workshops, WL, SCPC and the experts summarized the results of the workshops.

A Key Performance Indicators retreat was organized in Skopje between March 27 and 30, during which the work of the previous two workshops was verified and cross pillar problems were finalized.

Continuous coordination meetings were organized between WL, SCPC and all experts hired on this project. Preparations were made for Phase II of this project.

- HICD activities for the Bureau for Development of Education

After presenting the Human and Institutional Development Program to the Management Team of the Bureau for Development of Education (BDE), and their consent to undergo a Performance Assessment, Memorandum of Understanding #1 between World Learning/USAID and BDE was drafted and sent to BDE for their review in February.

On March 27, a Memorandum of Understanding and Cooperation was signed with MOES/BDE for conducting a thorough and independent performance assessment at the BDE. Following the signing of the MOU, a Request for Proposals was sent to a number of Performance Experts (PE) and Field of Activity Experts (FoAE). The deadline for submission of proposals is April 13.

During this period, peripheral stakeholder interviews with UNICEF, the Education Modernization Project, the World Bank and the Foundation Open Society Institute were conducted. The purpose of these interviews was to learn from other donors about their experience of working with the BDE, avoid potential overlap of activities and identify possible performance gaps.

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

- \$4,296 was saved by applying reduced cost M&IE rates for the third country training program in Law on Courts.
- \$500 was saved by translating program-related documents in-house for the HACCP Training for Government of Macedonia Food Inspectors program.
- \$550 was saved by translating program-related documents in-house for an HICD/State Education Inspectorate (SEI) event.
- \$450 was saved by translating program-related documents in-house for an HICD/Ministry of Justice (MOJ) event.
- \$750 was saved by providing in-house interpretation services for an HICD/State Education Inspectorate (SEI) event.
- \$300 was saved by providing in-house interpretation services for an HICD/State Education Inspectorate (SEI) event.

- \$110 was saved by translating program-related documents in-house for an HICD/Bureau for Development of Education (BDE) event.
- \$300 was saved by translating program-related documents in-house for an HICD/Ministry of Justice (MOJ) event.

**Total Savings.....\$7,256**

### **III. APPENDIX**

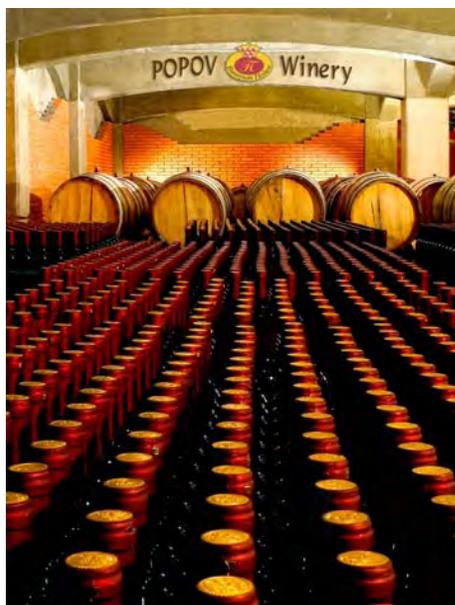
- A. Intervention Status Report – October 2006-March 2007
- B. Success Stories for October 2006-March 2007

**APPENDIX A: INTERVENTION STATUS - NEW STARTS - OCTOBER 2006 - MARCH 2007**

	UST	TCT	ICT	TA	Small Grants	EMT	Academic	Partnerships	HICD Activities	TOTALS
<b>Number of Interventions</b>										
<b>Macedonia - period</b>	1	3	6	1	0	0	0	0	3	14
<b>cumulative</b>	3	7	17	4	0	0	0	0	6	37
<b>Number of Participants (if applicable)</b>										
<b>Macedonia - period</b>	1	24	3382	n/a					n/a	3407
<b>cumulative</b>	13	42	4030	n/a					n/a	4085

Appendix B to FORECAST/Macedonia Semi-Annual Report  
October 2006-March 2007  
Success Stories

**Headline:** Popov Winery's First Wine Export Follows Macedonians' Training in California



**The wine cellar of the Popov Winery located in the village Sopot, Tikves region.**

**Photographer's Organization: Popov Winery**

**Challenge:**

Growing grapes and production of fine wines are part of a millennium-long tradition in Macedonia. With its extensive vineyards, the Tikves region is one of the most prestigious grape-growing regions in the Balkans, distinguished by excellent soil and ideal climate conditions for grape cultivation. This is the region where most of the small private wineries have established their business in grape processing and wine production aimed for both the local market and for export to foreign markets. The Popov Winery is an outstanding family-owned winery located in Sopot, near the town of Kavadarci in the Tikves region, founded in 2001. The winery possesses about 15 hectares of cultivated vineyards. Its annual production is approximately 200,000 bottles of 12 different types of wine, a portion of which the winery intends to export. In order to achieve this and to become more competitive in the foreign markets, the Popov Winery needed to improve its marketing knowledge and started using sophisticated marketing tools to sell their products and thus increase revenue from export.

**Initiative:**

To help achieve this goal, between July 11 and 29, 2005, Mr. Miro Popov, Sales Manager at the Popov Winery, attended a Wine Marketing course at UC Davis, California as part of a group of eight sales and marketing managers of different Macedonian wineries. The OIV Wine Marketing Course was organized by the Organization International de La Vigne et du Vin (OIV), UC Davis Extension and the Department of Viticulture and Enology, UC Davis. The program included winemakers, vineyardists, attorneys, accountants, wine marketers, distributors, retailers, leaders of trade associations, regulators and educators from the University of California. It aimed to help the participants develop marketing plans based on goals to increase sales of bottled wine, re-evaluate current marketing activities and propose activities to increase sales of existing distributors and identify new buyers and start negotiations that will result in export of bottled wine.

### **Results:**

After a 5 year presence on the local market with its high quality wines, the Popov Winery managed to export 18,000 bottles of 5 different varieties of wine in Switzerland, which is their first export. Their partner company in Switzerland, Rimus and Ram, are responsible for distributing the Macedonian wines to the retail stores in Switzerland. Another 20,000 bottles of wine are to be exported to Slovenia during the first quarter of 2007. Furthermore, as part of the future plan, the Popov Winery is also negotiating potential export to Bosnia and Herzegovina, Serbia and Montenegro.

### **Pullout Quote:**

Miro Popov, Sales Manger in the Popov Winery: "The export to Switzerland was a great success for the Popov Winery and we hope for future cooperation with our partner company Rimus and Ram. At the moment the winery is mainly concentrated on export to Slovenia, Bosnia and Herzegovina, Serbia and Montenegro."

### **Background Information**

Please let us know these details about the photograph

**Date:** December 2006  
**Country of Story:** Macedonia  
**City or Region of Story:** Kavadarci  
**USAID Program:** MCA  
**Contractor, if any:** World Learning

### **Submitter**

Please tell us who we should contact regarding this story.

**Name:** Ivana Strihic, Program Coordinator  
**Organization:** World Learning/Macedonia  
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**Phone:** +389 2 3132 062

**Name of Group:** Wine Marketing Course

**Date and Location of Intervention:** July 11 - 29, 2005, UC Davis, California

**Name of Intervention Provider:**

University of California at Davis Extension

Food Science, Ag and Natural Resources

Distance Learning Programs in Winemaking and Food Science

**Summary:**

Following his attendance at a training program in California, along with a group of other Macedonian wine sales and marketing managers, the owner of a family-owned winery has started exporting his wine to Switzerland and Slovenia, and is now negotiating with potential importers in Bosnia and Herzegovina

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**Tehnokoop Today: Doubled Sales, Increased Export, Improved Marketing**



**Photographer's Organization:** Tehnokoop

**Challenge:**

Tehnokoop is a company for production of home and office furniture established in 1990. At the time of the training in 2003, the company had 41 full-time employees, showrooms in Skopje and Kumanovo, and production facility in Skopje. The target client profile were middle class households, and the company aimed to offer higher-end, customized furniture at price lower than that offered by Italian and Slovenian competitors. The company used C&C computerized machines for furniture production, had a computerized accounting system and inventory management, and was developing a database system for client management. Nevertheless, Tehnokoop was facing problems in the areas of management and marketing. Due to the lack of synthesis of management data, there was a need for integrating several systems of data collecting from various departments (production, finance, client records) for better decision-making process. Back in 2003, a business approach starting with client (upstream) and ending with product delivery and client retention (downstream) was not in place yet.

### **Initiative:**

Mr. Toni Bozinovski, General Manager of Tehnokoop, in the period between October 11 and 25, 2003, participated in a two-week tailored training program to gain an overview of the furniture industry in the US, particularly in terms of production-management and marketing. The training aimed to help Mr. Bozinovski gain skills in Management Information Systems that collect data on product popularity, customer feedback, i.e. for various marketing purposes in order to become more customer-oriented, effective, customer-focused methods to market the company's products within its competitive environment, optimize customer-service at least cost, while improving customer satisfaction and retention. The training included visits to supreme US Design Centers, Forestry and Forest Product Associations, and University Technology and Marketing Departments in order to acquire knowledge in marketing approaches and technology used in the US furniture business, including hardware & software programs applied.

### **Results:**

The successful completion of the training and the excellent results of the implementation of the training objectives were a boost for future results of Tehnokoop. New stores were opened in other cities in Macedonia in 2004 and 2005; a subsidiary company, "OTO Mebel", was established to sell furniture according to the IKEA system; a new corporate logo, branding strategy and promotion activities were launched for the 2004 furniture fair; export to Serbia, Croatia and Bosnia was commenced in 2004; 30% of the production of upholstery in 2006 was in export; a new management information system that integrated all functions within the company was introduced in 2006. Furthermore, recent analysis shows that Tehnokoop increased its exports by 300% in 2006, which was primarily due to the 50,000 Euro investment in modern production machinery which increased the company export not only to Serbia, but also to Croatia, Cyprus and Portugal.

### **Pullout Quote:**

Toni Bozinovski, General Manager of Tehnokoop: "Today Tehnokoop has doubled its sales and has 60% more full-time employees than before the training, among which at least 40% are handicapped individuals. Tehnokoop also has a stabilized export and significantly greater plans for the future".

### **Background Information**

Please let us know these details about the photograph

<b>Date:</b>	February 2007
<b>Country of Story:</b>	Macedonia
<b>City or Region of Story:</b>	Skopje
<b>USAID Program:</b>	Entrepreneurial Management Training
<b>Contractor, if any:</b>	MBRC

### **Submitter**

Please tell us who we should contact regarding this story.

<b>Name:</b>	Veslinka Petrusseva, Program Assistant
<b>Organization:</b>	World Learning/Macedonia
<b>Email:</b>	<a href="mailto:veslinkap@worldlearning.org.mk">veslinkap@worldlearning.org.mk</a>
<b>Phone:</b>	+389 2 3132 062

### **Participant Data:**

<b>Name of Group:</b>	Tehnokoop- Entrepreneurial Management Training
<b>Date and Location of Intervention:</b>	October 11 – 25, 2003, USA

**Name of Intervention Provider:** Bluefield State University, Center for International Understanding

### Summary

Following a US training program on marketing and on the introduction of technology in the furniture industry, the general manager of a Macedonian furniture company has made significant changes in production and marketing. This year has seen a tripling of his company's exports, and he has developed markets not just to neighboring countries but also to Cyprus and Portugal.