



United Nations Development Programme

Government of Macedonia

Aid Coordination Capacity-Building, phase 3

Brief description

The main goal of the project is improve management of external assistance and effective use of development cooperation resources, through strengthening the capacities of SEP and line ministries in strategic planning, monitoring and evaluation.

More specifically, the third phase of the project will assist in advancing the capacities of the administration in undertaking foreign assistance gaps analysis, monitoring, evaluation and impact assessment. Through the team of local professionals, project will take actively participate in: a) collection and dissemination of data; b) analysis of the priority areas for donor assistance; c) undertaking gaps analysis and formulation of project ideas; d) further enhancing the communication with donors through organization of thematic coordination meetings, follow-up technical meetings and round tables; e) monitoring and evaluation of the impact of the foreign assistance; f) provision of training for the mid-level of civil servants in strategic planning and programming.

Part I. Situation Analysis

Ia. Context

The overarching goal of Macedonia, which enjoys consensus in the country, is to join European Union (EU). This objective requires ambitious agenda for shaping national policies, undertaking reform initiatives and creating healthy economic and business environment. Not less important on the country's path towards the EU are the economic growth along with institutional and administrative preparedness at all levels of governance. All these efforts have been seeing steady progress over the past several years.

Macedonia was the first country in the region to sign the Stabilization and Association Agreement (SAA) with the EU in April 2001. This Agreement provided strong motivation for intensification of the legal, institutional and economic adjustments for fulfillment of EU membership criteria. Application for membership in the European Commission was submitted in March 2004. By answering the European Commission Questionnaire, Macedonia demonstrated its potentials to meet the administrative requirements for EU membership. Upon the positive assessment of the answers to the EC Questionnaire, on 9 November 2005 the Commissioner for Enlargement announced the recommendation for the country to become a EU candidate-country, followed by the decision of the European Council of 17 December 2005 for granting a candidate status to Macedonia.

Along with the positive opinion, Macedonia also received the second European Partnership, modified and updated according to the findings of the Avis, which pinpoints the short- and medium-term priorities for the country's preparations for integration into the EU. Having analyzed the Avis and the European Partnership 2005, the Government of Macedonia set the year 2010 as a target for fulfilling the preconditions for full EU membership.

The European integration process, but also the overall development agenda of the country, necessitate investment of considerable efforts and resources in terms of improving the strategic planning capacities at highest level, creating effective synergies between sectoral policies and strategies, and mobilizing country's potentials at all levels through partnerships with civil society and private sector. In that respect, capacities of Macedonian institutions to effectively manage the requirements implied by the preparations for EU membership (for example, the administration of processes and management of funds), need to be strengthened so that national institutions can effectively interact with EU organs and formulate sound and comprehensive policies.

The pre-accession process also implies that public and civil servants from all levels of government need to be trained to perform in compliance with European standards and processes. This means that they will be expected to effectively plan, budget and administer funds, create projects and manage them ably. The acquirement of these standards will make Macedonia a positive and proactive member of the EU that will competently participate in the European governance process and ultimately in the formulation of EU policies.

The above reinforces the need for optimizing the impact of development assistance through effective allocation of foreign and national financial and human resources, which in turn makes the efficient management of foreign assistance one of the crucial tasks of the Government.

1b. Prior & Ongoing UNDP Assistance

Implementation of the Rome commitments (2003) and subsequently the Paris Declaration (2005) on harmonisation and alignment restated the need for recipient countries to manage development assistance in a transparent and accountable manner and to align it with key national priorities. Honoring these commitments, UNDP globally is focusing on strengthening institutional and technical capacities of recipient countries for mobilisation, management and allocation of external resources as well as improving coordination between national stakeholders and bilateral/ multilateral donors. In addition, as manager of the Resident Coordinator system and chair of the United Nations Development Group (UNDG), UNDP also promotes the importance of aligning external resources with national development priorities through supporting formulation of national development and/or poverty reduction strategies as well as through strengthening human and institutional capacities at all levels.

Building on the international experience and knowledge, UNDP Macedonia has been providing significant support to the Government for strengthening its national system for coordination of foreign assistance since 2001. Technical support was provided in two phases:

The first phase¹ involved provision of a hardware, software and technical assistance to the Sector for European Integration (SEI) (from 2005, Secretariat for European Affairs/SEA) for strengthening the national coordination system, with creation of a Central Donor Assistance Database (CDAD) as one of the main outputs of the project.

The second phase² of the aid coordination support programme was designed to consolidate the results of the first phase through provision of technical assistance to the Secretariat for European Affairs (SEA) Aid Coordination Sector (ACS) and line ministries to strengthen capacities for coordinative planning among the ministries, as well as between the Government and donors, with a view of more effective planning and coordination of foreign assistance. The main achievements of the second phase include:

- Improvement of reporting and analytical functionalities of the Central Donor Assistance Data-Base (CDAD);
- Redesign and re-engineering of the web-based information dissemination media, including interactive information sharing on all aspects of the European Integration process, utilization and coordination of foreign assistance etc.;

¹ Phase I, MCD/97/004 Capacity Building Support for the Consolidation of the National Aid Coordination System project in the amount of \$115,000.00.

² "Aid Coordination Capacity Building, phase II", funded by UNDP and the Government of Norway.

- Improvement of the quality and accuracy of information on foreign assistance and its dissemination between ministries and donors through preparation and promotion of thematic reports, brochures and web-oriented information e.g. Report on Donor Assistance Related to the Process of Decentralisation and Local Development; Report on Donor Assistance to the Judicial and Home Affairs Sector and the brochure "Donors in the Republic of Macedonia";
- Establishment of a mechanism for collection and analysis of data on foreign assistance, including through regular updating of the CDAD and the web-site;
- Enhancing the regular communication with donors as well as involvement in planning of development assistance strategies and programming action plans;
- Organization of regular thematic donors coordination meetings on a monthly basis;
- Addressing the human resources constraints in the SEA and line ministries by engaging local professional staff dedicated to monitoring, analysis and policy support, as well as through provision of targeted training to representatives of SEA and line ministries.

1c. Legal and Institutional framework

Since the independence in 1999, the Government of Macedonia has gained substantive experience in mobilization, coordination and implementation of foreign assistance. With the purpose of streamlining the cooperation with donors and international organizations, the National System for Coordination of Foreign Assistance was institutionalized, with one of the Deputy Prime Ministers mandated with the role of a National Aid Coordinator and the establishment of a Committee of Ministers for Coordination of Foreign Assistance (CMCFA), Coordinative Technical Group of the CMCFA and Aid Coordination Sector (ACS) within the Secretariat for European Affairs (SEA).



While the Government of Macedonia designs the overall and sectoral strategies and policies, the main mandate of the National Aid Coordinator and the Committee of Ministers for Coordination of Foreign Assistance is to secure strategic directions of the foreign assistance in accordance with the Government priorities and to strengthen its effectiveness through inter-sectoral coordination.

The Coordinative Technical Group of CMCFA, supported by the Secretariat for European Affairs, is responsible for operational functioning of the National System for Coordination of Foreign Assistance. More specifically, the SEA Aid Coordination Sector serves as an operational arm of the National Aid Coordinator and permanent Secretariat of the CMCFA, as well as the link for exchange of data, information and programme/project proposals through day-to-day contacts with the donors. The SEA/ACS manages the Central Donor Assistance Database (CDAD) and has direct communication with the Ministry of Finance.

In addition to its intrinsic responsibility for ensuring that projects are aligned with the central budget projections and with procedures on import, customs, VAT, etc. the Ministry of Finance also oversees and monitors the use of aid funds and ensures that procurement procedures are abided by. The respective line ministries are responsible for preparation of sectoral strategies and priorities and coordination of projects within their competence.

1d. Reasons for Assistance

- ***Insufficient capacities for strategic planning***

In the past several years, significant progress has been achieved in improving strategic planning capacities of the central level Government institutions, which represents a solid basis for establishing coherent national development priorities and efficient coordination of foreign assistance. The system for strategic planning of Government priorities is grounded on the following principles and mechanisms:

- Strategic priorities of the Government are set on an annual basis, with the General Secretariat (GS) of the Government, more specifically, the Sector for Strategic Planning and Monitoring (SSPM) leading the process. Strategic priorities are aligned with projected fiscal policy, and serve as a basis for the budget planning, the latter, for the first time in 2005, brought on multi-annual basis (2006-2008).
- The National Plan for Adoption of the Acquis (NPAA) presents a strategic framework that outlines the short and mid-term priorities within the reform processes and is aimed to ensure consolidation of all aspects of the European Integration process.
- As of 2005, the strategic planning was also introduced within the Governmental institutions / ministries. The planning is multi-annual (3 years). The responsibility lies within the Ministries for preparation and within the GS / SSPM for supervision and monitoring.
- In addition to a number of sectoral strategies that facilitate the process of planning, with support of UNDP, the Government started the preparation of the National Development Plan that will provide a coherent development framework, necessary for coordination and improvement the development processes within the country in order to confirm the national commitment towards achieving the MDGs, meeting economic and social standards, but also to effectively use the EU Pre-accession funds.
- The organisation and the capacities for strategic planning were initially set and developed within the recently finalized DFID Public Administration Reform project. DFID will continue to provide targeted advisory support to the General Secretariat, including in strategic planning.

Notwithstanding the significant progress that has been noted over the last couple of years, the Government is still facing a number of challenges in improving its capacities to manage the development cooperation resources effectively. Namely, the Sector for Strategic Planning and Monitoring is set and operational, but its capacities are still insufficient to perform the duties.

Having in mind that the efficient strategic planning is one of the preconditions for proper implementation of the reforms, as well as for effective coordination and utilization of foreign assistance, additional technical

support will be needed in a form of targeted training to the Sector for Strategic Planning and Monitoring as well as to mid-level civil servants in SEP and line ministries.

- ***Lack of accurate foreign assistance gaps analysis***

The main responsibility for *programming* of foreign assistance lies with the National Aid Coordinator and the Committee of Ministers for Coordination of Foreign Assistance (CMCFA). Progress is evident in this area as well, namely:

- In 2005, the Government determined the mandate of the CMCFA for the first time and set-up its (extended) structure. The CMCFA members nominated their representatives in the CTG, in the capacity to analyze and approve foreign assistance issues before they come to the agenda of CMCFA.
- The CMCFA input in the process of programming is mainly given through the Secretariat for European Affairs in cooperation with the Ministries, which communicate with donors on a daily basis, organize monthly thematic coordination meetings and actively participate in the process of programming of bilateral and multilateral donor strategies.

The process of programming needs to be based on accurate and timely gaps analysis that will pinpoint the specific needs for foreign assistance. The former is strongly linked with the development priorities and the accuracy and quality of data on foreign assistance. The process of strategic planning and the practice of organizing thematic coordination meetings facilitated the identification of central and sectoral priorities. Within the second phase, the project has also been extensively involved in collection and analysis of data and their matching with the strategic priorities of the Government. This has created a solid foundation for undertaking in-depth and accurate gaps analysis.

- ***Inadequate capacities for project implementation***

National institutions are seldom involved in project *implementation*, and they lack sufficient capacities to implement projects. Apart from certain isolated examples (Norwegian Bilateral Assistance, UNDP Nationally Executed Projects, UK assistance etc), only few projects are implemented by Government institutions. One of the reasons for this is pertaining to the inadequate procurement and financial management systems that are holding the donors back from resorting to national mechanisms for project implementation.

With the introduction of a Decentralized Implementation System (DIS) for the forthcoming IPA instrument, the efforts to improve implementation capacities will be strengthened through a specific CARDS training component. However, only limited number of civil servants will benefit from that programme and the need for complementary training for enhancing Government capacities to design, manage or implement the bilateral and other multilateral funded projects will remain a priority.

- **Absence of structure and capacities for monitoring and evaluation**

As a result of the scarce involvement in project implementation, the involvement of the Government in *monitoring and evaluation* has been also inadequate. For some projects, monitoring is performed through Steering Committees, but such model has very often been seen as pro- forma and proved inefficient. At programme or strategy level, the situation is even more alarming.

Within the second phase of the project, the assigned staff for monitoring and analysis of foreign assistance collected and analysed the available information. However, this information is not sufficient for further gaps analysis nor for efficient monitoring and evaluation of projects and programmes.

1e. Target Beneficiaries

The Project will provide direct assistance to the key national structures responsible for coordination of foreign assistance, the National Aid Coordinator and the Committee of Ministers for Coordination of Foreign Assistance through technical assistance to their supporting institutions, namely the Secretariat for European Affairs and the following ministries:

1. Ministry of Finance;
2. Ministry of Economy;
3. Ministry of Agriculture, Forestry and Water Economy;
4. Ministry of Transport and Communication;
5. Ministry of Labor and Social Policy;
6. Ministry of Local Self-Government;
7. Ministry of Justice, and
8. Ministry of Interior.

Finally, the ultimate beneficiaries of the project will be the civil servants at central level, who will be receiving technical support including through recruitment of national professionals and training.

Part II. Strategy

2a. Programme Strategy

Within the previous phases, UNDP provided significant support to establishment of the national aid-coordination system especially in terms of improving the quality and accessibility of foreign assistance information and technical skills and capacities of SEP and line ministries in strategic planning, monitoring and management of foreign assistance. These created preconditions for enhanced

communication and cooperation among line ministries and between the Government and donor community, including through organization of regular donor coordination meetings. However, in order to ensure impact measured also through the actual alignment of donor strategies with the specific priorities of the Government, more substantive and in-depth analysis is necessary.

Although the established practice of holding thematic coordination meetings created a forum for consultation and dialogue with donors about priority areas, a more detailed follow-up gaps analysis and translation of the specific needs into programmes/projects is necessary to provide donors with quality information on programming the assistance and design of projects. Moreover, monitoring and evaluation of the impact of received foreign assistance is necessary to feed into the next stages of the process.

To realize the previous, in addition to the solid institutional basis for coordination of foreign assistance provided within the structure described in **1c. Legal and Institutional framework**, further coordination at technical level is needed to ensure substantive cooperation at programme level. In this regard, a need has been identified for instituting thematic donor-coordination working groups, which will be responsible for providing in-depth analysis and inputs to upper (political) levels on the programme needs and most efficient modalities for utilization of foreign assistance. Thematic working groups will also serve as fora for monitoring and assessing programme impact and information sharing on issues that might arise in the course of implementation. The themes around which the thematic groups will be set-up may be aligned with priorities identified with the National Development Plan (NDP), as a general development framework, other strategic documents (the NSEI, NPAA, PEP, sectoral strategies and the strategic plans of the ministries, or the components of the IPA funds. Given the multi-dimensional nature of development, the thematic working groups will need to duly represent relevant line ministries and institutions, the SEA/ACS, the Sector for Strategic Planning and Monitoring (SSPM) and the Sector for Economic Reforms within the General Secretariat as well as the budget department, and where practical from the Macroeconomic Policy Department of the Ministry of Finance. Essentially, the thematic working groups will serve as an operational structure that will support the work of the National System for Coordination of Foreign Assistance.

In this regard, the third phase of the project will assist in advancing the capacities of the administration in undertaking foreign assistance gaps analysis, monitoring, evaluation and impact assessment. The previous will comprise of the following activities:

- Active participation in collection and dissemination of data;
- Provision of technical support to SEA and the line ministries in analysis of the priority areas for donor assistance;
- Provision of technical support to SEA and the line ministries in undertaking gaps analysis and formulation of project ideas;

- Enhancing the communication with donors through organization of thematic coordination meetings, follow-up technical meetings and round tables;
- Provision of technical support to SEA and the line ministries for monitoring and evaluation of the impact of the foreign assistance;
- Supporting the work of the operational donor coordination structure (thematic working groups).

2b. Main goal, objectives and activities

The main **goal** of the project is improve management of external assistance and effective use of development cooperation resources, through strengthening the capacities of SEP and line ministries in strategic planning, monitoring and evaluation.

The **main objectives** of the project are the following:

- A. Strengthened capacities for monitoring, evaluation, analysis and policy support;
- B. Strengthened coordination activities, and
- C. Strengthened professional skills for effective coordination of foreign assistance.

2c. Project activities

A. Strengthened capacities for monitoring, analysis and policy support

Quality data and their analysis is necessary input for an enhanced dialogue with donors and efficient donor coordination. In that sense, through this project technical support will be provided for the following activities:

1. Data quality on foreign assistance, improved, analyzed and widely disseminated in a coordinated manner

Access to reliable and accurate data is an important input for informed policy decisions. The project will continue to collect and analyze data on foreign assistance and provide standardized information in a coordinated manner. This information will be widely accessible through the SEA and the line ministries' web-sites, the Central Donor Assistance Data-base (CDAD), as well as through dissemination of various thematic reports and brochures to donors. This will ensure regular up-date of information and stimulate donors to refer to the CDAD. The technical features of the web-site will be continuously improved.

2. Priority needs, as a basis for programming the foreign assistance, identified and formulated

The strategic documents such as the NPAA, sectoral strategies, strategic plans of the Ministries, as well as the National Development Plan (currently under preparation) provide directions on the development priorities of the Government. However, for providing input for programming the assistance, those priorities should be further analysed from the perspective of the EU IPA or other donors' priority areas. Translation of identified priorities into project ideas and specific foreign assistance modalities will remain a challenge. In that regard, the project will cooperate and provide technical assistance to SEA and the line ministries to perform foreign assistance gaps analysis, thus providing input for programming the foreign assistance. This activity will be primarily linked with Government efforts for enhancing capacities to utilize the EU IPA Instrument. Nonetheless, this will encompass the assistance from bilateral and multilateral donors.

3. Mechanism for monitoring and evaluation in place

In order to ensure continuity of the above-described process and provide informed inputs for policy makers and donors, the ongoing development and EU pre-accession assistance should be continuously monitored and evaluated. This process needs to go beyond measuring project results, and focus on evaluation of development impact of objectives that will be identified along NDP and IPA. The project will therefore provide technical assistance to the thematic working groups for monitoring, evaluation and reporting on progress utilizing indicators that will be defined with NDP and other strategic documents of the Government for pre-accession. This activity will be also linked to the work of the Joint Monitoring Committees established for monitoring purposes of the IPA funded projects.

B. Strengthened coordination activities

Foreign assistance coordination is a complex, time and skills consuming function. From a recipient country perspective, either the Government takes an active or semi-active role in coordination or, however, leaves the coordination to the donor community. From either point of view, a certain degree of coordination is required. This "degree" of coordination within the country depends on several factors such as: the country's interest in reform and development; its readiness to match donor resources against clearly set policies, strategies and priorities; its absorptive capacity; its interest in cooperation and relationship with donors, as well as the interest and capacity of donors to respond to the country's needs.

Within the second phase of the project, the coordination activities both among the Government institutions, as well as between the Government and the donors were significantly strengthened through enhanced bilateral contacts with the donors, as well as through organization of thematic coordination meetings on a monthly basis. This practice will be continued and extended through:

1) Strategic priorities communicated with donors

The project will continue providing technical support to SEA and the line ministries for organizing central and sectoral thematic coordination meeting through facilitating communication between donors and Government institutions and preparing technical documentation.

2) Information necessary for formulating and/or adjusting projects identified and communicated with donors

The established dialogue during the donor coordination meetings has been evaluated as most positive both by the Government and donors. However, the need for follow-up technical meetings was determined as necessary in order to strengthen Government ownership in donor coordination and ensure that donor-funded projects are fully aligned with Government priorities.

To address the issue, technical support will be provided to deepen the dialogue with the donors through organization of technical follow-up meetings, round-tables and workshops. These forums will be used to 1) share information on possible project implementation issues within given thematic area, and 2) discuss the findings of the gaps analysis. The former will allow for some flexibility in resolving the implementation problems through adjustment of ongoing projects; as well as to identify and provide the specific information needed for formulation of new projects. Bilateral contacts with donors will also continue.

C. Strengthened professional skills for effective coordination of foreign assistance

One of the main benefits of the previous phase of the project was in strengthening the human capacities within SEA and line ministries, both through recruitment of personnel and provision of training on aid coordination topics. This component will continue through development of a targeted training plan and organizing trainings mostly related to enhancing the capacities for monitoring, analysis and policy support.

1. Training plan developed

Thorough needs assessment will be conducted within the General Secretariat, line ministries and SEA to define the training plan. The trainings will be mostly related to monitoring and evaluation; strategic planning; policy analysis; programme and project cycle management; etc.

2. Trainings organized/delivered

Adequate curriculum will be designed and training institutions/trainers identified and engaged to deliver trainings according to the training plan. Participants will be consisted of project staff as well as representatives of SEA, line ministries and the General Secretariat of the Government (SPAC, SSPM).

2d. Financial sustainability of the project

As the project is recruiting additional technical staff, sustainability of the project and its effects is highly dependent on the capability of the Government to retain them beyond the expiration of the project.

Given that the project staff is engaged within the SEA and the European Integration units within the ministries, which due to the status of European Integration process are under major staff extension, as well as the recognized impact of the project staff for strengthening the coordinative role of the Government, the possibility to retain the project staff after completion of the project is credible.

2e. Managerial structure of the project

The project will be executed through the established project office within the Secretariat for European Affairs consisting of the following positions: Project Manager, Project Assistant, two MAPS Assistants, CDAD Administrator and WEB Administrator. The Project Manager will be accountable to the National Project Director and UNDP Programme Officer.

The project will also work through the established focal points, the MAPS Assistants allocated to the European Integration Units of the following ministries:

- Ministry of Economy;
- Ministry of Finance;
- Ministry of Agriculture, Forestry and Water-economy;
- Ministry of Transport and Communication;
- Ministry of Local Self-Government,
- Ministry of Interior, and
- Ministry of Labor and Social Policy.

The project staff will work as part of the teams created within the SEA/Aid Coordination Sector and the European Integration Units within the line ministries. Specifically, the MAPS assistants at the focal points will work via thematic working groups consisted of persons nominated as aid coordinators within the line ministries and the relevant area focal point at SEA.

Part III. Management arrangements

The project will be implemented under National Execution Modality (NEX) and executed by the Secretariat for European Affairs / Office of the National Aid Coordinator, in close coordination with SEA Focal Points in selected eight sectoral ministries. The Project Office will submit progress and financial management reports, as outlined in the UNDP Manual of Procedures for National Execution.

The Secretariat for European Affairs will designate a National Project Director, as a main focal point for the overall coordination of the project and the main link with the Government and the project partners.

A National Project Manager attached to the SEA/ACS will be responsible for the management of the project.

Close links will be maintained with relevant donor-assisted projects, at the central and sectoral levels.

The UNDP office in Skopje will provide support in terms of project management, project monitoring, administrative and financial management.

A standard Letter of Agreement will be signed outlining the respective responsibilities of the SEA/ACS and UNDP.

Part IV. Monitoring and Evaluation

Standard UNDP reporting procedures for monitoring and evaluation will apply. These include:

- 1) A project review to be held once a year, to bring together UNDP, SEA and other government representatives, in order to take stock of project progress vis-à-vis objectives, and to propose decisions to be taken on behalf of either UNDP or the government;
- 2) An annual project report (APR) to be prepared once a year by the project, with the participation of all stakeholders;
- 3) Additional project reports, including of a technical nature, to be prepared by both UNDP and Government;
- 3) A project terminal report (PTT) to be prepared by the executing agency (SEA) for consideration at a terminal review meeting. It will be prepared in draft, sufficiently in advance to allow review and technical clearance by the Government and UNDP prior to the terminal annual review;
- 5) The project will be subject to an audit, at least once during its duration.

Part V. Legal Context

This project document shall be the instrument referred to as such in the Article 1 of the Standard Basic Assistance Agreement (SBAA) between the Government of the Republic of Macedonia and the United Nations Development Programme, signed by both parties on 30 October 1995. The host country implementing agency (the Secretariat for European Affairs), shall for the purpose of the SBAA, refer to the Government co-operating agency described in the Agreement.

The following types of revisions can be made to this project document by the UNDP Resident Representative only, provided that other signatories of the project document have no objections to the proposed changes:

- 1) Revisions in, or addition to, any of the annexes of the project document
- 2) Revisions which do not involve significant changes in the immediate objectives, outputs, or activities of the project, but are caused by the rearrangement of inputs already agreed to or by cost increase due to inflation.
- 3) Mandatory annual revisions, which rephrase the delivery of agreed project inputs or increased expert or other costs.

The attached Letter of Agreement (UNDP/Government of Macedonia) for the provision of Support Services (Annex 1) complements the standard provisions of the SBAA.

Section II Results and Resources Framework

<p>Project title and number: Aid Coordination, III phase</p> <p>Development objective: To improve management of external assistance and effective use of development cooperation resources, through strengthening the capacities of SEP and line ministries in strategic planning, monitoring and evaluation.</p>			
Intended Outputs	Output Targets for	Indicative Activities	Inputs
1.Strengthened capacities for monitoring, analysis and policy support (MAPS)	<p>1.1. Quality data on foreign assistance collected, analyzed and widely disseminated in a coordinated manner</p> <p>Indicators: No. of CDAD hits; No. of web-site hits; No. of CDAD reports and brochures disseminated.</p>	<p>1.1.1. Collection and analysis of data;</p> <p>1.1.2. Regular maintenance and improvement of the CDAD software;</p> <p>1.1.3. Up-dating of CDAD content (including issuing and registering VAT exemption certificates);</p> <p>1.1.4. Up-dating and extending web-site content (web-based info on foreign assistance);</p> <p>1.1.5. Preparation and dissemination of CDAD thematic reports and brochures.</p>	<p>Project Manager Project Assistant CDAD Administrator WEB Administrator MAPS Assistants</p>
	<p>1.2. Priority needs as basis for programming of foreign assistance identified and formulated</p>	<p>1.2.1. Analysis of strategic documents;</p> <p>1.2.2. Mapping donor priority areas and ongoing assistance;</p>	<p>Project Manager MAPS Assistants in cooperation with</p>

	<p>Indicators:</p> <p>1. No. of analytical reports</p> <p>2. No. of project ideas identified</p> <p>3. No. of project ideas financed</p>	<p>1.2.3. Analysis of gaps;</p> <p>1.2.4. Identifying and formulation of specific needs for donor assistance.</p>	SEA and the line ministries
	<p>1.3. Mechanism for monitoring and evaluation set-up</p> <p>Indicators:</p> <p>1. No. of M&E reports</p>	<p>1.3.1. Setting/adjusting indicators of progress;</p> <p>1.3.2. Monitoring and evaluation of progress against indicators</p> <p>1.3.3. Preparing M&E reports</p>	<p>Project Manager</p> <p>MAPS Assistants</p> <p>Thematic working groups</p>
2. Strengthened coordination activities	<p>2.1. Strategic priorities communicated with donors</p> <p>Indicators:</p> <p>1. No. of coordination meetings held</p> <p>2. No. of donors participated</p>	<p>2.1.1. Facilitating communication between donors and government institutions;</p> <p>2.1.2. Preparing technical documentation for donor meetings;</p> <p>2.1.3. Organizing central and sectoral coordination meeting</p>	<p>Project Manager</p> <p>MAPS Assistants in cooperation with SEA and the line ministries</p>
	<p>2.2. Info necessary for formulating and/or adjusting projects identified and communicated with donors</p> <p>Indicators:</p> <p>1. No. of technical meetings held;</p> <p>2. No. of donors participated</p>	<p>2.2.1. Organizing technical follow-up / preparatory coordination meetings;</p> <p>2.2.2. Organizing thematic round table and workshops.</p> <p>2.2.3. Continuous / daily contacts with donors .</p>	MAPS Assistants in cooperation with SEA and the line ministries
3. Strengthened	3.1. Training plan developed	3.1.1. Identifying training needs related	Project Manager

professional skills for effective coordination of foreign assistance		to coordination of foreign assistance (M&E; policy analyses; PCM; strategic planning)	
	3.2. Trainings organized/delivered Indicators: 1. No. of trainings delivered 2. No. of participants trained	3.2.1. Identification of adequate curriculum and trainers/training institution 3.2.2. Organizing trainings and workshops	Project Manager Project Assistant



**United Nations Development Programme
Macedonia**

Year: 2007

Project Number:

Project Title: *Aid Coordination (phase III)*

Proj. ID	Expected Output	Key Activities	TF				RP	Planned Budget			
			Q1	Q2	Q3	Q4		Fund	Donor	Budget Description	Amount
	Output 1. Strengthened capacities for MAPS	Collecting and analysing data on foreign assistance	X	X	X	X	UNDP	30000	NOR	71400 Contractual services-individuals	79,719.39
			X				UNDP	30000	NOR	72200 Equipment and furniture	10,204.08
		Publication of reports		X		X	UNDP	30000	NOR	7420 Audio-visual&print production costs	1,275.51

		Sub total											91,198.98	
	Output 2. Strengthened coordination activities	Organisation of coordination meetings	X	X	X	X	UNDP	30000	NOR	71400	Contractual services-individuals		79,719.39	
		Sub total											79,719.39	
	Output 3. Strengthened professional skills	Trainings organised		X		X	UNDP	30000	NOR	71200	International consultants		15,306.12	
				X		X	UNDP	30000	NOR	71300	Local consultants		11,479.59	
			Study tours organised		X	X		UNDP	30000	NOR	71600	Travel		3316.33
					X		X	UNDP	30000	NOR	72700	Hospitality		5102.04
			Sub total											35,204.08
		Project management	Operations costs	X	X	X	X	UNDP	30000	NOR	72400	Communications-Audio Visual Equipment		1,275.51
			Audit	X				UNDP	30000	NOR	74100	Professional services		2,551.02
			Communications fee	X	X	X	X	UNDP	30000	NOR	74500	Miscellaneous		1,275.51
			Management fee	X	X	X	X	UNDP	30000	NOR	75100	GMS 7%		31,249.43
			1% Communication		X		X	UNDP	30000	NOR	72400	Communications-Audio Visual Equipment		2,295.92
			Sub total											38,647.39
TOTAL 2007													244,769.84U S\$	



**United Nations Development Programme
Macedonia**

Year: 2008

Project Number:

Project Title: *Aid Coordination (phase III)*

Proj. ID	Expected Output	Key Activities	TF				RP	Planned Budget				
			Q1	Q2	Q3	Q4		Fund	Donor	Budget Description	Amount	
	Output 1. Strengthened capacities for MAPS	Collecting and analysing data on foreign assistance	X	X	X	X	UNDP	30000	NOR	71400	Contractual services-individuals	79,719.39
		Publication of reports		X		X	UNDP	30000	NOR	74200	Audio-visual&print production costs	1,275.51
		Sub total										80,994.90
	Output 2. Strengthened coordination activities	Organisation of coordination meetings	X	X	X	X	UNDP	30000	NOR	71400	Contractual services-individuals	79,719.39
		Sub total										79,719.39

Output 3. Strengthened professional skills	Trainings organised		X		X	UNDP	30000	NOR	71200	International consultants	12,755.10	
			X		X	UNDP	30000	NOR	71300	Local consultants	11,479.59	
	Study tours organised		X	X		UNDP	30000	NOR	71600	Travel	4336.73	
			X		X	UNDP	30000	NOR	72700	Hospitality	5102.04	
	Sub total										33,673.47	
	Project management	Operations costs	X	X	X	X	UNDP	30000	NOR	72400	Communications- Audio Visual Equipment	1,275.51
		Audit	X				UNDP	30000	NOR	74100	Professional services	2,551.02
		Communications fee 1% Communication	X	X	X	X	UNDP	30000	NOR	74500	Miscellaneous	1,275.51
				X		X	UNDP	30000	NOR	72400	Communications- Audio Visual Equipment	2,168.37
		Sub total										7,270.41
TOTAL 2008											201,658.17U S\$	

SIGNATURE PAGE

Country: FYR Macedonia

UNDAF Outcome(s)/Indicator(s): accountable	Models and practices adopted for transparent and provision of decentralized public services established
Expected Outcome(s)/Indicator (s): the	A strategic national vision for local human development and good governance at national and local level in place; principles of transparency, efficiency accountability and respect for human rights abided by public sector
Expected Output(s)/Indicator(s):	Aid and policy coordination system and donors' support aligned behind 2015 and MDGs (<i>as per the CPD 2005-2009 and AWP 2005</i>)
Main partner:	Secretariat for European Affairs
Other Partners:	Ministry of Economy; Ministry of Finance; Ministry of Agriculture, Forestry and Water-economy; Ministry of Transport and Communication; Ministry of Local Self-Government; Ministry of Justice; Ministry of Interior, and Ministry of Labor and Social Policy.

Programme Period: 2007-2008
Programme Component:
Project Title: Aid Coordination, phase 3
Project ID: _____
Project Duration: two years
Management Arrangement: NEX

Budget	€350,000
General Management Support Fee 7%	
Total budget:	
Allocated resources:	€350,000
• Government in kind	
• Regular	
• Other:	
○ Donor (Norway)	€350,000
Unfunded budget:	_____

Agreed by Government: See attached Letter of Acceptance

Agreed by UNDP: Maria Luisa Silva Meijas, UNDP Resident Representative

DRAFT