PROJECT IMPLEMENTATION PROGRESS REPORT

**“Innovative Solutions for Improved Access to Services at Local Level”**

Project: PIMS 00088688

**January 1 - December 31, 2015**

*Draft*

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| **Implementing Partner:** UNDP |
| **Government Partner:** Ministry of Local Self-Government |

**Project start:** January 1, 2015

**Project end:** December 31, 2016

**Project total budget:**

**Funds ensured: $ 829,983**

**Funds spent: $ 704,562.71 ($ 315,282.97 in 2014 and $ 389,279.74 in 2015)**

**Latest revision: $ 508,124.99**

**(Latest revision dated December 2, 2015, of which $ 414,344.89 were contributed by the Ministry of Local Self-Government, $ 8,118.10 were an LGUs’ contribution and $ 83,909.77 were a UNDP contribution)**

**The Report refers to the period**: January 1 - December 31, 2015

**NARRATIVE PART**

1. ***What are the main achievements of the Program or Project in terms of results expected during the reported year? Please include assessment of the possible impact, sustainability and contribution to capacity development to the highest extent possible.***

The main Project goal is to enable the Ministry of Local Self-Government (MLSG), as a coordinator and supervisor of issues pertaining to decentralization and local government, to advance its efforts in promoting citizen-oriented local government, ranging from measurement of citizens’ satisfaction to proposing concrete measures for improved participation at the local level and better access to services. This is associated with three main objectives set out in the existing 2011-2014 Decentralization Program:

* Increased participatory governance at the local level;
* Provision of more equitable and improved local services for all citizens; and
* More effective oversight of decentralization policy development and implementation, and of local government development.

As foreseen, the Project strategy is to identify several priorities defined in the existing Decentralization Program within the Government Program, in terms of the segments related to improving access to services and quality of service delivery for which the Ministry of Local Self-Government has a clear mandate and responsibility. All activities are set to be based on systematic analyses, but also to demonstrate practical solutions to the challenges identified. This approach helps validate a number of issues and findings, and also offers materials for evidence-based policies.

**Output 1: Comprehensive information on citizens’ satisfaction with the functioning of the decentralized system and local governance, obtained in a systematic way**

The Report on the Survey of citizens’ satisfaction with the decentralized system and local government functioning was considered by the Government of the Republic of Macedonia and used as a basis for the preparation of the new 2015-2020 Program for Sustainable Local Development and Decentralization.

The development of operation assessment of the web platform dajpredlog.mk was postponed for the first half of 2016 and in accordance with the recommendations therein, it will be upgraded and promoted at a special event. The platform will be upgraded by the companies involved in its design, which also hold its software.

The questions of the Survey were defined such that they should serve as indicators of citizens’ perception regarding the quality of local service provision. However, in order to ensure the sustainability of interventions, these questions will be posted on the renewed website www.dajpredlog.mk, which will be administered by the MLSG, and it is recommended that they are shared with ZELS and citizen contact offices at all municipalities across the country.

For the purposes of MLSG related to management and administration of the web platforms dajpredlog.mk and imc.org.mk, a new server and personal computer were purchased. At the Project Committee meeting held on 19 November 2015, the server and personal computer were officially handed over to the Ministry of Local Self-Government.

**Output 2: An innovative Program for Support of Partnerships between municipalities and the civil and business society for better services delivery put in practice**

The Project Team was involved in the preparation of the Action Plan for 2014-2016 Open Government Partnership and took an active part in the Working Group on Priority 6: Openness at the local level.

In order to transfer the knowledge and skills of applied public sector innovation and public service delivery in the country, UNDP established a partnership with NESTA - a UK Foundation which is currently a global social innovation leader. On October 27, 2015, at the Municipality of Veles, a workshop with NESTA experts was organized, and knowledge and skills were transferred on how to use *new methods and techniques* for collecting information and data in *real time* to meet the needs of citizens and businesses, and to constantly monitor the situation on the ground and collect information about citizens’ knowledge and ideas that will contribute to making better local policies and strategies, and also to their implementation.More specifically, the effects of the application of the tool “Mapping the client’s experience - a day in the life of a user” - maintaining a user journal, were demonstrated through exercises with municipal administration representatives, councilors and citizens’ associations.

Within this joint Project with MLSG, the UNDP Office allocated additional funds in the amount of USD 21,000 for the implementation of activities in the Municipality of Gostivar in partnership with the United Nations Conference of Trade and Development (UNCTAD), aimed at increasing local transparency and accountability. These funds will be allocated to hiring a Local Consultant who will help Gostivar Municipality to establish the so-called e-System of Local (Administrative) Regulations (eRegulations system) as a modern tool developed by UNCTAD, which provides clear and transparent information on administrative procedures and makes them more efficient. According to the Memorandum of Understanding, UNDP, together with UNCTAD, shall hire a Local Assistant for documentation and administrative procedures in the Municipality of Gostivar for a period of 18 months (or two Local Assistants for 9 months), and organize and finance three workshops/seminars. In the reporting period, UNDP initiated the procedure to hire one Local Assistant and short-listed the suitable candidates according to their applications and CVs submitted for the position. The procedure for selecting the most suitable candidate for this position will be completed in early 2016.

The Innovative Program for support of partnerships between municipalities and civil society for improved service delivery will be financed through MLSG IPA TAIB 2013, which is expected to begin in the next year of 2016.

**Output 3: A study on existing e-services at the local level and the needs and possibilities for introduction of new e-services performed and results translated into a road map**

The Project Team prepared a final draft of the integrated Study on Local e-Services and submitted it to the MLSG for further processing. The Study recommendations served to define specific measures in the 2015-2020 Program for Sustainable Local Development and Decentralization, and actions as part of the Program Action Plan.

MLSG supported the organization of the last consultation event to finalize the Study, which was held on December 7. The Report findings and recommendations will serve to inform the Government on the part of the Ministry of Local Self-Government. The Study can be considered as the basis for making an integrated policy on modernization of local services through the application of the concept of e-services.

**Output 4: The mechanisms for support and promotion of (IMC) improved and new IMC practices operationalized**

Based on a previously conducted assessment of existing practices and current IMC policy and recommendations for further improvement of inter-municipal cooperation in the Republic of Macedonia, within the first and second quarter of 2015, a Draft Law amending the Law on IMC was prepared.

For this purpose, MLSG set up a Working Group with a total of nine members, of whom six members from the ranks of civil servants from MLSG and three external members, i.e. local experts in this field, hired by UNDP. The involved local experts analyzed individual Chapters of the Law on IMC, namely:

-              Assistant Arber Ademi, MA, assessed and prepared amendments to Chapters 2 and 5 of the IMC Law;

-              Associate Professor Yusuf Zejneli, PhD, evaluated and prepared amendments to Chapter 3 of the IMC Law; and

-              Prof. Silvana Mojsovska, PhD, assessed and prepared amendments to Chapter 4 of the IMC Law.

The prepared amendments to the Law on IMC were reviewed and adopted by the Commission for IMC Promotion and Monitoring (with a new composition), at its first session held in Skopje on February 5, 2015.

In addition, on December 16 and 17, the National Commission for IMC Promotion and Monitoring held its second session in Strumica.

Within the reporting period, a brochure entitled “Inter-municipal Cooperation in the Republic of Macedonia - From Norm to Practice” was published. The brochure was printed in a total of 400 copies, more precisely, 200 copies in Macedonian, 100 copies in Albanian and 100 copies in English. It was distributed during the International Conference held in November and other events organized by the Ministry of Local Self-Government and UNDP.

Through technical assistance provided by the MLSG and UNDP, in the second quarter of 2015, Pelagonia and Northeast Planning Regions implemented a procedure for the establishment of joint IMC working bodies, where the Integrated Network of Regional Development (INRD) in Pelagonia Planning Region and the Platform for Regional Rural Action (PRRA) in the Northeast Planning Region were established. The entire process of establishment of these bodies was participatory and inclusive, and it involved representatives from the public and private sector and civil society, as well as the administration of municipalities establishing IMC.

After signing the Decision on the establishment of a permanent Joint Working Body - Integrated Network of Regional Development in Pelagonia Planning Region (PPR) - by the Municipal Councils of all 9 Municipalities, on May 7, 2015 in Bitola, the Network held its constitutional session, where in addition to INRD Members, representatives of MLSG, UNDP, NGOs and local and regional media participated. At this meeting, the prepared Rules of Procedure and Methodology for INRD Program development were presented and unanimously adopted. The Head of the Center for Development of PPR, Mrs. Emilia Geroska, was elected President of the Network. All 9 PPR Municipalities are members of the Network, as well as the Center for Development of PPR, the Regional Chamber of Commerce in Bitola, the Regional Chamber of Commerce in Prilep, LAG - Local Action Group Mogila, LAG - Local Action Group Resen, LAG - Local Action Group Krivogashtani, the Foundation Pelagonia - PREDA, the University “St. Kliment Ohridski” - Bitola, the Chamber of Craftsmen from Bitola and Prilep, the Farmers Federation - Prilep Directorate and NGO for Urban Development ARHINOVA. Each of these institutions/organizations participates in the Network with one of its members.

In terms of planning and operationalization of the Network, the Center for Development of Pelagonia Planning Region contracted an economic operator to develop the INRD 2016-2018 Work Program and 2016-2017 Action Plan. The process of preparation of these documents included a desk analysis of relevant documents and consultative meetings with relevant stakeholders from the public, private and civil sectors. Furthermore, a series of workshops with the Network Members was organized, where Program priority areas and strategic goals were identified. On December 9, INRD Members adopted the 2016-2018 PPR INRD Work Program, including the 2016-2017 Action Plan. The Program contains a total of 4 priority areas and 12 strategic goals. The prepared INRD Work Program is a quality and relevant document, due to the fact that the process of situation analysis based on which the priority goals were identified and collective actions determined, directly involved all members of the Network, as well as other stakeholders in the Region. Participation in the process and the different profiles of stakeholders involved are also reflected in the identified priority areas that require interventions for overall development of the Region such as: improving the economic environment that should include activities to support the business sector and business infrastructure in the Region; improving the social environment within which it is planned to create viable models of social services for citizens in the Region; and promoting and protecting the environment, especially in terms of sustainable management of natural resources, energy efficiency etc. One part of the Program focuses on internal network strengthening, which is a good indicator of the readiness and willingness of INRD Members to create a functional and professional network that can adequately respond to the development needs of the Region. Awareness and the need for INRD capacity building reflected by its Members is a guarantee that Members have taken their participation in the Network seriously and that they have perceived its long-term development perspective, which is in favor of INRD sustainability, especially in terms of its human resources, i.e. its members.

At the same session, INRD Members selected three priority strategic goals that will be implemented over the next year, including: 1. Organization and implementation of business meetings of Pelagonia Region companies with international companies; 2. Preparation of a Manual for Project Implementation; 3. INRD capacity building - realization of training events on project management and strategic planning.

In order to promote INRD, the Project Partner PREDA in cooperation with the Center for Development of Pelagonia Planning Region held meetings with Regional Chambers of Commerce and with the Regional Chamber of Craftsmen. In addition to direct meetings, INRD is currently being promoted through the web portal [www.pelagonijabiznis.mk](http://www.pelagonijabiznis.mk). Information on Network current activities was adequately shared and in the respective period, information about the process of developing the INRD 2016-2018 Work Program and 2016-2017 Action Plan was posted. This information was of particular importance because it provided an opportunity for all stakeholders, especially the business sector, to inspect the plans and activities that the Network will implement in terms of providing support to the economic development in the Region. Especially important was the element of fostering cooperation between all stakeholders in the Region in order to improve the segments of regional development contained in the Program, so that the publication of information on Program content, and its posting on the web portal would contribute for this information to reach the respective stakeholders that are expected to get involved in the process to a greater extent. An INRD banner is under preparation and it should be posted on the Center for Development of Pelagonia Planning Region’s website. Practice was also established to regularly forward information related to funding opportunities for the business sector through national and international programs via e-mail, and to weekly inform INRD Members and companies from the existing database on funding opportunities.

The Project Partner PREDA and Network Members developed two project applications with regard to ​​the third priority area of INRD Work Program concerning the environment and in line with the strategic objective 3.3. Improving energy efficiency and using renewable energy sources; and strategic objective 3.4. Lobbying in the decision-making process related to the regulations on urban planning. Project applications will be used to participate in Public Calls released by the Government and Civica Mobilitas.

In addition, the Network realized activities to increase the capacity of key stakeholders in the Region towards the utilization of local, regional and international resources and to that end, two workshops were held, where both national and international financial programs for business development support were presented (COSME HORIZON 2014-2020, and the Instrument for SME Financing), as well as international instruments for financing the agro-business sector with special emphasis on the Call for cross-border cooperation with Greece.

CDPPR in cooperation with PREDA started preparatory activities related to the implementation of one of the priority actions selected - Organization and realization of business meetings of Pelagonia Region companies with international companies. In the coming quarter, the country with which this activity will be implemented is planned to be defined, and the defining process will take place in collaboration with both the Network and UNDP.

The Decision establishing a permanent Joint Working Body - Platform for Regional Rural Action (PRRA) in Northeast Planning Region (NEPR) - was signed by Council Presidents of all 6 Municipalities in the Region, after which on May 21, 2015, in Kumanovo, PRRA held its constitutional session, where in addition to the members of the Joint Working Body, the Mayors of Rankovce and Kratovo, representatives of MLSG and UNDP, NGOs and local and regional media participated. Rules of Procedure were adopted during this meeting. The Head of the Center for Development of NEPR, Mr. Mladen Protic, was elected President of the Network, while Mr. Antoni Stojanovski, President of the Association for Regional Development - Regional Management Association of Kriva Palanka - was elected Vice President. A Methodology for preparation of PRRA 2015-2017 Program and 2015-2016 Action Plan was also presented and discussed at the constitutional session, and after incorporating participants’ proposals and suggestions, it was finalized and adopted.

In order to operationalize the PRRA of the Northeast Planning Region, the Center for Development hired an economic operator to draft Working Program of PRRA with Action Plan. Program preparation took place through a participatory process involving PRRA Members, Municipalities, NGOs, institutions and the business sector. In order to obtain the most relevant information possible, a questionnaire was prepared and distributed for the purpose of gathering project proposal ideas to define collective actions to all relevant stakeholders. The resulting project proposal ideas were elaborated in a two-day workshop held in Ohrid from 12 to 13 June 2015, and based on the detailed development of project ideas, the economic operator prepared a draft version of the Northeast Planning Region PRRA Work Program and Action Plan.

On November 24, the PRRA Joint Working Body held a session where the 2015-2017 Work Program with a 2015-2016 Action Plan was adopted. The Program contains four priority goals and 36 collective actions of PRRA, including: 1) Improvement of infrastructure to encourage rural development in NEPR; 2) Promotion of traditional values ​​and ecology in NEPR; 3) Tourism promotion and entrepreneurship development in NEPR; and 4) Capacity development to promote agriculture and regional development in NEPR. In line with the priorities set by PRRA, 4 Work Program priority collective actions were selected, on which project fiches will be prepared for application to national institutions and international organizations, including: 1. Re-adaptation of old rural facilities, buildings, and schools towards tourism development; 2. Education for local traditional artisans in rural areas; 3. Branding of traditional products from NEPR; and 4. Protection of biodiversity in NEPR. Also at this session, 4 collective actions that could potentially be implemented within the Project with MLSG and UNDP were selected as follows: 1. Preparation of technical documentation for adaptation of facilities according to the needs of tourism development in the Region; 2. Education on possibilities and ways of growing organic food and new types of agricultural produce; 3. Establishment of a Center for Rural Development and promotion of PRRA; 4. Preparation of a Cookbook with specialties/healthy food from NEPR.

In order to ensure proper working conditions for both, INRD of Pelagonia Planning Region and PRRA of the Northeast Planning Region, venues where both Networks would operate were adapted and refurbished. Development Specialists for each individual Network were also engaged to manage Networks’ activities on an ongoing basis.

The Center for Development of Vardar Planning Region prepared an e-Guide for Investors and a collection of maps of industrial zones for the needs of the business sector and to attract foreign and domestic investment. For the preparation of this product, the Center hired an economic operator that conducted a survey in the Vardar Planning Region in which it identified the Region’s strategic objectives in terms of development of certain sectors and links with providers of support services to potential investors. The e-Guide for Investors contains general information on Vardar Planning Region’s profile, and the profile of each individual VPR Municipality, information on investment opportunities in both industrial and tourist zones, detailed urban plans, information on opportunities to use municipal land facilities in order to develop a business, the ability of Municipalities to rent facilities to potential investors on a long-term basis etc. Also, a Collection of 33 Industrial Zones was finalized and it contains the following information: the number and profile of active industrial and tourist zones, zones with land available for investment, planned industrial and tourist zones (information on their location, available infrastructure, purpose and size); regarding the already occupied industrial zones, information on companies operating in these zones are given. Information for the preparation of this Collection was obtained through adequate questionnaires distributed to relevant Departments of Local Economic Development and Urban Planning in all 9 VPR Municipalities and through analysis of Urban Industrial Zone Plans submitted.

In the reporting period, The Center for Development of Vardar Planning Region developed a web portal for support of SMEs. The structure of the web portal was aligned with MLSG, Invest in Macedonia, Agency for Promotion of Entrepreneurship of the Republic of Macedonia (APE) and UNDP, as well as other Centers that implemented similar project activities. Apart from ongoing information for the needs of SMEs, this web portal has data posted from the e-Guide for Investors and the collection of maps of industrial zones in the Vardar Planning Region. Regarding subsidiary industries for support of small and medium enterprises, data on 177 lawyers, 15 notaries, 3 consultants, 22 bookkeeping services and the other was provided. In October 2015, Vardar Planning Region held an event at which the above publications were promoted. In addition, the Center for Development of Vardar Planning Region completed the procedure for public procurement of awnings intended to cover the stands while holding economic and tourist events in VPR, in order to minimize the impact of weather conditions for the purpose of quality realization of such events and reducing the cost of event organizers (i.e. Municipalities, NGOs, CDVPR etc.).

The process of replicating the Vardar Planning Region Network for Inclusive Development in Northeast and Pelagonia Regions met with an extremely positive response by the respective institutions - Members of PRRA and INRD. The participatory process of developing Work Programs with Action Plans involving Network Members is an additional indication that this type of IMC is a real response to Municipalities’ needs to pool capacities with civil society and the private sector, and to jointly meet the development challenges in an inclusive and integrated manner.

**Output 5: Final assessment of the possibilities for delivery of services to the private sector through the Centers for Development of Planning Regions**

At the beginning of the second quarter of 2015, after the delivery of first quarterly reports by the Centers for Planning Region Development, all Centers were transferred the remaining 50% of the funds for their activities stipulated in the agreements signed.

Business Support Centers established for support and advisory services to SMEs in Skopje, Polog, East, Southeast and Southwest Regions actively worked on the implementation of mechanisms for business sector support, mainly focusing on the organization and implementation of information and consultation events for business community representatives, as well as the development of interactive web portals for investment in the Planning Regions, including e-databases. For the purpose of a structured, coordinated and proactive approach to Planning Regions’ needs for overall economic development, these five Business Centers worked in parallel on the development of 2015-2020 Programs for Support of the Business Sector, including 2015-2016 Action Plans and Communication Plans for the implementation of the Business Sector Support Programs.

In order to develop their 2015-2020 Programs for Support of the Business Sector, including 2015-2016 Action Plans and Communication Plans, all 5 Centers hired economic operators, which after the surveys implemented in each Planning Region, prepared drafts of both Communication Plans and 2015-2020 Programs for Development and Support of the Business Sector, including 2015-2016 Action Plans, which were duly forwarded for review and comment to the Ministry of Local Self-Government and UNDP. After incorporating their suggestions and proposals, final versions of these Programs were drafted. By the end of 2015, all 4 Centers (Polog, East, Southwest and Skopje) finalized their 2015-2020 Programs for Support of the Private Sector and 2015-2016 Action Plans and Communication Plans for Program implementation, while the Southeast Planning Region’s Business Center finalized its Communication Plan for implementation of the 2015-2016 Program for Development of Southeast Planning Region. These documents were presented at the third Coordination Meeting held on December 10, 2015 in Skopje. Thus, all five Business Centers set the foundations for ensuring structured support to SMEs and the business sector in general, at the regional level. All these documents were presented at special promotional events organized by the Business Centers. They are public documents and can be found on the investment web portals of each individual Business Center, while competent institutions also shared them with the Republic of Macedonia’s economic promoters abroad and Macedonian embassies. What is particularly important in terms of the existence of such documents is that Business Centers have realistic plans which correspond to the needs of the private sector in each Planning Region, and adequately planned activities that will be realized by the Business Centers in the period to which identified priorities and planned activities refer. In addition, through their Communication Plans, Business Centers have a structured approach and appropriate communication tools to disseminate information on Program implementation to the respective users. Thus, Business Centers already emerge as leading institutions that assume the role of coordinators of activities for support of the private sector at the regional level to be implemented by state institutions and organizations and their networks at both local and regional levels, and thus facilitate communication with state and local institutions and organizations, as well as the private sector.

All 5 Planning Region Centers also hired economic operators to develop interactive web portals, including an e-database for each individual Center. During the implementation of this activity, the need to develop an integrated structure of these web portals and unified e-databases was identified to allow easier access to information by potential investors. To that end, UNDP delivered the Centers a unified structure of an e-database of SMEs which should be an integral part of the web portal in every Planning Region. Also, MLSG and UNDP shared a unified structure of the web portal, which was developed after the consultations performed with relevant national institutions at coordination meetings held between MLSG, APE, Invest in Macedonia, some of the economic operators involved, Development Centers and UNDP. All Centers, except the Centre for Development of Skopje Planning Region, finalized their structures of interactive investment web portals (including e-databases) that were approved by UNDP and the MLSG. The delay was due to the change in the management structure and the web portal is expected to be finalized early next year. The Center for Development of Polog Plannig Region has a temporary IP address and early next year it will get its permanent IP address. Annex 1 contains a table with links to interactive investment web portals (including an e-database) for each individual Planning Region.

4 Planning Regions (East, Southwest, Skopje and Southeast) engaged economic operators to organize information and consultation events for, and with the private sector. The Center of Polog Planning Region hired three volunteers who assisted in the preparation of these events. ***Moreover, in the period January to December 2015, in all 5 Centers, a total of 29 information events were realized and attended by a total of 1091 participants (601 men and 490 women),*** of whom most were representatives of the business sector (SMEs) of the Planning Region in which the events were realized, as well as representatives of public institutions, trade associations, civil society etc. Besides the presentation of Centers’ products (2015-2020 Programs for Support of the Business Sector with 2015-2016 Action Plans, Communication Plans of Planning Regions, e-Investment Guides), all information events held were organized to enable participants to get information on different possibilities and aspects of support to the business sector, especially SMEs at the regional level, directly in their place of business. More details on information and consultation events can be found in *Annex 2*, while the List of Institutions that gave presentations at the events is given in *Annex 3*.

The attendance of these information events shows a high level of interest by the business sector in such events, which was confirmed later by formal events evaluations completed by participants. In favor of this is the fact that through these evaluations, participants had the opportunity to suggest topics for information and coordination they think they need. Based on participants’ proposals, both the Program and topics for the information events were adapted by the Centers. This approach contributed to strengthening the function and position of Business Centers as advisory and consultative entities that have the capacity to provide adequate services to the business sector towards creating a favorable business environment and building the capacity primarily of SMEs. In addition, through this practice of providing opportunity for businesses to express their needs, Business Centers establish themselves as bodies that apply the bottom-up approach which are readily available and willing to provide appropriate and timely support to the business sector regarding its growth and development needs. Information and consultation events contributed to increasing the visibility of Business Centers and thus increased the opportunities for their sustainability.

Further, the Business Centers of the five Planning Regions (Southwest, Skopje, East, Polog and Southeast) implemented the following activities:

**The Center for Development of Southwest Planning Region** carried out a public procurement procedure to implement the activity of organization and delivery of three five-day courses on female entrepreneurship in three micro-regions (Struga, Kichevo and Debar) for a total of 60 female participants, i.e. 20 participants per course in each micro-region, and published a call for selection of such participants.

**The Center for Development of Skopje Planning Region** started the implementation of activities for development of a Study identifying and establishing an industrial production cluster, including an Action Plan for capacity building of industrial cluster members and establishment of the industrial cluster’s functional sustainability, and development of a Tourist Offer and Action Plan implementing the Strategy for Tourism Development in SPR/Strategic Environmental Impact Assessment of the Strategy for Tourism Development in SPR. Within the reporting period, a Methodology was prepared to develop both documents, and workshops with relevant stakeholders of the Region were organized.

**The Center for Development of East Planning Region** started a procedure for public procurement of office furniture needed for the Business Center’s headquarters in order to improve the working conditions and ensure efficient communication with the private sector on Business Center’s premises, and also completed the public procurement procedure for engaging an economic operator to implement two five-day Camps on Innovation and Entrepreneurial Spirit organized for groups of 20 young people each, such as students, unemployed and potential entrepreneurs.

**The Center for Development of Polog Planning Region** implemented public procurement procedures to engage an economic operator for the organization and delivery of two training courses for startups in Polog Planning Region, and design of digital marketing solutions for the promotion of Polog Planning Region’s tourism potential.

**The Center for Development of South-East Planning Region** finalized the preparation of a monthly e-Newsletter regarding current open calls, information and changes in legislation relating to SMEs, which as from the beginning of 2016, will be delivered to all SMEs in the Region. Also, three training events were realized on Internet Marketing and Public Procurement for representatives of municipalities, the business sector, the media and students and potential entrepreneurs (altogether 95 participants). Project documentation was prepared regarding the first call for cross-border cooperation between the Republic of Macedonia and the Republic of Bulgaria in the framework of the environmental protection priority axis. A Regional Strategy for bridging the gap between the existing educational institutions’ supply and business community’s needs and a Catalog of Services to be offered by the Business Center as support to the business sector in the Region are in a process of preparation.

In addition, all 8 Planning Regions implemented training on construction land management in cooperation with the Ministry of Transport and Communications, whose representatives presented the amendments and modifications to the Law on Construction Land and the Law on Physical and Urban Planning. Some of the Centers for Regional Development implemented this training jointly in order to enable exchange of experiences between municipality representatives of both Regions and also to use the funds planned for this activity more efficiently. These training events were attended by 235 participants including 106 women and 129 men.

On June 29, 2015, UNDP signed Annexes to the Contracts with the Centers of all eight Planning Regions, whereby savings and unspent funds were reprogrammed to implement similar project activities. By these Annexes, Centers for Regional Development and UNDP agreed to extend the period of implementation of previously agreed activities by September 30, 2015. At the same time, based on the Annexes signed, each Center for Regional Development was allocated additional USD 10,000 for the implementation of similar activities, while the Centers of Vardar, Polog, Northeast and Southwest Regions were allocated additional USD 15,000 for the preparation of Registers of Potentials for Rural Tourism Development. Annexes to Contracts with the Centers for Development of Polog, Vardar, Northeast, Southwest and Pelagonia Planning Regions have a period of implementation by March 31, 2016. Annexes to Contracts with the Centers for Development of Skopje, East and South Planning Regions were signed with a period of implementation by December 31, 2015. Because of the fact that these three Centers needed some additional time to implement their activities, as well as the need to reallocate the savings realized in the public procurement processes, in late December 2015, additional Annexes were signed with all three Centers, with a period of activities implementation by March 31, 2016.

For successful implementation of project activities in the reporting period, in coordination with the Ministry of Local Self-Government, three coordination meetings were held with the Centers for Regional Development on February 5, May 15 and December 10, 2015. These coordination meetings were attended by representatives of the Centers for Regional Development, MLSG, the Cabinet of the Deputy Prime Minister for Economic Affairs, APE, the Ministry of Labor and Social Policy, Agency for Promotion and Support of Tourism, UNDP and other national institutions and international organizations.

In addition to the process of strengthening the capacity of Planning Regions’ Centers and newly formed Business Centres, in the reporting period began the activity Improved governance for increased competitiveness of Polog, East, Vardar and Skopje Planning Regions. Funds for this activity were provided by the Project and the Czech Trust Fund (as a grant of USD 54,365), while the Czech consulting firm Berman Group was selected for its realization. Berman Group had to implement three thematic missions to Macedonia during which three two-day workshops had to be delivered and one study visit realized to the Czech Republic. In October and November two five-day missions were completed - the first mission related to the topic of State Aid for the Private Sector - Subsidy Programs and Schemes; and the second theme related to Industrial Zones and Marketing of Foreign Direct Investment. Within their missions, the experts had meetings with relevant institutions (the Ministry of Local Self-Government as a partner in the Project, the Ministry of Economy, the EU Delegation in Macedonia, the Union of Chambers of Commerce, the Economic Chamber of Macedonia, InvestInMacedonia, the Agency for Support and Development of Entrepreneurship, the Cabinet of the Deputy Prime Minister for Economic Affairs, the Centers for Development of Polog and Skopje Planning Regions and the Municipality of Gazi Baba). Within both missions, two two-day workshops were held with representatives from the four Regional Development Centers, Municipalities of these Planning Regions, representatives of relevant national institutions and the business sector and civil society. Participants evaluated the workshops as useful, especially in terms of the possibility to share experiences and best practices from the Czech Republic on the relevant topics. The third mission of Berman Group experts and the study tour to the Czech Republic were planned for the first quarter of 2016.

In order to facilitate the missions of Berman Group experts and make an independent evaluation of the activities of all 8 Centers for Regional Development, the national expert Mr. Dragan Shutevski, PhD, was hired within the Project. The final version of the Assessment of activities implemented by the Centers for Regional Development was prepared and its findings were presented at the Third Coordination Meeting held on December 10. Based on the independent evaluation and this Report, MLSG will prepare Information for the Republic of Macedonia’s Government. A Report on the Review of Programs, Action Plans and Communication Plans of Business Centers for support and advisory services to the private sector and Inclusive Development Networks in the Planning Regions is under preparation and it will be completed during 2016.

**Output 6: 2015-2020 Program for Sustainable Local Development and Decentralization prepared in a participatory manner**

In the first quarter of 2015, the Project Team, together with MLSG, worked intensively to prepare the 2015-2020 Program for Sustainable Local Development and Decentralization which was adopted by the Government of the RM in April 2015, while its Action Plan was adopted in August 2015. Progress Report on Macedonia’s EU integration released on November 10, 2015, positively noted the adoption of this Program and Action Plan.

For the purposes of drafting the Action Plan of the 2015-2020 Program for Sustainable Local Development and Decentralization and the Methodology for monitoring the implementation of the Program with the Action Plan, the national expert Memet Memeti was engaged.

The 2015-2020 Program for Sustainable Local Development and Decentralization in the Republic of Macedonia is the main planning document for further development of local self-government in the country, in the next five years. It operationalizes the commitment of the Republic of Macedonia to continue the promotion of sustainable local development, good local governance and creation of conditions for a more active, more effective and more innovative role of local authorities in achieving the national growth and development objectives. The definition of Program priority areas is in line with the commitments of the following:

* EU 2020 Strategy, for achieving “sustainable, inclusive and smart growth”,
* Regional Strategy for South Eastern Europe 2020: Jobs and prosperity in European perspective and
* Instrument for Pre-accession Assistance (IPA II) - Strategic indicative document of the European Commission on Macedonia (2014-2020).

During the last quarter of 2015, the following publications were published: 2015-2020 Program for Sustainable Development and Decentralization in the Republic of Macedonia, Action Plan for implementation of the 2015-2020 Program for Sustainable Development and Decentralization in the Republic of Macedonia, and Methodology for Monitoring the Implementation of the 2015-2020 Program for Sustainable Development and Decentralization in the Republic of Macedonia.

In cooperation with the Ministry of Local Self-Government and GIZ RED, an international conference entitled “Challenges and Perspectives in Regional and Local Development” was organized and held on 26-27 November in Skopje. At this international conference, presentations were given by a number of prominent practitioners in the area of regional development and decentralization from the country and abroad. Two Berman Group consultants participated in the conference while conducting their second mission, regarding the following topics: Innovation based development - lessons learned from the Czech Republic and Economic development and territorial competitiveness. The conference was attended by over 120 participants from the Western Balkans countries.

**Output 7: Development and support of rural tourism to revive economic growth, and finding new ways to develop rural municipalities and return the population to villages**

Output 7 resulted from the need for additional support to some Regions in order to revive their economic development and find alternative ways to develop rural communities. For the purpose of mapping the potential for rural tourism, UNDP engaged Professor Sasho Korunovski to take the role of a National Tourism Expert whose task was to facilitate the preparation of Registers of Potential for Rural Tourism in 4 less developed Regions including Polog, Northeast, Southwest and Vardar Planning Regions. The entire process comprised three stages: desk research, qualitative research and development of Registers of Potential for Rural Tourism for each of the four Planning Regions.

In this process, Centers collected empirical materials for mapping the potential for rural tourism, which were then submitted to the Expert. He prepared 4 documents, i.e. models to research the supply, demand, competition and trends in the field of rural tourism, which were delivered to the Centers as part of the desk/quantitative research. With regard to qualitative research, the Expert developed a questionnaire under FAS methodology applied by the United Nations World Tourism Organization (UNWTO) in order to assess the tourist values ​​in a particular area, and which will be used to conduct qualitative research in the preparation of Registers.

During the third Coordination Meeting with the Centers for Regional Development held on December 10, 2015, a briefing session was carried out by the National Tourism Development Expert, within which Centers’ comments and suggestions regarding previously submitted methodological mapping tools were taken into account. Based on these suggestions, the National Expert reviewed and adapted the methodological tools which were again sent to all Centers and accepted. In addition, Terms of Reference were drafted to hire an economic operator which will develop the Registers of Potential for Rural Tourism.

For the purposes of the overall research, Centers have MKD 65,000 for the quantitative research and MKD 600,000 for the qualitative research at their disposal. As an option, they were given the opportunity to perform the desk research themselves or engage an economic operator therefore, while regarding the qualitative part of the research, all Centers were obliged to engage an economic operator. Except for the Northeast and Vardar Planning Regions, which completed most of their desk research without an economic operator, the other two Centers engaged an operator for both phases of the research, including the development of the Register. In order to complete the tender documentation for the engagement of the operator, Prof. Korunovski prepared Terms of Reference that were forwarded to the Centers. In the reporting period, all 4 Centers were in the process of a public procurement procedure for an economic operator that would develop Registers of the Potential for Rural Tourism.

Within this Project Output, in the period being reported, the activity of preparation of technical documentation for construction of priority rural tourism infrastructure for 4 rural Municipalities of the four least developed Planning Regions, i.e. Polog, Northeast, Vardar and Southwest Regions, also started. Based on a previously established methodology, the Municipalities of Bogovinje, Lipkovo, Chashka and Debrca were selected as areas where priority technical documentation would be developed in the amount of 20,000 USD for each Municipality. To facilitate this project activity, MLSG and UNDP recruited Mr. Sreten Metikosh as a National Road Design Expert.

In addition, UNDP implemented procedures to hire four economic operators that would develop priority technical documentation for the four Municipalities, and to recruit an audit firm. In five separate procedures, the following economic operators were selected to develop the technical documentation: “ASTREKS” for Lipkovo, “Proekt Biro” for the Municipality of Debrca, “Teplan” for Bogovinje and “Euro Road Design” for the Municipality of Chashka.

As part of this activity, the following will be developed:

* For Chashka Municipality - technical documentation for the construction of a local road from the village of Nezhilovo to the mountain lodge “Cheples” with a length of 7.168 km;
* For Debrca Municipality - technical documentation for the construction of a local road, a parking lot, walkways and observation decks between the villages of Belchishta and Novo Selo through the locality called “Sini viroj”;
* For Lipkovo Municipality - technical documentation for the construction of a local road in the length of 4 km, in the locality “ELKI” near the dam Glazhnja; and
* For Bogovinje Municipality - technical documentation for the construction of three hiking trails in the length of 56 km and placement of tourist information boards in several villages in the Municipality of Bogovinje.

The economic operator that will review the technical documentation is the Construction Institute “Makedonija”.

In the reporting period, all four economic operators started implementing the activities planned in accordance with the planned schedule. It is expected that the implementation of this activity should be completed in the course of 2016.

**Monitoring, learning, adaptation, interaction and evaluation**

On April 29, 2015, the sixth meeting of the Project Steering Committee was held. Its Members reaffirmed the importance of this Project and the need for UNDP and MLSG to continue their excellent cooperation. The two documents - Draft Annual Report on Project Implementation in the Period from January 1 to December 31, 2014, and Draft Annual Work Plan for 2015 and 2016 - were adopted by the Steering Committee. Also, a revised Project Budget was determined, which envisaged funds of approximately $ 427,000 for 2015 and $ 77,000 for 2016. Project Steering Committee was informed about the delay in the transfer of contributions by Municipalities from Northeast and Pelagonia Regions. As of December 31, 2015, the obligation to contribute municipal own funds was met only by the Center for Development of Northeast Planning Region and the Municipalities of Kriva Palanka, Rankovce, Lipkovo, Kratovo, Bitola and Resen, totaling USD 8,118.

On November 19, 2015, the seventh meeting of the Project Steering Committee was held. At this meeting, the results of the process of project activities’ implementation were presented, as well as the Work Plan for the first half of 2016. Also, information about the new funds provided by UNDP in the amount of $ 22,662 was shared. At this meeting, the Steering Committee Members adopted the Report on activities implemented in the period from January 1 to November 16, 2015, and the 2016 Action Plan.

According to program policies and procedures specified in UNDP internal guidelines, the Project was monitored on a quarterly basis. Four Quarterly Reports were prepared and a qualitative assessment offered concerning the progress of key results’ accomplishment, based on qualitative criteria and methods covered in the Module for Project Implementation Quality Management in ATLAS Tool. Based on the initial risks identified, records on the risk situation according to ATLAS were regularly updated by considering the impact of external factors on project implementation.

This Mid-term Progress Report on Project Implementation is based on information registered in ATLAS.

The Project Team also developed four Integrated Quarterly Reports on the implementation of activities by the Business Centres for support and advisory services to small and medium enterprises within the Centers for Development of Skopje, Polog, Southwest, East and Southeast Planning Regions, the Integrated Regional Development Network in Pelagonia Planning Region, the Platform for Regional Rural Action of Northeast Planning Region and the Inclusive Development Network of Vardar Planning Region. Reports contain comprehensive information on the status of activities’ implementation, and they were supplied to the Cabinet of the Minister and State Secretary. Throughout the period of reporting, the Project Team held regular meetings - at least once a week - with the designated personnel of MLSG as contact persons for each activity.

**Project management**

The Project Team is based at the UNDP Office in Skopje. Enhanced local/regional presence of the Project was achieved through the Offices of the eight Regional Development Centers.

The Project was managed using the internal capacity of UNDP Good Governance Unit and through close cooperation with the designated staff of the Ministry of Local Self-Government and eight Centers for Regional Development.

Purchases of services from consultants and companies were performed without any problem except for the delay in choosing a company from the Czech Republic for the implementation of the three missions and study tour related to Output 5.

1. ***Which key issues and problems affected the achievement of Project Outputs?***

The Project was implemented in accordance with the dynamics established in the 2015 Annual Work Plan with the exception of the following activities:

* Assessment of the operation of the web portal dajpredlog.mk, its upgrade and promotion, which will be implemented in 2016
* Feeding the electronic IMC records with data from the Report on IMC Status in 2014, and upgrading (migrating an MLSG server) and promoting the website [www.imc.org.mk](http://www.imc.org.mk), which will be implemented in 2016.

The direct reason of postponing these activities was the need to assign adequate human resources by MLSG for management and administration of both platforms and the need to strengthen the hardware component of the e-governance system in MLSG.

Also, due to the delayed selection of a company from the Czech Republic, the third mission of Czech experts and study tour will be realized in the first quarter of 2016.

1. ***How should these issues or problems be resolved? Please provide details on recommended actions. Determine who should be responsible for such steps. Also note the tentative timeframe and resources required.***

The Ministry of Local Self-Government and Regional Development Centers appointed permanent contact persons for the Project, which enabled effective and efficient coordination of project activities.

In order to increase the capacity of Project Partners and persons involved, whenever it was possible, activities were implemented by applying the “learning by doing” approach, contributing to the sustainability of Project results.

In the process of activities’ implementation, the Project Team made every effort to ensure full ownership of the process by national and local stakeholders. Various options were offered to both national and local representatives to provide their input.

1. ***What new changes (if any) may affect the achievement of Program or Project results? What do you propose to respond to these developments?***

Early parliamentary elections announced for April 2016 could contribute to slowing down the implementation of Project activities, especially in the quarter of 2016 in which these elections would be held.

1. ***What are the views of target groups regarding the Project? Please specify any problem in terms of gender (in)equality.***

All Project Partners, including MLSG and Regional Development Centers demonstrated a strong commitment to the Project.

The 29 information events attended by 1091 participants, mainly representatives of the business community in the five Planning Regions (Polog, Southwest, Southeast, East and Skopje), present an indication of the engagement and commitment of Business Centers in their determination to become leading institutions that will work on strengthening the business sector at the Planning Region level. The huge attendance, on the other hand, demonstrates the need of the business community, especially SMEs, to be supported in the process of their development. This mutual relationship established through such activities by Planning Regions’ Business Centers was further strengthened through the involvement of stakeholders having mechanisms for specific financial support, as well as support for promotion and capacity building of SMEs, which in this case, mainly supported the organization and realization of events (institutions that gave presentations to the business community during the information events). In this way, a so-called interconnection triangle was formed between all three parties (Business Centers - the business community (SMEs) - stakeholders) and thus, the foundations were laid for further functioning of such cooperation at the regional level. Events’ evaluations show a high level of satisfaction among participants in terms of the benefits of these events, which is actually an indicator of the relevance of activities carried out within this Project.

Further encouraging is the fact that the total number of women who participated in the information events was rather high - in the East Planning Region, it was even higher than the number of men, while in Skopje Planning Region, the number of men and women was equal.

Both missions of the Czech experts from Berman Group, particularly the two-day workshops implemented, showed that Centers have a serious need for additional capacity building, especially in terms of adoption of specific mechanisms to support the private sector, the management of industrial zones and marketing of foreign direct investment, particularly through practical experiences (both positive and negative) of, in this case, the Czech Republic. In order for the missions of Berman Group experts to be as productive as possible for the Centers, care was taken to absorb the Centers’ needs presented during workshops and share them with the experts so that they are properly integrated into the content of the workshops and study visit yet to come. Thus, additional capacity building of Centers for Regional Development was ensured on the basis of their real needs in the relevant thematic areas covered by the engagement of Czech experts.

1. ***What lessons (positive and negative) can be learned based on Project experience?***

The Project Team applied the approach of basing the interventions on empirical and survey research and validation of findings through consultation events with stakeholders in a methodologically designed and consistent way.

The Government welcomed the development of the Report on Citizens’ Perceptions Survey, and on two occasions, requested additional analyses related to several key variables, which were prepared by the Project in a timely fashion.

The Project Team gave a significant contribution to the preparation of the Action Plan for Open Government Partnership 2014-2016, which resulted in the proposal of the Minister of Information Society and Administration to nominate a member to the standing Working Group with regard to Priority 6: Openness at the local level. The Project Team also used all available opportunities to expand the scope of the Project through the application of innovative solutions, so in that sense, the presence of NESTA - the UK Foundation which is currently a global leader in social innovation - was used to transfer knowledge and skills to Veles Municipality and to support Gostivar Municipality in the establishment of an e-system for local (administrative) regulations (eRegulations system) as a modern tool developed by UNCTAD.

The Integrated Study on Local e-Services created the basis for a new policy to modernize local services through the application of the concept of e-services, and it increased the impact and visibility of MLSG as part of the continuing local government system reform. This Study can greatly determine the direction of the decentralization process in qualitative terms for the coming period of at least 5 years, since it aims to simplify local services and expand their coverage and efficiency of delivery to all citizens. By this Study and consequently, if it is translated into a policy, MLSG will impose itself as a leader in the process of transformation of Local Government Units into single contact points both in terms of local services and services delivered by the state, which is one of the more complex standards to be implemented for full integration of the country in the EU administrative space.

The Report prepared on the status of inter-municipal cooperation (IMC) enabled an in-depth analysis of IMC legal and institutional framework. Although the determination of the MLSG was to opt for a limited number of amendments to the Law on IMC, this Report and subsequent analyses within the Working Group set up by the MLSG resulted in proposals for an overall improvement of the Law on IMC and its expansion with normative solutions for efficient and effective international cooperation of municipalities. In this way, it was allowed for the country to continue the harmonization of its legislation with the EU and relevant international conventions and protocols.

The creation of two more Inclusive Development Networks of Northeast and Pelagonia Regions, besides the Network of Vardar Planning Region, as well as the beginning of the establishment of similar Networks focused on rural development through the development of rural tourism in Polog and Southwest Planning Regions as innovative forms of IMC, contributed to increasing the level of integration and inclusion in programming, planning and implementing concrete actions for regional and local development based on real stakeholders’ needs, especially the private sector’s needs. The success of the first Network for Inclusive Development of Vardar Region should also be noted, because it managed to mobilize resources for Program implementation in the amount of nearly 400,000 Euros.

Through the establishment of Business Centers for SMEs’ support, 5 Planning Regions’ Centers successfully started performing their new functions and emerged as institutional “points” for exchange of relevant information and coordination of state aid to the private sector. Through the implementation of a series of activities, direct contact was enabled to over 1000 SMEs with key state institutions managing various forms of assistance to the private sector. Centers for Regional Development, while implementing these innovative activities, increased their influence and visibility, which is a prerequisite for gradual consolidation of their financing, sustainability and development. On the other hand, MLSG, by its institutional network of Centers for Regional Development, managed to localize the policy of attracting domestic and foreign direct investment. For the first time in the country, Guides for Investors at the level of Planning Regions and Collections of Industrial Zones located on the land managed by Municipalities were prepared, as well as an Inventory of entities performing activities of interest to investors and modern web platforms for effective dissemination of information. These activities of both MLSG and Centers were welcomed by the Office of the Deputy Prime Minister for Economic Affairs and the Agency for Foreign Investments and Export Promotion of the Republic of Macedonia. Guides for Investors and Collections of Municipal Industrial Zones also have great practical value for the economic promoters of Macedonia abroad, while web platforms where data from Guides and Collections is posted, as well as contact details of the service sector in Municipalities, help potential investors to acquire quality data that can be critical in making investment decisions.

Directly attached to these activities are the activities for the preparation of Registers of the Potential for Rural Tourism Development, which aim at creating conditions for better preparation of project applications and increasing the absorption capacity of Centers for Regional Development and Municipalities. Concurrently with the preparation of technical documentation for construction of local roads in rural Municipalities (Lipkovo, Debrca, Chashka and Bogovinje), the Project contributed to reducing the infrastructure disparities enabling these 4 underdeveloped Municipalities to apply to calls related to the development of small infrastructure and rural tourism, both through the Rural Development Program of the Government and the EU Instrument IPA 2. Simultaneously with this Project activity, contribution was made to reduce disparities between Planning Regions, since one of the criteria for selection of these Municipalities was to be located in one of the 4 less developed Regions in the country.

In 2015, the key national policies for local government system development, i.e. the 2015-2020 Program for Sustainable Local Development and Decentralization, and Action Plan for the period 2015-2017 were prepared and adopted by the Government. Thus, a new qualitative step forward was made in the local development and decentralization programming process, which was noted as progress in the European Commission Report. At the same time, these programming and planning documents will facilitate the programming of funds from the State Budget for support of Municipalities, but even more important is the fact that they present a good starting point for programming of funds from the EU Instrument IPA 2014-2020 in several thematic areas where it is scheduled to use funds to help Local Government Units in the country.

A total of 235 representatives from Municipalities in all 8 Planning Regions participated in the training on construction land management. The manner in which this training was organized captures one of the roles that Centers should have, i.e. they should present an organized mechanism that encourages more effective communication between central and local authorities. As an added value to the way of organization of this training is the very fact that collaboration between Regional Centers was encouraged, which was identified as good practice that is likely to be practiced in the future. This activity included all Municipalities in the country and they were properly informed about the changes and modifications to the Law on Construction Land and the Law on Physical and Urban Planning, thus facilitating their work in the area of construction ​​land management and physical and urban planning.

1. ***If the Program or Project were evaluated, then what is the status of implementation of the recommendations given by the evaluators?***

Project evaluation will be conducted one year after Project completion.

1. ***Do you recommend a substantial review of Project Documents? If you think that such substantial review should be made, what exactly should be done? Please indicate the reason.***

In the reporting period, there was no substantial review of the Project made.

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Ilmiasan Dauti,

Local Government Expert/Project Manager

Good Governance Unit

UNDP Country Office in Skopje

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Toni Popovski,

Coordinator for Decentralization and Local Development Initiatives

Good Governance Unit

UNDP Country Office in Skopje

**Annex 1:** **Links of the interactive web portals for investing (including e-database):**

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| --- |
| **Centre for Development of Southwest Planning region**  <http://investinsouthwest.mk/page/centar-za-razvoj> |
| **Centre for Development of East Planning region**  <http://www.investineastregion.mk/?mk=doma> |
| **Centre for Development of Polog Planning region**  <http://212.13.72.82/> |
| **Centre for Development of Southeast Planning region**  <http://investinseregion.mk> |

**Annex 2: Informative and advisory events for and with the private sector in 5 planning regions (Southeast, Polog, Skopje, East and Southwest) in the period from 1 January to 31 December 2015**

**Detailed overview of events organized per region (1 January – 31 December 2015):**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 1. **Center for Development of the Southeast Planning Region** | | | | | |
| **Informative event no. / date and place** | **Presenting institution/organization** | **Topics presented** | **Number of participants** | | |
| **F** | **M** | **Total** |
| 1. 03.04.2015  Strumica | * Center for Development of the Southeast Planning Region * Agency for Promotion of Entrepreneurship of the Republic of Macedonia – APPRM * Employment Agency of the Republic of Macedonia – AVRM | * Presentation of documents developed by the Center for Development of the SEPR: * Program for Development of the Southeast Planning Region 2015-2019; * Guide for Investments in the Southeast Planning Region; * Strategy for small and medium sized enterprises in the Southeast Planning Region; * Current and new programs for supporting the entrepreneurship in the private sector; * Active policies and measures for supporting self-employment and employment, entrepreneurship and the private sector; | 19 | 30 | 49 |
| 2. 17.04.2015  Gevgelija | 13 | 19 | 32 |
| 3. 24.04.2015  Strumica | * ABC “CREATION” and MCA 2000 | * Introducing national and EU programs for supporting the private sector and economic development (2014-2020); * Areas for supporting the local economic development; * Types of support for the private sector and economic development; * EU programs for supporting the private sector; * Horizont 2020, KoSME, PROGRES+, Lajf+; * Access to programs and links for checking calls; * Support needed by the private sector for applying for funds from the programs; * National and IPA programs for supporting the private sector and economic development; * Programs for supporting small and medium size enterprises; * Sector programs (agriculture – rural development and IPARD – tourism) * Donor programs for supporting the private sector in Macedonia; * EBRD – support to small businesses; * WB EDIF (Development and Innovations Fund); * Standards for joint presentation on EU markets; * Quality standards; * Environment protection standards; * Social standards; * Partnership networks; | 9 | 22 | 31 |
| 4. 08.05.2015  Gevgelija | 12 | 18 | 30 |
| 5. 15.05.2015  Strumica | * Macedonian Bank for Development Promotion – MBPR * European Bank for Reconstruction and Development – EBRD * Agency for Promotion of Development of Agriculture * NLB Tutunska Banka | * Presentation of the financial programs of the Macedonian Bank for Development Promotion; * Presentation of consulting opportunities and the program for small businesses of the European Bank for Reconstruction and Development; * IPARD and Program for Financial Support of the Rural Development; * Presentation of credit lines offered by Macedonian commercial banks; | 11 | 25 | 36 |
| 6. 05.06.2014  Dojran | * UNIDO (United Nations Industrial Development Organization- Vienna) * Agency for Promotion and Support of Tourism * Agency for Promotion of Development of Agriculture | * Good practices for developing alternative tourism, cluster association and promotion of tourist businesses; * Presentation of the programs of the Agency for Promotion and Support of Tourism; * IPARD Program for Financial Support of Rural Development – possibilities for tourist businesses; | 17 | 23 | 40 |
| **Total** | | | **81** | **137** | **218** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| 1. **Center for Development of the Polog Planning Region** | | | | | | |
| **Informative event no. / date and place** | **Presenting institution/organization** | **Topics presented** | **Number of participants** | | | |
| **F** | **M** | | **Total** |
| 1. 30.04.2015  Tetovo | * DKAUT “ESA-TE” | * Introducing “Preparation of Regional Program with a draft Action Plan and Communication Strategy for Development and Support of the Private Sector in Coordination with Other Entities in the Polog Planning Region“ | 8 | 10 | | 18 |
| 2. 26.05.2015  Tearce | * Agency for Promotion of Entrepreneurship of the Republic of Macedonia; * Ohridska Banka | * Program for Supporting Entrepreneurship, Competitiveness and Innovation of Small and Medium Sized Enterprises for 2015; * Loans offering support for projects implementing energy efficiency measures and use renewable energy sources | 4 | 15 | | 19 |
| 3. 30.05.2015  Tetovo | * NORMAK Investment Group; * Delegation of the Turkish Association of Business Angels (ТВАА) | * Benefits from investing in the Republic of Macedonia; * Financing models and innovative concepts – tools for strengthening cooperation and investments between business communities | 6 | 30 | | 36 |
| 4. 17.06.2015  Mavrovo | * Employment Center Tetovo; * European – Macedonian Learning and Innovation Center (EMKICE) | * Operational Plan for Labor Market Services and Active Measures for 2015; * “Ideas of Entrepreneurs – Communicating with Investors” – Active EU Funds | 6 | 24 | 30 | |
| **Total** | | | **24** | **79** | **103** | |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **3. Center for Development of the Skopje Planning Region** | | | | | |
| **Informative event no. / date and place** | **Presenting institution/organization** | **Topics presented** | **Number of participants** | | |
| **F** | **M** | **Total** |
| 1. 25.03.2015  Skopje | * State Secretary of the Ministry of Local Self-Government of the Republic of Macedonia * Executive Director of the Association of Chambers of Commerce of the Republic of Macedonia * Employment Agency of the Republic of Macedonia * Fund for Innovations and Technology Development of the Republic of Macedonia | **Promotion of Innovations and Technological Development**   * Presentation of the Program for Development of the Skopje Region – 2015-2019 * Active Employment Measures (measures for employing young people, under 29; measures for training with a known employer; measures for internship) * Possibilities for funding via the Fund for Innovations and Technology Development of the Republic of Macedonia – Presenting the first call for funding under the instrument Co-financed grants for start-ups, spin-offs and innovations * Preparation of project proposals – representative of the Fund for Innovations and Technology Development of the Republic of Macedonia * Application form * Business Plan * Project Budget * Supporting documents | 37 | 21 | 58 |
| 2. 03.04.2015  Skopje | * Independent consultant Ilija Vuchkov | **The Basics of EU Funding, Hints, Expert’s Tips in EU Direct Funding (COSME & HORIZON 2020)**     * EU Programs for supporting small and medium size enterprises, HORIZON 2020 * EU Programs for supporting small and medium size enterprises, COSME | 15 | 13 | 28 |
| 3. 21.04.2015  Skopje | * President of the Council for Development of the Skopje Planning Region * President of the Association of Chambers of Commerce of the Republic of Macedonia * Deputy Minister for Environment and Physical Planning * President of the Macedonian Council for Green Construction * Ministry of Economy * Mr. Mihajlo Evrosimovski – Evrosimovski Consulting | **Energy Efficiency in Construction – Green Construction**   * Energy Efficiency as an investment in environmental protection * Operation and international networking of the Macedonian Council for Green Construction and current situation in the sector * Regulations on obtaining energy passports for construction * Environment Protection Standards – ISO 14001 | 21 | 36 | 57 |
| 4. 08.05.2015  Skopje | * Ms Svetlana Petrovska – lecturer at the American Colledge | **Business Strategy (selecting a market, profitable product, reorganization and restructuring as a tool for increasing the profit)**   * Business strategy * Market selection * Selecting a profitable product, * Reorganization and restructuring as a tool for increasing the profit | 15 | 13 | 28 |
| 5. 20.05.2015  Skopje | * Executive Director of the Association of Chambers of Commerce of the Republic of Macedonia * MBPR * Kapital Banka * EBRD * Procredit Bank * Commercial financial fund for small and medium sized enterprises – Crimson Capital Corporation from the US | **Funding the development of the small and medium size enterprises**   * Financial products of MBPR: 1. LOANS; 2. CREDIT INSURANCE (national and export receivables (before and after delivery) from commercial and political risks.); 3. FACTORING – newest product unique on the financial market in the Republic of Macedonia. * Financial products for small and medium size enterprises of Kapital Banka * Presentation of the program of EBRD for advising small and medium size enterprises in Macedonia; Financial Products for small and medium size enterprises of Procredit Banka * Presentation of the Commercial financial fund for small and medium sized enterprises – Crimson Capital Corporation from the US | 19 | 16 | 35 |
| 6. 03.06.2015  Skopje | * Ms. Ilijana Petrovska PhD, lecturer at the American Colledge * Mr. Lovre Ristovski, Crimson Capital Foundation * Mr. Jane Kukja, Economic Attaché, Economic and Trading Department at the Embassy of the Netherlands in the Republic of Macedonia | **Marketing, branding, innovations; Dutch Programs for supporting small and medium size enterprises in Macedonia; USAID and EBRD support for small and medium size enterprises**   * Understanding the importance of marketing in value generation * Branding and consumers loyalty * Marketing communication * Presentation of the credit line for energy efficiency and renewable energy sources of EBRD WEB SeFF 2 , and Innovation Finance Vehicle IFV- USAID project for funding innovations * Presentation of Dutch programs for supporting small and medium size enterprises in Macedonia; | 20 | 28 | 48 |
| 7. 16.11.2015  Skopje | * Fund for Innovation and Technological Development | * Co-financing grants of the newly-formed companies (up to 6 years) – start-ups and spin-offs * E-trade for small and medium size enterprises and how to improve the export performance of the enterprise | 18 | 10 | 28 |
| **Total** | | | **145** | **137** | **282** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 1. **Center for Development of the East Planning Region** | | | | | |
| **Informative event no. / date and place** | **Presenting institution/organization** | **Topics presented** | **Number of participants** | | |
| **F** | **M** | **Total** |
| 1. 18.03.2015  Shtip | * Head of the Center for Development of the East Planning Region, Ms. Dragica Zdraveva * Director of the the Knowledge Center, Ms. Andrijana Bogdanovska * Representative of the Employment Agency, Mr. Marjan Stojchev * Representative of the Employment Agency, Ms. Menka Guglevska * Center for Development of the East Planning Region, Ms. Zujica Angelova | * Entrepreneurship and framework for supporting entrepreneurship of the Republic of Macedonia * Active policies and measures for supporting self-employment and employment * Presentation of the Program for Development of the East Planning Region 2015-2019 * B2B meetings | 22 | 18 | 40 |
| 2. 08.04.2015  Shtip | * Head of the Center for Development of the East Planning Region, Ms. Dragica Zdraveva * Director of the Knowledge Center, Ms. Andrijana Bogdanovska * Ms. Katerina Krecheva, Fund for Innovations and Technological Development * Ms. Jasmina Majstorovska, Ministry of Economy | **Innovations, technological development and entrepreneurship**   * Presentation of findings from the Research on Managing Innovations in the Republic of Macedonia * Presentation of Instruments and Active Calls and Programs * Presentation of the Program for Entrepreneurship, Competitiveness and Innovation * B2B meetings | 24 | 21 | 45 |
| 3. 12.05.2015  Shtip | * Head of the Center for Development of the East Planning Region, Ms Dragica Zdraveva * Macedonian bank for Development Promotion, Mr. Aleksandar Stanojkovski * European Bank for Reconstruction and Development, Ms. Maja Antevska * Director of the Knowledge Center, Mss Andrijana Bogdanovska * Representatives of the banks (Kapital Banka, TTK Banka, Stopanska Banka, Sparcasse Banka) | **European funds and programs for funding small and medium sized enterprises in Macedonia, offers of Macedonian banks for supporting development**   * Presentation of the programs and the products of MBPR * Presentation of the program for small businesses, EBRD * Presentation of European funds and programs for financing small and medium size enterprises in the Republic of Macedonia * Presentation of products for small and medium size enterprises from the commercial banks * Mini Fair * B2B meetings | 24 | 26 | 50 |
| 4. 20.05.2015  Shtip | * Head of the Center for Development of the East Planning Region, Ms. Dragica Zdraveva * Ms. Milica Zhivkovska, Agency for Foreign Investments and Export Promotion * Ms. Jadranka Arizankovska, Chamber of Commerce of the Republic of Macedonia * Mr. Aleksandar Kocev, Johnson Control * Ms. Emilija Churevska - Arcelor Mittal | **Programs for supporting the business community;**   * Presentation of programs for supporting export * Presentation of support provided by the Chamber of Commerce to the companies for their export activities * Presentation by Johnson Control on the processes and needs for involving local suppliers in their production process * Presentation by ArcelorMittal on the processes and needs for involving local suppliers in their production process * B2B meetings | 23 | 27 | 50 |
| 5. 23.09.2015  Shtip | * Eco-mosaic Skopje | Legislation related to the management of the environment applied to the companies; green agenda for business management; issues related to the environment; hoe to obtain eco-hotel label. | 20 | 20 | 40 |
| Advisory event no. 1  30.04.2015  Shtip | * Head of the Center for Development of the East planning region, Ms. Dragica Zdraveva * Director of the Knowledge Center, Ms. Andrijana Bogdanovska * Head of the Unit for Inspection in the State Archive of the Republic of Macedonia, Ms. Suzana Stamboliska, | **Presenting the most recent changes in the Law on Archiving**   * Presenting the laws and by-laws on office and archive operation * Defining basic terms in office and archive operation * Comparing public and private archive materials * Basic techniques in office operation: how to keep a daily ledger, how to keep an auxiliary ledger * Basic techniques for archive operation: archiving, compiling and processing documents * Inspection of the operation of holders of archive and documentary materials | 40 | 20 | 60 |
| Advisory event no. 2  12.05.2015  Shtip | * Head of the Center for Development of the East planning region, Ms. Dragica Zdraveva * Mr. Ilcho Marolov, Agency for Promotion of Development of Agriculture * Ms. Biljana Kostovska, Agency for Financial Support of Agriculture and Rural Development, IPARD * Mr. Gjorgji Martinovski, Agri Info.Net * Igor Iljovski, MS, Agri Info.Net * Mr. Gorazd Chomovski, Macedonian-Bulgarian Chamber of Commerce | **Strategy for Developing Agriculture, subsidies, grants and calls for the Measure 302 of the IPARD Program for rural businesses, use of technology in agriculture - first Macedonian system for exchanging agricultural products and cooperation - Macedonian and Bulgarian Chamber of Commerce**   * Presentation of the Strategy for Development of Agriculture, subsidies, grants and calls * Presentation of Measure 302 from the IPARD Program for rural businesses * Presentation of using new technologies in agriculture, first Macedonian system for exchanging agricultural products * Presenting the Program for Cooperation between the Macedonian and the Bulgarian economy | 24 | 26 | 50 |
| **Total** | | | **177** | **158** | **335** |

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| 1. **Center for Development of the Southwest Planning Region** | | | | | |
| **Informative event no. / date and place** | **Presenting institution/organization** | **Topics presented** | **Number of participants** | | |
| **F** | **M** | **Total** |
| 1. 26.03.2015  Struga | * Mr. Aleksandar Celeski – Target Communications * Mr. Lazar Nedanovski * Mr. Ilmiasan Dauti (UNDP) | * Methodology for Developing a Communication Plan, regional development program and support for the private sector in the SWPR and e-Guide for Investors * Policy for developing the region with special focus on the small and medium size enterprises | 12 | 21 | 33 |
| 2. 16.04.2015  Struga | * Prof. Mijalche Santa (contact person for Horizont 2020) * Ms. Ljupka Mitrinovska (Fund for Innovations and Technology Development) * Ms. Maja Taseva and Ms. Liljana Vukovikj (Agency for Promotion of entrepreneurship) | * European programs - Horizont 2020 (presentation of the program, structure of instruments for supporting small and medium size enterprises, access to funds and rules for participation) * Programs for supporting the business sector | 25 | 23 | 48 |
| 3. 29.04.2015  Struga | * Mr. Aleksandar Celeski – Target Communications | * Presentation of the Communication Plan and the Regional program with an Action Plan for development and supporting the private sector in the SWPR | 12 | 11 | 23 |
| 4. 22.05.2015  Kichevo | * Prof. Mijalche Santa (contact person for Horizont 2020) | * European programs - Horizon 2020 (presentation of the program, structure of instruments for supporting small and medium size enterprises, access to funds and rules for participation) | 4 | 16 | 20 |
| 5. 10.06.2015  Struga | * Mr. Aleksandar Celeski – Target Communications | * Presentation of the Communication Plan and the Regional program with an Action Plan for development and supporting the private sector in the SWPR | 10 | 19 | 29 |
| **Total** | | | **63** | **90** | **153** |

**Annex 3: List of institutions and organizations which presented services they offer related to the development of the private sector**

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| **No.** | **Governmental bodies and public institutions** |
| 1 | Ministry of Local Self Government |
| 2 | Ministry of Economy |
| 3 | Ministry for Environment and Physical Planning |
| 4 | Employment Agency of the Republic of Macedonia |
| 5 | Macedonian Foundation for Development of Enterprises |
| 6 | Fund for Innovations and Technology Development |
| 7 | Association of Chambers of Commerce of the Republic of Macedonia |
| 8 | Agency for Promoting Entrepreneurship of the Republic of Macedonia – APPRM |
| 9 | Chamber of Commerce of the Republic of Macedonia |
| 10 | State Archive of the Republic of Macedonia |
| 11 | Agency for Foreign Investments and Export Promotion |
| 12 | Agency for Promotion of Development of Agriculture |
| 13 | Agency for Financial Support of Agriculture and Rural Development, IPARD |
| 14 | Center for Development of the Southeast Planning Region |
| 15 | Center for Development of the East Planning Region |
| 16 | Council for Development of the Skopje Planning Region |
| 17 | Macedonian Council for Green Construction |

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| **No.** | **Banks** |
| 1 | Macedonian Bank for Development Promotion |
| 2 | Kapital Banka |
| 3 | Procredit Bank |
| 4 | ТТК Banka |
| 5 | Shparcasse Banka |
| 6 | Stopanska banka |
| 7 | Industriska Banka |
| 8 | NLB Tutunska Banka |
| 9 | Ohridska Banka |
| 10 | European Bank for Reconstruction and Development |
| 11 | Commercial Financial Fund for Small and Medium Sized Enterprises - Crimson Capital Corporation |

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| **No.** | **National and international organizations / companies** |
| 1 | United Nations Industrial Development Organization (UNIDO) |
| 2 | EMKICE |
| 3 | Knowledge Center |
| 4 | Johnson Control |
| 5 | Arcelor Mittal |
| 6 | Chamber of Commerce of Bulgaria |
| 7 | NORMAK |
| 8 | ABC “CREATION” and MCA 2000 |
| 9 | DKAUT “ESA-TE” |
| 10 | Delegation of the Turkish Association of Business Angels (ТВАА) |
| 11 | Target Communications |
| 12 | AgriInfo. Net |
| 13 | Eco-mosaic Skopje |

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| **No.** | **Independent experts / consultants** |
| 1 | Prof. Mijalche Santa (contact person for Horizont 2020) |
| 2 | Independent consultant Ilija Vuchkov (European Programs Horizon 2020) |
| 3 | Mr. Mihajlo Evrosimovski - Evrosimovski Consulting |
| 4 | Ms. Svetlana Petrovska - lecturer at the American College |
| 5 | Ms. Ilijana Petrovska PhD, lecturer at the American College |
| 6 | Mr. Lazar Nedanovski |
| 7 | Mr. Jane Kukja, Economic Attaché, Economic and Trading Department at the Embassy of the Netherlands in the Republic of Macedonia |