

PROJECT IMPLEMENTATION PROGRESS REPORT

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

Project: PIMS 00088688

1 January 2017 – 30 June 2017

Draft

Implementing Partner: UNDP

Government Partner: Ministry of Local Self-Government (MLSG)

Project start date: 1 January 2014

Project end date: 31 December 2017

Project total budget:

Funds ensured: 1,160,785 \$

Funds spent: 877,203 \$ (17,290 \$ during the reported period)

Final revision: 300,871 \$

The Report covers the period: 1 January 2017 – 30 June 2017

NARRATIVE PART

1. Main Achievements of the Project in terms of results expected during the reporting period

Output 1: Collecting feedback from citizens on their interaction with the decentralized system of local government in a systematic way

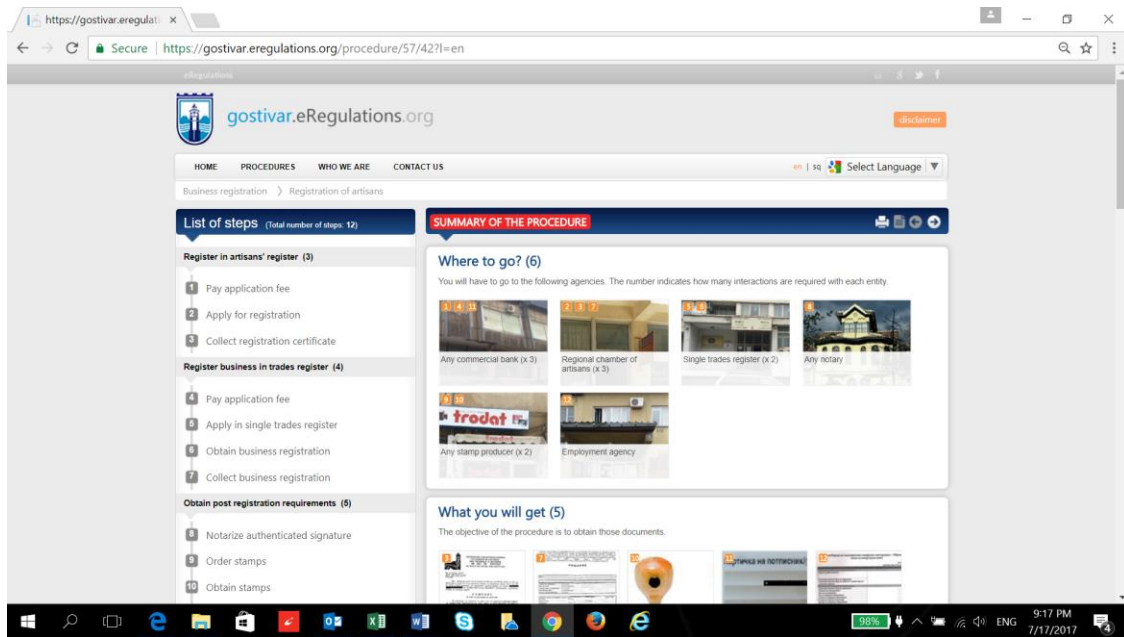
This is an upgrade and promotion of the interactive website “www.dajpredlog.mk” as a communication tool of MLSG with external partners. Following several rounds of discussions with the MLSG about the limitations of the current portal and the newly emerging needs for increased transparency and two-way communication with stakeholders, MLSG drafted a needs assessment (Annex 1) listing several priorities, especially related to communication between:

- MLSG and 81 local governments (for improvement of everyday communication, coordination and consultations, exchange of various information and data collection, including the registers of municipal flags and coat of arms);
- MLSG and other line ministries (for regular exchange of information on the new laws and regulations relevant for the work of the local governments);
- MLSG and the neighborhood units (registration, publicly available contacts of all neighborhood units);
- MLSG and the civil society organizations that work in local governance and development; and
- MLSG and citizens through possibilities for open feedback, surveys, etc.

Based on the priorities identified, the project will perform a detailed needs analysis with a precise requirements elicitation that would support the Ministry’s business processes. Next, the website will be redesigned to suit the new needs of MLSG.

Output 2: An instrument for local regulations as part of the Innovative programme for support of partnerships between municipalities and civil and business sectors for improved service delivery is put into practice

With the project’s support, the municipality of Gostivar launched a new service for its citizens and businesses: an interactive e-catalogue of 17 service procedures with a step by step guide on how to acquire them. It includes a variety of services like obtaining a building permit, taxi and transport licences, managing local taxes, licences for small businesses and artisans, etc. The e-catalogue is accessible at: <https://gostivar.eregulations.org/>.



The user-friendly elaboration of each service procedure includes a process flow and step by step guide for citizens. It lists:

- all agencies that need to be visited, their contacts, photos and the number of visits in each entity;
- the look of the final document to be received;
- the required documents clients need to bring in, including downloadable forms;
- calculation of costs for each step;
- estimates of the total required time, also separated as waiting in que, counter or at home;
- the regulations which justify the procedure and its content, available to download.

The e-catalogue significantly increases the municipal transparency towards its citizens and legal entities by providing clear, step-by-step information on rules for 17 administrative procedures in a way that is easy to understand and follow. Equally important, the portal enables feedback from its users: proposals for simplification of the procedures and reporting of irregularities. It is a unique example of citizen-centred presentation of services, gathering all information under one hub regardless of the level of governance of the institutions involved.

The portal is linked with the website of the municipality of Gostivar and a person working in the municipal one stop shop is being trained “on the job” how to maintain it. This will enable long -term sustainability of the effort, capacitating internal resources to maintain the portal active beyond the project lifetime and align the portal content to all future changes in the procedures, also developing new ones. Currently available in English and Albanian, the portal will be fully available in Macedonian and Turkish language by the end of 2017.

UNDP and partners will develop a concept for up-scaling this pilot project, as a support to MLSG in stocktaking and forward planning related to e-services and one stop shops for citizens and businesses.

Output 3: Prepared local e-services study and its recommendations implemented

Based on discussions with MLSG, the activity is redirected towards creating preconditions for introduction of e-services in all 81 local governments and increasing their transparency, and was re-designed accordingly. In the upcoming period, the project will assist the four local governments that do not have web-sites, to create one. Also, the project will undertake an Analysis of the current spatial, technical and administrative infrastructure of the municipal one stop shops with a proposed concept for new and unified community service centres. This activity will also become support to MLSG in stocktaking and forward planning related to e-services and one stop shops for citizens and businesses.

Output 4: Instruments for support and promotion of inter-municipal cooperation (IMC) improved and new IMC practices established

A Coordination meeting with the Centres for development of the planning regions was held on 6th April 2017, attended by all representatives from all 8 centres and from the MLSG. The audience was acquainted with the 2017 project plans as well as with the opportunities for provision of support to the centres by the remaining Governance portfolio projects. Annexes were signed extending the support to the Pelagonija, Polog, Vardar, Northeast and Southwest regions until the end of September 2017. The meeting report is enclosed as Annex 2 to this document.

Most effort under this output was put into the establishment of multi-sectoral networks for inclusive development on the territories of 5 centres for regional development (Vardar, Polog, Northeast, Southwest, and Pelagonija). The main achievements of the Centres are highlighted below, while the detailed description of their activities is enclosed as Annex 3.

- **The Centre for Development of the Pelagonija Planning Region (CDPPR):**

- Installed solar panels in the kindergarten in the village of Berovci; kindergarten in village Kravari and sport gym of the primary school “Manchu Matak”, village Krivogashtani;
- Trained 26 representatives of the Integrated Network for Regional Development (INRD) and Local Economic Development (LED) units from several municipalities from the region in *project cycle management and strategic planning and lobbying*;
- Developed a draft *e-Guide for project development and implementation* for the needs of the IRDN members;
- Updated the websites of CDPPR (www.pelagonijaregion.mk and www.pelagonijabiznis.mk);

- **The Centre for Development of the Vardar Planning Region (CDVPR):**

- Is replacing the windows and doors in the kindergarten “Boris Trajkovski” in Demir Kapija Municipality with PVC double-glazing equipment thus enabling savings in energy consumption;
- Developed the Work Programme of the Network for Inclusive Development (NID) 2017-2020;



- **The Centre for Development of the Northeast Planning Region (CDNEPR):**

- Kicked off activities for implementation of the 2015 - 2017 Programme and 2015-2016 Action Plan of the Platform for Regional Rural Action (PRRA):
 - “Preparation of technical documentation for adaptation of the buildings and parks for the needs of tourism development in the region”;
 - “Through competitiveness and innovation to successful farmers’ businesses”.



The project and CDNEPR initiated production of a Cookbook of traditional recipes from the Northeast region, containing 30 recipes from all 6 municipalities of the region and to be published in Macedonian, Albanian and English. The Cookbook will be finalised in the second semester of the year.

- **The Centre for Development of Polog Planning Region (CDPPR):**
 - o organized the first constitutive session for the establishment of the Network for Inclusive Rural Development (NIRD) on 10 May 2017, attended by 12 out of 15 NIRD members;
 - o the Centre initiated development of a NIRD Work Programme 2016 – 2018 and accompanying Action Plan 2016 – 2017 and the first draft version is in consultations.

- **The Centre for Development of the Southwest Planning Region (CDSWPR):**
 - o organized an official promotion of the Register of potentials for rural tourism in SWPR (produced with the support of the project in 2016);
 - o prepared the Work Programme of the Network for Inclusive Regional Development (NIRD) 2017 – 2019 and an accompanying Action Plan 2017 – 2018;
 - o Prioritized the following activities from the Work Programme: a Study visit for exchange of experiences in rural development; workshops for creating a tourist package; mobile application for local transport in the SWPR “My transport”; arranging the access roads to the local attractions and setting up info boards and panels; improving the functionality, adding new elements and promoting the Android GIS application “SW Macedonia attractions” (with highest priority), to be implemented by end of September;



“Establishing intermunicipal cooperation models for inclusiveness and service delivery for blind persons and persons with vision disabilities in Pelagonija planning region” is another activity within this output.



The main partners are the Centre for Development of the Pelagonija Planning Region and the regional Association of Blind Persons, as well as municipalities of Bitola, Novaci, Mogila, Demir Hisar and Resen. The activity targets approximately 210 blind persons (>90%). Following the findings of the assessment mission performed in November 2016, and two prioritization workshops, the intention is to establish an Info (Day Care) Centre for Blind Persons and Persons with Vision Disabilities in Pelagonija Region. The work of the Centre would improve the transparency and accountability of local governments towards their citizens with vision disability and include this vulnerable group into municipal planning and decisionmaking at the same time increasing their mobility and socialization.

The activities of the Centre would include: information from all 5 municipal administrations adapted into a form easily communicable to blind persons (printing, audio, web-site updates), facilitating participation of visually impaired persons at public and budget hearings, analysis of the procedures of municipal services and their adaptation for increased independent utilization by the blind persons, increased participation of the blind persons in the work of the municipal councils, etc. If upgraded into a Day Care Centre (the Association of Blind has another potential donor) the Centre would offer many forms for socialization of the persons with visual disability. The activity will be finally agreed and implemented in the next reporting period.

Output 5: Prepared analysis of the opportunities for service delivery to the private sector by the Centres for Planning Regions Development

A Conceptualization and Design Study for the establishment of an Interregional Technology Park (ITP) for the Vardar and East Planning Regions was commissioned by the project, with the aim to explore the initial feasibility of the idea and point out on the next steps of the implementation (Annex 4).

The conclusions of the study are the following:

- The ITP represents a logical and most probably economically viable response to key socio-economic challenges the two regions face;
- From the planning / programming point of view, the ITP project initiative corresponds with the objectives of related strategic development documents on both national and regional levels;
- Potential ITP stakeholders are interested in the project's further elaboration;
- Implementation of the project will ideally result in significant shift in perception of Vardar and East regions as places to do business and successful attraction of talents and firms seeking an advanced and favourable business environment;

- The initial investment in ITP campuses including basic equipment and furniture will range from EUR 1.6 million to EUR 3.6 million.

According to the design proposed by the Conceptualisation and Design Study, the ITP would offer the following services:

- A Platform for cooperation between Universities and businesses as strategic approach to economic development, territorial competitiveness and innovation by establishing;
- System of efficient business support services (admin, legal, IT, testing, innovation, patenting, etc.);
- Improved business education for University students and (young) talents and specialized trainings for companies and entrepreneurs; and
- Rental offices, workshops, co-working space, labs and equipment available at reasonable costs.

As a next step, the project will commission a Pre-feasibility study on the establishment of the ITP that will analyse and define at least three alternative scenarios related to: the legal options of establishment of the ITP, partnerships, management structure, operating modes (preliminary business models), the scope of economic areas integrated in the ITP, knowledge transfer, financing options, the role of the universities, customer focus and a set of expected results and desired impact on respective regions' economies. The Pre-feasibility study shall also include gender analysis as a cross cutting theme.

Output 6: Implementation of the Local Government Sustainable Development Programme for the period 2015 – 2020

The project held several consultations with MLSG representatives related to this output and developed a few alternatives. The final position is to move towards development of an Action Plan 2018 - 2020 for Implementation of the "Programme for Decentralisation and Sustainable Development 2015 – 2020". The Action Plan will be developed in the second half of the year.

Output 7: Instruments to support the development of rural tourism and finding new ways for development of the rural municipalities and returning the population in the villages developed

The first activity within this output is developing a Register of the Potentials for Rural Tourism (RPRT) on the level of planning regions in the country. The process has been already implemented in four Planning Regions: Vardar, Northeast, Polog and Southwest and in the upcoming second phase it will be replicated in Pelagonija, East, Southeast and Skopje region. The process is based on the FAS (Factors, Attractors and Support Services) methodology of the UN World Tourist Organization where the key areas of analysis are: natural heritage, cultural heritage, spatial planning and rural development. The regional partners are the centres for development of the planning regions. In the reporting period the procurement for this activity was carried out, and the implementation will continue in the second semester.

The second key activity towards this output is preparation of technical documentation for construction of priority infrastructure for rural tourism in four (4) rural municipalities, one in each of the following planning regions: Pelagonija, East, Southeast and Skopje. To facilitate the process of selection the project has developed a Methodology for selection of partner municipalities, based on five indicators. The

assessment per this methodology is available in Annex 5 and it points out to the following municipalities as project partners:

- Pelagonija Planning Region: Krivogashtani
- East Planning Region: Cheshinovo-Obleshevo
- South East Planning Region: Dojran
- Skopje Planning region: Studenichani

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

The 2017 Annual Working Plan (AWP 2017) was adopted at the Project Board Meeting in February, in midst the political crisis that delayed project activities. In spring 2017 the project underwent changes in staff at both UNDP and MLSG.

Namely, Ms Eli Chakar was appointed coordinator of the project from the side of MLSG while Ms Natasha Ilijeva Acevska stepped in as a new Project Manager and Ms Elena Miceva as a Project Associate on the side of UNDP. UNDP Democracy Unit Programme Analyst Mr Emil Angelov was appointed in January 2017. The new team stepped into implementation of all activities, but also put serious attention to rethinking the aspects of the project that needed detailed elaboration. For instance, the logical framework of the project has been maintained the same since 2014 while the project has significantly evolved during its lifetime.

Mr. Suhejl Fazliu was appointed a new Minister of Local Self-Government and Mr Dejan Pavleski as his deputy in June 2017. The new leadership in MLSG brought some new priorities as per the programme of the Government related to local governance and regional development. Thus, the policy goals of MLSG are being redefined which inevitably reflects on the project activities. These changes resulted in a process of rethinking and new prioritisation of the project outputs and activities.

3. 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.

All issues described above are positive developments that are bringing fresh approach towards project activities related to the capacities of MLSG for increased transparency, two-way communication with stakeholders, planning and coordination of the next steps in decentralisation and regional development, introduction of e-services and one stop shops for the citizens. The related activities need to be re-designed accordingly. The activities related to inter-municipal cooperation and rural development will be maintained as originally planned with the Annual Workplan for 2017.

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

The postponed local elections, scheduled for 15 October 2017 could result in slowing down of project implementation, especially the activities which involve decisions of the local councils and mayors. The latest deadline for decision-making before the elections is 15 August 2017. The activities at risk by this

development are: signing of inter-municipal cooperation agreements that are needed in almost all activities of Output 4, municipal council decisions for activities related to rural tourism development, and assessments of the current condition of the one-stop shop.

To respond to these developments, the project is giving priority to the implementation of activities that need decision-making of the councils before 15 August 2017. Also, the project will utilise the strong support it receives from the MLSG and the CDPRs for efficient and innovative overcoming of all bottlenecks.

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

All partners, including the MLSG and the regional centres for development show strong dedication to the project. The communication with them is on a daily bases and involves discussions on all issues, search for common solutions and co-design of detailed activities, Terms of references, etc. The Centres for development of the planning regions expressed their wish to be even more involved in the design of the activities, especially now that the contracts for direct support will be completed and will close on 30 September 2017.

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

The networks for inclusive development are a vivid example of regional intersectoral strategic partnerships. Facilitated by the Centres for Development of the Planning Regions and the municipalities in the regions they also involve the NGOs, the regional offices of the Chambers of Commerce and the associations of artisans, public institutions of interest, etc. As an illustration, the inclusive networks in the Vardar, Northeast and Pelagonija planning regions have established their working programme and identified the fundamental areas for intervention, mobilised resources, etc. An excellent illustration of how these networks could mobilise local partners is the activity for establishing an Info Centre for blind persons in Pelagonija region, where the network took the lead in mobilising all actors from the public, private and civic sector in a working group, involved the blind persons in the region to participate in the design of the activity, then facilitated negotiations etc.

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

N/A

8. *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.*

Yes, a revision of the Annual Working Plan (AWP) is needed and has been carried out by the project team through intense consultations with the MLSG. The revised AWP maintains the original seven outputs of the project, but updates their scope in line with the latest developments described in the previous sections of this report. The project outputs were re-worded, and the indicators updated in the revised AWP. New

activities were introduced in the outputs related to the support provided to the MLSG capacities of MLSG for increased transparency, two-way communication with stakeholders, planning and coordination of the next steps in decentralisation and regional development, introduction of e-services and one stop shops for the citizens, etc. The activities remain intact in inter-municipal cooperation for energy efficiency, social inclusion (visual disability), rural tourism development. The revised AWP was also reviewed by the UNDP Gender Specialist who provided recommendations on how to tackle the gender equality aspect in each activity. Accordingly, a new Monitoring and Evaluation plan of the project was developed as well.

The revised AWP is enclosed as Annex 6 of this report and is subject to approval of the Project Board.

Skopje, 21 July 2017

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Annexes:

- 1: Needs assessment of MLSG related to web-portal for increased transparency and communication
- 2: Report: Coordination meeting of the Centres for Development of Planning Regions
- 3: Integrated report of the activities of the Centres for Development of Planning Regions January-June 2017
- 4: A Conceptualization and Design Study for the establishment of an Interregional Technology Park (ITP) for the Vardar and East Planning Regions
- 5: Analysis of potential partner municipalities for preparation of technical documentation for infrastructure for development of rural tourism
- 6: Revised Annual Work Plan for 2017