

CIVIL SOCIETY IN MACEDONIA: PROGRAM EVALUATION AND FUTURE DIRECTIONS

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ACRONYMS & ABBREVIATIONS

CIRa	Center for Institutional Development
CSO	Civil Society Organization
CSSP	Civil Society Strengthening Project
DUI	Democratic Union for Integration
ECNL	European Center for Not-for-Profit Law
EIDHR	European Instrument for Democracy and Human Rights
ESE	Emancipation, Solidarity and Equality
EU	European Union
FOSIM	Foundation Open Society Institute Macedonia
ICNL	International Center for Not-for-Profit Law
IPA	EU Instrument for Pre-Accession
ISC	Institute for Sustainable Communities
ISPPI	Institute for Political, Sociological, and Juridical Studies
MIM	Macedonian Institute for Media
MCIC	Macedonian Center for International Cooperation
MP	Member of Parliament
NATO	North Atlantic Treaty Organization
NGO	Non-governmental Organization
OPM	Consumer's Union of Macedonia
RFA	Request for Applications
SDSM	Social Democratic Alliance of Macedonia
TACS	Technical Assistance for Civil Society Organizations Macedonian Office
USAID	United States Agency for International Development
ZNM	Association of Journalists of Macedonia

EXECUTIVE SUMMARY

The following report has a dual purpose. First, it evaluates the impact of the Institute for Sustainable Communities (ISC) Civil Society Strengthening Project (CSSP) financed by the United States Agency for International Development (USAID). The CSSP began in June 2005 and is scheduled to end in June 2010. Second, it examines the current context for civil society development in Macedonia and provides recommendations on unfinished work, future needs, and new directions and modalities for civil society programming to inform USAID's future assistance plans.

PART I: CSSP EVALUATION

PRIMARY FINDINGS

Organizational Capacity. The CSSP contributed to establishing a diverse range of civil society anchors, many of which solidified their position in their sector or became leaders in advancing citizen issues in the areas of consumer protection, farming and agriculture, anti-corruption, environmental protection, volunteerism, Roma, youth, persons with special needs, education, and community development in different geographic regions in Macedonia. Through state-of-the-art capacity building, a number of organizations professionalized their operations, expanded their reach to constituencies, and became more results-oriented. One of the most significant impacts of the assistance was that several organizations were able to diversify their funding base—including support from USAID and the EU—and they directly attributed their success to the CSSP.

Legal Environment. The CSSP partners advocated for improving the enabling environment for civil society through a number of laws and amendments. A notable success was the law on volunteerism—a model of innovative legislation and open dialogue which is being looked to by other countries in the region. It also succeeded in preventing regressive legislation which would have seriously affected the freedom of association and prevented flaws in the law on sponsorships and donations. Although it endeavored to catalyze other changes to improve the environment for CSO fundraising and sustainability, the legislation or amendments were not enacted to date. Critical challenges to advancing legislative reform are the lack of interest on the part of NGOs as well as a lack of political will.

CSOs, Advocacy and Government. The CSSP grantees advanced important issues in their respective sectors through policy change, influence, or monitoring. The overall impression from interviews and the *NGO Sustainability Index* was that generally, CSOs have faced challenges in cooperating with government and influencing policy in Macedonia, but CSSP NGOs were among those who were most prolific in this area. It should be noted however that in general, CSSP grantees did not take on tough areas that were directly critical of the government.

Public Image. Overall, the CSSP improved the media skills of several NGOs and increased their visibility in local and national media. It also raised awareness about civil society issues among professionals from national and local media outlets. Although it is unclear what the overall impact was on public image for the sector, there is a sense that the CSSP program and partners were able to maintain a good public image and increase the number of stories with a positive portrayal of NGOs.

Recently, there are a number of external factors which have negatively influenced the public image such as the politicization of NGOs, the appearance of GONGOs who parrot the government stance on issues, and some scandals surrounding NGOs. Given these new negative trends, a new strategy will be needed to address the public image in future programs.

Sustainability and Philanthropy. The CSSP was very successful at enhancing opportunities for financial sustainability through capacity building to several organizations which leveraged additional donor support including direct USAID and EU funding. It also sowed the seeds for philanthropy in Macedonia through creative fundraising pilots which demonstrated that domestic support can be mobilized and by raising awareness about philanthropic and charitable giving with the business community. This area is in its very early stages and should be further developed.

MODELS FOR REPLICATION?

The ISC developed two potential models which could be replicated in other countries and programs: 1) Its approach to capacity building is a model that might be considered as donors graduate or phase-down assistance in multiple sectors (not only democracy and civil society) and seek to leave solid sustainable institutions; and 2) It developed indices for measuring civil society progress which might be adapted as a quality assurance tool or as the basis for a consumer reports on NGOs.

GENERAL CONCLUSIONS

In general, the evaluation team concludes that most of the Civil Society Strengthening Program's results were met. The CSSP contributed to establishing or solidifying the position of a diverse range of civil society organizations as leaders in their sector and to advance citizen issues in the areas of consumer protection, farming and agriculture, anti-corruption, environmental protection, volunteerism, Roma, youth, persons with special needs, education, and community development in different geographical regions in Macedonia. Through state-of-the art capacity building and consulting, a number of organizations professionalized their operations, developed regranteeing capacity, expanded their reach to constituencies, became more results-oriented and diversified their funding bases. NGOs also improved their public relations skills, expanded positive media coverage of NGOs, and thus individually contributed to an improved public image and perception of NGOs. Through advocacy trainings and targeted program assistance, a number of organizations cultivated successful partnerships with government and successfully lobbied on behalf of citizen's interests at the local and national level. Under the CSSP, pioneering efforts were made to sow the seeds for philanthropy and two enthusiastic legacy organizations of the ISC—CIRA and Konekt—envision continuing to work in this area.

The evaluators assumed that the CSSP was not expected to have a broader impact on the overall civil society sector during the period of implementation as it was focused primarily on building the capacity of a limited number of NGOs. The broader impact on the sector will likely reveal itself in the longer term as organizations gain further experience. There were a number of external barriers which may have hindered the potential for broader impact during program implementation such as a general lack of political will to address NGO issues and the extreme fragmentation of the civil society sector. More recently, civil society organizations have experienced new pressures which have limited their activities and cooperation with the government. Although it will be challenging, the team recommends that future assistance efforts should build on the successes of the CSSP and other programs and support cooperative initiatives for broader impact.

PART II: CIVIL SOCIETY TRENDS AND RECOMMENDATIONS

CURRENT TRENDS AFFECTING CIVIL SOCIETY

The context in which civil society operates in is alarmingly different from 2005. Rather than cautious optimism, respondent interviews predominantly underscored a climate of pessimism, fear, apathy, resignation, and democratic backsliding. In addition to the deterioration of the economy, the failure to move forward on NATO and EU membership and the apparent dominance of a single political party has dampened prospects for democratic reform. While in 2005, there was a sense that government was not open to partnership with CSOs and unwilling to treat them as equal actors, now there is a sense that the government is directly attempting to restrict their participation through various pressures.

New Pressures on Civil Society

Respondents spoke about increasing pressures on the civil sector from the government which assumes many forms. Examples of recent pressures follow:

- *Restricting information.* A recent report in the daily *Vreme* revealed that pressure was exerted on an NGO to only release economic data favorable to the government.
- *Restricting participation.* Although it is unclear what the ultimate impact will be, a law on lobbying was enacted which could significantly restrict lobbying and advocacy activities.
- *Pressuring media.* Respondents reported various attempts to mute media critical of government officials or policies.
- *Economic pressure.* Given the dire unemployment rate and the state being the largest employer in Macedonia, there is reportedly implicit or overt economic pressure exerted against individuals who speak out against the government.
- *Physical pressure.* There are allegations that a peaceful protest earlier this year was disrupted by violent government-supported counter-protestors.
- *Diluting opposition through GONGOs.* In recent years, there has been the proliferation of GONGOs (government supported or pro-government NGOs) to support governmental views or policies or to counter opposition.

CHALLENGES FOR CIVIL SOCIETY

In addition to the government pressures, there are a number of other issues which plague the civic arena in Macedonia.

Weak Civic Participation. There is a broad sense of civic apathy which is connected to the lack of understanding of the role of civil society among the government, the citizenry, and even some CSOs.

Lack of Influence. If we consider the civil sector as a whole during and since the transition, it has never been powerful enough to play a prominent role in the democratic processes in Macedonia.

Fractionalism. Civil society in Macedonia is extremely divided. Generally, there are few coalitions or networks of NGOs which achieved something together that can be considered as a civil sector initiative or success.

Public perception is poor. Although respect for CSOs seems higher than the relevant attitudes of Macedonian government and businesses, the public image is poor due to the perception that the NGO sector offers a lucrative profession and possibilities for money laundering, a general lack of knowledge and understanding about the sector, the politicization of the sector, and the appearance of GONGOS.

Sustainability. Due to donor dependence, the sluggish economy, inadequate incentives for donations, untransparent government support, a lack of tradition of philanthropy, and the skeptical attitude of CSOs, NGOs in Macedonia are not close to becoming financially sustainable.

Urban vs. Rural Gap. Although about 40 percent of the population lives outside of the metropole, civic organizations are mostly concentrated in urban areas and Skopje.

Mono-ethnic NGOs. The NGO landscape is extremely mono-ethnic with very few examples of NGOs who employ an ethnically diverse workforce.

FUTURE PROGRAMMING: OVERARCHING PRINCIPLES

In designing a future approach to civil society assistance, the team makes the following suggestions in guiding program creation:

Concentrated. A future program should be more concentrated and tackle fewer areas for maximum impact.

Multiplicative. A future program should build on previous and current successful programs, approaches, and organizations supported by USAID and other donors.

Focus on strong leadership. A future program should support strong leadership and encourage NGOs to reach outside of their organizations to involve other leaders and experts such as academics.

Neutral. With the politicization of the sector, the program should make every effort to avoid partisanship.

Integrative/cooperative. Although challenging, a future effort should focus on cooperation among CSOs and finding creative strategies to reduce competition.

Flexible. Given the dynamism of the Macedonian political context in recent years, the program should be designed to be flexible to respond to external factors.

Geographic/rural balance. The program should find ways of reaching out to rural and underserved areas in Macedonia without creating unsustainable infrastructure.

Ethnically diverse. Efforts should be made to promote ethnic diversity within institutions—especially in CSO permanent staff.

Coordinated on message to CSOs. There are a number of intractable issues related to CSO attitude in Macedonia such as the reluctance to pursue domestic funding and a dependence on financial incentives for all forms of civic participation. USAID and other donors should coordinate on sending a unified message to CSOs in these areas.

USAID DESIGN APPROACH

Prior to or in conjunction with the design of a future program, USAID should meet with civil society actors from a variety of sectors including media and academia to 1) emphasize USAID support and solidarity in a challenging environment, and 2) gain a better understanding of the fears, capacity, willingness, and interest in participating in cooperative efforts and coalitions. While USAID should avoid fostering CSO dependency on the international community for leadership in the long-term, it may need to be engaged more proactively in the beginning to catalyze cooperation, coordinate proactively with donors, and press government institutions as necessary.

PRIORITY SHORT-TERM RECOMMENDATIONS

1. Invigorate a critical mass of leaders in successful and strategic advocacy and monitoring efforts.

There are a number of strong organizations and individuals in the Macedonian CSO sector, however there are very few examples of cooperative initiatives. The focus should be on pulling actors together to cooperate on areas of mutual interest for the civil sector. However, given the fragmentation of the sector and the experience of the CSSP on legal reform, this will be extremely challenging and expectations about what can be achieved should be realistic.

2. Develop strategic approaches to improve the public image of NGOs. Future efforts should develop creative approaches to improving the visibility and public image of NGOs. Given the recent negative media trends, future programs might focus on a broader public awareness campaign with a consistent and cohesive message to tackle the negative elements that impact the broader public perception of the NGO sector.

Over the years, USAID and other donors have built the capacity of and partnered with a number of organizations which are transparent, effective, and results-oriented. USAID and other donors might develop a directory or consumer reports of NGOs which could be used as a basis to improve the public image of CSOs, to encourage domestic donations, and possibly as a tool to discern between legitimate and dubious NGOs.

3. Monitor the Legal Framework for CSOs. There is a continued need for improving and monitoring the legislative framework for CSOs—especially to simplify NGO’s abilities to engage in economic activities—and stimulate incentives for donations. However, there is a general lack of interest and leadership among the NGO sector to engage in this area. If USAID chooses to continue to support this area, it will need to explore new approaches to stimulate broader CSO interest.

4. For a multiplicative effect, USAID civil society programs should be closely linked with media programs. Civil society programs should link with media as a potential partner to increase visibility and promote accountability.

LONG-TERM RECOMMENDATIONS

1. **Sustainability.** USAID and other donors need to stress the importance of pursuing domestic resources in the longer-term as a priority. Efforts should focus on securing domestic sources through increasing the level of transparency in government/NGO grant allocation and EU funding. In the longer-term, donors may wish to explore the possibility of establishing a government fund for NGOs as was done in Croatia. More proactive leadership should be developed to stimulate support within the business community for CSR. There should be awareness raising among NGOs for the need to work on philanthropy in the long-term. Exploring fees for service is another promising avenue for long-term sustainability in Macedonia.
2. **Civic Education, Participation and Volunteerism.** There is a need for civic education, to create incentives for citizens to participate in democracy at all levels of society—among youth, citizens, and government.
3. **Continued support for civil society with a focus on watchdog and advocacy activities.** Given the current climate for civil society in Macedonia, there is a need for future support civil society—particularly watchdog and advocacy organizations and activities as a priority in coordination with other donors. The evaluators noted that local level grassroots initiatives seemed to generate maximum returns on investments.

PART I: CSSP EVALUATION

INTRODUCTION

PURPOSE OF REPORT

The Civil Society Strengthening Project (CSSP) is a five-year project implemented by the Institute for Sustainable Communities (ISC) and financed by the United States Agency for International Development (USAID). The CSSP began in June 2005 and was originally designed as a three-year initiative. The project was extended for two additional years and is scheduled to end in June 2010. Although not the target of this evaluation, it should be noted that the ISC supported the development of civil society in Macedonia from 1995 to 2004 under USAID's Democracy Network Country Program in Macedonia (DemNet).

The ISC and USAID commissioned an evaluation of the CSSP in November 2009 with the dual purpose of: 1) assessing the impact of ISC's assistance to civil society in Macedonia highlighting the program's strengths, weaknesses, and lessons learned; and 2) providing recommendations on unfinished work, future needs, and new directions and modalities for civil society programming in Macedonia to inform USAID's future assistance plans.

The intended audience for the evaluation includes USAID and other donors, the ISC, CSSP implementers, and others who are familiar with foreign assistance goals and methods and have an interest in promoting and continuing best practices.

EVALUATION METHODOLOGY

The basic evaluation design was a mixed method approach including a document analysis, approximately 60 key informant interviews, two focus groups, and a survey. Fieldwork was conducted in Macedonia between December 8th and December 19th, 2009.

Document Review. The evaluation team reviewed a variety of project related documents, including the original RFA, the cooperative agreement and cost-extension, CSSP annual results reports, performance monitoring and evaluation plans, annual workplans, quarterly reports, RFAs issued under the CSSP, agreements between the ISC and its consortia partners, assesment reports of the leader NGOs, ISC papers presented at the European Evaluation Society Conferences, the USAID-commissioned Public Values Survey, the NGO Sustainability Index, and the USAID Democracy and Governance Assessment of Macedonia (September, 2009).

Interviews. The evaluation team relied heavily on facilitated interviews with the ISC home and Macedonia office, USAID/Macedonia and the Civil Society Advisor in the USAID Europe and Eurasia Bureau, and key CSSP partners: ECNL, CIRa, Konekt, and MIM. The team interviewed leader NGOs using a common protocol and sought to include both a geographic balance of organizations within and outside of the capital and the representation of various program components of the CSSP. Questionnaires and surveys were sent to the

majority of NGOs that the team was unable to interview in person. Focus groups were conducted in Veles and Gostivar—two municipalities outside of Skopje.

The evaluators also interviewed key informants who were ‘outsiders.’ Outsiders did not directly benefit from the CSSP, but were knowledgeable about the civil society sector in Macedonia. They were drawn from academia, think tanks, and donor and multilateral institutions.

Survey. The team also distributed a survey during the interviews which asked the grantees to rank on a scale of 1 to 5 different dimensions related to the overall civil society environment as well as the ISC’s role in influencing these areas. The survey was problematic for respondents as many felt the external environment had changed dramatically during the implementation period and it was not possible to make overall generalizations. As a result and because of the low number of surveys conducted, the team was unable to compile the results in aggregate. Although the survey was not valid for data analysis, the problems it raised generated valuable discussions and it permitted the team to get a more nuanced view of the context for implementation of the CSSP.

There are minor risks to validity of the field work which should not influence the final report. The limitations of the evaluation concern the proper selection, gathering, and analysis of the data collected during the interviews.

TEAM COMPOSITION

The team was composed of a U.S. and a Macedonian expert to carry out the evaluation.

- Monique Nowicki, the Team Leader, is an independent consultant with over seven years of experience with USAID overseeing democracy and governance activities in Eastern Europe, primarily focused on civil society and has several years of experience with all phases of program evaluation in democracy and governance, conflict prevention and mitigation, public health, and performance arts.
- Professor Petar Atanasov, engaged as the Country Expert, is a professor of sociology at the University of Skopje with extensive research experience and expertise in the areas of multiculturalism, ethnic conflict, conflict prevention, and social integration. Professor Atanasov was previously engaged in evaluations and assessments for USAID and the Swiss Development and Cooperation Office.

HISTORICAL CONTEXT

The outlook for democratic transition was cautiously optimistic in 2005. After living through successive political, economic, and social crises since its establishment, the country was stabilizing after the conflict of 2001. It became a candidate for EU accession at the end of the year and was making continuous progress towards NATO membership. Although ethnic gaps still existed, the general level of security improved and ethnic concerns from 2001 were addressed by the State and international actors receiving diminished attention in the public sphere. Some courageous actors from the civil sector—including analysts and journalists—were articulating a commitment to the spirit of inclusion and multiethnicity. The political atmosphere was improving and the coalition government between SDSM and DUI stood firmly committed to the Ohrid Agreement agenda. While prospects for democratic reform were favorable, the economic outlook was less sanguine with a lagging economy.

After Macedonian independence, civil society was very weak given the communist legacy of limited civil participation in the political and social life of the country. By 2005, the civil sector had become very active during the post conflict period and the number of registered organizations grew to 5,500. Despite the high number, about five percent were thought to be active and generally, the sector lacked capacities in several areas. The main factor behind the bloated sector was the massive influx of foreign donor funds following the crises of 1999 and 2001. Not surprisingly, the development of civil society was the result of a top-down approach and organizations were viewed as donor-driven. While a decent legal framework existed with the enactment of the Law on Associations and Foundations in 1998, CSOs generally suffered from low organizational capacity and bleak prospects for financial viability. Moreover, the sector had yet to attain the critical mass to be considered a serious actor at the national or local level.

USAID APPROACH AND DESIGN

Building on its previous assistance efforts, USAID commissioned a civil society assessment in 2003 and subsequently issued an RFA in 2005. It should be noted that in 2005, USAID's trajectory for closing its assistance program (around 2010) was earlier than today (estimated at 2014) which informed the design of the civil society program. Overall, the program sought to build the capacity and results-orientation of a spectrum of specialized NGOs that would become more sustainable and address the challenges faced in a variety of sectors as USAID assistance declined. The key areas it sought to address were NGOs' lack of clear missions and strategies—most were donor dependent and lacked specialization. Tied to this were organizational weaknesses—financial and operational—and a lack of strategic planning. It also sought to improve lobbying and advocacy skills, cooperation among NGOs, and the long-term financial viability of the sector. The RFA called for proposals to address the following specific priority program areas:

- Organizational development of a core group of 'leader NGOs;'
- Grants to carry out advocacy and policy reform and address civil society development issues;
- Support for local level grassroots civil society organizations;
- Public promotion of the NGO Sector;
- Promotion of philanthropy and indigenous support;
- The legal and regulatory framework for CSOs; and
- A rigorous approach to performance monitoring and evaluation .

The ISC, in consortium with its partners ECNL, CIRa, and MIM won the award and proposed a variety of approaches to achieve the results including the provision of training, technical assistance, networking, mentoring, and a flexible range of grants. The nucleus of the program was building the capacity of and providing grant support to a core group of 21 NGOs. Four of the organizations were supported to develop regranting capacity. Smaller grants were made available to organizations outside of the core group for media products and philanthropy.

CSSP OBJECTIVE AND RESULTS

The CSSP's overarching goal was that Macedonian civil society becomes an effective, influential, and permanent partner alongside government and business. It aimed to achieve this goal through three results:

- 1) *A strengthened civil society infrastructure by building a core group of NGOs.* Activities to support this result included building the capacity of a group of NGOs, expanding the number of intermediary service organizations that serve the sector, and improving the enabling environment for civil society.
- 2) *NGOs achieve concrete results on issues that matter to citizens.* Activities to support this result included building the advocacy capacity of grantees, grant support for advocacy activities at the local and national level, and efforts to improve the relationship between NGOs and their members, direct beneficiaries, and constituents
- 3) *Improving the image and understanding of Macedonian civil society.* Activities to support this result included media coverage and philanthropic outreach and activities to support of NGOs.

The CSSP contributes to USAID's Intermediate Result 2.1 "Increased Citizen Participation in Political and Social Decision Making" and Strategic Objective 2.0 "More Legitimate Democratic Institutions."

The evaluation team found that activities and results were clustered around five primary areas: capacity building, the legal framework, civil society, advocacy, and government, sustainability and philanthropy, and public image. The report analyzes findings in this order followed by lessons learned and suggestions of models for potential replication and recommendations.

During the course of the CSSP implementation, the project's envisioned focus, activities, and anticipated results were modified through discussions between USAID and the ISC during the course of implementation. The evaluation team considered the initial program objectives, activities, and anticipated results as well as program modifications when assessing the project's overall impact.

FINDINGS

CAPACITY BUILDING

Background

In 2005, when the CSSP was launched, NGOs were viewed as being largely donor dependent and donor driven rather than mission driven. Many donors critiqued NGOs for their lack of competence and ability to deliver services which was tied to weaknesses in institutional capacity in areas such as strategic and financial planning, management and personnel, accountability, and member, constituent and volunteer outreach. The NGO landscape was dominated by two hybrid foundations—FOSIM and MCIC—who were both donors and implementing organizations.

CSSP Approach

The CSSP endeavored to improve the capacity of a core group of NGOs as well as some of its consortium partners through a four-pronged approach:

- 1) *Organizational Assessment.* At the outset of the project, the ISC developed a methodology to measure competencies related to organizational strength and success in eleven different areas: adaptive capacity, human resource management, strategic outreach and branding, management practices and systems, financial viability and resource mobilization, service delivery, mission and strategic management, and leadership and organizational structure. The components were part of two indices developed by the ISC called the Seat at the Table (SATT) and the Organizational Standards and Systems (OSS) which distinguished between an organization having adequate systems and procedures and actually achieving results that are recognized by stakeholders and clients. Based on the index baseline measures, the ISC conducted baseline assessments, created individualized consulting and mentoring plans, and set annual targets for each organization. Progress was measured at the end of the first year of the project and at the conclusion or end of the second year.
- 2) *Trainings.* Organizations were provided with the opportunity to participate in a core package of trainings based on international best-practices including a range of subjects such as organizational development, results-driven program implementation, and financial viability.

The ISC's training approach tried to maximize the impact of trainings by: 1) Urging participants to apply what they learned. The ISC would follow-up three months after trainings to assess how the skills were applied; 2) Encouraging participation by several or all members of the organization to expand the learning and skills within the organization; and 3) Offering trainings of trainers designed so that the learning would become institutionalized and could be expanded within the sector.
- 3) *Technical assistance and mentoring.* The ISC and implementing partner staff provided in-depth and individualized technical assistance to organizations to improve their systems as well as individualized mentoring on a vast array of issues such as effective approaches to advocacy, monitoring and evaluation, and financial management. The frequency of contact between the ISC and its partners with the organizations could be as often as daily.
- 4) *Grants.* NGOs were provided with institutional development grants to implement specific organizational improvements. Thirty-one awards were made between \$2,300 and \$9,600.

The ISC provided an integrated approach to capacity building. The individual organizational assessments informed the design of targeted trainings and the provision of individualized technical assistance and mentoring to help NGOs reach the next level of organizational development and to enhance the achievement of program results.

When asked about the overall strength of the CSSP, the majority of respondents averred that the capacity building was the most beneficial aspect of the program and they reported improved effectiveness in a range of areas. Frequent comments included:

The program happened at very important period. We and other Leader NGOs achieved some level of development and needed support to turn another page in our work. We became more directed to the future, more strategic, and sustainable.

The capacity building was very important for us. The project helped us to develop a three-year strategic plan and to define organizational priorities which we didn't do before. We improved our public presentation skills and financial systems. Overall, our confidence increased.

The best was that we became a better NGO. We have a better management structure as we separated the management and executive positions. All documents are set. We established our systems—financial, administrative—and focused on our strategic planning. The ISC training on a daily basis all helped us to be a better managed and structured organization.

The ISC helped us to restructure our Assembly and membership. They helped us to think of inviting people who are influential in our community and nationally to make us more effective.

It not only helped us strengthen our capacity and build our skills, but we became more focused. As a result, it increased our credibility within our community. We are now recognized as a relevant CSO in the process of development.

We created a strategy for seven years and we are now implementing it. We had a strategy before in our heads, but now it is on paper. Everyone in our organization knows our strategy and we are following it.

We were already a leading NGO, but the strategic planning allowed us to become leaders and pioneers in our field.

Although the ISC's baseline assessments indicated that all NGOs were in need of improvements, not all were open to change. Some of the more developed and active organizations—particularly those who previously received funding from a multitude of donors with minimal requirements—felt that they did not need assistance and that the capacity building was too demanding and bureaucratic, but they ultimately conceded that it was beneficial for their organizations.

In this regard, two areas were particularly problematic for some grantees. The first was the need to clear publications and press releases with the ISC three weeks prior to release as part of USAID marking requirements. The second area was the trainings. Although the ISC staff made efforts to tailor-design trainings and collected data on the usefulness of trainings through evaluation surveys, there was a distinction in how respondents viewed the trainings. Generally, the newer organizations and those outside of Skopje were appreciative of trainings which were tailored to their needs and often provided an opportunity to network and learn from the more established organizations. A small percentage of grantees, which were from the more established organizations, felt that the trainings could be more tailored to their needs.

There was much more active involvement in our procedures. At first it was a problem, but later we learned to deal with it. If you wanted to print something, first you had to provide it to CIRa, then the ISC. It took a bit of energy but I can see we have integrated what we have learned into our organization's practices.

Sometimes because the program was in two phases, some of the trainings weren't useful for us because we were at a different level. The ISC should be more careful about the needs for each organization.

Since we have so many projects, we don't have time to look into our organization. The CSSP forced us to. It was very stressful, but in the end it was satisfactory and it helped us to meet the requirements for USAID's pre-award survey.

There was too much bureaucracy. We had the feeling that we were hurrying somewhere.

Financial Capacity Building

Respondents particularly noted the benefits of the financial capacity building and how it helped them to secure additional funding. The ISC conducted regular audits of grantees—either once or twice during the project— and provided in-depth technical assistance. Several of the organizations attributed a connection between their improved financial capacities and success in attaining funding or managing other donor programs. Some received direct funding from USAID and the EU.

We developed our financial resources and improved our program management. It helped us to be more successful with future programs including a cross-border cooperation with EU funding. We increased our capacity as a result of the program and were recognized as a leader organization.

It really helped us with financial management. We communicated on this issue with the ISC on almost a daily basis. They frequently came to help us with financial management practices.

I am a person with a short temper and I am easily provoked. Sometimes the ISC brought a half denar difference to our attention. It upset me. I thought it was not important and just wanted to get the project moving. But I realized that this helped us to be more precise in everything we did and it helped us to become more visible at the local and international level. Due to our success and an independent audit we attracted the interest of the Ministry of Labor and Social Affairs..

The financial forms they asked for were a pain but they helped prepare us for other projects.

The Institutional Development funds (through CIRa) were very important for us. We clarified our strategic orientation and have built capacities for fundraising from EU Funds. We intend to use this capacity to transfer knowledge to local governments.

Regranting

The ISC also built the capacity of four organizations to do regranting—Kham, ADI, CCI, and MCEC—although it is unclear how many will be able to continue in this area beyond the CSSP. The support expanded a number of local initiatives which were critical in regions with scarce sources of local support such as Eastern Macedonia where Kham is active. Through the CSSP, Kham expanded its reach beyond the Roma community to serve non-Roma populations and underserved communities:

Through the CSSP, we were able to gain significant experience as a donor for the first time and generated new initiatives with the municipality. We supported road infrastructure, constructed a sports hall and the lobby of a school, and created information centers. We worked in Cernik where there are Turks, Roma and Macedonians. Nothing had been done there for 100 years.

Building membership and constituencies

Several organizations under the CSSP worked to develop or boost their membership, constituencies and build public support for their work. Fokus-Veles stands out in this area through its work in assisting municipalities to enhance participation in decision-making. It also organized public debates to get citizen input in municipal budgeting and programs as well as clarifying priorities in several surrounding

municipalities. The Federation of Farmers boasted a strong constituency prior to the program, but under the CSSP it was able to increase citizen/constituent participation by holding a number of public meetings and made efforts to formalize its membership base. Although the ISC made a valiant effort to encourage organizations to improve in these areas and many did so, during the interviews there was a sense that many have not ‘internalized’ the importance of reaching out. There is still a need to work with NGOs in this area.

Conclusion

Overall, the project helped to build the capacity of a core group of NGOs in a spectrum of sectors and increased the number of reputable and strong organizations. While many of the key informants observed that organizational capacity challenges still exist in the sector, it was the sense of the evaluators that the majority of the organizations under the CSSP improved their capacity and specialization. Several organizations solidified their position or became leaders in their sector. One of the most immediate impacts of the assistance was that a number of organizations were able to diversify their funding base—including support from USAID and the EU—and directly attributed their success to the CSSP.

A leader of one of the most established NGOs in Macedonia observed an improvement in the sector’s capacity. He noted that compared to five years ago:

Civil society has started to structurize. Bigger organizations have a plan and a vision and are not running after funds anymore. More have become specialized and understand their mission. Previously this was not the case. There are several factors for this, including capacity building programs.

Another leader observed:

Previously MCIC and FOSIM were the strongest civil society organizations. Now there are more organizations in Bitola, Gostivar, and Tetovo. They are not only very strong, but dedicated to their mission and very professional.

LEGAL FRAMEWORK

Background

In 2005, although there was generally a positive legal framework for NGO registration and operation, further work was needed for longer-term sustainability. Revisions of the regulatory environment were needed to stimulate individual and corporate philanthropy, improve the tax codes to motivate charitable donations to NGOs, remove the barriers volunteerism, recognize public benefit organizations, and simplify procedures for NGOs to engage in economic activities.

The CSSP Approach

The CSSP’s legal framework component grew out of a previous collaboration between USAID and ICNL/ECNL. Overall, the CSSP sought to improve the fiscal and legal environment for CSO sustainability through assistance on specific legislation as well as training and educating government officials and the CSO sector on legislative reform. It also hoped to broaden the public debate on laws which were often drafted or amended with the involvement of a few actors from the Macedonian civil society sector. Under the CSSP, the main laws taken up were the Law on Donations and Sponsorships in Public Activities, the 2007 amendments to the

Law on Citizens' Associations and Foundations, the draft Law on Associations and Foundations, the Law on Volunteering, and the Law on Lobbying. Trainings were provided to NGOs on these issues to support active involvement in the law drafting processes. Government officials capacity was built through study trips and comparative materials.

Law on Volunteering

One of the biggest successes of the CSSP was the Law on Volunteering. Prior to its enactment, the legal environment was not supportive of the concept of volunteerism. As a legacy of the socialist era, there was little broad understanding of the concept of volunteering and a need for regulation as various barriers existed. Prior to the CSSP, USAID through ICNL, supported a local NGO initiative to develop a National Plan for Development of Volunteering which the government used as a base to launch the process for adopting the law and the development of the strategy. ICNL also developed an analysis of the legal framework. The CSSP subsequently built on these efforts.

CSSP partners ECNL and CIRa facilitated coordination and consensus among NGOs, liaised with the Ministry of Labor and Social Affairs, and ECNL offered legal technical assistance. One of the big successes of this approach was the openness of the process which is uncharacteristic for legislative reform in Macedonia where too often laws are drafted behind closed doors with a few actors. CIRa and ECNL organized a forum on volunteerism in June 2006 with 60 participants from NGOs with an interest in volunteering, international NGOs, relevant Ministries and public institutions, and international development agencies. The forum addressed the conceptual questions, reviewed legal framework issues, explored comparative practices in Europe, and helped facilitate a consensus on the best way to improve the environment for volunteerism. Working groups discussed issues in more detail and the findings were shared with relevant government bodies. Subsequently, a series of workshops were held throughout Macedonia in collaboration with the Ministry of Labor, which were attended by members of NGOs and public institutions. NGOs provided active input into the process and many of their recommendations were included in the draft law. Journalists were educated on the issues and the draft law was also discussed in a meeting with parliamentarians co-organized with MOST. The law was adopted in July 2007 and it made several improvements to the environment for volunteerism in Macedonia.

The CSSP is also assisting with the implementation of the law by publishing a guide on the law's implementation and by developing a volunteerism strategy with the Ministry of Labor. The law and the process of adoption are being looked to as a model by other countries who aim to adopt similar legislation such as Slovakia and Estonia.

Proposed Amendments to the Law on Citizens' Associations and Foundations

Over the years, ECNL and other partners have been engaged in various efforts to amend the Law on Citizens' Associations and Foundations from 1998. Critical areas for reform include introducing the public benefit status which is a prerequisite for tax benefits and other types of state support, simplifying the process for allowing NGOs to engage in economic activities, allowing legal entities, foreigners and youth to form associations, allowing associations and foundations to operate internationally, and clarifying NGO internal governance issues.

Although the amendments were widely supported by the NGOs and discussed at government level, they were not adopted within the anticipated timeframe. There are several reasons for this lack of progress including successive changes of government and the need to reeducate and persuade new officials on the need for reform. There is generally a lack of political will and the prioritization of other laws associated with the implementation of the Ohrid Framework Agreement and EU harmonization. Participants in legal reform initiatives in Macedonia have noted a lack of interest by NGOs on broader legal reform. One expert opined that NGOs in Macedonia tend to work on those legal issues specifically related to their work such as the rights of children and people with disabilities. They will participate in advocacy efforts to improve the overall legal environment, but they are reluctant to assume leadership or actively engage in the process. Another expert on NGO legal reform in Eastern Europe observed that “compared to other countries in the region, NGOs are difficult to mobilize in Macedonia. NGOs still lack the capacity to engage constituencies and do not have strong membership bases. The government questions who NGOs represent.” Key NGOs, such as MCIC and FOSIM, are seen as leaders of the NGO law reform but one observed noted that “they do not invest much effort to include a wider group of NGOs in the process.”

Halting of Regressive Amendments

In 2006, the CSSP and its partners successfully reacted to a new package of amendments to the Law on Citizen's Associations and Foundations which were prepared outside of the ongoing drafting process and without consultations with NGO representatives. If adopted, the amendments would have seriously affected freedom of association. One of the areas of concern was that the proposed changes would have allowed anyone to launch a procedure to terminate an NGO. CSSP partners reacted and were able to prevent these in concert with other NGOs. ECNL, the ISC and CIRa worked closely with MOST, FOSIM, MCIC, other Civic Platform members and leader NGOs to provide technical assistance and establish an emergency response group and a broad advocacy initiative ensued. MOST helped to facilitate NGO participation in one of the parliament committee hearings on the amendments. The efforts resulted in improved amendments to the law which were adopted in 2007.

New Law on Citizen's Associations and Foundations

After the law was amended in 2007, the government recognized that the amendments that were previously drafted and not included in the 2007 package were important to improve the environment for NGOs. Rather than adopting amendments to the law, it decided to incorporate them into a new Law on Citizen's Associations and Foundations. The CSSP has provided ongoing assistance to these efforts. ECNL has worked with the NGOs and Ministry of Justice to identify an action plan and provide assistance in drafting the legal provisions. The Ministry established a new working group with two representatives from civil society. ECNL also organized a visit for working group members to other countries, particularly Hungary, to expose the members to regulatory practices for the civil sector. The CSSP has raised concerns about the latest draft of the law, particularly related to the public benefit status. Public debates were expected on the new draft law but they have been repeatedly postponed by the government and are anticipated for January 2010..

The Law on Sponsorships and Donations

The Law on Sponsorships and Donations was initiated in 2006 when some Members of Parliament wanted to push it forward prior to the elections with the assistance of CIRa. Unfortunately, the law had many flaws including burdensome requirements for processing donations and reporting on their use, and the fact that

many important fields of NGO activity (such as HIV/AIDs) were not recognized for purposes of tax deductible donations. ECNL and local partners slowed down the process and successfully improved some aspects of the law. For example, the original law would have allowed individuals to receive tax deductible donations. However, many problematic provisions remain especially concerning the interpretation of the 'public interest' aspect of donations and the overlap of competencies by different government bodies. Potential beneficiaries have been dissuaded from utilizing it given the need to 'prepare a pile of papers for a minimal benefit.'

Currently the CSSP is engaged in monitoring the implementation of the law. A first phase of the monitoring in which it observed the process of submission of requests for donations and sponsorships and interpretations by the Ministry of Justice was completed. CSSP aims to launch a second phase where it would analyze the process of granting tax benefits and assess the effects of the law.

Advocacy Against the Law on Lobbying

During the past couple of years there has been the practice of adopting laws in expedited procedures in Macedonia in connection with meeting deadlines related to EU accession.¹ One of the most potentially deleterious laws for civil society is the Law on Lobbying, adopted in 2008 in the absence of opposition which had boycotted parliament during that period and without NGO consultation. The law may limit direct participation by citizens, associations and foundations in policy and decision-making processes because the definition of lobbying is so broad that it encompasses any activity to influence the national, local governments, and parliament in any law or regulation. ECNL and other NGOs tried to prevent its adoption and commented on the law, but it was adopted anyways.

Although ECNL, CIRa, Konekt and the ISC have attempted to engage NGOs in the legislative reform issues, there is the lack of a critical mass of interest in these issues. ECNL provided several educational workshops to spur interest and the ISC staff encouraged individual NGOs to participate in initiatives, but NGOs seem to lack the interest, capacity, and time to engage in these areas. Funds were available for additional grant support for NGO legal reform initiatives under the CSSP, but no organizations took an interest in this area.

Conclusion

The CSSP partners advocated for improving the enabling environment for civil society through a number of laws and amendments. The project's most notable success was the law on volunteerism—a model of innovative legislation and open dialogue which is being looked to as a model by other countries in the region. It also succeeded to prevent regressive legislation which would have seriously affected freedom of association as well as prevent some flaws in the law on sponsorships and donations. While the CSSP endeavored to catalyze other legislative changes to improve the environment for CSO fundraising and sustainability, the legislation or amendments were not enacted to date. There are a number of reasons for this. A critical area is the overall lack interest of NGOs and unwillingness to demonstrate leadership in this area. They are more inclined to engage in areas that directly impact their specific activities than the overall legislative framework for NGOs. In addition, some NGOs who are interested are aware of MCIC and FOSIM's involvement and do not wish to challenge their leadership in this area. There were also the challenges of

¹ According to the 2008 NGO sustainability index, the new parliament passed 172 laws within two months.

trying to advance reform with successive changes in government and a need to reeducate new officials as well as a general lack of political will and prioritization given other items on the legislative agenda.

CIVIL SOCIETY, ADVOCACY AND GOVERNMENT

Background

At the outset of the project, NGO and government cooperation was limited. The USAID RFA stated: “Government institutions still have not developed systematic mechanisms to allow for civic input into decision-making process and the government does not understand or accept the need to be responsive and accountable to the citizenry. This means that opportunities for lobbying and advocacy are limited.” Potential for cooperation was more promising at the local level with the newly elected mayors who were more open to NGOs. Although NGOs participated in working groups and lobbied for the adoption of some laws, they had not yet asserted themselves as serious players with the national government.

CSSP Approach

The CSSP endeavored to firmly establish civil society as a partner with a ‘seat at the table with government.’ It provided support to leader NGOs to do so through:

- 1) *Capacity Building* to augment the advocacy skills of CSO leaders, including a three- week training at the Advocacy Institute in Washington, DC, followed by a refresher course in Macedonia with a master trainer;
- 2) *Mentoring*. Regular advocacy mentoring was offered by ISC staff; and
- 3) *Grants*. Two-year grants between the amounts of approximately \$19,000 to \$67,000 were provided to organizations in a spectrum of sectors to change, influence, and monitor public policies to improve the lives of Macedonian citizens.

The ISC provided an integrated approach to advocacy assistance. The individualized assessments conducted at the beginning of the partnership with subgrantees informed the provision of individualized mentoring assistance throughout project implementation. Advocacy grants provided opportunities for ‘learning by doing’ by integrating advocacy training concepts into practical applications through advocacy campaigns and programs.

Overall, the program supported organizations at varying degrees of experience and success with advocacy. At the national and local level, CSSP partners made notable contributions to policy debates and changes in domestic violence, health, youth inclusion in decision-making, education, volunteerism (as discussed in the previous legislative framework section), consumer protection, and farmer and agricultural issues. Some grantees were already experienced players in advocacy politics and were successful in pushing their proposed changes to enactment. It essentially helped them improve what they already did. The Federation of Farmers and the Consumer’s Union of Macedonia were among the most prolific and successful in advancing legislative reform. Both advocated for policies and issues which contributed to harmonization of legislation with the EU Acquis. MOST and ESE also had success in domestic violence and lobbying for infrastructure issues.

Other newer players have undertaken promising watchdog, monitoring and advocacy initiatives focused on transparency and anti-corruption in budget monitoring and health care such as Polio Plus and the Center for Civil Communications. These initiatives are underway and results are expected to be forthcoming in the next months.

Following are some examples of advocacy initiatives supported under the CSSP:

The Federation of Farmers of the Republic of Macedonia, which had working relationships with several governmental institutions prior to the CSSP, continued its advocacy efforts to influence subsidies, sought changes in agricultural policy, and addressed concerns of farmers in all areas of agriculture. In part because of their efforts, a number of different agricultural policies were created, implemented, or influenced through cooperation with stakeholders.

The Consumer's Union of Macedonia (OPM) was active at both the national and local level. At the local level, it assisted with statute changes and pushed for the establishment of Councils for Consumer Protection in eight municipalities and helped to establish NGOs for Consumer Protection in five municipalities. OPM also contributed to a number of national-level advocacy efforts, including organizing a workshop with market inspectors and judges which resulted in recommendations on changes to the Law on Consumer Protection. It also worked with various ministries to harmonize Macedonian legislation with the EU Acquis Communautaire.

MOST continued its Mobile Parliament activity where it sought to improve communication between the MPs and citizens by organizing a series of public meetings, ultimately involving citizens in decision-making processes, and increasing the responsiveness and responsibility of MPs. Until March 31, 2008, it held 46 public meetings in which 27 mayors or local government representatives participated and two to three MP's attended each meeting. From the first parliament 9 out of 120 MPs participated in the public meetings and 100 MPs attended from the second parliament (note that some MPs participated in more than one meeting). Topics included education, decentralization, agriculture, local economic development, culture and tourism. The meetings contributed to a number of important changes. MOST successfully advocated with the NGO Porece for the reestablishment of the road connecting Skopje with Porece. It also contributed to Parliament's decision to allocate additional funds from the government budget for solving the landslide issue in Veles.

Emancipation, Solidarity and Equality (ESE) attempted to reduce domestic violence through the adoption of a National Program Against Domestic Violence. It conducted research on domestic violence throughout Macedonia and established a working group with the Ministry of Labor and Social Affairs together with Ministers of the Interior, Justice, Labor and Social Policy, Health, and Education as well as NGOs. ESE successfully lobbied for the adoption of the National Program by the Parliament.

NGO Info-center monitors information about the EU integration process with a focus on media and analyzing whether the public has accurate information on EU integration. It also monitors work on the National EU Integration council, the only forum where there is debate on the EU and how to improve and influence its effectiveness by bringing together representatives from state, civil society, religious and journalist associations, and trade unions.

Fokus worked with governments in four municipalities to increase citizen participation in decision making, particularly annual planning—both programmatic and financial. To increase transparency, Fokus helped the

municipality distribute and publish its annual program to citizens. As a result of their work, mayors have begun to ask NGOs and local community representatives to participate in their priority setting meetings.

Mesecina, a Roma organization from Gostivar, has been active in improving support services for Roma at the local level and advancing Roma issues at the national and international level. It produced a report on housing and one on health care for the Roma Decade with recommendations for institutions. Both reports were well received and are still being used.

SEGA initiated changes in the statutes of three municipalities to create youth councils to promote youth participation in decision-making processes.

Generally, the evaluators noted that investments at the local level seemed to reap greater returns on investment for mobilizing grassroots actions and cooperation with local government. The team also learned of some examples of effective civic initiatives at the local level which required almost no investment at all.

Complexity of Government Relations

When the CSSP was designed it promoted cooperation with government and businesses as a priority. However, the conditions for cooperation have become more complex as implementation got underway. Several respondents perceived a remarked deterioration in the atmosphere for cooperation with the government during the past two years. CSSP grantees and partners had a variety of experiences and approaches to cooperation with government at the local and national level. Following are recurring impressions of the government's relations with civil society organizations under the CSSP:

- 1) Cooperation with local government was often easier than at the political center. There were some examples of local governments taking a pro-active approach to working with NGOs.
- 2) Cooperation was easier with some ministries than others. The Ministry of Labor and Social Affairs and Agriculture were more cooperative, whereas it was more challenging to move forward on policy areas with the Ministry of Justice.
- 3) Cooperation with government—including at the local level—was not always seen as a positive element in the current climate where NGO activities are politicized.
- 4) Government officials were sometimes embarrassed to deal with NGOs who seemingly had more information or competency than themselves.
- 5) NGOs who could provide expertise or research backed by data, presenting themselves as non-threatening partners, were able to cooperate more successfully to achieve their objectives.
- 6) Successful government cooperation often required relationship building at the initiative of the NGOs.
- 7) Not surprisingly, it was easier for CSOs to address non-confrontational policy and legislative areas than those that were more critical of the state.

Conclusion

The CSSP grantees advanced important issues in their respective sectors through policy change, influence or monitoring. The general impression was that NGOs face many challenges influencing policy in

Macedonia and cooperating with government on mutual initiatives, but CSSP NGOs were among those who were most successful if we consider examples of advocacy successes cited in the *NGO Sustainability Index* reports during the period of implementation. ESE and MOST stood out in this respect as well as OPM and the Farmer's Federation. It must be noted however, that in general, CSSP grantees did not take on tough areas that were directly critical of the government. Some creative anti-corruption initiatives are underway, but the results were undetermined at the time of the report. However, the climate for cooperation has generally become more restrictive since the inception of the program posing challenges to cooperation between government and the NGO sector.

SUSTAINABILITY AND PHILANTHROPY

Background

According to the USAID RFA, in 2005, the financial sustainability of the NGO sector was constrained by “a sluggish economy,” “a limited tradition of philanthropy,” and a “dearth of incentives to promote financial contributions to emerging NGOs.” Additionally, many NGOs lacked the financial management and fundraising skills to enable them to diversify their funding base.

CSSP Approach

The ISC improved the financial sustainability of CSOs through direct and indirect support with its partners CIRa and Konekt:

- 1) *Capacity Building*. Through capacity building the CSSP strengthened planning and financial management and other areas which contributed to organizational sustainability. The CSSP also coached and encouraged NGOs to solicit and track in-kind support and volunteers for their activities. Several organizations indicated that the assistance the CSSP provided helped them to diversify their funding bases and a number of them qualified for USAID direct funding such as the NGO Info-center, MOST, and Open the Windows.

The CSSP also had success in stimulating volunteerism in Macedonia. In addition to improving the legal environment for volunteerism, several of the leader NGOs mobilized volunteers in their work. From 2006-2009, CSSP results reports indicate that nearly 1400 volunteers were mobilized. The Youth Cultural Center in Bitola stands out as a leader in this area. It established a volunteer center in Bitola and throughout Macedonia and recruited hundreds of volunteers for various initiatives.

- 2) *Technical Assistance and Training*. The CSSP provided technical assistance, targeted trainings with international experts, and workshops to work with NGOs to diversify their funding bases and stimulate domestic forms of philanthropy. Seven NGOs participated in a philanthropy study tour to Hungary and Slovakia where they were exposed to a variety of successful initiatives.
- 3) *Philanthropy Grants* in the range of \$500 to \$10,000 were provided to organizations for operational support and matching funds to support community philanthropy, corporate philanthropy, and volunteerism.

The NGOs under the CSSP have launched a broad range of experiments in income generation and the CSSP assisted them to be strategic to try to stimulate local philanthropy. The pilots provided important assistance to show that it is possible to raise funds despite the sluggish economic conditions in Macedonia, and prompted organizations to reach out to individual and corporate donors and experiment with other methods of fundraising. Some examples follow:

- **ESE** conducted a fundraising campaign using fundraising techniques targeting different donors, such as membership fees for the Board members, direct mailings to collaborators and partners, assigning special phone number for donations from individuals, and placing cash boxes in stores and markets to target individuals.
- **Youth Council Ohrid** developed a corporate outreach strategy and received several contributions from businesses. It also initiated a donor club called 'Friends of Youth.'
- **Open the Windows (OTW)**, which provides accessible IT to people with special needs, established contact with companies and invited them to support their work as 'Godfathers .' Several companies provided long-term support and many IT companies donate their product to OTW. Although donations have decreased due to the economic crisis, OTW maintains active relations with companies.

The CSSP tracked in-kind and financial contributions of grantees from 2006 to 2009 the NGOs reported an increase in domestic resources of a total of \$192,138. The USAID Public Values Survey also indicates a modest positive increase in donations to NGOs in 2007, 2008, and 2009 compared to 2005 results (See Appendix E).

Among organizations interviewed, there were a few enthusiasts on philanthropy, but the team observed general attitudinal challenges among the NGO sector. Too many organizations were skeptical about the benefits, unrealistic about its rewards in the short term, or did not have the time to prioritize philanthropy. Several organizations interviewed did not seem to understand the long-term nature of cultivating support from local sources. Despite their participation in the program, a few of the participants articulated the view that instead of proactively reaching out to potential individual or business donors, "they should approach us."

Perhaps a good indication of NGO interest in this area is that during the CSSP, Konekt announced a call for technical assistance to former leader NGOs and philanthropy grantees to support fundraising plans and improve the organizations' relations with local donors, but received no applications. A follow-up survey revealed that organizations did not respond because they were either working on other projects or lacked time to participate. Generally, NGOs are still primarily focused on obtaining foreign donor funding rather than focusing on domestic sources. It should be noted that compared to other countries in the region at Macedonia's state of civil society development, an impressive number of organizations in Macedonia are generating income through economic activities or considering developing activities in in this area.

4) *Outreach to the business community.* In addition to its work with NGOs, the CSSP sought to increase partnerships between NGOs and businesses and encourage businesses to be more strategic in their giving practices and potentially donate to CSOs. CSSP-supported research conducted on philanthropy and MCIC's

annual research revealed that despite the dire economic conditions, potential exists to increase philanthropy in Macedonia. People are inclined to give, but they do so unstrategically. The few companies that make donations do so on an ad hoc basis. Individuals give to other individuals but rarely to NGOs. Therefore, CSSP worked with the business community to look at areas of potential cooperation. Konekt has developed a long-term partnership with the American Chamber of Commerce to promote strategic corporate giving among its members. Currently, they are working on a program for promoting social entrepreneurship through a competition for students. One of the challenges NGOs face with the business community is that there is a negative perception of the NGO sector as a whole which is a barrier to giving.

5) *Institution Building*. Additionally, the ISC contributed to sowing the seeds of philanthropy in Macedonia through its support for two organizations: CIRa as a legacy organization, which was the CSSP partner for the first three years of the program as well as the newly-established Konekt. Both organizations expect to continue to work in this area. Given that philanthropy is often seen as an external import, having local catalysts to advance a vision of domestic support is critical. Although Konekt is newly established, the Executive Director, who formerly headed the philanthropy initiative at CIRa, is active and her expertise is sought in several areas. She participates in the National CSR Coordinative Body and serves as the Deputy Member of the CSP coordination body of the UN Global Compact. Konekt eventually hopes to introduce fees for its services and serve as a resource and referral for donor support services. The CSSP also supported the creation of a Local Community Development Foundation in Stip which has raised modest funding. While CIRa has a robust financial portfolio, it is unclear how sustainable the Local Community Development Foundation and Konekt will be beyond the CSSP.

6) *Legislative Environment*. The CSSP also endeavored to improve the legislative environment to stimulate domestic resources for CSO support and played a lead role in pressing for a new Law on Volunteerism.(see the earlier section on Legislative Reform).

Conclusion

In conclusion, the CSSP activities approached sustainability through multifaceted efforts. It was successful at enhancing opportunities for financial sustainability through capacity building and individual technical assistance to several organizations who leveraged additional donor support. It also made some important advances in improving the environment for and stimulating volunteerism. The CSSP also played an important role in sowing the seeds for philanthropy in Macedonia. It supported several creative pilots to show that domestic support can be mobilized, but the funding generated thus far has been modest. There are still attitudinal issues among NGOs about philanthropy who see it as 'too much work' or lack a long-term commitment to its development. The legacy organizations of CIRa and Konekt, are making an important contribution as enthusiasts which should not be underestimated in a cynical atmosphere. Some initial steps have been taken to increase awareness about philanthropic and charitable giving with the business community, but this area should be further developed.

PUBLIC IMAGE

Design Context

In 2005, the NGO sustainability index indicated a mixed view on the public image of NGOs. Media coverage of civil society increased and some TV stations had assigned journalists to cover NGO activities. . Generally, there was a lack of in-depth coverage of NGO issues. On the CSO side, many failed to understand the need to cultivate relationships with journalists and were inexperienced at outreach and public awareness campaigns.

CSSP Approach

The CSSP sought to improve the public image through the following interlinked media activities in partnership with MIM:

1)*Capacity Building*. MIM provided trainings to NGOs to improve their skills to representing themselves in media and public relations and also provided individual consultations on public outreach strategies and tools;

2)*Small Grants*. Success grants in the amounts of \$4,600 to \$10,000 were provided to NGOs to improve the perception of NGOs playing an essential role in the country's transition through promoting the individual results of NGO projects.

2)*Outreach to journalists*. MIM cultivated a relationship with and educated a core group of journalists to improve coverage of CSO issues. It also managed an annual journalism award to recognize the best media outlet coverage of civil society.

3)*Increasing coverage of CSO issues in media*. The CSSP increased the presence of CSO issues and activities through improving coverage of individual NGOs as well as sector-wide issues.

4)*Local Resource Generation*. Additionally, the CSSP tracked local resource generation as an indication of public trust in NGOs (see previous section on Sustainability and Philanthropy).

Generally, the CSSP improved the public relations and media skills of many of the leader NGOs. The baseline level of media saviness varied across the program, but several NGOs indicated an improvement in their public relation skills and media coverage. It also helped eight NGO partners to draft their communication strategies.

The program also increased the coverage of individual NGOs and their work in the media. Of eighteen success grants which produced media products, fifteen documentaries aired on national TV stations. Beyond the success grants, the ISC program was successful in increasing the media presence of individual leader NGOs and projects. During the first three years of the program, regular media monitoring demonstrated increased positive coverage of civil society through project grantees in Macedonia. According to a representative from the Strategic Marketing and Media Research Institute, which conducted media monitoring for the CSSP, not only did the frequency of leader NGO coverage increase, but it also had an impact on others by "pushing all NGOs" to increase their presence in the media.

Media monitoring conducted during a two month period of 2006 and 2007 indicated that leader NGOs had an important presence as a share of overall civil society media coverage as indicated in the following table.

CSSP Media Monitoring 2006 and 2007

<i>Coverage of Leader NGOs as a percentage of all civil society coverage</i>	<i>Mid March-Mid May 2006</i>	<i>October and March 2007</i>
<i>National TV stations</i>	16.5 %	15.4%
<i>Local TV stations</i>	7.5%	15.1%
<i>Printed Media</i>	7.4 %	8.8%

In 2007, MOST, KHAM, Youth Center-Bitola, the Federation of Farmers, and the Consumer's Organization of Macedonia were among the most actively represented in national and local media. Some of these organizations were already using media in their work prior to the CSSP, but they increased coverage or improved their skills. Media coverage of NGOs also continued during the last years of the program. In 2009, 92 leader NGO activities were covered in the national media and 19 in the local media. NGO Info-center, which is focussed on media as a public relations agency for the Macedonian civil sector, was the Leader NGO with the greatest coverage of activities with 25 articles, followed by FFRM and OPM. It should be noted however that these three organizations, which were adept at utilizing media prior to the project's commencement, represented 46 percent coverage for all CSSP activities during this period.

In addition to increasing the coverage of individual NGOs in media, the CSSP also increased coverage of sector-wide issues such as the laws on volunteerism and sponsorship and donations as well as philanthropy'. Broader NGO issues were covered on the "Our Circle" show.

The CSSP not only increased coverage, but also raised awareness of civil society issues among media professionals. MIM educated and cultivated relationships with a total of 25 journalists, who were part of the 'friends of the civil society' journalist group. Initially there were about 12 journalists, but because of journalists constantly changing sectors and media outlets a total of about 25 journalists were part of this group. MIM changed its strategy during the course of the program to broaden coverage of NGOs by inviting more journalists from mainstream media. Around 85 percent of the 'journalist friends' were from national media or correspondents of national media from other cities from Macedonia and 15 percent worked for local media outlets. Ten percent were from public outlets and 90 percent were from private-owned media. The annual journalism award also became highly visible within media circles, according to one observer.

It is challenging to determine the CSSP's overall impact on public image. During the past two years (2008 and 2009), the USAID Public Values Polls reveal that NGOs are viewed as the most trusted institution compared to other public institutions whereas NGOs ranked at third place in 2006 and 2007 (see Appendix E). However, the NGO Sustainability Index scores from 2005-2008 demonstrate a negligible change in the public image rating from 2005-2008. During the past two years respondents have also noted an increase in negative trends which complicates the public image of NGOs such as the politicization of the sector, the proliferation of GONGOs who parrot the government stance, and some NGO scandals.

The ISC endeavored to support the code of conduct, which may have improved the transparency and image of NGOs, but there was no consensus reached among NGOs.

Conclusion

Overall, the CSSP improved the presence of civil society organizations and issues in media and it raised awareness and understanding of civil society issues among journalists through cultivating a civil society journalist group and annual media award.. It also improved the media skills of several NGOs and increased their visibility in local and national media. Although it is unclear what the overall impact was on public image, there is a sense that the CSSP program and partners were able to maintain a good public image and increase stories with a positive portrayal of NGOs. As one observer noted: “Overall, the ISC and CSSP have been able to maintain an image and integrity. There has been nothing negative about the image of the ISC and no criticism in the media.”

Recently, there are a number of external factors which have negatively influenced the public image such as the politicization of NGOs and the appearance of GONGOs. The evaluators recommend that given these new negative trends, a new approach will be needed to address the public image in future programs.

THE ISC STYLE

The evaluation team heard several recurring comments about the ISC’s style. Generally, the ISC’s grantmaking and technical assistance style was viewed as:

Accessible and Caring

It goes beyond project support. When we are stuck, we can call. This is something money can’t buy. You can’t pay someone to care.

The relationship with the ISC is more friendly than other donors. We have more direct contact, they are reachable, and they are open to any question. With other organizations, you just send a report. The ISC is interested in how our project goes and they come to all our events.

The ISC staff is very good. They are not acting like donors, but like people who are here to help and support. Other donors just give grants.

True Partnership

It was really a direct relationship and we felt like it was a real partnership from the other side. Normally NGOs fear donors and can’t build partnerships with them.

Strong oversight

The strength of the CSSP is that they monitor projects very closely—on a daily basis. With this approach, everything can be solved before it becomes a problem.

Enabling

The ISC does not want to impose a solution. They support us and help us find our way

CSSP CONSORTIUM

While the consortium had tremendous potential for synergy given the collective expertise of all the partners, it was a complex set of relationships. The prime was a U.S. based organization with longstanding experience in Macedonia through DemNet implementation. Its partners were MIM, which had little experience engaging with civil society prior to the CSSP; the ECNL, with responsible staff based in Budapest; and CIRa, a newly-established organization and legacy of the ISC/USAID DemNet program. Disagreements emerged with some of the consortium partners during the course of implementation related to the prioritization of the CSSP with other programs, approaches to implementation, and mutual expectations. For example, while one of the objectives of the legal reform component was to broaden the debate and transparency of legislative reforms which impacted NGOs, one of the partners seized on a political opportunity to support the rapid adoption of a law without engendering broader discussion—a key principle of the CSSP.

At the inception of the partnership, the ISC worked with its consortium partners to establish expectations and discuss issues of mutual interest and prospects for cooperation. It also held individual meetings with each partner and USAID as well as biannual meetings with partners along with USAID. One recommendation for future programs is that it may be valuable to have a post-award implementation meeting with USAID and all of the consortium partners so that there would be a clear understanding of requirements and responsibilities at the beginning of the agreement. Given the complexity and reach of the program, it would have also been beneficial to have management meetings more frequently than biannually.

With the objective of localizing responsibility and capacity, the ISC initially provided CIRa with a significant portion of funding and program responsibilities. However, due to USAID concerns about capacity and performance issues during implementation, CIRa's responsibilities were decreased over time. This placed a higher management burden on the ISC than anticipated. Eventually the ISC ended its agreement with CIRa and selected another partner, Konekt, during the cost-extension to manage the philanthropy component.

As CIRa was in the early phase of its own establishment, it may have made sense to increase its responsibilities and funding over time to allow it to gain experience as an independent organization. It would have also given CIRa more legitimacy to establish itself prior to providing capacity building expertise and mentoring to other organizations.

LESSONS LEARNED

- 1. Clarify and simplify publication requirements or eliminate them if possible.** In the future, it would be helpful to have a meeting together with USAID at the inception of the program with the prime and consortia members as well as leader NGOs about USAID guidelines for clearing press materials and determining streamlined approaches where possible. Given the number of grantees and frequency of media activities, it would be ideal if USAID requirements could be minimized or eliminated where possible.
- 2. Clarify commitment to and expectations for capacity building upfront.** The capacity building initially provided by CIRa and later the ISC was extremely comprehensive and required significant investment of staff and resources both from the the donor and the grantee. During the first phase of leader NGO awards, the expectations were not explicit about capacity building commitments. During the second

phase of grant review, the ISC made a greater effort to make organizations aware through the language of the RFA and interviews with individual organizations. The ISC's approach is so comprehensive however, that it may be challenging for organizations to envision its approach.

3. **Capacity building seemed more relevant for newer organizations and those outside of the metropole.** While it is normal to assume that such a comprehensive and state-of-the art approach to capacity building would be appreciated, it was not the experience of the CSSP. Although all grantees could probably benefit from it, not all were open or appreciative. There was a sense that newer organizations, those building their regrating capacities for the first time, or those outside the capital were most receptive and appreciative. In any case, future capacity building programs should be demand driven.
4. **A new approach to NGO legal reform is required to engage NGOs in broader sectoral issues.** In many countries of Central and Eastern Europe, the approach that the CSSP took of educating NGOs and officials, exposing them to different models, and encouraging them to participate to advance NGO legal reform is effective. The experience of the CSSP is that a different approach is required for Macedonia . Given the lack of cooperation and interest in broad legislative issues that affect the sector, additional efforts at coalition building would have been beneficial. However, it must be acknowledged that even if the program took this approach, it is not sure if the CSSP could have advanced more legislative initiatives given the lack of political will and interest from the civil sector.
5. **Different strategies are required for CSO and government relations. Sometimes cooperation is not advisable.** The CSSP was premised on the assumption that government would be or become open to cooperation with the NGO sector and that a key obstacle to cooperation was that civil society must improve its skills and capacities to be recognized and invited to 'sit at the table.' Different strategies were required during implementation as the government became more closed and narrowed the space for participation. Given the risks of politicization of the NGO sector, some organizations felt that it was not advisable to cooperate with the government to preserve their public image.
6. **A critical challenge for the stimulation of philanthropy in Macedonia is the public image and the cynical attitude of NGOs.** The CSSP provided numerous opportunities for CSOs to improve their fundraising skills for domestic resources, but some organizations were skeptical about the benefits and efforts required. There is also a need to build trust between the civil society and business sectors.

MODELS FOR REPLICATION?

1. **The ISC approach to capacity building is a model which could be replicated in other countries to build solid and sustainable institutions as donors graduate or phase-down assistance. It could be used in multiple sectors—not only democracy and civil society.** When donors phase out of countries, they are often seeking to leave behind legacy organizations to continue their work. The ISC approach to capacity building helped to establish or solidify institutional capacity for long-term development in core areas that are critical for long-term survival. It also built the capacity of organizations to diversify their funding bases and meet the requirements for USAID pre-award surveys and receive direct USAID funding.

2. **The ISC's indices for measuring civil society progress might be adapted for use as a quality assurance tool or a basis for a consumer reports for NGOs.** Measuring progress for civil society programs has always been challenging. A number of indices have been developed including the SOKNO in Croatia. The ISC's SATT and OSS indices could be further developed and transformed into a system of quality assurance for NGOs in Macedonia such as the SOKNO in Croatia. However, the ISC should consider simplifying them and increasing their objectivity through the use of outside evaluators. These indices may also serve as tools for the basis of for a 'consumer reports' for CSOs in coordination with NGOs, the government, donors, and businesses.

RECOMMENDATIONS FOR THE ISC

1. During the final period of implementation, the ISC and its partners should consider ways to identify and document lessons learned from the program in appropriate areas such as advocacy and government cooperation, public image, successes in financial viability (philanthropy). These areas could also be the topic of roundtable discussions with program partners and grantees.
2. The ISC should consider updating its website to highlight program successes and provide products developed from the program such as partner reports media products.
3. To catalyze more engagement and interest on CSR from the business community, the ISC could organize a forum to highlight philanthropy pilots and other models of giving with the American Chamber of Commerce, representatives from the business community, USAID, representatives from the Commercial section at the US Embassy, and others. It might also be an opportunity to explore improving relations between NGOs and the business sector.

GENERAL CONCLUSIONS

In general, the evaluation team concludes that most of the Civil Society Strengthening Program's results were met. The CSSP contributed to establishing or solidifying the position of a diverse range of civil society organizations as leaders in their sector and to advance citizen issues in the areas of consumer protection, farming and agriculture, anti-corruption, environmental protection, volunteerism, Roma, youth, persons with special needs, education, and community development in different geographical regions in Macedonia. Through state-of-the art capacity building and consulting, a number of organizations professionalized their operations, developed regrating capacity, expanded their reach to constituencies, became more results-oriented and diversified their funding bases. NGOs also improved their public relations skills, expanded positive media coverage of NGOs, and thus individually contributed to an improved public image and perception of NGOs. Through advocacy trainings and targeted program assistance, a number of organizations cultivated successful partnerships with government and successfully lobbied on behalf of citizen's interests at the local and national level. Under the CSSP, pioneering efforts were made to sow the seeds for philanthropy and two enthusiastic legacy organizations of the ISC—CIRA and Konekt—envision continuing to work in this area.

The evaluators assumed that the CSSP was not expected to have a broader impact on the overall civil society sector during the period of implementation as it was focused primarily on building the capacity of a limited number of NGOs. The broader impact on sectoral issues will likely reveal itself in the longer term as organizations gain further experience. There were a number of external barriers that may hindered the potential for broader impact during program implementation such as a general lack of political will to address

NGO issues and the extreme fragmentation of the civil society sector. More recently, civil society organizations have experienced new pressures which have limited their activities and cooperation with the government. Although it will be challenging, the team recommends that future assistance efforts should build on the successes of the CSSP and other programs and support cooperative initiatives for broader impact.

PART II: CURRENT CIVIL SOCIETY ENVIRONMENT AND FUTURE DIRECTIONS

CURRENT TRENDS AFFECTING CIVIL SOCIETY

The context in which civil society operates in today is alarmingly different from 2005. Rather than cautious optimism, respondent interviews predominantly underscored a climate of pessimism, fear, apathy, resignation, and democratic backsliding. In addition to the deterioration of the economy, the failure to move forward on NATO and EU membership and the apparent dominance of a single political party has dampened prospects for democratic reform. While in 2005, there was a sense that government and partners were not willing to partner with CSOs and treat them as equal actors, now there is a sense that the government is directly attempting to restrict their participation through various pressures.

This change occurred with the increasing dominance of a single political party-- the Internal Macedonian Revolutionary Organization—Democratic Party of National Unity (VMRO-DPMNE)—over the political landscape with a parliamentary majority, dominance in the local political landscape as well as the presidency. Critics began to note the effects of an ever-tightening grip about two years ago, which has been characterized by some observers as ‘totalitarian.’ The view is that the government exerts pressure on opposition and insists that all sectors conform to its “ideology” and “vision”. Year by year the non-governmental sector is increasingly faced with overt or covert pressures and the government also uses various methods to exert its influence over ‘disobedient’ party members, some citizens, media, intellectuals, professors, and other important actors.

New Pressures on civil society

Fear is spreading in society. I believe that about fifty percent of citizens have stopped saying what they think. There is widespread silence. Pressure has increased over the past two years. There are mobbings, economic pressures...harassment at all levels.

Respondents have spoken about increasing pressures on the civil sector from the government which assumes many forms. Some recent examples follow:

- *Restricting information.* A recent report in the daily *Vreme* (December 14, 2009) revealed that the government exerted pressure on the *NGO Center for Economic Analysis* to only release economic data favorable to the government.

- *Restricting participation.* Although it is unclear what its ultimate impact will be, a law on lobbying was enacted which could be used to restrict lobbying and advocacy activities.
- *Pressuring media.* Respondents have indicated various attempts to mute media critical of government officials or policies. Until recently there was a spate of slander cases filed against journalists who spoke out against government officials, which has encouraged self-censorship. There are also reports of government influencing private and state television through excessive purchasing of media time for government ‘propaganda.’ Moreover, several broadcast outlets are owned by political leaders in the ruling coalition. Some report that as a consequence, the media has “softened” its position on the government over the past couple of years. Additionally, there are allegations that journalists may and are being fired for views that are critical of the government.
- *Economic pressure.* Given the dire unemployment rate and the state being the largest employer in Macedonia, there is reportedly implicit or overt economic pressure exerted against individuals who speak out against the government. One observer estimates that the state may exert pressure on approximately 350,000 individuals who are either employed by the state or receiving subsidies or contracts. The evaluators were repeatedly informed of anecdotes of relatives of those who speak out against the government losing employment. Some NGOs who receive support through government contracts and may also be susceptible to influence.
- *Physical pressure.* A peaceful protest held earlier this year against the construction of a church in the main square in Skopje was violently disrupted by a group of counter-protestors who were bussed in from outside the capital. Some informants allege that the counter-protestors were supported by the government.
- *Diluting opposition through GONGOs.* In recent years, there has been the proliferation of GONGOs (government supported or pro-government NGOs) to support governmental views or policies or to counter opposition. Although they seem to be more of a virtual phenomenon—appearing like mushrooms after the rain—to support a government position and disappearing, they confuse the public about the civil society sector and contribute to a sense that NGOs are partisan.

REACTIONS OF THE SECTOR

Civil society actors are reacting to current circumstances in different ways.

- 1) *Critique.* There are a few actors who are courageous and continue to speak out against the government such as representatives from NGOs, intellectuals, journalists, and professors. FOSIM is an active critic, but its actions complicate the civil society landscape as its leader is perceived as being in collusion with the opposition.
- 2) *Self-censorship.* The majority of organizations and leaders do not speak out. Individuals have indicated that they are either afraid to do so or refuse to engage as they may be labeled partisan. Some have or are considering retreating from the sector until the situation improves.
- 3) *Engage with government on non-controversial issues.* There are several NGOs, particularly those supported under the CSSP, who are able to move forward on issues that are not directly confrontational to the government such as consumer protection or agriculture. The Federation of

Farmers also seems to be able to be taken seriously as it has a very large membership which it is able to mobilize.

CHALLENGES FOR CIVIL SOCIETY

In addition to the government pressures on the sector, there are a number of other issues which plague the civic arena in Macedonia.

Weak Civic Participation

There is a broader sense of civic apathy and a general lack of participation of citizens which is connected to the lack of understanding of the role of civil society among the government, the citizenry, and even some NGOs. This is understandable given that Macedonia is a relatively new democracy which inherited the paternalistic traditions of the former Yugoslavia. Generally, Macedonians remember the role of civic associations under socialism (for youth, women, unions, and workers) as grassroots supporters of the former regime. The role of the civil society, as a monitor, watchdog or as an important actor in ensuring checks and balances of the implementation of citizen's interests, is a completely new idea for Macedonia. Given this legacy of civic association, it is not surprising that rather than reacting against the pressures exerted by the state, CSOs are generally retreating from the public sphere.

Although recently there are increasing pressures on civil society from the state, there is a sense that the government and its officials also do not understand the role of civil society as an important partner in governance. As in many post-communist countries, CSOs still have to fight for their right for a seat at the table. Too often government officials seem threatened by the expertise of the government rather than viewing it as a partner. Additionally, there is a lack of understanding of the role of civil society among some CSOs. There is a pervasive passiveness that rather than taking initiative to engage, CSOs wait for the government to invite them to participate. They also wait for business and donors to provide them with support. As one expert observed:

People think that somebody will come and make space for them to participate. They do not feel that they should make space themselves. They expect either the international community will do it, or the state will satisfy their needs without the need for their engagement.

Lack of Influence

If we look at the sector during and since the transition, one might say that it has never been powerful enough to play more prominent role in the democratic processes in the country. The beginning of civil society activism in Macedonia in the early years happened in environmental area and human rights. Then it proceeded to other fields like security, ethnic issues, labor, women, some youth activism, and finally the NGO sector engaged in research, policy making, and monitoring. During this period, it never became a serious partner of government nor successfully advocated on tough issues—especially not successfully pressuring the executive. Cooperation sometimes emerged between civil sector and the parliament, between NGO sector and the media, and just recently civil organizations are trying to open “spaces” for cooperation in judiciary and the courts. However, it is generally weak.

Fractionalism

Civil society in Macedonia is extremely divided. Generally, there are few examples of coalitions or networks of NGOs which achieved something together that can be considered as a civil sector initiative or success. There are some important and rare examples—including under the CSSP—but they are not enough. There are several reasons for this. The civil society sector in Macedonia was created by and is excessively reliant on the donor community for support and the financial competition has hindered cooperation on shared goals. Tensions and conflict have grown even worse as donors scale down. Additionally, there are two organizations that are hybrid CSOs and donors which tend to dominate assistance agendas and further stratify of the sector. There has always been a politicization of the sector, but it has become magnified under the recent government and adds to the divisiveness.

Public Perception is Poor

Although respect for CSOs seems higher than the relevant attitudes of Macedonian government and businesses, the public image is poor for several reasons. This is partly due to the appearance of the privileged status of NGO leaders. In the ‘golden period’ of civil society in Macedonia when donor funding was abundant (1995-2005), civil society was a major employer of young, educated, and skilled personnel, and a sector where you could maintain a good career and make good money. Today there is still the perception that it offers a more lucrative career than private business.

Finally, there is a general lack of understanding of the CSO sector. There are a huge number of registered NGOs—5,500 officially and 9,000 by some estimates—but it is not clear how many are active and legitimately represent citizens’ interests. The wider public is unaware of what CSOs do, how their leaders are selected, who they represent, and the provenance of their financial portfolio. There have also been media scandals and portrayals of NGOs as money launderers. The appearance of GONGOs and the politicization of the sector also contribute to the confusion and negative perception of the sector.

Sustainability

Financial sustainability is one of the biggest challenges confronting civil society in Macedonia. NGOs predominantly depend on support from foreign donors which has declined precipitously in recent years. According to a draft of USAID’s 2009 Public Values Survey, foreign donors provide 71 percent of the support for NGOs, the business sector provides 7 percent, and individuals donate 5 percent. Philanthropy is at an early stage of development and the legal environment provides inadequate incentives for donations. NGOs generally lack the skills to fundraise and are cynical about the potential benefits of pursuing local resources. Some organizations engage in economic activities, but the legal environment is burdensome as it does not allow them to engage in economic activities directly. Potential government sources from various ministries, through the NGO liaison office, and lottery revenues are not insignificant, however the procedures for selection and reporting lack transparency. The EU funding for NGOs will provide an additional important source of support for the future, but NGOs need to become familiar with new priorities, procedures and administration. An additional area of concern is that the government is expected to assume management of EU funds in the future.

Urban vs. Rural Gap

Civic organizations can be found in many areas throughout Macedonia, but they are mostly concentrated in urban areas and Skopje. Outside of Skopje, where approximately 40 percent of the population lives, there are

less NGOs and in the rural areas are almost none. It is a challenge for civic organizations to operate in rural areas and funding is scarce. Even citizens in smaller municipalities are struggling to organize themselves and do something for their communities. Community-oriented NGOs can be found very rarely and are often dependent on the municipal government. In some municipalities there are active civic sectors and they are partnering with the authorities. It is a soft variant of the good governance where state and non-state actors are practicing democracy with respect to transparency and accountability. Grass-root organizations are not very prominent. NGOs with bigger individual membership are not very active either.

Mono-Ethnic NGOs

There is a great need for further ethnic integration in the civil society sector. Non-integrated ethnic NGOs (headed and staffed by ethnic Albanians or Macedonians) flourished after the conflict of 2001 with projects focused on post-conflict rehabilitation and reconciliation. But that time is over now as Macedonia is stable in that context due to the new amendments and the Framework Agreement. However, ethnic integration is still an important area. The evaluators were told that there are very few NGOs with ethnically mixed staff in Macedonia.

DONOR LANDSCAPE FOR CIVIL SOCIETY

Foreign Donors. The civil society sector was built up and primarily supported by foreign donors, but their support declined dramatically over the past four years. The main current donors are USAID and the Swiss Development Cooperation which just launched a *Civica Mobilitas*, implemented by the Center for Institutional Development (CIRa), to provide institutional support for advocacy and watchdog organizations for oversight of local governments. The Balkan Trust for Democracy continues to be active in Macedonia. In 2009-2010, its envisioned priorities are invigorating implementation of laws and strategies connected to the checklist for visa liberalization, gender equality, and ensuring balanced ethnic and geographic support.

Domestic Foundations. There are also two domestic foundations which play an influential role in Macedonia. The Foundation Open Society Institute Macedonia (FOSIM) and Macedonian Center for International Cooperation (MCIC). FOSIM is part of the Soros network in Central and Eastern Europe and its main mission is the integration of Macedonia as a precondition for EU accession. The MCIC covers a vast array of areas in addition to democratization and civil society ranging from water and sanitation to education and employment. Both organizations had different development paths, but grew as very influential actors in the civil sector. Some informants commented that the two dominate and monopolize the sector, priorities and activities. However, a number of medium-sized NGOs supported by the CSSP—including four grantmaking organizations and a Local Community Development Foundation—are emerging and providing some diversity in the landscape.

Despite the decline in international sources, there is a growing amount of prospective domestic support through government and EU funds.

European Union. The first grant scheme under the EU Instrument for Pre-Accession (IPA) for 2008 provided 700,000 euro for projects (to be launched in 2010) focused on NGOs involvement in decision-making, social services and community activities, awareness raising on anti-corruption and organized crime, improving interethnic relations, and strengthening NGO capacity building and fundraising. The 2009 IPA program will provide 1.5 million euro for anti-corruption and fighting organized crime, CSO management and networking,

and human rights protection. The European Instrument for Democracy and Human Rights (EIDHR) provides 600,000 euro annually for 30-70 projects focused on human rights issues and elections. Finally, there is also a multibeneficiary IPA on the regional level, focused on the Western Balkans and Turkey. Headquartered in Bosnia, it will provide trainings on lobbying and advocacy with government and to augment civil society's internal capacity to influence decision-making as well as project management and EU funding training. It will also support a help desk to provide assistance on Macedonian NGO legislation. The amount of support budgeted for the regional programs is 6.3 million euro.

Government Unit for Cooperation with NGOs within the General Secretariat . The government of Macedonia offers funding for NGOs from a few different sources. The Government Unit for Cooperation with NGOs supports NGOs according to strategic priorities which change every year. In 2009, priorities were economic growth and competition, EU integration, anti-corruption, interethnic relations and the involvement of NGOs in the Ohrid framework, and education. Grants are for one year. In 2009 there will be approximately 250,000 euro for one year. To qualify, NGOs should be registered under the 1998 Law on Citizen's Associations and Foundations and should be active for one year. The overwhelming view is that these funds are not distributed transparently. Decision-making is politically based through a special fund committee chaired by the Ministry of Internal Affairs and comprised of five ministries (Ohrid, Culture, Finance, Transport and Communication). Common complaints from the civil sector are that 1) no one has heard of the majority of organizations who receive funds, and 2) decisions are made too late in the year and for NGOs are unable to accept the funds as they must demonstrate implementation within an extremely short timeframe.

Government Funding. Additional funds are available to NGOs through different ministries such as the Ministry of Culture, Labor and Social Policy, and the Agency for Sports and Youth. In addition, the Law on the Lottery allows support to the civil society through NGOs for an estimated amount of 1.2 to 1.5 million annually. Individuals have indicated that there is also a lack of transparency and not all ministries have procedures to distribute funds.

An improvement in transparency of government funding is critical for the future sustainability of the sector. An expert indicated that there could be an estimated 4 to 7 million euro annually from combined government sources which could be made available to NGOs.

FUTURE PROGRAMMING: OVERARCHING PRINCIPLES

In designing a future approach to civil society assistance, the team makes the following suggestions in guiding program creation.

1. *Concentrated.* A future program should be more concentrated and try to tackle fewer areas.
2. *Multiplicative.* A future program should build on previous and current successful activities and organizations supported by USAID and other donors.
3. *Focus on strong leadership.* A future program should support strong leaders and encourage NGOs to expand their reach to other leaders and experts from academia and other areas.
4. *Neutral.* With the politicization of the sector, the program should make every effort to avoid partisanship.

5. *Integrative/cooperative.* Although challenging, a future effort should focus on cooperation among CSOs and finding creative strategies to reduce competition.
6. *Flexible.* Given the dynamism of the Macedonian political context in recent years, the program should be designed to be flexible to respond to external factors.
7. *Geographic Rural/Balance.* The program should find ways of reaching out to rural and underserved areas in Macedonia without creating unsustainable infrastructure. Many donors have attempted to do so, including USAID and the CSSP, but it is extremely challenging. Creative approaches should be developed. USAID may wish to consider continued support for some of the CSSP local granting initiatives such as Kham which reaches Eastern Macedonia.
8. *Ethnically Diverse.* Efforts should be made to promote ethnic diversity within institutions—especially in CSO permanent staff.
9. *Coordinated on message to CSOs.* There are a number of intractable issues related to CSO attitude in Macedonia. USAID should coordinate with other donors on the need to develop an exit strategy and urge organizations to pursue domestic resources. Donors are also partially responsible for encouraging organizations to participate in working groups, civic initiatives, and other cooperative efforts with financial incentives. USAID should coordinate with other donors on the need to support some participatory initiatives without funding.

USAID DESIGN APPROACH

Prior to or in conjunction with the design of a future program, USAID should meet with civil society leaders from all sectors as well as media, academia, and other areas to: 1) emphasize USAID support and solidarity in a challenging environment; and 2) get a better understanding of the fears, capacity, willingness, and interest for cooperative efforts and coalitions. This is also critical for USAID to determine if civil society capacity exists to support democratic reforms in other areas. The evaluators believe that while USAID should not foster dependency on the international community for initiative in the long-term, it may need to be engaged more proactively in the beginning to catalyze cooperation, coordinate proactively with donors, and press government institutions as necessary. Once CSOs have successful experiences, perhaps it will engender future cooperation.

In the short-term, USAID may wish to host ongoing meetings and coordinate with other donors on strategies to reduce divisions among civil society actors and cooperate on areas of mutual interest. Donor coordination efforts have been very effective in mobilizing resources and actors in other challenging environments in the region. This should be a short-term approach to show solidarity and support for civil society and to help to overcome differences for common objectives. The risk of this approach is that civil society will not take leadership and cooperate on their own without donor leadership.

SHORT-TERM PRIORITY RECOMMENDATIONS

1. **Invigorate a critical mass of leaders in succesful and strategic advocacy and monitoring efforts.**
There are a number of strong organizations and individuals in the Macedonian CSO sector, however there are very few examples of successful cooperative initiatives. The ISC has built the individual capacity of over 20 organizations through the CSSP as well as through its prior Demnet programs. The

focus should be on pulling leaders together to cooperate on areas of mutual interest for the civil sector. Given the fragmentation of the sector and the experience of the CSSP on legal reform, this will be extremely challenging and expectations about what can be achieved should be realistic. While cooperation and coalitions may have had limited success in the past, they should be supported again. Organizations have improved their capacity and gained experience and may do better with guidance.

The approach should be multifaceted and strategic. Tools which may be used include coalition building, media campaigns, research-based advocacy, testing the FOIA, engaging donors, the EU and Embassies as necessary.. There may be a need for education and training in this area. The civil sector should learn how to impose a problems and questions cooperatively in such a way that their voices are heard consistently and in some instances, loudly. Some areas of possible cooperation include reacting against the current and any negative encroachment of the sector as well as the transparency of government funding—especially for NGOs, and monitoring government progress on EU accession.

2. **Develop strategic approaches to improve the public image of NGOs.** Future efforts should develop creative approaches to improving the visibility and public image of NGOs. Given the recent negative media trends, future programs might focus on a broader public awareness campaign with a consistent and cohesive message to tackle the negative elements that impact the broader public perception of the NGO sector.

Over the years, USAID and other donors have built the capacity of and partnered with a number of organizations which are transparent, effective, and results-oriented. A directory or consumer reports with some very basic information provided voluntarily by NGOs in cooperation with donors and businesses such as the magnitude of programs they have managed, whether they have been audited, and references. Such a tool would need to be regularly updated to be useful, however. It should also be developed in such a way that it not inadvertently damage an NGO's reputation over a minor incident. It might be used as a basis to improve the public image of CSOs, encourage domestic donations, and possibly as a tool discern between legitimate and dubious NGOs.

3. **Monitor the Legal Framework for CSOs.** There is a continued need for improving and monitoring the legislative framework for CSOs—especially to simplify NGO's abilities to engage in economic activities—and stimulate incentives for donations. However, there is a general lack of interest and leadership among the NGO sector to engage in this area. If USAID chooses to continue to support this area, it will need to explore new approaches to stimulate broader CSO interest.

There is also a need to coordinate with other donors on strategies for this area—such as the EU—and MCIC and FOSIM on encouraging the openness of the process. Both MCIC and FOSIM have lawyers associated with this initiative. USAID may also wish to engage with a number of NGOs to determine if there is a broader interest in engaging on these issues and the best strategy to do so prior to program design.

4. **For a multiplicative effect, USAID civil society programs should be closely linked with media programs.** Civil society programs should link with media as a potential partner to increase visibility and promote accountability.

LONG-TERM RECOMMENDATIONS

1. **Sustainability.** USAID and other donors need to stress the importance of pursuing domestic resources to NGOs in the longer-term as a priority. Efforts should focus on securing domestic sources through increasing the level of transparency in government/NGO grant allocation and EU funding. In the longer-term, donors may wish to explore the possibility of establishing a government fund for NGOs as was done in Croatia. More proactive leadership should be developed to stimulate support within the business community for CSR. Exploring fees for service is another promising avenue for the long-term sustainability of CSOs in Macedonia.
2. **Civic Education and Participation.** There is a need for civic education, to create incentives for citizens to participate in democracy at all levels of society—among youth, citizens, and government. Efforts should be undertaken in multiple areas such as education from primary schools: civic education, civic participation, democracy, rights, why the governments should be controlled, how to impose solution on citizens problems, how to pass civic laws through civic initiatives..Although USAID-supported civic education in the past, which were institutionalized in primary schools, the seperate classes have recently been discontinued by the government. USAID should revisit possibilities for ensuring that youth are educated in this area.

USAID may also support initiatives that encourage youth to volunteer in civil society organizations/initiatives. This could provide youth with professional experience and expose them to the civil sector as an alternative to participation in highly politicized youth groups.

3. **Continued support for civil society with a focus on monitoring and watchdog advocacy organizations and activities.** Given the current climate for civil society in Macedonia, there is a need for future support with the withdrawal of donors. Given the experience of new EU members in Eastern Europe, watchdog and advocacy organizations are likely to face the most challenges in the future for sustainability whereas service delivery organizations may be able to access government and EU funds more easily. Support for these organizations should also be coordinated with the SDC and CIRa's current activities.

APPENDIX A: SCOPE OF WORK

A. Background

The Civil Society Strengthening Project is a five-year project implemented by the Institute for Sustainable Communities (ISC) and financed by the United States Agency for International Development (USAID). The CSSP began in June 2005 and was originally designed as a three-year initiative. The project was extended for two additional years and is scheduled to end in June 2010.

The CSSP aims to elevate Macedonian society to new levels of legitimacy, accountability, and viability as a vehicle for helping citizens to effectively voice and constructively address their priorities and to hold the government accountable for the resulting decisions. The overall goal of the project is to ensure that the civil sector is an effective, influential, and permanent partner alongside government and business and it aims to achieve the following results:

- 1) A strengthened civil society infrastructure;
- 2) NGOs achieve results on issues that matter to citizens; and
- 3) The image of Macedonian civil society is improved.

The ISC used a variety of approaches to achieve the results including the provision of training, technical assistance, networking, mentoring, and a flexible range of grants. The project is implemented by ISC and its consortium partners the European Center for Not-for-Profit Law (ECNL), Konekt, and the Macedonian Institute for Media.

The CSSP contributes directly to USAID's Intermediate Result 2.1 "Increased Citizen Participation in Political and Social Decision Making" and Strategic Objective 2.0 "More Legitimate Democratic Institutions."

B. Purpose of Evaluation

The purpose of the evaluation is 1) to assess the impact of ISC's assistance to civil society in Macedonia highlighting the program's strengths, weaknesses, and lessons learned; and 2) to provide recommendations on unfinished work, future needs, and new directions and modalities for civil society programming in Macedonia.

The intended audience for the evaluation includes USAID and other donors, the ISC, CSSP implementers, and others who are familiar with foreign assistance goals and methods and have an interest in promoting and continuing best practices.

The following questions were developed based on consultation with the ISC, a review of project documents including the 2005 cooperative agreement and 2008 cost-extension and performance monitoring and evaluation plans. These are general questions intended to guide the evaluation team but

they may be modified as a result of consultations with the ISC and USAID and/or in the course of field interviews. The evaluation team expects to develop specific questions tailored to the type of key informant it will interview.

General Questions

1. What has changed in the civil society sector over the past five years and how has the CSSP contributed to this change?
2. What are the primary strengths and weaknesses of the CSSP?
3. What issues and problems emerged during implementation and the key lessons learned from the CSSP?

Impact Questions

1. Have government and the private sector recognized civil society as a partner in decision-making? What was the CSSP's role in this area?
2. During the past five years, have there been positive partnerships between civil society and government or private sector and what has been the CSSP's role in promoting these partnerships?
3. Is there a core group of CSOs capable of representing citizens' interests in Macedonia for the foreseeable future? To what extent has the CSSP strengthened these institutions?
4. Is there a core group of CSOs able to serve the sector—providing consulting, mentoring, outreach, and information services—and what has been the ISC's role in building this capacity?
5. During the past five years, how has the legislative environment/fiscal framework for civil society changed and what has been CSSP's role in stimulating that change?
6. How effective is civil society at representing and advocating for citizens issues? Has the CSSP contributed to its effectiveness?
7. During the past five years, to what extent has civil society influenced issues of local and national importance and what was CSSP's role in these efforts?
8. How and to what extent are NGOs responsive to their constituencies and how has CSSP encouraged this responsiveness?
9. To what extent has the CSSP contributed to the engagement of citizens in public processes and promoted civic activism?
10. Has the public image of civil society improved over the past five years and how has the CSSP influenced that image?
11. How and to what extent has the CSSP catalyzed models of philanthropy and the financial sustainability of CSOs?
12. How is civil society portrayed in media and to what extent has the CSSP influenced this representation?

Prospective Questions

1. What is the future outlook for civil society in Macedonia including positive and negative trends?
2. What are your recommendations on issues and gaps that may require continued assistance to civil society?
3. Is the CSSP approach appropriate for addressing these issues and gaps? Why or why not? How should/could it be modified?
4. What type of assistance approach(es) would be beneficial to support civil society in the future?
5. To what extent is the CSSP a model from which lessons may be learned to apply to other programs?
6. What are the main legacies from the CSSP?

C. Evaluation Methodology

The basic evaluation design will be a mixed method including a document analysis and key informant interviews.

Document Review

- USAID/RFA 165-05-010 Macedonian Activity for Civil Society Strengthening (MACCS) Program (February 2005)
- ISC Cooperation Agreement Program Description
- ISC Cost-extension (January 2008)
- ISC CSSP Annual Results Reports
- ISC Performance Monitoring Plans and Reports
- ISC Annual Workplans
- ISC CSSP Quarterly reports
- NGO Sustainability Index
- USAID Public Values Poll
- CSSP Individual and Summary Assessment Reports of the Leader NGOs
- ISC Papers presented at the European Evaluation Society Conferences

Interviews

The evaluation will rely heavily on facilitated interviews and possibly focus groups with key informants to be conducted with the ISC home and Macedonia office, USAID/Macedonia and the Civil Society Advisor in the Europe and Eurasia Bureau, and key CSSP partners: ECNL, Konekt, and the Macedonian Institute for Media (MIM). Representatives from grantees and other project beneficiaries will be selected to provide a geographic balance of organizations within and outside of the capital and representation of various program components of the CSSP.

The evaluators will also interview key informants who are ‘outsiders.’ Outsiders do not directly benefit from the CSSP, but are knowledgeable about the civil society sector in Macedonia. They will likely be drawn from government, business, academia, donors, think tanks, and multilateral institutions.

There are minor risks to validity of the field work which should not influence the final report. The limitations of the evaluation concern the proper selection, gathering and analysis of the data collected during the interviews.

D. Evaluation Team Composition

The team will be composed of a US and a Macedonian expert to carry out the evaluation. Monique Nowicki, the Team Leader, is a consultant with over seven years of experience with USAID overseeing democracy and governance activities in Eastern Europe, primarily focused on civil society and has several years of experience with all phases of program evaluation in democracy and governance, conflict prevention and mitigation, public health, and performance arts. Professor Petar Atanasov, engaged as the Country Expert, is a professor of sociology at the University of Skopje with extensive research experience and expertise in the areas of

multiculturalism, ethnic conflict, conflict prevention, and social integration. Professor Atanasov has been engaged in evaluations and assessments for USAID and the Swiss Development and Cooperation Office.

E. Timeline

Twenty days are estimated to complete this evaluation. A representative work schedule is indicated below, but it may be modified on mutual agreement between the team and the ISC.

Activity	Description	Location	Approximate Dates
Hiring Local Expert	-Assist with the selection of a local expert. -Finalize roles and responsibilities of local expert.	Coordination between the Evaluation Team Leader (Bulgaria) and the ISC team in Macedonia and the US	November 23-December 1, 2009
Design and Preparation	-Review key documents related to the CSSP. design workplan, timeline, questionnaires. -Discuss evaluation design with ISC. -Finalize evaluation design, timeline, questionnaire, and list of key informants with ISC.	Bulgaria/Macedonia	November 24, 2009 – December 6, 2009
Interviews	In-briefing with ISC/Macedonia and USAID/Macedonia	Skopje, Macedonia	December 7, 2009
Interviews	Interviews with ISC and USAID/Macedonia, ISC partners, grantees, and beneficiaries.	Macedonia	December 8-18, 2009
Debriefing	Debriefing with USAID/Macedonia and ISC Staff on initial findings and recommendations.		December 18, 2009
Oral Presentation with ISC staff and Report Outline	Oral presentation with selected ISC US staff and preliminary report outline.		December 22, 2009

ISC Response	ISC provides comments on report outline.		December 29, 2009
Draft Report	Draft report and provide initial draft to ISC.		January 3-12, 2010
ISC Response	ISC provides comments on report draft.		January 14, 2010
Final Report	Incorporate ISC feedback and draft final report to ISC.		January 15-18, 2010

APPENDIX B: KEY INFORMANTS

CSSP Implementer and Donor

ISC Staff

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Marija Gjoseva-Kovacevic

Fokus

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Kham

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Nevenka Longurova Girova

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Elizabeta Davitkova, Ecological Association Villa Zora

Martinco Dimovski, Youth Council Gradsko

Elizabeta Kosotova Bacvarova, Youth Council Gradsko

Angelce Gusev, Scout Group Veles

Violeta Malceva, Gradsko Municipality

Slavica Kukucova Nikollova, FOKUS

Daliborka Zlateva, Association for Parents with Children with Cerebral Palsy

Dime Velev, FOKUS

External Experts

AlSat TV

Saso Ordanovski

Balkan Trust for Democracy

Nathan Koeshall

EU Delegation

Irena Ivanova

Nafi Saracini

FORUM

Kalinka Gaber

FOSIM

Suncica Kostovska Petrovska

Adrijana Trendova

Helsinki Committee for Human Rights

Gordana Nestorovska

Institute for Parliamentary Democracy

Aleksandar Petkovski

ISPPI

Klime Babunski

Emilija Simoska

OSCE-Macedonia

Holger Hembach

Zaal Margvelashvili

Swiss Agency for Development Cooperation

Kristina Kolozova

Ibrahim Mehmeti

Strategic Marketing and Media Research Institute

Gjorgji Mitrevski

TACS-Macedonian Office

Suncica Sazdovska

Telekom Slovenia Group

Michelle Osmanli

Government Unit for Cooperation with NGOs within the General Secretariat

Biljana Vedinovska

Elizabeta Nedanovska

Suzana Nikodijevik-Filipovska

APPENDIX C: INTERVIEW QUESTIONNAIRE

We are doing an evaluation of the CSSP program which was funded by USAID.

We are interested in five areas:

1. The program's impact on civil society
2. Program management
3. Strengths and weaknesses
4. Special lessons learned
5. Current challenges in civil society

1. Type of organization:

___ think tank ___ Watchdog/advocacy ___ service ___ other describe:

2. Organization Mission:

3. Date founded/became active: _____ -

4. Number of employees: _____ full-time ___ part-time _____ volunteers

5. Membership/constituency: _____

6. Geographic location of work: _____

8. Type of support you received through the CSSP:

___ Grants types: success, institutional, etc.

___ Trainings types:

___ Advocacy trainings

___ TA types:

___ media support types:

___ philanthropy/sustainability support

___ other

9. As you look back was to the CSSP, was the support helpful for your organization? In which particular areas?
10. If you compare where you were before the CSSP, what was the impact of this support on your organization?
11. What is your current financial portfolio?
12. What are the primary strengths of the CSSP?
13. What are the primary weaknesses of the CSSP?
14. We would be interested in any comments you have with regard to relations between ISC (and its partners ECNL, MIM, CIRa, Konekt) and your organization. How does this relationship compare to other donors/partners?
15. What are the current challenges faced by CSOs in Macedonia?

APPENDIX D: GRANTEE RATING SHEET

On a scale of 1 to 5 with 1 being the lowest and 5 being the highest how would you rate progress in the following areas over the past 5 years.

NGO-Government Relations-government recognizes civil society as a partner in decision-making Scale: 1 to 5 _____ CSSP role in this area: Scale 1 to 5 _____	Partnerships between government and NGOs Scale: 1 to 5 _____ CSSP role in this area: Scale 1 to 5 _____
Growth of core group of NGOs representing citizen's interests? Scale 1 to 5 _____ CSSP role in this area: Scale 1 to 5 _____	Growth of core group of NGOs able to serve the sector (<i>consulting, mentoring, info services</i>) Scale 1 to 5 _____ CSSP role in this area: Scale 1 to 5 _____
Legal environment/fiscal framework for civil society Scale 1 to 5 _____ CSSP role in this area: Scale 1 to 5 _____	Civil society advocating for citizen's issues Scale 1 to 5 _____ CSSP role in this area: Scale 1 to 5 _____
Civil society's influence on issues of national and local importance Scale 1 to 5 _____ CSSP role in this area: Scale 1 to 5 _____	Public image of civil society Scale 1 to 5 _____ CSSP role in this area: Scale 1 to 5 _____
Philanthropy and the sustainability of CSOs Scale 1 to 5 _____ CSSP role in this area: Scale 1 to 5 _____	

APPENDIX E: CIVIL SOCIETY INDICES

USAID PUBLIC VALUES SURVEY

TABLE 1. SURVEY RESULTS ON ON TRUST AND EFFICACY OF MACEDONIAN INSTITUTIONS

Year	2005		2006		2007		2008		2009*	
Trust/Efficiency	Trust	Effic.	Trust	Effic.	Trust	Effic.	Trust	Effic.	Trust	Effic.
Percentage	50	49.2	45.3	41.9	42.7	41.3	54.6	53.7	36.8	42.7
Most trusted institution	Police 54.5%		Police 48.7%		Police 50.9%		NGOs 54.6 %		NGOs 36.8%	
2nd Most trusted institution	NGOs 50%		Government 46.8%		Government 49.4%		Government 52.6%		Local Government 31.8%	
3rd Most trusted institution	Local Government 45.5%		NGOs 45.3%		NGOs 42.7%		Police 51.1%		State Commission for Corruption Prevention 29.9%	

**Based on first level sorting results, December 2009.*

Institutions included in the survey were the Assembly, the President, the Government, Government bodies (MOI, MOD, MOK, MOTC, MOH, MON), Customs Administration, Cadastre of Real Estates and Land Registry, Courts, Public Prosecutor, State Commission for Corruption Prevention, Public Enterprises, Local Government, Political Parties, Labor Unions, and Media

TABLE 2. VOLUNTEERISM

Percentage of respondents who volunteered	2001	2002	2003	2004	2005	2006	2007	2008	2009
At least once a month	3.3	3.1	1.9	1.3	1.0	1.0	2.0	3.2	2.9
Less often than once a month	5.0	4.9	1.9	2.0	2.0	2.0	2.0	2.8	3.0
Have not volunteered	90.5	89.8	95.8	95.5	95.0	96.0	95.0	91.5	94

TABLE 3. INDIVIDUAL DONATIONS TO NGOS

<i>Have you or some member of your family donated in the previous year some things or money to a collection organized by an NGO or in order to support and NGO? (%)</i>								
	2001	2002	2003	2004	2005	2006	2007	2008
Yes	20.9	23.6	16.6	14.9	9.0	7.0	6.0	16.7
No	66.8	63.0	80.8	81.9	89.0	90.0	92.0	79.9

In 2009, the survey asked if individuals had donated time or funding. 13.1 percent responded yes and 98 percent responded no.

NGO SUSTAINABILITY INDEX RATINGS

Category	2004	2005	2006	2007	2008
Organizational capacity	3.7	3.7	3.7	3.7	3.7
Legislative environment	3.1	3.1	3.1	3.0	3.1
Advocacy	3.1	3.1	3.0	3.0	3.1
Public Image	3.8	3.7	3.8	3.8	3.7
Financial viability	4.5	4.5	4.5	4.5	4.5

The NGO Sustainability Index uses a seven-point scale with 7 indicating a low or poor level of development and 1 indicating a very advanced NGO sector.

FREEDOM HOUSE NATIONS IN TRANSIT

Category	2004 <i>2005 report</i>	2005 <i>2006 report</i>	2006 <i>2007 report</i>	2007 <i>2008 report</i>	2008 <i>2009 report</i>
Civil Society	3.25	3.25	3.25	3.25	3.25
Democracy Score	3.89	3.82	3.82	3.86	3.86

Nations in Transit uses a seven-point scale with 7 indicating the lowest level of democratic progress and 1 representing the highest.