<u>Civil Society Facility 2013, amending the programme for 2011-2012</u> (6) Country Fiche – the former Yugoslav Republic of Macedonia

1. Basic information

1.1 CMS Number: 2011/22-965; 2012/23-324; 2013/24-081

1.2 Title: Civil Society Facility the former Yugoslav Republic of Macedonia Programme

1.3 ELARG Statistical code: 35 (Civil Society)

1.4 Location: the former Yugoslav Republic of Macedonia

Implementing arrangements:

1.5 Contracting Authority: European Commission, EU Delegation to Skopje

1.6 Beneficiary: Civil society organisations in the former Yugoslav Republic of Macedonia

Financing:

1.7 IPA contribution: Total: EUR 1 000 000¹

2011: EUR 0

2012: EUR 500 000 2013: 500 0002

1.8 Final date for contracting:

30 November 2013 for the 2012 budget appropriations 30 November 2014 for the 2013 budget appropriations

1.9 Final date for execution of contracts:

30 November 2016 for the 2012 budget appropriations 30 November 2017 for the 2013 budget appropriations

1.10 Final date for disbursements:

30 November 2017 for the 2012 budget appropriations 30 November 2017 for the 2013 budget appropriations

In addition, EUR 1 200 000 for civil society support is included in the IPA National Programme 2011, with a further EUR 1 200 000 and EUR 750 000 planned for 2012 and 2013 respectively, subject to approval of the National IPA Programmes for those years..

Budget appropriations for 2013 are subject to the approval of the Budget Authority of the 2013 budget

2. Objective and Purpose

2.1 Overall Civil Society Facility Objective and Programme Purpose:

The Commission Communication on the Enlargement Strategy and Main Challenges 2007-8³ and the latest Strategy Documents (2008, 2009, 2010 and 2011⁴) underline the importance of civil society being able to play its role in a participatory democracy.

The 'Civil Society Facility' (CSF) was set up in 2008 to financially support the development of civil society. This programme sets out the strategy and scope of activities for the CSF for the next three years, with associated budget appropriations for 2011 and 2012, as well as for 2013 subject to availability of funds for this purpose under the 2013 budget.

In line with the original vision for the Civil Society Facility (CSF), the overall **objective** for the CSF programme for the period is: 'To contribute to anchoring democratic values and structures, human rights, social inclusion and the rule of law, thereby supporting the EU integration process.'

The **programme purpose** is to achieve: 'A more dynamic civil society actively participating in public debate on democracy, human rights, social inclusion and the rule of law and with capacity to influence policy and decision making processes.'

For the period ahead, the CSF will focus on the achievement of **three outcomes** which have been identified on the basis of needs analyses⁵, internal and external reviews, and feedback from EU Delegations responsible for national programming:

- Greater benefit of civil society from national legal and financial frameworks and improved dialogue with state institutions;
- Greater commitment and capacity of civil society organisation (CSO) networks to give citizens a voice and influence public sector reform processes through analysis, monitoring and advocacy etc; and
- Increased access of grass-root organisations and civic initiatives to financial resources, in-kind contributions or expertise from established CSOs and CSO networks.

2.2 Country fiche purpose:

To strengthen civil society to actively participate in the decision and policy-making processes by consolidating their cooperation with the public and private sector in the process of implementation of the public and the EU *acquis*-related policies.

The purpose of the project is to enhance the impact of civil society organisations (CSOs) in the country through their involvement in public and *acquis*-related policies whose implementation require further development and upgrading of civil dialogue, as well as

³ COM (2007) 663 "Enlargement Strategy and Main Challenges 2007-2008"

COM (2008) 674 "Enlargement Strategy and Main Challenges 2008-2009"
 COM (2009) 533 "Enlargement Strategy and Main Challenges 2009-2010"

COM (2010) 660 "Enlargement Strategy and Main Challenges 2010-2011"

COM (2011) 666 "Enlargement Strategy and Main Challenges 2011-2012"

TACSO (2010): "Civil society organisations' capacities in the Western Balkans and Turkey - A comparative summary of the eight country CSO needs assessments"

stronger active contribution of civil society actors in order to fully meet the criteria for EU membership. The project will also aim to develop a strong regional partnership dialogue between CSOs from the region and their EU counterparts and public authorities.

2. 3 Link with recent Enlargement Strategies and Progress Reports

The Enlargement Strategy 2010-2011 outlines the following:

"Civil society activities are essential for a mature democracy, the respect for human rights and the rule of law. Such activities enhance political accountability, stimulate and expand the space for discourse on societal choices and strengthen the consensus for a pluralistic society. By contributing to a more open, participatory and dynamic democracy, a lively and vibrant civil society is also conducive to tolerance and reconciliation. The involvement of civil society organisations in the pre-accession process contributes to the quality of and public support for accession-related reforms.

A culture of acceptance and appreciation of the role played by civil society needs to be in place to allow civil society organisations to engage in an effective policy dialogue. Public consultation on policy initiatives and draft laws should become the general principle. The access of civil society to government support is frequently hindered by a lack of transparency and poorly developed allocation criteria.

The civil society facility helps civil society organisations to strengthen their capacities and professionalism, allowing them to engage in an effective dialogue with public and private actors and to monitor developments in areas such as the rule of law and respect for fundamental rights. The facility finances initiatives at local level, regional networking and short-term visits to the EU.

The Commission has reviewed the facility to better reach out to local community-based organisations, taking into account feed-back from civil society organisations. The Commission will better target needs in each country and provide longer-term seed-funding to NGOs. Stronger, well-established organisations could become mentors and facilitators for smaller organisations."

The Accession Partnership (AP) outlines a series of priorities to be addressed in the area of civil society. The AP stresses the importance of ensuring transparency in the administration, in particular in the decision-making process and calls for further promoting active participation by civil society in the decision-making process. In particular, the following AP priority will be addressed: "Implement effectively the measures adopted to ensure transparency in the administration, in particular in the decision-making process, and further promote active participation by civil society". Although involvement of civil society in creation of policy and decision making has progressed moderately in the country, there is still a considerable space for furthering cooperation and improving consultation mechanisms with civil society organisations.

The 2010 progress report notes that civil society has received extensive financial support from the EU under the Civil Society Facility (CSF). EU funding is provided through different national and regional horizontal IPA programmes and includes aid to establish the national civil society forum, capacity building to civil society organisations and the assistance to

regional NGO support centres. The national programmes provide significant support to improve the development and sustainability of civil society organisations and further capacity building of the Government Unit for NGO cooperation.

The report notes developments in the relevant field, as follows:

- the newly enacted Law on citizens' associations and foundations provided for wider practice of the right of association;
- the government's strategy and action plan for cooperation with civil society organisations continues to be implemented;
- involvement of civil society in the policy development process and in legislative drafting is growing.

Nonetheless, the report also highlights the need to develop a consistent approach to encouraging all-inclusive public participation in decision-making, including appropriate institutional mechanisms.

Another important aspect from the report is the need for further improvement of the system for allocation of state financing for civil society organisations, in particular with regard to public benefit organisations. Civil society organisations remain heavily dependent on foreign funding and the lack of sufficient financial resources remains a serious constraint.

The **Enlargement Strategy 2011-2012** outlines the following:

"Public support is key to the success of enlargement policy. The authorities of Member States and enlargement countries at national, regional and local level have a central role to play in information and communication efforts to this end. The Commission is committed to facilitating an informed public debate about the enlargement process, based on user-friendly, factual information. The Commission encourages the development of an active civil society as an essential element of democracy, also as a facilitator of an informed debate on EU enlargement.

In dialogue with the beneficiary countries, the other donors and civil society anddrawing from the experience to date, the Commission has been reflecting on ways to strengthen the link between financial assistance and the priorities identified in the enlargement strategy, as well as to make financial assistance more strategic, more focussed, more flexible and to simplify procedures. In this context, elements considered include longer term and comprehensive planning of the assistance covering all policy areas, greater focus on the needs and priorities of the recipient countries, rewarding progress in the accession process, using IPA funds to leverage more funds from other donors and the private sector and enhancing the role of civil society."

The 2011 progress report notes the extensive EU financial support civil society has received under the IPA Civil Society Facility and national programmes, as well as through the European Instrument for Democracy and Human Rights. Aid objectives include wider involvement of civil society in decision making and increased capacity of independent civil society organisations. The IPA national programmes provide significant support to improve the development and sustainability of civil society organisations and further capacity building of the Government unit for NGO cooperation. Under Decentralised Management (DIS), civil society can now start to be involved in the monitoring of the overall implementation of EU

aid.

The report notes developments in the relevant fields, as follows:

- the government's strategy and action plan for cooperation with civil society organisations continues to be implemented;
- the Code of Good Practices for Participation of Civil Society Organisations in Policy Making Processes was adopted in July 2011;
- the involvement of civil society in the policy development process and in legislative drafting is making progress.

Nonetheless, the report again highlights the need to further develop a consistent approach and appropriate institutional mechanisms for encouraging all-inclusive public participation in decision making as well as the need for improving the system for allocation of state financing to civil society organisations. Faced with a lack of sufficient financial resource the civil society organisations remain heavily dependent on foreign funding.

2.4 Link with Multi-annual Indicative Planning Document

Maturity and pluralism of civil society is needed as motor for, and guarantor of, all reforms and freedoms in the country. In that context, further implementation of the Government's strategy and action plan for cooperation with CSOs as well as improvements in the consultation mechanisms of the Government and local self-government with the civil society should be pursued,.

The MIPD 2011-2013 advocates for the promotion of an active role of civil society in the decision-making process and calls for broad participation of civil society. The MIPD notes that even though involvement of CSOs in policy-making and in legislative drafting has progressed moderately, there is still considerable space for furthering the implementation of the Government's strategy and action plan for cooperation with CSOs in the coming years.

2.5 Link with Country Strategies on Civil Society

With regard to civil society the **National Programme for Adoption of** *Acquis* plans for further inclusion of civil society in the decision-making process, ensuring the participation of the civil sector in the work of expert councils of the Government, as well as for providing training to the NGOs representatives on issues in the sphere of human freedoms and rights.

Reference to National Plan for Adoption of *Acquis* (2011)

The Plan has the following priorities with regard to civil society:

"Until the end of 2011, the implementation of the Action plan for implementation of the Strategy for cooperation of the Government with the civil sector (2007-2011) will continue. The Revision of implementation of the Strategy for cooperation of the Government with the civil sector with recommendations for improvement of the cooperation is planned to be finalised in mid 2011."

Reference to National Plan for Adoption of Acquis (2012)

The Plan has the following priorities with regard to civil society:

"Civil society participation in the decision making process will be continuously supported, through the implementation of the Strategy for cooperation of the Government with civil sector [...].

Aiming at improving the transparency and responsibility of the administration, the General Secretariat of the Government will prepare a new Strategy, by March 2012, within the frame of the IPA 2008 project: "Technical Assistance to the Unit for NGO Cooperation at the General Secretariat" [...] Through the IPA 2008 project, the assistance will continue in the coming period by supporting the civil society in the decision making process and for providing social services. This activity will by fully implemented by 2012.

Continuous development of civil society will remain an important goal and will be supported with a series of activities to be implemented in the frame of the new Strategy for cooperation with civil society. Further, in accordance to the recommendations of the 2011 EU Progress Report for the country, by March 2012 the Committee for Public Benefit organisations will be established."

The project will contribute towards the implementation of the **Stabilisation and Association Agreement (SAA)** objective of "development of civic society and democratisation".

Furthermore, the project links directly to the following key strategies and action plans in the sector:

- Strategy for the cooperation of the Government with the Civil Sector, 2007
- Action plan for implementation of the Strategy for cooperation with CSOs, 2007
- Strategy for Equitable Representation, 2007
- Strategy on Public Administration Reforms, 2010
- Strategy for Cooperation of the Government with the Civil Society (2012-2017), 2012 (adoption pending)
- Action plan for implementation of the Strategy for cooperation with CS (2012-2014),
 2012 (adoption pending)

3. Description of project

3.1 Background and justification:

Effective pluralism implies the respect for human rights, the rule of law and the possibility for political change. Civil society activities – often defined as primarily non-state, non-business and non-private activities – mirror this pluralism. They encourage citizens to organise themselves and to collaborate in their common interest. A thriving civil society contributes to a more open, participatory and consequently a more dynamic democratic society. Through its advocacy activities, civil society can help ensure that accession negotiations between the candidate country institutions the EU are not merely technical discussions. Accession will only be successful when it is supported by citizens who understand the necessary institutional, political and economic changes.

CSOs have already played an important role in preparing society in the former Yugoslav Republic of Macedonia for EU accession while at the same time processing different sectoral reforms, both *acquis* related as well as with regard to the overall promotion of democracy, the rule of law and human rights. For instance, CSOs have proved to be important vehicles in

identifying and fighting against corruption, promoting and protecting human rights, advocating tolerance with the special attention to equal opportunities and non-discrimination related policies, and promoting sustainable development and environment protection policies.

In particular, CSO interventions are welcomed where the State does not have enough capacity, resources or flexibility to act in more coherent manner. Particular attention should be given to the capacities and strategic priorities of CSOs in the context of the country's forthcoming phase of EU membership (opening of the negotiations) and the specifics of CSOs' needs for institutional strengthening, policy advocacy and innovative activities at the level of sub-sectors for supporting the next EU accession phase.

3.2 Civil Society State of Play

Civil society in the country is heterogeneous, representing various sectors and different fields of activities relating to the current social needs.. Civil society actors are predominantly located in urban areas and poorly represented in rural areas, with 43% of all CSO are registered in the capital of Skopje. Most CSOs are smaller, semi-professional or voluntary based organisations, working at the local level. They cover a wide range of specific interests and target groups and provide services to the community and their members. In addition, there are more than 200 umbrella CSOs networking in the country, the majority established on the basis of a specific thematic field or target group. There are only a small number of fully professional CSOs operating at national level, usually located in Skopje and working in the fields of socio-economic development, good governance, civil society strengthening and advocacy and lobbying. These are larger organisations with high levels of organisational capacity, technical skills and know-how. They are well prepared to compete for and manage large grants and service contracts available from international donors, including the EU.

In terms of the legal framework, the right to freedom of association is enshrined in the Constitution (art. 20), with restrictions for associations aiming at racial, religious or national hatred and violence. This right is expressed in the legal framework of the Law on Associations and Foundations. A new Law on Associations and Foundations⁶ was approved by the Parliament 12 April 2010 and is now in force. It provides the freedom of association of natural and legal persons, nationals and non-nationals; the freedom and independence in determining the objectives, adoption of the decisions and planning of the activities; the good management by means of establishing an internal system of control and transparency in operations. Additionally, the law allows associations and foundations to perform economic activities directly without establishing a company. It prescribes that the revenues gained from such activity have to be used for financing the work of the organisation. It is expected that this solution will strengthen the economic potential of the civil society. In order to enhance the sustainability of the civil organisations, the law defines Public Benefit Organisations as organisations working for the common good and public interest. According to the law, registered Public Benefit Organisations will receive support from the state through tax and customs exemptions, in accordance with the law.

In the first year of its implementation, the Law on Associations and Foundations experienced challenges with the different interpretation of the provisions regarding the re-registration of CSOs. All of the bylaws envisioned in the Law were adopted and the Government Commission for Public Benefit Status is in process of establishment. Tax legislation still

 $\frac{\text{http://www.nvosorabotka.gov.mk/index.php?option=com}}{10\&\text{limitstart=0}} \\ \frac{\text{docman\&task=cat}}{10\&\text{limitstart=0}} \\ \frac{\text{view\&gid=15\&dir=DESC\&order=date\&limit=10\&limitstart=0}}{10\&\text{limitstart=0}} \\ \frac{\text{view\&gid=15\&dir=DESC\&order=date\&limitstart=0}}{10\&\text{limitstart=0}} \\ \frac{\text{view\&gid=15\&dir=DESC\&order=date\&gid=10\&order=date\&gid=10\&order=date\&gid=10\&order=date\&gid=10\&order=date\&gid=10\&order=date\&gid=10\&order=date\&gid=10\&order=date\&gid=10\&order=date\&gid=10\&order=date\&gid=10\&order=date\&gid=10\&order=date\&gid=10\&order=date\&gid=10\&or$

⁶Official Journal N52/16.04.2010 available at

needs to be harmonised with the new Law on Associations and Foundations in order to fully allow for performance of economic activities and tax benefits.

In terms of **institutional framework**, the first steps for institutionalised relations between the Government and civil society were taken in November 2004 with the creation of the Unit for NGO Cooperation under the Sector for Policy Analysis and Coordination in the General Secretariat of the Government. According to the *Rulebook for Internal Organisation of the General Secretariat*, the Unit for Cooperation with NGOs is responsible for:

- establishing and developing the cooperation between the Government and civil society;
- developing an overview of the legal regulations;
- starting initiatives in the Government and relevant ministries for proposing new legislation regarding the civil society sector;
- monitoring the international legal regulations and to making comparative analyses;
- providing funds for partial financing of projects of public interest;
- ensuring that the civil society is represented in the policy-making of the Government.

In 2007, the Government adopted a Strategy for Cooperation of the Government with the Civil Sector (2007-2011)⁷ with the main objective of providing overall guidance for a national policy for cooperation and support for civil society, based on agreed principles and priorities. It set out a framework for mechanisms and measures aimed at:

- enabling the state administration to develop joint partnership with civil society;
- increasing citizens' engagement in the policy and decision-making processes;
- creating more favourable legal and institutional environment for sustainable development of CSOs and for implementation of the standards of the European Union in this area; and
- improving access to public information.

In accordance with the Strategy for Cooperation of the Government with the Civil Sector, an inter-ministerial network of civil servants in ministries and other state administration bodies was established to support inter-institutional cooperation related to cooperation with the civil sector. The Unit for Cooperation with NGOs organises meetings to discuss progress in implementation of the Strategy and to enable regular communication with the interinstitutional network.

A 'Code of Good Practice for Financial Support to Citizen's Association and Foundations' ⁸, a 'Programme for Financing Programme Activities of Citizen's Association and Foundations for 2009⁹ and for 2010¹⁰, and a 'Decision for Criteria and Procedures for Allocation of Resources for Financing Programme Activities of Citizen's Association and Foundations from the Budget of the former Yugoslav Republic of Macedonia' were adopted by the Government to enable transparency and to define criteria and monitoring procedures of the financial assistance granted by the Government to CSOs.

Assisted by IPA funded technical assistance, the Government has prepared a *New Strategy for*

The Strategy for Cooperation of the Government with the Civil Sector is available on:
http://www.vlada.mk/files/Strategija_za_sorabotka_na_Vladata_so_graganskiot_sektor_2007-2011.pdf

⁸ Official Gazette of the RM, No. 130/07

⁹ Official Gazette of the RM, No. 3/09

Official Gazette of the RM, No. 8/10

Official Gazette of the RM, No. 23/09

Cooperation with Civil Society (2011-2017) as well as an Action Plan (2011-2014) (adoption pending). One of the main aspirations of the new Strategy is creating a Council for Cooperation with Civil Society as well as standardising the state financing of CSOs for all government institutions with legally binding document.

The number of civil society organisations that were registered in the period of 1990 to 1998 amounted to 3,295 (UNDP estimate, 1999). When the Law on Citizen Associations and Foundations was adopted in 1998, all organisations were re-registered by the Ministry of the Interior or the competent courts. According to official data from the Central Register, 9,900 CSOs were registered in the period until December 2008. This number includes all CSOs registered from 1998, without data on their current status (active or non active). After the adoption of the new Law on Association and Foundations (2010) where CSOs were required to re-register in the Central Register, the number of CSOs has decreased from the previous official data to 3,506.

Civil society in the country covers a wide range of target groups and fields of operation. Apart from the numerous sports and cultural clubs, women's associations are among the most active and visible. They commonly work on raising awareness of gender issues and advocating for the mainstreaming of gender in public policy. Youth associations and human rights organisations are increasing in number and profile, while farmers associations are emerging as an important niche lobby. There is also a new generation of young environmental associations promoting "green" practices such as energy efficiency. Broadly speaking, CSOs working in the community provide a range of services aimed at empowering their constituencies. This includes awareness-raising, education and information services. Increasingly, CSOs are beginning to engage in advocacy, lobbying and public policy at the local level in support of their membership and broader constituencies. Neglected areas, particularly at the local level, continue to be activities which carry the potential of conflict with the public administration and the authorities such as monitoring of government performance, watchdog activities to ensure application of laws and regulations, and the fight against corruption.

A significant majority of CSOs lack sufficient financial resources, which affects their capacity to maintain a continuous programme of activities. Many CSOs are dependent on only one donor, either international or domestic, and there is a clear lack of diversification of financial resources, rendering many CSOs financially unstable with low potential for sustainability. Most organisations have neither the planning nor the fundraising capabilities to rectify this situation. In past years, international CSOs acting as capacity-building partners and intermediaries with government donor agencies have tended to receive the most extensive support from international donors. The smaller organisations that have benefited from this capacity building often remain dependent on their benefactor who may no longer be able to secure the same scale of funding. A larger group of CSOs are completely dependent on project funds available only through the uncertain process of competitive tendering. These organisations are especially vulnerable and financially unstable. A small minority of organisations has succeeded in diversifying their funding by gaining access to a number of local sources, including membership fees, church funds and business donations. Although these funds are relatively small compared to project grants, they provide a more stable and predictable source of income which can provide for basic operational costs and can be planned for with more certainty.

The national legislation prescribes the state budget as one of the source of funding for CSOs. Presently, the Government finances citizen associations and foundations through several sources, allocated through the budget of the ministries and other governmental institutions. In

2010, under the national budget and managed by the General Secretariat within the Government, an amount of about 20,000,000 Denars (EUR 325,000) have been allocated to finance a national Call for proposals for the civil society, covering five relevant priority areas.

Civil society now faces the challenge of adapting to the change in civil society environment which will accompany the country's expected negotiation of EU membership. The CSOs not only have to be prepared for a change in donor activity, they should also strengthen their capacity to deal with EU procedures and regulations to allow them to access future EU funding.

3.3 Activities:

Support to civil society in order to address the above-mentioned issues will be provided using one or more of the methods of implementation mentioned under 4.1 of the main text of the Financing Proposal. The mechanism for selection on a regular basis of the type and method of implementation is also explained there, as further developed under point 3.5 below.

The following activities have already been identified for support:

- 1) Enhancing the involvement of civil society in the creation of public opinion, policy making and participation in the decision-making mechanisms at local and national level including EU accession process;
- 2) Support for communities to participate in development at local and national levels, to gain access to resources for local development and the improvement of essential services:
- 3) Strengthening the voice of CSOs so they can influence policy, both at local and national levels, for the promotion of sustainable development, social inclusion and the improvement of livelihood security

The project will consist of one component: Implementation of the Grant Schemes focused on the three activity priorities listed above.

3.4 Expected results and Provisional indicators:

The CSF is expected to contribute to an overall objective and deliver results in relation to a programme purpose and the three outcomes. On the basis of the planned activities, the following expected results and provisional and measurable indicators have been defined:

Under Activity Priority 1: Enhancing the involvement of civil society in the creation of public opinion, policy making and participation in the decision making mechanisms at local and national level including EU accession process

- Strengthened civil society bodies and their role in the political process, to enable CSOs develop project initiatives and networks, on regional and national level, and to familiarise civil society representatives and opinion leaders with EU affairs;
- Enhanced capacity of local CSO civic mobilisation, advocacy, project development and management to encourage networking and to support their dialogue with corresponding bodies in the EU;
- Increased cooperation and transfer of know-how between civil society organisations, trade unions, and professional organisations in partner countries and corresponding

EU level organizations;

Enhanced cooperation and networking among CSOs from the beneficiary countries and with CSOs from the EU and development of common EU regional principles, values and good practices.

Provisional indicators under Priority 1 include:

- Improvement in aggregate scores for the socio-political context (political rights and freedoms, rule of law, associational and organisational rights, the legal framework and state effectiveness);
- Improvement in aggregate scores for perceived policy impact of civil society
- Number of initiatives that have achieved their objectives and examples of good practice of grass-root and community based organisations' contributions in relevant areas

Under Activity Priority 2: Support for communities to participate in development at local and national levels, to gain access to resources for local development and the improvement of essential services:

- Strengthened capacities of civil society organisations in networking and development of partnerships with government (at regional, national and local level), and ensuring increased civil dialogue and cooperation in policy creation and decision making, including implementation of the local strategies for cooperation between local government and CSOs;
- Activities implemented that facilitate a review of the full range of legal and financial regulations which apply to civil society, in order to identify gaps and possible improvements to harmonise the legal environment for civil society;
- Implemented capacity building/awareness/communication activities aimed at setting up and reinforcing the public private partnerships to the benefit of the expansion of the civil society;

Provisional indicators under Priority 2 include:

- Improved satisfaction of CSOs with institutional mechanisms and policy frameworks for Government (central & local) – Civil Society dialogue and consultation;
- Improvement in aggregate scores for diversity of political engagement (percentage of members of organisations belonging to different social groups, ethnic backgrounds, age groups, urban/rural location);
- Improved satisfaction of CSOs with legal and financial frameworks;

Under Activity Priority 3: Strengthening the voice of CSOs to influence policy, both at local and national levels, for the promotion of sustainable development, social inclusion and the improvement of livelihood security

• Functional and consistent institutional mechanisms for all-inclusive public participation of CSOs in policy creation and decision making, especially in the policy

fields where civil society engagement is particularly valuable for the country's successful accession to the EU, including proper implementation of the Code of Good Practices for CSOs' participation in the decision making process;

- Enhanced civil dialogue among CSOs which are active in the same or different thematic areas to formulate common solutions to common local problems through partnership activities and/or other collective actions like networking and lobbying;
- Enhanced joint cooperation between civil society organisations, state and business sector for increased capacities of civil society organisations for the promotion of sustainable development;

Provisional indicators under Priority 3 include:

- Number of thematic network producing joint strategic programme documents;
- Frequency and quality of interaction of CSO networks with government institutions
- Quality of outputs produced by networks and ability to manage a participatory process
- Evidence of participation, policy and legislative changes being influenced by network performance.

General Measurable indicators include:

- Number of CSOs and their representatives participating in the programme;
- Number and quality of joint initiatives / contacts involving stakeholders from different beneficiaries;
- Number of CSOs regional and local partnership and network built up, established as a sustainable tool for pooling expertise and for sharing best practices and lessons learnt;
- Number and quality of EU-regional CSO initiatives, know-how transfer and joint actions;
- Information flow (activities, requests made etc.) between stakeholders at EU / national / local levels in relation to EU integration and accession
- Improved cooperation among and between CSOs and public authorities resulting in consensus reached with policy makers to set up indicators for steering progress in policy development and implementation;
- Number of grass-root and community based organisations receiving technical support from established CSOs and networks;
- Increased geographic spread in distribution of grants.

The Technical Assistance to CSO (TACSO) project covering the whole CSF will provide support and guidance to EU Delegations and to the relevant national authorities (in case of DIS management) on how to establish baselines and SMART indicators for projects under the national programmes. This work will follow the establishment of the annual work plans. TACSO's input will ensure that results and indicators for national programmes are coherent with the overarching results framework for the CSF.

3.5 Selection mechanism:

Beneficiaries will be selected on an annual basis through a single grant scheme (calls for proposals in 2012 and 2013).

The grant scheme should encourage CSOs to form networks with leading representatives undertaking operations on behalf of the members of the network. Projects must support one of the three activity priorities defined in this document, including re-granting to smaller CSOs and/or members of the network/platform. Re-granting concerns pre-defined activities to be carried out by entities selected through an open call by the beneficiary of the grant contract in line with EU guidelines and consultations. The introduction of Partnership Framework Agreements might be also considered in order to facilitate, amongst other activities, the strengthening of grassroots organisations at local level, possibly also by distributing of low-value grants to smaller CSOs.

Total indicative IPA envelope (2012 appropriations): EUR 500 000 IPA indicative envelope (2013 appropriations) EUR 500 000

It is envisaged that the first annual call for proposals (total indicative budget: EUR 500,000, from 2012 appropriations) will be launched in 2012. A second call (total indicative budget: EUR 500,000, from 2013 appropriations) may be launched after contracting the first call for proposals.

Approximately 5 grants will be signed in total. The contracts will be for a period of 12 to 18 months and their value will range from EUR 150 000 (minimum amount) to EUR 250 000 Euro (maximum amount). The overall budget for the project is EUR 1 222 400. The total budget available from IPA funding is EUR 1 000 000, while 10% (EUR 111 200) is a state contribution. The final grant beneficiaries are also expected to co-finance minimum 10% of the overall budget of their individual grants.

NB: In case there will be reaming funds that will not be contracted, the Contracting Authority will keep the right to utilise these funds for supporting measures, for e.g.: project monitoring activities, related trainings, evaluation activities of the new partnership mechanisms established among the networks, etc

The preparation of the selection procedure/criteria for CSO consortia as well as the management method listed above will be based on additional analysis and consultation with the CSOs as well as in consultation with the LAGs and other stakeholders.

TACSO and/or other related technical assistance teams should provide pre and post-grant implementation-related training to beneficiaries. TACSO could also support the EC in monitoring the execution of the project by monitoring of the implementation of individual grants, especially after delivery of TACSO training.

Since the former Yugoslav Republic of Macedonia is a country operating under the decentralised management system, a portfolio for support of civil society will continue to be included in the IPA National programmes for 2012 and 2013, mainly through grant schemes covering national portfolios and technical assistance that will support the institutionalisation of involving civil society in public policies and processes, especially related to EU integration.

3.6 Conditionality and sequencing

The success of the project hinges on proper implementation of the objectives under the National Strategy for Cooperation between the Government and civil society and a promptly prepared new Strategy (2012-2017) and an Action Plan for the coming period 2012-2014. It is also very important that donors remain committed to a strong civil society in the region.

3.7 Linked activities

3.7.1 Related EU Assistance

A **PHARE** project targeting environmental NGOs was implemented in **1997-99** for the "Development of NGOs and Regional Resource Centres", while ECHO programmes provided complementary activities in the field of community services.

CARDS 2002 included an NGO strengthening programme, with an emphasis on building capacity of NGOs and supporting the cooperation among the NGOs and between NGOs and local authorities.

CARDS 2003 focused the establishment of a national network (or "platform"/"forum") for lobbying and advocacy—building amongst CSOs as well as institutional capacity building for selected umbrella civil society organisations.

CARDS 2004 addressed the provision of assistance to the Government in developing a strategy for the third sector and in establishing a civil society unit within the Government structures. The overall objective was to assist the Government in developing and implementing a coherent long-term policy and strategy designed to support the Government in its cooperation with civil society.

In January 2005 the **European Agency for Reconstruction** (**EAR**) started an 18-months project to strengthen participatory decision making by building capacity of selected civil society organisations. The project incorporated training, seminars, workshops, study visits, fundraising support and accountability support for a selected group of CSOs (umbrella and membership based organisations). The project focused on addressing the role of civil society in policy making and on developing CSOs into efficient, effective and sustainable organisations.

The former Yugoslav Republic of Macedonia has been a priority country under the **European Instrument for Democracy and Human Rights EIDHR** since 2002. The **EIDHR** country-based support scheme (CBSS) has an annual allocation of EUR 600,000. This provides funding for around 10 new grants each year, selected based on a call for proposals targeting the domestic civil society active in the field of democracy, human rights, and the rule of law. These projects cover activities aimed at:

- increasing the role of civil society in the advancement of human rights and democratic reforms
- increasing participation in social, economic and political life of the country, including promotion of anti-discrimination
- improving the life of persons with disabilities
- children rights
- women's economic rights
- social rights and Roma inclusion

- tackling human trafficking
- improving interethnic relations
- implementation of the Ohrid Framework Agreement

The Community Programme PROGRESS (2007-2013) is the EU's employment and social solidarity programme. The PROGRSS programme is designed to support the development of EU policies in the following areas: Employment, Working conditions, Gender equality, Social protection and social inclusion, Non-discrimination and diversity. For the implementation of the programme the EU works in close partnership with the Member States and many stakeholders including employers and trade unions and civil society. The project "Macedonia without Discrimination" (November 2007 – December 2010) benefiting Polio plus (a post polio support group) is carried out within the framework of the Community Programme PROGRESS in cooperation with MCIC and supported by the Ministry of Labour and Social Policy. The objective of the project is to contribute to legal society, no discrimination, where everybody has equal rights, as well as the gains of diversification.

Under the **IPA 2007 National Programme**, a technical assistance programme was finalised (May 2011)which supported the Unit for Cooperation with NGOs in capacity building for the Unit's staff and further implementation of the Government's strategy for cooperation with civil society. A major activity was the review of the implementation of the strategy and developing a report with recommendations to improve the implementation of the strategy.

The IPA 2008 National Programme follows on from the IPA 2007 programme in building the capacity of the Unit for Cooperation with NGOs. This ongoing technical assistance focuses on contributing to the civil society environment by assisting the Government in establishing a channelled and structured system for consultation and cooperation with the CSOs, including by strengthening their capacity to manage the IPA civil society portfolio under the decentralised management system

The **IPA 2008 National Programme** makes provision for a grant scheme for the civil society focused on strengthening CSOs' institutional capacities and supporting them in specific priority areas (14 grants contracted in February 2011). The funding contributes to strengthen the institutional capacity of civil society through:

- improved involvement of CSOs in the process of drafting legislation and regulations (particularly those relating to the EU integration process),
- increased participation of CSOs in providing social services and community-based activities
- improved capacities to mobilise resources and voluntary work and improved involvement in the field of democracy and the rule of law.

These activities should foster synergies between state actors and civil society for joint mobilisation of EU integration while also contributing to community-based activities and social services.

The **IPA 2009 National Programme**, which also provides for a national grants scheme (to be launched early 2012) will contribute towards strengthening the institutional capacity of civil society and supporting selected priority areas, including:

• involvement of CSOs in the fight against corruption and organised crime;

- strengthening CSO management and networking, including
 - joint implementation of community based activities and social services
 - resource mobilisation
 - mobilising voluntary work
 - institutional cooperation between CSOs and between NGOs and the local government, and
 - involvement of CSOs in protection of human rights, with a focus on vulnerable groups, victims of family violence, including activities within the Decade for Roma inclusion 2005 2015.

The **IPA 2010 National Programme** will contribute towards strengthening the administrative capacity for cooperation with CSOs at the local level with specific focus on establishing sustainability mechanisms for the cooperation between the municipalities and CSOs (through a technical assistance project), as well as strengthening civil society (through a grant scheme). This will be accomplished by:

- strengthening CSOs participation in decision making process at local level
- strengthening the CSOs participation in the realisation of the national policy for regional and agricultural development
- improving capacity for organisational sustainability through a favourable legal and financial framework
- improving public awareness of the importance of philanthropic initiatives and the role of the business sector and individuals
- protection of the human rights (including anti discrimination, rights of the youths for mobility and intercultural cooperation).

The **IPA 2011 National Programme** will be implemented through grant schemes. It will contribute to strengthening the financial sustainability of the civil sector through enhancing involvement of CSO in the policy-making process and legislative drafting and by improving the financial framework as a pre-condition for developing a strong and independent civil society.

The Cross Border Cooperation component of IPA starting from the 2007 portfolio also supports social, economic and cultural project activities that can be implemented by civil society organisations. There are five operational CBC programmes, four of which are bilateral (with Albania, Bulgaria, Greece and Kosovo) and one which is a multilateral cooperation programme within the South-East European Region.

3.7.2 Other donors

The **USAID**-sponsored 'Civic Education Projet' for elementary schools has been adopted as a curriculum element for all schools. The 'NGO Law Project' published the first textbook on NGO Law in the region and supported the integration of NGO legal issues into the curriculum at the Law School. The Project also supports laws protecting the independence and legal status of the civil society. In June 2005 the 'former Yugoslav Republic of Macedonia in Activity for Civil Society Strengthening Project' started to support civil society to advocate for citizens' interests, build partnerships with the business community and deliver needed social services where the state is absent.

The Swiss Country Programme for the former Yugoslav Republic of Macedonia 2005-

2008 focuses on the need for constructive dialogue between State and Civil Society at the municipal level and supports both CSOs and local authorities to support capacities with regard to an efficient implementation of the decentralisation process. The programme supports civil society initiatives that channel cooperation with the government as well as training and institution building for NGOs and municipalities.

In **FOSIM's Civic Action programme** CSO lobbying and advocacy projects were initiated and supported covering several issues ranging from NGO involvement in government reforms to NGO action. The goal is to support civic participation in policy-making, and to encourage CSOs to become active actors within civil society and in the EU accession process

The International Centre for Not-for-Profit Law (ICNL) initiated the '1% Philanthropy"/Non Governmental Organisation Legislation Project" based on experiences from Hungary, Slovakia, Poland, Romania and Lithuania. This project refers to the legal mechanisms enabling taxpayers to allocate a certain percentage of profit tax (or personal income tax for individual persons) paid the previous year to qualifying beneficiaries. The project was initiated with USAID's participation and funding.

The Civic Platform of the former Yugoslav Republic of Macedonia (CPM) was established on 16th March 2004. The CPM is cross-sector coalition of CSOs that brings the largest CSOs in the country together. The Civic Platform aims at representing the long-term interests of the sector with 31 CSOs as members. The cooperation is mostly focused on campaigning on specific issues or lobbying for a particular law or regulation. Positive examples include the campaign for breast cancer legislation, organisations participating in "Whole is when there is everything" and "Power is in the people".

"The Foundation Open Society Macedonia" (FOSIM) managed the NGO Support Centres in socially and economically deprived areas in the former Yugoslav Republic of Macedonia. Eight of the centres were funded by the EAR and four by the Swiss Development Agency. The project consisted of establishing support centres that offer services to its constituents and donors, including logistics support for CSOs at the local level, capacity building activities, intensive training on a variety of issues, networking and facilitation of meetings. The different support centres often worked as a link between local CSOs and the municipal authorities. The centres have been successful in developing a good relationship with local authorities and to support regional CSO networking. All of these centres were also EU Info points.

With contributions from several donors including the EU, the "Macedonian Centre for International Cooperation" (MCIC) has since 2001 been organising the "NGO Fair-Forum of Civil Society in the former Yugoslav Republic of Macedonia". The aim of this NGO fair is to promote the civil sector, improve its relations to the public and increase the level of communication, coordination and cooperation. In 2007 the Unit for Cooperation with Nongovernmental Organisations took part at this fair. The NGO Fair has three components: forum events, exhibition space and socio-cultural events. The first two fairs were co-financed by the EAR.

The ERSTE Foundation Award for Social Integration is designed to promote and recognise organisations in the public and non-profit sectors that engage people's abilities, capacities, and initiatives for social integration of those on the margins of society. The award is given annually for creative social integration projects that have made valuable impact and difference in the beneficiaries' lives. It is open to the public sector, civil society, private

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¹² CIVICUS Civil Society Index (CCSI) Report for the former Yugoslav Republic of Macedonia, 2005

initiatives, and religious communities as well as to the media.

The **NORMAK PAR Project** (2004 – 2007) was supported by the Kingdom of Norway. The overall objective of one of the components of the project was to strengthen systems and capacity for policy analysis and coordination in the ministries and state administrative bodies by improving the ministries capabilities for cross-sectoral analysis and consulting. The project supported the development of the Policy Development Handbook and offered a number of training programmes on the policy cycle for the staff in the General Secretariat, the ministries and local self-government administration. Civic organisations and foundations were also trained on the policy cycle.

The **Centre for Institutional Development - CIRa**, within the framework of the Civil Society Support Programme CIVICA Mobilitas (2009-2012) funded by the **Swiss Agency for Development and Cooperation (SDC)**, is funding civil society organisations through institutional grants and project grants. The goal of the programme is to contribute to the strengthening of capacity of civil society organisations and their sustainability.

3.8 Lessons learned

The 2009 Country interim evaluation report notes that the precise measurement of the IPA programme performance so far has been compromised by the lack of true measurable indicators at both the impact level of individual projects as well as within the MIPD itself. However, it can be seen that the contribution made by the assistance to the MIPD objectives has been broadly positive.

In general it is important to strengthen public administration capacities at all levels in order to ensure sustainability of the activities and to enhance full ownership by beneficiary institutions through stronger participation in the project cycle. Strong commitment from the various final beneficiaries remains crucial for the overall implementation of the project activities.

Special attention needs to be focused on the definition of results and indicators as these influence the monitoring and evaluation activities which in turn produce recommendations for the programming cycle.

Further strengthening of the management and control systems within the final beneficiaries is needed. Close donor coordination will also be valuable for the successful implementation of the project.

The experience from previous grant schemes for civil society support (EIDHR, IPA 2008, 2009, 2010 etc) is to be used when preparing the specific guidelines and application packages in order to improve and simplify procedures.

The larger and more well-established CSOs should be utilised to promote and transfer knowledge, synthesising accumulated experience into user-friendly instructions.

The EIDHR will continue to have a direct focus on promoting of human rights where of course support to civil society also plays an instrumental role. In particular, a clear distinction should be made between the different and complementary approach of the CSF deconcentrated/national window and the EIDHR.

4. Indicative Budget

		U - IPA assistance 2011-2013 ve for budget appropriations 2013) All Institution Building			Total Co- financing of Project 2011-2013 (indicative)	Total IPA + Co- financing 2011 -2013
	2011	2012	2013	Total 2011-2013		
Call for Proposals	-	500 000	500 000	1 000 000	222 400	222 400
TOTAL	0	500 000	500 000	1 000 000	222 400	1 222 400

5. Indicative Implementation Schedule (periods broken down per quarter)

Contracts	Start of	Signature of	Project	
	Tendering	contract	Completion	
Call for Proposals (IPA 2012)	Q4 2012	Q4 2013	Q4 2016	
Call for Proposals (IPA 2013)	Q4 2013	Q4 2014	Q4 2017	

6. Cross-cutting issues

6.1 Equal Opportunity

Reference will be made to the Government Gender Strategy and the EC Programme of Action for the mainstreaming of gender equality in community development cooperation (2001-06). An output of these activities will be to assist the beneficiary to implement an 'internal gender assessment' to identify areas where it could improve its internal performance vis-à-vis gender. There will be a special focus on ensuring that women are fully included in project activities and benefit from project results.

Since poverty is the result of many forms of gender inequalities (in the workplace and in families) it needs to be tackled across a wide range of areas through the proposed projects. Gender needs will be considered through analysis, from programme design to implementation.

The project will also pay particular attention to the inclusion of people with disabilities in activities and outputs of the grants awarded.

6.2 Environment

The grant schemes will support the involvement of the CSOs in improving sustainable development and livelihoods. The connections between state, civil sector and business sector will ensure the contribution of the individuals in overall development and welfare of the society. The project will not focus directly on environmental protection, however, the

environment will come into play in so far as it has a bearing on people's quality of life. Project beneficiaries will be invited to contribute to addressing environmental issues which have an impact on the disadvantaged areas or livelihoods in general.

6.3 Minorities

The project is expected to have an additional impact on an equal treatment of minorities and vulnerable groups. The detailed preparation of projects will take into account the specific needs of ethnic communities, in particular Roma, who are generally considered to be the most marginalised ethnic group in the country. The activities will include initiatives which meet the needs of ethnic communities and ensure gender equality mechanisms, in particular benefiting women from minority groups.