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AMPEP

FINAL REPORT
INCLUDING
YEAR END REPORT 2007

MAY 31ST, 2008

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INTRODUCTION

The present document is the end report of the Albania Macedonia People's Empowerment Project, AMPEP. As such, its focal aim is to inform the donor, Sida, and other relevant or interested bodies about the activities and results of the project during its final implementing period - January 2006 until April 2008. However, being the end report of a project that had a total lifespan of 7 years (2001 – 2008), this document will also to a limited extent refer to the background of AMPEP as to give some information on the context it came about in and the principles the project and its implementer – PEP International – stand for. Background issues will be mentioned in broad terms and are included only to give a more complete description of the project. For details on all past issues, previous project reports should be consulted.

At the closure of the project, a final workshop was held with the participation of representatives from the Ministry of Local Self Government, Municipal association ZELS and Sida (Sarajevo and Macedonia). The workshop was a part of a review of AMPEP and ALKA, both Sida-financed projects working on rural development in Macedonia, undertaken by independent consultants, Smilevski and Birgergård, recruited by Sida. The report issued following the workshop and the extensive survey of the consultants does provide strong indications of the long term impacts of AMPEP, especially those that are related to the process the project has initiated. This will be analysed and referred to in the present report alongside AMPEP survey findings. AMPEP surveys that were launched some 2 ½ years ago have been conducted in three rounds since were designed to measure process related, long term and more broad reaching results; these will be reported both in the “outcomes” and “sustainability” chapters.

In broad terms the structure of AMPEPs' annual reports has been kept though some changes have been done so that the background and other elements related to the total lifespan of the project are incorporated. This has led to a report structure that is as follows: First there is a description of the project's background, covering the years between 2001 and 2004 where the initial situation the project came alive in is described alongside some important events and findings. The working environment has been given a separate chapter where issues not always directly linked to the project, but nevertheless strongly affecting day-to-day work are described. A problem analysis is then followed by a briefing of AMPEPs' objectives, methods and activities. All are given a separate chapter each and all are focused on the present last part of the project. The outcomes are then analysed in a chapter covering the direct results in relation to the project's objectives, the results linked to the project strategy, while the survey results are also analysed. The transfer of AMPEPs' roles and responsibilities to a Municipality, while being indirectly a result of project activities, is given a separate chapter. This has been a core of the projects exit strategy and is therefore also analysed separately. Gender and environment are too depicted in their own chapter – both were not direct targets of the project but do lie at the core of AMPEPs' principles and the project has had significant impact on these issues. Sustainability of the projects' results on all levels is then argued in a separate section of the report. Finances, monitoring and evaluation and risk analysis are briefed in a separate chapter each and then the final part of the document lists recommendations and thoughts for the future followed by the conclusions. In this last part our aim has been to identify main

difficulties that could be avoided in the future and also give recommendations to possible further interventions. Those conclusions and comments we hope to be of value both for Sida and other organisations who work with similar issues as AMPEP.

1. BACKGROUND

The background of AMPEP is the time period between 2001 and June 2004. Those were the initial years of AMPEP when it was coined as an idea/concept, tested and gradually formulated into a project. Those years have in other reports also been called “the first phase of AMPEP”. From 2005 until the end of the project is the main project period – elsewhere referred to as “AMPEP phase 2”. A brief, schematic outline of the entire ‘AMPEP history’ is given in table 1, while certain explanations and details are provided in the body text of the report. It should be mentioned here that this report does not provide any detailed elaboration on past issues; for such information previous reports should be consulted instead.

Table 1: The development of AMPEP in brief

<i>Time period</i>	<i>Events – developments</i>	
BACKGROUND	2000	Initial project design period, project agreement and preparation.
	2001	First local staffs recruited; Project assessment and inception period with SWOT analyses and mapping general situation; first Project Document; Offices established in Resen, Mac. and Korca, Alb.
	2002	Office moved to Ohrid and increasing staff by one international coordinator (from NRF) in Alb and local staff to: 15 Mak + 12 Alb. The geographical coverage is set to 3 Municipalities in Mac. and 3 Communes in Alb. NRF withdraws as implementing agency.
	2003	PEP international is formed takes over the implementation of AMPEP. New IPC in Alb.
	2004	Independent quality group recruited by Sida evaluates AMPEP. Following the report AMPEP undergoes its main re-design where objectives are re-defined and concretised, the geographical coverage re-evaluated and a full exit strategy planned. Sida grants an initial 6 months to for the project to prove that the changes are implemented. In December, Sida announces changed country strategy for Alb. and AMPEP in Alb. closes.
PRESENT PROJECT FORM	2005	AMPEP runs only in Mac. and moves office to Bitola. The project runs smoothly according to the new PD. A 2 year extension, including phasing out is approved by Sida followed by 5 months for reporting (i.e. Jan. 2006- May 2008).
	2006	The project keeps running smoothly and according to the plan. Increased attention is put on the cooperation with ZELS to achieve the last objective of long-term sustainability.
	2007	Continued smooth running of the project and planned phasing-out activities, including knowledge transfer to Local Governments and further cooperation with ZELS.
	2008 (Jan-May)	Final workshops with the participation of the ALCA project as well. Final reporting time.

1.1. The project idea and strategy setting

AMPEP is a project that started with a strong Sida involvement. Audunn Bjarni Olafsson [having earlier worked in Kosovo and Bosnia] was in late 2000 asked to establish a project that would

- Address ethnic tensions in the region between Albania and Macedonia and improve cross border ethnic communication.
- Support the SAA [Stabilization Association Agreement] that had better functioning LGs as a key aspect.
- Take the IAP [Integrated Area Program] further
- Suggest a strategy to strengthen the democratic process in those two countries.

At this stage there was still no specific project concept other than to focus on and try to ‘soften’-ethnic tensions mainly through getting people to talk to each other. It was also agreed that concentration should be on strengthening local authorities (see Rudeback, 2000) while the vision was to focus directly on citizens at the village level. Three municipalities in Macedonia (Dolneni, Resen and Sopotnica) and three Communes in Albania (Pojan, Liqueñas and Vithquch) became the initial working areas for the project. At this time there was a verbal promise from Sida to provide long-term support to the project that would be developed, indicating 10-year funding support could be counted on. Based on that, initially a working method and concept was elaborated and the basic working principle of self reliance and the ‘3Ps’ – Presence, Patience, Participation were developed. The objectives at that time were fairly broad and included “Changing people’s attitude towards a problem solving oriented approach” and “Contributing to good and democratic governance”.

1.2. Restructuring the project

In early 2004 the project run as described. The lack of concrete objectives for which indicators to measure results could be formulated resulted in difficulties to measure success both within project staff and Sida. Following requests from the project, this led to an external independent evaluation team – the Quality Group (QG) visiting and doing a review of the project in February 2004. The report of the quality group, while highlighting several positive aspects of the project alongside its strong relevance in the Decentralization and Democratization process in Albania and Macedonia, did also have critics. The criticism concerned unclear objectives, too broad a focus, problematic measurement and evaluation system, and lack of a strategy that would ensure long-term sustainability of the project (further details in Birgegård et al, 2004). The Quality Group report and the discussions that followed both within the project and between the project and Sida, alongside new EU Integration oriented Sida country strategies led to a number of important changes for AMPEP. These were planned and decided upon during two workshops in June 2004 where the entire AMPEP force participated, along with a representative from the Albanian Ministry of Local Government and Sida who attended as an observer.

The main changes in the project that were proposed and implemented following the workshops included a re-orientation of AMPEP, consolidation of its concept and modifications of its modes of operation. AMPEP’s tasks and responsibilities were to be transferred to a selected number of communes/municipalities thus securing sustainability and replicability. Hence, the creation of a model [which had

earlier been an aspiration of the project] became explicit; simultaneously, clearly defined program objectives resulted in simplified monitoring, evaluation and reporting procedures. In detail what happened was:

- A clarification of the role of the project: After the reorientation of AMPEP, both the overall development objectives and the direct project objectives were made more specific. The development objective of the project was defined as ‘contributing to good and democratic governance’ and ‘changing people’s attitude towards a problem solving oriented approach’. The concrete project objectives with aimed countable results also significantly clarified the role of the project.
- Narrowing the project focus: The project was defined to clearly work on two distinct levels: the village and the LG, as well as linking the two. Hence, the focus of the project was narrowed with parts as the cross-border fully disappearing.
- Establishing an exit strategy: A concrete exit strategy was drafted making provision for all thinkable situations. The exit strategy was designed to cover both old AMPEP villages (pre-2004) and new (post 2005).
- Structuring a comprehensible M&E system and simplifying reporting procedures. Indicators for each objective were defined which gave AMPEP input to evaluate its results. Aside from the indicators that were decided in 2004, later a broader covering survey has been launched by the project providing further M&E on more over-reaching results of the project. This will be discussed later in the report.

It is interesting to note that following the workshops were the re-design of AMPEP was done, another major change happened to the project, namely the cancellation of Sida support to the project in Albania. This was due to a new Sida strategy that shifted focus towards supporting the central levels of Albanian administration. It was also at this time that until then heavily Sida supported “Korca program” (with Sida supporting numerous NGOs working in the Korca region) came to an end.

1.3. Principles

AMPEP has since its early documentations highlighted the importance of a number of principles in guiding its work.

What throughout the project has remained as core principles are:

- ❖ Democracy: promoting the equal rights of all citizens to public information, in front of the law, to participate in decision making etc.
- ❖ Transparency: Setting a model for and promoting transparent procedures in all decision making, information dissemination, financial documentation etc
- ❖ Usage of local resources: Promoting the usage of local resources, both human and ‘material’. Numerous local problems have been solved within AMPEP through using local capacity and resources.
- ❖ Creative thinking: the most common reaction met in villages when local problems were discussed and questions posed as to the attempts to solve them, the most common answer was that “there is nothing we (the citizens) can do” and solutions were expected from some external. Such and similar attitudes were constantly questioned by AMPEP, while solutions were searched through creative thinking, posing questions etc..
- ❖ Gender equity and Human rights: These are issues even the most developed countries are struggling with. The gender equity was systematically dealt with

through direct demand for equal presentation of men and women at meetings and staff combination.

- ❖ Concern for the Environment: Environmental protection was promoted and highlighted since the beginning of the project. Local projects to receive AMPEP funds, underwent a control for the environmental standards they applied.

1.4. Implementing agencies

PEP International is the present implementer of AMPEP and its Director, Audunn Bjarni Olafsson is the person who was from the beginning assigned by Sida to formulate a project addressing ethnic tensions in the Prespa- Ohrid region as earlier described. PEP is an international organisation founded in Iceland by end of 2002 specifically to take over the implementation of AMPEP. The continuation of the project had been left somewhat in a limbo when its former implementer, Swedish NRF, withdrew by end of 2002 due to disagreements with Sida. The establishment of the new NGO was directly encouraged by Sida and had also in the past received much oral support by Sida representatives. Since then PEP has earned the highest reputation for the professional completion of AMPEP as stated in the evaluation report issued in May 2008. PEP International, with more than 5 years behind it, is now a well known partner organisation of Sida. It successfully overtook the complete obligation of Cross Road International when PMU pulled out of the reconstruction activities in Bosnia by end of 2003. PEP has since then been one of three main implementer of Sida supported reconstruction projects in Bosnia. Following these achievements and the positive results of AMPEP, a new project based on the same tested and successful principles, methods and modes of operation is now also being planned for Bosnia with PEP International as its implementer.

1.5. Location

Following the restructuring of the project after the 2004 workshops, the area covered by AMPEP was expanded to include more communes/ municipalities. As mentioned earlier, the initial location of the project was pre-set by Sida with the selection of the exact municipalities in Macedonia and the broader focus on the Korca region in Albania. From 2005, in Macedonia, the working area covered some 40% of Macedonia's territory and some 20% of the Municipalities. It should be mentioned that keeping a reasonable working distance has been an influencing factor as far as office location is concerned.

1.6. Staff

The origin of staffs was given great importance during the first selection process (in 2001 and 2002) and local staffs were recruited very much based on where they originated from. However, through the course of the implementation other qualifications such as educational level and interests were more important than the origin of local staff members. The size of the field teams was initially three people (two field assistants and one supervisor), which eventually proved to be ineffective and was replaced by teams of two field officers (supervisors were cancelled altogether). Duality was kept because of transparency and it showed to be much more effective working in pairs rather than one by one.

During 2007 staff numbers had already been decreased since AMPEP was in its phasing out stage. Hence, the organisation had the following staff positions:

<i>Title</i>	<i>Abbreviation</i>	<i>Name</i>	<i>Work time</i>	<i>Comments</i>
International Project Manager	IPC	Audunn Bjarni Olafsson	100%	Until end of project
National project co-ordinator	NPC	Liljana Tanevska	100%	Until end of project
Administration and finance	FAO	Ana Smakoska	100%	Until end of project
Human Resource Manager	HRM	Goran Stoev	100%	until January 2008
Field officer	FO	Marija Tatarin M	100%	until October 2007
Field officer	FO	Slagana Urdarevik	100%	until October 2007
House keeper		Jasmina Kotevska Sjefica	100%	Until end of project

2. WORKING ENVIRONMENT – EXTERNAL INFLUENCES

In the post 2005 AMPEP reports, external influences on the project have been described. Here, the conditions the project has had to deal with since its establishment will briefly be mentioned followed by a description of the external influences during the last implementation period.

In 2000 - 2001, when AMPEP was being formulated, both Albania and Macedonia were moving from a centralised bureaucratic system to a free market economy. This change is a lengthy and complicated process, often with hasty developments. Implications for AMPEP and not only has been several and we feel some should here be mentioned so as not to forget the general setting and conditions that were faced. For AMPEP, some of the main difficulties faced were related to:

Unclear role of the Municipalities/ Communes

The Stability Association Agreement [SAA] clearly meant definite external demands on both Macedonia and Albania. On the regional and municipal level, however, where AMPEP worked, the SAA seemed very confusing and interpretations for various partners varied greatly. Nobody seemed to know exactly what was expected of the local authorities- they knew changes had to be done but not exactly what changes. The decentralisation context seemed only to make things worse: When AMPEP started, a draft decentralisation strategy existed in Albania while in Macedonia it took another year to produce one. The decentralization process was central to AMPEP and the work that was done on the Local Government level in both countries. Especially since being in its initial stages, the process had several implications that impinged on the project such as high but unclear expectations (decentralization process seen as a ‘a fix’ that would make everything be fine mostly meaning there would be enough money for the Communes/ Municipalities to do what they needed/ pleased). The territorial division that was conducted as part decentralisation process in Macedonia was a

centralised decision that also had implications for AMPEP. The Municipalities were not at all included in discussions and decisions relating to the territorial division – just to mention one problematic aspect. In table 2 an outline of the decentralization process in Macedonia is presented to illustrate the complex procedures that have been ongoing.

Even at present [2007-2008] there is the tendency at the Central Governmental level to glorify the decentralisation process as highly successful. This report can not support that opinion for the simple reason that the local administrators who are supposed to be affected by this success are unable to verify it. On the other hand there is growing concern that the process is marked by contradicting spontaneous decisions which are difficult to follow let alone to understand and the communication gap has widen if anything between the central and local governments. *Ref: Minutes from Administration Meetings in Bitola*

Table 2: Outline of the decentralization process in Macedonia

Year	Macedonian Governmental Actions in relations to decentralization		
1995	First Macedonian law on LSG		
1996	Territorial division law	124 municipalities	
1997	Ratification European Charter on LSG		
1999	Established Ministry of LSG	Strategy for PA reform	
2001	Ohrid framework Agreement	Peaceful and political solution to conflicts	New decentralization principles presented
2002	New law on LSG		
2003	Draft law for financing LSG	1st detailed plan for transfer of competences	
2004	Law for financing LSG	Law for territorial division 84 LSG + City of Skopje	Strategic papers on implementation of decentralization
2005	Law on LSG elections	Detailed plan for transfer of competences	Adopting related laws concerning competences
2006	Drafting law for regional development	Integrating decentralization into legal system	
2007	Revision of decentralization Process	Start of fiscal decentralization	

Corruption

Corruption was widespread in many aspects of Municipal/ Commune life during the initial project days, a situation that has improved somewhat since then. There was no voluntary dissemination of information to the citizens, local elections were not transparent, most LG staff were recruited based on political/ party criteria etc. This very much affected the day to day work, both in matters directly linked to the project, and other more irrelevant but nevertheless influencing daily work reality. Naturally, corruption at the LG level also brought with it a deep-rooted lack of trust towards institutions amongst the citizens.

A hindrance to apply participatory methods and lack of trust

Utilization of participatory methods and achieving an inclusion of all citizens in problem solving activities lied at the core of AMPEP's working methods. Inclusion of citizens was viewed by people in the villages as something old and known, which had been widely practiced in the past. There was a widespread and deep rooted lack of trust even between close family members (notably in Albania) and citizens showed no willingness to go back to inclusive practices at all¹. In sum, though there was a difference in the attitude and resistance towards the inclusion of citizens, difficulties faced in the two countries were equal and were gradually overcome during the first 3 years of the project. By the end of 2003-mid 2004, trust had been built up in the field in both countries and there was a notable shift in attitudes when the project was repeatedly contacted by local partners seeking cooperation. It needs to be stressed that the importance of this trust is noted in the results of the project at the end of it. In the review of the project in March 2008, the importance of trust is much analysed and credit given to AMPEP for its success on this issue while its importance for the sustainability is highlighted.

Municipal cooperation

The aspect of Municipal or Commune cooperation –most commonly known in the form of associations– is here discussed since it was of particular importance for AMPEP and the sustainability of the project. Simultaneously, it was an external parameter seriously impacting the project's working environment since that consisted of communes and municipalities.

Though the issue of having a local body that would embrace and eventually take over the 'AMPEP concept' thus safeguarding long-term sustainability had been part of discussions within AMPEP since the early days, it was not until the 2004 workshops that it became a direct target. Earlier, contacts with ZELS in Macedonia had been attempted and an initiative of establishing a regional commune association in Korca had been strongly supported by AMPEP. ZELS, today's Municipal Association in Macedonia, was originally a Mayor's Association. The first attempt of AMPEP to build up contacts with ZELS in 2002 did not then bear many results. At the time no clear description of ZELS could be given by Mayors-members nor did any kind of a clear 'setup' exist through which cooperation could be pursued. It was only post 2004 that ZELS started assembling a 'proper' association, which was also the time when a direct cooperation between AMPEP and ZELS was established. This, however, does not mean that the role of

¹ For further notes on the situation in the early days, consult early AMPEP reports (2000-2003) but also independent Sida/ consultancy reports such as the one by Karin Rudebeck on Albania (13 June 2000) and the Arne Svensson report on Macedonia (2000-02-14)

ZELS is yet to this day well defined: Its budget is still dependent on State donors alongside a heavy UNDP assistance. Of course ZELS is supposed to be the representative of the Municipalities, but insufficient funding comes from them, therefore the power structures could be greatly questioned. In the project's opinion, it remains unclear whom ZELS stands for when in practice they seem to function more as State than Municipal representatives. It was planned for an Advisory body within ZELS to be formed to take over the AMPEP concept so as to be able to replicate it elsewhere. This plan did not materialise due to lack of capacity within ZELS. The executive bodies of ZELS welcomed the idea to integrate the body within its training commission or commission for rural issues. However, the board of ZELS was occupied with the municipal debts and other policy issues, and missed the opportunity to use the capacity AMPEP built within the frame of ZELS. Following three months of struggle on behalf of AMPEP for the advisory body's setup, the decision was made to get municipal administrators involved instead in order to define what will be the best way to disseminate the practice and methodology to other municipalities. It was through discussions and a strong involvement of the administrators that the idea to put the AMPEP methodology, practices etc in a handbook was coined. An idea that has proved itself as being the best possible way to safeguard long term sustainability of the project and its process as will be analysed further in the chapter on sustainability. The handbook has been written and is already being used.

Shortcomings at the Local Government level

Several shortcomings at the Local Governmental level have been noted since the projects early days. These have been reported on repeatedly. Unfortunately, during these last stages of the project, earlier concerns of the manifested themselves as equally valid as before. Notably:

- The municipal association lacks both professional and financial capacity to provide basic training and guidance.
- Municipal administration workers often lack both skills and experience.
- Strategic planning and planning in general is very poor.
- Rural municipalities do not have simple development plans.
- There is no systematic information collection, such as an electronic data base, surveys etc.
- No experience to handle demands from citizens.
- Very little inter municipal coordination or cooperation, for instance for the collection of garbage
- There is a very poor understanding on what is their revenue base (dispute on % rather than content or base)

Elections and Politics

Ministerial changes and elections have also been hard on the project several times. Since AMPEP has been working with Local Governments, activities linked directly to the Municipalities (and the Communes in Albania when the project was active there) did at times come to a standstill during election periods. Relation to the Ministry of Local Self Governments has not been problem free neither when several Ministers have changed (and alongside them often most of the ministry staff) meaning the project then had to undergo a new period of establishing cooperation with the new staff. This was also the case during its last year of

implementation when AMPEP faced yet another ministerial change after a year of well established cooperation with the previous one.

3. PROBLEM ANALYSIS

The project as such is now coming to its end and therefore the problem analyses are focused on mainly two issues; the problems left behind for the local communities and project exit related.

According to the comments made by the administration representatives from the 8 municipalities involved in the project post 2005 a growing concern is how they are going to handle their new tasks in the future. The fact that the fiscal decentralisation is slow and apparently insufficient will result in poor service delivery by the LG and thus hamper potential growth for the local government. In spite of advertising campaigns aimed at foreign investors the local governments are concerned about how to create the necessary environment in support for even self supporting production like agriculture. *“We are getting support to do things we don’t even recognise we need while we don’t get any for those things we desperately need”*, one public administrator claimed. The bottom line is that the local governments and local government association are weak, divided and unfocused. The central ministries holds on to their powers and in some cases damage the decentralization process. This is mostly a communication problem and left unattended could jeopardise the whole decentralisation process. As there is too little time for AMPEP to tackle these issues by any meaningful interventions they are only presented here for Sida and the Swedish Embassy to consider.

The closing down of the project went reasonably smoothly. The delayed final workshop had some minor side effects as staff had been released and many taken up new jobs. Unclear indications on who would cover the cost for the workshops resulted in an in-formal agreement with Sida Skopje that the project could cover cost related to the meetings and workshops even after end of March. There is yet another dimension related to the closing of a long established project, the bureaucracy around the de-registration processes. This highly affects the possibility to close down financial matters within reasonable time frame as in some cases it takes months to receive bills and final calculation for cost related issues. The sale of the two vehicles remaining with the project was more problematic than predicted; no offers were received in Macedonia in spite of repeated advertisements in national media. The only offers received came from Croatian and Albania and both vehicles were finally sold there at 5.000 € each. There is a clear possibility that assets cannot be sold and any instruction on how to handle such cases is needed. The project believes it was a wrong decision not to grant the organisation a no-cost extension to complete the project in a bit more relaxed atmosphere.

4. OBJECTIVES

The objectives that will be analysed and accounted for in the ‘activity reporting’ of the present document are the AMPEP objectives described in the 2006-2008 Project Document and its amendment, namely:

Development objectives:

- Recognition that collective action and utilisation of local resources is a means to improve living conditions at village level and as such highly relevant and supportive to the decentralisation process.
- LG institutions are responsive and accountable to their constituencies.

Immediate objectives:

- 1) Villagers in 18 villages are solving at least one problem of a public service or public goods nature before October 2007
- 2) Village councils in those 18 villages lead the process of solving problems as defined in objective number one.
- 3) Through joint activities with the LG the capacity and the capability of the villages to make claims and access resources are increased.²
- 4) Local Self Governments in 6 Municipalities are demonstrating their capability to adopt AMPEP role, task and mode of operation by completing on their own the project cycle in 18 villages. This includes supporting financially these projects and through **their advisory body** disseminating the good practice to the other LG”

Further, however, in the chapter on outcomes/ results of this report reference will be made to AMPEP’s impact in relation to its principles, described earlier.

It should also be mentioned that the issues of a)transfer of AMPEPs’ responsibilities to selected municipality and b)sustainability will given a different chapter each as has been done during the projects annual reporting post 2005.\

5. METHODS

The methods utilised by the project to reach its goals have been modified in the course of years, however, they have at all times been true to the participatory and grass roots oriented approach of the project. Participatory Development usually uses tools as the Basic Needs Approach (BNA) and Participatory Rural Appraisal (PRA). Though this terminology has never been explicitly used by AMPEP, it is in reality what has taken place. For instance, the PRA method is by Chambers (1997) described as the work when outsiders do not lecture, they facilitate; outsiders listen, and learn and do not transfer technology, instead they share methods local people can utilise for their own planning, action, analysis, evaluation etc. All in all, outsiders do not impose their reality instead they encourage and enable local people to express their own, which successfully sums up what on the broader, general level, AMPEP has tried to achieve in all stages of its work. In the early project days, the strategy was planned much through open meeting in villages and joint discussions where including citizens was seen as a focal point, learning by doing was widely practiced and examples from others [villages, LGs etc] were often used to demonstrate how a certain problem might be approached.

Open village meetings, openly announced, SWOT analysis, project cycle management training are some of the methods used extensively by the project, all of which have been analysed and discussed in earlier reporting.

² The joint activity and dialog will ensure the accountability of the LG and the understanding among the villages that responsiveness is not always financial but also by increased transparency and involvement.

6. ACTIVITIES REF: ANNEX 3; ACTIVITY SUMMARY

Previous yearly reports have documented activities per each year, thus basically only the main activities since 2007 will be listed here. Note that activities related to the transfer of AMPEP's role and responsibilities to a municipality are listed in chapter 9.

6.1. Selection of co-operating partners

The primary selection process for partner villages started through a Desk study and the official information from the 2002 Census was used as a reference. The general criteria for selection of the villages through desk study were:

- To be located in rural areas
- No more that 2 hours driving distance from AMPEP office
- Road conditions that permit year round access
- A total population of no less than 100 inhabitants
- No less than 30% of the population in the range 18-65 years
- Low migration rate

The preliminary desk study was followed by a field visit to verify the results from the desk study with the reality. Meetings were scheduled with the village councils of each village who were asked to prepare a simple list of residents by families.

The additional selection criteria at this stage were:

- Number of actual permanent residents in the village does not drastically vary from the census data, verified through speaking with randomly selected residents in the village not associated with the village council;
- Functioning village council, measured through the capacity of the VC to attend the meeting as scheduled, and to provide basic information about the village (the resident list).

The next and final step in the selection process was to carry out questionnaires in these villages by a random selection of people. The questionnaires mapped the present and previous activity of the village, of the village council, of the municipal activity in the village, as well as the attitude of the residents towards democracy, transparency, environment, and gender.

6.2. Capacity building at village level

The supportive and facilitating role by the project guides the villages in few formal steps. This has proved to be very simple, efficient and democratic process with full inclusion of the VC.

- *Open Villages Meetings following formal invitation to everyone in the villages to attend these meetings*

A basic element was to introduce the principles of transparency and inclusion of all citizens from the beginning. Open villages meetings and display boards were the main tools to adopt these principles. The VC was introduced to standard meeting techniques and how to keep minutes.

- *Simplified SWOT analysis as a tool to identify problems and find solutions to it*

The simplified and adapted model for SWOT analysis in the villages puts less

focus on the academic mathematics but more on the citizens chance to discuss village problems/issues, and determine the priorities and prepare Action Plans accordingly. This is not only done to support the villages' participation in the program, but also to give them a tool to follow-up on all their future activities. SWOT is a step that promotes democracy as one of the main principles of AMPEP. It's a first step where democratic decision making is promoted among villages. The recognition of available resources is also a crucial part of SWOT, in particular during the prioritisation phase.

- *Basic Project Cycle Management with emphasis on preparation of project proposals and implementation plans (VC and selected villagers).*

Project Cycle Management (PCM) training is designed to increase the capacity of each village to structure their own project ideas into professionally developed project proposals. All phases of PCM are explored during the planned workshops-program; planning, identification, formulation, financing, implementation and evaluation. Villagers get information and knowledge on the basic elements of a project-proposals; problem definition, project objectives, target group, activities, project time-frame, expected results, monitoring and evaluation. Emphasis is made on possible risks, project sustainability and the budget. PCM training was provided for VC members and additionally for people from the villages who were interested to participate.

- *Legal rights, LG legislation, regulatory framework affecting villagers, structure and functioning (who does what), resources etc.*

This training is specially designed to support the processes of decentralization and to introduce the concept idea for the citizens that they can file claims on their authorities and should also do so where applicable. These workshops were divided into three parts and are commonly known as CBMC (Capacity building making claims).

The first workshop focuses on community organisation and development and gender and environmental issues. It covers the responsibilities of LG and Macedonian legal framework concerning gender equality and environment. These workshops were made before the SWOT analyses, in order for the VC to better prepare concerning; importance of community participation and organisation, gender and environmental awareness.

Concretely, the following topics were developed in the training module;

- What is community organizing?
- Principles of community organizing.
- Defining an action strategy.
- Equal participation of women in decision making process
- Environmental protection

The second workshop focused on the new LG and VC responsibilities and relations, formal requests and status of the VCs and their responsibilities. It focuses on strengthening villages' knowledge and understanding of formalities. It emphasised on the benefits of getting organized in addressing their needs by demonstrating active citizenship and working together with the institutions that deal with relevant issues.

Written material and formats were prepared and distributed to the villagers on practical issues such as archiving, writing claims/requests, preparing invitations and taking minutes on their activities. This material is not only relevant in preparation of the project proposal, but also in all their future activities. This workshop was made after the SWOT so that ideas coming from the action plans and potential project proposals could be addressed to the relevant departments.

The training module covered the following topics:

- Roles and responsibilities of the local self-governments.
- Village Council-roles and responsibilities.
- Participation of the citizens in decision making in the municipality.

The third workshop focuses on the decentralisation process and its developments. The need for this session was identified through the AMPEP survey findings and interest of the partner LG. This workshop also attempts to get more of the administrative people on board in order to clarify the decentralisation process and their responsibilities within it. The main focus is though put on public participation of the citizens.

This workshop covers the following topics:

- Decentralisation process and its developments
- Public participation in decision making processes
- Fiscal decentralisation developments

6.3. Capacity building at municipal level

The capacity building at LG level has directly focused on the administrators who are assigned for the task of local development. The training was basically on-field / on-job oriented. It is very important to note that the LG authorities assigned the administrators to work with AMPEP accepting the cost related to their jobs. The administration representatives that have been working with AMPEP have committed themselves to continue capacity building at municipal level. The handbook they have written and published on the AMPEP methodology is already being used for this purpose. The authors of the handbook have reported that they have already been invited by other colleagues for explanations and meetings concerning the continuation of municipal capacity building.

The basis of the capacity building for the administrators included:

- *Understanding and adopting strategic planning*

The core of this part was to train the administrator in how to achieve a long term effects. How does our action today affect our conditions in the future?

- *Accepting the role to identify, mobilize and handle local resources*

By being directly engaged in the discussions at village level the administrators found themselves able to constructively make use of local resources.

- *Providing facilitation through encouraging collective efforts*

This was basically the results of presenting direct meeting techniques, improving presentations skills and simplifying procedures.

- *Project cycle management, budgeting and financing projects*

Although with limited financial capacity the process involved in the implementation of AMPEP supported project gave good insight into how to plan, prepare and finance projects at village level.

- *Local development as joint effort*

The bottom line of the training at the LG level was to provide examples of simple projects where all involved joined forces in finding the most suitable solution.

6.4. Capacity building for AMPEP staff members

Staff capacity has been one of the main focus for the project. Although the use of external expertise was restricted by the donor the Internet proved to be a source of information and provided the basic tools for the training. Apart from constant improvement in presentation and communication skills the main target was to encourage critical and creative thinking into everyday work. On municipal issues the legal framework and job related regulations were studied at length and the Office for Public Management in UK was contacted and a permission to use the "Good governance standards" was gladly granted by them. To some extent the Sida training programs in Sweden were utilised as one staff member attended gender training there. The problem with training programs provided abroad is that they are time consuming and the timing does not always suit the need of a project. The timing is a crucial issue on a project like AMPEP, to be able to provide the training just in time makes all the difference. Local experts like DETRA who provided the SWOT training are also important as they have also local insight into each issue

6.5. Resource contribution to village level projects

The resource contribution to village level project was a constant debate within the project and its partners until 2004. The demand for high financial support to villages was commonly understood as a dire need for infrastructure improvements or improvements of the living conditions of the citizens. In AMPEP case solving an infrastructure project has been argued as irrelevant as the project never had the intention on that. From the beginning the focus was on a process that would strengthen the democratisation within the country. At the beginning of AMPEP the need for financial support was though recognised and the introduction of an IDF (Initiative Development Fund) was formulated based on the Sida funded IFD project implemented by SNV in Albania. This fund made available on competitive bases 15.000 € grants per project that could extend up to double or triple that amount per villages. Similarly the ALKA project financed by Sida in Macedonia provided financial support that could extend well beyond 30.000 € per village. During the Quality Group workshop late 2004 this support was highly criticised by AMPEP and the solution to reduce the grant to 5.000 € per village against direct financial contribution by citizens was introduced. As reported now by Birgegard in the evaluation of the project this decision proved to be one the most important to secure the sustainability of the process.

6.6. Surveys

The project established an effective evaluation tool to measure the broader influence of project activities. A detailed survey has been carried out that targets the partner villages and for comparison villages outside the project. The same survey was carried out 3 times in the targeted sample; in villages during the selection stage, during implementation and 1 year after completion. The survey results will be discussed later in this report while more details are given in ANNEX 2; - Comparison surveys 2006 – 2007.

The survey is based on direct interviews following a questionnaire that targets³:

1. VC activities,
2. Decentralisation,
3. Resources,
4. Environmental awareness
5. Gender awareness

Results of the survey are presented in the next part of the report.

7. OUTCOMES – RESULTS AND DISCUSSION/ ANALYSIS

AMPEP has had both many and very varied outcomes. On the one hand, there are the countable results related to the projects immediate objectives. A summary of these is given in Annex 4. It can here briefly be mentioned that during its background period, AMPEP targeted a total of 6 LGs (3 in Macedonia, 3 in Albania) where some 47 projects were supported financially. They totally received over 385.000 € from the project and had a total value of over 770.000 € Post 2005, AMPEP was active in totally 11 LGs, had 69 projects completed that had a total value of 416.885 € out of which the project contributed with 281.058 €. Further details are provided in the Annex, where statistics are also given on the number of meetings held, SWOT analysis conducted, claims made etc.

Before continuing the analysis of the outcomes, it should be emphasised that in general AMPEP has favoured the process over the physical outcome, a fact that has been clear from the very start of the project. This means that even though the implementation of projects in the villages have been an integral part of AMPEP, it is the process leading to the project implementation that has been seen as the most important cause of AMPEP. That process has included the capacity to make claims, training in project cycle management issues but also issues related to decentralisation and the roles and responsibilities of all concerned bodies etc. Training has further been given to 11 representatives from 6 Municipalities; these have following structured and written a handbook on the AMPEP methodology, something that is seen as a very important achievement of the project - a handbook written by those who will use it, not external experts.

The analysis that will follow will be structured according to the outcomes AMPEP had in relation to: a) the project objectives for the period 2007-end of the project, b) the project strategy for the same period and c) outcomes of the AMPEP surveys. The final category refers to the findings of the AMPEP surveys that were carried out 3 times over the last 2 ½ years as earlier described. These findings do both refer to broader criteria with no direct linkage to the project such as poverty and education, but also to issues as decentralization, VC activities and decentralization all of which AMPEP activities were linked to and have proved to have had an impact on. This latter category will be referred to as survey results.

³ Prior to the survey the questionnaire was presented to ZELS for comments or amendments especially the part on the decentralisation process and VC activities. The questions on environmental awareness were evaluated as very relevant by the Ministry of environment and physical planning. Gender questions were consulted with Virginia Lemback.

7.1. Project objectives outcomes

As previous reports have detailed direct objective outcomes per each year and 2007 was not, as planned, a year when projects would be supported financially in the villages, hence there will here be no reporting on such projects [past AMPEP reports should be consulted for that].

The project has met all planned **objectives for this period [2006 – April 2008]** as follows:

1. ***The role, tasks and mode of operation of AMPEP is transferred to all selected LG.***

One of the core achievements of AMPEP is related to this objective. During its last phase the project engaged 11 representatives from 6 Municipalities in training [both seminars and on-the-job] in the application of AMPEP methodology. Those representatives did then structure a comprehensive handbook on the methodology which serves also as a guide for improved communication among Local Self Government and citizens. The guide is already published and in use and its authors has delivered it to other municipal colleagues and to Village councils.

- **Administrative response:** Administrators in the local governance, engaged in AMPEP communicate regularly with their citizens.
- **Financial response:** All municipalities have integrated provisions into their budgets for joint activities with the Village Councils. Several are also practicing the AMPEP methodology for disbursement of the funds.
- **Formation of the Advisory body:** As has been earlier mentioned the advisory body within ZELS was never formed, due to a lack of capacities within ZELS. However, this has in no way jeopardized sustainability of the project process which is safeguarded by the handbook that the municipal administrators have written and put into use.

7.2. Project strategy outcomes

The project strategy outcomes are results closely related to AMPEP's own principles:

Value based principles

Gender equity must be pursued: Gender issues will be discussed in a separate chapter. It can here be mentioned that a visible difference is now noticed in the attitude towards gender equity issues.

Community based activities are undertaken on democratic principles: All partner villages continue to openly invite people for public meetings and activities.

Open dialog and involvement of all partners to ensure transparency: The direct participation established by AMPEP continues to ensure the flow of information between all partners. Display boards left by AMPEP are still being used to publish information on all issues related to activities. Even budget information from the LG is now available as well as project finances.

Social and economic equity is reflected in project design: This is a bit too early to report on as only a few projects are in the planning stage. However, all the information collected so far support that this principle is kept by the Local Administration.

A community development approach

It is clearly verified that the partners at local level have adopted this principle as the projects suggested in villages have all common and public improvements as their main agenda.

The project cycle at village level transferred to the LG level

The main strategy to build the recognition and awareness of the Village Councils that full and un-discriminating inclusion of all citizens produces positive results is holding. With only one year follow up on how the LG administrators have adopted the working methods of AMPEP it might be a little too soon to generalise on this issues. But all partner LG who committed themselves last year to follow the process and come up with adequate financial resources for 2007 have done so.

7.3. AMPEP Survey Results

Here we will report on findings of the AMPEP surveys. The findings are not all directly related to AMPEP. On the contrary, several of the issues do rather give a description of general living conditions on the field, which we do though consider relevant for the donor to know. AMPEP's influence on the issues is commented on when appropriate. For better analysis of survey findings and a comparison to previous years please consult Annex 2.

Poverty status in the area of AMPEP

The poverty level of 2007 in the area surveys were even higher than the previous year [almost 59% in 2007 compared to 53% in 2006] where the definition of poverty is the population with an income of less than 50 €per month (less than 1,3 US\$ per day). Only 17 % of the population have an income exceeding 100 €per month while 85 % live with less than 100 €per month. In total 11 % are living from self sufficiency, mainly agriculture. There is a small decrease in unemployment as 49% claimed to be unemployed in 2006 compared to 46 % in December 2007. There is a contradiction possibility within the figures for employment and poverty. It has been noted that people tend to hide their real income specially when the fiscal policy in Macedonia changed and is stricter than in the previous year.

Taking into consideration the figures, at village level the poorest are those that survive exclusively on agricultural income. This fact relates to the definition of *the traditional poor*⁴ in Macedonia. Rural, agricultural households have among the highest *percentage* of poverty in the country. Usually, these households are larger in size and are characterized by the very low education status of household heads, particularly, of female household members which in AMPEP survey are 18% of the interviewees.

AMPEPs' impact on poverty alleviation is hard to estimate. The resent review of the project by Smilevski and Birgergård notes that in the areas covered by the project all were included, thus there was a fair stream of benefits to all within the

⁴ *The group of traditional poor consists of rural agricultural households with more than three children, the group which formed the majority of the poor in the period before transition.*

societies. In the same report it is noted that there was never a policy demand on the project [neither from Sida nor the Macedonian government] to target policy alleviation, which is true, while it is mentioned that should there have been such a demand perhaps more could have been done in the selection of partner LGs. On this latest remark, the project would like to note that in the background phase, one remote and poor LG in each country [Dolneni in Macedonia and Vithkuq in Albania] was targeted. During the redesign of the project, such LGs were however cancelled and not re-chosen since the donor explicitly demanded quick and measurable results and thought that working in such areas was inefficient.

The education level

In 2007 10% of the population continues secondary education after finishing the primary school. Only 44% claim to have any secondary education and 10% higher education.

VC activities

There is a clear indication of the positive impact AMPEP has had in relation to the VC function and role in 2007, as had been the case in the past. In the beginning of the project the VC was considered bureaucratic body acting on behalf of the authorities rather than a village support body. The statistic now shows that the work of VC had improved significantly with the December 2007 survey indicating that 74% of the people are invited for meetings organised by the VC; of those, 68 % attended the meetings. This is an enormous increase since 2005 when the corresponding figures were 33% and 12%. On transparency issues, 80% are informed about decisions made by the VC compared to 59% at the beginning of the process. Most importantly, 81% of the interviewed confirmed that VC was leading the process during the yearly activities, a percentage that remains very high [in 2006, when AMPEP supported projects were being implemented, it was 94 %]. There is a small decrease in believes (trust) that VC works in the best interest of the citizens as 89% said so in 2006 compared to a little over 81% in 2007. A slight increase is seen related to the LG representative visits to the villages: 48% said the LG did visit their village at the beginning of the process and 58% in December 2007. On the question if people had seen the LG budget only 1% answered positively in the beginning, which has increased to 5% now. Another very positive result is related to making claims – an issue that has always been at the core of AMPEP. To the question “has the VC submitted a formal request to the LG” almost 60% answer positively by the end of the project compared to less than 25% before.

Decentralisation

An interesting shift has been recorded concerning the belief that decentralisation will bring decision making closer to the citizens as it dropped down to 44% in the latest survey compared to the peak 67% noted in the end of 2006. Concerning taxation matters, people’s knowledge on how much they should pay to municipalities has improved. Now 30% compared to previous 60% know that they will not pay more than they used to pay.

The knowledge about municipal functions has increased by 25% that feel informed about municipal responsibilities. Again, the positive impact AMPEP has had in relation to decentralisation can be easily seen in the figures here presented.

Resources

There is resource recognition and usage. The attitude towards local resources has positively changed by 32% during the years. On the issues of having access to skilled people, now 85% think they do compared to 54% at the beginning in 2005. Over 75% this year said to have participated with casual labour in village projects, which is very positive since AMPEP did not have monetary supported village projects this year. 75% say they have contributed in cash to a project, which again is a very positive indicator since there were no projects that requested money contributions from AMPEP this year. Both of these are also very strong indicators for the sustainability of the project process – which obviously keeps running even though AMPEP activities have seized. Last year 87% stated they contributed with money while at the very beginning of the project only 45% answered positively to the same question which clearly shows that AMPEP has resulted in an impressive change related to the collection of cash as that number has doubled. This indicates that in spite of their poverty status people are willing to invest in the public goods for their communities. There is further a strong indication that the municipality is seen as a good source of support for solving problems in the villages as 64% identified the LG as a source for support in December 2007 compared to 58% in 2005.

8. TRANSFERING ROLE AND TASKS OF AMPEP TO MUNICIPALITY

AMPEPs' exit strategy was focused on the task to transfer the role and responsibilities of the project to municipalities. The transfer started as planned with capacity building activities for the targeted LG administration throughout 2006. Administrators were planned to participate in the creation of and later the work of the advisory body that was supposed to be established during 2007 within the ZELS structure. The potential LG partners for this complex task were selected from the involved ones in 2006. The active cooperation continued according to the MoU all partner LG signed with AMPEP. The coverage of the Pelagonija region and the extended coverage in the Southwest region remained. The final number of municipalities involved in the process was seven with their nine LG administrators.

Due to the lack of capacity within ZELS the advisory board was not formed and established in 2007, as has been described, instead municipal administrators were involved and wrote the AMPEP handbook. The municipal administrators followed the project on the job (and not through trainings only) for an entire year. Additionally, a series of 6 workshops were held where the guide was structured. AMPEP methodology is in the guide/ handbook explained and adjusted according to the specific characteristics of each municipality. In the guide directions are given for the municipalities on how to improve communication with their citizens, how to involve them into decision making, how to guide them etc.

Capacity building for overtaking the role and tasks of AMPEP

The process of the capacity building on the field was finished during 2006. However, there were seven workshops organised where the capacity building continued, only this time participants were sharing experiences and practices in order to integrate the methodology in their everyday work and adjust the AMPEP

methodology to what suited each of their individual municipalities/ villages. The workshops were structured as follows:

- Introductory Meetings with Village Councils (CBMC 1 Organization of communities)
- Signing MoU with Village Councils
- Open Village Meetings
- SWOT training
- SWOT in the villages
- Project cycle management in villages
- Capacity building making claims (all sessions integrated into one)

Following these workshops, the guide was written.

9. GENDER AND ENVIRONMENT

Gender Equity

Working reality when AMPEP started full scale activities in 2002 was that women were excluded from almost any activity in the villages where AMPEP was involved. The situation was more or less the same in all working areas, except perhaps the commune of Liqueas in Albania that had a strong and very active women's association. From 2003, and partially due to Sida's stronger gender focus, AMPEP adopted a gender strategy that made it a pre-condition to have women present at meetings, for women to be part of AMPEP funded projects while in the project description, the applicants also needed to describe how the particular project would contribute to gender equity. Having female staff members in almost all village teams was also an effective gender-equity improving measure while it should also be noted that AMPEP staff were trained (through Sida seminars) in gender mainstreaming.

The impacts of the project in relation to gender are clearly shown through the surveys. Impressive improvements in relation to gender issues are there noted. Of the main achievements is the elimination [to 0%] of those who would not vote for female member in the VC. Now, 66% state that men and women are equally involved at village meetings. Those who say that women participate in village meetings are 40% while 45% claim that women participate in decision making - a percentage that was almost 0% when the project started. Now, 11% claim to have female member in VC compared to not a single woman in 2005.

AMPEP POs and involvement of men and women

Project level

AMPEP has addressed women and men equally at all project levels. Two studies were made during the year in all partner villages on women's quantitative and qualitative participation. AMPEP research team insisted on the adequate representation of women included in those studies - 18% of the interviewed were women. It is very difficult to reach women in the villages, so the team was often going to their houses, inviting them individually. The men often commented that the women are not included in the village development as they are not interested, they should stay at home, take care of the household, etc. But the fact is that given the chance, women do participate and contribute at times to a greater level than the men do.

Village level

After completing two surveys in the same villages, where an average 18 % of the interviewed were women, the conclusion is: Almost 70 % of the interviewed answer now that men and women are equally invited to the village meetings compared to 79 % in 2006. The decrease is due to the lack of the continuous involvement of women throughout the year in the activities where the women presence is required by someone like it was with AMPEP. However the figure has increased since the poor statistic from 2005 when it was only 49%. Over 90% state that they would vote for a female candidate in the VC in their village. Sadly enough this is not currently reflected in VC composition since only 12% have a female member within the VC.

Environmental considerations

The environmental situation in the villages seems to be worsening in spite of the slight increase of those who claim to have received directions for environmental protection. Still the majority claims to use drinking water from own well but the concern for quality has drastically increased, which is definitely the result of 6 implemented water related projects in the villages, as 59% claim that the water is now tested for pollution compared with 12% in the beginning. Otherwise solid waste problems remain and even increase; 77% claim that there is no regular collection of garbage which has improved since the last year when the figure was 94%. 91% are not connected to a closed sewage system, which remains the same as in the previous year. Still 85% of the population claims to have environmental problems in the villages, which might be a challenge for LG planning departments to pay more attention to in the future.

What AMPEP has done

Awareness raising activities have secured that LG administration are prepared and have put suggestions in the guide on how to tackle environmental issues. The focus is put on learning to see and understand the nature of environmental problems and to realise that activities without an environmental focus may have environmental implications. Specific issues concerning processes and procedures like EIA are integrated in the last part of the guide. This is important as the LG and VC representatives are informed that environmental issues are part of the communication with the LG and that both sides have their own roles and responsibilities. The task has therefore been not to compel villagers and LG administration to make an EIA irrespective of the nature of their projects but to develop an awareness that permit them to assess when environmental implications can be expected, a task AMPEP has carried out successfully.

10. SUSTAINABILITY

The recent report by Smilevski and Birgergård analyses the sustainability issue by dividing it into three categories: sustainability of direct benefits to villagers, of institutions and of the process. In this report we will maintain the separation made in previous reports, between sustainability a) at village level (which includes direct benefits to villages and institutions) and b) sustainability of the project.

10.1. Sustainability at village level

At village level, the main concern related to sustainability is that of the maintenance of the projects that have been co-financed by AMPEP. All such

projects require either regular maintenance or continuous activities and during the PCM trainings special effort was given to emphasize these aspects as concretely and in detail in the design of the initial effort. So far, this has proven to have been very effective. All projects are still well maintained and in use. This is also reported by the consultants who visited the projects during their field survey in March 2008. Even though enough time may not have passed to say that the projects have proven to be well sustained in the long term, AMPEP strongly believes this will be the case, given all indicators so far point in that direction as mentioned. The consultant's findings on the issue are noteworthy verification of this: "As maintenance of investments generally is a problematic aspect, credit should be given to the programmes for having addressed this issue with vigour and indeed the villages and the municipalities for the arrangements they have made." [Smilevski and Birgergård, 2008, p. 25]

Furthermore, and in order to have higher sustainability of the benefit stream and to maintain the project cycle process, institutionalisation of each project in a permanent organisational framework was done; all activities were lead by Village Councils and in full conformity and cooperation with the LG. The importance of this institutionalisation is dual: on the one hand is further safeguards the maintenance and smooth running of all projects and on the other it also means that the institutions utilised or supported by the project will be sustainable since they are not new institutions but already existing ones. It should be mentioned that at times, an expanded version of the VC (the initiative board) was utilised so as to engage people that had a particular skill or achieve better gender balance. However, at all times, this functioned through and in full compliance with the VC. Thus, AMPEP made use of permanent institutions – the VC and the LG – that are part of the Macedonian Local Government structure as defined by law, a fact that in itself guarantees sustainability of institutions. The same was also noted by the external evaluation consultants.

10.2. Sustainability of the project

Sustainability of the project, or of the process as named in the relevant Smilevski and Birgergård report [2008], means that the concept developed by AMPEP will survive the termination of the project. This is also closely linked to the "transfer of the roles and responsibilities of AMPEP to selected municipalities", outlined in an earlier chapter. In other words, if the process and the activities that were led and/or performed by AMPEP will be performed by someone else, in this case the LG.

This is a key part where we believe the PEP methodology applied in AMPEP proves itself as a big success. So far, several villages have continued with new projects or activities in what used to be "AMPEP villages". In the review of the project 8 out of 12 villages that the consultants visited either had or were in the process of implementing new projects, a fact noted as "significant and interesting" [Smilevski and Birgergård, 2008, p.27] while it is also one of the parameters where AMPEP outcomes differ from ALKA.

We would here like to outline what the external auditors give as the main reasons they think lie behind AMPEPs' so far strong indication of process/project sustainability, followed by some comments of our own [text in italics from the

Smilevski and Birgergård report (2008, pp. 27-28), the following plain text our comments.

1. *The grants given by AMPEP were relatively small, given the villages feel they could raise the money themselves, if needed.* Money was downplayed by AMPEP since its early days when the question asked in the villages was “why money?” and instead the capacities and resources existent within the village were highlighted. After the redesign of the project [mid2004] it was announced that money would be available but it was still seen as of paramount importance to AMPEP not to make the financial assistance seem too important, hence the grants were also kept fairly low.
2. *AMPEP put a stronger emphasis on the process than the physical outcomes.* The process is what AMPEP put importance in from start. During its background period, this was also one of the main reasons the project had its critics – it was then too diffuse. We believe the combination of tangible results through small scale grant input with a strong emphasis on the process, as practiced by AMPEP since 2004 have been ideal. It should here further be stated that in the final workshop held in March 2008, the representative of the Ministry of Local Self Government reported that the Ministry was in favour of projects giving more attention to the process rather than the physical outcomes.
3. *AMPEP stayed in the same Municipality for longer.* This plainly made more sense - the more a municipality is exposed to the AMPEP methodology, the more likely it was to adapt it in the future, which has come true.
4. *AMPEP engaged two municipality staff members in on-the-job training alongside AMPEP staff during one year.* This was given great importance from AMPEP in order to safeguard sustainability and, as has now been proven, rightly so. Municipal staff was included in trainings, followed AMPEP staff at work but did also gradually take over their role in for instance leading SWOT analysis and holding open village meetings. The inclusion of municipal staffs went so well that they became the authors of the “AMPEP handbook”, as has been described earlier, a piece of work we believe in itself signifies project sustainability.
5. *The methodology utilised is based on building trust between the villagers and he project (or whoever manages the concept).* This we believe is one of the issues where AMPEPs’ background proves to be of importance. The lack of trust in the villages was then noted time after time and also reported as a key issue to be tackled. Trust remained at the core of the project throughout its implementation period; there was always taken to listen to people, let them lead the process and decide upon their priorities etc. All of these do now prove yet another time to have been of paramount importance.

We believe the above to be a strong indication that the AMPEP methodology will be sustained, also in the long run – beyond these initial two years it has proven to gloriously survive. One further issue that needs to be reported on, however, is the ZELS Advisory body that was supposed to be formed. This body would then use the AMPEP methodology and disseminate/potentially replicate it in other parts of Macedonia. The advisory body did never materialise, but given ZELS problematic function, this is not seen as of any significant importance for project sustainability.

More important is, both for sustainability but also for replicability of the AMPEP concept and modes of operation, that the building elements upon which its methodology is build, namely the Municipalities and VC are already sustaining the process: the VCs are already leading new projects to be implemented while the Municipalities have written a comprehensive handbook on the methodology; a handbook that can easily guide new users/ municipalities, while its contents are continuously put in use in 'old' municipalities.

Finally, it should be mentioned that due the success of the AMPEP experience in Macedonia, its concept is now being considered by Sida Sarajevo for adoption in Bosnia by end of this year.

11. BUDGET AND FINANCING

Although working under a very strict budget frame the project managed not only to stay within the budget and complete all the tasks set forth in the PD but also to produce some savings of approximately 4%. By May it was already obvious that the project would manage within the tight budget frame. Following that and the favorable exchange rate a suggestion was accepted by Sida Skopje to allow a salary and benefits adjustment to those still engaged in the project until the end of it to the 2005 levels⁵. A further recommendation to start writing off old furniture's and equipments according to existing rules and regulations and to allow donations to local NGOs was also accepted by Sida Skopje. All capital equipment handling has been scrutinized by the external auditor and verified as adherent to the agreements and memos.

The total budget for AMPEP 2006-2008 was calculated at **858.575- €** Interests and exchange rate gave the project additional earnings of **28.962 €** plus the selling of two vehicles for 5.000 € each made **894.847 €** in total available for the project. [ANNEX 1; Finance Narrative]

Budget 2006	546.145 €
Budget 2007	312.430 €
Received from Sida 2006	422.660 €
Received from Sida 2007	443.225 €
Exchanges and interest gains	28.962 €
Sale of vehicles	10.000 €
Total cost covered 2006	467.065 €
Total cost covered 2007-08	394.402 €
Total savings to be transferred to Sida	33.380 €

12. MONITORING AND EVALUATION

The MES of the project still consisted of a monitoring system (statistics) providing performance reports on a monthly basis and surveys measuring attitude changes. Results from these have already been described in earlier parts of the report

⁵ While proposing the exit period for AMPEP, Sida made it clear that limited financial resources were available suggesting to reduce the exit period to 1½ year. AMPEP staff devoted to complete the project in a sustainable way accepted to reduce their salary if needed to secure the necessary 2½ year exit period. When the project managed to stay within the overall budget a permission was granted by Vasko Hadzevici at Sida, Skopje to adjust the salary back to the 2005 level.

13. RISK ANALYSIS

Political

The political environment in Macedonia has remained very much the same throughout the implementation time, the issue of transparency and corruption always somehow in the background. A project like AMPEP can be highly affected by political influences. The “election” effects are documented in this report as well as the politicisation of almost every aspect. Some lessons can be learned from this project how to address these issues. But the main risk if considering a replication or inclusion of AMPEP principles or methods in other projects or countries is the lack of willingness of governmental authorities to allow the involvement of citizens into decision makings. To introduce a project that would increase the capacity of citizens to make claims or to request a service delivery from authorities is not appealing. This can only be tackled by intensive preparation and inclusion of targeted authorities.

Economics

Economical aspects are always pressing and effect everyday live and expectation of citizens. During the implementation of AMPEP we have seen high expectation followed by the dissatisfaction when expected improvements did not materialise. There are few issues which are noted by the project that might have effects on how a project like this is implemented. During the early days when project staff was being recruited and registered some formal institutions even suggested to AMPEP not to announce full salary as we would have to pay higher taxes and this might cause problem for the institution. When some of the LG were preparing project proposals for the IDF they suggested paying the material cash to avoid the VAT, totally ignoring the fact that VAT is providing the LG main income. Furthermore the procurement of computer equipments by PEP has been suggested as extravagant. This might have looked like that as there was some difference in price between organisations, but the fact was that it was procured with registered and licensed software while the other used copied. These and other examples indicate that economical issues are often placed before transparency or good business practices and are even encouraged by those who should be in the forefront of promoting good practices.

Project matters

The main risk associated with a development project like AMPEP is the pressure to produce “early and tangible results”. This can lead to the tendency to focus on the direct benefit of the inputs, be it technical incentives, trainings or facilitation to name few. These are normally more measurable than complicated processes. Thus process oriented organisation like PEP might find it difficult to gain momentum and understandings for support of such projects.

14. RECOMMENDATIONS

At the closure of the project, there are few ‘lessons learnt’ that should be noted and which we would recommend potential similar projects to bear in mind when commencing work. For AMPEP, what we would have done differently is:

Strategy and orientation

The problems related to the initial broad focus of the project were those that led to the main redesign of AMPEP in 2004. A clearer focus, clearly stated in the project documentation from start that AMPEP would work from the village level up to the Municipal Association level would have made work and M&E easier. Having measurable objectives is a key element for project success. Having however said this for the project as such, it needs to be stated that strategy and orientation are what should come as guidance from the benefiting country and the donor. This has been elaborated upon in the recent report by Smilevski and Birgergard and AMPEP much shares their opinion. In the case of AMPEP, initially there was support for the promotion of a process at village level [as discussed in the background part of this report] but soon what was requested were “quick, measurable results”. While there may well be a necessity for the latter in order to secure a successful process, AMPEP was not really ever given clear instructions on what the relative balance of the two should be. More importantly yet, AMPEP [alongside other Sida financed projects] was not really given any long term policy indication whatsoever. In Albania, for example, the project was suddenly cancelled in the end of 2004 alongside most other projects focusing on rural development because of a sudden shift of Sidas’ agenda towards centralised support while up to then weight had been on “the Korca program” and supporting the periphery.

Baseline study - Surveys

Both the two earlier mentioned aspects, having a focused strategy and a concrete orientation of the project, would have made it possible to outline M&E criteria or indicators of project success from start which could have been used as a baseline study too. In that way, there would have been a set of comparable indicators throughout the project to guide not only reporting but also necessary changes in attitude or approach. During the later phase of the project this aspect has been worked on with success, as has been described with the structured surveys that have now been carried out 3 times and give direct indications on the success of AMPEP related to a number of different matters. The surveys conducted by AMPEP are proving to be very good for presenting the difference in attitude of people. The last survey was conducted in December and used in the final end-of-project seminar in April 2008. This is now deemed by the project as one of the most effective tool for helping the staff to focus on the most relevant issues and to take new directions if needed.

Staff

If starting a project anew at present, more attention would have been paid to the staff selection process. Having more diverse staff qualities would have been strived for and less importance given to other criteria as locality or origin. Also, smaller working teams would have been preferred (instead of the initial 15 and 12), especially considering the notable improvement of staff performance in Macedonia when the staff members were reduced. However, it is of use to remember that when AMPEP was first established in 2001, having many local staffs was seen as an important aspect of any project and was much encouraged by the donor agencies, Sida not being an exception. This was at the time one of the aspects of what can be called the ‘humanitarian syndrome’ which at the time directed many such practical aspects of project life.

Partnerships with local institutions

Partnerships with local institutions should have been formally established by the project itself from the very start. The early days of AMPEP were characterised both by a diffuse project idea but also a strong Sida involvement. For a time there was even a Sida ambition AMPEP to take over coordination of Sida projects in the broader Prespa region (particularly in the Korca district in Albania) and Audunn Bjarni Olafsson was even by Sida staffs introduced as a 'Sida person'. Hence, at the time it was rather natural for the project to put itself within the frame of the agreements that Sida had with local institutions in both countries, rather than having its own agreements. This had the implication that it remained unclear for a long time which local institutions were partners of the project and in what way. Therefore, it would have been much a better choice to have partnerships established right away with formal institutions, and that those partners were included in the strategy setting from start, as was done in 2005.

Donor involvement

It has already been stated in this report how Sidas' involvement and often unclear messages have meant hardship for the project. At this point we would like to draw attention to 2 aspects of the donors' involvement in the project. The first one is related to strong opinions related to managements at project level; Smilevski and Birgergard 2008 successfully sums it up as "a donor should refrain from micromanagements in supported programs. Different views of Sida staff to the project management can be highly disruptive". Another aspect of the cooperation with Sida that had contradictions is related to the use of external expertise to support the project. In 2002, when the project had just been established in both countries, some external support in Local Governance was seen as a necessity from the project. Then Halland Council was invited to fulfil that task, which however was not at all appreciated by Sida, and Sida's decision and announcement to AMPEP then was that no more external support was to be utilised, instead the project should deal with whatever needs came up internally. Two years later, nevertheless, and following the Quality Group assessment, AMPEP was accused by Sida for not using external specialised support. Furthermore, it was encouraged to make a provision in its budget especially for such support.

Better coordination with the donor particularly on the field to draw some lessons from the experience gained by the project.

In discussions with Sida representative in Skopje a clear recognition has been given on the importance of the project. Although within the project the feeling was that there was a lot to share it was only now after the evaluation that the full understanding was registered. It should be considered now by Sida Skopje to use the experience gained by the staff to present and advocated for better working practices among local governments in Macedonia. This can be done by inviting them for workshops, contracting them to carry out specific tasks or recommending them to others working on similar issues.

Long term sustainability and local NGOs

Internationally run development projects often see the establishment of a local NGO at the projects' end as a means of securing long-term sustainability. When the Albanian part of AMPEP was closed down in early 2005, PEP, highly encouraged by Sida supported some of the Albanian staff to establish a local NGO.

AMPEP Albania has however now deregistered as a local NGO. The experience from Albania is not encouraging for the potentials for local NGOs. In order to be economical a reduction of staff was essential but in order to have a meaningful capacity a number of professional staff is needed. To stay professional one needs to stay focused but almost no funds are available for projects of long term development origin. So the bottom line is that the main effort was to run after small projects of no real importance to stay alive. This meant that these highly qualified staffs were wasting their energy and skills on projects of little meaning. The results are that this local NGO who lately only existed as a voluntary organisation doing “after duties” work has closed down and is now deregistered in Albania. All the staff has taken up regular jobs with companies and institutions where their skills are more productive.

15. CONCLUSIONS

AMPEP has been a project of a strong participatory nature. When now concluding the project, we would like to reflect a bit over one of the main challenges faced by organisations working through participatory methods. PD. Willis (2005, p. 106) successfully summarises it when saying “some of the problems in implementing truly participatory development projects comes from the pressures of the so-called ‘development industry’. The need for rapid, quantifiable results encourages project managers to focus on certain form of project with tangible outcomes, rather than addressing deep-rooted inequalities which can not be easily measured”. This has also been one of the main problems faced during the course of implementing AMPEP. Having an initial verbal long-term commitment by Sida, and with a focus on actual participatory development where the local population would not participate in a pre-set development agenda, but actually decide upon that agenda, AMPEP was in the beginning established as a project without measurable and concrete results in terms of, e.g. infrastructure. Instead, more ‘diffuse’ goals were strived for as improved communication between villagers and between villages and their LGs, in other words *process related results*, which is also what the project now has received so much credit for. This initial outline was in agreement with Sida guidelines at the time, mainly as communicated through staff in the field office of Skopje as has been described in the background part of the report. Over time, however, and influenced by changes in Sida strategies for the region focusing on EU integration, pressure grew that concrete and measurable results needed to be delivered – which was one of the key reasons for restructuring AMPEP in 2004.

Despite all of the above through and the need and pressure for concrete measurable results, now that the project has come to an end, it must be stated that we, the project leadership, feel the most important delivery of AMPEP is related to its principles and its process. Through this statement we do not in any way wish to underestimate the importance of the projects that have been co-financed by AMPEP and carried out in the villages- projects related to infrastructure that have in many cases significantly improved living conditions in the areas. We do though wish to underline what we see as our most important contribution to Albania and Macedonia, namely our input to improved governance practices and leaving behind us a process in the villages that has enabled the citizens to exercise their right to have a saying in the decision making processes. .

This relevance and positive impact of the project has been verified also by the evaluation team who completed their on field research in March 2008 (Smilevski and Birgergard, 2008). Moreover, the direction PEP took with the AMPEP project- to focus more on the process rather than individual infrastructure projects- was during the final Sida supported workshop also strongly supported by the representative for the Ministry of Local Self Governments in Macedonia who stated that the process was more important than individual projects. Finally, the AMPEP surveys indicate a continuous trend of improved understanding of the decentralisation process among the rural population in the areas where AMPEP was present. This is seen as very strong proof that the project has been successful in delivering what it was contracted to do from the very beginning: better governance and an enhanced understanding of and benefit from the decentralisation process.

The final conclusion is that the success of a project very much depends on the communication and trust among the partners. AMPEP has at times criticised the donor, Sida, for interference into the micro management and the lack of interest in the more long term strategy of the project. The bottom line is that Sida has from the beginning supported the project and provided when requested the necessary evaluation and quality impact for the project. A good and strong professional relationship has been established and the project sincerely believes that few other donors than Sida would have had the stamina to support this project. For that we are grateful and proud that we were able to reward Sida with a successful and meaningful implementation of AMPEP.

Done in Macedonia
June 2008

ANNEXES:

ANNEX 1: FINANCE NARRATIVE

ANNEX 2: COMPARISON SURVEYS 2006- 2007

ANNEX 3: ACTIVITY SUMMARY

ANNEX 4: AMPEP SUMMARY SHEET

LIST OF ACRONYMS

AB	Advisory body
AR	Administration Representatives
CBMC	Capacity building making claims (workshops) 1, 2 and 3
CD	Community Development
CG	Central Governments
DAI	Development Alternatives Inc.
EIA	Environmental impact assessment
IDF	Initiative development fund
LBD	Learning by doing (method)
LGA	Local Government Administration
LG	Local Governments (Municipality / Commune)
MC	Municipal Council
MDW	Make Decentralisation Works project
MES	Monitoring and evaluation system
MIS	Management information system
MoU	Memorandum of understanding
Sida	Swedish international development cooperation agency
SWOT	Strength, weaknesses, opportunities and threats (analysis)
USAID	United States Agency for International Development
VC	Village Council
VL	Village Leader
ZELS	Association of municipalities in Macedonia

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