

The Challenge

The overall goal of the USAID program in Macedonia is to support the country's transition to a free market-based, multi-ethnic democracy, with good governance and social equity. High unemployment and corruption pose the greatest risks to stability and progress in Macedonia, and represent the key development problems addressed by the USAID program. Corruption, political patronage, and undemocratic decision-making have corroded public confidence over time and undermined investors' confidence in the economy. To address these challenges, USAID programs support legal reforms and training to foster the development of more democratic institutions, marketing and productivity improvements to promote competitiveness, institutional strengthening and reforms to create a more favorable environment for business growth, workforce development initiatives, and training and information technology upgrades to improve the quality of formal and non-formal education systems.

Objectives, Sectors and Workforce

MCA Status: Currently Not Eligible

PEPFAR Focus Country: No

Provided or Received Services From Other Missions: Received

Mission Director: Richard Goldman

Program Budget (Appropriations by Objective)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07	2005 SO Performance Score		Direct SO Admin. Cost Ratio
165-0130 Economic Growth	10,350	12,000	9,631	7,505	-27.5%	1.03	Met	0.10
165-0200 Democracy and Governance Reform	11,750	12,015	10,226	7,968	-32.2%	1.06	Met	0.11
165-0340 Social Transition	8,200	7,275	7,639	5,952	-27.4%	1.57	Exceeded	0.14
165-0420 Cross-Cutting Programs	4,314	3,535	3,940	3,070	-28.8%			0.11
Transfer to Other US Government Agency	4,150	2,175	3,214	2,505	-39.6%			
Country Total	38,764	37,000	34,650	27,000	-30.3%			

Program Budget (Appropriations by Account)

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Asst. for E. Europe and the Baltic States	38,764	37,000	34,650	27,000	-30.3%
Total	38,764	37,000	34,650	27,000	-30.3%

Program Budget by Sector and Account

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Basic Education AEEB	5,300	5,175	6,539	5,255	-0.8%
Agriculture and Environment AEEB	1,000	2,407	1,422	0	N/A
Higher Education & Training AEEB	4,350	6,911	4,709	3,367	-22.6%
Economic Growth AEEB	12,664	8,412	9,081	8,326	-34.3%
Human Rights AEEB	725	3	0	0	N/A
Democracy and Governance AEEB	14,625	14,092	12,899	10,052	-31.3%
HIV / AIDS AEEB	100	0	0	0	N/A
Total	38,764	37,000	34,650	27,000	-30.3%

Workforce

	FY 2004	FY 2005	FY 2006	FY 2007	Percent Change FY 04-07
US Direct Hires	6	8	7	7	16.7%
US Non Direct Hires	6	4	4	4	-33.3%
Foreign Nationals	33	33	34	34	3.0%
Total	45	45	45	45	0.0%

Operating Expense

	FY 2004 (\$000)	FY 2005 (\$000)	FY 2006 (\$000)	FY 2007 (\$000)	Percent Change FY 04-07
Salaries and benefits	1,020	1,078	772	818	-19.8%
Travel	191	190	146	110	-42.4%
Transportation of things	26	29	97	56	115.4%
Rent	298	235	245	260	-12.8%
Security	0	0	0	0	N/A
Equipment	38	47	35	40	5.3%
ICASS - Operating Expense only	104	127	136	145	39.4%
Other Operating Expense	213	243	269	271	27.2%
Total OE Budget	1,890	1,949	1,700	1,700	-10.1%
US direct hire salary and benefits	821	1,049	678	751	-8.5%
Program Funded Administrative Expenses				767	
Country Total Administrative Budget				3,218	
Percent of Bureau OE Total				4.4%	

Mission Summary

FY 2004	FY 2005	FY 2006	FY 2007
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Program per US Direct Hire (\$000)	6,461	4,625	4,950	3,857
Program per All US (\$000)	3,230	3,083	3,150	2,455
Program per Position (\$000)	861	822	770	600
Operating Expense as % of Program Funding				6.3%
Program Funded Admin Expense as % of Total Admin				23.8%
Total Admin Expense as % of Program Funding				11.9%

Other Major Donors:

Bilateral: The Netherlands, Switzerland, Sweden

Multilateral: United Nations Development Program, World Bank, International Monetary Fund, Organization for Security and Cooperation in Europe, European Union/European Agency for Reconstruction

Macedonia PROGRAM SUMMARY

(in thousands of dollars)

Accounts	FY 2004 Actual	FY 2005 Actual	FY 2006 Current	FY 2007 Request
Asst. for E. Europe and the Baltic States	38,764	37,000	34,650	27,000
Total Program Funds	38,764	37,000	34,650	27,000

STRATEGIC OBJECTIVE SUMMARY				
165-0130 Economic Growth				
AEEB	10,350	12,000	9,631	7,505
165-0200 Democracy and Governance Reform				
AEEB	11,750	12,015	10,226	7,968
165-0340 Social Transition				
AEEB	8,200	7,275	7,639	5,952
165-0420 Cross-Cutting Programs				
AEEB	4,314	3,535	3,940	3,070
TRANSFER				
AEEB	4,150	2,175	3,214	2,505

Mission Director,
Richard Goldman

Data Sheet

USAID Mission:	Macedonia
Program Title:	Economic Growth
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	165-0130
Status:	Continuing
Planned FY 2006 Obligation:	\$9,631,000 AEEB
Prior Year Unobligated:	\$465,000 AEEB
Proposed FY 2007 Obligation:	\$7,505,000 AEEB
Year of Initial Obligation:	1994
Estimated Year of Final Obligation:	2010

Summary: The focus of the economic growth program is to accelerate the development and growth of the private sector by increasing the competitiveness of private firms and improving the business environment.

Inputs, Outputs, Activities:

FY 2006 Program:

Improve Economic Policy and the Business Environment (\$2,310,000 AEEB, \$465,487 AEEB prior year recoveries). USAID assistance will continue to improve the business environment in Macedonia. Making it easier to do business will encourage new businesses and help existing businesses grow, thereby creating jobs and addressing the issue of high unemployment. E-government applications related to procurement, tax administration, and recruitment will be expanded with new services to government agencies, businesses and citizens, focusing on Information and Communications Technology (ICT) security and the health care sector. Assistance will target passage and implementation of a new bankruptcy law, establishment of a one-stop-shop for registration of companies, encouragement of corporate social responsibility, and introduction of a corporate governance code. The business environment will be further improved by strengthening public-private dialogue, facilitating trade in goods and services, rationalizing the legal and regulatory framework, advising on public capital investment and decentralization, and restructuring the labor market. Even though Macedonia has completed priority reforms in the financial and energy sectors, minor interventions will be considered in order to finalize and build on previous activities and successes. Principal contractors: Emerging Markets Group (prime) and to be determined (TBD). Principal grantees: Internews Network (prime) and Financial Services Volunteer Corps (FSVC) (prime).

Improve Private Sector Competitiveness (\$5,899,000 AEEB). USAID assistance will focus on ensuring sustainability of the five existing industry clusters - wine, tourism, apparel, information technology, and lamb and cheese. A new activity will provide technical assistance and training to help new clusters build their capacity, develop and implement a strategy to grow the industry, upgrade their products and services, and effectively deliver them to the global market. USAID will build the capacity of the local consulting industry, and training and educational institutions, to ensure the availability of valuable services and skilled employees to the clusters. Public-private partnerships will receive strong support to transfer new technologies and initiate innovation in companies. Funding will be used to leverage private funding in support of these initiatives. One such project will strengthen the capacity of companies and non-profit environmental organizations to collect and process plastic waste. USAID will continue to assist the seven e-business centers that provide innovative solutions and services based on ICT, such as CAD/CAM services, web portals, and on-line management training centers, by working to ensure the sustainability of these businesses through training to improve the managerial and sales skills of their employees. The Digital Media Film City project will receive support through specialized training and consultancy services. It is expected to grow into a center for production and postproduction of feature movies including special effects. Principal contractor: Booz-Allen Hamilton (prime), and TBD. Principal grantees: Academy for Institutional Development (prime), Crimson Capital (prime), and World Council of Credit Unions (WOCCU) (prime).

Increase Agricultural Sector Productivity (\$1,422,000 AEEB). USAID will continue to support the meat, dairy, and fruit and vegetable producers, processors, and food retailers in Macedonia to become more profitable and competitive in domestic and international markets by enhancing quality and production efficiency, and by adding value to products. Assistance will be provided to sheep breeders, slaughterhouses, and industry associations to become more quality conscious, efficient, and profitable. The National Meat and Dairy Association, the Quality Control Laboratory, and the Seal of Quality Program will be transformed into sustainable industry-led and financed entities, becoming a lobbying force to represent their sector's interests. Work will continue towards obtaining international laboratory accreditation and ISO certification. Principal grantee: Land O'Lakes (prime).

FY 2007 Program:

Improve Economic Policy and the Business Environment (\$3,700,000 AEEB). The business environment activity will provide technical assistance for the implementation of a focused and successful national economic development strategy, which includes readily available data and economic analysis. Public-private dialogue will be supported to become institutionalized and applied regularly in developing crucial strategies and policies. Investment will be encouraged through introduction of new financial products, including products for non-bank financial services. Legal and administrative measures which prompt the labor market to be more flexible and perform better will be targeted. Independent stakeholders such as regulatory agencies, associations, and think tanks will be supported in their capacity to help the government identify and solve impediments to growth. New services from government to government agencies, businesses, and citizens will be developed by expanding the use of ICT. Principal contractor: TBD.

Improve Private Sector Competitiveness (\$2,828,000 AEEB). A new competitiveness activity will select a new set of clusters to receive technical assistance and training, targeting industries that have strong export potential and can generate high income jobs. Support will be provided for transferring knowledge and skills to the local consultant base so they can work with the clusters on developing strategies and implementation plans. A competitive Global Development Alliance (GDA) approach will be applied to industries that are willing to invest in their companies' development. Principal partner: TBD.

Increase Agricultural Sector Productivity (\$977,000 AEEB). The agribusiness sector will receive support through agricultural policy reforms combined with advanced science and ICT applications. Specific sectors or clusters will be selected and supported. Principal contractor: TBD.

Performance and Results: In FY 2005, the Government of Macedonia received its first ever sovereign debt rating, a respectable "BB+" from Standard and Poor. Treasury bills were introduced and have become a regularly traded financial instrument. A new law on securities was introduced. The pension system was reformed; a voluntary insurance component and two pension funds are being introduced successfully. The quality of corporate governance and level of shareholder awareness were improved significantly. A new modern Electronic Communications Law was adopted, establishing the legal basis for full liberalization of the telecommunications market. USAID assistance resulted in significantly increased exports of lamb, wine, cheese, garments, software, and digital media products, and more foreign tourists visited Macedonia. The European Food Safety Inspection Service audited and awarded three client firms with the highest level of accreditation, and an exporter and his suppliers were certified with EurepGAP (EU recognized) accreditation.

Successful completion of the Economic Growth objective will be marked by: a) a business environment that attracts increased levels of domestic and foreign investment; b) a growing number of Macedonian businesses profitably competing in the global marketplace; and c) increased employment in the private sector.

US Financing in Thousands of Dollars

Macedonia

	AEEB	ESF
165-0130 Economic Growth		
Through September 30, 2004		
Obligations	107,777	140
Expenditures	96,621	140
Unliquidated	11,156	0
Fiscal Year 2005		
Obligations	11,490	0
Expenditures	13,533	0
Through September 30, 2005		
Obligations	119,267	140
Expenditures	110,154	140
Unliquidated	9,113	0
Prior Year Unobligated Funds		
Obligations	465	0
Planned Fiscal Year 2006 NOA		
Obligations	9,631	0
Total Planned Fiscal Year 2006		
Obligations	10,096	0
Proposed Fiscal Year 2007 NOA		
Obligations	7,505	0
Future Obligations	0	0
Est. Total Cost	136,868	140

Data Sheet

USAID Mission:	Macedonia
Program Title:	Democracy and Governance Reform
Pillar:	Democracy, Conflict and Humanitarian Assistance
Strategic Objective:	165-0200
Status:	Continuing
Planned FY 2006 Obligation:	\$10,226,000 AEEB
Prior Year Unobligated:	\$0
Proposed FY 2007 Obligation:	\$7,968,000 AEEB
Year of Initial Obligation:	2002
Estimated Year of Final Obligation:	2010

Summary: This program focuses on: 1) increasing citizens' participation in political and social decision-making; 2) enhancing adherence to the rule of law; and 3) improving the effectiveness and accountability of government institutions, including local governments and the Parliament.

Inputs, Outputs, Activities:

FY 2006 Program:

Strengthen Civil Society (\$1,931,818 AEEB). USAID's new civil society strengthening project will make civil society a more effective, influential, and permanent partner alongside government and business in shaping the country's future. The project will provide direct grants to 12 to 14 Macedonian non-governmental organizations (NGOs). These "leader NGOs" will serve as mentors to smaller organizations, support them to effectively represent citizens' interests in monitoring the government, and strengthen their capacity to carry out publicly beneficial services. Principal grantee: Institute for Sustainable Communities (prime).

Strengthen Democratic Political Parties (\$711,803 AEEB). Political party assistance will focus on enhancing the transparency of the political process and accountability of political leadership. USAID will assist two to three local branches of the six major political parties to develop organizational structures and improve their operation at the grassroots level. USAID will also support the political parties at both the national and local level to develop policy analysis and research capabilities, increase responsiveness to citizens' concerns, and enhance participation by youth, women, and marginalized groups in political parties. Principal grantee: International Republican Institute (prime).

Strengthen the Justice Sector (\$2,687,379 AEEB). The court modernization program will continue to work with the Ministry of Justice and the judiciary to implement the national strategy for reform of the judiciary. Assistance will focus on: a) improving the legal framework, including drafting key laws and providing training for judicial personnel in order to implement these laws; b) improving the efficiency of and public access to the courts by replicating the best practices of court administration developed by USAID pilot courts; and c) providing technical assistance to the Administrative Office of the Court Budget Council to develop its capacity to effectively manage the financial, human, and Information and Communication Technology (ICT) resources of the courts. Principal contractor: DPK Consulting (prime).

Strengthen the Legislative Function/Legal Framework (\$900,000 AEEB). USAID will continue to strengthen the parliament by increasing its capacity to develop quality legislation, perform its oversight role, and involve citizens in the legislative process. Support will continue to assist Members of Parliament to represent their constituents, through the operation of constituency offices and the conduct of public hearings and town hall meetings with citizens. Principal grantee: National Democratic Institute (prime).

Support Democratic Local Government and Decentralization (\$3,995,000 AEEB). USAID's Decentralization Project will provide ICT systems upgrades and direct technical assistance, so that Macedonian municipalities: a) establish adequate financial management and tax administration systems; b) increase property tax and related local tax collection rates and levels; c) regularly incorporate citizen input into public decision-making; d) implement modern urban planning systems, resulting in more

effective and transparent issuance of building permits; and e) demonstrate increasing financial independence and the capacity to influence public policy through municipal associations. Principal contractor: Development Alternatives Inc. (prime).

FY 2007 Program:

Strengthen Civil Society (\$1,808,000 AEEB). USAID will continue to build the capacity of civil society organizations to represent and advocate for the interests of citizens in policy decision making and to provide publicly beneficial services that improve the lives of the citizens of Macedonia. Principal grantee: to be determined (TBD).

Strengthen Democratic Political Parties (\$500,000 AEEB). Political party assistance will continue to focus on enhancing the transparency of the political process and accountability of political leadership by strengthening the local branches and enhancing participation of youth, women, and marginalized groups. Principal grantee: TBD.

Strengthen the Justice Sector (\$2,614,000 AEEB). Assistance will continue to support the effectiveness and independence of the judiciary through legislative reform, implementation of best practices in the area of court administration, and training for court personnel to enhance professionalism and efficiency. Principal contractor: TBD.

Strengthen the Legislative Function/Legal Framework (\$500,000 AEEB). Work with the Parliament will focus on strengthening the committee process, developing and implementing new rules of procedure, and institutionalizing such public participation mechanisms as public hearings and constituency outreach. Principal contractor: TBD.

Support Democratic Local Government and Decentralization (\$2,546,000 AEEB). USAID will continue to train and prepare municipalities to assume increased responsibilities and resources under a decentralized government, and will increase citizen participation and input into the public decision-making process. Principal contractor: TBD.

Performance and Results: In November 2004, the Ministry of Justice (MoJ) approved a comprehensive Judicial Sector Reform Strategy which will increase the effectiveness, transparency and independence of the Judiciary; USAID is the principal partner helping the MoJ implement this strategy. The drafting and passage in 2005 of the Law on Enforcement and the Law on Civil Procedure, facilitated by USAID, will greatly reduce the backlog of cases managed by the courts and will improve enforcement of judicial decisions, including contracts. More effective courts (36.6% reduction in cases three years or older) led to greatly improved customer satisfaction in USAID pilot courts (72% customer approval rating). USAID leads training of municipal officials across Macedonia in areas such as: finance and tax administration, urban planning, and economic development. Parliamentary committees held legislative, investigative, and oversight public hearings, providing citizens access to the legislative process and improving legislative quality. Approximately 40,000 citizens visited constituent offices of Members of Parliament. Plenary sessions and committee meetings were televised for the first time on a new Parliamentary TV channel, and all draft legislation and parliamentary debate was made available via the Internet. USAID's Civic Education program closed having successfully institutionalized a civic education curriculum in all of Macedonia's elementary schools.

The successful completion of this program would contain most of the following results: a) a balance of power and decision-making authority among the three branches of government and including civil society; b) transparency evident in all government decisions, including public disclosure of budgetary information; c) public officials being hired and promoted based on merit principles; and d) transparency and efficiency in all court cases and enforcement of decisions.

US Financing in Thousands of Dollars

Macedonia

165-0200 Democracy and Governance Reform	AEEB
Through September 30, 2004	
Obligations	40,365
Expenditures	29,607
Unliquidated	10,758
Fiscal Year 2005	
Obligations	12,315
Expenditures	16,094
Through September 30, 2005	
Obligations	52,680
Expenditures	45,701
Unliquidated	6,979
Prior Year Unobligated Funds	
Obligations	0
Planned Fiscal Year 2006 NOA	
Obligations	10,226
Total Planned Fiscal Year 2006	
Obligations	10,226
Proposed Fiscal Year 2007 NOA	
Obligations	7,968
Future Obligations	0
Est. Total Cost	70,874

Data Sheet

USAID Mission:	Macedonia
Program Title:	Social Transition
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	165-0340
Status:	Continuing
Planned FY 2006 Obligation:	\$7,639,000 AEEB
Prior Year Unobligated:	\$0
Proposed FY 2007 Obligation:	\$5,952,000 AEEB
Year of Initial Obligation:	2001
Estimated Year of Final Obligation:	2010

Summary: The focus of this program is to help mitigate the social impact of transition by improving the quality and access to basic education and preparing Macedonian youth for employment.

Inputs, Outputs, Activities:

FY 2006 Program:

Achieve Equitable Access to Quality Basic Education (\$4,539,000 AEEB). USAID's Roma education program will continue to help approximately 200 pre-school children and 600 primary school students attending Roma education centers improve their language and numeric skills. The program will provide scholarships and mentoring support to 260 freshmen high school as well as 64 university students. The E-Schools project will train 240 primary school teachers in project-based learning through which students develop school projects using Information and Communication Technology (ICT) skills. USAID will design a new project that will focus on the following areas: a) access to and use of ICT in education; b) development and use of digital content in primary schools; c) improvement of the quality of math and science curricula and teaching methodologies; d) improvement of school-based assessment for teachers; e) renovation of schools; and f) improvement of the quality of education in pre-school/kindergarten. Principal grantees: Foundation Open Society Institute Macedonia (prime), Academy for Educational Development (prime), Education Development Center (prime), World Links (sub).

Improve Quality of Workforce through Vocational/Technical Education (\$2,000,000 AEEB). The Secondary Education Activity (SEA) will continue to provide assistance to 50 vocational secondary schools. Secondary teachers will continue to be trained to use modern teaching methods that move away from the rote and theoretical method of instruction. A total of 630 teachers will be trained in new teaching methods and will in turn disseminate the training to 3,200 teachers by the end of academic year 2005/2006. Career centers, virtual firms, and real companies, established in 50 vocational schools, will continue to operate. Students gain practical skills in job search, resume writing, interviewing techniques, and running businesses at these centers. Students who participated in a study tour in the U.S., and who applied lessons learned by organizing vocational student organizations in 13 schools, plan to extend student-oriented activities and expand student organizations in the other vocational schools. An additional 227 primary school directors will receive management training. School board members will learn about their roles and responsibilities in the selection of school directors through workshops organized by the project. Principal grantees: American Institute for Research (prime), International Reading Association (sub).

Increase Capacity of Higher Education to Contribute to Development (\$1,100,000 AEEB). The Creative Teaching and Learning Project will support eight pre-service teacher training institutions. The project aims to train future teachers to use modern teaching methods for students to develop problem-solving and analytical skills. The Higher Education Linkage program between Indiana University and the private multi-ethnic South East European University (SEEU) will provide technical assistance in developing the curriculum and training professors in the business administration and communications science and technology departments. Five masters degree candidates will begin their graduate program in management information systems and computer science in 2006. Principal grantees: Foundation Open Society Institute Macedonia (prime), Indiana University (prime).

FY 2007 Program:

Achieve Equitable Access to Quality Basic Education (\$3,170,526 AEEB). The Macedonia Connects project will increase internet penetration from 4% - 8% to 25% by the end of the project in 2007. The integration of ICT will continue via the E-Schools project with the implementation of the teacher training strategy in 360 primary schools. The 240 trained primary school teachers will disseminate the use of ICT applications in the classroom to 5,232 primary school teachers by the end of the project in 2007. The Roma Education Program will further support a preparatory program for preschoolers, tutoring for primary school students, and a scholarship and mentorship program for secondary and university students. A new education project will begin in October 2006. Principal grantees: Academy for Educational Development (prime), Foundation for Open Society Institute Macedonia (prime).

Improve Quality of Workforce through Vocational/Technical Education (\$2,084,774 AEEB). The secondary education activity will provide technical assistance to institutions that will train participants for the directors' certification program. Workshops in school management and administration will be conducted for school board members. In 2007, 44 real companies, 12 virtual firms, and 50 career centers will be operational in vocational schools. Principal grantee: American Institute for Research (prime).

Increase Capacity of Higher Education to Contribute to Development (\$696,700 AEEB). The Creative Teaching and Learning Project will continue to work on improving the quality of pre-service teacher training. Revisions of teaching methodology curricula in all eight targeted teacher training institutions will be finalized. The Higher Education Linkage program will support six SEEU Fellows who will complete master's degree programs at Indiana University. Lastly, Indiana University will perform an evaluation of its activities. Principal grantees: Foundation for Open Society Institute Macedonia (prime), Indiana University (prime).

Performance and Results: USAID projects trained 6,600 secondary school teachers in project-based learning, interactive methodologies, and ICT skills. All 460 primary and secondary schools have computer labs and Internet connectivity. Over 200 primary and secondary school directors received professional training and are now eligible to take exams for certification. Fifty vocational schools have established career centers, virtual firms, and real companies. These interventions will strengthen linkages between schools and businesses, and will prepare students for employment once they graduate. Three centers were developed in SEEU to train professors in new teaching methods and to teach in English, establish linkages with the private sector, and prepare students for future employment. Teachers trained in interactive teaching methods through SEA are applying their new skills in the classroom. In general, Roma girls showed higher school retention and school success compared with boys.

It is anticipated that by 2010, stronger linkages will have been established between vocational education and the business sector. Equitable access to quality education will be available for all minority and disadvantaged groups. All teachers will acquire ICT skills and the use of ICT will be integrated into the curriculum. New teaching methods will be incorporated in the curriculum to prepare future teachers in pre-school teacher training institutions. Support for pre-service teacher training institutions and education for the Roma is expected to continue through 2010. The secondary education workforce development activity in 50 vocational schools will be completed in 2008. The following program activities will end in September 2007: a) Indiana University linkage program with SEEU; b) ICT interventions and training in all primary schools; and c) the provision of free broadband internet connectivity in selected sites.

US Financing in Thousands of Dollars

Macedonia

165-0340 Social Transition	AEEB
Through September 30, 2004	
Obligations	22,316
Expenditures	11,331
Unliquidated	10,985
Fiscal Year 2005	
Obligations	7,275
Expenditures	8,098
Through September 30, 2005	
Obligations	29,591
Expenditures	19,429
Unliquidated	10,162
Prior Year Unobligated Funds	
Obligations	0
Planned Fiscal Year 2006 NOA	
Obligations	7,639
Total Planned Fiscal Year 2006	
Obligations	7,639
Proposed Fiscal Year 2007 NOA	
Obligations	5,952
Future Obligations	0
Est. Total Cost	43,182

Data Sheet

USAID Mission:	Macedonia
Program Title:	Cross-Cutting Programs
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	165-0420
Status:	Continuing
Planned FY 2006 Obligation:	\$3,940,000 AEEB
Prior Year Unobligated:	\$83,000 AEEB
Proposed FY 2007 Obligation:	\$3,070,000 AEEB
Year of Initial Obligation:	1993
Estimated Year of Final Obligation:	2010

Summary: The focus of this program is to provide targeted administrative and technical support to all USAID portfolio elements. It consolidates activities which by their nature service multiple program components. This includes program development and support activities, a human and institutional capacity development program, and small grants.

Inputs, Outputs, Activities:

FY 2006 Program:

Program Support (\$3,940,000 AEEB, \$83,094 AEEB prior year recoveries). The Human and Institutional Development program will continue in FY 2006. The program will strengthen the capacity and performance of selected institutions in the sectors in which USAID provides assistance. Training includes information technology for teachers in primary education, judicial reform for judges and court administration, and management and marketing for private sector firms, among other activities. Individuals will also receive short term and academic training. Principal contractor: World Learning (prime).

Peace Corps Small Project Assistance grants will be continued. These grants help Peace Corps volunteers build the capacity of local government institutions and non-governmental organizations, develop businesses, and sponsor environmental awareness campaigns and youth activities. Grants will also support volunteer's English teacher counterparts who introduce new extra curricula activities.

Program development and support funds (PDS) fund staff, evaluations and training. Examples include sector and program assessments, evaluations, audits, surveys, and personnel support. PDS also includes funding for public-private partnerships, environmental activities, and pilot activities.

FY 2007 Program:

Program Support (\$3,070,000 AEEB). The Human and Institutional Development program will continue in FY 2007 focusing on capacity building for Macedonian entities that help: a) local government perform better; b) improve the education system; and c) reduce constraints in the macro-economic environment for the private sector. Individual training programs will continue to be funded. Principal contractor: World Learning (prime).

Peace Corps Small Project Assistance grants will be continued. Special emphasis will be given to enhancing local government responsiveness to citizens' needs.

Program Development and Support as described in FY 2006 program will continue. Priorities will be studies that evaluate ongoing programs and/or contribute to a new USAID strategy and its programs.

Performance and Results: The Participant Training Program (PTP) was an effective tool supporting all USAID activities in FY 2005. It provided knowledge and skills to Macedonian professionals across strategic objective areas. Between October 2004 and September 2005, PTP conducted 48 training and technical assistance interventions, of which 10 took place in the United States, 16 in third-countries, and 22 in Macedonia. A total of 5,309 participants benefited from PTP in 2005, 59% were women and 26%

were ethnic minorities. The total number of participants in 2004 was seven times greater than the previous period due to an increase in in-country programs. The latter included training in financial management for more than 600 elected local government officials.

In education, PTP supported Information Technology (IT) training for 4,123 primary school teachers. USAID also continued supporting capacity-building at South East European University. For economic growth programs, PTP focused on marketing skills training and marketing management techniques for those involved in the five targeted competitiveness clusters. In the democracy area, assistance focused on providing training for the stakeholders in the judicial system including study tours for judges. In addition, 135 adult students finished English as a Foreign Language courses in 48 schools across 11 cities nationwide. Macedonian professionals were provided 23 scholarships for academic and certification programs in Europe, the United States and Macedonia. In cooperation with Georgetown University, IT integration and security training events were successfully completed. Within USAID's anti-trafficking activity, the first non-governmentally managed safe house was opened which provides assistance to Macedonian victims of trafficking, particularly minors.

US Financing in Thousands of Dollars

Macedonia

	AEEB	ESF
165-0420 Cross-Cutting Programs		
Through September 30, 2004		
Obligations	28,510	22,000
Expenditures	24,011	22,000
Unliquidated	4,499	0
Fiscal Year 2005		
Obligations	3,536	0
Expenditures	4,851	0
Through September 30, 2005		
Obligations	32,046	22,000
Expenditures	28,862	22,000
Unliquidated	3,184	0
Prior Year Unobligated Funds		
Obligations	83	0
Planned Fiscal Year 2006 NOA		
Obligations	3,940	0
Total Planned Fiscal Year 2006		
Obligations	4,023	0
Proposed Fiscal Year 2007 NOA		
Obligations	3,070	0
Future Obligations	0	0
Est. Total Cost	39,139	22,000