

## 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%			
<b>Country Total</b>	<b>38,764</b>	<b>37,000</b>	<b>34,650</b>	<b>27,000</b>	<b>-30.3%</b>			

### 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%
<b>Total</b>	<b>38,764</b>	<b>37,000</b>	<b>34,650</b>	<b>27,000</b>	<b>-30.3%</b>

### 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
<b>Total</b>	<b>38,764</b>	<b>37,000</b>	<b>34,650</b>	<b>27,000</b>	<b>-30.3%</b>

### 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%
<b>Total</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>0.0%</b>

### 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%
<b>Total OE Budget</b>	<b>1,890</b>	<b>1,949</b>	<b>1,700</b>	<b>1,700</b>	<b>-10.1%</b>
US direct hire salary and benefits	821	1,049	678	751	-8.5%
Program Funded Administrative Expenses				767	
<b>Country Total Administrative Budget</b>				<b>3,218</b>	
<b>Percent of Bureau OE Total</b>				<b>4.4%</b>	

### 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