

Data Sheet

USAID Mission:	Macedonia
Program Title:	Social Transition
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	165-0340
Proposed FY 2004 Obligation:	\$8,200,000 AEEB
Prior Year Unobligated:	\$0
Proposed FY 2005 Obligation:	\$8,200,000 AEEB
Year of Initial Obligation:	FY 2001
Year of Final Obligation:	FY 2006

Summary: The USAID program helps to mitigate the social impacts of the transition and to address unemployment problems in Macedonia. This is done through local economic development and reforming the education system to make the labor force more relevant to the needs of a market economy. This program offers training and technical assistance to improve the quality of schools, decentralize the education system, and increase access to education at all levels for all ethnic groups.

Inputs, Outputs, Activities:

FY 2004 Program:

Local Economic Development (\$1,800,000 AEEB). In order to create jobs and reduce poverty in targeted municipalities, USAID is promoting entrepreneurship and building the capacity of micro-, small-, and medium-sized firms. USAID will fund technical assistance to agricultural producers and processors to: introduce new technologies to agricultural producers and processors; improve links between buyers and sellers; and match firms seeking to grow with financing. USAID also will fund Information and Communication Technology (ICT) Business Centers to expand private firm access to and use of computers and ICT. These centers will provide firms ICT skills necessary to compete in a modern market economy. USAID will continue to provide local artisans and small and medium businesses in the furniture and home furnishing sectors with technical assistance to expand domestic and export sales. Program implementers are: Land O' Lakes (prime); Educational Development Center (prime); and Aid to Artisans (prime).

Improving Access to Education (\$1,600,000 AEEB). USAID will finance technical assistance to the multi-ethnic, multi-lingual, private South East European University (SEEU) in Tetovo. USAID support will continue to improve SEEU academic and instructional quality, upgrade faculty and curriculum, and expand the use of English and information technology. SEEU faculty members will receive instructions at the masters' level at Indiana University to further strengthen the quality of academic instruction and research. USAID will seek to increase the enrollment of Roma children at the primary and secondary school levels. Currently the Roma have the poorest rates of enrollment and attendance of any ethnic group, which prevents them from participating fully in the political and economic life of the country. Based on encouraging results of a pilot effort to help Roma children stay or re-enter school, USAID plans to expand programs to this community. Program implementers are: Association Liaison Office for University Cooperation in Development (prime), Indiana University (sub).

Reforming the Education System (\$4,800,000 AEEB). USAID will assist the GoM to improve the quality of the education system and develop teaching skills needed to prepare students to compete in the global labor market. Teachers will be trained in teaching methodologies that encourage critical thinking and active student participation in the learning process. USAID will also continue to provide technical assistance to expand information and communication technology in primary and secondary schools. A selected number of primary and secondary schools will be developed as model schools in the use of computer assisted learning. Computer science teachers will be trained in modern computer literacy skills. At the secondary level, technical assistance will help vocational schools link with local businesses.

USAID will support a certification program to upgrade the organizational and managerial skills of school principals in line with the GoM's plans to decentralize education. Additionally, to become more responsive to a changed business environment, career centers and virtual firms in secondary schools will allow students to gain practical knowledge of the business world and become aware of employer needs and job possibilities. Program implementers are: American Institute for Research (AIR) (prime); Education Development Center (EDC) (prime).

FY 2005 Program:

Local Economic Development (\$2,550,000 AEEB). USAID will further expand this activity by adding technical assistance and training for agricultural processors and producers to increase sales of horticultural, meat and dairy products. Further support may be provided to ICT centers to improve the efficiency and growth of client operations.

Improving Access to Education (\$1,200,000 AEEB). USAID will expand the support to the nascent South East European University to further enhance it as a quality institution of higher learning. Increasing SEEU performance will provide an example for reform of the other institutions of higher learning in Macedonia. In addition, USAID will examine how SEEU can be more effectively allied with ongoing development programs and, in particular, review the extent to which SEEU can increasingly become a training resource to meet the needs in education, business, and teacher training. USAID also plans to increase the support for Roma education.

Reforming the Education System (\$4,450,000 AEEB). USAID plans to replicate the support of ICT for the primary schools with additional computers and internet connectivity. Further work will be needed to expand information technology applications in secondary schools to ensure the school system is fully aligned and responsive to the development needs of Macedonia, and that the digital divide is addressed. Lastly, USAID may consider the expansion and reinforcement of programs to improve the management and administration of secondary schools and further strengthen links with the private sector.

Performance and Results: The South East European University has established itself as a viable high-quality, multi-cultural education institution, which is effectively serving the multi-ethnic community in Macedonia with instruction in Albanian as well as English and Macedonian. The SEEU and changing government policies have contributed significantly to increasing access of ethnic Albanians to higher education. Current enrollment in SEEU has surpassed targeted levels, climbing this past year (the third year of operations) to 3,867 students. The overall percentage of ethnic Albanians accessing higher education in Macedonia has increased from 4.8% to 9% of the total university population. SEEU has thus significantly increased ethnic minority access to university education and will further respond to the needs of Macedonia by providing well trained graduates to meet future development challenges.

Important progress has been made in helping Macedonian artisans find and develop domestic and foreign markets. USAID technical support has helped artisans introduce over 30 new product lines. A local rug maker modified a traditional product and significantly expanded employment and sales, which reached \$100,000.