

KOSOVO EVALUATION OF SO 3.1: RESTORED NORMALCY IN LIVING STANDARDS AND OPPORTUNITY

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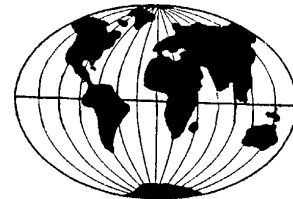
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ACRONYMS AND ABBREVIATIONS

ARD	Associates in Rural Development
CASSI	Community Action for Social Services Initiative
CBDC	Community Business Development Center
CCP	Customer Care Package
CHF	Cooperative Housing Foundation
CI	Community Initiatives
CIC	Citizen Involvement Council
CISP	Community Infrastructure and Service Program
CPI	Community Participation Initiative
DCOF	Displaced Children and Orphans Fund
EAR	European Agency for Reconstruction
EU	European Union
FWF	Future Without Fear
HCI	Healthy Communities Initiative
IMC	International Medical Corps
IMF	International Monetary Fund
IOM	International Organization for Migration
IPKO	Institute of Information Technology
IR	Intermediate Result
IRC	International Rescue Committee
JIAS	Joint Interim Administrative Structure
KAP	Kosovo Assistance Program
KART	Kosovo Agricultural Recovery Transition Project
KCEP	Kosovo Construction and Employment Recovery
KEK	Kosovo Electric Company
KFOR	Kosovo Force
KTC	Kosovo Transitional Council
KTI	Kosovo Transition Initiative
KYC	Kosovo Youth Council
LGSI	Local Governance Strengthening Initiative
LINK	Livestock Improvement in Novo Berdo and Kamenica
MC	Mercy Corps
MIRI	Mitrovica Infrastructure Rehabilitation Initiative
NGO	Non-Government Organization
OSCE	Organization for Security and Cooperation in Europe
OTI	Office of Transitional Initiatives
PCHRJI	Professional Center for Human Rights and Judicial Initiatives
PVO	Private Voluntary Organization
RMA	Regional Municipal Advisor
SCF	Save the Children Federation, Inc.
SO	Strategic Objective
UNMIK	United Nations Interim Administration in Kosovo

EXECUTIVE SUMMARY

SO 3.1: RESTORED NORMALCY IN LIVING STANDARDS AND OPPORTUNITIES

- IR 3.1.1 Improved Sustainability of Social Services and Community Infrastructure
- IR 3.1.2 Strengthened Civil Institutions

The Strategy for USAID in Kosovo from 2001 to 2003 included SO 3.1, a group of activities that responded to the crisis of 1999. This was “a grassroots initiative aimed at engaging individuals, groups, communities and community members in activities that promote and encourage self-determination and reliance.” The team found strong signs that this objective and its intermediate results had been successful in a number of ways.

Through both CISP and KAP, the quality of and access to basic services were improved. For the most part, addressing the needs and priorities of the communities in which the implementers worked helped achieve this. By keeping the process at the village and municipal level, the projects have also helped create an environment for pluralistic decision-making and advocacy. Both CISP and KAP were driven by the needs of the Kosovars. The villages visited by the team appear to be more efficient, more participatory, as well as more minority and gender inclusive than they were before. This was attested to by many of the beneficiaries themselves, and was an illustration to the team that civic participation had indeed been strengthened.

1. CRITICAL ASSUMPTIONS OF USAID ON COMMUNITY PARTICIPATION

The critical assumptions of SO 3.1 were first, that communities are willing to be engaged in revitalization activities. This appears to have been absolutely correct. Secondly, that where community level input was balanced and arrived at in a pluralistic manner, the priorities have been addressed, albeit in a limited way. The team met people throughout Kosovo who are very grateful (and very pro-American) for the help they received. Village residents pointed out to us, a number of projects from other donors where they were able to expedite the process, and plan for the future maintenance of these projects, because they had been trained by a KAP implementer, or by IOM's KTI staff.

2. CONCLUSIONS AND RECOMMENDATIONS ABOUT CITIZEN PARTICIPATION AND THE NGO SECTOR

Through the work done by international organizations such as Mercy Corps, the International Rescue Committee, and IOM, a great deal of ground work has been laid in citizen participation, and in furthering the Albanian Kosovar tradition of volunteerism. Through other programs, and in cooperation with donors who will be in Kosovo for the longer-term, the work of helping people prioritize and speak to their own needs in their communities ought not to be lost, but to be built upon. In order to preserve the successes of the grassroots citizen participation work done by IRC, MC and Oxfam in post-war Kosovo, a desk study should be done of their final reports; collecting the lessons learned and offering the compilation for use in other post-conflict situations.

To protect the investment already made in the local NGO sector, and in order not to leave the local organizations before they are ready, it is highly recommended that there be continued support for local NGOs such as CBDC, and the local NGOs that were KAP sub-grantees. They need support, not just in advocacy, but in advanced NGO management including financial and staff management, volunteer recruitment and fundraising. Ideally, a local group of trainers could be formed into a corps to serve the continuing needs of strengthening citizen groups, unions, as well as special interest and advocacy groups. While work is still to be done to create a better tax situation for local non-profits, it is worth taking advantage of the possibilities for service NGOs to compete for contracts offered by the authorities (UNMIK).

USAID/Kosovo did a study on civil society in Kosovo, published in February of 2000. It is still a very relevant document and should be updated with a needs assessment to ensure the past work not be lost. While financial sustainability may be still in the distance, only by continued intuitional strengthening in the present, can there be a sustainable future for the local NGO sector in Kosovo.

3. CRITICAL ASSUMPTIONS OF USAID ON RECOVERY AND RESTORATION OF THE ECONOMY

The other critical assumption of the 2001-2003 USAID strategy, the anticipation that a regulatory framework would be put in place to support economic and social recovery efforts, has not come about. Whether or not the water systems, the schools and clinics constructed by the CISP and KAP projects will support sustainable long-term development and growth at the community level does not, unfortunately depend on how well the job was done. Because of Kosovo's weak economy, the Mission's objective of increased employment opportunities and income generation also could not be as successful as USAID might have wished.

The economy is still a long way from what it was even during the 1980s. Unemployment continues to be extremely serious, and it is estimated that half of the Kosovars live in poverty, with 12% in extreme poverty. Income generation is limited to small retail and service businesses. According to the UNDP Human Development Report of 2002, of the 29,564 businesses registered in 2000, 80% were small businesses. While some infrastructure needs have been addressed, there remains much to do; a shortage of capital to invest in the economy and in infrastructure remains a major obstacle to full economic recovery.

4. CONCLUSIONS AND RECOMMENDATIONS ABOUT INFRASTRUCTURE AND THE ECONOMY

In a situation such as post-war Kosovo, where the USAID Mission has multiple vehicles for small infrastructure such as CISP and KAP, it is difficult to be sure early in the implementation process, which contractor's or grantee's approach is proving to be most effective in meeting the Mission's objectives. However, one lesson learned should be that an infrastructure investment may not always provide enough leverage for needed systemic changes, but can be a step on the path to systemic solutions. For instance, the CISP-funded feasibility study for the large water project in Malisheve/Malisevo, may have been relatively small in monetary terms, but is a good example of where such an investment paved the way for a much larger result and much needed change.

Post-war projects with multiple objectives like CISP need to have an adjustment mechanism built into the project design so that learning from the field can be capitalized on. The only negative refrain the team picked up was that projects took too long to start regardless of their size. Mechanisms to fast track simpler or urgent projects could have been built into the project design at the beginning in order to avoid missed opportunities and to speed implementation.

The requirement of MOUs to specify maintenance requirements for a project is an excellent mechanism that should be continued, while recognizing that citizen demand for maintenance is the real key to the long-term success of the project. Accordingly, it is essential to build as much citizen participation into the project selection/local contribution process as possible.

5. FURTHER RECOMMENDATIONS FOR UTILITIES

One of the most effective investments in a water system is to reduce losses. Chemonics' CCP system for the invoicing and collection for electricity could be used for the nine separate water systems in Kosovo. A database for the water flow system could provide information to reduce water losses, which in some systems in Kosovo reaches 70%.

The attempt to develop a more innovative and responsive management in KEK with the aim of eventual privatization should be encouraged. One option could be the breakup of KEK into two groups, a generating group, including the electric generators and coalmines, and the distribution and transmission group. Each entity should aim for sustainability without subsidies.

6. OTHER OBJECTIVES FOR THE EVALUATION: SO 1.3 AND 2.1 AND THE NEW LOCAL GOVERNMENT ACTIVITY

The Mission requested that the Evaluation Team assess the constraints facing the assistance and complimentary impact of SO 3.1 on the other SOs. SO 1.3 concerns the establishment of an economic policy and institutional framework, and 2.1 the development of accountable and transparent governance. The latter is directly related to the Mission's new Local Government Activity.

Constraint 1: Lack of Accurate Data

The UNDP Human Development Report of 2002 is a document rich in detail, but up to date and accurate statistics are at a minimum for Kosovo. The last general census was taken in 1981. The 1991 census was widely boycotted by Albanian Kosovars. The next census, promised for 2004, will be important to help confirm or deny what we think we know in terms of numbers and percentages. The lack of solid, or even comparable data is a serious constraint to helping advance policy, or to furthering appropriately targeted development.

Constraint 2: Lack of Economic Policy and Investment

Much of the present economy is based on the remittances of the more than 400,000 Kosovars that live abroad, and a small business and service sector that is struggling with high taxation and import tariffs to get ahead. While more housing is still desperately needed, as well as additional infrastructure, there is little capital available for investment in these, which, however, is unlikely to be forthcoming until a clearer economic policy can be established: another constraint.

The economic picture at the beginning of 2004 is less bright than it was hoped it would be back in 1999, but progress has been great, especially in the realm of governance. It is hard, however to maintain transparency and accountability where a citizenry must concentrate on the problem of its daily survival.

7. PRIORITY FOR THE FUTURE: BUILDING DEMOCRACY

In addressing the same constraints faced by USAID, the EU and the UN suggest that for the next few years in Kosovo the focus must be on the further development of democracy in Kosovo. Their priorities are:

- ▶ Gradually transferring more power to the Kosovars themselves;
- ▶ Further sub-dividing the municipalities and decentralizing some of the responsibilities in order to increase the communication between citizens and public officials;
- ▶ That municipal servants and public administrations receive more training, and should be chosen for their abilities rather than for their political affiliations;
- ▶ Continuing legislative efforts that will require more coordination between Kosovar and international officials;
- ▶ A more effective judicial system must be brought into being, along with the development of new legal professionals;
- ▶ NGOs should be provided with more support in their networking and cooperative activities, as well as given more basic training in managing their own organizations;
- ▶ A large civic education program is envisaged, particularly for youth; and
- ▶ Education, housing and health will also be among the priorities.

These priorities do not include all the obstacles to doing business, the revival of local agricultural economies, the high unemployment rate, or educational reform. The UNDP's Human Development Report states the following:

“Regardless of the final resolution of its political status, forward thinking discussions are necessary as part of the efforts to increase the self-sustainability of Kosovo’s economy and further its integration into the economic systems and institutions of South-Eastern Europe and the greater European community.”

While USAID will have other activities that coordinate with many of the above priority areas, the Mission asked the team to focus on recommendations relevant to the new local government activity.

8. RECOMMENDATIONS FOR THE NEW LOCAL GOVERNMENT ACTIVITY

Over the course of the Mission's implementation of SO 3.1, an intensive network of personal and institutional relationships has been developed between and among donors, NGOs, municipalities and their leaders. These relationships represent an investment by USAID in a civil society that, with nurturing, can significantly affect the development of Kosovo.

In the assessment team's discussions it became apparent that the amount of donor funding to Kosovo municipalities for infrastructure is rapidly shrinking. It is in this context that USAID is preparing to launch its LGI program in Spring 2004. This program places major emphasis on

providing municipal advisors to 5-7 municipalities. The question USAID should consider is how these advisors can help municipalities build upon the investments it has already made.

The assessment team recommends that USAID engage in an intensive effort to familiarize the LGI team with its investments and those of other donors, by drawing on the expertise of its own staff, as well as the staff of IOM, MC, SCF, Oxfam and others. Providing a broad picture of the civic context in which they will work, will enable the LGI staff to focus on the need to continue community building, rather than just on the technology of municipal administration.

The Team is unanimous in its recommendation that the LGI program takes explicit steps to:

- Build on the work of the past post-war years;
- Conceive the role of municipal advisor very broadly, as an enabler of municipal development, not just as a technical staff person seconded to the Mayor to address a particular technical issue;
- See that the municipal advisor serves the municipality and its communities, not simply as one more chief political actor; and
- Facilitate three roles that the RMA should play to be fully effective, even though the balance among them will vary from municipality to municipality. Those roles are:

Role 1. Informant: Each RMA should be able to identify and clearly articulate the conflicts and ambiguities that define the legal basis for their municipalities, such as property ownership, and economic development, so that information provided by the RMAs on these topics could inform policy interventions that are likely to be an integral part of the LGI Project.

Role 2. Planner: The RMA in each community should facilitate the development of a comprehensive strategic development plan that articulates the development goals and objectives of the municipality, and defines an action plan. Implementation projects could be offered to donors, enabling the municipality to define what its priorities are for projects. The plan should also be used to shape the allocation of local resources.

Role 3. Service Facilitators: The RMA, where there is an appropriate skills match, should facilitate or design improved methods of delivering public services to the municipality's citizens.

Finally, in order to build on past success, and to respond to the need for advancement on the issue of Serb returns, it is suggested that the selection of communities for the new MC capital program, MISI, to provide small infrastructure projects, overlap to the maximum extent possible with targeted LGI municipalities. That these efforts will succeed however, depends on future political and economic developments inside and around Kosovo.

KOSOVO EVALUATION OF SO 3.1

I. INTRODUCTION

A. BACKGROUND FOR SO 3.1 IN THE USAID STRATEGY FOR 2001-2003

In 1999, after the cessation of hostilities in the NATO conflict with the Federal Republic of Yugoslavia (FRY), there were approximately 1.3 million refugees and displaced persons to reintegrate into a region whose infrastructure and basic services largely had been destroyed. Within a year, international donors and the Kosovars managed to rebuild to a point where an end to the initial crisis had been declared.

By the end of 1999, USAID had issued the three-year multi-sectoral program to Save the Children Federation, Inc. (SCF) to serve as the Umbrella Grant Manager for the Kosovo Assistance Program (KAP). Funds were to go directly from SCF to private voluntary organizations (PVOs) and local non-governmental organizations (NGOs). In May of 2000, twelve community infrastructure projects were initiated in the US KFOR sector to improve basic services there. Progress was slowed by unrest in the province of Mitrovica. It was not until the beginning of 2001 that the Community Infrastructure Services Program (CISP) was awarded and began its rehabilitation work. Thus, while the USAID Strategy of 2001-2003 was written to include the above programs, the writing and the reality of program activities were not completely congruent with each other.

However, as of 2000, the next task was to return to “normalcy in living standards and opportunity.” While the work of rebuilding was still on going, it was also time to assist in the process of regaining incomes and living standards that would help to overcome, not just the remaining war damage, but also the prior decade of exclusion from economic and political opportunities for Albanian Kosovars. To this end, USAID in its 2001 to 2003 Strategy, stated that its Strategic Objective 3.1 was to be a “grassroots initiative aimed at engaging individuals, groups, communities and community members in activities that promote and encourage self-determination and self-reliance.” The focus was to “accelerate the process of social and economic recovery in Kosovo” through meeting basic economic, social and infrastructure needs.

SO 3.1 was “directed towards assisting targeted communities to prioritize their needs” and to encourage “all citizens to participate democratically in making decisions that will better their standard of living.” SO 3.1 was to be supported by SO 2.1 with its activities to develop a broad-based civil society and to build confidence in the system through juridical reforms, and by economic progress in the private sector through the activities of SO 1.3.

1. Political Situation

As a UN protectorate under UNSCR 1244, UNMIK, the Interim Administration in Kosovo, established an administrative structure, while KFOR provided military security. The four “pillars” of responsibility included the UNHCR overseeing humanitarian affairs, the UN Civil Affairs in charge of the civil administration, the OSCE heading up institution building and democratization, and the European Union providing for reconstruction. The Special

Representative of the Secretary General headed this structure and was given wide reaching powers over it to govern Kosovo.

In December of 1999, the executive Joint Interim Administrative Structure (JIAS) was established in order to bring Kosovar leaders into the decision-making process. The original Kosovo Transition Council (KTC) evolved into a parliamentary-like body and the JIAS developed departments that resemble ministries. There were numerous Kosovar political parties; 23 participated in the municipal elections of the fall of 2000. Parliamentary elections were to take place in 2001. Both elections would occupy USAID staff and resources during the Strategy period. The election results would impact some of USAID's activities that are the subject of this evaluation.

UNMIK's purpose for the KTC and the JIAS structures was to begin the process of "Kosovarization" of the administration, especially at the local level, so not only would citizens' views and priorities be taken into consideration, but also, so the local populations would have a group of their own leaders to look to for solutions, rather than the international organizations.

2. *The Economy*

The war compounded the deterioration that had begun during the 1989 to 1999 "decade of exclusion" for the Albanian Kosovars from political and economic life, and in many cases from basic social services. Once Serbs left during the conflict, there was little that remained of their administration directed from Belgrade.

The old Yugoslav distribution system had been destroyed even before the war, and no new market economy had taken its place. With trade nearly cut-off and factories at a standstill, both a market economy and an economic base needed to be created. The young population (about half were under 20) was well educated, but had little practical experience, and was, at best, in possession of college degrees that had not been recognized by Belgrade since 1989. While there was considerable gray and black-market activity, it could do little to alleviate a situation where unemployment was estimated to be at 50 to 75 percent of the working age population. The remittances of the Diaspora before and during the war were estimated to represent half a billion dollars annually, and went mostly to the Kosovar's own efforts to rebuild.

One of the sectors hardest hit by the war was agriculture, which lost two seasons of crops, 50% of its livestock and much of its capacity for agro-production. Telecommunications was devastated, and about 30% of the housing was destroyed. According to the UNDP Human Development Report of 2002, the GDP per capita in 1999 was about 400 USD, less than any of its Balkan neighbors; while by 2000, the Central Fiscal Authority estimated it to be on its way up to 764 USD. The World Bank stated that the GDP was 746 Euros by 2000.

During 10 years of neglect, then war and its destruction of property, infrastructure was either severely deteriorated or destroyed altogether. In 1999, the EU's pillar responsibility for reconstruction looked challenging. Utilities needed restoration in order to begin to support any economic recovery. It was USAID's intention to support the EU's efforts, especially with activities in institutional strengthening.

3. *Democratic Culture and Civil Society*

During the years of exclusion, Albanian Kosovars learned to do for themselves and came to expect nothing from government. Their form of community participation was a source of pride, but was also a reaction to Serb oppression. The existence of the pre-war service NGOs was the result partly of the tradition of volunteerism of the Kosovars, but also of the necessity of providing virtually non-existent social services for themselves.

In 1999, the concern for security and the need to rebuild their lives resulted in a drop in participation for many of the older NGOs, while new local organizations formed in response to a growing number of donor-funded programs.

4. *USAID's Assumptions Behind the Strategy for 2001 to 2003*

While the needs of rebuilding Kosovo were enormous, it was assumed that the international donor community was unlikely to continue to pledge unlimited resources. The EAR lists 28 donor nations and international organizations that were initially involved right after the war. Therefore, US assistance needed to be targeted carefully for a time when funding would decrease, and to coordinate with many other donors.

USAID presumed that other donors would come forward with their offered assistance in a timely fashion, and that the structure UNMIK was establishing would not interfere with the implementation of a variety of programs. The Strategy also assumed that while the remittances of Kosovar Diaspora might decline somewhat as the refugees and others returned home, there would still be considerable resources that the Kosovars would be able to call on to support their own recovery.

If KFOR and UNMIK could provide a reasonably secure environment, progress in recovery would be made, as long as ethnic tension was not allowed to break out again and cause another flood of refugees and more destruction.

Finally, USAID based their Strategy on the understanding that their budget proposal and staffing requirements would be provided, and that humanitarian aid could diminish as agriculture revived.

It is with these assumptions in mind, and with knowledge of the results and outcomes that USAID expected and wanted from the implementation of SO 3.1, that the team began its evaluation.

II. EVALUATION OBJECTIVES AND METHODOLOGY

A. THE PURPOSE OF THE EVALUATION

The purpose of this evaluation is to assess the implementation and outcome of activities executed under USAID Kosovo's Strategic Objective 3.1, Restored Normalcy in Living Standards and Opportunities. In particular, it has evaluated the two major components of this approach, the Kosovo Assistance Program (KAP) and the Community Infrastructure and Services Program (CISP). This assistance directly contributed to the two Intermediate Results under SO 3.1 and

had complementary linkages with SO 1.3 Establishment of an Economic Policy and Institutional Framework and SO 2.1 Accountable and Transparent Governance.

Having completed almost four years of technical assistance in Kosovo, USAID has invested over \$56 million to improve the quality of, and access to, basic services, and to address stated community needs and priorities. Under USAID/Kosovo's new strategic plan (2004-2008), the humanitarian focus of the Mission's earlier assistance has been replaced by a longer-term, development approach. Therefore, Strategic Objective 3.1, the major provider of humanitarian assistance, is being closed out. The Mission requested a formal evaluation of progress made under SO 3.1, including lessons learned and implications for future assistance. This evaluation provides the Mission with a set of findings and conclusions, for each of the components and examines the results that contributed towards attainment of the mission objective. Hopefully, the evaluation will also help to point out those elements of the SO 3.1 activities that have been particularly successful, so that they may be incorporated into the activities of the new strategic plan.

B. OBJECTIVES OF THE EVALUATION

The principal objective of this study is to assess the implementation and the effects of the assistance offered under SO 3.1. The evaluation has responded to the following questions from the Mission:

- Did the assistance achieve or help to achieve the desired results as set out in USAID's Strategy for Kosovo for 2001-2003, SO 3.1 and the two relevant IRs, including objectives and benchmarks set forth in contracts and operative agreements?
- What are the outcomes, results and overall impact of USAID assistance under SO3.1, including their shortcomings and lessons learned?
- How effective was the coordination of USAID activities with other international development institutions working in Kosovo?
- What were the major constraints facing the assistance and complementary impact on SO1.3 and SO 2.1?

C. TERMINOLOGY

For each project, the team used the Intermediate Results of the project itself as indicators of performance, which we have called Findings.

Conclusions, we defined as results achieved by the project above and beyond what was expected. Our recommendations outline the efficiency and sustainability of the project achievements, as well as suggestions about what could be used in future USAID activities. While we are aware that, in USAID terminology there is a difference between activity, project and program, we ask to be forgiven for not having adhered to the strictest of definitions, and only hope that we have been clear about what we are saying. We have done our best with the multiple Albanian/Serb spelling of place names. Where we have used only one name, it is the only one we know. In the

case of Prishtine/Pristina, we have used the latter spelling as it is used throughout the international community. We mean no offense by our errors, omissions or choices.

D. THE TEAM, RESEARCH MATERIALS, AND CONTACTS

The evaluation team was recruited and deployed by Development Associates, Inc., of Arlington, Virginia, under the terms of its Evaluation Services IQC with USAID. Composing the team were Charlotte Watson, team leader, Richard Kobayashi, Michael Palmbach and Michael Gaffen, the last an employee of Nathan Associates, a subcontractor.

The evaluation team reviewed available materials that included:

- Implementing partner contracts and cooperative agreements and amendments;
- Performance monitoring plans;
- Quarterly reports,
- Implementing partner surveys;
- Final Reports; and
- Other relevant materials are included in the attached Bibliography.

The evaluation team also used:

- Key informant interviews with USAID/Kosovo staff;
- Representatives of implementing partners;
- Relevant UNMIK and PISG representatives;
- Municipal and village officials; and
- Focus groups with village beneficiaries.

See the list of contacts and meetings attached to the report.

Also, we are very grateful for the support, advice and extensive assistance we received from the USAID staff in Pristina. We could not have done the evaluation without them.

III. IR 3.1.1 IMPROVED SUSTAINABILITY OF SOCIAL SERVICES AND COMMUNITY INFRASTRUCTURE PROGRAM (CISP)

A. BACKGROUND

The Community Infrastructure and Services Program (CISP) relied heavily on earlier USAID work in Kosovo. In order to set the context for understanding this important part of SO 3.1, a summary of USAID's previous efforts in Kosovo is necessary.

USAID involvement in Kosovo has its origins in 1998 when the USAID Office of Transition Initiatives (OTI) established a presence in Kosovo. While OTI initially focused largely on media, and civil society development, it did lay the foundation for a post war effort in Kosovo by a staff familiar with local conditions and capabilities. OTI international staff was evacuated to Skopje during the war (March 1999 – June 1999).

Given the extensive destruction of the war, on OTI's return to Kosovo, its Kosovo Transition Initiative (KTI), focused on emergency assistance and the development of a program structure that would provide infrastructure rehabilitation and replacement in a manner that contributed to building civil society. The evaluation of the OTI/KTI program, performed by Associates in Rural Development (ARD) in November 2001, reported 8.8 million dollars spent for community improvement grants in 1999 and 2000, and an additional \$404,000 in 2001 as the project was closing out. In the immediate post war environment, KTI worked to establish and develop local Citizens Involvement Councils (CICs) as a way to carry out community based priority setting for projects. However, as the municipal elections of Fall 2000 approached, KTI began to adopt the approach of working with newly elected Municipal Assemblies in order to empower them and add to their legitimacy.

Originally, OTI/KTI had not expected to be in the reconstruction business, but the exigencies of the war made this a necessity. The International Organization for Migration (IOM) was selected to manage the KTI efforts in late 1999, replacing an earlier contractor. IOM managed the KTI efforts to their conclusion in 2001.

When the OTI/KTI efforts in Kosovo were near completion, IOM was contracted by the Mission to support USAID's CISP program in an outreach and origination role, and to help USAID achieve other civil society objectives. This effort is identified as KTI II and was never part of the OTI effort.

The Mitrovica Infrastructure Rehabilitation Initiative (MIRI) was carried out from June 1, 2000 to January 31, 2002, to provide rapid rehabilitation assistance in the Mitrovica region, one of the most unsettled parts of Kosovo. Eighty-eight projects, with a value of 4.1 million dollars, were completed in the 20-month period. The MIRI project was managed by IOM, giving it in-depth familiarity with this ethnically complex region of Kosovo. MIRI, while not part of the scope of this assessment, was part of USAID's overall reconstruction effort in Kosovo that benefited from IOM's already considerable expertise in the region.

In order to expedite infrastructure rehabilitation in other areas of Kosovo, USAID wrote an amendment to the Bosnia contract for the Parsons-Delaware, a large international engineering firm, for a six month, 12-project effort in March 2000. Eleven of these projects were completed under this program, commonly known as Parsons I. When the project was evaluated in September 2001, it received a favorable review.

Based on the experience gained through the implementation of Parsons I, MIRI and through KTI's activities, the USAID Mission in Pristina, competitively procured the services of Parsons for the Community Infrastructure and Services Project (CISP). This 29.6 million dollar project consisted of two main components: infrastructure rehabilitation and institutional strengthening for the Kosovo Electric Company (KEK). The institutional strengthening work for KEK focused on improving the revenue/data collection aspects of their system, which was in very poor condition. Chemonics served as the subcontractor to Parsons with total responsibility for this project. The KEK project is discussed later in the assessment as a discrete program.

B. CISP INFRASTRUCTURE FINDINGS

Parsons' main role was to design and build projects that were identified and originated by others. The latter role was assigned to IOM/KTI, which was to work closely with USAID staff. IOM's knowledgeable staff operated throughout Kosovo and functioned as a major source of project origination and advocacy. In formulating USAID's Strategy for 2001-2003, the mission envisioned using local CICs to help prioritize projects, but it was just after the implementation of CISP, that municipal elections in October 2000 created the first post war municipal governments. As a result, a policy decision was made to shift local project selection from CICs to municipalities and their newly formed municipal assemblies. This decision was intended to strengthen the perceived role of new municipal entities, and as a vehicle to provide municipal assemblies with experience in prioritizing projects.

USAID designed, funded and implemented the CISP program to ensure that a significant number of municipal infrastructure projects were built during the three-year period of the contract. The contractor, Parsons, was to serve as an infrastructure "production machine" that provided (except for project origination) a single point of accountability for project performance.

USAID provided funds to IOM to continue to support a field staff that could help villages and municipalities identify and prioritize their needs and also serve as project advocates (or sometimes critics) at project selection meetings with USAID. A very close and positive working relationship between USAID and IOM staff developed during this period.

CISP funds were allocated in the following way:

Parsons Total Contract	29.6M
Chemonics (CCP for KEK)	6.6M
Construction	13.5M
Soft Costs, OH & Profit	8.9M

In addition, communities and municipalities contributed approximately 1.4 million dollars as the local share of project costs. A total of 118 projects were built under CISP.

The main focus of CISP was the identification and completion of local infrastructure projects that would restore services degraded by the war and the ten previous years of little or no maintenance. The assessment team visited several project sites and interviewed project participants as well as local officials, IOM and USAID staff.

In general, the belief of the team was that the project had accomplished its main objective of restoring, and in some cases creating, some of the public infrastructure needed to foster a return to normalcy. This view is supported by the individual project evaluation reports presently being prepared by IOM staff. The team reviewed the documents for some of the projects visited, and our comments and observations generally mirrored those of the individual project evaluations.

Local commitment was evidenced by financial or labor participation by the beneficiaries directly and/or via municipal appropriation of funds for the local share. The stakeholders had approved all the projects that the team visited, and MOUs defining the local contribution and future O&M responsibilities had been signed. The standard MOU for the project included the following elements:

- Project description;
- Financial Commitment of USAID;
- Financial/Labor Commitment of Municipality/Citizens;
- Responsibility for O&M; and
- Signatures of all institutional stakeholders.

In considering the output of the project, it is useful to remember that the project plan envisioned that CICs, municipalities, NGOs and other donors could originate projects. In addition, USAID utilized IOM/KTI staff in each region to facilitate the origination of projects and also to vet proposals. We found that the IOM/KTI field staff had worked closely with USAID and Parsons employees, to secure the ground truth about the extent of local project support and its usefulness to the community. Knowledgeable local staff, maintaining a continuous presence in each region, provided a high degree of local knowledge and advocacy, and built local trust in the project, and in USAID, during the process from inception to completion.

The CISP projects were developed and completed according to a well conceived and well structured process that included the following main elements:

- Work with the communities
- Work with the municipal officials
- KTI participation
- Selection and presentation of the priority projects to USAID (by KTI)
- MOU signed with the partners (community, municipality and other partners)
- Preliminary Assessment phase of the projects (by Parsons)- PAR
- USAID Approval or Disapproval
- Designing phase (community/municipality participation in this phase)
- Design Approval
- Construction phase (again community and municipality, KTI and other partners involvement)
- Final project (again participation of the community and municipality, KTI and other partners involved)
- Project acceptance
- Final close out package delivered to community representatives and/or the municipality
- Inaugurations with large media coverage, both TV and print

It is important to note that a very significant portion (about 40%) of CISP projects were completed in minority and multi-ethnic communities across Kosovo.

The original USAID Strategy 2001-2003 envisioned that local designers would be used in the project design phase and local contractors during the construction. The strategy included the following language, "The projects will be...designed and constructed by local contractors."

Parsons did make extensive use of local engineers as employees. USAID staff, in a focus group organized by the assessment team, stated that all design work was performed by Kosovars working for Parsons, and that the experience of working for a large international engineering firm provided valuable training and skills to these employees.

The following are abbreviated observations of some CISP projects visited by the team.

MUNICIPALITY	PROJECT	COMMENTS
Peja/Pec	Water Supply Springhead Facility (CISP 062)	A well constructed project that secures one of the main water supply sources for the municipality. This was the execution of a design concept that had been developed many years previously, and was not a rehabilitation or reconstruction project. While this project will require minimum maintenance for a significant period, the rest of the water system is in poor condition with unaccounted for water in the 60% range. The norm for a well-maintained system is in 25-30% range. Based on discussions with the Director of the Water Company, UNMIK has made a decision to regionalize water companies in Kenova. Accordingly, the Peja Water company will absorb several other municipal water systems in its region. The Director was uncertain about whether a separate set of accounts would be maintained for each water distribution entity or whether revenues and expenses would be pooled. The financial structure that evolves from this decision will affect the Water Company's ability to meet its O&M obligations under the MOU.
Peja/Pec	Central Heating Facility for Asdreni Elementary School (CISP 184)	A modern two-boiler central heating system was installed. The project included new radiators, circulation system as well as the boilers. The system works well and the school maintenance man has been trained to operate the system. However, obtaining sufficient fuel to operate the boilers, as intended, has not been possible, so they are operated to provide only essential heat. Only a consistently adequate fuel budget for the school from the Ministry of Education will enable children and teachers to get the full benefit intended by this \$94,000 project. Asked what the school would do if it ran out of fuel, the Director replied that they would ask each family to contribute five Euros for fuel. This voluntary assessment system has been used successfully before for other urgent needs and all but those on social welfare are able to pay. Currently a priority for parent fund raising efforts is securing 1500 Euros to buy a back up generator for the school, a requirement for heat and light when KEK interrupts service.
Suhareke/Suva Reka	Rehabilitation of Mamushe-Studencan Road	This project provided an all-weather road that provides crucial farm to market access and opens up communication for villages in that area. It also provides a 20 km short cut for truck traffic on the Pristina-Gjakova route. This was a top municipal priority and was lobbied for very hard by the Municipality's political leadership.
Prizren-Planjane Village	Road	In paving this access road to an isolated mountain village, the local contribution was labor. It opens up the village to potential small tourism (stunning scenic views) and some villagers have built guesthouses.
Gjlan/Gnjilane – Upper Livoc Village	New Primary School (CISP 198)	This is a new school, but continues to serve solely Albanian students. The Director reported that although he offered use of the facility to the Serbian school director in the village, the 8-10 Serbian children continue to be educated separately.

MUNICIPALITY	PROJECT	COMMENTS
Gjlan/Gnjilane	Rehabilitation of Zenel-Hajdini Gymnasium (CISP 87)	This school has suffered a lot of vandalism and is used very intensively with multiple shifts. This project was completed outside the controlled Parson's process, as a Greek NGO had completed much of the design work. Intervention was required to correct problems in construction. However the vandalism issue is well known to USAID/CISP staff. The Director attributes the problem, in part, to regulations that provide less control of who enters and remains in the school than was previously the case.
Kamenica/Kosovos ka Kamenica	Courthouse (CISP 016)	This is a handsome facility that appears well maintained by the Court System. Court Officials complain that they were not sufficiently consulted in design, but they were not the clients for the project – the Ministry of Justice was.
Malisheve/Malisevo	Water Supply and Distribution Feasibility Study (CISP 085)	This large project, currently under construction, will provide a new potable water source to the municipality, plus storage, and distribution. It is a comprehensive water project in a very poor municipality. All elements are currently under construction. CISP funded only the feasibility study, which gave the municipality a defined project that it shopped successfully to other donors.

Given both the sites visited and the extensive reading of project documents done by the team, the evidence suggests that the CISP project achieved its basic objective of returning some aspects of community life to normal in the targeted communities.

All of the projects the team observed appeared to be very clean and well maintained and were functioning as intended. However they are all newly built, and accordingly require little maintenance.

C. CONCLUSIONS

1. *Community Contributions to Infrastructure Projects*

Community contributions of labor, as in the case of the Planjane Village access road and the Livoc Primary School, and public contributions of money, appear to have built upon the financing systems used during the period of parallel administration, and the earlier Yugoslav system of financing local public infrastructure through a system of "self contribution". Typically, in the "self contribution" system a local referendum would be held to determine whether the local citizens were willing to impose a temporary tax to fund specific projects. One positive effect of the CISP project is that it was able to tap into and reinforce this cultural history of self-financing, while enabling local communities to multiply the value of their contributions on an approximately 5.5-1 basis (15% contribution).

In all cases, the projects made the conditions of life better for citizens on completion. The positive impacts of some projects, like the school heating system, are reduced by insufficient operating budgets, or in the case of the Peja/Pec Water System, poor distribution system management and conditions. The latter examples appear to be the exception, however, rather than the rule from what the team was able to read and observe first hand.

In addition to the tangible impacts of the CISP projects, the program had a broader social impact

- ▶ Municipalities gained familiarity with formal grant agreements and in setting priorities,
- ▶ Communities gained experience with a donor project system that depended on their active participation and joint effort by the community and municipal administration,
- ▶ Municipalities and Communities gained experience in setting their priorities by determining which projects warranted a local cash and/or labor contribution.

These intangible benefits are likely to remain with project participants providing them with advocacy skills and a familiarity with the processes of local budget setting for capital projects.

2. *Economic Development*

The effect on job creation of the CISP project remains unquantifiable, except for construction labor. The team believes that any job creation effects will occur in the longer term and will depend on a general return to normalcy, including the security situation and final status decisions, not factors easily influenced by individual groups of beneficiaries.

CISP has helped create the preconditions for economic development e.g. roads, water supply, schools, power, all of which are necessary but not sufficient conditions for economic growth and job creation.

The Assessment Team's concerns lie in the future. The Team recognizes the potential for both the political/community impetus necessary to support infrastructure development, and the financial commitment necessary to maintain facilities, to wane. The assessment team's concerns are not based on either CISP design or on its implementation. They are based on the uncertainties about macro-economic conditions, sustained donor capital support, and the ability and willingness of communities and municipalities to pay for infrastructure maintenance in the context of their other acute needs. These concerns are based on the somewhat shaky financial condition of municipal governments at the current time, and on the serious risk that legitimate demands for current services and/or additions to infrastructure will take priority over maintaining CISP-funded projects. The assessment team has identified the following risk factors that have the potential to limit the ability of municipalities to live up to their commitments as stated in the MOUs, and to initiate new projects based on own source revenue.

The risks are the result of:

- ▶ Multiple demands on the municipal budget for urgent needs coupled with a limited ability to influence the amount of revenue received from UNMIK/PISG, as well as limited local revenue raising capabilities; and
- ▶ Changes in the organization of major utilities currently envisioned e.g. KEK and Water.

3. *Conclusions on the CISP Projects for the Energy Sector*

The evaluation team reviewed other USAID projects (from CISP and KAP) and a summary of the findings of the infrastructure aspects with emphasis on the electric power and energy sector indicate the following outcomes:

The projects designed to repair and rehabilitate the damaged electric power distribution and transmission system were effective in restoring service to pre-war levels. However, the energy and electric power structure that existed before the conflict, which was not competitive even for that time, was resurrected without modernization or improvements.

The electric equipment, appliances and construction design utilized by Parsons was consistent with Yugoslavian standards, but does not reflect the new energy efficient approach of the EU and US. The opportunity to install equipment with the latest energy efficiency standards within the new Kosovo system has been lost.

The USAID program provided a wide range of projects that included repairing and replacing schools, buildings and structures to their pre-conflict condition, a goal of the engineering design for the components selected could have been to create more energy efficiency in the sector.

D. RECOMMENDATIONS FOR MANAGEMENT OF FUTURE PROJECTS

The recommendations that follow respond to the Mission's interest in knowing what could have been done differently during the implementation of CISP, and in USAID's interest in gaining insight into how a program like CISP might be designed in a different country under similar circumstances.

Continue to build upon previous projects and established relationships when possible. Without IOM/KTI as an integral resource to the project, the scale and quality of the results would have been much harder to obtain.

Using a large international engineering firm provides a high degree of assurance that a specific number of projects will be built in a specific time frame. This is a proper mechanism to use when it is important to get a lot of projects on the ground quickly.

Individual USAID and KTI/IOM staff members stated that it would have been helpful to have a "fast track" process to implement smaller projects. In the future, a way to facilitate speedier execution of small scale or urgent projects should be built into project design at the beginning in order to avoid missed opportunities and to speed implementation.

Continue to require MOUs that specify a maintenance requirement, but recognize that citizen demand for maintenance is the real key. Accordingly, build in as much citizen participation in the project selection/local contribution process as possible.

Consider that the scale of the infrastructure investment will not always provide enough leverage for needed systemic changes in a broken system, but can be a step on the path to systemic solutions. (See Malisheve/Malisevo example.)

In a situation such as post-war Kosovo, where a USAID Mission has multiple vehicles for small infrastructure such as CISP and KAP, consider reserving some infrastructure funds so that additional resources can be added to the program approaches that are proving to be most effective in meeting the Mission's objectives.

IV. KOSOVO ELECTRIC COMPANY AND CHEMONICS CUSTOMER CARE PACKAGE

A. BACKGROUND

The Kosovo Electric Company (KEK) is the entity producing, generating, transmitting and distributing electric power in Kosovo. KEK is the largest company in Kosovo and an essential component of the economy. KEK facilities deteriorated in the 1990s due to inadequate maintenance. The facilities themselves are not based on modern design standards, and were further damaged in the 1999 war.

The Kosovo energy sector and KEK suffered as a result of the conflict, on top of the lack of maintenance, poor management and cannibalization of facilities since 1992. Recent problems include the poor performance of the lignite thermal power generator, a major accident caused by a landslide from heavy rain and poor maintenance at the lignite mine in November 2002, as well as a lightning-based fire at Kosovo-B, the main power generator.

The electric power for Kosovo is produced by two lignite thermal power plants; Kosovo-A with 40 old units of 800MW, and Kosovo-B of 2 units of 339 MW, built in the mid-1980's. Although they are old and poorly maintained, 2 of the five units are operational. The Kosovo-B plant is under repair after the 2002 electric fire of a new generator. About 840 MW is currently available (Oct 2003) with an optimistic plan to reach the level of 1100 MW of capacity within two years, however, the facilities will probably suffer unpredictable periods of unreliability, characteristic of older facilities.

The electric utility sector is also the single largest employer in Kosovo and every household that consumes electricity is connected to KEK. The utility is widely understood to have inept management. It has continued to absorb large sums of subsidies, over 600 million Euro since 2000, and has failed to effectively implement an effective structure designed to move toward becoming a competitive utility.

KEK has about 360,000 consumers. Since 1990, the demand mix for electric power has deteriorated from the high value, high volume industrial consumers to the subsidized low voltage residential sector. The household share of consumption increased from 26% to 75%, while the industrial share dropped from 67% to 12%. This is due to the collapse of the high consumption, heavy industry and the slow growth of the medium to small business facilities. Under the past demand structure, the residential component was subsidized by the industrial sector, providing low price electricity for most consumers.

With the collapse of the industrial sector, the residential must provide the income for the electric utility until the industrial sector is revived. Only 53% of the electricity supplied in 2001 was billed, this included technical losses of 47%, and only 64% of the billed amount was collected. In other words, only 34% of electricity produced was paid for by consumers. In 2002, 59% of the electric produced was billed, and about 59% was collected, so that still, only 35% of electricity produced was actually paid for. This has created substantial short-term cash flow problems for KEK and presents longer-term problems for the sustainability of the electric utility.

During the emergency period after the war, extensive investments were made by a variety of donors to restore service to pre-war levels, and as of this writing, very significant progress has been made in resolving damage to the transmission and distribution systems. The CISP program implemented several small-scale infrastructure projects in cooperation with KEK and municipalities and villages. The program provided about \$250,000 for the rehabilitation of selected components of the distribution system. This included the installation of new transformers in seven locations: Doberqan, Stubline, Capar, Dajkovc, Upper Karaqeva, Koretin and Uglare. Like other CISP projects, each site was selected in coordination with the local community and, in the above mentioned cases with the KEK distribution manager. Strong potential for sustainability was a criterion. The transformers were installed and are operational, providing essential electricity to the communities. These, along with other CISP small infrastructure projects, are assessed elsewhere in this report.

While KEK's needs are large, USAID in consultation with other donors, decided to focus on institutional strengthening at KEK, leaving the complex issues of mining and generation and operating subsidies to European donor agencies. Through Chemonic's sub-contract with Parsons, USAID has provided and installed a Customer Care Package (CCP) that provides billing and collection data, and invoicing services. It also provides high quality management reports on electrical consumption, line losses and electricity that is consumed and not paid for. The CCP was implemented in August 2002 with the goal of increasing the number of registered and billed customers, and to improve collection rates. CCP met the former goal by raising the number of customers in the database from 210,000 to some 320,000, but collection rates remain poor.

B. FINDINGS FOR KEK

The initial aim of USAID support was to help restore KEK to a stable and competitive status by providing a process to collect revenue from the residential, commercial and industrial sectors that could be used for the repair, maintenance and operation of the electric system. The lack of uninterrupted electric power is a major constraint to economic growth and development. The USAID funded CCP has provided KEK with an effective mechanism to collect revenue from each consumer in a transparent and fair system.

Components of the successful implementation included broad-based training, continued direct technical support, and customized computer software and hardware in each of the seven KEK distribution districts. The exceptional software provides detailed data on consumption for each metered site. The data also provides information about irregularities in the cash flow process. The total USAID investment in the CCP program for KEK software, training, computer equipment and technical support totaled \$6 million. Operating reports on financial and commercial invoicing are now available to KEK management from the CCP.

While we found that KEK's working staff and middle management praise CCP, the company has continued to remain an inefficient electric power utility and has continued to resist advice and support to restructure the operation to provide services more efficiently.

USAID is continuing to provide support for the Kosovo Trust Agency (KTA), which is trying to attract an international electric utility management group to turn KEK around. If this effort is successful, (there is significant resistance from KEK and elements in the donor community), CCP will immediately provide the management firm with comprehensive data on system revenue

and power losses, and thereby accelerate a turnaround effort. The CCP data will be able to support improvements to system operations, as well as providing data useful in analyzing the feasibility of privatization and/or a break up of the generation and transmission/distribution components of the system.

Chemonics has accomplished a formidable task by transforming an abacus-based data system to a modern computer-based financial system that includes the data for each meter and household. Despite continued resistance from KEK management, the CCP now provides an open and welcome interface for all consumers. Each customer can go to a local KEK office and pay their current invoice on a regular basis. The new electric meters are effective and can be read by both the customer and KEK meter reader for consistency. This will expand confidence in KEK as a reliable entity and increase the willingness of customers to pay for this essential service.

A pervasive problem is the continued inability or unwillingness of some ethnic groups and a large segment of the population to pay the electric invoice. The expanded operational reports developed by Chemonics can provide the basis for the detailed restructuring of KEK by indicating where the cash flow problems continue and where the focus of improvement must be placed.

Chemonics developed an effective database for the collection, display, and analysis of payments from consumers of KEK. This software, hardware and training deliverable was considered an exceptionally user-friendly product and exceeded the expectations of the KEK staff. The database could also provide the basis for analysis essential to move KEK toward becoming a viable and competitive energy resource.

C. CONCLUSIONS FOR KEK

1. Beneficiaries

All consumers received an immediate benefit from the renewed availability of electric power. It is an essential component of normal living standards. The goal of 7/24 electricity is still elusive in Kosovo, since in all locations it is periodically interrupted by distribution constraints. Many of the shops, hotels and local facilities have back up generators to provide power during the daily curtailments.

The replacement of rural electric distribution systems after their destruction appeared to benefit the rural population more than the urban group. Electricity is used in a house for heat, lighting and primarily for new cooking related appliances including refrigerators, ovens, freezers, microwaves, etc. In the family oriented social structure of Kosovo, women are the primary beneficiaries of electric power, and the availability of more appliances has permitted them to provide food and maintenance in the home more efficiently. In many countries the reduction of home centered time requirements could provide an opportunity for work outside the home. However, the limited employment opportunities for men as well as women have constrained this option. This period, however, is an opportune time to offer training and education to help the underemployed develop skills, which will be essential for economic growth in the future.

The availability of electric power has improved the social and economic lives of most people. The addition, for instance of USAID supported street lighting in urban areas has made pedestrian

travel safer for children walking to schools in addition to permitting egress to shops, restaurants and meeting facilities. This is especially true during the winter period when sundown at 4:30PM can constrain travel over unlighted areas for safety and security concerns.

A number of small enterprises have opened in the urban areas associated with expanded lighting, providing the beginning of expanded economic growth for many locations. Although energy and electric power availability are a prerequisite for economic development, they cannot assure its success.

2. *The Future of Utilities*

There are substantial requirements for the rehabilitation, reconstruction, and repair of the existing generation system and the associated lignite mining facilities. Although the level of investment is large, the additional requirements continue to remain substantial. Since the current policy and legal framework for private investment for large infrastructure projects is undefined in Kosovo, this constrains foreign direct investment in KEK. It appears that support for the generation sector of electric power will be delegated to the European Community and USAID will provide advice, as appropriate.

Due to the inherent and endemic problems of KEK, USAID has provided support to attract a new management group to operate KEK and move to a financially independent operation. The plan is to select a candidate firm in Jan 2004 and move to independent operations by 2006.

The changing demand for electric power can create uncertainty in the deployment of resources. During the past decade, the electric demand has moved from an industrial dominated system to a residential dominated system. However, management planning and analysis of the impact of this structural change has not been developed.

Projecting total electric power demand requirements is complex. Should the substantial level of industry electric requirements of ten years ago return, the existing resources would be inadequate and additional supplies would have to be provided by building new generators or imports of energy from neighboring power systems. The lignite mine near Pristina is the sole source of fuel for domestic power. It is an inefficient and apparently overstaffed operation, and due to the status of Kosovo, financing by the World Bank or the IMF is constrained. Most of the equipment and mining equipment was removed during the crisis.

The financial performance of KEK is difficult to define because of conflicting data. The nominal tariff level (based on the current KEK operating reports) over the past year for all consumers is 6.2 Euro cents/ kWh.

Environmental issues related to electric power generation, lignite mining, distribution and production are not consistent with EU and US standards. An effort to improve the environment could provide an important area for USAID support in training and technical advice.

Training for planning and energy demand modeling was not provided for KEK. This tool can assist the stability and effective growth of the utility.

D. RECOMMENDATIONS FOR KEK

The Chemonics technical support should be continued as an essential item for the maintenance, training and expansion of the data available for planning, and collection operations. This would insure the staff is periodically allowed to maintain their skills and to help introduce changes or improvements in the CCP software or hardware.

An automatic meter reading system could be introduced to assist the meter reader in collecting accurate data on a periodic basis. A small calculator sized device can be carried by the meter reader and provide data on every meter on his route for the past year. The meter reader then inserts the current reading and the device permits the data to be correctly inserted or corrected and notifies the reader if the current input is incorrect and finally, provides the direct daily input to the central computer on an automatic basis. USAID can provide support to this system by providing a pilot program and training for the 360 meter readers. This is a system that US companies produce and they could perhaps be persuaded to provide equipment for a test case.

The KEK customer collection system is currently designed only for cash payments. A process to allow alternative payments could be initiated to include payment by credit cards, for the eventual time when credit cards will be used in Kosovo. The procedure to initiate invoicing and payment by e-mail could be considered at the same time since there is a wide access to e-mail and dispersion of cyber cafes in every town in Kosovo. This presumes, of course, that the banks can support electronic payments.

The USAID program could provide support for establishing an energy efficient protocol for both the KEK operations and the consumers. An education program under the control of KEK could provide information on the long-term cost of using current efficient appliances instead of the older higher energy consuming items. A Kosovo-wide program for energy consumption levels for appliances, consistent with EC standards could be developed. This would include a small sticker on each appliance indicating the energy use and energy cost of that specific product and the range of energy costs for similar appliances.

At this critical time in the design and development of new facilities there is an excellent opportunity to introduce the concept of demand side management. The idea could be promoted that energy use is an essential component of each product, including schools, municipal buildings, libraries, etc., and that the initial lower energy design would provide long-term advantages for the unit and the utility.

USAID can provide training and support for the procedures and operations of an analysis and modeling group within KEK that can evaluate the potential impact of the changes in the demand for service. This would be important as the economy emerges from the current doldrums and moves into the economic growth phase with a strong demand for new industrial electric power. The sharp growths of regional demand can potentially overwhelm the system.

In conclusion, the problem of uncollected bills must ultimately be resolved for KEK. A solution must be found and implemented. In other places, blocks or villages have been metered rather than houses. Social pressure in a village or in a group of housing developments that are being threatened with a cut off of power, is likely to resolve itself more easily than attempting to dun the single customer. Eventually, it is possible for a renewed industrial sector to support the

residential, or to at least subsidize it, but in the meantime, a system for collecting more is paramount to the survival of the utility.

E. NOTES FROM THE TEAM ENGINEER ON ENERGY EFFICIENCY

The concept of energy efficiency pervades the current building design approach for US and EU standards. Rebuilding after the war was a critical period for the electric power consumption infrastructure, particularly for the residential sector in Kosovo. Not only were households replacing older and destroyed electrical appliances, but also each new household was establishing an expanded appliance requirement in the urban districts. Unfortunately, a preliminary survey of several appliance stores and interviews with some residents indicated that energy efficiency was not of importance in their selection process. The local stores had appliances which would not meet the EU energy efficiency standards and were of older design and lower priced, geared to the noncompliance local market. Some appliances, washing machines, water heaters, and refrigerators, etc appeared to use twice the energy for operation than the more efficient units available in nearby Austria or Greece.

Higher energy efficiency standards, although increasing the initial price of appliance units, would have substantially reduced the surge in energy demand for the residential sector, currently the major market in Kosovo. Perhaps, now that the region has moved to a measure of stability, it would be appropriate to implement energy efficiency standards for sales of appliances. A cursory survey of the buildings visited by the evaluation team indicated that the windows would not meet thermal efficiency standards, or were incorrectly installed. They were not double glazed thermal windows and were fogged up without internal ventilation in the school classrooms. There was either no or minimal insulation in the walls, and the building structures were not sited to maximize thermal isolation in the cold winter period and reduce solar input during the warmer periods. These structures will be in place for at least a generation and the increased or inefficient use of energy inherent in the design will continue during that period as well.

V. IR 1.2 STRENGTHENED CIVIL INSTITUTIONS AND THE KOSOVO ASSISTANCE PROGRAM (KAP)

A. BACKGROUND FOR KAP

A twenty million dollar cooperative agreement was awarded to Save the Children Federation, Inc. (SCF) in September of 1999 to address the social and economic needs of communities affected by the war. The Kosovo Assistance Program (KAP) was designed to be carried out over a three-year period, and was intended to serve as one of USAID's principal vehicles to support recovery of the economy, social services and civil society. As umbrella grant manager, Save the Children awarded sub-grants for projects to both local and international NGOs and PVOs.

While CISP was created to manage the infrastructure part of SO 3.1, KAP was intended to enhance the mobilization of local and international organizations to better deliver humanitarian assistance that would improve the foundation for social and economic recovery. The environment of the moment was one in which it was felt that emergency assistance was at a high and would soon begin to drop off. However, with so many sectors still needing help, KAP was to focus on getting that help into the field quickly and efficiently.

SCF needed to organize the funding priorities, the results framework, and all the mechanisms required to hold transparent and open grant competitions. While it was responsible for negotiating awards, monitoring and evaluating the sub-grantees, SCF was also to report back to USAID on the entire grant process, as well as the results of the projects that were to improve the foundation for social and economic recovery in Kosovo.

To that end, the sub-grantees provided programs that were aimed at achieving the following Intermediate Results (IR):

- IR 2.1 Increased Income and Employment
- IR 2.2 Improved Sustainability of Social Services
- IR 2.3 Increased Community Support for Activities that Foster a Sense of Normality in the lives of Children and Adolescents

The KAP program was to meant to manage a large sum of money in a relatively short period of time, while staying close to the Intermediate Results and the overall goal of the Strategic Objective. The program also was designed to allow flexibility to take advantage of unforeseen opportunities and emerging needs in what was described then as a “highly fluid situation.”

Many of those “unforeseen opportunities and emerging needs” came to be funded, but these are beyond the scope of this evaluation. Here we look at projects that were undertaken to achieve the Intermediate Results mentioned above.

B. FIELD VISITS

MUNICIPALITY	PROJECT	COMMENTS
Village of Polce/Klina	Mercy Corps Village Water Supply	A new village water supply system was constructed and 28 houses were hooked up to the system. The expense of bringing the water from the main line into the houses was the responsibility of each individual household. Four of the village families did not have the financial resources to participate, and the other participants in the project paid their fees. Engineering standards were high and the household hook-ups were well constructed. Project committee members placed a high value on the democratic skills gained, the requirement for 50% female participation, the requirement for 20% contribution by village residents, and the additional health training provided.
Village of Zllakuqan/Klina	Mercy Corps Clinic and Road	Interestingly the clinic director, nurses and doctor chose to focus on the social aspect of the clinic development. They pointed out that through projects such as the clinic, an impact was made on retaining families and youth in the community. The community development methodologies employed by Mercy Corps were highly praised, especially in contrast to other donors: “We didn’t work like a donor and a beggar, we worked together.” While MC could only construct a road base, the villagers were pleased that they had gotten help themselves from other donors to pave the road.
Gjakova	CHF CBDC (Community Business Development)	CBDC discussed the stages of development that local businesses had gone through, from the former era to now understanding the need for management skills, marketing, and financial management. CBDC conducted business training for some 1,000-business owners. Approximately 100-150 of the businesses were still in operation. However, CBDC is having difficulty sustaining its operations since it

MUNICIPALITY	PROJECT	COMMENTS
	Center)	became independent of the CHF project (its first six month's revenue had been \$1,600, with required monthly expenses of \$3,500). Staff are working without salary in hopes that they will be able to attract funding in the future.
Gjakova	CHF Carpenter's Association	The Association was formed with the assistance of a German donor that provided wood working equipment. There are currently 42 member companies in the association, all of which were started following the war. They claimed the economic situation is deteriorating, especially as the international donors are withdrawing their assistance. Benefits of training that the Association gained through CBDC included; management, maintaining business documents, and learning about the process of gaining loans. Currently the business members of the association pay annual dues of 130 Euros each.
Gjakova	CHF Woodworking and Door Factory "Vranici"	The factory's activity has slowed down considerably due to lack of demand and because the supply of electricity is sporadic. The manager of the factory cited the benefits of training provided by CBDC, particularly assistance in developing marketing brochures.
Gjakova	CHF "Feral" Factory of Metal Shelving	The factory was opened in 1996 and survived war damage. The Director cited the benefits of CBDC training, particularly in the development of financial plans and annual reports. However, he claimed, with the economic downturn and with high customs tariffs and taxes, the prospects for the factory are not very good. He also mentioned the requirement of paying VAT before the manufacturing process as being crippling, and was worried about the uncertainties of privatization.
Shala/Sedlar in Lypjan/Lipljan	OXFAM Community Group Water Project and School Project	Highlights of the projects were given to the team by a gathering of the community. The importance of a clean water supply and health training was cited, as well as rehabilitation of a portion of the school (CISP). Other benefits of the project included youth getting work experience and all members of the village learning to work together.
Opterushe/ Opterusa in Rahovec	OXFAM Water Supply	Two villages with populations of 4,000 each build a central reservoir and pump station to serve both communities. The communities now have 24 hour a day water supply. The communities however do not have the resources to construct a water treatment facility, and at this time all black water is handled on a "ad hoc" basis.
Hajnovc/Ajnovce in Kamenice/ Kamenica	IRC/CASSI Bridge Project, 2 playgrounds	A multi-ethnic community (Serb and Albanian villages side by side) participated in rehabilitating a bridge joining the two communities. The municipality contributed 32,000 Euros. The methodologies of community participation were cited as vital to the success of the projects. The Serb members of the community felt comfortable in approaching the Albanian President of the Municipality.
Kolloleq/Kololec in Kamenice/Kamenica	Playground and Cultural House, (Uncompleted)	The team viewed a partially completed playground and a cultural center building which had been poorly constructed, and that has no roof. This is a Serb village, and they did not know why the project was not completed. The Serb village leader from Hajnoc/Ajnovce thought the project was IRC's, but was not sure
Kranidell/ Krajnidel in Kamenice/ Kamenica	IRC/CASSI New School Construction and Road Project	The village participated in assessment exercises and conducted secret balloting resulting in the establishment of the priorities of: 1) road, 2) school, and 3) clinic. The school appeared to be very well constructed, and the road was in good shape (and definitely needed for this very remote village). The village worked together for 21 months to complete these projects, and the involvement of community members

MUNICIPALITY	PROJECT	COMMENTS
		was mentioned as a beneficial aspect of the projects. The village has maintenance plans, and recent road work was evident.
Hogosht/Ogoste in Kamenice/Kanenica	CARE Livestock Improvement and Silage, Cheese Making	Farmers learned how to improve the feed of their cattle with a resulting increase in milk production and a women's group was formed to make cheese for the local market. However lack of markets for milk and difficulties in marketing cheese were cited. The farmers stated that the wholesaler who purchases milk can only purchase 20 liters per day, which leaves a large portion of the milk outside of this marketing channel.
Zubin Potok in Mitrovica	CISP Village School	The new school is one of the final CISP projects. Both the Ministry of Education from Pristina and Belgrade contributed furnishing to this project. Salaries are funded by Serbia, and the new educational curriculum was highlighted. The Serb children have no interaction with Albanian children, but the school's Deputy Director would be open to student exchange initiatives.
Zubin Potok in Mitrovica	Ambulatory Center Rehabilitation	Of particular importance for the clinic staff was the refurbishing of the heat and sewerage systems. They were concerned that low quality water taps had been installed, and that some of the floor tiles were coming loose. Their generator is not powerful enough to maintain the correct temperature for vaccines. The center receives no assistance from Pristina and only accepts payments in Dinars. USAID assistance was highly praised.

VI. INCOME GENERATION AND INCREASED EMPLOYMENT

A. BACKGROUND

SCF's RFA on income generation and increased employment for Kosovo was extremely ambitious. It acknowledged the enormous challenges ahead in order to rebuild, not just after the war, but also after the previous ten years of neglect.

Activities of the implementers responded to two areas of critical need: 1) construction of housing and development of the construction industry, and 2) improvement in agricultural production, processing and marketing (About 90% of households in rural regions, representing approximately 60% of the population, are involved in agricultural production.) The intermediate results included the following:

IR 2.1 Increased Income and Employment

2.1.1: Increased household and commercial production

2.2.2: Strengthened small and medium scale enterprises

PROJECT	IMPLEMENTING PARTNER
KCEP (Kosovo Construction and Employment Project)	CHF (Cooperative Housing Foundation)
KART (Kosovo Agricultural Recovery Transition Project)	ACDI/VOCA (Agricultural Cooperative Development International/Volunteers in
LINK (Livestock Improvement in Novo Berdo and Kamenica)	CARE

B. FINDINGS

As a response to the humanitarian crisis in Kosovo substantial short-term gains were made and these projects probably restored a sense of normalcy to everyday life for some. Business owners and entrepreneurs developed action plans, organized into associations, and began marketing campaigns. Farmers learned new techniques of production, and joined with neighboring farmers to observe trial plots to test new methods. Some began to participate in association activities.

KCEP taught business concepts to thousands. For many of them, the business concepts were new and represented their first exposure to training in business and financial management. The creation of several hundred jobs is documented in the SCF quarterly reports as a direct result of KCEP, especially in the construction industry. A small portion of KCEP's business clients obtained credit for business investment purposes, and the capacity of their local NGO, the Community Business Development Center (CBDC) to conduct training programs was enhanced as well. CBDC also provided valuable direct services such as the development of business brochures.

Through KART and LINK nearly 6,000 farmers received training in business management, agricultural production and food processing techniques, or participated in agricultural extension events.

The beneficiaries, however, did not always receive the full value intended, an example of which is the KART project, which was terminated early due to the inability of the sub-grantee, ACDI/VOCA, and the granting institution, Save the Children, to agree on outcomes and performance. Problems included difficulties in project start-up and a high turn over of international staff assigned to project activities. Economic instability in Kosovo, which the sub-grantee claimed had partly caused the delay in start-up, was beyond their control. However, errors in timing of various activities, and a lack of clarity about the desired impacts for the projects compounded the problems brought about by expecting too much from projects with a maximum life of eighteen months.

All projects conscientiously targeted both men and women as participants, an approach that represented a cultural and social change, but which appeared to the team to have made a positive impact on all involved.

In addition to the substantial training efforts, these projects undertook market research studies, provided on-the-job technical assistance, assisted in the development of market linkages, and supported both new and existing associations in fields as varied as carpentry and cheese production.

Increasing income and employment is extremely difficult in an economy that is under so many constraints. Businesses and farmers are hoping for a more favorable tariff schedule, and some are suffering under a confusing VAT regime. In our field meetings, the team listened to many Kosovars express the idea that a determination on the status of Kosovo would facilitate international trade.

While these projects to increase employment and generate income had some successes such as an increase in household income for the agricultural LINK project, and resulted in a great many

participants being trained, there is no evidence to suggest that the Intermediate Results themselves were reached. The expected results are very broad, and could not possibly have been achieved in such a short time. These goals are excellent as long-term objectives that belong in the larger picture of economic development, which are taken into consideration in the future Mission Strategy.

C. CONCLUSIONS

1. Development of Associations

In a focus group formed for the benefit of the assessment team, the head of the Carpenter's Union in Gjakova/Djakovica was asked to list three things that he learned through training offered to his association. They were:

- “1. First and foremost, a deeper insight into management,*
- 2. Proper ways of maintaining business documents,*
- 3. The best assistance provided was how to negotiate with the banks and learning about the process of gaining loans.”*

There is little interest, however, in the creation of farmers' associations, as these appear to resemble too closely the organizations of a cooperative past where the farmer produced for the State.

2. Agricultural Technology Enhancement

In agriculture, family and personal relationships tend to dominate the decisions about local production and, as ACDI/VOCA stated in its final report, “local agricultural practices are primarily based on tradition and folklore.” The report goes on to say that innovative practices are least likely to have an impact in rural villages where local “leaders” decide on inputs and allocations are “based on family rather than on need or productive capacity.”

From the team's visit to one of the LINK villages, Hogosht/Ogoste, it is clear that milk production has been increased by the improvement of the farmers' herds and by the introduction of improved silage. However, according to the farmers, the local wholesaler does not have the capacity to process more milk. Ideally, the larger production could be used in the newly created village cheese business. As of our visit, however, the women running the business were reluctant to package their cheese in order to sell it to a larger market. Clearly, more time was needed by the project to go the next steps.

However, in such areas as veterinary medicine, and in the Department of Agriculture at the University, “Western style innovations” were well accepted and appreciated by professionals who had not had up-to-date information for over 12 years.

3. Involvement with Municipal Government

Involvement with municipal governments and their various departments by the project teams and by the Kosovar participants in the programs was limited. Although not an intended outcome, an opportunity may have been missed to have both business and agricultural workers learn more

about their local governments' capacities. However, it should be noted that it was not until 2000 when local multi-party elections for municipal assembly were held and municipal governments were not highly organized until sometime in 2001, virtually half way through the KAP project.

4. NGO Development

The development of skills in the operation of associations and NGOs was advanced somewhat in urban areas as the team observed in Gjakova/Djakovica. While CBDC has some idea about proposal writing, it has little practice of fundraising, and according to the staff, the organization has no long-term, or even short-term strategy as a guide. While the staff is enthusiastic, CBDC is having a difficult time changing from its role as an arm of CHF to that of becoming a sustainable entity. Ideally, implementers need to prepare for separation from the local NGO they intend to leave behind at the beginning of the relationship, rather like an organizational "exit strategy."

While farmers gained new technical skills, it appears that the time is still not right for them work in associations. The "culture of associating" remains in a traditional mode in rural areas, and changing it would require a much longer time frame than the projects could offer.

D. RECOMMENDATIONS

In the team's meetings with the carpenter's association, groups of farmers, and business people, at some point the issue of credit was raised. Sometimes it was mentioned in relationship to income generation to expand employment. In both cases, credit was needed to "grow" businesses. Access to low interest credit was also cited as a means to increase agricultural production.

Both sectors, the team felt, could also benefit from more training in marketing. While NGOs such as CBDC are helping their local urban producers create marketing tools, the team found that no one we met in the agricultural sector understood much, for instance, about packaging for their products.

Economic development activities as a function of municipal government should be highlighted. For rural areas, substantial coordination and assistance can occur between municipalities, the Ministry of Agriculture, farmers' organizations, and USAID. Input and market links are critical not just in production agriculture, but also in storage, transportation, agro-processing, and marketing. Some alternative to producer cooperatives for dairy purchasing and shipment might be considered as the focus of future economic activities.

VII. IMPROVED SUSTAINABILITY OF SOCIAL SERVICES

A. BACKGROUND

This portion of KAP, called Community Initiatives, was designed to result in measurable and sustainable improvements to community level social services through community participation. With the community itself being the key actor in addressing its own most crucial needs, it was expected that the range of activities in which the community would take part, would help build both group and individual capacity to become active agents of change through pluralistic

decision-making. Both rehabilitation and development activities were supported, with a focus on water supply, sanitation, education and health.

IR2.2 Improved Sustainability of Social Services

- 2.2.1: Increased access to social services
- 2.2.2: Improved quality of social services

IR 2.4 Enhanced Contribution by Civil Institutions

- 2.4.1: Increased participation by civil institutions in social and economic recovery
- 2.4.2 Increased capacity of civil institutions to develop and lead community initiatives

PROJECT	IMPLEMENTING PARTNER
CASSI (Community Action for Social Services Initiative)	IRC (International Rescue Committee)
LGSI (Local Governance Strengthening Initiative)	OXFAM
HCI (Healthy Communities Initiative)	MC (Mercy Corps)
Establishment of IT Institute & Scholarship Program	IPKO (Institute of Information Technology)

IRC (International Rescue Committee), MC (Mercy Corps), and OXFAM, completed 130 community-based projects. Water and sanitation represented approximately 35% of the projects completed, health care center construction and equipment supply 25%, road construction 17%, school construction and improvement 8%. Other projects carried out were on domestic violence, library support, and after-school education. According to SCF's KAP Quarterly Report (July – September 2003; EEU-A-00-99-00027-14), of the beneficiaries, “an estimated 54% are female and 46% are male. Approximately 87% are Kosovo Albanian, 12% Kosovo Serb, and 1% other minority groups.”

Through the IRC, MC, and OXFAM projects, communities learned to assess and prioritize their needs, to develop project implementation plans, procure supplies, manage budgets, issue tenders, supervise construction and evaluate results. The “process” of conducting these projects, however, was as important as the projects themselves, as was explained to the team by one of the project managers. *“I learned never to go to a village and tell them what they need...ask them. You have to create a relationship with people to build trust. Donors want to get work done fast, but building a relationship is very important. Spend time on this, and then the project goes fast and easily”.*

While all implementing partners maintained the community focus, the procedures of each organization varied. The team found that Mercy Corps identified and assessed the village first, before involving the municipal authorities. OXFAM asked the municipality to submit a prioritized list of communities that needed assistance. From such a list, the villages were then contacted to submit their priorities.

The team found that the villages we visited were pleased with their projects and with what they had learned in the process of implementing them. We also received requests for future activities, and it is clear that there is still much that needs to be done. Now that a water project has been completed, next on the priority list for several villages was sewage. A rebuilt library now needs books, and a renovated health clinic is looking for equipment. In Shala/Sedlar, the villagers are

planning to put heating and furniture in their newly renovated community center. As a local leader there told us, “We know how to do it ourselves now.”

B. FINDINGS FOR IRC

IRC’s final report for the CASSI project is a document filled with description of the project’s impressive results, with lessons learned, and is the beginning of an exceptional “how to” manual on community participation. They completed a total of 86 projects. Funding came from international donors, including USAID. Ireland Aid gave \$1,197,897. Both municipalities contributed from \$120,000 to \$410,000, and the villages gave anywhere from \$53,000 to \$450,000 in either labor and/or cash to every project. (Figures are taken directly from IRC’s Final Report.)

At the halfway point of the project, and at the end of the implementation process, IRC conducted two evaluations with village and municipal government partners. Using guided discussions and group surveys, the sessions gave both qualitative and quantitative information of CASSI’s impact. They also conducted surveys in non-partner villages as the basis for comparing the results achieved.

It is clear from the evidence in these surveys that CASSI brought about many positive changes in civil society. The village participants clearly understood the need for wide participation in a project, rather than involving just a few of the village leaders. Villagers found they had the authority to affect the outcome of a project, but that they also had to accept the responsibility for it. Villages and municipalities learned to appreciate transparency and openness in the process of spending and budgeting. The villagers now appear to understand that they can make changes in their own communities, and expect an open and participatory process to be the norm.

According to IRC’s final report, the most important lesson learned for them as implementers is that, “It takes time to effectively teach people how to identify and address their own needs, and it takes time for them to learn.” While the team heard from other donors and implementers that CASSI had taken too much time to work through the decision-making process at the village level, it seemed clear to the team that they performed well on the Intermediate Results mentioned above. This was confirmed in our visits to villages where IRC worked, where the “lessons learned” were told to us by the villagers themselves.

C. FINDINGS FOR MC

MC’s project of Healthy Community Initiatives began by training village women, who, in turn, helped create Community Health Advocacy Groups (CHAG). It also involved community participation in infrastructure projects. Here too, local contributions of labor and funds equivalent to \$189,241 were added to the USAID grant amount of \$562,681. Other donors contributed as well. (Figures taken directly from MC’s final report.)

The process began for Mercy Corps with training of trainers and seminars in selected villages. Through the training period, natural leaders were identified and invited to become part of the CHAGs. At that point a village was asked to identify and to agree on a priority need for the community and to contribute 15% of its cost. In most cases the village reached a decision, and the project was started. In the case of one community, Lubovec/Lubove in the Municipality of

Istog/Istok, another donor arrived and completed the project for the village without any requirement for a local contribution, so MC's project was not done there.

While the team was only able to visit one clinic, village leaders and the nurses that MC trained all stated that, not only was the new facility well equipped, something they felt they could not have done themselves, they were also pleased with the improved health of the villagers using the clinic. They told us that the children of mothers who had taken MC's workshops were healthier, and that the entire village had fewer gastrointestinal problems as a result of the new water system that had been installed.

Again, in the final report, there is a wealth of survey results and lessons learned that should be preserved. The report has an informative survey that shows how village attitudes about taking problems to municipal authorities changed, and whether or not the municipality, not only listened, but solved the problem. Overall there was a 30 to 40 percent increase in the number of problems the municipality was able to resolve, once the villagers learned to prioritize their needs and how to ask for help. There was a 50 percent increase in citizen ranking of the local government's responsiveness, effectiveness and accountability from the pre to the post project period.

The best example of increased cooperation between village and municipality is perhaps in the village of Zllakuqan in Kline/Klina Municipality. After a number of initial meetings, both the municipality and the village agreed that an expanded health facility was their priority. By the end of what became a lengthy and complicated process, six villages that would use the facility plus the Municipality of Klina all contributed to the project, which included tearing down an old building and the construction of a small house for a woman who had been living in the structure that needed to be demolished. Like IRC's lessons learned, MC also found that, "it takes time for changes to occur in behavior and practice," but that indeed they do change.

D. FINDINGS FOR OXFAM

Oxfam's project to supply water for approximately 30 villages was also aimed at capacity building for local government structures. Oxfam's final report gives details of a base study done of citizen participation in village councils and reports that by the end of the project, activism had increased by 29%, 51% among women and youth, and 21% among the men since the beginning of the project. However, the report cautions that it is too early to claim that the changes are long-term, as opposed to being a response to the donor's requirement that women and minorities be included in the meetings.

In Oxfam's case, village contributions of labor or cash averaged 23 % of the project's total cost. Each municipality put in an average of 16%. The highest municipal contribution was for Livoc, which gave 40% of the total project cost. The team found no objection to these levels of contributions in any of the villages we visited. On the contrary, many expressed willingness to commit as much or more again for better local services.

In the interviews conducted by the team, it was obvious to us that Oxfam's work had helped improve communications between the targeted villages and their municipalities. We also heard over and over again that better water had given them better health.

E. CONCLUSIONS

1. *Community Participation*

Community Initiatives (CI) projects were initiated from, and worked at the community or village level. Communities learned how to identify and prioritize their needs, and learned to form democratic structures to set policies and carry out the projects. To varying degrees under the three main sub-grantees, substantial project administrative responsibility was handed over to the community. In contrast, the team heard of many other international donors who managed the project themselves, taking the cash contribution, if any, from the communities as well as handling all of the engineering and management functions. In the above three projects, the community learned project management, including the issuing and evaluation of tenders, handling project funds through established bank accounts, monitoring of construction quality, and how to conduct evaluations of project success.

2. *Municipal Administrations*

Municipal structures came into being through elections during the process of the KAP projects. These three implementers worked with the municipal officials and offered them incentives to work with communities whose buy-in portion was relatively small for a project that had a large impact. By developing community/municipality partnerships, the community became a watchdog over the implementation of projects, and thus, ensured that quality work was accomplished, while the municipalities learned to pay attention to repair and maintenance issues. Both villages and municipalities learned about an open and transparent bidding process. Significantly, municipalities also found that feasibility studies were important, and that if the criteria for the project were not met, the project would not proceed.

The team found that genuine communication had begun between the communities and municipalities, often as a result of these projects. Municipal leadership gained as much in confidence as did the communities through the process of working together. One community leader in Kamenice/Kamenica admitted that, *“Municipal leaders had not been used to going to meet people in the villages. In some regions after these projects, they are still holding regular monthly meetings.”*

The role of local municipal government is still poorly defined, and there are those within the administrations who do not understand their roles any better than the citizens do. Through these KAP projects, a bridge between communities and municipalities has begun. For example, the establishment of “water commissions” at the local level required that communities go through municipal agencies to obtain permits, and required checks on land ownership issues which resulted in bringing communities and municipalities closer together.

Through focus groups and informant interviews the evaluation team heard a number of variations confirming the message:

“We learned a lot from the donors, but we also learned about community and municipality cooperation. This knowledge we continue to hold and to use.”

“Involving citizens and municipalities together ensures sustainability.”

“As municipal officials, this has been a new experience for us – working with villages that were organized and coordinated. It is much easier to work in this way. Thank you for that.”

3. Requirement for Cash and In-Kind Contributions

The requirement for a village and municipal contribution to a project, whether in cash, labor or supplies, was highly valued by every community visited by the team. *“We appreciate the project much more than if it had been a gift. We now know its value, and we know the importance of its maintenance as well.”* In one obviously poor community, the members reiterated their willingness to contribute 50 to 100 Euro per household to complete their project. However, in another community, where a project had been done which did not require a local contribution, the evaluation team was told that it was doubtful that families would even contribute 5 Euro each for the new school. One implementing partner from a village council suggested, *“I would make a rule that the community would have to pay their part first. Sometimes communities think the donor has the money to complete the project and that if we hold back they’ll do it without us.”*

Looking at the three KAP CI projects, the team concluded that the principle of negotiating with municipalities and villages on the share of contributions from each was a healthy exercise for all concerned, promoting self-reliance. Simply giving the entire project to a community, as the team found in some villages, while not necessarily fostering “donor dependence,” did lead to community apathy on the subject of local problem solution and on maintenance.

4. Conflict Resolution

One of the benefits of all of these KAP projects is that in requiring the villages to negotiate their priorities, communities learned to communicate among themselves in a peaceful manner. IRC, MC and Oxfam all give examples, one of the best being from the IRC final report. When they began the program, residents of two villages had trouble expressing themselves at public meetings without yelling at each other, and the meetings “usually ended in pandemonium.” By the end of the 18 months, the communities could identify and solve their problems with feelings of satisfaction and pride. CASSI staff spent many hours teaching meeting behavior and regulations, and as they said, returning from meetings with “very big headaches”, but at the end of the process, even the villagers could see their own success “becoming clearer.”

5. Comparison of USAID/KAP to Other Donors

Time and time and time again it was strongly reiterated to the team that the KAP programs were different from other international donor efforts. Typical comments were: *“In Kosovo hundreds of international organizations came to spend money only. As much money as it was, the results are not large.”* The following story has much to tell about what KAP did right:

“Mercy Corps worked with members of the community. Our votes and Mercy Corps’ were equal in selecting our project activities. We didn’t work like a donor and a beggar. We worked together. The other donor groups didn’t work like this. Whether we liked it or not, they did their projects. Another donor built a kindergarten, but they didn’t ask us if we wanted it. They didn’t invest in our

other needs, only the object, only the building. We were ignored as a community. They just build it, and it is not needed or used as it could have been if they had worked with us. Before Mercy Corps began, they went to each family and asked their opinions. Our community members told them that we needed the clinic, and that is where we are sitting today.”

6. Tolerance, Women, and Minorities

The team observed that substantial social and civil society progress resulted from these KAP programs. A number of success stories are cited in the final reports of these sub-grantees. Tolerance was furthered through the participation of minorities wherever possible. In one instance, in the village of Hajnoc/Ajnovce, in the Municipality of Kamenice/Kamenica, a road was constructed joining an Albanian and a Serb village. The latter worked with the Albanian municipality rather than the Serb one for assistance. In the village of Zibin Potok near Mitovica, both the Serbian Ministry of Education and the Kosovar authorities in Pristina contributed furniture to a school project in a Serb municipality.

The participation of women was encouraged and supported by each of these three projects. The figures in each of their final reports shows increased civic activity by women since the beginning of the project. An average participation rate of 54% by women at the end of the project, shows that these projects definitely broke new ground in attitudes and traditions. Women’s involvement in these programs was highly valued, according to the surveys done by IRC and MC.

7. Democratic Behavior

These KAP programs insisted on the involvement of villagers, leaders, contractors, and municipal authorities. Democratic processes and procedures were taught throughout each step of each activity. Two stories illustrate the impact of the projects on democratic procedures.

In the village of Polce, where a water project had been completed, one of the women on the village committee told the team:

“Before there was just one man in our village who decided everything. He would say it and other people would do it, but we might not want to do it, or might not do it well. Now the village works in a democratic way. Now we work together. We are more organized now, and the community knows how to approach the municipality.”

In another village that had benefited from a KAP project, one of the leaders said to the team:

“What you did is good for our village and you have made it easier for the municipality to carry out their work. When I spoke at a municipal meeting, other villages came to me to ask how to form their own “democracy”. I taught them how to work with 50% women and 50% men. That meant a lot to the others and it is important in developing a democracy. Democracy is when you are all equal and work together to make advances.”

F. RECOMMENDATIONS FOR THE PROCESS FROM THE BENEFICIARIES

The evaluation team attempted to elicit from community members and municipal leaders alike, “how could we have made the process better”. No major flaws were pointed out, but the most common recommendation for future activities was not to change the process. When the team asked what had been done right, the response reflected again the powerful impact of the citizen participation aspect of the projects. One man sitting in a newly renovated school said, *“I have an answer for you. What was done right was the discussions and assessment of our village needs, and basing the project on our own needs.”*

Some of the positive steps in the process that were highlighted during the team’s focus groups in villages and municipalities included:

- ▶ Villages kept their own money (contribution), and learned how to manage their funds and expenditures. Some municipalities put their money into the same bank account with the community’s project funds, an unexpected demonstration of trust according to the villagers.
- ▶ During the procurement selection process, the community, Mercy Corps, and the municipality each had one vote. It was a source of pride for the village that their vote was equal to that of the other two partners.
- ▶ Budgets and bills for construction materials would be posted for all to see in the village during the construction so that the process was transparent.
- ▶ Municipalities approved projects and had a responsibility for maintenance along with the villages.
- ▶ Through this process communities and municipalities gained capacity on many levels and formed relationships they didn’t have before.

VIII. CHILDREN AND YOUTH: CIVIL SOCIETY IN KOSOVO

A. BACKGROUND

Because these projects were done through Save the Children and had been completed, it was possible to do this part of the assessment only through final reports and other program documents. Youth centers and activities were an important tool in the work toward normalization of life after the conflict. The initial funding came from the Displaced Children and Orphans Fund (DCOF), permitting the International Rescue Committee and the International Medical Corps, as well as a number of local NGOs funded by Save the Children to work in communities throughout Kosovo. The processes used during the normalization program were not meant to be sustainable, nor were the projects intended to be long-term. However, it is worth considering that the beneficiaries discussed in this section of the report, were not just the children and youth, but also the Kosovar NGOs that implemented these projects.

PROJECT	IMPLEMENTER
Civic Participation Initiative (CPI)	International Rescue Committee (IRC)
Fostering Community Support for Rural and Minority Youth	International Medical Corps (IMC)
Strengthening Youth Advocacy in Kosovo	Kosovo Youth Council (KYC)
Sports Fields and Playgrounds in Lipjani/Lipjan Municipality	Youth Association “Magurja”
Children Rights and Civil Society Debate Program	Professional Center for Human Rights and Juridical Initiatives (PCHRJI)
House of Open Heart	Future Without Fear (FWF)

Approximately 20,600 children and youth participated in sports and cultural activities, debates, project planning, health education and in some cases learned new skills such as auto mechanics and tailoring, promoting a sense of normalcy. The activities included displaced children and youth, included minorities, and emphasized gender balance. There were youth centers built and repaired, training for health care, teachers and parents, creating a sense of normalcy in the community.

B. FINDINGS

1. The Goals of the IMC Project

a. Increased Community Knowledge

From the final report we learned that the community was involved in some cases more fully than in others. Parents, village groups, teachers and local NGO were often engaged through seminars. The baseline data gathered through surveys was thorough and later data shows that there was an increase in knowledge by both young people and their parents about STDs, and substance abuse. There also appears to have been an increase in voluntarism during the process of the project.

b. Increased Capacity of Communities, Service Providers and Youth Leaders

While a considerable number of groups: parents, leaders of youth groups and educators were trained and attempts were made to turn youth center management over to local organizations, there was no data available to the team as to whether or not the centers are still functioning. Two local NGOs, Kosovo Action Together (KAT) and Friends of Youth (FOY) received training and submitted proposals to a number of donors to allow them to run youth centers in several locations. Hopefully, the OSCE and others are maintaining these, but the team did not have a chance to verify this.

c. Increased Level of Access that Communities Provide to Youth

The rehabilitation and acquisition of space for youth centers was IMC’s “greatest challenge” as space was at a premium during the days when donors were plentiful. The structured activity and skills training to youth was therefore postponed until space was found and renovated. However, testimonials claim that once the activities were under way, youth used the facilities and expressed appreciation of being offered the opportunity to learn new skills.

2. *The Goals of the International Rescue Committee's Citizen Participation Initiative*

- a. To train groups of children and adolescents living in urban and rural areas to identify problems in their communities and to undertake projects that could remedy them.**

According to some of SCF's quarterly reports, many of the concepts and topics dealt with in the seminars were difficult to grasp, not only for the children, but for the facilitators as well, while research and the techniques of activism were easier to understand. One of the "lessons learned" according to IRC, was that many of the children and parents involved from very poor rural areas did not have the basic knowledge to benefit from the training.

- b. Fostering linkages between youth, government and professionals to create an environment where adolescents are perceived as necessary and effective resources in community decision-making.**

IRC's final report stated that the problems of security in getting groups of mixed nationalities together, often hindered the holding of mixed meetings and workshops. However, skills such as auto mechanics and computer training benefited, not just the children, but many adults as well, according to quotations in the SCF reports. Also reported are several success stories of children learning to successfully advocate for local changes and turning formerly skeptical village leaders into supporters as projects were completed.

- c. To strengthen the ability of parents and other adults and organizations working with adolescents, to respond effectively to the rapidly changing needs and concerns of youth in a post-conflict situation.**

Another lesson learned from project experience documented in the reports is that parents had less time available to dedicate to meetings and projects than the youth. While this should have been obvious in the project planning stage, it was not, and resulted in less local adult participation that had been hoped for. A second worthwhile observation of the implementers is that, culturally, it was difficult for adults to discuss family problems in a group setting. Further limiting to the project was the parents lack of belief that the project could be successful after experiencing many international organizations that had come and gone in a short period of time. All of the above made it hard to obtain either the interest of the local people or their time and resources. This project also suffered from rapid turnover of project staff that further eroded the trust of the local participants.

Projects such as the CPI, need to be more fully thought out for cultural sensitivity and better planned. Determining if the community desired such activities and possessed the time to dedicate to them is essential.

In mid-project, reporting guidelines were changed for IRC so that the units and categories of data were no longer consistent with the indicators and targets in the original project proposal. As a result, it was difficult for the team to follow some of the progress reports. While the change may have been for the best, it does not help to clarify project results.

C. THE LOCAL NGO PROJECTS

The *Debate Program for Children's Rights* trained teachers and students in debating and certainly helped to introduce new ideas on human rights. While the project was very inclusive of minorities, it can only be hoped that some of the activities continue. There was no time for the team to verify this.

Strengthening Youth Advocacy in Kosovo appears, from the project documents, to have been a good project which taught youth to research and analyze public opinion, write and share reports, and ultimately to organize action plans to raise community awareness on issues such as equality for women, smoke free schools and to hold cultural events in their communities. It is interesting to note, that in one of the public surveys done by this project, youth groups were concerned primarily about the education system, security, the lack of adequate health care, and gender issues. Reform of the education system was highest on their agenda. Because of the multiple sessions in schools, it was hard for the groups to meet except on weekends.

The *House of Open Heart Project* gave children the opportunity to engage in a wide variety of cultural activities, and also trained personnel working with children. Anecdotal evidence suggests that the children benefited from the creative time, though there were often not enough volunteers for support and guidance. Different shifts for the schools also made it necessary for this project to hold as many activities on the weekend as possible, and limited overall attendance for the sessions. Ultimately, the Center became a facility used by many groups in the community and OSCE helped support the cost for the space.

D. CONCLUSIONS

During the Team's field visits, many village leaders mentioned the need to work with their youth and to occupy their time outside of school. However, it was interesting to note that the attendance of the older youth declined as pressures of work and study demanded more of their time. This gave the centers the ability to work with a younger group of teenagers. IMC also noted that youth were not comfortable discussing health issues with their peers, and thus needed more one on one counseling than expected. It is not clear from the reports, however, whether this was the result of a cultural bias or because the trainers were not skilled in this sort of group work.

While the goals of the projects were achieved in the short-term, few of the activities could be continued beyond the availability of donor support, except those where playgrounds and sports facilities were built and the local authorities guaranteed their maintenance. (In the village of Kolloleq/Kololec, we found a sport facility that had been left unfinished, but we have been unable to find out if it was part of this group grants. We were told it was an IRC project.)

The team was pleased to find that frequently, when problems arose, such as a robbery in one community, private parties, local businesses and other donors made direct contributions to replace missing items. The OSCE field offices were often mentioned in our interviews as having been helpful in many different ways. While donors did not always coordinate their projects, we found many examples where international organizations worked well together in the communities in which they found themselves.

It is clear from reading their proposals and reports that some of the local NGOs lacked basic skills in proposal writing, staff development and in mediation to complete their projects or to ensure sustainability. This may have resulted in a further lack of the public's trust in NGOs, although, for better or for worse, most learned to work with donors more closely than before.

Kosovo's civil society is at a particularly vulnerable stage due to its unusual history and its present situation. While there were well established service NGOs before the war, both old and new organizations gained strength during the ten years of resistance, partly out of pride and also, simply as a means of getting things done. The level of volunteerism, quite unusual for post-socialist societies, however, began to decline when great numbers of international NGOs with considerable resources came to town. It looked to Kosovars as though the international organizations would provide for them without their help, at the same time that many of the former activists went to work for the internationals.

E. RECOMMENDATIONS

Certainly there has been a lot of attention to the local NGOs by the international community, all of it well meaning. Many programs have come and are long gone, leaving some of the indigenous organizations donor dependent by habit, and most without the knowledge to tap other funding sources in an unreconstructed economy with high unemployment. To protect the investment already made in the local NGO sector, and in order not to leave the local organizations before they are ready, it is highly recommended that there be continued support for local NGOs, not just in advocacy, but especially in advanced NGO management including financial and staff management, volunteer recruitment and fundraising.

Ideally, the local corps of trainers, already formed in-country, could be given more in depth training of trainers courses to meet the Kosovar's needs for strengthening of citizen groups, unions, as well as the special interest groups. While work is still to be done to create a better tax situation for local non-profits, it is worth taking advantage of the possibilities for service NGOs to compete for contracts offered by the authorities (UNMIK)

Through the work done by such international organizations as Mercy Corps, the International Rescue Committee, and IOM, a great deal of ground work that has been laid in citizen participation, furthering the tradition of volunteerism. Through other programs and in cooperation with donors who will be in Kosovo for the longer-term, the work of helping people to prioritize and speak to their own needs should not be lost, but be built upon.

Finally, USAID/Kosovo did a study on civil society in Kosovo, published in February of 2000. It is still a very relevant document and should be updated with a needs assessment to ensure the past work not be lost. While financial sustainability may be still in the distance, only by continued intuitional strengthening in the present, can there be a sustainable future for the local NGO sector in Kosovo.

IX. CONCLUSIONS

A. RECOMMENDATIONS FROM CISP AND KAP

Using a large international engineering firm such as Parsons provides a high degree of assurance that a defined number of projects can be built in a specific time frame. This is a proper mechanism to use when it is important to get a lot of projects on the ground quickly. However, without IOM/KTI and the local USAID staff as integral resources for the project, the scale and quality of the results would have been much harder to obtain. In future projects, it would be useful to build upon these established relationships wherever possible.

1. Construction Projects

Post-war projects with multiple objectives like CISP need to have an adjustment mechanism built into the project design so that learning from the field can be capitalized on early in the implementation process. The only negative refrain the team picked up was that projects took too long to start regardless of their size. Mechanisms to fast track simpler or urgent projects could have been built into the project design at the beginning in order to avoid missed opportunities and to speed implementation.

In a situation such as post-war Kosovo, where the USAID Mission has multiple vehicles for small infrastructure such as CISP and KAP, USAID should consider reserving some infrastructure funds so that additional resources can be added to the program approaches that are proving to be most effective in meeting the Mission's objectives. Also consider that infrastructure investment will not always provide enough leverage for needed systemic changes, but can be a step on the path to systemic solutions. For instance, the CISP-funded feasibility study for the large water project in Malisheve, may have been relatively small in monetary terms, but is a good example of where such an investment paved the way for a much larger result and much needed change.

One of the most effective investments in a water system is to reduce losses. Chemonics' CCP system for invoicing and collection for electricity could be used for the nine separate water systems in Kosovo. A database for the water flow system could provide information to reduce water losses, which in some systems in Kosovo, reaches 70%.

The attempt to develop a more innovative and responsive management in KEK with the aim of eventual privatization should be encouraged. One option could be the breakup of KEK into two groups, a generating group, including the electric generators and coalmines, and the distribution and transmission group. Each entity should aim for sustainability without subsidies.

USAID should continue to require MOUs to specify a maintenance requirement, but recognize that citizen demand for maintenance is the real key. Accordingly, build as much citizen participation into the project selection/local contribution process as possible.

2. Citizen Participation and NGOs

In order to preserve the successes of the grassroots citizen participation work done by IRC, MC and Oxfam in post-war Kosovo, a desk study might be done of their final reports; collecting the

lessons learned and offering the compilation for use in other post-conflict situations where infrastructure projects are being carried out. Following the synthesis of the lessons learned from each, a field survey might be conducted to assess what remains of the impact of these projects on citizen's lives at present.

During the years since the conflict, there has been a lot of attention given to the local NGOs by the international community, all of it well meaning. Many programs have come and are long gone, leaving some of the indigenous organizations donor dependent by habit, and most without the knowledge to tap other funding sources in an unreconstructed economy with high unemployment. To protect the investment already made in the local NGO sector, and in order not to leave the local organizations before they are ready, it is highly recommended that there be continued support for local NGOs such as CBDC, and the local NGOs that were KAP sub-grantees. They need support, not just in advocacy, but in advanced NGO management including financial and staff management, volunteer recruitment and fundraising.

Ideally, a local group of trainers could be formed into a corps, given more in depth training of trainers courses (skills to elicit group participation and inter-action, methods of training evaluation, etc.), so they are better able to teach a variety of curricula to meet the many needs of Kosovar organizations. This corps could serve the continuing needs of strengthening citizen groups, unions, as well as special interest and advocacy groups. While work is still to be done to create a better tax situation for local non-profits, it is worth taking advantage of the possibilities for service NGOs to compete for contracts offered by the authorities (UNMIK)

Through the work done by such international organizations such as Mercy Corps, the International Rescue Committee, and IOM, a great deal of ground work has been laid in citizen participation, and furthering the Albanian Kosovar tradition of volunteerism. Through other programs, and in cooperation with donors who will be in Kosovo for the longer-term, the work of helping people prioritize and speak to their own needs in their communities ought not to be lost, but to be built upon.

Finally, USAID/Kosovo did a study on civil society in Kosovo, published in February of 2000. It is still a very relevant document and should be updated with a needs assessment to ensure the past work not be lost. While financial sustainability may be still in the distance, only by continued intuitional strengthening in the present, can there be a sustainable future for the local NGO sector in Kosovo.

B. RECOMMENDATIONS FOR THE NEW LOCAL GOVERNMENT ACTIVITY

Over the course of the Mission's implementation of SO 3.1, an intensive network of personal and institutional relationships has been developed between and among donors, NGOs, municipalities and their leaders. These relationships represent an investment by USAID in a civil society that, with nurturing, can significantly affect the development of Kosovo.

In the assessment team's discussions it became apparent that the amount of donor funding to Kosovo municipalities for infrastructure is rapidly shrinking. It is in this context that USAID is preparing to launch its LGI program in Spring 2004. This program places major emphasis on providing municipal advisors to 5-7 municipalities. The question USAID should consider is how these advisors can help municipalities build upon the investments it has already made.

The expatriate team implementing the new program, especially the Regional Municipal Advisors (RMA), should be familiarized with USAID's investments, both Kosovo-wide and in the specific cities to which they will be assigned. It will be important for the RMAs to become familiar with the Municipal Administration, but equally important will be familiarization with the political geography of the municipalities they serve. The ethnic makeup and its significance, the real relationship of villages to the municipality, the developmental work that has been done in helping villages articulate their needs, and the history of donor and municipal response, will all need to be learned by the RMAs at the beginning of the LGI project.

The assessment team suggests that USAID engage in an intensive effort to familiarize the LGI team with its investments and those of other donors, by drawing on the expertise of its own staff, as well as the staff of IOM, MC, SCF, Oxfam and others. Providing a broad picture of the civic context in which they will work, will enable the LGI staff to focus on the need to continue community building, rather than just on the technology of municipal administration.

The team is unanimous in its recommendation that the LGI program takes explicit steps to:

- ▶ Build on the work of the past post-war years;
- ▶ Conceive the role of municipal advisor very broadly, as an enabler of municipal development, not just as a technical staff person seconded to the Mayor to address a particular technical issue;
- ▶ See that the municipal advisor serves the municipality and its communities, not simply as one more chief political actor; and
- ▶ Facilitate three roles that the RMA should play to be fully effective, even though the balance among them will vary from municipality to municipality. Those roles are:

Role 1. Informant: Each RMA should be able to identify and clearly articulate the conflicts and ambiguities that define the legal basis for their municipalities. This should be done with concrete examples. Similarly the RMA should gain familiarity with the limitations on municipalities concerning such issues as property ownership. The inability of municipalities or others to make clear and definitive decisions about the use and the sale of property that is nominally public/social property is a limitation on local economic development. The assessment team envisions that the information provided by the RMAs on these topics would inform the policy interventions that are likely to be an integral part of the LGI Project.

Role 2. Planner: The RMA in each community should facilitate the development of a comprehensive strategic development plan that articulates the development goals and objectives of the municipality and defines an action plan. Implementation projects could be offered to donors, enabling the municipality to define what its priorities are for projects. The plan should also be used to shape allocation of local resources.

Role 3. Service Facilitators: The RMA, where there is an appropriate skills match, should facilitate or design improved methods of delivering public services to the municipality's citizens.

Finally, in order to build on past success, and to respond to the need for advancement on the issue of Serb returns, it is suggested that that selection of communities for the new MC capital program, MISI, to provide small infrastructure projects, overlap to the maximum extent possible

with targeted LGI municipalities. That these efforts will succeed however, depends on future political and economic developments inside and around Kosovo.

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XI. LIST OF CONTACTS AND MEETINGS

Organization or Place	Person and Title or Ngo/Business
EAR	Gazmend Selimi, Department of Civil Society and Good Governance
Gjakova/Djakovica	Aqif Shehu, Mayor Astrit Haracia, CEO Fakete Pasha, Director of Urbanism Zef Bibleka, Director of Public Services Virgjina Peja, Head of PIO Malush Tullumi, former CIC member and former municipal CEO Xhevdet Thaqi, former CIC member Vjosa Mullatahiri, Executive Director CBDC CBDC staff Carpenter's Association "Vranici" carpentry shop "Feral" producer of commercial shelving Mirlinda Dana, IOM/KTI staff
Gjilan/Gjilane	Fadil Osmani, Project Officer Agim Rexhepil, Education Officer Halit Zymbori, Head of Public Utilities Vehbi Salihu, Regional Manager KEK Office Armand Ymeri, KEK Manager of Development and Planning Isak Bilalli, Adelina Sylaj, IOM/KTI staff
Gjilan/Gnjilane Upper-Livoc	Sabit Leka, Director Primary School Ibrahim Salihu, Head of Parent Council Ramadan Kurtesi, Village leader/teacher Isa Abolyli, Zenel Hajdini School Director Skenler Hasani, Assistant School Director
Hajnovc/Ajnovce	Meeting with community members
Hogosht/Ogoste	Meeting with members of farm community Cheese maker group CARE staff
Kamenica	Shaip Surdulli, Mayor Nexhmije Kallaba, Deputy Mayor Hevzi Murseli, President of Municipal Court Sadri Krasnigi, Court Administrator
KEK	Fatime Ahmeti, Director Frank Farlik, COP for CCP

Klina	Rame Manj, President of Assembly Prenke Gjetaj, Vice President
KTI II/IOM	Stuart MacNeil, Program Coordinator Hana Hoxha, Program Assistant Staff from all cities in which KTI/IOM has representation individual staff for each city visited is mentioned under that city
Kranidell/Krajnidel	Meeting with community members
Malisheva/Malishevo	Isni Kilaj, CEO Esat Pacakizi, Director of Urbanism
Mercy Corps	Kristin Griffith, MISI Program Director Jennifer Sime, Mission Director Besa Vuthaj, Deputy Program Director
Mitrovica- Zubin Potok	Srdjan Durovic, Vice President Miodraq Andric, CEO Vesna Andric, Director of Urbanism Leposava Buzovic, General Affairs Lena Radosavljevic, Doctor at Clinic Biljana Milenkovic, Nurse at Clinic Verica Vuqetiq, Deputy Director of School Lubisa Mijoqiq, Parsons Engineer
Neperbiset	Jupaj Sani, Community Leader Mustaf Kyrezui, Community Leader Husen Kyrezui, Community Leader Haxhij Bashnin, Community Leader
OSCE	Kara Johnson, Policy Officer Andres Blasco, Office of Political Affairs
OXFAM	Diana Cena, Deputy Director Sabri Shabani, Head of Water NGO, formerly OXFAM staff Violetta Selimi, Head of NGO for Roma, formerly OXFAM staff
Peja/Pec	Ali Dresha, Former Director PUD Afrim Lajqi, Director of the Water Company Angelina Bardhaj, Director Ardeni Primary School Azej Selinaj, Assistant Director Ardeni Primary School Vkshin Berisha, Custodian Ardeni Primary School Arben Sadiku, Haici Tigani, IOM/KTI staff
Planjane	Safet, Nejdin, Salhid and Elhid Salihi, Community Representatives

Polce	Meeting with village representatives
Prizren	Qemajl Kurtishi, Vice President Hanefi Muharemi, Director Traffic and Communications Laura Gota, Eroll Shporta, IOM/KTI staff
Shala/Sedlare	Meetings with Village Council, Water Committee, and PUD Director
Suhareke	Sali Asllani, President Agim Zenelaj, CEO
Save the Children	Paul Mecartney, COP Jeanne Russell, Deputy COP
USAID	Judith Schumacher, Program Officer David Black, Democracy Office Director Urim Ahmeti, Grants Manager Michael Maturo, Infrastructure Program Manager CISP and KAP staff Tina Grazhdani, Kosovo Civil Society
CDF	Flaka Surroi, Executive Director, CDF Office
Zllakuqan	Meeting with village representatives