

Municipal Co-operation Between the Western Balkans and Norway

A review



Municipal Co-operation Between the Western Balkans and Norway

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Municipal Co-operation Between the Western Balkans and Norway

A review

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A review

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operating in parallel under the co-operation between Norwegian and Western Balkan municipalities. There is a need to focus on municipal core issues and to avoid the pitfalls of making KS' sister organisations

project implementing agencies.

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Preface

This Review has been carried out for the Norwegian Ministry of Foreign Affairs. It documents the activities carried out between Norwegian and Western Balkan municipalities under the coordination of KS International Projects. In accordance with the Terms-of-Reference the Review has aimed at identifying results, and it presents a set of recommendations.

The preparations, field studies and writing up have taken place within the framework of 335 man hours. The Evaluator has spent 17 working days in the field, visiting 21 towns and municipalities in Norway, Serbia, Kosovo, Montenegro, as well as Bosnia and Herzegovina. All project holders have been interviewed, and beneficiaries have been visited.

The Norwegian Institute for Urban and Regional Research would like to thank all those having shared their time, information and insights with the Evaluator. Everybody has been very helpful.

A Reference Group has provided valuable comments and suggestions in two meetings, once at the outset of the Review and once one the basis of the first draft of the Report. The members of the Reference Group came from the MFA, Norad, KS, DIFI and NUPI.

An external reviewer, sociologist Klime Babunski from Macedonia, has contributed as in internal peer reviewer of the Interview Guide and the Draft Report.

Inger Balberg at NIBR deserves thanks for her technical finish on the final version of the report.

Oslo, November 2008

Marit Haug Research Director

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Summary

Jørn Holm-Hansen

Municipal co-operation between the Western Balkans and Norway: A Review NIBR Report 2008:29

Background

Between 2002 and 2007 approximately 55 million NOK have been allocated by the Ministry of Foreign Affairs to the activities administered by the KS International Projects in the Western Balkans. KS' main activities have been the Municipal International Co-operation (MIC) and the Institutional Co-operation with Sister Organisations. In addition, KS has administered a project on local business development. Apart from a Review on MIC in Bosnia and Herzegovina (2004) this Report is the first external evaluation of the projects.

Purpose/objective

The Terms-of-Reference (ToR) wanted the Review to focus on the *results* from the activities that have been carried out by the KS and its member organisations. The underlying question is whether the programmes and projects in the Western Balkans coordinated by KS have strengthened local capacities. The Review identifies strengths and weaknesses within the programmes and gives recommendations on how to improve the programme concepts.

Methodology

The Review is based on a thorough analysis of each project. All municipalities (with the exception of two Norwegian ones) and partner organisations involved have been visited. The Evaluator was in the field for a period of 17 work days and made interviews

with around 105 people in 22 municipalities/towns. All projects have been analysed as cases, presented in separate chapters in the Report. The findings emerge from these case-studies.

The identification of results has been made by means of programme theory. This tool brings forth the assumed relations between causes and effects, in this case between the activities under the programmes and the effects.

Key findings

KS has conceived Municipal International Co-Operation (MIC) as a tool, a municipal niche, within developmental aid and democracy support. MIC enables direct exchange of experiences and transfer of knowledge and techniques in policy fields that are under municipal competency in both municipalities involved.

The Review found that KS and the involved municipalities only partly have put MIC to use. The activities under the MIC programme have not been confined to the MIC niche, nor have they necessarily been municipal. It is not clear what value the municipal element has added, and there is reason to ask whether many activities could have been carried out more efficiently by other actors (e.g. school-to-school; profession-to-profession; NGO-to-NGO).

In many cases the activities are replicas of activities carried out by other, non-municipal agencies. Often, what was supposed to be a municipality-to-municipality co-operation tends towards people-to-people activities. This can be explained by the origins of the municipal co-operation, which are loose friendship agreements from the 1960's, 70' s and 80's in the Serbian case, and charitable work for Bosnia and Herzegovina in the 1990's. In some of the cases, the co-operating municipalities do not match each others due to differences in size or profile.

The review identifies several, rivalling programme theories within the MIC activities. The programme theories differ as to what the problem in the Western Balkans municipalities consist in (poor skills versus poor municipal infrastructure). Therefore the actors involved differ as to what measures they want to apply. Norwegian authorities would like to see municipal capacity-building. Western Balkan municipalities would like to use the co-operation to get municipal infrastructure financed whereas Norwegian

municipalities would like to carry out a broad range of activities on a people-to-people basis.

The support to KS' sister organisations has consisted in carrying out large training programmes, and in the case of Serbia, developing a strategy. The municipal associations in the Western Balkans have a dual identity. Partly they are member organisations doing advocacy and providing service to their members, partly they are implementing partners of donors. Although the processes of developing the training programmes financed through KS have involved the local municipalities, the Review found reason to ask whether carrying out yet another project for a foreign donor is what a Western Balkan municipal association needs to become stronger.

The Review found that the knowledge-intensity of doing municipal co-operation in the Western Balkans has been underestimated. Most municipalities are not international actors, and need to acquire skills in international work and not least knowledge on Western Balkan realities.

Among others due to the fact that there are several rivalling programme theories in the programme, KS' role has been a difficult one. KS finds itself between the funding source (the Norwegian MFA) and the implementing municipalities and organisations. KS is caught between MFA's demand on KS that they control the use of funds and the municipalities' reminders that KS is their member organisation and that the ideology is local self-government.

Recommendations

Refine the MIC instrument and use it: KS develops MIC Guidelines tailored for use in the Western Balkans and with strict demarcation lines to people-to-people activities.

Brush up MIC to enable outcomes: In the new phase of Norwegian – Western Balkan MIC efforts should be concentrated to a limited number of core issues that project holders stick to over time. Within each of the core issues one Norwegian and one Western Balkans municipality are assigned the role of lead partners with a special responsibility for providing knowledge and keep in touch with relevant authorities at ministerial level. Project

implementers' focus must be widened to cover outcomes and impacts as well as outputs.

Restart MIC in the Western Balkans: Existing MIC's get a one year exit period. In the meantime KS is assigned the task of recruiting and matching municipalities for a second round of MIC in the Western Balkans. The new MIC programme is run according to the new MIC Guidelines for the Western Balkans. Existing MIC municipalities are encouraged to join the new programme under the new guidelines. At least one municipality in the Republika Srpska of Bosnia and Herzegovina should be included.

KS should give its Western Balkan activity more attention: KS ought to go through its systems and practices of handling the Western Balkans project portfolio. Further specialisation of members of the staff should be considered.

<u>Strengthen sister organisations as member associations</u>: KS should avoid the pitfall of contributing to the "project-implementer" identity of its sister organisations.

The potentials of Local Democracy Agencies should be clarified: KS presents a plan on how to link the individual MIC's to LDA. Concrete requirements/ demands should be put on LDA's through KS on behalf of the Norwegian member municipalities. KS invites relevant LDA's to a seminar with Norwegian and Western Balkan MIC partners. If LDA is found to be of little potential use, the membership in ALDA should be re-examined.

Sammendrag

Jørn Holm-Hansen

Municipal co-operation between the Western Balkans and Norway: A Review

NIBR-rapport: 2008:29

Bakgrunn

Mellom 2002 og 2007 har Utenriksdepartementet bevilget omlag 55 millioner norske kroner til aktiviteter som KS Internasjonale Prosjekter administrerer på Vest-Balkan. Mesteparten av aktivitetene har foregått gjennom de to programmene Kommunalt Internasjonalt Samarbeid (MIC) og Institusjonelt samarbeid med KS' søsterorganisasjoner. I tillegg har KS administrert et prosjekt om lokal næringsutvikling i Kosovo. Bortsett fra en gjennomgang av MIC i Bosnia og Hercegovina (2004), er den foreliggende gjennomgangen den første eksterne evalueringen av disse prosjektene.

Formål

Mandatet ber om at gjennomgangen ser nærmere på *resultatene* av aktivitene som har blitt gjennomført. Det underliggende spørsmålet er om prosjektene som har blitt administrert av KS på Vest-Balkan har styrket den kommunale forvaltingens ferdigheter og det lokale demokratiets virkemåte. Gjennomgangen peker på styrker og svakheter ved prosjektene, og legger fram noen anbefalinger til forbedringer, ikke minst av programkonseptene.

Metode

Gjennomgangen består i, og baserer konklusjoner og anbefalinger, på en detaljert analyse av hvert prosjekt. Alle kommunene som er med (med unntak av to norske som ble undersøkt i 2004-

gjennomgangen) er blitt besøkt. Partnerorganisasjonene har også blitt besøkt. Evaluator var i felt i 17 arbeidsdager og gjorde intervjuer med omlag 105 personer i 22 kommuner/byer.

Alle prosjektene er blitt analsert som case, og er presentert i hvert sitt kapittel i Rapporten. Programteori er brukt som hjelpemiddel til å identifisere resultater av prosjektene. Programteori får fram den antatte sammenhengen mellom tiltak og effekt.

Hovedfunn

KS har utviklet MIC som et redskap, en kommunal nisje, innen utviklingshjelp og demokratistøtte. MIC legger til rette for direkte utveksling av erfaringer og overføring av kunnskap og teknikker innen politikkområder som er under kommunens kompetanse i de to landene de involverte kommunene tilhører.

Gjennomgangen fant at KS og de involverte komunene bare delvis hadde tatt MIC i bruk. Aktivitetene under MIC-programmet har ikke holdt seg innenfor MIC's "nisje", og har heller ikke nødvendigvis vært kommunale i innhold. Det er ikke klart hva det kommunale elementet har bidratt med. Derfor er det grunn til å spørre om ikke en del av aktivitetenekunne ha vært gjennomført mer effektivt av andre aktører (for eksempel skole-til-skole; yrkesgruppe-til-yrkesgruppe; NGO-til-NGO).

Ganske ofte er aktivitetene kopier av aktiviteter som andre, ikke-kommunale, aktører driver. I tillegg viser det seg at aktiviteter som skulle vært kommune-til-kommune ligner mer på folk-til-folksamarbeid. Dette kan forklares i lys av hvordan det kommunale samarbeidet oppstod. Røttene til det norsk-serbiske kommunesamarbeidet ligger i vennskapsavtalene som ble undertegnet på 1960-, 70- og 80-tallet. For Bosnia og Hercegovinas del har samarbeidet utspring i det veldedig orienterte støttearbeidet på 1990-tallet. Det er flere eksempler på at de to kommunene som er koblet sammen i et MIC-samarbeid langt fra matcher hverandre. Både størrelse og profil kan være svært ulik.

Gjennomgangen peker på at det finnes flere, rivaliserende programteorier innenfor MIC-programmet. Programteoriene varierer med hensyn til hva hovedproblemet i de vest-balkanske kommunene faktisk består i (svake ferdigheter eller dårlig infrastruktur). Derfor er det også ulike oppfatninger av hvilke virkemidler de ulike aktørene foretrekker å bruke. Norske

myndigheter ønsker seg styrking av kommunale ferdigheter. Kommunene på Vest-Balkan ser samarbeidet som en anledning til å anskaffe bedre kommunal infrastruktur mens de norske kommunene ønsker å sette i gang et bredt utvalg av aktiviteter på folk-til-folkbasis.

Støtten til KS' søsterorganisasjoner har bestått i å gjennomføre stort anlagte opplæringsprogrammer, og i Serbias tilfelle utvikle en strategi for bærekraftig utvikling. KS' søsterorganisasjoner på Vest-Balkan har en tosidig identitet. Dels er de medlemsorganisasjoner som driver påvirkningsarbeid overfor sentrale myndigheter og tjenesteyting til medlemsorganisasjonene. Dels er de prosjektgjennomførere for internasjonale donorer. Selv om de lokale kommunene har blitt trukket aktivt inn i planleggingen av opplæringsprogrammene, er det grunn til å spørre om det å gjennomføre nok et prosjekt for en utenlandsk donor er hva KS' søsterorganisasjoner trenger for å styrke seg.

Gennomgangen fant at kunnskapsintensiviteten i kommunalt samarbeid med Vest-Balkan har blitt undervurdert. De fleste kommuner er ikke internasjonale aktører, og trenger å erverve ferdigheter i det å operere internasjonalt. Ikke minst trenger de kunnskap om forholdene på Vest-Balkan.

Blant annet fordi det finnes flere rivaliserende programteorier innenfor samarbeidet har KS hatt en vanskelig rolle. KS befinner seg midt mellom den bevilgende myndigheten (Utenriksdepartementet) og den utførende kommunene og søsterorganisasjonene. KS Internasjonale Prosjekter må på samme tid forholde seg til Utenriksdepartementets krav til kontroll og medlemsorganisasjonenes påminnelser om at KS er deres medlemsorganisasjon og at ideen bak det hele er lokalt selvstyre

Anbefalinger

Skjerp MIC som redskap, og bruk det: KS bør utvikle et MIC som er tilpasset Vest-Balkan og som har en klar avgrensning til folk-tilfolksamarbeid.

Omstrukturér MIC-arbeidet, og fokusér på "utfall" ikke bare de umiddelbare prosjektresulatene: I en ny fase av MIC mellom Norge og Vest-Balkan bør innsatsen konsentreres om et begrenset antall kjernetemaer som prosjketinnehaverne holder seg til over tid. Innenfor hvert av kjernetemaene er én norsk og én vest-

balkansk kommune utpekt til å være føringskommune med ansvar for å skaffe til veie nødvendig kunnskap og å holde kontakten med relevante sentrale myndigheter. Prosjektgjennomførerne må heretter holde blikket festet på "outcomes" og virkning i tillegg til de umiddelbare resultatene (outputs).

Gi MIC på Vest-Balkan en omstart: Inneværende MIC-samarbeid får ett år til å avvikle. I mellomtiden får KS oppgaven med å rekruttere og å matche kommuner for en ny omgang MIC i Vest-Balkan. Dette samarbeidet gjennomføres i henhold til nyskrevne Retningslinjer for MIC på Vest-Balkan. Eksisterende MIC-kommuner oppfordres til å bli med i det nye programmet under de nye retningslinjene. Minst én kommune i entiteten Republika Srpska i Bosnia og Hercegovina bør innlemmes i samarbeidet.

KS bør vie aktivitetene på Vest-Balkan mer oppmerksomhet. KS bør gå gjennom systemene sine og måten organisasjonen håndterer prosjekt-porteføljen på Vest-Balkan. Ytterligere spesialisering av kompetansen til de som steller med regionen bør vurderes.

<u>Søsterorganisasjonene bør styrkes som medlemsorganisasjoner</u>: KS bør unngå fellen som består i ubevisst å bidra til å styrke søsterorganisasjonenes rolle som "prosjektutførere".

Potensialet til Local Democracy Agencies bør klarlegges: KS legger fram en plan for hvordan det enkelte MIC-samarbeidet kan kobles til LDA. Det bør stilles konkrete krav til LDA gjennom KS på vegne av de norske medlemsorganisasjonene. KS inviterer relevante LDA-kontorer til et seminar med norske og vestbalkanske MIC-partnere. Dersom den enkelte LDA skulle vise seg å ha liten potensiell nytte, bør medlemskapet i ALDA revurderes.

1 Introduction

1.1 Brief information about KS activities in the Western Balkans

1.1.1 Norwegian priorities

After the 2004 enlargement of the EU, the non-member countries in South-East Europe are being given high priority by the EU. Norway's co-operation with the countries of the Western Balkans aims at supporting peace. Reconciliation and democracy are key words in the Norwegian endeavours to strengthen regional stability and integration with the European and the Euro-Atlantic structures. Priority is given to institution building within the framework of EU's stabilisation and association process.

Increased focus has been put on support to capacity and institution building and business development. In this respect, MIC and support to municipal associations are potentially useful tools. The municipality is public authority at its closest to inhabitants and civil society, and it is a major supplier and organizer of services in Norway as well as in the Western Balkans.

Norway focuses on knowledge in the sense that projects must be knowledge-based, and they must strengthen knowledge. Exchange of experience is a useful way of strengthening practical knowledge. Support to investments in infrastructure has not been given priority.

Norwegian project assistance is channelled through voluntary organizations, NGOs, state institutions, municipalities, the UN system and other multilateral actors.

1.1.2 KS' activities

Through KS International projects, KS – the association of Norwegian municipal and regional authorities – is widely engaged in international activities, most of them financed by the Norwegian Ministry of Foreign Affairs (MFA). The strong position of the municipalities is one of the features that distinguish the Norwegian political and administrative system. Therefore, it makes sense to stimulate Norwegian municipalities and KS to enter into cooperation with their homologues abroad. The municipal level of government is pivotal for development and democratisation. The Western Balkans is among the regions of the world where Norway concentrates its assistance in an effort to strengthen reconciliation and democracy. The Norwegian Aid programme for the Western Balkans (policy priorities in St.prp.nr.1) identifies the overall objectives.

Among others, KS and its member municipalities carry out activities in the Western Balkans, mainly Bosnia-Herzegovina, Kosovo and Serbia. In the period 2002 – 2007 approximately 55 million NOK have been allocated by the MFA to two main programmes administered by the KS International Projects:

- Municipal International Co-operation (MIC)
- Institutional Co-operation with Sister Organisations

The objectives of this co-operation are to strengthen the capacity of local institutions of self-government and country-wide municipal associations. The means to achieve these objectives consist in co-operation and exchange of experiences. KS also is responsible for a project on local economic entrepreneurship in Kosovo.

MIC as applied by KS internationally has undergone a conceptual upgrading during the period covered by the review (2002-2007). The concept has developed from something that resembles people-to-people into co-operation focusing on municipal issues and capacities. In the Western Balkans, the MIC projects differ significantly as to themes and working methods.

This upgrading and streamlining of MIC has taken place in parallel to the development on the Western Balkans, where relief, charity

and making contacts are no longer high on a local agenda that has shifted to europeisation and improvement of everyday practices.

1.1.3 What is MIC?

Municipal International Co-operation (MIC) is turned to as a tool within international integration in Europe as well as a method of underpinning local developmental processes in the Third World. MIC is based on close contacts and exchange of experience between municipal officers, often in a long-term perspective. The municipalities' broad interface with business, industry and civil society combined with the cross-sector principle of operation, which is prevalent in municipal work give MIC a potential for contributing dynamically both to integration and development.

Municipal International Co-Operation (MIC) enables direct exchange of experiences and transfer of knowledge and techniques at a local, municipal level of government. It is based on partners getting to know each other as well as the circumstances in which their partners operate. Often MIC creates long-term links between local authorities, and due to the cross-sector responsibilities of local self-governments MIC easily creates wide repercussions. MIC is seen as a framework for sustainable co-operation. This Review takes a close look at MIC between Norwegian and Western Balkan municipalities, but is should be borne in mind that MIC also takes place between municipalities in similar, neighbouring countries, dissimilar neighbouring countries and as a tool within developmental aid to the Third World.

KS' MIC activities in the Western Balkans differ from those carried out according to KS' MIC programme with Africa, Asia and Latin America by not operating according to a set of guidelines. Nevertheless, the programme has emphasised the need for activities to be focused on municipal issues.

In the South KS Guidelines for Municipal International Co-Operation have been revised in 2005 and 2007. The focus has shifted from "getting to know each others' experiences" and competence-building to more sharply defined objectives linked to municipal core activities. In other words, MIC has developed and has been amended continuously since 1999. It has developed in the direction of a more narrowly defined *municipal* co-operation to make the most out of MIC's distinctive character. Likewise, it now emphasises systemic change more than service delivery as such.

The latest Guidelines (2007) for MIC in the South state that the overall strategic goal of the programme is for good governance processes to be included in municipal governance and municipal services as part of the global fight for poverty reduction and sustainable development in line with the Millennium Development Goals. The programme goal sets the frame for what to do, while each partnership with its individual projects can include a wide range of activities within the frame set to fit the priorities and conditions in the different countries and in line with the defined needs and capacities of the partnership (how to do it).

1.1.4 The programme theory of MIC

The concept of programme theory brings forth the assumed relations between the interventions (inputs) and their outputs and outcomes, and the relations between the outcomes and the solution of the problems that the intervention seeks to reduce or solve (more on programme theory, chapter 1.3.1).

During the last eight years MIC has been developed continuously by KS, primarily related to the association's international activities in Africa and other regions of the underdeveloped world. From a relatively vague concept resembling people-to-people activities, MIC has become more and more focused. Today, MIC appears as an instrument of development and democratisation based on cooperation around core municipal activities. To be a real MIC project the two municipalities involved must co-operate on issues that belong to the municipal competence in both of the countries involved, typically land-use planning or waste management.

Much of Norway's support to development and democratisation is channelled through Norwegian actors that are very professional in what they do at home, but have little formal competence in managing international activities. There seems to be an underlying belief that "bringing Norwegian actors in contact with homologues abroad and "exposing target groups to Norwegian experiences" result in improvements. This also holds true for the MIC mechanism, illustrated in the figure below:

Figure 1.1 The MIC intervention logic

Intervention	→ Learning	→ Capacity	→ Change
	(output)	(outcome)	(impact)
Contact/	Trainings/	More capable	Democracy,
Exposure	exchange vis	its municipalities	stability

There is a need to look more closely at the mechanisms that assumedly are set in motion through the contacts and exposure.

There are some preconditions for the assumed effects to take place.

- 1. The type of inputs must be carefully selected. The scope and type of activities of the two sides must be similar/comparable. In the case of MIC the co-operation must concentrate on policy fields that are a municipal responsibility in both countries involved.
- 2. There must be a reason why precisely a municipality and not and NGO or other organisation or institution should carry out the project.
- 3. The two municipalities must have a minimum of knowledge about each others' concrete situation
- 4. The activities focused upon must be economically feasible in the recipient country without further funding from the "donor".
- 5. The context (institutions) in the recipient country must be able to incorporate and sustain the innovations that the people exposed to Norwegian ways bring with them home.

1.2 Purpose and scope of the evaluation

The Review considers if the programmes have a strategic potential in relation to the overall development objective of local capacity building. Doing this, the review identifies and summarises strengths and weaknesses within the programmes. Identifying lessons learned the review provides recommendations on how to improve the programme concepts.

The Terms-of-Reference (ToR) call for a review that identifies *results* from the activities that have been carried out by the KS and

its member organisations. The activities carried out in the Western Balkans vary quite a lot, but all of them aim to strengthen the Western Balkans' local governments involved in project cooperation. Therefore, the success criterion is whether the individual project has led to – or contributed to – a stronger and more efficient local self-government on the Western Balkans side. In addition, the success relies upon the project activities' *efficiency*, i.e. whether they produce results with fewer resources than alternative ways of doing it would have required.

Moreover, the ToR asks for an assessment of the performance of central actors, in particular the KS International Projects, whose role as a coordinator and guide for the involved local governments has been analysed. Within MIC, the role of KS is a difficult one, being placed in between the MFA (granting the money) on the one hand and the implementers (the two co-operating municipalities) on the other. In addition, MIC takes place within a framework where the principles of local self-government are valued high. This probably makes it difficult to take corrective measures against MIC projects moving away from the policy priorities. At the same time, there is reason to believe that coordination and guidance are needed since projects probably are relatively small and municipal actors most often lack in-depth knowledge about the countries where they have projects. Their MIC project may be effective in the sense that it has produced results, but are these results relevant for the overall objectives? How can municipal officers in Norwegian municipalities know? What do they know? How do they get to know? In what ways does KS make them know?

Not only the role of KS, but also that of the MFA and the involved municipalities has been assessed and analysed. A core question here is whether the overall policy priorities for the Norwegian Aid Programme for the Western Balkans as laid down in St.prp.nr.1 guide the MIC activities. On a more practical level, local self-governments may also be unfamiliar with the Logical Framework Analysis tool, and there is reason to assess their willingness to structure their applications and reports according to the state-of-the art within developmental work. Also, the role of the Yugoslavian Friendship Association has been addressed since many MIC projects seem to have their origin in this organisation, which primarily is associated with people-to-people co-operation, an approach that MIC is moving away from.

Finally, the assignment consists in assessing the sustainability issues. In its very nature this question can only be assessed ex post, but it is nevertheless possible to check whether the project has aimed at – and achieved – results that are likely to last. In fact, if they do not last beyond the project phase, it is questionable whether they can be classified as results at all. In general, the Norwegian approach is to suggest capacity-building and awareness raising projects. Good projects often consist in exposing the West Balkan counterparts to best practice in Norway. Unfortunately, sometimes these practices are financially forbidding in the West Balkan context and while returning home from Norway the municipal officers find no thread to pick up. In other cases, core ideas may be transferred and strike roots. Finding such cases are knowledge-intensive, and again the question of guidance (KS' function) must be addressed.

The MIC between Norway and Bosnia and Herzegovina was evaluated by NIBR/KS in 2004 (see chapter 4.1).

1.3 Evaluation methodology

General. KS' activities in the Western Balkans are complex. Although the co-operation with the sister organisations are quite simple (training, that to a large degree has been "outsourced" to local facilitators), MIC consists of bottom-up activities with a large variety of directions. Business development, environmental protection, education, post-war reconciliation, social protection, language training are among the foci.

The project holders on Norwegian and Western Balkan side have had the opportunity to comment upon the draft texts presenting their activities.

Results. While identifying results (outputs, outcomes and impacts) we have to be ready to account for unintended results. The following check list is helpful in this respect: a) Is there a result/are there results ascribable to project activities? b) Why?/why not? c) In case a result has been identified, is it an intended result or is it unintended? d) If the result is unintended, is it positive or negative for the goal attainment?

All MIC projects that are operative in 2008 have been included as case studies in the Review. In addition the institutional cooperation with sister organisations and the entrepreneurship projects are treated as case studies, the latter one in less detail than the others.

Field. The Evaluator has spent 17 working days in the field, visiting 21 towns and municipalities in Norway, Serbia, Kosovo, Montenegro and Bosnia and Herzegovina. All project holders have been interviewed, and beneficiaries have been visited. All MIC municipalities have been visited, with the exception of Orkdal and Sund that were evaluated in 2004.

Interviews. Around 105 people have been interviewed individually and in groups (in all, 9 interviews have involved three or more people at the time). Five interviews were made on phone.

In evaluations and reviews the interview constitutes a major source of information. Good interviews, therefore, is of great importance. The interviews have been semi-structured, meaning that they proceed according to a plan (Interview Guide) common for all interviews with similar interviewees. Being semi-structured the interviews have allowed the interviewees to bring in aspects or issues other than those planned by the consultant. Listening carefully to what the interviewee is actually saying and what he/she tells between the lines is fundamental for all research interviews because it is the source of follow-up questions that may lead the research further, and throw light on what other interviewees have told or what has been written in project or programme documents.

Group interviews have been conducted in cases where the number of similar stakeholders allows for it. Also for practical reasons group interviews have been conducted. This type of interviews enables divergent views to come up and be discussed.

Documents. The evaluators have had access to relevant documentation (among them applications and reports) on the Norwegian as well as Western Balkan side. Document studies are the first step in the investigation and allow the evaluator to get a picture of the programme theory as well as achieved outputs. If reports are of good quality, they also provide analyses of the challenges met throughout the project period.

Methodological triangulation. The data for this evaluation stem from programme documents, scientific literature, interviews (individual and groups) and field visits to the sites where activities have taken place. This is methodological triangulation (closely related to the overall case-study approach applied), in which different methods are utilised to illuminate the same questions or topics.

1.3.1 Programme theory

Programme theory. The review has identified and documented results/impacts as well as described and analysed process/activities. In order to link activities and results, the Consultant has made use of programme theory. A definition frequently referred to, defines programme theory as:

... a specification of what must be done to achieve the desired goals, what other important impacts may also be anticipated, and how these goals and impacts would be generated (Chen, Huey-Tsyh, *Theory-driven evaluations*, Newsbury Park CA, Sage Publications, 1990, p. 43).

Programme theory is a practical tool to help bring forth the assumed relations between the interventions (inputs) and their outputs and outcomes, and the relations between the outcomes and the solution of the problems that the intervention seeks to reduce or solve. Programme theory, like other theory, suggests links between causes and effects. One could also think in terms of configurations of context, mechanisms and outcome (CMO): What outcomes are results of what mechanisms under what preconditions?

The following questions are helpful in structuring the analysis of a programme's effects and impacts:

1. What is it that makes the intervention, measure or project lead to the anticipated <u>output</u>? Outputs are the direct results of the activity (the "input"), like for instance the number of people from a given Western Balkan municipality that have been exposed to and explained land-use planning in a Norwegian municipality according to the Plan and Building Act. Here the output question would be: *How many local*

- councillors, area planners and representatives or relevant local organisations have taken part in how many seminars on what issues.
- 2. What is it that makes the output lead to the desired outcome? An output is not a success unless it is being used (in a way contributing to the overall objectives of the project). Therefore one must ask whether the project outputs lead towards practice. Here, the issue of contextual applicability is critical. Following up the example on land-use planning above, the outcome questions could be: To what degree do the activities (among them study trips) create municipal officers capable of carrying out a participatory and transparent process of local physical planning? Will the trained municipal officers make use of their skills? Is there a legal and institutional framework that allows them to apply what they have learnt?
- 3. Is there reason to believe that the outcome will lead to the wanted impact? To follow up the example: Will the activities carried out as a result of training lead to or contribute to the impacts identified. In what ways will the fact that a certain number of people have been trained in land-use planning contribute to more capable (democratic and transparent) municipalities in the Western Balkans?

In other words, what mechanisms leading to the desired goal will the project bring into play? What makes A (the input) lead to B (the output)? What makes B lead to C (the outcome), and what is the link from C to D (the impact)? To what extent have the actors been aware of the mechanisms and stimulated them?

1.3.2 Contextual factors

Case study approach. Much of the methodological approach is outlined above. The use of programme theory to clarify the expected links between interventions and results, outcomes and impacts has been combined with an open attitude to real-life complexities that has been accounted for in the report. In real life, processes of change are less linear – and more actor-dependent – than envisaged in programme theory. Therefore, in order to account for change in an efficient way, the analysis is based on attention to actors in the processes of change as well as their activities, and not least seeing these activities in their institutional

context. Doing this, we have drawn on case-study approaches. The assignment's focus on the role of KS, MFA, the municipalities and the Yugoslavian Friendship Association requires a close-up perspective on the projects assessed in their real-life context. This is first of all required for the assessment of the individual MIC projects.

Each case study includes the following items:

- i) the background of the project
- ii) the partners in the project
- iii) the objectives of the project
- iv) the concrete activities and their link to the objectives, i.e. the programme theory
- v) the problems, unexpected developments and changes in the surroundings and how the SCNiR and partners dealt with them
- vi) results (outputs, outcomes, impacts) so far of the project and their links to possible impacts

In order to strengthen the quality control, one experienced scholar and evaluator from the Western Balkans, Klime Babunski, from Skopje Macedonia, has taken part as in internal peer reviewer of the Interview Guide and the Draft Report.

1.4 Outline of the report

The outline of the report follows the ToR. Chapter 2 presents the MIC activities in Serbia, whereas chapter 3 presents the Norwegian-Montenegrin MIC. Chapter 4 presents MIC in Bosnia and Herzegovina, a co-operation that was evaluated in 2004. Chapter 5 addresses the project on local economic development in Kosovo, a project that includes several core MIC elements without using that word. In chapter 6, KS' co-operation with its sister organisations in Serbia (SKGO), Kosovo (AKK/AKO) and Bosnia and Herzegovina (ALVRS and SOGFBiH) are analysed. In chapter 7, conclusions are drawn and recommendations put forward.

2 MIC in Serbia

2.1 Background

In 2001, eight Norwegian municipalities with dormant friendship agreements with municipalities in Serbia were contacted by KS, who would like to investigate the possibilities of reanimating the friendship agreements, only this time with more clearly specified objectives.

Twinning had taken place since 1967 (Levanger – Herceg Novi). During the wars in Yugoslavia in the first half of the 1990's the cooperation was frozen. An exception to this was Vefsn's controversial co-operation with Gornji Milanovac during the years of sanctions against the Milošević regime.

Since 1997 Norway had been supporting Serbian towns with a democratic majority, and after the fall of the Milošević regime the Norwegian MFA wanted to see if it would be possible to continue strengthening democracy and stability through the Serbian municipalities.

The co-operation has a historical component and a developmental component aiming at strengthening democracy.

From the outset it was being stressed by the MFA that their financial support would be focused on activities on local self-government and local administration, and not on traditional twinning and friendship arrangements.

In addition, the friendship municipalities look upon MIC in a wider perspective of keeping up the good relations between the two countries based on the common memory of the Second

World War. In the Norwegian municipalities were the Nazi atrocities took place, the memory is being kept alive.

2.2 MIC Saltdal – Niš

2.2.1 History

The co-operation between Saltdal and Niš dates back to 1985 when an agreement on friendship was signed. People-to-people contacts and exchanges were carried out regularly. Among others, the agreement allowed school students to get to know each other through stays in each others' countries.

The co-operation was based on the two communities' common memories from the struggle against fascism and Nazi occupation in the first half of the 1940's. Saltdal involuntarily hosted a labour camp for prisoners of war and hostages, mainly from the German-occupied parts of Yugoslavia, but also from the Soviet Union. In Niš there was a regular concentration camp.

In 1995 during the sanctions against the Milošević regime of Serbia the mayor of Saltdal, in keeping with Norwegian foreign policy, refused to give a group of Serbian artists (a so-called caravan of culture) an official reception.

The contacts between the two municipalities were resumed in 2002 as a result of the initiative taken by the Norwegian MFA (see above). The agreement on co-operation was amended in 2007.

In the election of May 2008, Niš got a new majority reflecting the majority that developed in 2008 at national level. This is an alliance of DS, SPS and G17+, in other words parties that used to belong to opposite camps.

Being Serbia's third biggest city, only a hair behind Novi Sad population-wise, Niš benefits from co-operation with a host of international agencies. The municipality has agreement of co-operation or twinning with no less than eleven cities in Europe, and there are preparations for more, like Malmö and Århus.

Niš is one of the focal points for Norwegian support to reconstruction of Serbia. Norway has contributed significantly to

the reconstruction of the local airport (Constantine the Great Airport) that was destroyed due to Nato bombing in 1999. Likewise, Norway has supported the establishment of three Regional Developmental Centres for Employees in the Educational Sector.

2.2.2 Objectives

Saltdal states that its objective is to arrange for mutual learning as a contribution to democratisation and stabilisation in the Balkans, "to continue the co-operation within the lines that KS and the MFA have defined".

2.2.3 Activities and programme theory

The activities are three-fold, education, environment and municipal administration. The activities are motivated by a wish to improve the situation in Niš generally. A programme theory linking joint measures to strengthening local democracy and municipal capacity is hardly discernible, although Saltdal has made attempts to include capacity-building in the waste project.

The basis of the educational project is the co-operation between Radoje Domanović School in Niš and Røkland School in Saltdal, both primary schools. Based on the previous experiences from school-to-school co-operation, the two sides developed a renewed version. The two schools, Radoje Domanović and Røkland, have focused on the development of school plans. As a measure to make the activities more MIC-like, KS has urged the partners to stress the role of schools in the local community rather than to focus on education as such. Also, an educational component on the war and democratic attitudes has been included based on common historical memories from Nazi occupation. Environmental protection (waste sorting) is included. The pupils have compared their system of pupil democracy through pupil's councils.

The environmental project has involved the inter-municipal enterprise Salten Forvalting/IRIS. Focus has been on waste management and recycling as well as attitudes to garbage. This activity was triggered by the prospect of getting Norwegian funding for waste management. When it was made clear by the

Norwegian MFA that funding of municipal infrastructure would not be a part of the project, the interest somewhat dwindled on the Serbian side. Saltdal has made efforts to make use of visits to Norway for capacity-building and exchange of experiences in the field of waste treatment.

On this point there has been a fruitful linkage to the educational project, where the school in Niš once carried out a consciousness-raising project among its pupils on garbage sorting and recycling in co-operation with the Faculty of Machine Engineering in Niš. Waste management is expensive, and requests for funding have been raised from the Serbian side.

The preparations for project activities directly focusing municipal management slowed down after the municipal elections of 2004. With an irony of fate the activities were halted by a reason directly related to one of the issues that could be focused in the project, the need for administrative continuity after a new political leadership has taken over after elections. During its last visit to Niš, Saltdal raised the issue of managerial continuity. The 2008 elections brought a new majority of political forces into power that declares to be open to co-operation.

2.2.4 Challenges

There has been in Niš, like elsewhere in the Balkans, a problem of administrative continuity following a change of political regime in the municipality. There is reason to be optimistic on this issue in Niš since the municipality has employees working with international co-operation in the mayor's office as well as in the Project Centre, which is a separate municipal unit for domestic as well as international projects.

There is a considerable difference in size of the two municipalities – 300,000 in Niš as compared to Saltdal's 4850 souls.

Being a big city, important donors turn to Niš with their proposals.

The school project is by far the most robust of all the activities that have been planned or initialised in the Saltdal-Niš MIC, but at the same time the school project hardly is a MIC project. It has proved difficult to "municipalise" the school project. It still remains a school-to-school project, and the school in Niš seems

unaware of the MIC framework. The wish to receive material support is prevalent among the motivational factors.

2.2.5 Results

Outputs. Saltdal presented a model for sorting recyclable rubbish according to their source material, but it was never put into practice. The whole issue of waste management was under thorough reform on republic level. A new law is underway on the municipal waste management. Until the new law is passed, a possible reiteration of the waste co-operation will have to wait. Probably a municipal enterprise for waste management will be established. Niš will concentrate on sorting and recycling, and have no plans for incineration.

A brochure on sorting recyclable rubbish according to their source material was translated from Norwegian to Serbian.

There also existed plans for co-operation in the field of municipal administration, but there are no outputs from this project component.

If measured by the number of exchange visits and other activities, the school project is the dominant project component. It has resulted in two visits to Saltdal and two to Niš. This part of the cooperation continues in the tradition from the previous friendship and twinning arrangement. The teachers of the two schools carried out a joint, comparative research project on the students. One part of the study focused attitudes, one on mathematical skills. The students from Niš scored better on attitudes (their attitudes were more humanistic), and even better on maths (on which they were at a level where their peers in Saltdal are expected to be two years later).

There have been special meetings between the students of the two schools on student councils/children's parliament.

The intention of co-operating on curriculum development does not seem to have led to outputs. After all, neither in Norway nor Serbia there is much leeway for local initiatives in developing curricula. The teachers involved have got acquainted with each others teaching methods. As an offshoot of the project Saltdal has sponsored computers for the school in Niš.

Outcomes. The project on waste management has led to no outcomes although it might serve as a platform for further cooperation as soon Serbia's waste management reform has been established. In that case it must be made crystal clear that the Norwegian contribution through MIC will not be to finance equipment or infrastructure

The project on school co-operation has had outcomes in the sense that teachers and students in the two municipalities now are much more aware of each others than they would have been otherwise. Some keep in touch on a private basis. This, however, is an outcome that has little to with the MIC objectives.

Impacts. So far, there are no impacts that could be identified, apart from the fact that among Saltdal's inhabitants there is a consciousness about Niš, Serbia and the Western Balkans that most likely would not have been there without the project. This, however, is an impact with relevance for people-to-people activities, and not so much for the municipality-to-municipality activities' aims to contributing to democracy and stability.

2.2.6 Cost-efficiency

The co-operation between Saltdal and Niš has received the following support from the Norwegian MFA:

	Granted
2004	350.000
2005	300.000
2006	179.200
2007	350,000

There are no indications that money is spent in a wasteful manner. There is nevertheless reason to question the cost-efficiency of the co-operation. Niš is getting more firmly democratic and stable, but it is very difficult to link this to the contributions from the co-operation with Saltdal.

The project element with most outputs, although not directly linked to the overall objectives – the one on school co-operation – could probably have been carried out directly between the schools, or at least with a municipal involvement merely consisting of

issuing a "stamp of approval". In that case, as a friendship and people-to-people activity, the school project has a great potential of being excellently cost-efficient.

2.2.7 Conclusions

The MIC between Saltdal and Niš has had three elements. The school-to-school co-operation is the component least in line with MIC. Among others, it is the component least directly linked to the municipal policy-makers and administration. Somewhat ironically, it is exactly the distance to MIC and the municipality which is what makes this component robust. This is because it continues in the relatively easy footpaths of people-to-people projects, and has not had to face the challenges that MIC in its strict version has to face. If seen as a school-to-school/people-to-people activity the project component has been successful in the sense that it has created mutual understanding and contacts. The project has not been in vain, but it hardly complies with the requirements for being a successful MIC project.

The project component that has fallen shortest as to results is the component that is most purely MIC, the one that focuses on municipal administration. On this issue there may be future prospects. Niš aims at being in the forefront of the decentralisation process in Serbia, and here are concrete suggestions for restructuring the city municipality into a region, in which the present city district municipalities become fully-fledged municipalities.

The project component on environmental protection (waste management) has led to some preliminary results.

Niš and Saltdal might have been compatible partners of a peopleto-people co-operation of the 1980's based on cultural and personal exchange, but might be less so for the post-2002 MIC. If the two municipalities would like to continue MIC, they might consider finding new and more compatible partners.

The Norwegian side is of the opinion that "it does not suffice to work with the municipal management. One must work directly with the population as well." The idea of co-operating on entrepreneurship and business development came up only in 2007, which makes it too early to assess its success. Preparing the ground for business development is, however, a municipal task in both countries, and therefore suitable as the focus of MIC activities. The Business Innovation Centre already has joint project with partners in Niš which makes for a more fertile ground for a MIC project in a similar vein.

It seems that there is an interest in Niš to include social protection into a future co-operation. Among others the requirements from EU for upgrading the social welfare system makes this relevant. The municipality of Niš has decided to build a crisis centre (sigurna kuća) for mothers and children who are victims of violence. Likewise, there are plan for opening advisory centres for families and children.

There are ten Local Democracy Agency offices (LDAs) in the Western Balkans. The first LDAs were established by the Council of Europe's Congress of Local and Regional Authorities in the early 1990s as a support programme to strengthen local democracy, foster respect for human rights and further sustainable development in the Western Balkans.

The Niš-based LDA covering Central and Southern Serbia has intellectual resources to assist Niš and Saltdal in communicating across geographical distances and differences in contextual frameworks. LDA in Niš is considered a "neutral" actor in the city and may help Saltdal avoid all the potential pitfalls when addressing a huge and manifold municipal organisation like the City of Niš. Knowing the Serbian municipal context as well as those of a host of other European countries LDA may help the two municipalities communicate more efficiently. LDA already has ample experience from this. With the status of "project implementing body" the LDA office is assisting the Serbian municipality of Kragujevac and the French municipality of Suresnes in co-operating.

2.3 MIC Fauske – Melenci

2.3.1 History

The co-operation is based on an agreement of co-operation approved by the municipality of Fauske and the village of Melenci.

From a legal point of view the agreement between Fauske and Melenci differs from the other agreements under MIC because it is not between two municipalities, but between one municipality (Fauske) and one "local community office" (mesna zajednica).

Melenci is one of 33 mesne zajednice in the municipality of Zrenjanin. Melenci's size is that of a small town in Norway and it portrays itself as the "biggest village in the Banat". On request from KS in 2005, Fauske clarified the status of Melenci although without stopping calling Melenci a municipality.

Article 7 in the Serbian law on local self-government (2002) states that a municipality may "for the purpose of satisfying general, collective and daily needs of the population of a particular area, establish mesna zajednica and other forms of lowest self-government." Articles 70-76 define the role of the MZ in more details. MZ can be established in villages or city districts. The municipality may delegate tasks to the MZ on the condition that they concern issues of daily and direct importance for the local inhabitants. The MZ has no tax base.

The village of Melenci is a so-called "local community office" (mesna zajednica) with its own local council of elected representatives, but with only one employee. It gets an equivalent to 2000 euro a month from the municipality, but with a tight programme on how to use the sum.

Fauske and Melenci have co-operated since 1977, when they signed an agreement of friendship, which was revised in 1998 continuing the focus on exchange of municipal delegations and students, co-operation between schools and local enterprises.

Fauske and Melenci joined the initiative to channel support to Serbian municipalities through the "friendship municipalities" in 2001. A delegation from Fauske together with representatives from Bodø University College went to Melenci to take a closer

look at the pre-conditions for renewed co-operation. A report from the trip identified several weaknesses in Melenci. First, there is a lack of adequate statistics. Secondly, local politics were "negative" in the sense that they did not end up in action and results, but rather consisted in rivalries and strife. Thirdly, the visitors from Fauske found low local capacities for developmental work.

After the local elections in 2004, the project dynamics were hampered by local rivalries between the newly elected politicians and the project group in Melenci.

A renewed agreement of friendship was signed in 2006. The agreement is in Norwegian and Serbian, but differs on one point, which may have legal significance. In the Norwegian text it is written that the "co-operation between the two municipalities is to be maintained", whereas the Serbian text refers to the "co-operation between the municipality and the local community office". The Serbian text is in accordance with the realities (the agreement is signed by the mayor of Fauske and the chairman of the local community office of Melenci). Likewise, the Norwegian text refers to "the two municipal assemblies" whereas the Serbian text refers to "the council of the MZ and the municipality of Fauske".

2.3.2 Objectives

At the outset of the renewed co-operation in 2002, the project aimed to "reactivate associations and organisation in the local community that had stagnated due to war and international boycott." According to the project manager in Fauske, the aim has been to give Melenci a lift, to improve the village. The chairman of the local community office in Melenci holds the objectives of the co-operation to be exchange of experiences and friendship.

2.3.3 Activities and programme theory

In 2005, the activities were identified as:

- problematising existing attitudes and traditions (in Melenci)
- training in practical, organisational skills

 establishment of a solid and predictable administrative system (in Melenci)

In the renewed agreement of friendship of 2006, the following issues are highlighted:

- official visits of friendship and exchange of experiences
- educational and cultural co-operation
- co-operation between local associations
- co-operation on project application
- co-operation on making use of own resources, interaction between business and organisations, strengthening expertise and administrative structures.

The first phases of the co-operation (2002-2006) focused on the role of local politicians and local political parties. The "a-political" character of local politics in Melenci was identified as a problem. Interestingly, one of the first project activities consisted in making the local political parties prepare local programmes before the elections in 2004.

The agreement on co-operation from lists several fields of common work, some of them very detailed. So far, the activities have not included transfer of material support apart from training and travelling.

The co-operation focuses on education, business and information. The educational activities have concentrated on language training ("to make people see that the world is bigger than they used to believe"). The business project has focused on the example offered by Fauske Business Forum ("to make business people start to talk with each other"). The informational element of the project co-operation has consisted in working with the local press (to strengthen local engagement).

The report from both phases of the co-operation gives evidence of a co-operation that is driven by Fauske.

2.3.4 Challenges

The project has been halted by disagreements in Fauske. The previous chief administrative officer in Fauske has delegated to the one-man, municipal firm for economic development, Fauna, to handle the co-operation with Melenci. In May 2008, the municipal council of Fauske made a unanimous resolution stating that the former chief administrative officer had initiated co-operation in conflict with the statutes of Fauna. Fauna's task is to promote local economic development in Fauske, not in foreign countries, was the argument. The resolution was taken as a stop signal by those involved in the project that has been waiting for a political follow-up from the municipal council and the mayor. So far KS has not interfered in the issue.

The MS would have liked the contacts with Fauske to "open more doors" to funds. In Melenci there is a strong belief that Fauske knows where and how to apply for funds.

As noticed above, Melenci is not a municipality. Although Fauske maintains that it has informed KS about Melenci's status, Fauske nevertheless continues calling the village a "municipality". Furthermore, the municipal officer in charge at the time tells it is his "impression that there is a considerable lack of usual municipal procedures and political work in the municipality" (Sakspapir/JournalpostID 2006010784). This should not be surprising if the municipal officer took Melenci's status as a mesna zajednica into consideration.

The co-operation between Fauske and Melenci has suffered from conflicts between the Project Group and what Fauske calls "the municipal assembly" ("kommunestyret") in Melenci. Fauske complains that the municipal assembly interferes in the project group's work. According to the municipal officer in charge in Fauske the project Group is to be "an apolitical co-operation group for the Norwegian project leadership, with the task of arranging contacts to other associations and institutions, including political parties". If Fauske had internalised the principle of MIC, they would have sought direct contact with the "municipal" assembly, and not created a separate organ on the side of the tiny "municipal" structures of the village ("one employee"). The

project group model has been retained after the 2006 renewal of the agreement.

2.3.5 Results

The activities on political programmes at local level did result in one programme, but only for project use. It was never presented to the voters. The fact that only one party came up with a programme under the project was explained by pre-electoral tensions within the project group.

Visits were made in 2007. A delegation from Fauske went to Melenci in May, and a return visit was made to Fauske in September during the campaign for the local elections.

Outputs. Several visits were made in the first phase of the project. One of the most ambitious goals of the project has consisted of making local business people in Melenci co-operate. Fauske suggested that they set up a kind of Business Forum along similar lines to that of Fauske itself (Fauske Næringsforum). The business project has been able to bring local business people in Melenci together.

Business people in Melenci have set up such a forum, called "Futuro". "Futuro" was registered with the Serbian Ministry of Justice on 15 January 2008. According to its chairman, the business association has 150 members (paying an annual 20 euro fee).

The project has bought educational services at a school in Zrenjanin (the New Age School). The course consists of 90 lessons of 45 minutes each and costs 200 euro per participant). Altogether ten people have attended these courses, of which six have been selected by the village municipality, and are identical with the people the delegations from Fauske meet while in Melenci. The additional four are working in the field of business development. In October 2008 six course participants passed the exam on beginner's level.

In addition the Boško Vreblov School in Melenci has developed a curriculum for lessons in Norwegian, based on those used for other foreign languages in Serbia. It is called "Upoznaj Norvešku!" (Get to know Norway!). The students learn Norwegian on a

voluntary basis. The school has refurbished and equipped a separate class-room for the Norwegian lessons

On the political side, outputs are the visits made to Fauske during the electoral campaign in 2007. Significantly, the then opposition was part of the delegation.

The aim of having one page in the most widely read paper locally "Zrenjanin" was reached twice. Both times the articles addressed the co-operation with Fauske.

Outcomes. In case the business association "Futuro" ends up doing what it has set out to do, among others offering mutual assisance to members in trouble, and providing updated information credit lines etc, this will be a significant outcome. However, again one must ask whether this has to do with MIC. Where is the municipal link?

If those trained in English and Norwegian continue from the output level (exam, certificate) to actually using the language it is an outcome, but it will only be relevant if used according to the overall objective of the project.

<u>Impacts</u>. So far, the project has had no impacts. If the project is continued, it should aim at impacts that could be summed up as "a more vibrant micro-local democracy", i.e. at the level of *mesna zajednica*, and more assertive role of the constituent villages within the municipality.

2.3.6 Cost-efficiency

The co-operation between Fauske and Melenci has received the following funds from the MFA:

2002	250,000
2003	75,000
2004	350,000
2005	350,000
2006	240,284 (transferred from 2005)

(Source: based on latest finacial systements from Fauske municipality)

In its first phase the project was on the way to achieve results in line with the overall goals of the KS co-ordinated support to local democracy and stability in Serbia. The second phase is less focused

and therefore less likely to meet the requirements for costefficiency.

2.3.7 Conclusions

Although having their merits, today's project activities between Fauske and Melenci do not comply very well with MIC. In the first phase of the project co-operation from 2001 the focus was on municipal issues. At the time the aim of the Norwegian side seemed to be to encourage local politics. Whether politicising a Western Balkan village is conducive to the overall aim of stabilising the region is disputable, but the approach chosen by Fauske was to emphasise the virtues of clear political programmes combined with a culture of seeking agreements and results. The project would have been more appropriate for the municipality of Zrenjanin than the MZ of Melenci, and would have had a potential for becoming a proper MIC project.

Since 2006 the Fauske-Melenci co-operation has moved away from MIC. Language-training is not MIC. Insisting on having a page in the municipal newspaper present Melenci and its co-operation with Fauske could be a MIC project, but only if it was linked to a larger aim of developing policies and instruments for intramunicipal balance between the constituent hamlets and villages. The business association that has been set up in Melenci as a result of the project could be helpful for municipal authorities willing to develop local business development strategies, but MIC projects should develop these municipal capacities directly not through strengthening the associative sector. MIC's niche is the municipality, not civil society or social capital.

The Fauske-Melenci co-operation needs to be reformulated into a co-operation between Fauske and Zrenjanin. In order to preserve the good contacts and the revitalised project group in Melenci, the village could be a focus point within the co-operation between Fauske and Zrenjanin. A project on the role of hamlets and villages within the municipal administrative and political structures would be very much within a MIC framework. The Serbian MZ model could be of interest to Norwegian municipalities.

2.4 MIC Vefsn – Gornji Milanovac

2.4.1 History

In what is now Vefsn municipality there was a Nazi labour camp during the German occupation of Norway. There were 427 prisoners, most of whom were Serbs, and quite a large share came from Gornji Milanovac. The prisoner worked on the road crossing the Korgen Mountain, on what later was to be called the Road of Blood (Blodveien/Krvavi Put). Vefsn and Gornji Milanovac signed an agreement on friendship and co-operation in 1975. Most of the activities that followed consisted in exchange of visits. Also students from Gornji Milanovac came to Vefsn to study for one year at the Folkehøyskole and at the Vefsn Agricultural School. In 1987 a Norwegian centre was established in Gornji Milanovac, the Norwegian House/Norveška kuća.

Whereas the other agreements between Serbian and Norwegian municipality were frozen during the period of sanctions against the Milošević regime, Vefsn and Gornji Milanovac kept up contacts (renewed the contacts in 1997) and the Norwegians provided some humanitarian help. Although this was controversial Vefsn and Gornji Milanovac were invited to renew and update their cooperation within the MIC framework in 2002. Within the MIC the focus has been on business development, community development and culture and sports. According to the job instruction of the project leader in Vefsn, who works for the local business development agency, he is to use 30 percent of his time on the work with Serbia. There are activities with Serbia in addition to those under MIC, among others a project on pork breeding, on youth a democracy and on entrepreneurship (plans for a "Gründer Camp").

Gornji Milanovac has about 48,000 inhabitants. In the times of the Socialist Federal Republic of Yugoslavia, the town was one of the county's most developed industrial centres, and today the industry is recovering from the 1990's. The strong and modern industrial basis of Gornji Milanovac as well as Vefsn makes the two municipal equivalent partners.

2.4.2 Objectives

The objectives are to strengthen the local community, partly though strengthening the capacities of the municipal administration, partly by helping improve the municipal service-delivery to the population. As a complementary objective, both municipalities want to carry on the friendship between the two communities and make it relevant to new generations.

2.4.3 Activities and programme theory

The activities have been marked by a strong belief on the Norwegian side that there is a Norwegian municipal model to be learnt from. Also Gornji Milanovac's working group on municipal reorganisation stated as one its five priorities to seek advice from universities and other expertise on "the option of organising the local self-management within our municipality in imitation of the Norwegian model" (Report from the working group, 2005).

Municipal administration. On this issue, Vefsn has contributed among other international actors, like the USAID. This project has developed into focusing on IT and document handling. As pointed out in a report from the project group (6 November 2006) IT can be very useful in forcing municipal clerks work in new ways. For instance, the practice in Vefsn is to scan all documents and before filing it in the municipal archive, it is being accessible to all the municipal offices that are dealing with the case. It is possible for the municipal inhabitant from his/her computer to follow the document's "journey" through the municipal administration (a system called K2000). This increases transparency and prepares the ground for faster municipal handling of cases. Gornji Milanovac finds K2000 to be sufficient for their purposes as of now, and is looking at Microsoft share point services, which is simpler, but enables sharing of documents in a network.

Within this project there has been an aim to set up 7/24 municipal phone service for the inhabitants and also work on the municipal web site. Also the idea has come up to establish a unified and web-based system of municipal application forms. This, however, has been difficult due to administrative regulations. There has been close co-operation between the two chief municipal IT specialists in the two municipalities on technical solutions for intra-municipal

decentralisation of service delivery through a wireless information centre. In concrete terms, they are developing ways to have the local community office" (mesna zajednica) in the villages linked up with the municipal IT system. This way the inhabitants of the hamlets and villages will be able to receive and submit documents without having to wait for documents to be sent by car, or to show up in the municipal centre (public transport is poorly developed in the peripheries of the municipality). The technical solutions (a radio link) is costly and the project is waiting for Serbian funding, but the project investments for the wireless system are included in the National Investment Programme. Gornji Milanovac is included in one of 20 national IT centres that are being established by Ministry of Telecommunications and Information Society in cooperation with the local municipalities.

In the field of environmental protection there have been several activities in Gornji Milanovac. The Norwegian MFA supported the building of a new sanitary landfill site in Gornji Milanovac 2003-2007. There were links to Vefsn in the sense that specialists from the municipality of Vefsn and the inter-municipal enterprise SHMIL (Søndre Helgeland Miljøverk) had been helpful in preparing the application and in follow-up activities.

Source separation of paper and PET bottles is being made organised by the Municipal Enterprise for Public Utility/Komunalno Preduzeće, and there are concrete plans to set up a municipal enterprise for recycling, beginning with car tyres and PET bottles. There have been visits from the Municipality Enterprise to Vefsn to study the Inter-Municipal Enterprise practices in the field of waste management.

Following the big operation financed by the Norwegian government to build a waste disposal site, the municipality of Vefsn took the initiative to support the establishment of a municipal environmental office.

The office – that now has got three employees – received a Geländewagen and two computers through the project. On the competence side, Vefsn's then environmental officer was helpful in providing input on the local environmental plan and on the organisation of the environmental office. A study tour was made to Vefsn and Vefsn's environmental officer took part at meetings in Gornji Milanovac. The fact that Vefsn municipality no longer

has a municipal officer (this is voluntary in Norway) has made further co-operation on methods and techniques in municipal environmental protection impossible, there is no longer a possibility to carry out joint activities on environment between the two municipalities.

Care for the elderly. Gornji Milanovac has about 8,500 inhabitants over 65 years old. Due to out-migration of the able bodied and more modern lifestyles, the share of the elderly living alone without family or kinship care is growing. Chronically sick elderly, if lucky, are accommodated in the local hospital/centre during winter.

The activities have focused on the development of home-based services, and the focus has gradually been widened to encompass accessibility for disabled people. Emphasis has been on changing the public buildings physically. Also Vefsn aims at being helpful in Gornji Milanovac's building of a House for the Elderly (the so-called Gerontology Centre). This project of Gornji Milanovac has status as pilot project with the Ministry of Health and the investments are included in the National Investment Programme). For Vefsn, like other Norwegian municipalities, care for the elderly is a core activity and the municipality can draw on valuable experience and expertise to assist Gornji Milanovac in the capacity-building needed to run a centre of the kind planned. Vefsn also aims at being helpful in drafting an organisational plan for a co-ordinated care for the elderly consisting of a centre for the elderly and home-based care.

Youth and democracy. Five active young people from each of the two municipalities have discussed common activities in the field of youth and student politics. The young people came from the upper secondary schools and the Youth Council of Vefsn and the Youth Assembly and from the political life of Gornji Milanovac.

2.4.4 Challenges

Some of the activities, in particular those on IT and care for the elderly, point towards investment that lie outside of the scope of MIC, e.g. constructing and running sheltered accommodation for the elderly. It seems that there is an expectation that investments

should be made (from outside/Norway) before activities really get significant.

The co-operation seems to suffer from weak exchange of information between the two municipalities. For instance, it was unknown to the Norwegian partners that Gornji Milanovac has had home-based care for three years. In the project application for 2008 it is stated: "Pilot Project – Help in House for elderly persons is on going project which lasted 12 months, where for the first time we are doing education of geronto-housewifes and defining standards of services to users in their houses".

In fact, altogether 12 so-called gerontodomacice are visiting the elderly at home offering basic medical supervision and medication. Interestingly, this is a result of another Serbian-Norwegian project. No less than 20 young people from Gornji Milanovac have been at trainings in Čuprija. The College of Nursing in Čuprija and the University College of Sør-Trøndelag has a co-operation on care for the elderly.

The project applications and reports do not distinguish clearly between the contributions through the MIC co-operation and other ongoing processes in the municipality with the outside world, like republic-level programmes and plans. Neither do they distinguish between developments resulting from the co-operation and developments that would have happened anyway. An example of this is given in the application for funds 2006 (translated from Norwegian): "Environmental office. Project completed. Independent environmental office with three employees has been established, and is functioning with a strong position in the local community. Environmental plan has been developed, and an environmental organisation with strong links to business has been established". There is no doubt that the MIC co-operation was helpful for the environmental office by providing it with two computers and a car. But the difference MIC made here was that the equipment came somewhat faster than it would have if Gornji Milanovac had to rely on the ordinary Serbian channels of financing this type of equipment.

A stronger analytical clarity as to what are general developments that happens according to Serbian institutional restructuring and modernisation, and what happened due to the MIC project cooperation would most likely help Vefsn and Gornji Milanovac find

the niche of activities most suitable for their co-operation. This could be conducive to more determined project activities. Providing equipment faster than the Serbian government should not be this niche.

2.4.5 Results

Outputs. The municipal environmental centre has received two computers and a car. One seminar has been arranged in Gornji Milanovac as a part of MIC in the period covered by this Review (on archive systems). In 2008 a seminar on access for disabled citizens was held.

IT and document treatment. A plan for wireless communication in the municipality (Wimax network covering the entire territory of Gornji Milanovac municipality and preparing the ground for broad band to all inhabitants) has been developed by two Serbian experts ("The Municipality of Gornji Milanovac – Wireless Network for City Administration"). A plan for municipal document treatment is under preparation. A seminar has been held on archive systems and document treatment with 80 participants.

Care for the elderly. A rough report on the situation for the elderly in Gornji Milanovac including some ideas for the future has been written in co-operation between the Serbian and Norway project leaders in charge. A plan for competence exchange and guest periods in each others work places has been made.

Youth and democracy. Two gatherings (one in Vefsn, one in Gornji Milanovac) have been held with 5+5 participants in each. So far there has been no follow-up due to lack of economic support from the municipalities.

<u>Outcomes</u>. The environmental office works closely with the local business community.

The service office has made it easier for people to use municipal services. The fact that they are deconcentrated is important in this respect. Earlier a car drove out to the hamlets with documents. Now people can address the offices at a daily basis.

The fact that Gornji Milanovac has been able to get he status of pilot municipality on care for the elderly as well as IT gives it a

certain legal leeway for trying out models that have not been common in the Serbian system.

For IT and document handling outcome could be "measured" Barents the time it will take for a case (e.g. application) to go through the system.

Impacts. So far, impacts are not discernible. If the project is continued, one should, among others, aim at impacts in the relationship between the municipality and its local community offices in the villages. Has the support to the service centres made village people more integrated? Has it made it easier for people to file their complaints and present suggestions to the mayor or the local assembly?

2.4.6 Cost-efficiency

The table below shows the grants from the MFA.

Year	Granted
2002	200,000
2003	375,000
2004	350,000
2005	400,000
2006-2008	914,000

Vefsn has raised considerable funds in addition to those granted by the MFA.

The co- operation between Vefsn and Gornji Milanovac meets the first requirement of cost-efficiency by focusing on issues in line with the overall objectives of the programme, i.e. municipal issues. Besides, the activities are linked to republic level priorities. The activities undertaken are under municipal competency and contribute to increasing municipal capacities in Gornji Milanovac. There is still a need for the two co-operating municipalities to refine the comparative advantages of a municipality-to-municipality co-operation. These are more likely to be found in capacity-building and exchange of concrete experiences than in financing infrastructure.

2.4.7 Conclusions

The two municipalities involved have kept pace with the overall development of the Western Balkan MIC programme since 2002. From a co-operation partly inspired by "aid" it has developed into capacity-building and further on to include business development. The fact that some of the core activities, like the ones on IT and the elderly are linked up with republic-level pilot project to be financed by NIP, is very good. This makes the activities robust ("sustainable") and the two municipalities can concentrate on capacity-building.

The MIC activities take place within a larger package of widely defined friendship activities. This strengthens the interface between the two municipalities, but there is a potential danger that attention is diverted away from MIC proper.

The co-operation seems to suffer from weak exchange of information between the two municipalities. For instance, it was unknown to the Norwegian partners that Gornji Milanovac has had home-based care for three years.

2.5 MIC Hemnes - Prokuplje

2.5.1 History

During the Second World War there was a labour camp for prisoners of war and hostages in Korgen, one of the communities of Hemnes municipality. The brutality of the Nazi occupational forces and Norwegian collaborators in the camp made a strong impression on the local population, and in the post-War years the memory of the atrocities became a part of people's common memory and so were the acts of solidarity in favour of the prisoners. No less than 104 prisoners in Korgen came from Prokuplje.

In 1985 a friendship agreement was made between the municipalities of Prokuplje and Hemnes. Among the prisoners in Korgen, there were people from Prokuplje. Preserving the historical memory was one of the objectives of the friendship

agreement. In Hemnes the schools have developed educational material on the labour camp, which is being used in *Heimatkunde*.

In 2004, the co-operation was re-established after the sanctions against the Milošević regime, this time as MIC. In 2005 attempts were made to include renovation of the water supply system and construction of a new waste disposal site into the project.

Prokuplje has had a mayor from the DS in the last period and also after the election in 2008. The municipalities have several projects with foreign agencies, and the MIC with Hemnes is one of the smaller ones.

2.5.2 Objectives

The main objective is to develop and consolidate a democratic local self-government in Prokuplje. As a parallel, the two municipalities also wish to preserve and develop the traditional friendship activities.

2.5.3 Activities and programme theory

Youth work. Here the activities have consisted in studying the experiences with Youth Councils in Hemnes with the aim of introducing something similar in Prokuplje. In Serbia there are pupil and student councils in schools, but so far there have been no youth councils linked up with the municipality as such.

Service offices. USAID has given financial support to the establishment of service office in the centre of town. MIC has supported the equipping of service offices in three remote villages. The service centres have been equipped with computers and internet. The villagers mostly use the centres to get certificates for birth, marriage and death.

Also the municipal environmental office has benefited from the MIC (furniture, computers, and a jeep). Some exchange of experience has taken place during visits from Prokuplje to Helgeland Avfallsforedling (Helgeland Region Waste Recycling).

On the initiative of Prokuplje the MIC has included support to the establishment of a laboratory for water analysis under the municipal environmental office. With a modern laboratory the

municipal would no longer have to send drinking water from the mountains all the way to Niš (45 minutes by car) for analysis.

Business incubator (more a kind of co-location than an incubator that "throws" firms out as soon as they are ready for real life. The funds through MIC may have helped the incubator survive the initial phase. The MIC project has financed training and facilitated contacts with other incubators in Serbia.

User surveys. A user survey was carried out in co-operation with LDA Niš office. The local inhabitants were asked questions about environmental problems, satisfaction with municipal services in the field of waste treatment, satisfaction with the municipal enterprise for services, satisfaction with the service centre for the issuing of birth, marriage and death certificates.

2.5.4 Challenges

Although the Hemnes-Prokuplje MIC started out relatively late, it has a penchant towards ending up in material support being provided from Hemnes to Prokuplje. Likewise, capacity-building measures and exchange of experience tend to be toned down.

2.5.5 Results

Outputs. Several visits have been made. A decision has been made in the local assembly to allow young people access (with the right to speak) to its meetings. The project holders claim the support to the incubator's initial phase was decisive for its final establishment. It remains, however, to see if the incubator will function as one and not as an industry park, where firms simply are co-located.

Three local community offices have established service centres in three remote villages (which is very much in line with the "ideology" of the majority in Hemnes as well) and equipped them with computers thanks to the MIC project. These villages are Žitni Potok, Kordince and Mala Plana. Transport is poor to the villages that mainly are inhabited by old people. The fact that people in three selected villages of Prokuplje have access to a local service office makes life easier for them. Earlier they had to travel (which might be expensive and time-consuming) to the municipal centre of Prokuplje. Thanks to the service centres and their internet link,

they now can obtain licences and other kinds of documents on the same day. The actual use of the centres should be assessed.

The municipal council of Prokuplje has decided that young people have access to the meetings there.

A laboratory for water analysis has been equipped through the MIC. The laboratory was strongly pushed for by the municipality of Prokuplje. As of now the laboratory only do mechanical and chemical analysis. Also here, the actual use should be assessed. More funds are needed, according to Prokuplje, for the laboratory to be able to do biological analysis. Prokuplje reports that six chemical technicians (of which three engineers) work in the laboratory. So far, however, the laboratory does not have the right to give accreditation for drinking water, and is mainly engaged in providing water analysis of private wells for a fee. The municipal co-operation between Hemnes and Prokuplje has developed concrete plans to link the control of wells to public health strategies in order to eliminate hepatitis.

An investigation among Prokuplje's inhabitants on their satisfaction with the municipal services has been carried out (with the assistance of the LDA office in Niš).

The co-operation on youth and democracy has given Prokuplje the idea to invite two representatives from the Pupil and Student Assembly (dating from 2000) to the Municipal Assembly to take part with the right to speak.

User surveys have become a part of the ordinary practices of the municipality. People have been asked about their experiences with the renovation services and how they are being received at the town hall.

Outcomes. It is somewhat early for outcomes, but there might be reason to look for indications of youth involvement in local politics (operationalised as e.g. local protests or suggestions, letters to the editor, youth candidates to the local assembly in 2012). Likewise, one should keep an eye on indications of user-friendliness in municipal services (like e.g. the actual use of the service centres under the *mesne zajednice* in the hamlets, and the use of surveys. Numbers of businesses thriving, say, two years after

they left the business indicator could be a definition of an outcome in the sub-project on business.

<u>Impacts</u>. It is too early to expect impacts. If the project is continued, it may have an impact if it — *on a permanent basis* — manages to make villages better integrated into the municipality, young people to engage themselves in local affairs, and the municipality to work with potential businesspeople to create new economic activities.

2.5.6 Cost-efficiency

The following table shows the grants received from the MFA.

	Granted
2004	80.000
2005	350.000
2006	335.400
2007	433.000

The expenditures of the project seem to be under firm control. Cost-efficiency depends on the actual use of the project outputs. If the opportunities offered to young people to speak in the local assembly actually is being used, if people in the hamlets go to the local service centres, businesses are "graduated" from the incubator, and the laboratory is being used for environmental or public health purposes, the Hemnes – Prokuplje co-operation stands a good chance of becoming cost-efficient.

2.5.7 Conclusions

Despite the fact that the co-operation was reiterated relatively recently, at a time when the capacity-building profile of MIC is being accentuated strongly by the MFA, the co-operation between Hemnes and Prokuplje tend to end up with financing Prokuplje's municipal infrastructure through the MIC funds. This is not necessarily a big problem if the municipalities agree to consider the infrastructural support a start-up for ensuing capacity-building activities. Then the decentralised service centres, the industrial incubator and the environmental office may be natural starting points to develop capacities in relations between inhabitants and

municipal organs and services, on local economic development and on environmental protection. The municipality of Hemnes is working on a comprehensive plan for climate and environment.

2.6 MIC Buskerud-Obrenovac

2.6.1 History

The project started out as a political initiative in the regional council of Buskerud after the Nato military intervention in the conflict over the Kosovo province. A group of politicians elected by popular vote wanted "to show that the West stood for more than bombs", to quote one of the initiators of the project. In 2003, Buskerud Regional Council passed a motion to initiate cooperation. Obrenovac was chosen because it stood out as one of the municipalities governed by a democratic majority. Obrenovac is one of the municipalities of the City of Belgrade, and has 70,000 inhabitants. The local assembly has a majority similar to that on a national level DS, G17+, SPS and some smaller groups).

The agreement on co-operation was signed in 2003. In the beginning the co-operation was focused mainly on environmental protection. Obrenovac has one of Europe's largest coal-fired thermal power stations and a huge land fill. Since 2003, altogether seven fields of co-operation have been developed. These are a sport and culture centre, a green house project, democracy building, education, gender equality, culture and water supply.

2.6.2 Objectives

The main purpose of the co-operation between the two municipalities is to contribute to the strengthening of the political and administrative capacity in Obrenovac municipality. Activities and programme theory:

The following activities have been identified:

- i) a plan for one greenhouse to be built
- ii) a plan for modern waste management

- iii) a plan for cleaning and production of drinking water to households and industry
- iv) improved methods for school planning and student democracy in the schools involved
- v) the establishment of one or more municipal service centres
- vi) the establishment of one crisis entre for abused women and/or an SOS phone is established

The main activities have been exchange visits, joint seminars and the development of plans. Buskerud clearly believes that exposing the Serbian counterparts to the ways things are being done in Norway (e.g. management and planning systems) will have the effect of eye-openers. Altogether four visits have been made in Norway and four to Serbia within the framework of the MIC. Working together on concrete tasks is another method applied in the MIC between Buskerud and Obrenovac. For instance, the teachers in the three schools (one Norwegian, two Serbian) involved in the co-operation have worked on "Young Entrepreneurship", language training plans and IT.

Concrete activities have evolved around the development of a greenhouse. One of the ideas is to use waste water from a heating station. Currently the hot water is discharged into the river Sava, tributary to the Danube. Plans are to use the future greenhouse for tomato production. Buskerud has invited two Norwegian greenhouse owners into the project with the aim of checking out possibilities for Norwegian commercial investments in the Serbian greenhouse. Although Serbia is a great producer of vegetables, it is a net importer during winter times. The contribution from Buskerud has been on the competence side.

Obrenovac is an industrial town with serious environmental problems. Waste management was on the agenda from the beginning with the Obrenovac side hoping for a large Norwegian funding in the construction of a waste site. In accordance with Norwegian policies on reducing this kind of massive infrastructural aid, and Serbian policies to encourage co-operation between the municipalities, Obrenovac has entered into co-operation with neighbouring municipalities. Obrenovac is working on source separation .Buskerud's contribution on the waste issue, and on drinking water, waste water and sewage has consisted in giving advice and providing study trips.

The exchange of school leaders between Røyken upper secondary school and its counterparts in Obrenovac started in 2005. Themes are school democracy and management and student entrepreneurship. The exchange visits consisted in showing the Norwegian practice of having regular meetings between the rector and representatives of the employee trade unions. Also, the visitors got to know the functions of the Students' Council. Norwegian and Serbian students have had a seminar on Students' Council in addition to visiting various institutions in Oslo, like the National Assembly, and the Nobel Peace Centre. On the more technical side, the two schools have discussed tools like intranet.

The project component on strengthening democracy has been focusing on isssues that are central to MIC, like public mail journals (postjournaler), the role of the opposition, the inner organisational life of the local political parties. Also the relations with the local mass media and municipal information strategies have been on the agenda. Buskerud has linked up to the all-Serbian move to establish municipal service offices. In order to strengthen the municipality, Buskerud has been supportive in the process that is going on all over Serbia to establish accessible and efficient municipal service offices.

In the field of gender equality the activities have been carried out between the Committee of Gender Equality in Buskerud and the Women's Centre in Obrenovac, which is a voluntary group, local NGO.

The size of a regional municipality, like Buskerud enables it to contribute, more than small, local municipalities both on the administrative and financial side. Buskerud has been able to finance side-activities to the purely MIC-oriented ones.

2.6.3 Results.

Outputs. Business. A delegation of six people from Obrenovac visited Buskerud in 2006 to study all-year-round production of fruit, vegetable and flowers in greenhouses. A pre-feasibility study (see "Izvestaj o početku saradnje") and a market analysis ("Tomato production in Serbia – Current situation and trends") have been carried out, leading to a business plan, among others with the help from a consultancy firm in Belgrade.

As a side activity on the business development activities with Obrenovac, Buskerud has assisted the municipality of Čajetina develop a local economic development strategy in co-operation with IRD/USAID in accordance with World Bank methodology (Local Economic Development Strategy for Čajetina municipality, undated, 40 pages), among other based on a SWOT analysis of the municipality.

Waste and water. Buskerud has contributed with advice during meetings in Obrenovac and not least by showing colleagues from Obrenovac how waste is treated in Drammen. Also water treatment and sewage has been discussed. Also here the Buskerud side has provided advice. Earlier visits to Buskerud's Glitre water works have been referred to in this process.

School co-operation. Røyken upper secondary school presented a survey among the employees at school, which reportedly aroused big interest among the teachers from Obrenovac. Røyken presented the "Norwegian way" of organising the school, which includes having regular meetings between the school director/rector and the trade unions having members among the staff. In all, three visits from the two schools in Obrenovac have been made to Røyken, and two visits have been made from Røyken to Obrenovac.

Democracy. Two conferences on democracy and local/regional governing capacities have been carried out (2005 and 2007). At the conference in 2005 five regional politicians and two administrative officers from Buskerud participated together with their homologues from Obrenovac. In addition, representatives of voluntary organisations and business in Obrenovac took part.

Gender equality. The Committee for Gender Equality of Buskerud Region and the Obrenovac-based voluntary organisation OŽEC (Obrenovački Ženski Centar / Obrenovac Women Centre) have run seminars on violence against women and on female participation in politics as well as on how to set up a business plan. Altogether 120 women have participated in four seminars within the framework of Women Can Do It (May 2006; June 2006; November 2006; May 2007).

A delegation from OŽEC visited Norway in 2006, and a return visit was made in 2007.

The MIC project has supported a SOS phone in Obrenovac (open from 17:00 to 20:00 every day) in which another local women organisation is involved (Women Society Barič). Since its establishment in 2007 until October 2008, 631 calls have been made, 220 people called to get information on where to get legal advice. Altogether 124 people showed up in person. The SOS phone has helped three women into a crisis centre in Belgrade. 25 women in the age 28 to 65 years are engaged on a voluntary basis in the SOS phone.

The basic funding of the SOS phone comes from the MIC programme with support from the City of Belgrade municipality. Buskerud supported an activity on educating women who have been victims of violence. Among other 20 women have received computer training for free (48 lessons during three months). OŽEC also offers legal and psychological counselling.

The outputs in relation to the service centres have consisted in Buskerud have been discussions at plan meetings in Obrenovac during plan meetings regarding the other sub-goals. People from Obrenovac have visited the service centre in Drammen town hall. (At this point the report from Buskerud for 2006-2007 was somewhat misleading as it listed the establishment of the service centre in Obrenovac as an output of the project.)

Sports and Culture Centre in Obrenovac. The centre has been renovated for funds provided by Buskerud.

Outcomes. As documented above there have been a variety of outputs from the co-operation. In general, it is too early to assess whether the outputs have led to outcomes. When visiting Buskerud also representatives of the municipal opposition have taken part. This is quite significant, but of course not necessarily only a result of project co-operation with Buskerud. Overcoming the Balkan tendency to look upon political life as consisting of "two camps" would probably be conducive to democracy and municipal efficiency.

<u>Impacts</u>. It is too early to expect impacts. At this stage it is, however, important that the project holders keep an eye on future impacts. The project activities are complex and the sub-activities are dissimilar, and each of them should have an impact on

strengthening the political and administrative capacity in Obrenovac municipality.

Cost-efficiency

The table below shows the grants from the MFA.

2004	NOK 250,000
2005	NOK 150,000
2006	NOK 480,000
2007	NOK 450,000

In addition, Buskerud regional council has granted NOK 450,000 (in 2006 for the refurbishing and upgrading of the Culture and Sports Centre in Obrenovac). In 2007, NOK 300,000 was granted for various purposes. The seminar in 2007 on democracy building was mainly financed by MIC funds, but Buskerud added NOK 50,000 for the purpose. (Buskerud fylkeskommune, saksframlegg, referanse 03/1091-66).

Buskerud contributes with man hours and do not calculate them.

Buskerud spends money carefully, and raises additional funds, in order to strengthen the activities. Cost-efficiency, however, could probably be increased if Buskerud conectrated more on purely municipal/regional issues on which it has a comparative advantage.

2.6.4 Conclusion

The project stands out as being well run and thoroughly documented. The project activities are well thought-out although not all activities are purely municipal. Most of them are, however, and some really go to the core of the MIC programme theory, by focusing on public mail journals (postjournaler), the role of the opposition, the inner organisational life of the local political parties among others. Buskerud county municipality has contributed economically in significant ways to strengthen the project activities, among others by financing side-activities that underpin the MIC activities.

The business project has weak links to the programme theory of MIC, and the dynamics of this project should be taken as an

opportunity to incorporate a stronger element of municipal industrial policies. Involving greenhouse owners from Lier, Norway, may strengthen local economic activity. A MIC approach, however, would not be not to attract a couple of investors, but to strengthen municipal *capacities* to attract investors in general.

Obrenovac and Buskerud are structurally quite different types of municipal organisations, the former being one of 17 municipalities within a larger supra-municipality and the latter being a regional municipality "over" altogether 21 municipalities. There are no indications that this asymmetry has caused obstacles to the cooperation.

3 MIC in Montenegro

3.1 MIC Levanger – Herceg Novi

3.1.1 History

The Levanger – Herceg Novi MIC was the only MIC to end up in the independent Montenegrin republic after the break up of the union of Serbia-Montenegro in 2006. The Levanger – Herceg Novi MIC grew out of a long tradition of twinning and friendship. In fact the two towns signed an agreement on friendship as early as 1967. The two towns have ties from the Second World War. The labour camp at Falstad outside Levanger is now a centre for human rights and documentation of war atrocities.

The break-up of the Yugoslav federation and the wars that followed had an impact even on the "organised friendship" between the two towns. The co-operation between the two towns was resumed in 2001 as a part of the Norwegian support to democracy-building on the Western Balkans.

In the countries that used to form part of the Yugoslav federation, Herceg Novi is known primarily as a spa town, seaside resort and architectural-urban landmark. The Igalo sanatorium enjoys a European-wide reputation. Levanger has wanted to include Igalo in the MIC activities, but since the sanatorium is state-owned, not a municipal asset, this is difficult. Besides, by 2008 it is under privatisation.

3.1.2 Objectives

Keeping up friendship, preserving a joint historical memory and helping Herceg Novi improving its municipal infrastructure are the objectives mentioned by the project co-ordinators.

3.1.3 Activities and programme theory

In practice, the activities have been concentrated on one objective, to help Herceg Novi improve its municipal infrastructure. This is clearly the reason why Herceg Novi has entered into the cooperation, and they have been far more open and explicit on this than other MIC municipalities in the Western Balkans. Considerable activities around MIC have been carried out to provide "donations" to Herceg Novi, but also more typical "friendship" activities have taken place, like the exchange trips of students and teachers.

The two municipalities operate without a concrete agreement referring to the actual project activities. Herceg Novi has entered into co-operation with Kristansand municipality on water supply and waste water management.

Renovation. Activities have consisted in facilitating donations from the inter-municipal renovation company Innherred Renovasjon.

Road safety. The urban planner of Herceg Novi has studied the parking system in Levanger, including the system of fees.

School exchange. The upper secondary school of Levanger and the Ivan Goran Kovačić upper secondary school in Herceg Novi. Levanger has made efforts to make democracy one of the subjects of the youth co-operation.

There have been no workshops or seminars under the project.

3.1.4 Challenges

Harmonising the partners' expectations and ideas about the purpose of the co-operation has proved to take time in the Levanger – Herceg Novi case, like in many other MIC's. At the outset of the project period there was still a certain tendency on the part of Herceg Novi municipality to look upon the co-

operation as another source of material support rather than an opportunity for capacity-development. The town has ambitious plans to keep up its profile as a comfortable place to live, and not least to visit.

3.1.5 Results (outputs, outcomes, impacts)

Outputs. On the output level, there is a lot to report, although most of it being side-activities and side-effects of MIC.

- 1. Renovation. Three dustcarts from Levanger are still operating in Herceg Novi. Earlier Herceg Novi's dustbins were open. After they received 60 dustbins (120 litres) with lids from Levanger, this has become standard in Herceg Novi. Herceg Novi also received one hundred pairs of overalls for the employees in the waste company. While visiting Levanger representatives from Herceg 2ovi were shown how renovation is being handled by Norwegian municipalities.
- 2. Traffic security. As side-effects of the MIC activities 200 very visible school bags have been donated from the Norwegian Public Roads Administration. One lift to change bulbs in the street lights has been donated by the waste company in Levanger.
- 3. *School exchange*. Two visits to Norway, two to Montenegro. 15-20 students in each. Two teachers from each of the schools involved.
- 4. "Electoral observation". Representatives from Herceg Novi went to Levanger in September to study how local elections are being carried out in Norway.

Although the idea of setting up citizen-friendly municipal service centres is being promoted and financially supported by various "donors" all over the Western Balkans, Herceg Novi reports to have got the idea while visiting the town hall of Levanger. Today, Herceg Novi has a service office at the entrance to the town hall. Likewise, the Herceg Novi project co-ordinator (and chief municipal manager) reports that the idea of waste separation came to Herceg Novi as a result of her visits to Levanger.

The city planner of Herceg Novi got acquainted with Levanger's system of parking and parking fees.

Outcomes. The students from Herceg Novi reportedly were interested in the degree of participation of young people in Norway, at school and in relation to the municipal authorities (the Youth Council). Unlike Serbia the Montenegrin schools do not have Students Assemblies.

The streets, squares and sea front of Herceg Novi are considerably cleaner now than five years ago. The trend towards – or rather *back to* – urban tidiness is a trend in most parts of former Yugoslavia irrespective of the town being donated dustbins or not. Nonetheless, Levanger's dustbins – together with the dustbins from other donors – have been a contribution to keeping municipal renovation costs down in Herceg Novi.

<u>Impacts</u>: It is difficult to identify impacts so far, but if the project is continued, it should take a thorough review on what impacts it aims at.

3.1.6 Cost-efficiency

The Levanger – Herceg Novi co-operation has received the following grants from the MFA:

	Granted from MIC
2002	75.000
2003	200.000
2004	250.000
2005	300.000
2006	250.000
2007	230.000

The Levanger municipality contributed 295,000 NOK in 2002-3, 207,000 NOK in 2004 and 111,000 NOK in 2005. The three dust-carts donated by the inter-municipal renovation company Innherred Renovasjon to the municipal company of Herceg Novi had an estimated value of 500 000 NOK.

The cost-efficiency of the project could be improved if activities were more focused on issued on which the municipality of Levanger has a comparative advantage as compared to other potential partners for Herceg Novi. Here, the exchanges of

experiences taking place during visits to Levanger form a good starting point.

3.2 Conclusion

Capacity-building and exchange of experiences between local politicians or municipal administrative officers do take place during visits. Municipal representatives from Herceg Novi have picked up ideas in Levanger and implemented them while back home. The capacity-building elements of the project co-operation could have been more systematic with clearer linkages to activities in Herceg Novi. Herceg Novi is very explicit on what it wants to get out of the co-operation, which is improved municipal infrastructure, in visible and tangible terms.

4 MIC in Bosnia and Herzegovina

4.1 Background

Norwegian-Bosnian MIC has its roots in the multifarious activities taking place in Norwegian communities to support Bosnians who suffered from the war. In the second half of the 1990's several Norway municipalities initiated co-operation with partner municipalities in Bosnia. The Norwegian Association of Local and Regional Authorities (KS) was asked by the Ministry of Foreign Affairs to provide co-ordination of one twinning arrangement that was in its initial phase (Sund – Konjic). After a pre-feasibility study this project started up in 2000. Later on Orkdal and two municipalities in Mostar established a MIC project.

Review of MIC with Bosnia and Herzegovina of 2004

In 2004 a Review of MIC in Bosnia and Herzegovina was made by the Norwegian Institute for Urban and Regional Research in cooperation with KS¹. The review found that MIC did not run smoothly between Norway and Bosnia-Herzegovina. The cooperation had not given optimal results, and the Review identified the reasons:

 Partners do not know each other well enough to speak openly enough to release the potentials of MIC

¹ "Municipal International Co-operation between Bosnia and Norway: A Review", NIBR 2004. Written by Jørn Holm-Hansen (NIBR) in co-operation with Knut Hjorth-Johansen (KS)

- The Norwegian side wants to enable the partners to solve problems, the Bosnian side wants assistance to solve problems directly
- Both sides are still caught in the rhetoric and attitudes established in the mid-1990s (donor-recipient relationship)
- Focus has moved away from strictly municipal issues
- Activities are insufficiently linked to other relevant projects in Bosnia

As for the **Orkdal – Mostar MIC** the 2004 review, among others, found that Orkdal and Mostar are structurally very dissimilar. Communication between the partners had not been easy to establish. The result was that the Norwegian side works within a Norwegian paradigm according to which MIC was about enabling Bosnians solve their own problems through their getting interested in the Norwegian experiences. Bosnians on their side saw MIC as one channel among several through which grants can flow in order for problems to be solved immediately. Unable to communicate efficiently the partners engaged a professional NGO (Nansen Dialogue Centre) to act as an intermediary. The result of this was that Orkdal had become invisible, and local actors treat NDC as their counterpart.

The recommendation in 2004 was, among others, that project activities should be focused on municipal issues more narrowly. Communication between the partners ought to be improved considerably (with the help of KS and academic expertise on Bosnia).

The 2004 Review found that **Konjic** was a far easier place to carry out a MIC than Mostar. Sund had a long standing in a variety of projects with Bosnia, and Konjic has been active with the IC ever since it was declared as Bosnia's first Open City in 1997 (without much success in terms of minority return, though). On this background the 2004 review found reason to make strict demands on the Sund – Konjic MIC. Focus had partly been on municipal core issues, like physical planning and participation, delegation of authority to the administrative level, openness. Partly the project has focused on education and integration of disabled children.

The Review recommended that the educational sub-projects be diverted into issues of more immediate municipal relevance and be careful to concentrate on ideas and measures that are compatible with local economic realities.

The review of 2004 came up with several recommendations for the Norwegian-Bosnian MIC 2004. Among them were the following:

- The co-ordinating body (KS) must be enabled to spend more time on guiding and training the involved municipalities, among others by making use of academic expertise in Bosnian matters
- The approach must shift from one inspired by developmental aid to one based on partnership between European, non-EU municipalities relating actively to the requirements of the European Union (ten years after the war Bosnians should no longer be perceived as primarily victims)
- Activities within MIC should concentrate more narrowly on municipal core tasks, like physical planning, licensing, enabling public participation locally, facilitating industrial development
- Norwegian partners must avoid "selling" good, but financially prohibitive ideas to their counterparts
- Municipalities should be twinned according to some structural similarities

4.2 MIC Sund - Konjic

4.2.1 History

Sund entered into contact with the municipal authorities of Konjic while taking part in seminar in 1998. The seminar was organised by one Bosnian refugee living in Norwegian (Džemal Sokolović of the University of Bergen) who established an Institute for the Development of Democracy in Konjic, that arranges international seminars.

This resulted in project plans, which included "making Konjic a laboratory for the development of local democracy" involving the Norwegian Helsinki Committee, the Trade Union Council and the

Confederation of Norwegian Business and Industry. A letter of intent to co-operate was signed in 1998.

Among the 60 Bosnian refugees that ended up in Sund, there were three Konjic townsmen. In the beginning they were interpreters for the contacts between our municipalities, and they helped in organising the human rights centre here. Bosnians have taken part in local politics in Sund.

The Sund-Konjic relationship was the first Bosnian-Norwegian MIC to be included into the KS framework. Sund took the initiative with the MFA in 1998-99. The MFA contacted KS, and Sund chose to carry out the co-operation through KS.

The wide scope of Sund's activities and their long experience (ten years) make it reasonable to expect results.

Sund followed up the recommendation from the 2004 NIBR Review to include business development among its activities (project on Strategic Plan).

4.2.2 Objectives

The main objective of the project has been to strengthen capacity in strategic planning and improve service delivery to disabled children.

4.2.3 Activities and programme theory

<u>Process of municipal planning</u>: The general description of the activities was "to establish understanding for democratic plan processes while elaborating physical plans" and "establish good processes related to political decision-making". Target groups are politicians and inhabitants.

<u>Politics</u>: Apply for ISO certification. Establish a municipal service office. Develop InfoTech strategies.

<u>Business development</u>: Elaborate a Strategic Plan for Business in Konjic as a contribution to strengthening long-term thinking at municipal level.

Social protection/education: Integrate disabled children and children with special needs in the Day Centre into ordinary

kindergartens (3-6 years old) and into schools. To make the Day Centre function as a competence centre for integration. The target groups here are disabled children and youth with special needs and their parents (i.e. not municipal officers or politicians).

<u>Politics and planning</u>: The instruments used to achieve the objectives are exchange visits and seminars. Local politicians and municipal officers have been exposed to the procedures of local spatial planning in Norway, among others with special focus on how complaints are being handled in the Norwegian system and on popular participation. Also the role of higher level of governance when it comes to environmental protection has been addressed.

The political and administrative project activities have addressed core issues for a Bosnian municipality, like the distinction between the roles of politicians and that of the administrative staff, budget and economic planning, "simplified case management" ("forenklet saksbehandling") and delegation of responsibilities. The system applied in Sund and other Norwegian municipalities allowing inhabitants to file complaints against administrative decisions was presented. Likewise, the Bosnian visitors have got an introduction to the co-ordination procedures between Sund and Hordaland region. Also the role of elected, local politicians has been highlighted.

In 2005, in co-operation with OSCE and KS, seminars were arranged within the framework of MIC Sund-Konjic on "municipal parliamentarian procedures" and "citizen participation" with 30 and 40 participants respectively.

Strategic planning for business development started up in 2006. Konjic concentrates on tourism (Konjic is the centre for rafting in Bosnia and Herzegovina), aqua farming, traditional handicraft, agriculture, forestry, small hydro-electric stations, and infrastructure. The instruments used to achieve the objectives are exchange visits and seminars, but more interestingly also joint work on the Strategic Plan (definition of contents of the plan, scope, collection of statistics). The two municipalities have set up six working groups on strategic development planning each focusing on one issue, like infrastructure, existing business activities, potential business activities, area planning, and welfare

issues. Sund has invited in the expertise it is making use of in its own strategic planning.

Development of services for disabled children and children with special needs. Here, the intervention mechanism mainly has consisted in making specialists from Konjic and Sund work together at each others institutions for child care. This mechanism is summed up as "specialists meet specialists" by Sund (Annual Report 2006). Also, representatives of the sectors of education and social protection respectively have been involved.

4.2.4 Challenges

The project activities have had problems due to the fact that they have "infringed on" competencies beyond those of the municipal level in the Federation of Bosnia and Herzegovina. Also the cantonal and federal have a say in e.g. care for disabled children and education.

Sund report that the municipality of Konjic seemed to operate without formal regulations on how to delegate responsibilities ("delegasjonsreglement"), which created problems. This was followed up by an observation that there is no boundary between politics and administration (Final report 2006). Here, Sund points at core characteristics of any Western Balkan municipality. In fact, these two basic observations could have made up the starting point for the entire MIC programme in the Western Balkans.

The idea of elaborating a long-term Strategic Plan for business development has been received well, but nevertheless combined with an eagerness on the part of Konjic to get started with job creation immediately.

4.2.5 Results

Politics and planning. Konjic has changed its planning practices. Earlier the municipality spent an alleged 14 days on a planning process. Today they spend half a year in order to allow for popular participation to take place and for local business to be heard. Popular participation is part of the ordinary system in Bosnia and Herzegovina, but Konjic claims the experiences from Norway were useful.

Strategic business plan. A plan for 2008 – 2018 has been written after consultations between professionals, local business and the municipality. The process started in November 2007 and was finalised by the local assembly's approval in June 2008. Sund did not take part in the process. However, Sund has been helpful in giving advice on initiatives that have led to concrete results. Firstly, an aquaculture center has been established at the Boračko Lake. Secondly, three small hydro-electric power stations are being constructed. One of them is finalised, and one is about to be. There are plans to set up no less than 35 small hydro-electric stations in the municipality. The energy company *Elektroprivreda* is going to buy the power. Owners of the stations are private, and have to pay between 1, 5 and 6 percent of profits to the municipality. Owners have concessions to run the stations for 30 years.

Disabled children. The Day Centre cars for 12 children in the age 4 to 18 years old. A user organisation for parents has been established, called "i" ("and"). This association is linked up to likeminded groups in Bosnia and Herzegovina, and has carried out campaigns. The Day Centre has received some funding from the Federal budget (about 20,000 KM) and some financial support from the municipality of Konjic. As an exercise in working with voluntary groups, the project may have been useful for the municipality.

The main achievement, however, that the MIC co-operation has contributed to, is the fact that the cantonal ministry of education has decided to integrate the children in the day Centre into the school in which the centre is located. It is unclear, however, whether this is a result of general policies in Bosnia and Herzegovina or whether it may be ascribed to the project. The cantonal ministry of education is going to take over the Day Centre.

As bi-effects of the co-operation with Sund, Konjic has got information on natural parks and on concessional acts that have given the municipality a better negotiation position vis-à-vis higher level authorities than they would have had without the Norwegian experiences.

4.2.6 Cost-efficiency

	Granted (in NOK)
2002	295,000
2003	300,000
2004	300,000
2005	350,000
2006	400,000
2007	573,000

Sund's own contribution is mainly man-hours, around 1300 to 1500 man hours a year. Sund spends its project money with care. However, the different sub-projects differ as to their *cost-efficiency*. The activities on politics and planning are the most cost-efficient among all the activities. This is because area planning is a municipal responsibility in both Norway and Bosnia and Herzegovina, which means that it makes sense to involve municipalities as project partners. Moreover, the project on planning has a most direct link to the overall objectives of the programme (democracy, stability).

4.3 Conclusion

At its best the Sund – Konjic MIC touches upon vital issues for Bosnian municipalities and stands out as a core MIC project. Other project activities are very far from MIC, like the project on disabled children, which does not fulfil the criterion of being a municipal responsibility in both countries involved. Improving living conditions for disabled children and children with special needs and integrating them is an important issue that fully deserves support from Norwegian authorities. Sund and Konjic have handled the project well, and to the benefit of the children. Nevertheless, in the future similar project activities should be implemented by co-operating professional organisations, educational institutions in the field of education or social work, or simply Save the Children or other NGO's.

The project has benefitted from a stable municipal political leadership in Konjic and a willingness to involve both position and opposition. The contribution from Sund is energetic, but could at times have been more focused.

4.4 MIC Orkdal - Mostar

4.4.1 History

During the war in the first half of the 1990's Orkdal received several Bosnian refugees, individuals and families. They were easily integrated in the local community. In 1996 four enthusiasts drove down to Bosnia to see the places Orkdal's Bosnians came from. Among the enthusiasts were the refugee officer and a Bosnian living in Mostar. During the visit they got the idea that some organised co-operation should take place. In 1998 twining relations with Mostar were established by the municipal council. The task of co-ordinating activities were assigned to the municipal refugee officer. The municipality granted 55.000 NOK from the refugee fund to cover costs. Orkdals's vice-mayor among others visited Mostar in 1998. Bosnian refugee children in Orkdal used to start out as pupils at Evjen primary school. This school wanted to be twinned with Mostar's IV school (Bosniak). An inter-school friendship arrangement has existed since 1998.

The participants during the 1998 visit to Mostar constitute the socalled Mostar committee, the local Bosnian–Norwegian friendship association. In the initial phases the municipality of Orkdal made use of the competence offered by the friendship association.

Orkdal's MIC activities co-ordinated by the Norwegian Association of Local and Regional Authorities (KS) were not the first activities going on between Orkdal and Bosnia, and MIC activities take place in parallel to other activities. There was, and still is, a multitude of contact points between Orkdal and Mostar, in addition to the strictly municipal one.

The MIC resulted from contacts between Orkdal and Sund. The Bosnian-Norwegian friendship association got to know that Sund municipality had entered into formalised co-operation with the Bosnian municipality of Konjic. Then Orkdal municipality

contacted Sund, and learnt that KS co-ordinated MIC with Bosnia-Herzegovina. Orkdal contacted KS, and agreed to undertake a preliminary project. At first the co-operation included only one of Mostar's six municipalities, the Bosniak Stari Grad, but soon also one Croat municipality (Jugozapad) was taken in.

In January 2004 the High Representative officially declared that the town was going to be unified administratively with one mayor and 35 councillors. Since then, the MIC is between Orkdal and the City of Mostar.

Orkdal has chosen to focus on inter-ethnic reconciliation. This is a challenging task in Mostar. Mostar is a hot spot of ethnic tension, situated in the most divided canton of the federation, the Neretva-Hercegovina canton. The 1992-1994 war in Mostar took place in two phases. In 1992 the town was attacked by Serb nationalists, who wanted to create a Serb corridor to the Adriatic Sea. Then, in 1993, the Vance-Owen peace plan made areas in Central Bosnia Croat although the majority there was Bosniaks. Bosniaks protested, and the second stage of the war was initiated. During the 1992-94 wars 2,000 people were killed, 26,000 fled, and 5000 buildings were destroyed.

Despite the 2004 unification of the municipal structures of the town, Mostar is still divided, and people tend to move out of town districts where their ethnic group is in minority into town districts where they are in majority. The left bank of the Neretva river (often called East Mostar by the International Community) is predominantly Bosniak-inhabited and controlled by the Bosniak nationalist party SDA. The right bank has got an overwhelmingly Croat population, and is dominated politically by the nationalist HDZ. Here schools follow the curriculum of the Republic of Croatia whereas the Bosniak schools follow the curriculum of the Federation of Bosnia and Herzegovina. While going to Orkdal, the project partners with a Croat-Bosnian affiliation get a Norwegian visa very fast as compared to their Bosniak-Bosnian colleagues thanks to their double citizenship, and the easier visa regime for Croat citizens.

4.4.2 Objectives

The objective of the co-operation is to re-establish inter-ethic co-existence: "Our main task was to re-establish the good relations that existed between the people in Jugozapad and Stari Grad town districts before the wars started in 1992", according to Orkdal.

4.4.3 Activities and programme theory

Given its objective (inter-ethnic intercourse between the inhabitants of two Mostar city districts), the intervention has focused on children. The activities have consisted in providing meeting-places where children can mingle. While providing these meeting-places the pedagogues working in the schools and day care centres are offered training in methods and updated on issues needed for the activities (e.g. on toxic abuse, on student democracy or a pedagogical technique).

Only to a very small degree, the two municipalities involved have discussed whether their project activities conform to MIC or not.

Concentrating exclusively on educational activities undoubtedly makes the Orkdal-Mostar MIC more focused than any of the other MIC's on the Western Balkans. Also, the type of project activities varies little. Between Mostar and Orkdal the activities mainly consist in exchange visits. During the visits focus is on educational methods.

The role of the municipal authorities in the project is mainly to provide the framework under which project activities can take place. They achieve this through participation at official meetings. Also, professional resource persons from the municipal administrations take part in some of the project activities.

Another characteristic of the Orkdal-Mostar MIC is its emphasis on the activities taking place in Mostar without the participation of Orkdal. The activities within Mostar are concentrated on basically one methodology, i.e. that of bringing children together across ethnic dividing lines for concrete, joint activities. For these activities, Nansen Dialogue Centre is the direct counterpart and facilitator for Orkdal's partners. The activities focus on interethnic co-existence. In one case, Orkdal provides advice on how to

manage ethnic problem. Orkdal has introductory classes for refugee children, and Mostar found some of the methods applicable in their own work on integrating returnee children.

Two schools with a curriculum conforming to FBiH standards and two with Croat curriculum take part (5th to 8th grade). Also, two Day Care Centres meet. Throughout the years children have come together for joint leisure activities on Saturdays, they have made some music shows (posted on YouTube and, in fact becoming quite popular), working against drugs, for environmental protection etc. Lately, the teachers have started to take crossethnic groups of children on excursions. For instance, they went for a day trip to Sarajevo, which was quite exotic for the Croat children. The lunch included a lunch in Eastern Sarajevo which forms part of the Republika Srpska.

Pedagogues and children (and to a certain degree their parents) meet across the ethnic dividing line. Parents have to give their permission for children to take part, and some of the joint activities with the children in the Day Care Centres (like celebration of the Earth Day (environmental event) also include their parents. This way, according to the intervention logic of the project, inter-ethnic mistrust will be reduced.

The municipalities as such are not much involved in the cooperation. Implementation is being done by the educational institutions in the project. The City of Mostar mainly gets information about the activities, and gives its support. The information comes from three sources, from the institutions under the City of Mostar taking part in the co-operation, from NDC and from the municipality of Orkdal. On municipal affairs Mostar has a much more comprehensive co-operation with the cities of Heidelberg (strategic plans), Malmö (project development) and Vejle (municipal mergers).

4.4.4 Challenges

Earlier the project had weak links to the top municipal leadership in the three municipalities involved, in particular the two Mostar municipalities. Today, this has improved although Orkdal and Mostar still operate without any official agreement. On the Bosnian side, clear agreements and approval from the mayor is

necessary for, e.g. a school director to feel at ease while carrying out project activities.

4.4.5 Results

Outputs. Every year, approximately one thousand children (600 schools children and 400 pre-schools children) take part in crossethnic activities in one way or another. This, of course, means that parents and teachers too are brought into inter-ethnic contact.

Exchange visits are made more or less once a year both ways, although more often to Mostar than to Orkdal.

Outcomes. According to the project leaders, interviewed, no parents have denied their children participation in the inter-ethnic activities. This is probably much thanks to the low-key approach applied by the project leaders in Mostar. On the other hand, there are no reports that people have met after project activities on a voluntary basis, although teachers report that children exchange mobile phone numbers during joint activities. However, no systematic follow-up is done on outcomes that remain insecure.

Impacts.

4.4.6 Cost-efficiency

The table below shows the grants from the MFA.

	Granted (in NOK)
2001	250,000
2002	295,000
2003	320,000
2004	300,000
2005	350,000
2006	435,000
2007	478,000

Most of the expenses have been on travel for which Orkdal spends money very carefully. Only a small part has been spent on material support to the institutions in Mostar taking part. Such expenses are payments to the travel agency (bus, lunch), posters, pencils, paper for activities. Also, a fee is paid to lecturers at joint gathering for

teachers at the four Mostar schools involved. Donations have been defined as not being a tool in, or a purpose for, the co-operation.

The cost-efficiency is uncertain since alternative ways of carrying out the project – involving fewer actors – probably would have been feasible. The cost-efficiency of involving the municipal structures is questionable. The contacts that have developed between Mostar and Orkdal probably could have been used in ore cost-efficient ways by focusing on municipal core issues.

4.5 Conclusion

Since strengthening inter-ethnic co-existence in Mostar is a major objective of the Orkdal-Mostar MIC, the "value added" by Orkdal in unclear. This objective is being pursued in Mostar between the local project leaders, the NDC and the beneficiaries. To the degree methodological "value is added" in the field of inter-ethnic co-existence, it is being done by NDC.

If modernising Mostar's educational sector (school and day care centres) is the objective, Orkdal's pedagogues clearly contribute. They are the ones who add value, and could as well have done it through a teacher training college or through the trade union for teachers. The role of the *municipality* of Orkdal, then, is to create a kind of municipal "umbrella" with the City of Mostar under which the project activities can be carried out in legitimate forms. Most probably a school director in Bosnia and Herzegovina could not enter into co-operation with a school in a foreign country without backing from her/his mayor. The question is whether a fully-fledged MIC is needed to achieve this backing.

Project leaders in Mostar report that without the financial support through Orkdal, the inter-ethnic activities would not have taken place. A one-day, interethnic bus trip to Sarajevo depends on Orkdal, whereas parents are willing to contribute to a three day "mono-ethnic" trip to Croatia is part of the regular school programme. Thirteen years after the war and eight years after the project started, this does not bode well for the prospects of interethnic coexistence in Mostar. The trends towards peaceful mono-ethnicity or ghettoisation are strong. The MIC project is a small contribution to the creation of meeting places across the

"ghettos". For Mostar teachers who have involved the project has exposed them to state of the arts with applied pedagogic sciences in Norway.

The project produces *outputs* in rapid succession. Every year children experience joint activities with peers from other city districts where traditions, high language and curricula differ from their own. Unfortunately, there is little evidence that this leads to *outcomes*. There is no follow-up of those children (and parents) who have been exposed to inter-ethnic bus trips, school lessons (ecology) or leisure activities (anti-drug). There have been carried out no investigations into how the children make use of their interethnic experiences afterwards. Will it remain as one among several childhood memories, or has it led to a changed attitude that in one way or another manifests itself in action? Are children who have taken part in the project more disposed to mingle with people from other ethnic groups?

It might be worth considering a follow-up of the same group of children over time, e.g. by picking some of those who have been involved in the Day Care Centre, and follow-up their school classes with inter-ethnic activities over years. Inter-ethnic activities as developed by the project team are very cheap and could easily be carried out as a local activity without the costly MIC apparatus to wrap it. After all, the project co-operation between Orkdal and Mostar, for all its merits, hardly is MIC, anyway.

5 Local economic development in Kosovo

5.1 Background

5.1.1 Local economic development in Kosovo

Although there certainly is a lot activity going on in Kosovo, not much could be classified as production. The population is predominantly rural, but businesses based on agriculture or horticulture does not attract much attention neither from people in need of finding a livelihood, nor from the authorities. An indication of this is the fact that Kosovo's Ministry of Agriculture has the smallest budget of all ministries in Prishtina/Priština.

By making Economic Development one of the municipal assembly's obligatory committees, the UNMIK Regulation 2007/30 on local self-government emphasised economic development as one of the municipal core activities. Even more important, is the fact that the Regulation determines the number and fields of responsibilities of the mandatory municipal Departments. One of them is the department of Finances, Economy and development.

5.1.2 History of the co-operation on local economic development

The project started in 2004. In 2002, KS had been requested by the Norwegian MFA to do a fact-finding mission to the municipalities of Obiliq/Obilić, Fushë Kosova/Kosovo Polje, and Gllogovc/Glogovac. These municipalities were selected because

Norwegian KFOR had been stationed there, and links to Norway had been established. Moreover, the municipalities were still ethnically mixed. A project office was established in 2004 equipped by KS. The office was staffed with seven people ("KS project implementation team"), one of them Serb. In 2008, the KS Kosovo Office is in the process of being re-structured into two legal entities, a local NGO (KS Kosovo) and a private company (DSF Consulting).

KS-supported activities in Kosovo differ from those in Serbia, Montenegro and Bosnia and Herzegovina by not referring to MIC. Nevertheless, one of the main pillars of the activities is formed by the co-operation between three municipalities around Prishtina/Priština and four municipalities in the Hamar region of Norway (Hamar, Stange, Ringsaker and Løten). Being implementing partners of the KS office the municipalities of the Hamar region share their experiences in inter-municipal co-operation in the field of local self-government and local economic development. A particular focus has been on waste water management and sewage, which are municipal responsibilities in Kosovo as well as Norway. The Hamar inter-municipal enterprise HIAS has been involved. Through the Hamar region, municipal officers and politicians have been on study tours to Norway.

Also the KS office draws on the Royal Norwegian Society for Development (Norges Vel). This organisation has ample experience from promoting local business development all over the world, among others through support to agricultural education in Kosovo and farmers' association in Macedonia (Noragric Report 2006). Norges Vel has shared its experiences in promoting farmers' networking and co-operation.

The Business Innovation Programme (BIP) is a Norwegian non-profit organisation with the aim of boosting entrepreneurship. Within the Locale Economic Development Programme in Kosovo, BIP has provided trainings for local entrepreneurs and farmers on business plan development and strategic implementation, as well as professional support and advice in the development on the Business Centres and Student Enterprise programme.

Among others, it has run seminars on entrepreneurship among immigrants and refugees from the Western Balkans in Norway.

BIP has contributed to the project by carrying out training

Somewhat contrary to the "fashion" in Kosovo focus is on agriculture, although not exclusively.

5.2 The co-operation on local economic development

5.2.1 Objectives

The overall aim of the project throughout the project period was to strengthen the framework for local economic development in the three municipalities.

An important element in the overall objective has been to make the municipalities capable of carrying out business development policies.

5.2.2 Activities and programme theory

The activities have been focused on partly on strengthening local self-government capacities for support to local business development (through the establishment of municipal business centres), partly on training (in business plan development; cooperative working forms; computer literacy; student entrepreneurship; study trips) and finally on credit lines to small business people. Given the fact that Kosovo has Europe's youngest population, the project target secondary schools students to encourage their entrepreneurial ambitions.

The programme theory could be summed up as comprehensive measures in geographically concentrated areas. The measures address the administrative and political context, the individual skills and the financial capacities of the individual participants. As such, the project constitutes a coherent whole.

The project aims at providing the preconditions for healthy business by establishing a supportive framework in the form of capable municipalities (municipal business centres) and financial mechanism supportive to small business people (credit lines). Each

beneficiary of the credit line was evaluated in the field and finally was approved a loan from an independent board consisting of a member from KS Norway, Banka Ekonomike and a local lawyer.

Not only the framework, but the existing or potential business people themselves need to be strengthened. Therefore, the project provides tailor-made trainings for this category of people.

Concentrating all activities to three municipalities makes sure mutually reinforcing effects are set at work. The trained business people are the ones that are eligible for credits, and they all operate in municipalities with a business centre.

5.2.3 Challenges

The international community aims at including the remaining non-Albanian population of Kosovo into its project activities and into the new state and municipal structures. The project on business development is well-suited for inclusion because it is less on politics than on making a livelihood. Therefore, non-Albanians may be more ready to join. The KS Kosovo Office is doing everything formally correct, and there are Serbs among those having been recruited to take part in the activities as well as in the staff (see 5.2.4 below). Informational materiel is issued in Serbian as well as Albanian (and for some reason English).

However, most of the Serbian texts are rendered without the diacritical marks that characterise all Slavonic languages written with the Roman alphabet. For Serbs ready to make the move into "projects", the fact that they are being met with written material in "crippled language" most likely have an alienating effect.

5.2.4 Results (outputs, outcomes, impacts)

Outputs. The three municipalities involved on the Kosovo side have all established *local business centres* as a result of the project. The offices are manned by one or two municipal officers who have participated at the business plan development seminars and other activities under the project, like visiting the business incubators in the Hamar region of Norway. These officers work part-time and have their salaries from the local municipality.

The Norwegian partners have funded the purchase of computers, which has made the business centres attractive as places to teach and learn computer skills. As a part of the project *computer training courses* have been arranged for local farmers and business people as well as students taking part in the Student Enterprise Programme. In Obilić/Obiliq 53 people have received computer literacy training, in Kosovo Polje/Fushë Kosova 40 people, and in Glogovac/Gllogovc 23 people, which makes for a total 116 trained people in the Computer Literacy Programme.

The core activity, however, has been the *business plan development training*. Altogether 261 people have taken part in a total of 17 business plan development trainings. Among the 261 participants, 64 were female and 48 Serb. The share of female participants rose significantly from 2004/2005/2006 to 2007, and the share of Serbs decreased.

All training participants have set up business *plans*. In all, 262 business plans have been written. Business plans are significant outputs because they require substantial analytical work. At the same time they are quintessential outputs in the sense that they become outcomes only when they result in actual business or the blossoming of already existing business having taken part in the business plan training.

As a follow-up of the business plan development trainings, a training seminar on *co-operative organisational forms* was arranged in 2005. The purpose of the seminar was to inform the participants about the opportunities offered for business and private co-operatives within the legislation in force in Kosovo. The plan of setting up a milk collection point in Gllogovce did not materialise.

Credit lines have been established for small businesses and farm-based business, like small butcheries, meat-processing, beekeeping, bakeries, production of clothes, carpentries and green houses. The local Banka Ekonomika operates the loan on behalf of KS Kosovo. In all, 39 businesses/farms have got credits through the credit lines administered by KS Kosovo. Among the 39 borrowers four are Serb and seven women. The size of the loans is maximum 15,000 euro, and the interest rate 5 percent. A total of 302,600 euro has been released a loans. All borrowers are paying back without delays.

Exchange visits to Norway have been made by representatives of the three municipalities in Kosovo (6 trips). Macedonia was visited twice, once with some 30 farmers of all fields. On the second trip only milk producers took part. They were all a part of the networking/co-operative group that was planned at the time. The municipal representatives from Kosovo have studied the Norwegian experiences and practices of local self-government as they unfold in the Hamar region. Focus has been on the relations between municipal politicians and the municipal administration, the third sector as well as the municipal role in local business development. Municipal procurement, farmers' co-operation, and waste water and sewage have been among the subjects studied.

A *Student Enterprise Programme* has targeted secondary school students in the three municipalities involved. Altogether 58 "student companies" have been established with around 258 students. Two student enterprise fairs have been arranged. The students have been acquainted with the Norwegian programme "Young Entrepreneurship" in the Hamar region.

<u>Outcomes</u>. The offices have been used by student enterprises for exhibition purposes. The meeting rooms and computers in the business centres are being used by local inhabitants. Outcomes hinge on the actual use of these centres in the future.

The fact that many of the beneficiaries of the credit lines have more sound businesses now is an outcome, but it remains to be seen whether they survive without the "artificially" low interest rates offered through the project. The project team made a survey among the beneficiaries and found that the number of new working places was increased (in 11 businesses, altogether 7 people were employed).

As noticed above, business plans have been written under the programme. These are to be understood as quintessential *outputs*. Only when leading to some concrete activities, the business plans have *outcomes*.

Within the project on milk production Norges Vel had taken on the task of assisting the farmers one step further from the business plan into setting up a milk collection point. This outcome has proven difficult to achieve. Farmers involved simply have been reluctant, or unable, to contribute with own funds to the realisation of the business plans, and also reluctant to raise a joint loan with fellow farmers. The fact that they were unable/reluctant to raise funds or take up loans should have been discovered at the outset in order not to produce outputs (train people) that cannot lead to outcomes (business activities).

There is also a strong tendency as soon as people in the Western Balkans get involved in foreign-funded projects, they expect funds to arrive in a steady stream. The effect of this is that they get passive exactly at the stage where the programme theory expected them to get going.

There are indications that the Kosovo Ministry of Education considers including the student enterprise programme in the national curriculum. However, this would be costly, and the Ministry hesitates.

<u>Impacts</u>. As long as there are problems transforming outputs into outcomes, looking for impacts is premature.

5.2.5 Cost-efficiency

The total amount of funding in the period 2004 to 2008 was 18.174.849 NOK. This is a considerable amount of money that reflects the size of the operation. A large staff with a large budget has been working with a considerably small number of municipalities (three). Despite the fact that the project has been carried out according to common practices within developmental work, and plans and reports have been clear and concise, the project is still mainly on output level.

5.3 Conclusion

The KS project on local business in Kosovo differs from the MIC projects in Serbia, Montenegro as well as Bosnia and Herzegovina by being operated by a local organisation. KS Kosovo had seven employees at the outset in 2004 and six by 2008. The staff is qualified for this type of work not least because prior to joining the KS, it had been working for the international community present in Kosovo.

Also the three implementing partners – BIC, the Hamar region and the Royal Society for Development (Norges Vel) are represented by people with a background from work in the region and Kosovo in particular.

The project focuses on one of the real challenges of Kosovo: How to stimulate productive entrepreneurship? Big and small retail, petrol stations and car wash garages, hotels and motels, cafés and qebaperies are abundant, but production is almost non-existing.

Kosovo probably has one of the World's highest densities of international projects. Nevertheless, as compared to the rest of the Western Balkans, the conversion from project to "real life", from outputs to outcomes, seems to be particularly challenging in Kosovo. The project on local economic development is very strong on outputs, but is less convincing when it comes to outcomes.

The fact that the milk collection point did not materialise illustrates the perils of project work in Kosovo. The target groups seem to have got used to receiving, and give up as soon as they have to contribute themselves. Kosovo is being given priority among "donors", which may have resulted in a feeling that there will always be funds, if not from this source, then from another. One could, alternatively, put forward the hypothesis that the farmers did not follow up the milk collection idea just because they did not have the money to contribute with. In that case, however, the project must have been poorly "researched" and prepared, and therefore unsustainable, from the outset.

Most of the activities going on between the municipalities of the Hamar region and the three municipalities in Kosovo are MIC *stricto sensu* although the concept is not being referred to.

6 KS' sister organisations

6.1 Standing Conference of Towns and Municipalities in Serbia

6.1.1 Background

The Standing Conference of Towns and Municipalities in Serbia (Stalna Konferencija Gradova i Opština - SKGO) differ from many of their sister organisations in other West Balkan countries by having existed even before the influx of international aid. SKGO was established in 1953. The organisation almost ceased to exist during the Milošević regime, and after the democratic overthrow in 2000 SKGO merged with the Association of Free Towns, that had been formed by towns with a democratic majority throughout the 1990's.

SKGO divided its activities into advocacy and services to the municipalities (advisory, training, and capacity-building). SKGO have contact points (so-called liaison officers) in the municipalities, municipal officers who in addition to their ordinary job keep in touch with SKGO. SKGO claims it can carry out a survey among municipal officers all over the country within 48 houses thanks to the network of liaison officers.

All Serbian municipalities with the exception of one are members, and are supposed to pay one percent of the municipal budget in membership fee, although this is mainly on paper. An estimated 15 percent of the organisation's incomes stem from membership fees. The remaining 85 percent are "donations". Today, SKGO has 60 people employed, most of them thanks to foreign funds.

KS and SKGO entered into co-operation in 2003.

6.1.2 Objectives

The co-operation has aimed at strengthening SKGO's capacity to assist its member municipalities in the field of environmental protection and sustainable development.

6.1.3 Activities and programme theory

In the pre-project period (2003), one person employed. Since 2004, four people were employed in SKGO. The task of SKGO were defined as developing local networks, working with the authorities, servicing the participating municipalities, and taking part in international activities.

The concrete activities at first consisted in developing a Local Sustainability Strategies. Then followed the phase of converting it into local Action Plans, specifying concrete measures. At his stage, the municipalities were involved. In autumn 2005 after having visited 35 municipalities, five pilot municipalities were selected (later two more municipalities were added). These seven municipalities formed the core group in a network of Serbian municipalities working on Local Agenda 21. The group later grew to 20 (of a total 167 Serbian towns and municipalities).

Towards the end of the project period, KS's share of the activities increased. This manifested itself in the application for funds 2006, where SKGO was to receive 100,000 NOK more than they preceding year and KS 400,000 NOK, to 1.8 million NOK and 1.2 million NOK respectively. KS needed these resources to "secure that the results from the programme are integrated in the ordinary operation" of SKGO. KS was also need for "the process-based implementation" of the network conference for LA21 municipalities. Moreover, KS was needed to make sure the activities on networking were developed further. In particular, KS was anxious to make sure there was a link between local participative processes and ordinary planning in the municipalities.

A final conference was held in April 2007, but KS and SKGO got funds from the Norwegian MFA for follow-up activities in 2007. The main goal of the follow-up was to make the Strategic Plan for

Sustainable Development a fundament for local plans that include concrete measures in the LA21 municipalities. Also, the follow-up consisted in dissemination. Each LA21 municipality was to train one to three municipalities.

6.1.4 Challenges

Why was sustainable development chosen as a field of work at a time when there was an acknowledged understanding that Serbian municipalities suffered from lack of administrative capacities and basic legislation on local self-government?

The project was starting up processes, involving people, taking their time, creating expectations. But what was the follow-up? Was the Serbian municipal system ready to sustain this type of activity?

With the exception of Prokuplje, none of Serbia's MIC municipalities have been involved in the project. The Norwegian-Serbian MIC's have been, and still are, in need of parallel activities, meeting places, and links to bigger operations. The project on sustainable development could have given them all this.

6.1.5 Results (outputs, outcomes, impacts)

Outputs. The number of LA21 municipalities increased to 20. At least 80 Serbian municipalities have some sort of Sustainable Development Strategic Plan much thanks to the project, but not least because it is a requirement for receiving several funds. The project has arranged three major conferences, in which 130 of a total 167 municipalities took part. At two of them Serbia's president, Boris Tadić, made a speech.

Also networks of particularly polluted municipalities and municipalities with serious developmental problems have been established.

Outcomes. Among the outcomes mentioned by project participants was the increased interest from investors and donors. This should give rise to concern because it is a sign that project activities start to live their own lives detached from real-life municipalities. Hopes are for new donations and funds, and not inclusion in everyday municipal practices and procedures. Ideally,

working through SKGO should be a guarantee against "projectification", but being financed 85 by projects itself SKGO runs the risk of operating on the side of "real-life municipalities". KS has been aware of this danger.

<u>Impacts</u>. Impacts must be sought in Serbian municipalities' capacities in making and implementing environmental plans.

6.1.6 Cost-efficiency

The total grant for the three-year project has been 8.4 million NOK. This may not be much given the fact that the project is nation-wide. A team of four people in the SKGO have been working full-time on the project. In addition, KS has used a considerable amount of man-hours financed by the project. Given these facts, in a cost-efficient project, the objectives pursued through the follow-up projects should have been achieved within the three year period planned for.

6.1.7 Conclusion

The SKGO has proven to be a professional project implementer in the sense that activities have been carried out on a large scale and in an effective way. The main motivation for KS to work with SKGO, however, was probably that the association of towns and municipalities would be more than a project organisation. Being the municipalities' own association one would expect SKGO to be good at making outputs into outcomes, or to secure that the project activities are followed up into real-life measures in concrete municipal plans made for actual use, and not only to show donors that they have passed "an exam". As the follow-up activities show, SKGO did not deliver that at time.

Having said that, it should be added that SKGO most probably is the association of municipalities in the Western Balkans with deepest roots in municipal life and strongest links to relevant authorities.

6.2 Association of Municipalities of Kosovo (AKK/AKO)

6.2.1 Background

The association – Asociacioni i Komunave të Kosovës/Asocijacija Kosovskih Opština (AKK/AKO) – was established in 2001. The project on municipal training started in 2005. All in all, the AKK/AKO has ten employees, including technical staff.

The first steps towards project co-operation with KS started in 2002 when three KS representatives visited Kosovo for a workshop with mayors and chief administrative officers from all municipalities in Kosovo, including the Serbian ones.

Out of the 33 municipalities in Kosovo, 29 are members of the AKK/AKO. The Serbian municipalities keep out of AKK/AKO. Member municipalities pay a membership fee, but the bulk of AKK/AKO's activities are financed through project support from "donors", like OSCE, UNDP, GTZ, USAID, and KS. The only link to KS is through the project on training members of municipal assemblies. AKK/AKO is a member of NALAS, the South-East European network of local self-government.

6.2.2 Objectives

The overall objective of KS' support to its sister organisation, AKK/AKO, is to create strong advocacy for local self-government in Kosovo. The objective of the project is to build capacities among newly elected members of Kosovo's municipal assemblies.

6.2.3 Activities and programme theory

KS' involvement with its partner in Kosovo has been focused on one activity, training of local councillors. Such training is one of KS' core activities in Norway and the organisation has offered assistance if AKK/AKO asks it. However, the activities have been very much driven by the AKK/AKO on its own. The project has been divided in three phases, i) identification of training needs, ii) training of trainers, and iii) training.

The programme theory is the ordinary one in which training is believed to lead to action. However, in this project the programme theory emphasises the preparatory stage. The first stage of the project consisted in involving the municipalities in identifying the most urgent subjects for training. Involvement and "ownership" from the outset is likely to increase the chances the training will lead to action (outcomes). There is, however, no organised follow-up after the training, but being a member organisation of the municipalities, AKK/AKO stays in touch with the former seminar participants, the potential "implementers".

There were altogether nine training modules: the role of municipal assembly members; the legal basis of local self-government in Kosovo; the efficiency of the municipal assembly; general principles of local democracy; local self-government and local economic development; role of civil society and public participation in decision-making; the role of the majority and the opposition in the municipal assembly; human rights and the ombudsperson; the role of the AKK/AKO.

6.2.4 Challenges

In August 2007 UNMIK adopted Regulation 2007/30 that updated the former regulation 2005/45. Among the innovations were the directly elected mayors.

The fact that the system of local self-government in Kosovo has been under revision throughout the project period has caused some problems. For instance, the training-of-trainers component of the project suffered from this. The fact that the municipal system of Kosovo changed just after the training-of-trainers had taken place (Regulation 2007/30), the actual training of members of municipal assemblies was done by professional experts (from Kosovo).

Making use of local experts is, of course, the right thing to do, costs and flow of communication taken into account. On the other hand, it is not fully clear whether KS has an overview of the contents of the training. In the written material issued by AKK/AKO, there are some passages that give rise to concern. In particular this is the case for the report identifying training needs (2006). Here, one of the training needs identified is how to serve

the citizens instead of his/her political party. It is stated that "if a politician wants to have his complete function of being in the service of citizens' interests, he must leave his political belonging aside" (p.18). It is being asked "who does the councillor represent, political party or the citizen" (p13).

This gives evidence of Kosovo's municipal representatives sharing an idea of local democracy that diverges from the mainstream of most other European local politicians. If local politicians are to be un-political, who are then to deal with local politics? How are local councillors going to know what is "citizens' interest" if the citizens have not given signals of their wishes through voting for candidates representing a political programme? In most multi-party democracies, voters have the right to vote for local politicians who are liable to follow the main outlines of a political programme. These way politicians are accountable to their voters.

The reports from the actual trainings, however, have no traces of the antipathy to multi-party local democracy. Here, it is repeated that the participants were informed about the role of the parliamentary group, development of party policies and programmes. On the other hand, neither are there indications that the trainings take issue with the longing for a-political politics in the municipalities.

6.2.5 Results

Outputs. The project component on identifying training needs resulted in inputs from 26 municipalities (members of municipal assemblies and local NGO's monitoring municipal activities).

The second project component (training-of-trainers) consisted of no less than 9 separate courses. Altogether 29 local trainers from municipalities in Kosovo took part. Each participant attended three of the nine courses offered.

The actual training of newly elected members of municipal assemblies constituted the third project component. Altogether 5 trainings were held – in Prishtina/Priština, Gnjilane/Gjilan, Prizren, Mitrovicë/Mitrovica and Peja/Peć. Three training consisted of nine modules. In each of the trainings an average of 140 members of municipal assemblies took part. Kosovo has

altogether about 750 members of municipal assemblies, which means that the project must have hit the target group *en masse*.

Outcomes. The training programme exists as a package that may be repeated in an up-dated version after future elections.

There is reason to believe that the participative approach applied in the process of identifying training needs have contributed to the general awareness in the municipalities on the needs to acquire skills. Also, reportedly some of the main "messages" from the trainings are about to converted into action. For instance, the message from the trainings that the role of the opposition is not only to oppose, but to present alternatives seems to be internalised in some municipalities, according to AKK/AKO.

Impacts. The fact that the trainings were held only in February and March 2008 makes it too early to identify impacts. Impacts hinge among others on the newly elected members of municipal overcoming the clientelistic networks. Otherwise, it would be futile to hope for local councillors to pay more attention to the citizens (their voters) than "the party", as one of the sub-goals of the project goes, not to speak about public participation.

It is unclear whether the trainings have led to a more selfconfident and "professional" local assembly. This could be investigated, but would require a certain amount of time.

6.2.6 Cost-efficiency

The project was supported by the Norwegian MFA with 2 million NOK. Given the fact that the project has involved the large majority of Kosovo's municipalities, the sum is acceptable. The final cost-efficiency hinges on the extent to which the trained members of municipal assemblies are able and get a chance to make use of what they learnt.

6.2.7 Conclusion

The activities have been carried out systematically. Before the training was carried out the actual training needs were identified through a process in which all AKK/AKO member municipalities were invited to take part. As a working method this help secures

relevance of the training and thereby pave the way for follow-up linking training to subsequent practice.

AKK/AKO provides extensive reporting in English for the donors to read. AKK/AKO has informed other relevant actors about the project, like OSCE and UNDP.

Although being participative, systematic and goal-oriented, the project avoids the basic question on clientelism and "hidden" power structures in Kosovo's local politics. This way the project comes short of addressing the structural, deep-seated obstacles to local democracy and efficient municipal administration in Kosovo. It is not to be expected that a single project will do away with these obstacles, but one could expect some reflections on how to operate in the midst of clientelism and clans.

6.3 Association of Local Authorities in Republika Srpska (ALVRS)

6.3.1 Background

The Association of Towns and Municipalities of the Republika Srpska (Savez opština i gradova Republike Srpske – ALVRS) was established in 1998 in Brčko. All 63 towns and municipalities of RS are members of the association. Unlike, the federation, the RS has a Ministry of Administration and Local Self-Government.

The co-operation between KS and its two sister organisations in Bosnia and Herzegovina stared in 2004, in close co-operation with KS's Dutch sister organisation VNG. ALVRS covers the municipalities of the Republika Srpska. Unlike the rather complicated structure of the Federation of Bosnia and Herzegovina, RS has a one-tier system, no regions or cantons, only municipalities. Unlike the Federation, RS has a Ministry for administration and local self-government.

One of KS' aims is to contribute to the merger of the two entity-based associations.

ALVRS has chosen to train the administrative personnel, and trains local councillors without financial support from KS.

6.3.2 Objectives

The objective of the training is to make the administration of the municipalities of the RS more in line with state-of-the art internationally. KS see this as an element in the overall objective of strengthening their sister organisation.

6.3.3 Activities and programme theory

The project has operationalised its general goal in an exemplary clear way by going for ISO 9001:2000 certification. This is a clear definition of the goal, and the success criterion is even clearer, certification. ISO 9001:2000 set the standards for systems of quality control. The standard is process-oriented and implies a readiness for continuous improvement and adjustment in the institutions or companies being certified.

The project activities are summed up in the title of the project name sums up the activities: "Training of public officers in local communities".

The trainers are from Bosnia and Herzegovina.

6.3.4 Challenges

Will it be possible to follow-up the process-oriented approach of ISO 900:2001 in real-life?

6.3.5 Results (outputs, outcomes, impacts)

Outputs. About 200 people have been trained in ISO 900:2001 each year of the project period (2006-97; 2007-08). Each training cycle consists of 50 lessons. Ten municipalities have been trained each year. Target groups have been heads of functional departments, but also ordinary municipal officers.

In 2006-07, three workshops on public communication with municipal employees and employees in the informational sector were arranged, financed through KS, and in co-operation with SOGFBiH. From both entities, altogether 60 people participated.

Outcomes. Too early to conclude, but in order to keep their certification, the municipalities will have to do follow-up. This increases the likelihood that the trained municipal officers will have an opportunity to apply what they have learnt.

<u>Impacts</u>. It is too early to expect a deep impact from these trainings. Impacts are dependent upon wider quality improvement measures in the municipalities.

It should also be noted that the chief trainer from the consultancy firm contracted by ALVRS, Cady doo, that carries out the trainings (2007-08) is a Bosniak. He reports that he has been welcomed heartedly at all trainings.

6.3.6 Cost-efficiency

The annual grant has been 500,000 NOK for ten municipalities. This means that Norwegian support amounting to 50,000 NOK gives a municipality in Bosnia and Herzegovina and ISO 900:2001 certificate. Then expenses to KS support to salaries and round-tables are included. Although the municipalities might have paid the necessary sum to get the certificate at a later stage anyway, the contribution makes it possible to get it now. The final cost-efficiency hinges on the extent to which the trained municipal officers are able and get a chance to make use of what they learnt.

6.3.7 Conclusion

The project was carried out by ALVRS in an exemplary way. The objectives were very clear helped by the fact that an ISO standard is a very concrete matter with clearly specified requirements. Also, measuring outputs is easy in this project since the criterion of success is the certificate. To what extent the ISO standard can be abided by in the everyday municipal life of a small municipality in the RS, in other words whether the outputs will transform into outcomes is another matter. In fact this question is relevant for all trainings all over the Western Balkans, and should be borne in mind when follow-up activities or project continuation is on the agenda.

6.4 Association of Cities and Municipalities of the Federation of Bosnia and Herzegovina (SOGFBiH)

6.4.1 Background

The Association of Towns and Municipalities of the Federation of Bosnia and Herzegovina (Savez općina i gradova Federacije Bosne i Hercegovine – SOGFBiH) was established in 2002 in Mostar with 56 municipalities of the Federation. The association is, according to its statutes, a legal inheritor of the Association of Towns and Municipalities of the Socialist Republic of Bosnia and Herzegovina, which was founded in 1973.

The co-operation between KS and its two sister organisations in Bosnia and Herzegovina started in 2004. The two Bosnian organisations were already co-operation with the Dutch sister organisation of KS, the VNG. VNG contacted KS for co-operation.

SOGFBiH covers the municipalities of the Federation. The municipalities of the Federation find themselves amidst a quite complicated two-tier system, in which the regional level (the cantons) is a relatively powerful level of government. There is no Ministry for local self-government. The Ministry of Justice covers local self-government affairs.

During the project period, SOGFBiH was seriously set back as a result of internal rivalries.

One of KS' aims is to contribute to the merger of the two entity-based associations, ALVRS and SOGFBiH.

The project with KS, consists in training local councillors, and was imitated in 2004.

6.4.2 Objectives

The objective of the training is to strengthen the capacities of local councillors, presidents of the local assemblies and mayors in the Federation. KS see this as a step towards reaching the overall objective of strengthening their sister organisation.

6.4.3 Activities and programme theory

The bulk of the activities have consisted in European standard training of councillors, which KS has specialised in. The subjects are mass media, citizen involvement, budget, transparency. Moreover the councillors are trained in ethics, understanding of their role, understanding of the dynamics of local development, and on work within difficult frameworks. The trainers are from Bosnia and Herzegovina.

In addition, under the co-operation the SOGFBiH made a webpage, arranged (on behalf of the Bosnian government) roundtables for the municipalities on legal issues

6.4.4 Challenges

The general challenge is to make the ideals from the trainings become realities in real life. Are trainings enough to overcome the structural obstacles to good governance at local level in the Federation of Bosnia and Herzegovina?

One of the objectives of the training of local councillors is to encourage them to "pay attention to citizens, not to their political parties". In a political system based on the ideals of multi-party democracy, this is surprising (more on this in the chapter on AKK/AKO in Kosovo).

6.4.5 Results

Outputs. In 2004-05, training of ten municipalities was carried out. The focus was on the role of the municipality in relation to other levels of governance, on the role of municipal employees, and on service-delivery. Altogether 200 councillors and presidents of the assemblies took part.

In 2006-07 altogether 25 municipalities were trained. Between 15 and 20 from each municipality participated.

In 2006-07, three workshops on public communication with municipal employees and employees in the informational sector were arranged, financed through KS, and in co-operation with ALVRS.

A number of trainers have been trained in 2005 (four trainers) and 2006 (six new trainers).

Outcomes. Reportedly councillors often refer to information they got at the trainings.

<u>Impacts</u>. It is unclear whether the trainings have led to a more self-confident and "professional" local assembly. This could be investigated, but would require a certain amount of time.

6.4.6 Cost-efficiency

The project has cost approximately 500,000 each year of the project period. The final cost-efficiency hinges on the extent to which the trained members of municipal assemblies are able and get a chance to make use of what they learnt.

6.4.7 Conclusion

The project has come to a stage where it needs to focus on outcomes more than producing more outputs.

7 Conclusions and recommendations

The objectives of the co-operation evaluated in this Review have been to strengthen the capacity of local institutions of self-government as well as that of country-wide municipal associations in the Western Balkans. The Review covers the period 2002 – 2007. In this period, altogether 55 million NOK was spent on activities coordinated by KS – the association of Norwegian municipal and regional authorities.

The bulk of the activities has consisted in direct co-operation between municipalities in Norway and the Western Balkans. For this co-operation KS has had an intention of making use of a specific methodology, which is continuously being developed under the label of Municipal International Co-Operation (MIC). MIC is perceived as a specific tool, a municipal niche, within democracy support and developmental aid. The other main activity has consisted in strengthening KS's sister organisations in Serbia, Kosovo, Republika Srpska and the Federation of Bosnia and Herzegovina. In addition, activities have been carried out to strengthen municipal efforts to boost local economic development in Kosovo.

Despite the relatively long-term commitment and the large number of institutions and individuals involved in the co-operation, the objectives only partly have been reached. The general picture is that Norwegian and West Balkan municipalities co-operate, but to a very little degree on municipal core activities. Therefore, MIC is seldom put to use. In fact, a large number of the MIC activities between Norwegian and West Balkan municipalities do not comply with the requirements of MIC as defined by KS. The general picture is that of a quite unruly programme.

The value added by involving municipalities is not evident. Often the municipal co-operation ends up in activities that emulate activities already being carried out through other agencies, like support to business incubators, establishment of municipal service centres, providing dustbins, counteracting ghettoisation, and financing language courses.

The support from KS to its sister organisations does not differ significantly from the support provided by other agencies. Although KS has made serious efforts to "add value" by contributing with its specific skills as a national association of municipalities, this has proven to be difficult. KS' sister organisations tend to be caught in the role as project executors for international donors and agencies although they attempt to be genuine interest organisations for towns and municipalities.

A plurality of programme theories within Western Balkans MIC

As for the MIC activities, there is a plurality of programme theories in operation among the actors involved in the projects coordinated by KS in the Western Balkans. The analysis of how municipality-to-municipality co-operation is perceived among different groups of project actors shows considerable and systematic differences.

Although it has been stressed by the MFA and KS since 2001 that the co-operation has to focus on municipal issues more than friendship and people-to-people activities, the MIC concept has been applied in a looser way than KS does in the developing world. In the Western Balkans, KS's role is more a co-ordinator than a co-ordinator *and* adviser on MIC. MIC guidelines for the Western Balkans were on the way in 2004, but among other pending on this Review, the work was postponed.

On a very general level the relationship between independent and dependent variables within MIC could be represented by this figure:

Figure 7.1 Independent and dependent variables within MIC

Independent variables focused on in the Western Balkans MIC	Independent variable influenced by:	Dependent varia	ble
Capacities of elected politicians	Training, study tours, friendship/people-to-people (i.e. influencing individual factors, not structural)	Level of local democracy and	Strong
Standard of infrastructure, buildings and equipment; Capacities of municipal officers	Technical updating; Training, study tours, friendship/people- to-people	Efficiency of municipal administration	municipalities

Although KS' programme theory for MIC is relatively clear and quite consistent, and despite the fact that it has been actively explained and promoted at seminars and gatherings, it is far from hegemonic. There are at least two rival programme theories within the MIC framework in the Western Balkans in addition to the one upheld by KS.

First, there is the programme theory of the Western Balkan municipalities participating, according to which the problem to be solved mainly is poor municipal infrastructure (like water supply, sewage, waste treatment), according to the programme theory. The intervention to solve the problem consists primarily in support to procurement, and in addition some training to make sure the use of the newly acquired infrastructure is up-dated. As one municipal representatitive told:" When they (the Norwegians) come and tell us we are poor, we agree. That's a fact. Even, under some circumstances, we like to hear that we are poor because that opens up for donations. But when they tell us we're stupid, and need capacity-building, we are somewhat less enthusiastic, even if it there might some truth in it."

Secondly, there is the programme theory of the Norwegian municipalities involved in MIC. The Norwegian municipalities find themselves somewhere between KS and their fellow municipalities in the Western Balkans. The Norwegians strongly believe in the effects of coming together for talks and systematic presentations. Likewise, they have a very strong belief in the effects on the Western Balkan side of getting to know attitudes shared and methods applied in Norwegian municipalities. Their underlying programme theory takes structural preconditions for change into account to a very small degree. Moreover, results are vaguely described by most of the project owners, not distinguishing between results of general developments and results of project activities.

At the same time, Norwegian MIC municipalities are ready to engage themselves in activities that are far from purely municipal if they think it may be beneficial for their friendship municipality. This includes material support. Their approach is highly eclectic, and they do not distinguish clearly between the general agreements on friendship and the specific MIC activities. One Norwegian municipality told: "The question whether this is a MIC project or not, has not really been discussed in our municipality."

The following figure is based on an analysis of the project perceptions among the three main categories of project actors within MIC:

Figure 7.2 Programme theories within Western Balkans MIC

	Main problem to be solved through MIC:	Main purpose of the co-operation:	Measures:
KS	Sub-optimal municipal capacity due to weak link to state-of-the art internationally	Strengthen municipal capacity as a basis for stronger democracy and better life quality Narrow approach	Training through co- operation between local councillors and administrative municipal officers politicians. Capacity-building through direct contacts and activity between municipal officers in similar positions or similar institutions. The municipality perceived as an organisation for local self- government
Western Balkan municipalities	Sub-optimal life quality in the municipality due to lack of equipment and poor municipal infrastructure	Improve life quality in the municipality through procurement and ensuing training if needed Broad approach	Financing through projects with foreign agencies or donors to improve the material standards irrespective of state, municipal, voluntary or private (first equipment and buildings, then training) The municipality perceived as an administrative level
Norwegian municipalities	Lack of buildings and equipment as well as updated skills and capacities in the Western Balkan municipalities	Improve life quality in the community by introducing new attitudes, working methods, and infrastructure Very broad approach	Contribute in all feasible ways, including friendship arrangements and people-to-people The municipality is perceived as a community

The roles of the actors involved

For the MFA working with the municipal level is an opportunity to get direct access to the level of governance where the public sector meets the citizens at a "lowest possible level". One of the fundaments for stability and democracy in the region lies on the municipal level. Municipalities make the "small" decisions on land use or licences that, in worst case, discriminate, or create a feeling of discrimination on grounds of ethnicity or "clan". Moreover, the municipalities are important because a set of requirements for EU integration have to be accomplished by them.

For the Norwegian MFA it is important that the activities with the municipalities in the Western Balkans contribute to the overall aims of Norwegian policies. Unlike Norway's policies in many of the regions of the world where "small" actors like municipalities and local NGO's are primarily invited to contribute to *developmental aid*, in the case of the Western Balkans such actors are invited to pursue *political* goals of stabilisation, democratisation and international (euro-atlantic) integration.

The MFA's Western Balkan section has a heavy workload and following up projects is only one of several fields of priority. Therefore, the immediate project supervision and co-ordination have been entrusted to KS.

The institutions and individuals directly carrying out the projects, i.e. the municipalities and KS sister organisations, primarily relate to KS. Clearly, there is a feeling in the Norwegian municipalities that they are left alone at the "bottom" of the power hierarchy, with the MFA at the top and the KS as an intermediary. There is a unison wish from the Norwegian municipalities to have more opportunities for direct communication with the MFA. In addition to the meetings in the embassies of Belgrade and Sarajevo, which they appreciate very much, the municipalities would like representatives to take more part in MIC gatherings.

KS finds itself in a difficult position as an intermediary between MFA that gives the political guidelines and the municipalities that carry out the concrete project activities. KS, including KS International Projects, is the interest organisation of the municipalities. Therefore, the municipalities are unaccustomed to the idea of being "controlled" and having to report to KS. One of

the main goals of KS is to strengthen local democracy and local self-government.

It is worth noticing that KS's role between the MFA and the MIC municipalities is being used to help the municipalities through with their applications by making them more MIC-like. In general, KS International Projects asserts itself more clearly in the application process (to the benefit of the municipalities and the MFA alike) than in supervising and guiding during the project implementation phase.

The municipalities involved certainly are willing to contribute to the overall Norwegian goals, but, as argued above, in general have a programme theory that differs from that of the MFA and KS. KS has not got fully through with the MIC mechanism in its communication with the Norwegian municipalities involved in the Western Balkans.

The "end users" of the results of the project activities co-ordinated by KS are not among those mentioned above. The beneficiaries are the municipalities in the Western Balkans. Unfortunately, the beneficiaries of the project activities reviewed in this Report do not differ from the general pattern in developmental or democratisation work. They simply have not developed an ownership attitude to the co-operation.

KS and the Norwegian municipalities have not been able to overcome the problems caused by the fact that they themselves are much closer to the financing sources than their Western Balkans partners. As experienced by the beneficiaries, and certainly not only in the Western Balkans MIC, the project world is a "non-political/non-republican" field where they are "subjects", not "citizens". They receive "gifts", are grateful, and leave the initiative with their Norwegian partners. This lies at the core of the difficulties in developing "ownership" to the project ideas. Most of the Western Balkans municipalities in the MIC co-operation are unfamiliar with the concept, and in several cases even report they have not heard about it.

The role of the friendship associations

Whereas the MIC between municipalities in Bosnia and Herzegovina and Norway started up with the help of Bosnian refugees, the MIC's between Serbian (and a Montenegrin)

municipalities and Norwegian municipalities started up with the help of the then often dormant friendship agreements.

The Friendship associations strengthen the Norwegian-Serbian contacts in the municipalities involved, which allows MIC to unfold itself within a larger context of Norwegian-Serbian activities. The fact that there are local members of the association in the involved municipalities, both on Norwegian and Serbian side secures a certain "popular basis". They keep up the awareness of each others countries and they help initiate "bi-effects" (like the co-operation between upper secondary schools in Levanger and Herceg Novi; students from Serbia to Vefsn agricultural school and Folkehøyskole).

The Friendship Associations in Serbia and Norway have a profile that makes them suitable for the purposes of promoting interethnic co-existence human right activities. They keep the memory of the Second World War atrocities alive (like Falstad Centre in Levanger and Crveni Krest in Niš). In the Serbian context this may be more controversial than in Norway since the ultra-nationalist groups of Serbia tend to disregard the Yugoslav, partisan version of the story, preferring a semi-fascist version cultivating the memory of the chetniks. So joining the "sentimental" Friendship Association is a distinct marker of opposing the ultra-nationalist groups in Serbia, which is in line with overall Norwegian policies.

There are, however, two problems related to making friendship municipalities MIC municipalities. Firstly, there is the fundamental question of equivalence and suitability. The friendship municipalities were linked for other reasons than the reasons municipalities should link for MIC. For instance, as municipalities Saltdal and Niš have little in common. Fauske's partner, Melenci, is not even a municipality, but a village with an administrative apparatus consisting of one person. Secondly, in some cases it may seem as if MIC is drowned in friendship activities, and that the municipalities involved primarily would like general friendship activities to take place.

In sum, mixing MIC and people-to-people activities has proven to be impractical. The two methods involve very different actors and work according to two very different intervention logics or programme theories. They make use of very different mechanisms. It should be noticed that the friendship agreements and the people-to-people approach have brought a lot of activities into play between local actors in Norway and Serbia. Here, value unquestionably is added by local enthusiasts, and funds are raised from various sources. This type of activities clearly has facilitated the development of active interfaces between local Norwegians and Serbians.

However, unfortunately, friendship or people-to-people activities have not had the function of providing fertile ground for MIC. Rather it has been a competing approach and a preferred one by the Norwegian municipalities involved.

MIC is knowledge-intensive

Strengthening democracy in a foreign country is a knowledge-intensive activity. The same holds true for strengthening local self-government. MIC projects in European countries, like the one on the Western Balkans, require special insights that differ from those in the developing world. The domestic institutional surroundings probably count for much more that they do in typical aid-receiving countries, like the ones of Africa south of Sahara, where the institutional context relevant for project implementation mainly is given by the donors.

In the Western Balkans, even including Kosovo and Bosnia and Herzegovina, it does not suffice to know the international community's endeavours to help. One must also know the domestic political and administrative realities. Therefore, operating in the Western Balkans is far more knowledge intensive than in "the South". For each of the Norwegian municipalities involved in MIC, there is no way they might acquire all necessary information on their own.

Although the MIC partners have gained considerable experience since 2002, they have very much gained it the hard way. Having exchanged experiences and listened to lectures at annual gatherings the MIC partners have been helped structuring knowledge and insights. Given the decentralised structure of MIC there is nevertheless a heavy load on project leaders to acquire knowledge on the national and local realities of their partners.

In many ways, MIC goes contrary to current conventional wisdom within democracy-support and developmental aid that these are

highly knowledge-intensive activities. It is no longer being expected that an excellent professional in his/her field of competence necessarily will perform similarly well after having been transplanted into another political and social context, unless of course the project is a matter of mere technicalities, engineering or the like.

MIC, on the contrary, has a focus on issues that are vulnerable to subtle contextual factors. Therefore, it would be a surprise if a Norwegian municipal officer would be able to contribute in the Western Balkans without at least a certain level of systematised insight in Balkan realities. Norwegian municipal officers involved in MIC seem to be aware of this, and they often report a wish to get to know "the culture" in more detail. They may be right, but at the same time explaining difficulties in the project flow by referring to "culture", "mentality" or "old-fashioned ways" does not add much to the analysis. What Norwegian municipal officers operating in the region need, is concrete knowledge about administrative structures and routines, legal frameworks, financing mechanisms, fields of competence, division of tasks with other levels of governance.

In addition to factual knowledge, working with municipalities in the Western Balkans requires analytical skills.

Although there are many examples of excellent flows of information between the municipalities in the programme, the Western Balkan partners should take pains to explain to the Norwegians partners what is actually going on in their municipalities, and not least in the projects on their side. What seems totally clear to a municipal officer from the Western Balkans may be completely unintelligible for his/her Norwegian counterpart. Also KS' sister organisations in the region, SKGO, AKK/AKO, ALVRS and SOGFBiH could contribute to capacity-building of the Norwegian co-ordinators and project leaders.

There is a need for a more cogent analytical approach to the problems encountered in project implementation. Too often analysis is made by mere references to the "socialist past", and without any specification of what actually is meant. Often it shows through that the interviewees and authors of reports are unable to distinguish between the Yugoslav self-management socialism and Soviet state socialism. For projects dealing with decentralised

structures, local self-government and non-state economic activity this lack of accuracy may cause practical misunderstandings.

For instance, it is stated in a KS report (KS 2007:4) that there was "no or little private sector" in post-war Yugoslavia, thus identifying the "socialist past" as the reason why business development is difficult in Kosovo. In fact, three fourths of Yugoslavia's agriculture was private in 1980. Private farms could not be bigger than 100 decares. Small private enterprises with less than ten employees were allowed. In fact, small-scale activities in the type of fields encouraged today thrived in Yugoslavia, and in particular among ethnic Albanians living in Kosovo.

Analytical stringency is needed. KS is well advised to look analytically into the obstacles to business development in Kosovo. In addition to the effects of the socialist past, the problems might well turn out to have contemporary causes too, not to speak about the importance of Kosovo's pre-Yugoslav heritage. If the educational and labour policies of post-war Yugoslavia were the problem, then Croatia and Slovenia would suffer from a lack of business development as well. For the sake of fairness, it should be borne in mind that Kosovo got its Albanian-language university in 1969, and under Jozip Broz Tito the population of Kosovo was recruited to industrial and managerial work on a large scale. In fact, it was in 1972 that "Kosovo and Metohija" got its autonomous status. Rather than making trivial references to the past, KS should, for practical reasons and for the purpose of accurate and applicable analysis, look analytically into issues like contemporary clientelism and bureaucracy, and even address the question of possible adverse effects on entrepreneurship caused by a massive influx of foreign project funds. Under any circumstances, it would be more rational to try and change contemporary conditions than to deplore the past.

The role of the Local Democracy Agencies

There is an acute need for middlemen to *facilitate* (not take over) communication and follow-up between the Norwegian and Western Balkan municipalities involved in MIC. Moreover, there is no less acute need for knowledge about each others municipal systems.

The Local Democracy Agencies (LDA's) are being used to a negligible degree despite the fact that the municipalities pay a considerable membership fee to the association of LDA's and to the LDA offices. In other words, the links to the LDA's are cost-inefficient.

The LDA's themselves report a willingness to co-operate, and give the impression that they are even eager to do so. Some of the problems of day-to-day communication between the Norwegian and Western Balkan municipalities could most probably be reduced by using the LDA's as middlemen. The LDA for Central and Southern Serbia recently took on the task of facilitating the co-operation between the municipality of Suresnes in France and Kragujevac. Orkdal and Mostar already have tried out a similar model, although not with the LDA, but with the local Nansen Dialogue Centre. The middleman organisation should, however, not take over the communication. A core element of MIC consists in the direct communication between municipal officers/local councillors from different countries.

The sister organisations

KS's sister organisations have a dual identity. Partly, they are member organisations for the municipalities. Partly, they are project implementing organisations for the international community. Local municipalities are less than enthusiastic about the associations of municipalities, and tend to look upon membership merely as an entry ticket to be eligible for certain types of donations. Moreover, as seen from the point of view of the associations of municipalities, money are to be had from the international community, not the municipalities, that pay their fees irregularly.

Nevertheless, the international community seems to trust the associations of municipalities. These associations' strength as compared to other NGOs may be that they *know* the municipalities better, and may carry out better seminars, trainings, sustainable planning processes or the like. But "donors" should think twice before going to the associations in the hope that this means direct access to the municipalities.

Cost-efficiency

Between 2002 and 2007 approximately 55 million NOK have been spent on the activities co-ordinated by KS on the Western Balkans. This is a considerable sum. In order to be cost-efficient, there must be results from the activities financed, and these results must be in accordance with the objectives. Moreover, the question of cost-efficiency must address the difficult question of alternative ways of carrying out the projects.

As the detailed case-studies show, quite a large portion of the results from the MIC activities does not touch upon municipal capacities. The fact that far from all the project activities target the objectives reduces the cost-efficiency.

Another criterion of cost-efficiency is that there are no alternative and cheaper ways of carrying out the activities. Could other, cheaper and more effective, interventions have been chosen? Could other actors with more skills in the actual policy field have carried out the activities more efficiently? These questions make the fact that much of the MIC activities are not municipal even more problematic: Why should municipal organisations carry out non-municipal project activities? If two schools co-operate on curriculum development, why should the municipality be involved, and the involvement be financed by the project? The case studies have identified quite a lot of project activities for which the municipalities are redundant. This fact reduces cost-efficiency.

To sum up, the activities co-ordinated by KS on the Western Balkans have a cost-efficiency problem. This can be corrected partly by diverting the activities into a purely municipal track, partly by diverting focus from mere outputs to outcomes and impacts.

RECOMMENDATIONS

Refine the MIC instrument and use it

The objective of strengthening democracy, transparency and efficiency is highly relevant in Western Balkan municipalities. Most probably the more specific, concrete and technical project is, the more impact it will have. Therefore, there is a large potential for project activities on purely municipal-administrative issues, like how to work with the archives (among others to strengthen

transparency), how to inform the public and receive inputs in plan and building processes is more efficient than general lectures on the virtues of democracy.

The emerging MIC instrument is being used by KS in countries where municipalities are considerably weaker and less developed than in most parts of the Western Balkans. Since one of the preconditions for MIC to function is that there is a municipality in both co-operating countries with a comparable responsibility in an equivalent policy field, there is reason to believe that MIC could become a relevant tool for democratisation and stabilisation in the region. In order to make the tool accurate, there is a need for more concrete knowledge about the municipal everyday life in the Western Balkans.

<u>Recommendation</u>: KS develops MIC Guidelines tailored for use in the Western Balkans and with strict demarcation lines to peopleto-people activities.

Brush up MIC to enable outcomes

Hitherto the MIC activities have been very heterogeneous and small. Often, each activity is short, although in some cases (trainings) repeated, but then with new participants. In order to avoid just producing outputs with no prospects of becoming outcomes it is necessary to increase the volume of each activity. In order to that without increasing expenses it is necessary to reduce the number of issues focused on under MIC.

Equally important is the need to think long-term, i.e. while carrying out a project make sure that a follow-up project is developed in order not to finish a line of activity before it has had a chance to become an outcome. For instance, if the MIC project has been helpful in equipping a local community centre with computers in order to improve services or to equalise living conditions between different parts of the municipality, the project should continue with a focus on how these centres actually function. As compared to just redirecting attention to new fields or issues of co-operation, this approach would be more conducive to outcomes and finally impacts. This way of doing it would also enable control of the subsequent use equipment and infrastructure that may have resulted from the projects (like business centres, computers and the like).

Recommendation: In the new phase of Norwegian – Western Balkan MIC effort should be concentrated to a limited number of core issues that project holders stick to over time. Within each of the core issues one Norwegian and one Western Balkan municipality are assigned the role of lead partners with a special responsibility for providing knowledge and keeping in touch with relevant authorities at ministerial level. Project implementers' focus must be widened to cover outcomes and impacts as well as outputs.

Restart MIC in the Western Balkans

Today, MIC in the Western Balkans suffers from two structural weaknesses. First, not all the municipalities that have been connected in pairs do match for the purpose of MIC, although they might be suitable for people-to-people co-operation. Secondly, not all the people in charge on either side really endorse MIC, but would like to see aid or people-to-people activities to result from the funding. Such activities are far less knowledge-intensive than MIC. It should be made even clearer than before that MIC is not a way of financing friendship activities, nor is it a way of financing municipal infrastructure.

Recommendation: Existing MIC's get a one year exit period. In the meantime KS is assigned the task of recruiting and matching municipalities for a second round of MIC in the Western Balkans. The new MIC programme is run according to the new MIC Guidelines for the Western Balkans. Existing MIC municipalities are encouraged to join the new programme under the new guidelines. At least one municipality in the Republika Srpska of Bosnia and Herzegovina should be included.

KS should give its Western Balkan activity more attention

Although undoubtedly being co-ordinated by competent professionals in KS International Projects, a majority of the MIC project co-ordinators have an impression that KS' focus is rather on projects carried out in the South than on those in the Western Balkans. The Norwegian municipalities involved would like to have more access to the advisers in KS's international department. Also, the funders at times experience that KS' focus on the Western Balkans could have been stronger.

Supervising project implementation is but one among several demanding tasks of the West Balkan section, whereas Norad's core activity is to develop and follow up projects. Therefore, KS might experience NORAD as a more demanding client than the West Balkan section because it is more pedantic on the project details. Thereby KS may unintendedly pay more attention to Norad's demands.

In order to do an optimal job with the Western Balkans KS needs to concentrate efforts. Among others, it is necessary to become better at assessing political aspects in the region. The Norwegian support to the countries of the Western Balkans is motivated politically, and have very little to do with the traditional developmental approach usually applied in the South.

The countries of the Western Balkans share a common past and they all relate actively to EU requirements.

<u>Recommendation</u>: KS ought to go through its systems and practices of handling the Western Balkans project portfolio. Further specialisation of members of the staff should be considered.

Strengthen sister organisations as member associations

KS wants to strengthen its sister associations by improving their capacities. The intervention selected to achieve this goal is financing a large number of trainings for local councillors and municipal administrative staff, other words a typical "project". The goal of the co-operation between KS and its sister organisations is to strengthen the latter as genuine member organisations, and the training programmes have included extensive communication between the associations and their member organisations on, among others, training needs. Nevertheless, the intervention chosen puts the association in the position of yet another "project-executing NGO".

Although this may not be the intention, project-executing NGO's mainly function as channels through which messages are conveyed from outside into the Western Balkan settings. Therefore, in order to become what KS would like its sister organisations to be – genuine associations representing the member municipalities – the associations should be careful to weigh their two main identities up against each other.

<u>Recommendation</u>: KS should avoid the pitfall of contributing to the "project-implementer" identity of its sister organisations.

LDA potentials should be clarified

The Norwegian MIC partners pay a fee to ALDA and to the local LDA as a compulsory "entry ticket" to the MIC co-operation. So far, the potential for co-operating with LDA has not been made fully use of despite the fact that LDA and MIC very much share objectives.

Recommendation: KS presents a plan on how to link the individual MIC's to LDA. Concrete requirements/demands should be put on LDA's through KS on behalf of the Norwegian member municipalities. KS invites relevant LDA's to a seminar with Norwegian and Western Balkan MIC partners. If LDA is found to be of little potential use, the membership in ALDA should be reexamined.

Appendix 1

List of interviewees

Interviewees interviewed in group are listed together

Odd-Eiliv Thraning, former mayor, Levanger municipality

Sveinung Havik, chief municipal librarian

Jim Nerdal, project coordinator, Vefsn municipality and chairman Norwegian – Yugoslav Friendship Association

Kjell-Idar Juvik, mayor Hemnes municipality

Rolf Fjellestad, deputy chief municipal manager, project coordinator, Hemnes municipality

Kjell-Magne Johansen, mayor of Saltdal

Anna Welle, chief municipal mananger, Saltdal

Christin Kristensen, project co-ordinator, Saltdal

Asbjørn Olsen, Fauna, Fauske

Ragnar Pettersen, chief administrative officer, Fauske

Arvid Cato Mehli, project co-ordinator, Orkdal municipality

Thomas Scheen, KS

Bjarne Stabæk, special adviser, Buskerud region

Gotfred Rygh, politician and head of the regional commission on regional development

Tom Christensen, adviser on environmental and energy issues

Kåre Henning, adviser on buisness development

Ellen Watkinson, vice-rector Røyken upper secondary school

Tore Nilsen, sprecial adviser, Hamar municipality (phone)

Ellen Dehli, KS

Jorunn Tønnessen, Norges Vel

John Tingulstad, head of innovation, Norges Vel

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Vlado Mračević, deputy mayor, Herceg Novi

Śejla Hasić, project manager, SOGFiH, (interview on phone)

Ambassador Jan Braathu, Norwegian embassy in Bosnia and Herzegovina, (interview on phone)

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Gerhard Inge Storebø, chief administrative officer, Sund (phone)

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Odd Henriksen, mayor Fauske (phone)

Appendix 2

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