Evaluation Department

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Evaluation of Norwegian Development Cooperation with the Western Balkans

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"Responsibility for the contents and presentation of findings and recommendations rest with the evaluation team.
The views and opinions expressed in the report do not necessarily correspond with those of Norad".

Contents

Acronyms and Abbreviations **V**

Annex D: Norwegian Support to Bosnia and Herzegovina 3
Annex E: Norwegian Support to Serbia 63
Annex F: Norwegian Support to Kosovo 103
Annex G: Norway and Anti-Corruption 131
Annex H: Methodology 161
Annex I: Chronology of Events and Norwegian Decisions 175
Annex J: Financial Flows by Region, Programme Area, Channel 199

Acronyms and Abbreviations

AGO	Auditor-General's Office (Norway)
BiH	Bosnia and Herzegovina
BIP	Business Innovation Programs (Norway)
BIRN	Balkan Investigative Reporters Network
CCMR	Centre for Civilian-Military Relations (Serbia)
CRP	Civil Rights Project (NRC)
CSO	Civil Society Organisation
DAC	Development Assistance Committee
DACU	Development Assistance Coordination Unit (Serbia)
DCC	Donor Coordination Centre (Kosovo)
DDR	Disarmament, Demobilisation and Reintegration
DPA	Dayton Peace Agreement
ECHO	European Community Humanitarian Aid Office
ERW	Explosive Remnants of War
EU	European Union
FBiH	Federation of Bosnia and Herzegovina
GDP	Gross Domestic Product
HJPC	High Judicial and Prosecutorial Council (BiH)
IDP	Internally Displaced Person
IFI	International Financial Institution
IMG	International Management Group
INCOR	Information and Counselling programme (NRC)
IOM	International Organization for Migration
IPA	Instrument for Pre-accession Assistance (EU)
JPU	Jæren Produktutvikling (Norway)
MFA	Ministry of Foreign Affairs
MoI	Ministry of the Interior (Serbia)
NCA	Norwegian Church Aid
NDC	Nansen Dialogue Centre
NFG	Norwegian Forestry Group
NGO	Non-Governmental Organisation
NOK	Norwegian Kroner (USD 1 = NOK 6, EUR 1 = NOK 8 approx)
NPA	Norwegian People's Aid
NRC	Norwegian Refugee Council
NRX	Norwegian Red Cross
NTE	Nord Trøndelag Energi (Norwegian power company)
ODA	Official Development Assistance
OHR	Office of the High Representative (BiH)

OSCE	Organisation for Security and Cooperation in Europe
POD	Police Directorate (Norway)
PSD	Private Sector Development
RDC	Research and Documentation Centre (BiH)
RS	Republika Srpska – Republic of Srpska, BiH Entity
SAA	Stabilisation and Association Agreement (EU)
SCN	Save the Children-Norway
SCR	UN Security Council Resolution
SIVA	Industrial Development Cooperation of Norway
SFOR	Stabilisation Force
SSR	Security Sector Reform
TOR	Terms of Reference
UNMIK	United Nations Mission in Kosovo
UNPROFOR	UN Protection Force
USD	United States Dollar
UWC	United World College
WBS	Western Balkans Section (in MFA)
WCDI	Women Can Do It

Annexes

Annex D:
Norwegian Support to Bosnia and Herzegovina

1 Background

Bosnia and Herzegovina (BiH) was one of the six republics that made up the Federal Republic of Yugoslavia. The growth of nationalist forces in a number of the republics in the late 1980s and early 1990s ended with referendums in Slovenia and Croatia in favour of independence. In October 1991 these two states declared their independence.

In BIH, the 1990 parliamentary elections led to three ethnically-based parties forming a loose coalition. A declaration of sovereignty in October 1991 was followed by a referendum on independence early 1992 – largely boycotted by the Serb population – and with open warfare breaking out in April 1992.

The three-year war led to massive destruction, dislocations and deaths, with an estimated 113,000 killed and over 40,000 still counted as missing (www.idc.org.ba). GDP fell by 75%, while of more than 1.2 million housing units in 1991, 452,000 were completely or partially destroyed. "Ethnic cleansing" and creation of ethnically homogenous territories displaced about 2.2 million[1]. Of these, over 1 million were internally displaced persons (IDPs), and while about 580,000 returned to their pre-war places of residence, in December 2009 UNHCR still had 113,600 registered as IDPs (UNHCR statistics Dec 2009). Over 450,000 who left BiH did not return after the conflict[2].

At the end of the conflict, BiH was therefore a newly sovereign state with a destroyed economy, deep communal polarisation, massive population dislocation including a severe brain-drain, and with the challenge of developing a modern and cohesive society.

1.1 The Peace Agreement and the Political Structure

The Dayton General Framework Peace Agreement (DPA) signed in December 1995 created a complex institutional and administrative structure, with two constituent Entities: the Federation of BiH (FBiH) and Republika Srpska (RS) plus the independently administered district of Brcko and a limited State structure at the national level. The Constitution of BiH, the fourth of 11 Annexes to the DPA, in fact only

1 Housing and Urban Profile of Bosnia and Herzegovina; An outline of Devastation, Recovery and Development Perspectives; Ministry of Human Rights and Refugees of Bosnia and Herzegovina; May 2006

2 Case Study: Bosnia and Herzegovina; Centre for Developing Area Studies – McGill University and the World Bank; Merima Zupcevic and Fikret Causevic; September 2009.

defines ten responsibilities to State level institutions, while all other governmental functions and powers belong to the Entities[3].

The FBiH is further divided into ten cantons which are territorial and administrative units with legislative and executive powers and considerable autonomy is matters like education, regulation of land use, police, etc. Cantons and FBiH share responsibilities in some areas, such as human rights, health, environmental policy, infrastructure for communications and transport, social welfare policy, tourism and use of natural resources, etc.

The situation in the RS is simpler due to a centralized administrative system that has full legislative and executive powers in all sectors and areas which are not expressly assigned to the State by the DPA.

There may therefore be up to 14 separate authorities, generally poorly coordinated, with at times different legislative regimes and administrative systems, that have to be consulted to get pan-territorial agreements or systems in place. At the same time, the estimated 200 ministries represent an extremely costly and inefficient public sector that is considered a major drain on the national economy.

EU membership is seen as BiH's main political objective. It joined the Stabilization and Association Process with the EU in 2007, an early step towards becoming a full member state. But while Slovenia applied in 1996 and reached accession in 2004, Croatia applied in 2003, Montenegro in 2008 and Serbia in 2009, the EU judges BiH's overall progress as poor and it is unclear when the country is likely to become an official candidate member.

1.2 Population

According to the 1991 census, the population of 4.4 million was 43.7% Bosniak, 31.4% Serb, 17.3% Croat while 7.6% declared themselves as Yugoslavs. There has been no census since then (one is planned for 2011), and the 2008 population estimate varies between 3.8 million in official statistics and 3.3 million estimated by the labour force survey. The registered unemployment rate remains above a stunning 40%: in December 2009, employment agencies registered over 510,000 unemployed. According to the Household Budget Survey from 2007, 20.1% of BiH population can be considered poor[4].

1.3 Economy

BiH faced the dual challenge of rebuilding a devastated economy and restructuring what had been a centrally planned economy, which had been dependent on a vastly overstaffed heavy defence industry. Agriculture consists largely of small and inefficient privately owned farms, so BiH has historically been a net food importer.

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3 This includes foreign and foreign trade policy including customs, monetary policy, immigration, refugee, and asylum policy and regulation, finances of the (State) institutions and international obligations, international and inter-Entity criminal law enforcement including relations with the Interpol, operation of common/international communications facilities, regulation of inter-Entity transportation, air traffic control.

4 http://www.bhas.ba/ANKETE/hbs_07/hbs_07_001-en.pdf

GDP per capita in 2008 was estimated at USD 4,510, so BiH is considered a middle-income country[5]. Despite significant economic growth and recovery during the last decade, BiH competitiveness rankings are not encouraging: the World Bank's global *Doing Business* report for 2009 ranks BiH 116 out of 181. When it comes to ease of starting business, BiH ranked 160 and for registration of property 139[6]. In Transparency International's *Corruption Perceptions Index* for 2009, BiH is considered the most corrupt country in the region and is ranked 99 out of 180[7].

The complex administrative and institutional structures create serious obstacles to private investment and the implementation of development projects. This reduces the sustainability of many interventions substantially. The devolution of responsibilities coupled with weak or missing horizontal and vertical coordination of the various authorities leads to an absence of strong and reliable local government partners. This in turn means that BiH in many fields does not constitute a truly single economic space, which hurts private sector development.

2 Norwegian Assistance to BiH 1991-2008

Norway became engaged in the Western Balkans as soon as hostilities broke out in 1991, by providing humanitarian assistance in BiH and Croatia. Once the DPA was signed, focus was shifted towards reconstruction and development, and subsequently to aiding the process of Euro-Atlantic association, state-building and democratization.

Support for the Western Balkans was classified as Official Development Assistance (ODA) and thus could have been expected to be handled by Norway's development cooperation agency Norad. Because of the highly political nature of Norway's engagement in the region, however, and the fact that the main actors on the donor side were political and/or security bodies like the EU, OSCE and NATO, the MFA decided that it would manage the funds itself. Only during the period 1999-2003 was Norad formally involved, when it was asked to manage the medium-term activities in BiH and Albania. All along, however, Norway emphasized the importance of ensuring that its aid was aligned with and supported overall policy objectives of the international community.

During the period 1992-1995, the annual allocations were for humanitarian aid and relief, along with support to IDPs. The key aim for Norway's early aid, according to an MFA review document from 1997, was "*to assist the refugees as close to their place of origin as possible. The Norwegian program has therefore had BiH as its focus of attention*" (Annex I, our translation). The Budget Documents presented a running political analysis of the conflict, being quite realistic concerning the timelines and how soon the conflict might end during the first years.

The establishment of the ***Office of the High Representative*** (OHR) at the beginning of 1996 moved much of the on-the-ground coordination from the UN – in

5 http://siteresources.worldbank.org/DATASTATISTICS/Resources/GNIPC.pdf
6 http://www.doingbusiness.org/exploreeconomies/?economyid=26
7 http://www.ti-bih.org/documents/Press_release/2009/11.17_eng.pdf

particular the UNHCR – to the OHR[8] (see www.ohr.int). The ***Organization for Security and Cooperation in Europe*** (OSCE – see www.osce.org) established a fairly massive presence and became an important on-the-ground actor which Norway also actively supported and channelled some funds through. During the middle of 1996, the ***South-East European Cooperation Process*** (SEEP) came into being as a regional mechanism to further help stabilize the Balkans[9].

While the UN and UNHCR had been on the ground during the conflict period, with the Dayton agreement a number of other agencies moved in. The ***World Bank*** established its office in March 1996 and renegotiated BiH's share of ex-Yugoslavia's debt, making BiH eligible for IDA grants and loans. In line with this, Norway's budget document for 1996 notes the shift towards reconstruction and development; the hope that the presence of the World Bank, the ***European Development Bank*** (EBRD) and the ***UN system*** will facilitate the rebuilding of the country; and that the short-term nature of the funding is such that there is no need for any formal state-to-state cooperation between Norway and BiH.

As it became clear that Norwegian support needed to focus more on medium-term reconstruction and development, in 2001 Norad was asked to take on the medium-term program in BiH and Albania, which was considered to be about 40% of the funding to Bosnia, and Norad was to produce a strategy note for this. This ten-page note was handed over to the MFA on 29 June 2001, noting the multiple transitions Bosnia had to undergo: from war to peace; from a planned to a market-based economy; from a situation of massive aid to dependence on own resources. It notes how the Stability Pact is to assist the transition towards the ***Stabilisation and Association Agreement*** (SAA) with the EU. It points to how the major reforms so far undertaken have been pushed by the international community (largely the OHR) rather than by local authorities, and that this reluctance extends to implementing existing laws. The problem of ***minority return*** – the ability of people to move back to their place of origin and reclaim their housing and other assets if they belong to an ethnic minority in that area – is stressed.

The paper goes on to note a criticism of the support to BiH of being fragmented, so it points to the need for concentration and concretization of the aid. It discussed the experiences in the infrastructure sector and in particular the problem of identifying credible partners, since on a number of occasions the proposed firms were clearly more determined by ethnic or kinship relations rather than quality and price excellence. At the same time it notes that by 2000, power was back to 80% of pre-war levels and water supply at 90%, so the need for further aid funding in these areas is questioned.

Regarding private sector engagement, many Norwegian firms have expressed an interest and received support for pre-feasibility studies, but local ability and willing-

8 The OHR was foreseen in Annex 10 to the DPA, but with limited powers. As it became clear that the political parties were dragging their feet on implementing the DPA, the Peace Implementation Council (PIC) in its Bonn meeting in December 1997 gave the OHR very broad authority, the so-called "Bonn Powers".

9 The SEEP is a forum for dialogue between Albania, BiH, Bulgaria, Croatia, Greece, Macedonia, Moldova, Montenegro, Romania, Serbia and Turkey. The initiative was launched in Sofia in July 1996, to support a long-term process of cooperation in four fields: (i) Strengthening stability, security and good relations; (ii) Economic development; (iii) Humanitarian, social and cultural issues; and (iv) Justice, combat of organized crime, illicit drug and arms trafficking, and terrorism.

ness to pay is low, the market is small, access to local raw materials poorer than expected, and the political-legal framework conditions make it very expensive to operate and thus not very attractive.

The proposal is for a five-year NOK 70-80 mill/ year program, where this should be seen as transitional aid that is to concentrate on long-term reforms and institutional development, based on recipient responsibility and local consultations, contributing to peace and stability in the region. Three objectives are mentioned:

- ***Contribute to good governance, democratisation and human rights*** through public sector twinning especially in areas where Norway has a lot of experience; anti-trafficking and anti-corruption activities; support to HR and other civil society advocacy activities;
- ***Support to sustainable economic development*** through support to improved framework conditions; entrepreneurial development with particular focus on youth, and to SMEs;
- ***Contribute to a modern and including educational system*** where attention should move from physical infrastructure to collaboration across ethnic boundaries.

The strategy notes the need for closer monitoring and that the political situation makes it even more important that the embassy has required staffing, so Norad will therefore second a staff member to the Sarajevo embassy.

Ten months later, on 24 April 2002, the MFA formally approved the strategy, noting that Norad would manage NOK 40 million of the 2002-allocation of NOK 100 million. The letter points to the need for ensuring that local partners support the reform agendas provided by the OHR, World Bank, the SAA/EU and OSCE, and agrees with Norad on the need to focus on fewer sectors, and suggests a further concentration in a few geographic regions.

The following years' budget documents emphasise support to public sector reform and EU approximation process and the importance of linking up with the EU's new agenda after the 2003 Thessaloniki meeting; to democratization and support of human rights; the use of tied and mixed credits to support private sector development and the engagement of Norwegian firms; justice/legal sector reforms including combating corruption and trafficking; support to women and children; the decrease in the use of Norwegian NGOs as a channel; and the need for better aid coordination and an exit strategy since aid is quickly decreasing.

It refers to evaluations carried out: on psychosocial projects in BiH and the Caucasus (1999), on agricultural development (2001) and entrepreneurship training (2005), Nansen dialogue centres (2003), "Women can do it" project (2005) and in general the need for better monitoring and quality assurance of Norwegian-funded activities.

2.1 Phasing of Norwegian Support

Over the years, the documented disbursements to BiH have totalled NOK 3 billion. In the TOR for this task, it has been seen as divided into three phases (see Annex A):

- ***Humanitarian aid*** and support to internally displaced was provided 1991-1996;
- ***Reconstruction and development*** as of 1996, reconstruction largely ending in 2000 while certain development activities have continued till today;
- ***Democratisation and Euro-Atlantic approximation*** as of 2000 till today.

These phases are defined by ***timelines.*** They therefore do not necessarily specify the actual ***form of intervention*** that was funded, since some of these continued across these timelines. Demining began in 1996 and is to continue till at least 2012, for example, and technical assistance (TA) and secondments of Norwegian expertise has taken place since 1992 till now.

2.2 Norwegian Support according to Program Categories

In order to track the changes in the funding profile over time, the evaluation team added a ***program variable*** in the database, classifying the funding into one of about a dozen expenditure categories, and in turn linking these program variables with one of the three phases (see Annex H). Table D.1 shows the allocations by year in thousands of NOK by expenditure category, and forms the basis for Graph D.1 below.

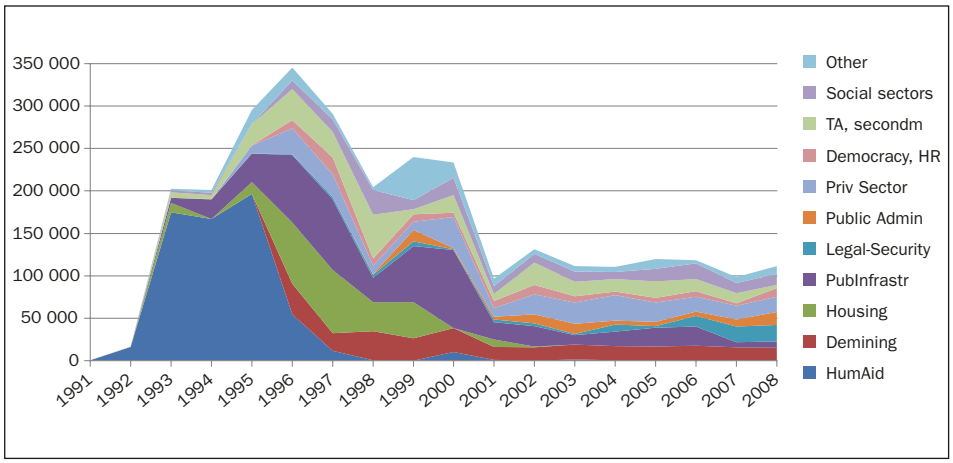
Table D.1: Norwegian Funding to BiH, by Program Area and Year, 1991-2008 (in NOK '000)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	Total
HumAid	326	16 155	146 654	138 697	136 363	44 750	11 316	350	0	10 277	0	0	1 227	300	300	278	**507 593**
Refugee/IDP Shelter	0	0	27 900	28 306	60 183	10 000	424	0	0	0	1 000	0	0	0	0	0	**127 813**
Demining	0	0	0	0	0	35 930	20 666	34 483	26 454	28 131	14 969	15 650	17 856	16 665	16 463	17 159	**274 726**
Housing	0	0	11 452	0	13 693	72 004	74 563	34 223	42 439	0	9 000	773	0	0	0	0	**258 147**
Public Infrastructure	0	0	5 741	23 180	33 712	79 720	82 871	28 472	65 905	91 808	20 133	24 333	10 933	17 027	22 213	22 748	**542 276**
Legal-Security	0	0	0	0	0	726	2 996	3 673	5 754	935	3 522	3 389	1 304	8 534	1 875	12 416	**82 887**
Public Sector Devt	0	0	0	0	0	90	0	1 076	13 509	1 406	2 937	10 358	12 131	4 657	5 090	5 193	**80 256**
Private Sector, Income	0	0	0	0	9 195	30 368	26 691	9 592	9 731	36 841	10 426	23 409	25 075	30 161	22 373	17 615	**285 481**
Civil Society	0	0	0	0	0	0	853	1 952	0	170	500	1 367	700	0	574	2 888	**10 704**
Democracy, HR, dialogue	0	0	0	350	727	9 794	19 960	8 492	8 636	4 785	8 427	11 535	7 487	4 096	5 567	6 506	**109 341**
TA, secondment	0	554	6 749	4 567	25 121	36 374	29 893	51 570	5 859	20 936	8 408	26 199	17 130	14 950	19 565	14 348	**297 991**
Social Sectors & Services	0	0	0	2 620	0	7 960	14 826	29 275	10 675	20 412	9 066	10 151	10 116	5 766	7 506	18 243	**171 613**
Other	0	0	2 000	3 450	16 262	15 399	6 700	3 212	50 966	17 734	8 665	5 432	6 203	5 883	11 578	3 943	**173 488**
Total	**326**	**16 709**	**200 496**	**201 170**	**295 256**	**343 115**	**291 759**	**206 370**	**239 928**	**233 435**	**97 053**	**132 596**	**110 162**	**108 039**	**113 104**	**121 337**	**2 922 316**

In the graph, support to IDPs and short-term shelter has been included as part of the humanitarian aid (the category "Support to Civil Society" was not included since it was so small that it did not show up in the graph).

As can be seen in table D.1 and reflected in the graph, funding began with an insignificant allocation in 1991, rose to an average of a little over NOK 310 million over the three-year period 1995-1997, fell to an average of about NOK 225 million the following three years, and then has remained around NOK 100 million during the last eight years of the period.

Graph D.1: Norwegian funding to BiH, by Program Area and Year (in NOK '000)



The humanitarian aid totally dominated the funding picture during the first five years but was quickly phased out as of 1996.

What is labelled as public infrastructure began as far back as 1992/93, as the rebuilding of destroyed homes and communities began even as the fighting was taking place. The infrastructure in question was largely small-scale community health and school facilities that were built as part of providing incentives for displaced people to return and begin rebuilding their lives. Over time, this category has become more classic rebuilding and improvement of large-scale public infrastructure, which in the case of Norwegian founding has focused on power and water systems. The rebuilding and rehabilitation of private housing is separated out as a particular category in the graph above.

Demining has become a corner-stone in the Norwegian program, receiving as much as NOK 35 million in a couple of the early years and averaging about NOK 15 million the last eight years. A key reason has been the role of Norwegian People's Aid (NPA) in this field, reflecting a particular aspect of Norway's engagement in the region: the important role that Norwegian actors have played in implementing activities on the ground.

This is reflected in another way as well, namely the large-scale secondment of Norwegian staff throughout the period. Norway has spent nearly NOK 300 million

on funding Norwegians in various fields, much of it being to OSCE-led operations through the NORDEM system, particularly in the fields of democratisation, but also as staff to local and international organizations, including UN agencies.

What is termed support to public sector development has been quite limited, with only NOK 80 million having been spent on this since support began in 1998. This is unusual seen from two perspectives. The first is that Norway typically provides a lot of assistance to building up the executive part of governments in its normal development cooperation. The other is that there has been a growing consensus in the international community that particularly for fragile and conflict affected states, a lot of attention should be paid to getting a functioning state in place[10]. The dilemma Norway and other donors has faced is the lack of a credible political actor that could answer on behalf of the BiH body politic what its priorities in terms of state building actually were – an issue returned to below.

Support to what is termed the legal-security sector has received about the same level of funding as to public administration in general (and is of course part of the public administration category). While Norway does not provide much support to these sectors in normal development cooperation, in the case of BiH this has been the most important area for state building – and the data do not capture the full picture. A lot of the NOK 300 million in secondments, as stated above, is for OSCE activities (see Box D.11). But another important form of secondment that has taken place since the late 1990ies is senior legal staff who are contributing to legal reform processes. It would have been possible to identify some of the secondments that belong in the legal-security program category, either from the knowing that a particular individual worked in the security sector, or if the task description mentioned the sector. In the end, however, the team decided not to do this since (i) it would not be possible to ensure that all the appropriate secondments would in fact be identified, so it would at best be a partial exercise, and (ii) the TA-secondment category is an interesting one in itself and will be analysed as such below. But this issue highlights one of the problems in classifying expenditures across program areas/categories.

Another field where Norway has spent more resources than it normally does, is for private sector and livelihoods development. This category is fairly heterogeneous, since it includes early efforts by some NGOs to include basic livelihoods concerns in some of their reconstruction projects (tools and seeds for early agricultural recovery). Most of the funding, however, has been for more systematic agricultural development, industrial incubators, and entrepreneurship training. These three programs have in fact taken place over a ten-year period and thus represent an unusual long-term commitment in this field compared with comparable activities in developing countries.

Another category that has been politically important for Norway is support to democratic development, dialogue and human rights. The main activity has been

10 The so-called "Principles for Good International Engagement in Fragile States and Situations" were approved by the OECD-DAC partners in Paris in April 2007, where principle 3 is "Focus on state-building as the central objective". See www.oecd.org/dataoecd/61/45/38368714.pdf.

the support to the NDCs in BiH, in Sarajevo, Banja Luka and Mostar. As pointed to earlier (footnote 9), much of this financing for the NDCs is not captured in the BiH data because the financing was for a long period a ***regional*** allocation. The BiH funding for this category has been more uneven, averaging NOK 6-7 million a year since the turn of the century, but going as high as NOK 11.5 million in 2002 and falling below NOK 3 million in 2007. However, in addition to much of the NDC funding missing, the small-scale embassy fund has also financed activities in this field, which thus should be added to the picture (see section 6).

Norway has financed a number of activities in the social sectors such as support to war-traumatized, anti-trafficking and children's rights, beginning with the needs immediately following the cessation of hostilities in 1996 through more long-term institutional and capacity building activities at the end of the period.

Finally, the "Other" category covers a range of activities: support to civil society, the small-scale embassy projects, some cash transfer programs in the 1990ies, cultural activities, and various other initiatives that received limited support.

2.3 Channels for Support

Norway used a large number of actors as agreement partners for its assistance to BiH. These have been aggregated into three main groups: Norwegian, national and international actors. Table D.2 shows expenditures by channel by year for the BIH program, and graph D.2 below is derived from that.

Over 68% - just over two-thirds of the funding – went through Norwegian partners, while 22% was channelled through international bodies and only 10% through Bosnian actors.

Among the Norwegian actors, the NGOs were by far the most important, as can easily be seen also in graph D.2. They handled over 50% of the entire funding for BiH, and during the humanitarian phase 1993-97 over 70% went through these NGOs. As can be seen from the graph, the importance of Norwegian NGOs has tapered off, where the NPA's demining program alone accounts for over half the NGO expenditures since 2003.

While a total of 25 NGOs won contracts, the five largest handled over 95% of the NOK 1.475 billion that was channelled through Norwegian NGOs, as can be send from table D.1.

The Norwegian public sector has been used to a considerable extent, handling nearly as much as all Bosnian actors put together – about 9.5%. The most important channels were the Police Directorate, the Ministry of Defence and the Ministry of Justice, due to all the secondments to EU/NATO/UN peace-keeping missions and to the legal sector. This unusual profile of Norwegian public sector actors involved of course reflects the importance of the security dimension in the Western Balkans intervention. This was the first time Norway had to handle such a large security component within a development-funded operation.

Table D.3: Total Disbursements, five largest Norwegian NGOs in Bosnia (NOK)

Organisation	Total disbursements, 1991-2008
Norwegian Refugee Council	547 697 000
Norwegian People's Aid	513 802 000
Norwegian Red Cross	233 371 000
Norwegian Church Aid	63 940 000
Save the Children Norway	49 581 000
Total	**1 408 391 000**

Source: Norad aid database.

Table D.2: Norwegian Funding to BiH, by Channel, 1991-2008 (in NOK '000)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total	%
NOR NGOS	0	16 658	155 870	145 732	249 540	217 603	178 875	119 419	89 079	63 531	40 189	41 714	15 098	29 754	25 512	32 409	24 222	30 016	**1 475 221**	50,7 %
NOR public	0	0	0	620	7 272	23 386	5 601	24 877	55 447	18 150	5 695	26 728	13 003	13 820	23 899	22 631	18 017	18 445	**277 591**	9,5 %
NOR private	0	0	120	118	185	14 320	21 663	9 647	7 707	15 315	8 473	11 028	11 150	38 782	30 440	28 146	18 950	15 508	**231 552**	8,0 %
BIH public	0	0	0	0	0	0	0	0	52 366	74 980	17 396	29 135	14 974	3 509	9 390	12 336	8 900	15 918	**238 904**	8,2 %
BIH Private	0	0	0	0	0	0	0	0	0	0	0	0	1 360	340	0	0	0	0	**1 700**	0,1 %
BIH NGOs	0	0	0	0	0	0	0	0	1 435	3 352	0	0	3 006	2 490	4 118	10 230	8 550	10 350	**43 531**	1,5 %
UN	0	0	44 506	54 818	21 312	26 370	25 897	12 887	0	0	2 099	21 111	23 966	9 100	14 659	8 672	7 825	3 432	**276 654**	9,5 %
IFIs	0	0	0	0	0	38 287	52 700	19 400	6 236	35 120	746	2 000	0	0	0	0	0	0	**154 489**	5,3 %
Multi other	326	0	0	0	17 132	22 058	19 788	14 369	27 656	22 135	21 804	3 960	28 788	6 923	4 516	4 734	5 970	11 058	**211 217**	7,3 %
Total	**326**	**16 658**	**200 496**	**201 288**	**295 441**	**342 024**	**304 524**	**200 599**	**239 926**	**232 583**	**96 402**	**135 676**	**111 345**	**104 718**	**112 534**	**119 158**	**92 434**	**104 727**	**2 910 859**	100,0 %

Concerning Norwegian private sector actors, they have been used in two ways: to support private sector development, and as actors in public infrastructure rehabilitation, largely in the water and power sectors.

The scale of the funding through Norwegian private actors – over NOK 230 million in total – is unusual, and reflects a decision to involve Norwegian private actors to a much larger extent than in classic development programs when it comes to supporting local private sector development.

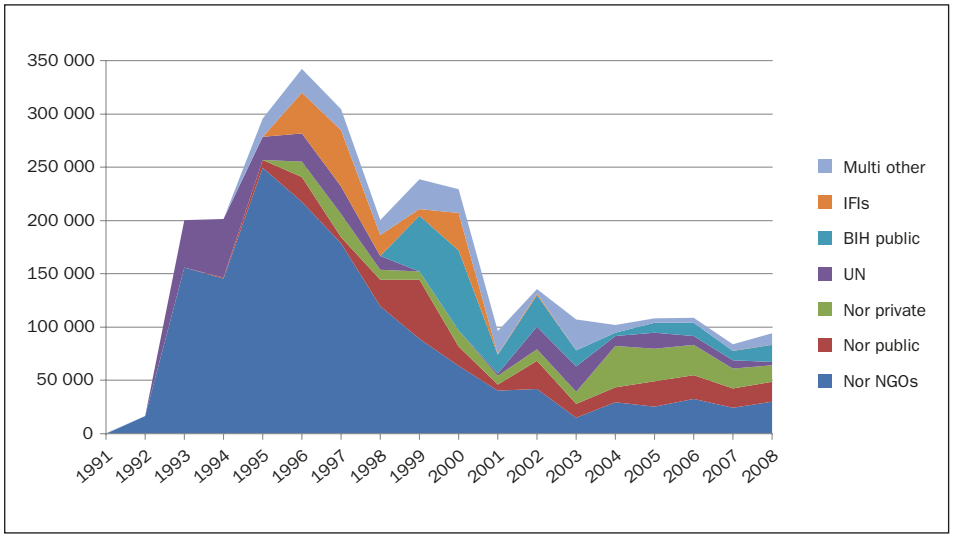
While Norwegian entrepreneurs win contracts for large-scale infrastructure programs also in developing country contexts, what was unusual in BiH and elsewhere in the Western Balkans region was that large contracts were reserved for Norwegian firms. While Norway moved quite quickly towards un-tying of its normal development assistance in the 1990ies, various forms of tied assistance was still used in the Western Balkans. In addition to the funds that were channelled directly to Norwegian firms, there were thus further funds for Norwegian firms via international financial institutions (IFIs – see below).

UN agencies handled NOK 277 million out of a total of NOK 643 million that was channelled through the multilateral system. Much of this was humanitarian assistance through the World Food Program and the UNHCR in the early years, and most of the more project-based funding has been through UNDP, with some important funding for vulnerable groups through in particular UNICEF.

During the last two years of the humanitarian phase substantial sums were also channelled through the IFIs: the European Development Bank (EBRD) and the World Bank (IBRD). Much of this was for infrastructure reconstruction, where a significant share of the funding to the power sector was earmarked for Norwegian companies.

In addition Norway contributed to a range of other multilateral bodies, such as the EU, the Organisation for Security and Cooperation in Europe (OSCE), the Office of the High Representative (OHR) in BiH, and the International Management Group (IMG).

Graph D.2: Expenditures by year by Channel/Type of Agreement Partner (NOK '000)



As can be seen in table D.2, the share of funds handled by national actors in BiH is very limited, for a total of NOK 284 million – just under 10% of the total. Of this, almost all went through the public sector, and largely during the period 1998-2003 – the time when Norad was engaged in the Bosnia program (see section 4). Most of this funding was for public infrastructure rehabilitation, especially the water sector, and more recently also for the rebuilding of the Parliament building and some support to the justice sector.

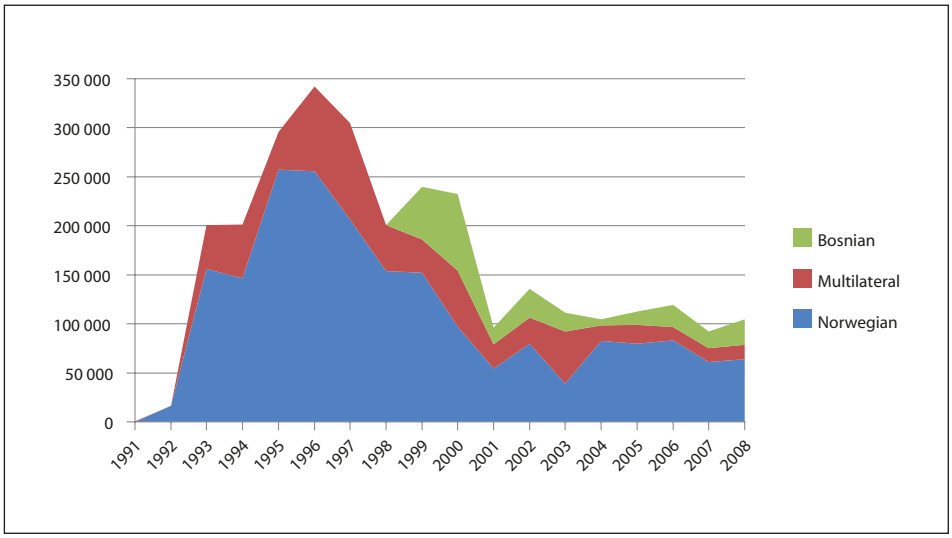
The local NGOs have seen a slow increase in the funding that is channelled directly to them, from NOK 3 million/year during 2003-05 to nearly NOK 10 million/year in this last three-year period. Of this, about 60% went to only two organizations, however – the Research and Documentation Centre in Sarajevo, and the United World College in Mostar.

The local private sector has received virtually no direct contracts with Norway, though some local firms have been sub-contracted by Norwegian firms and NGOs. How significant this is the team has no way of judging – the "leakage" of Norwegian funding back to Norway has undoubtedly been substantial, so what share of "first round" Norwegian funding that remained in BiH is not at all clear.

Overall, there has been a shift from using Norwegian channels to relying a bit more on the multilateral system, and during 1998-2003 period the role of Bosnian actors also increased but then fell again. As shown in graph D.3 below, over the last five years the Norwegian share of funding has fallen from nearly 80% (2004) to just over 60% in 2008 while the multilateral system has remained fairly constant around 15%. Bosnian actors have seen their share rise from only 6% in 2004 to just over 25% four years later. This is encouraging but remains a low ratio when considering that Bosnia is a middle-income country: the problems of absorptive capacity are not nearly as severe as in a number of Norway's poor development partners. What is holding back the increased use of local actors is a mix of concern over corruption;

the lack of competitive actors in part due to the fact that Bosnia still does not have truly national market in many areas; and a lack of good political framework conditions for private and not-for-profit actors to engage with foreign funders.

Graph D.3: Use of Main Channel/Type of Agreement Partner by Year, 1991-2008 (NOK '000)



2.4 Activities Reviewed

The funding to the Western Balkans was made available in the form of annual allocations. This meant that all project agreements were one-year contracts. The NOK 3 billion that can be identified as the BiH program was distributed across about 1,340 agreements.

The actual number of *projects* and *programs* is much smaller. Norway funded a total of 35 demining agreements for a total of NOK 275 million during the period, which together can be considered a ***demining program***. Of this, NOK 258 million was for NPA's demining activities, while most of the remainder was support for UN mine action. While the NPA demining activities changed somewhat over time as the demining progressed, it can still largely be considered as one *project* or *sub-program* yet was split across 16 direct agreements with NPA and an additional five funding agreements with the International Trust Fund for Demining that was largely used to fund further NPA activities.

Given the long timeline for Norway's engagement in BiH, the many different areas that have received support and the large number of projects, the evaluation could not look into all the activities that have been funded. Instead a selection of activities was made that would cover as many facets of the program as possible: (i) the three ***phases***, (ii) the key ***program areas***, (iii) different ***agreement partners/channels***: Norwegian versus Bosnian versus international; NGOs versus private firms versus public bodies; (iv) the most important activities in terms of ***funding levels.*** Based on these criteria, 16 sets of activities were selected, as shown in table D.4 below. These 16 activities represent more than NOK 1.25 billion of the total program of NOK 3 billion – that is, 40% of the total. The team believes this

constitutes a sufficiently credible share of the program from which to draw valid and reasonably reliable conclusions.

Table D.4: Norwegian-funded Projects assessed in Bosnia and Herzegovina (NOK)

Project	Channel	Program	Period	Expenditures
Humanitarian Aid	NRC, NPA, NRX	HumAid	1993-1996	328 676 100
Demining	NPA	Demining	1996-2008	257 800 400
Housing	NPA, NRC	Housing	1996-2001	251 680 000
Demob'ion of EXCs	IOM	Legal-Security	2002-2007	8 500 000
Ag Coop Devt	JPU	Priv Sector Devt	1997-2008	63 737 100
Entrepreneurship	BIP	Priv Sector Devt	2002-2008	12 999 000
Incubators	SINTEF-SIVA	Priv Sector Devt	2003-2008	31 255 600
Srebrenica, RMAP	UNDP	Public Sector Devt	2002-2008	14 128 000
Water sector support	Norplan	Infrastructure	1998-2007	105 050 800
Sarajevo electrification	EBRD	Infrastructure	1997-1999	45 000 000
BIH Parliament	BIH MOFT	Infrastructure	2003-2008	16 170 200
Nansen Dialog Ctrs *	Nansen/ PRIO	HR, Democracy	2001-2008	45 000 000
Social inclusion, gender, children	UNICEF	Social Sector	2002-2008	28 250 000
Legal sector reform	Direct	Legal-Security	2000-2008	38 376 000
Children's rights	Redd Barna	Social Sector	2003-2006	5 636 100
Sarajevo Notebooks	Local NGO	Embassy projects	2002-2008	1 050 000
				1 253 309 300

*: This does not include regional funding for the NDCs in BiH.

2.5 Norwegian Aid Management

Throughout the period, the management responsibility for the BiH – as for the other Western Balkan countries – remained with the MFA in Oslo. The embassy was always involved and consulted, and could provide inputs and proposals regarding the program, but final decisions were taken in Oslo. The one exception was the Small Projects fund that the embassy managed directly.

The set-up in the MFA had always been minimal in terms of staffing, and during most of the period there was only one desk officer in the MFA to handle the Bosnia

program, in addition to the head of section. The embassy was similarly set up, with an ambassador and a first secretary who in addition to keeping an eye on the aid program was involved in the political reporting. When Norad became involved, one additional staffer was stationed in the Sarajevo embassy, though this position was transferred to the Kosovo Embassy when this opened in 2008. Over the last several years, an MFA intern in the embassy has done a lot of the administration of the Small Projects fund – reviewing applications, reports, carrying out some field visits – though decision making responsibility still lies with the first secretary.

With the involvement of Norad, Norad's development programming principles and practices were applied to those components it was responsible for. This led to a number of disagreements between the parties. MFA staff felt Norad was bureaucratic and slow, handing over large chunks of money to UNDP for projects they did not feel were cost-effective or politically very savvy, and that the MFA was not kept fully in the picture on decisions and progress. One reason the MFA spent ten months approving the draft Norad strategy for Bosnia was disagreements on principles like recipient responsibility, where MFA staff felt Norad was being naive about the actual implementation problems on the ground. Norad, on the other hand, felt the MFA did not understand basic project management, did not follow procurement and administrative procedures, and that projects were approved without carefully looking at longer-term sustainability and impact concerns.

From the embassy's point of view, the links to Oslo were good but it was very clear that they were the junior partner in the decision making process. Proposals they felt would be helpful from a political point of view – getting resources to municipalities administered by open-minded mayors that could serve as examples in a situation of increasing ethnic polarisation – were not taken up by Oslo quickly enough, so it felt opportunities were lost.

Several issues have come up. One is staffing levels. While the MFA had one desk officer in Oslo and one in Sarajevo for a NOK 100 mill program, Sweden's Sida had four staff in Stockholm and six in the embassy, for a program that was about twice as large.

Another was programming. Sweden began developing a country program with BiH back in 1995 while Norway still does not have a clear country strategy, only annual allocation notes. Some MFA staff are quite dismissive of "the Swedish model", though, as it is seen as slow, costly, does not deliver visible results and is not responsive to political signals[11].

A third dimension is the centralization of decision making, where Sweden delegated quickly a lot of authority to the field while Norway maintained control in Oslo.

Linked to this is the debate over political versus project management considerations when approving proposals and monitoring performance. While the tight MFA politi-

11 One case Norwegians like to note is when Mr. Carl Bildt, the former Swedish Prime Minister became the first High Representative to BiH (December 1995-June 1997) and urgently needed communications equipment, Sida had evidently programmed all available resources and was not able to find free funds quickly. A request went to Oslo and a positive response was given and funding made available right away.

cal control has enabled quick decision making, the question that has been raised is if that has been at the expense of more solid results and whether the overall portfolio is truly supportive of Norway's longer-term objectives in BiH – issues that will be looked at below.

2.6 Aid Coordination and Norway's Role

The massive influx of resources to Bosnia as of the humanitarian crisis that began in 1992 quickly raised concerns about funds abuse, corruption and poor planning. A lot of the early funding was channelled through international NGOs, creating major challenges to national and international actors as far as a comprehensive and coherent picture of activities and funding was concerned.

A first database was put together by a local consulting firm under a UNDP project, to which Norway contributed financially. While it was a massive undertaking and represented the only overview available of the funding to BiH, it also had some serious weaknesses that made it difficult to use as a planning tool[12].

The larger issue, however, was that BiH's public finance management (PFM) system itself was very poor, so no matter how good the aid database, neither donors nor authorities were in a position to use better data[13]. The UNDP project that was to assist in strategic planning and aid coordination was suggested restructured, to ensure better linkages with the budget process and overall PFM. This restructuring finally took place in 2009, where among other steps the aid coordination unit which had been in the BiH Ministry of Foreign Trade and External Relations was transferred to the BiH Ministry of Finance and Treasury (MOFT).

In the meantime, UNDP had taken on the secretariat role on the annual donor aid mapping, producing increasingly comprehensive and accurate reports. Finally, this task was handed over for the first time to the MOFT with the production of the "Donor Mapping Report 2008-09", an effort still partly funded by Norway through the UNDP (MOFT 2009).

Norway has supposedly been one of the more transparent donors in terms of reporting its funding to the national authorities and the UNDP (MOFT interview). At one point, the UNDP project was also trying to obtain planning data, however, including for BiH's Medium-term Development Strategy (functioning essentially as the country's Poverty Reduction Strategy). Since Norway never had a formal bilateral agreement with BiH nor has its own pluri-annual funding strategy, it has not been able to comply with this (though it should be admitted that in the BiH context this effort – as unfortunately similar efforts in most other countries – has not yielded very useful results).

12 The first database covered the period 1996-2004 with 7,400 projects listed with total budgets of around USD 7.6 billion. By 2004, the database was searchable both in English and the local language on-line, and could be sorted on a number of dimensions. While this was an impressive achievement, it was acknowledged that much of the budget data was weak, and USD 1.5-2 billion in projects was supposedly missing (Scanteam 2004).

13 It was disturbing to discover that nearly ten years after Dayton, the donor community was so fragmented and with so focused on the political dimension that basic aid coordination knowledge was absent. A report that employed common knowledge in the African aid context was seen as revelatory in BiH (Scanteam 2004).

Norway has always been very well informed about what has been happening on the ground and coordinated its own efforts with the international and local actors. From an overall BiH perspective Norwegian-funded activities have thus made sense (see the various discussions on Relevance later on).

3 Humanitarian Assistance

The Norwegian humanitarian assistance consisted largely of three kinds of interventions:

(i) Emergency relief during the hostilities, largely food, health care supplies and services, and transport/logistics to get the supplies to the beneficiary populations;
(ii) Support to the internally displaced persons (IDPs), mostly temporary shelter, protection and necessary survival items including food, water supply, etc;
(iii) Humanitarian demining.

The actual interventions (projects/programs) looked at by the team were:

- The emergency relief operations by the NRC, the NPA, and the NRX;
- The support to NPA demining 1996-2008.

The emergency relief operations looked at thus are not a unique intervention but rather an agglomeration of a set of activities. This was done because what little written assessment exists largely addresses the Norwegian emergency relief operations independently of operator. This is also considered a realistic approach since during the first emergency period the MFA was strongly encouraging these large Norwegian humanitarian organizations to work closely together. This was both to coordinate and complement each other based on particular skills and experiences, but also to ensure a more visible presence that would give more "voice" to Norwegian actors and their views.

3.1 Emergency Aid

Under the general coordination of the UNHCR, Norway was asked to get food aid to beneficiary groups in specific areas such as Tuzla, Zenica, and Banja Luka. The MFA then asked the Norwegian People's Aid (NPA), the Norwegian Refugee Council (NRC) and the Norwegian Red Cross (NRX) to come in as direct implementers of this assistance[14].

In addition to the food aid, the NRX assisted in the health sector, in particular with basic medicines, surgical equipment and supplies to local hospitals, and established a nation-wide program for replacing ambulances, a program that continued through the local Red Cross associations till 2006. The NPA provided psycho-social support as part of its programs, where the evaluation noted the positive results achieved, the importance of this form of support to displaced persons, but also a

14 There was an attempt in the early period to have the NGOs work under a common umbrella, "NorAid", that was to be the "brand" for Norway's humanitarian assistance. This was in part because Bosnia was a much larger operation than the Norwegian NGOs had been engaged in before, and the MFA wanted the operators both to coordinate well but also to learn from each other (till then, the NRC had largely been an advocacy group and the partner for the UNHCR in Norway, for example, and the NRX in principle was to work through local Red Cross associations rather than implement directly themselves). The intention was to present a more coherent and credible effort under one banner – an idea which did not last, as the NGOs began working in geographically different areas, on somewhat different tasks, and preferred to work under their own logo and identity.

need to ensure stronger ownership and direct involvement of the beneficiaries, to avoid "clientilisation" and passivity (COWI/DiS 1999).

The MFA and NGOs were concerned that the humanitarian aid reach all needy groups and that Norway was seen as equitable as far as support to the civilian population was concerned. The NRC therefore, as one of the few international NGOs, established its head office in Banja Luka whereas most other agencies were based in Sarajevo.

The emergency aid from the MFA totalled over ***NOK 507 million,*** nearly 85% of which was disbursed during the three years 1993-1995.

3.2 Support to IDPs

The intensive fighting and ethnic cleansing that took place forced massive population movements during the war, requiring large-scale temporary shelters to be established. Norway provided pre-fabricated houses built in Norway as one answer to this dilemma. NPA was given the overall coordination role, the NRC was to ensure the logistics of getting the houses transported from Norway to the Adriatic coast and then on trucks to the places of destination, while the NRX was to provide health services. Compounds for IDPs were to be set up in Zenica and Tuzla. The Zenica project started up towards the end of 1992, and in addition to the houses that were sent from Norway, basic infrastructure like water, health and education facilities were put in place. The idea was that while the housing might be temporary for the people who needed immediate shelter, once they moved back to their places of origin this housing – being well-built – could serve as more permanent housing for others who wanted to settle locally.

90% of the ***NOK 127 million*** for support to IDPs was disbursed during the same three-year period 1993-95 as for the emergency aid.

3.3 Humanitarian Demining

The war left BiH as one of the most mine-contaminated in the world. First estimates were of 750,000 to one million mines in the ground at the end of hostilities[15], and with more than twice as many mine victims *per capita* compared with Afghanistan, another heavily mined country (NPA 2007b, p. 8). BiH signed the international Mine Ban Treaty in 1997 and its own demining law in 2002. That is also when the BiH Mine Action Centre (BHMAC) was established, which has since then been the national body in charge of mine action.

Demining is normally considered a humanitarian intervention, and thus is included under this heading here. But in terms of the time line it is very different from the two other categories. The ***NOK 275 million*** only began flowing in 1996 and has followed a more even disbursement profile over the 13 years the program has lasted so far. Specifying the humanitarian assistance phase in terms of dates in this case is thus somewhat misleading.

15 Former Yugoslavia had been a major producer of mines, with some of the biggest mine factories located in BiH. It was estimated that BiH had a stockpile of 3-6 million mines at the outbreak of hostilities.

Almost all the funding has been for the NPA's mine action program. The remainder has either been for UN mine action, or small-scale funding for the prevention of mine injuries through the Norwegian Institute of Public Health. The NPA program has, however, been fairly extensive, including support to BHMAC (see Box D.1).

3.4 Relevance

At the overarching level, the ***emergency relief operations*** were clearly the most relevant interventions the international community could fund at that time: half of BiH's population was being displaced; basic security and social services were destroyed or weakened and thus not available to large parts of the population; markets were disrupted, distorted or disappeared altogether so people were not able to find work or buy food and other basic commodities. In this situation, there was no doubt that a massive emergency operation was required.

Norway put together a fairly integrated response by providing transport, food and other survival items, basic health supplies, and the logistics administration to ensure that the supplies reached the beneficiary groups Norway had been asked to cover.

The MFA contracted the largest Norwegian NGOs that also had the longest experience of working in emergency and conflict situations. This ensured the MFA that the operations would be based on the best knowledge that Norwegian actors had at that time, both in terms of assessing the needs on the ground, and how best to respond to them.

Regarding the survival items – food, blankets, water etc – these were standard aid packages similar to those provided by other aid donors. As far as health sector support was concerned, the health care needs were derived from on-site visits, including surgical equipment and supplies to the large regional hospitals in Zenica (1,200 beds) and Tuzla (1,400 beds), each one serving an estimated population of 550,000, and where NRX was providing almost half the medical supply needs. In Tuzla, the support was done in conjunction with the military hospital run by the Norwegian contingent to UNPROFOR/ SFOR, so in addition to physical supplies there was also collaboration between the Norwegian medical staff and the Tuzla doctors. This also ensured that Norwegian supplies, according to local doctors, were tailored to their needs, making them more relevant than supplies received from other sources (Tuzla interview, Dec 2009). This is in line with the 1995-review of Norwegian medical and transport services, which noted that Norway worked closely with local doctors and thus ensured an efficient, effective and relevant response to the health care needs: "*without NRX's contributions it is doubtful if the two large hospitals in Tuzla and Zenica could have maintained their surgery activities at an acceptable level*" (our translation) (Norconsult 1995, p. 2).

What this evaluation was not in a position to assess is if Norway was asked to address the most relevant areas and beneficiary groups. However, Norway was only one part of a much larger international effort where overall coordination and priority setting was first managed by UNHCR and as of February 1997 by the ***Reconstruction and Return Task Force*** (RRTF) jointly chaired by the UNHCR and OHR.

Norway thus responded to those priorities that the parties agreed to, given the needs and information at hand at that time.

The ***IDP shelter and support program*** was clearly a relevant supplement to the humanitarian aid program, since the one million IDPs were also a main beneficiary group for the humanitarian assistance. The actual number of shelters that were set up is unclear, but several of the compounds constructed – for example close to Tuzla – are still in use today, attesting to the quality of the work done and the validity of the thinking in terms of providing temporary housing of a quality that would allow for longer-term occupancy.

The NPA's ***demining program*** was clearly relevant to the serious mine problem the country faced, and while demining has been on-going for nearly 15 years, BiH is still considered one of the most mine-affected countries in the world: 3.3% of the territory is estimated to be mine contaminated, with an estimated 220,000 mines distributed across perhaps 40,000 mine fields but of which only 19,000 are registered, though estimated to affect the lives of about 920,000 persons (ICBL 2009, pp. 207-208). National authorities have continuously increased their own allocations to mine clearance, reaching 40% of all funding in 2007 (NPA 2007b, p. 12), reflecting the importance attached to mine clearance (though the 2010 budget for the first time has evidently not included funding for demining).

Box D.1: Building Mine Action Capacity

While a number of international actors came to help clear minefields right after the conflict, today most of the work is done by national deminers, many in the armed forces but also civilian NGOs and commercial teams, largely trained by the UN and international NGOs like the NPA.

The NPA began its program in 1996 as an operator clearing mines, but has subsequently developed upstream and downstream activities: supporting most-affected communities designing and implementing comprehensive community-based mine action plans including technical surveys of suspected mine areas, mine clearance, mine risk education, and permanent marking of affected communities. It was an early innovator in the use of mine clearing machines and the use of dogs for mine identification, trained dog handlers, set up a mine dog training centre in Sarajevo, and "expanded" into the field of cluster bomb surveys, assisting the Serb authorities carry out a cluster bomb survey in 2007.

NPA has worked with BHMAC to develop its general mine survey skills, the capacity to identify suspected mine areas, carry out technical surveys, and contract and quality assure the demining work that is being done by national and foreign actors. BHMAC now sets standards and enforces these through certification and survey processes. In some areas BHMAC has developed standards that are now being incorporated by the EU into its standards.

Today BiH actors have capacities that are being used around the globe. When Georgia needed quick mine clearance assistance after the conflict with Russia in 2008, this task was done including using 12 mine clearance staff from BiH. BiH mine staff have also assisted in Lebanon, Ethiopia, Jordan, Angola, Sri Lanka, Serbia and Sudan, and the mine dog training centre today provides trained mine dogs and handlers for demining activities around the world.

In a recent evaluation of NPA's demining activities, NPA received praise for its capacity development work, where key factors were seen to be (i) long-term presence in the mine-affected countries, (ii) the broad-based involvement which enabled NPA to learn lessons across a wide range of fields, (iii) long-term collaboration with the MFA that provided a stability and predictable funding source (COWI 2009). While in 2009 these factors can be considered rather obvious, 10-15 years ago neither the MFA nor NPA had clear strategies where these factors were put forward. The early years were quite problematic, with a number of set-backs, including due to the short-term (annual) MFA allocations and thus problems with building more long-term and stable relations with local actors.

But the early program was haunted by poor personnel policies; conflicts between field operations (Tuzla), national (Sarajevo) and HQ (Oslo) relations; introduction of mine clearance machines that was poorly planned, very expensive, and constantly under-performing (Norconsult 1997). Only the perseverance and sometimes obstinacy of NPA mine section management succeeded in overcoming obstacles and continuing the progress.

The relevance of the NPA program has been improved through the diversification of the range of mine action activities it has supported and the increasing focus on local capacity development, based primarily on the close partnership with the BHMAC. Interviews confirmed NPA as a partner that has systematically respected national priorities.

3.5 Effectiveness

The emergency operations were seen as quite effective in the sense that they got the aid to the intended beneficiary groups[16]. The component that has been mentioned most, however, was the logistics and its administration. While NPA started out by organizing the trucking of the pre-fabricated housing for IDPs, NRC was soon given overall responsibility for putting together the trucking operations, and ended up providing what was considered an excellent transport service to some of the most difficult areas. There was considerable learning involved: the first 15 trucks were fairly small and on loan from Norway's Civil Defence authority and could not take the pay-loads required, and the attempt at using low-cost used vehicles was a failure (Norconsult 1995). However, over time issues were sorted out and the Norwegian-funded programs ended up being praised for delivering (see Box D.2).

A similar pattern could be seen regarding demining: the early work faced a number of challenges that led to quite critical reviews of performance (see Box D.1), but over time these were addressed and the larger objectives were achieved. Using pre-fabricated Norwegian wooden houses as temporary shelters could easily have become an issue: the experience with shipping "blueprint" solutions to other parts of the world is generally negative. But wood is a common building material in large parts of Bosnia; the climate with its cold winters meant that the winter-insulated houses were appropriate; and the fact that they were quickly available and could be

16 There are a number of stories about the "losses" incurred during the transportation of the emergency supplies: trucks would have to stop at armed check points and leave behind a share of the supplies – the figures talked about were typically 15-30%, depending on how many stops and which routes the trucks were taking. That is, in Bosnia as elsewhere, the first to get emergency supplies were the combatants, not the intended civilians. Supplies that arrived safely in Sarajevo faced the same fate. In addition an unknown share was taken and sold in the very active black market. Much of this was handled by individuals with good political connections, so it is not clear how much of this was individual corruption and how much was filling up campaign coffers for the political fight everybody knew would come sooner or later – presumably a mix of both. The evaluation team has not been able to find reliable or documented studies on this problem, and hence Scanteam had made it clear in the tender that the team was not going to try to assess *efficiency* of emergency aid. It was clear this would be difficult if not impossible if this was taken to mean unit costs of emergency supplies actually delivered to intended beneficiaries.

set up on a very short time meant that shelter was provided as winter set in. The first operation in Zenica was thought out, designed and implemented in the course of only a few months – an impressive achievement. The concluding report on the operation notes that "*the process was characterized by quick decisions – exploitation of all opportunities, and perhaps not always formally cleared. But winter was at hand, and if one did not get going right away, a large number of IDPs might have frozen to death...Norway is the only country that has succeeded with its building program in Bosnia...Short decision making processes are critical when operating in active war zones. – It has been very encouraging to see the respect and good-will that the Norwegian trucks have met everywhere, getting through road blocks where others were not allowed to pass*" (Vaardal-Lunde 1993, our translation). After this first phase of using pre-fabricated houses, Norway – like other donors – began relying a lot more on local construction, using local materials and entrepreneurs, at least as sub-contractors.

Box D.2: NRC Logistics Operations

The review of the Norwegian emergency program noted that the Norwegian convoys were central to the relief operations, both by having highly qualified drivers who were able to handle the difficult driving conditions – narrow and poorly maintained winter roads – and which were well organized. They were therefore able to maintain a high degree of regularity/predictability despite the Norwegian convoys being given the longest and most difficult routes. The UNHCR operational manager stated that the Norwegian drivers were without a doubt the best ones in the program (Norconsult 1995, p. 3),

The High Commissioner for Refugees, Ms. Sadako Ogata, in a letter to the NRC dated 13 May 1996 said among other things: "*I would like to express my thanks for the tremendous support, cooperation and hard work your convoy teams have provided to UNHCR over the past three and a half years. The relief aid delivery programme in the region was the largest ever mounted, and NRC's rapid response in terms of mobilizing trucking teams, drivers and associated resources enabled us to meet our requirements swiftly and effectively.*

Your convoy fleet operated in all parts of the region, sometimes during the most difficult phases of the conflict, and your drivers and team leaders displayed outstanding courage and resolve. Indeed, without this commitment and sadly loss of life, vital food aid would not have reached those in need."

The efficiency of some early NGO interventions may therefore have been questionable. This was partly due to challenges of working in a conflict environment where security at times was unclear, information could be contradictory, the real intentions of a number of the actors could be questioned, and the normal rent-seeking activities occasioned by chaos, lack of legitimate authority and vast amounts of quick-disbursing emergency aid made it difficult for foreign actors who neither spoke the language nor were very familiar with the local stakeholders to steer a clear course. It was also a function of some of the organizations themselves operated under such complex operations for the first time. What appears true, however, is that there was a high degree of commitment that allowed organizations to learn and adjust, and in the end deliver – often with lags, sometimes not fully achieving the targets set. The lags were often a function of late arrival of funding, however, as the MFA had to process each and every request back in Oslo. Funds often ended

up being deposited into NGO accounts towards the end of the first quarter rather than being available at the beginning of the year. A lack of realism also meant NGOs promised more than they could deliver, and they were especially taken by surprise regarding the severity of the winter conditions in parts of the country and the delays this caused (NGO rep interviews).

Table D.5: Humanitarian Assistance, Assessment of Results

Activity	Relevance	Effectiveness
Humanitarian aid: NPA, NRC, NRX	Massive, nation-wide crisis ⇨ food aid, health, IDP support, logistics: ***Highly relevant***:	Food aid, survival items to hard-to-reach areas ⇨ ***Effective*** Medical supplies well tailored to local needs ⇨ ***Highly effective*** IDP shelter, support ⇨ ***Effective*** Logistics for aid ⇨ ***Highly effective***
Humanitarian demining: NPA	Among most mine-affected countries, preventing safe return, economic activities ⇨ ***Relevant***	Over time areas demined; local staff hired and trained; new techniques developed, applied; partnering with BHMAC in place; most-affected communities supported ⇨ ***Effective***

4 Reconstruction and Development Support

The support to reconstruction and development consisted for the most part of three kinds of interventions:

(i) Reconstruction of housing;
(ii) Rehabilitation of public infrastructure, basically power and water supplies;
(iii) Support to private sector development.

The actual interventions that the team has looked at were:

- Housing reconstruction by NPA and NRC;
- Demobilisation of ex-soldiers by International Organisation for Migration (IOM);
- Support to agricultural cooperatives by Jæren Produktutvikling (JPU);
- Entrepreneurship training by Business Innovation Programs (BIP);
- Industrial incubators in Tuzla and Banja Luka with SINTEF and SIVA;
- Rehabilitation of power systems in Sarajevo (EBRD) and Srebrenica (UNDP and International Management Group, IMG);
- Rehabilitation of water supplies with Norplan.

Funding for the rehabilitation of Parliament was also looked at since this was the first time Norway provided funding directly through the budget. The assessment showed that the tracking of resources and the actual rehab works were monitored both by the State auditor-general's office and the IMG, so this project is not referred to further in the text below.

4.1 Housing Reconstruction

With over a third of all houses totally or partially destroyed, the rebuilding challenge was enormous. The early efforts focused on rebuilding homes in the most affected areas. What became clear, however, was that this often assisted the "ethnic cleans-

ing" of nationalist parties: persons who wanted homes rebuilt typically came from the majority group in that area while their former neighbours from other ethnic groups had been pushed out.

The issue was addressed in Annex 7 of the DPA, where Article 1 begins "*All refugees and displaced persons have the right freely to return to their homes of origin. They shall have the right to have restored to them property of which they were deprived in the course of hostilities since 1991 and to be compensated for any property that cannot be restored to them. The early return of refugees and displaced persons is an important objective of the settlement of the conflict in Bosnia and Herzegovina*" (www.ohr.int/dpa/default.asp?content_id=375). As of 1997, "minority return" thus became a major concern – supporting people return to their areas of origin that was politically controlled by a different ethnic group. This was both because in principle people should be allowed to choose where they wanted to settle and reclaim their property, but also because the Western powers did not want the politics of "ethnic cleansing" *de facto* to succeed. The Return and Reconstruction Task Force (RRTF) was thus set up in 1997 largely for this purpose, and the Open Cities Policy made funds available to municipalities that were open to minority return. One report thus noted that "*1996 was a year of return to majority areas, 1997 of refugee repatriation from asylum country and 1998 of return of minorities"* (Solberg 2002, p. 28). Minority return turned out to be a difficult exercise, however, and while Norway funded housing reconstruction through 2001, other donors like Sweden continued through 2007. The peak year of minority return was in fact 2002 when UNHCR registered over 102,000 returnees, and a total of 455,000 by February 2006 (Kirkengen 2006, p. 8). This figure is too high, however, since many of those who returned only reclaimed property that was then sold, kept as a second home or traded with others.

The NRC and the NPA received funding of about NOK 125 million each[17], the NPA program covering 1995-1999 while the NRC began already in 1993 and ended in 2001.

The NRC program was centred on the Tuzla area, though it also had activities in the RS where its head office was. The NRC claimed to have refurbished a total of 14,000 homes serving about 65,000 persons, though half this figure refers to a quick re-glazing of 7,000 homes in 1997 (necessary winterization of homes but leads to some very high and not comparable figures with other programs) (Solberg 2002, p. 34). NRC worked closely with local authorities and followed UNHCR direction and standards throughout, but used sub-contractors for about 60% of the reconstruction while about 20% were based on a self-help/cash approach, in stark contrast to the Swedish program which was almost all self-help based (see Box D.3). The reliance on local authorities became another issue as the program followed a "blanket" approach without clear selection criteria, meaning many got their homes repaired but not necessarily those with the greatest need: "*no systematic evaluation study of NRC activities were undertaken...The problems associated with lack of any systematic criteria for target of assistance, monitoring and follow-up*

17 The NRC received funding also from other sources for its housing program, but 75% came from the MFA.

stand out as one of the possible most negative lessons learned from this period" (op.cit., p. 50). NRC had never been engaged in housing before, however, and this was also revealed in the lack of what the report terms a proper 'building management regime'. It goes on to note that while funding from ECHO for housing in the RS led to improved financial management, this lesson was not transferred to other projects funded by the MFA (op.cit., pp. 55, 52).

The lessons from alternative reconstruction approaches were mixed. While the NRC had found that the cash or self-help approach was positive in terms of empowering the beneficiaries, other actors believed this led to mismanagement and empty houses: people took the resources and applied them elsewhere. This stands in contrast with the later evaluation of the Sida program, which was almost fully self-help based (Box D.3).

In 1998, NRC began its first minority return program, and quickly discovered that the main issues were not engineering and housing designs but the political and social issues surrounding the return. Programs came to include rehabilitation of local schools and health facilities, and small-scale local infrastructure such as water, roads and power connections, in order to provide possibilities for successful return. Here the MFA's policy of annual allocations became a problem since infrastructure rebuilding typically required medium-term commitments. Yet in some years approvals were only received in May-June, and winter conditions meant that construction had to stop by yearend, so NGOs risked only being able to work six months of the year. While they learned to "smoothen the cycle" with some own funds to get activities going while formal approval was pending, it created uncertainties and "stop and go" programs, one year even having to totally change geographic location because the MFA wanted to move activities to a new area.

The other change was the introduction of the Information and Counselling on Repatriation (INCOR) component as of 1999. This in part came about due to poor results from the first minority return projects, leading "*for the first time it can be observed in project documents that MFA took an active interest in questioning the strategy and methods of NRC*". The warning flag was the low occupancy rate of reconstructed housing, where the MFA would only release future funds if the NRC was able to get the occupancy rate up to 70% (op.cit., p. 74).

INCOR evolved over the next couple of years into a key instrument for the NRC, leading the subsequent projects to deliver what was considered much better results. Despite this, the 2002 assessment of the NRC program points to how little intended beneficiaries were involved in the reconstruction, that housing project staff still insisted that "*we cannot allow the 'software' to hamper the process*" [meaning time consuming INCOR consultations] and that there still was not an integrated strategy that allowed NRC to improve the likelihood of success, where in particular a lack of attention to livelihoods was noted (op.cit., p. 95).

Box D.3: Sweden's Integrated Area Programmes

Sweden provided about SEK 2 billion to Bosnia during the period 1996-2005, of which around 60% went to Integrated Area Programmes, IAPs. These funded the return of over 50,000 persons through the rehabilitation of nearly 15,000 houses. Almost all the houses were built through a self-help approach, coupled with rehabilitation of local health, education, power and water infrastructure. Food security components such as seed, fertilizers, hand tools and livestock were provided in rural areas, and over time more general livelihoods programmes were added, including micro-credit facilities.

A comprehensive evaluation was done based on in-depth local studies of the physical and socio-political results, complemented by a broad survey of 2,000 families (Čukur et al, 2005). Concerning the ***effectiveness***, the IAPs have been successful primarily due to the self-help approach combined with the transfer of decision making to the villages, in particular their role in selecting beneficiaries. This involved the returnees as actors rather than as passive recipients, building trust and good relations. This was also highly cost-effective: own work and funding support from family members abroad made Sida resources go much farther. The flexibility afforded by Sida, letting NGOs and local actors adjust the program to local circumstances and new knowledge, further improved IAP quality.

Relevance is also seen as good as the IAPs addressed the beneficiaries' desire to return. However, the study finds that this did not lead to any further inter-ethnic reconciliation – people live beside each other but do not interact, and this was true both in rural and urban settings. IAPs did hence not contribute much to reintegration and reconciliation: "*this evaluation...defies the popular assumption that living closely together leads to interaction and subsequent integration...but it should be noted that the return of the refugees has enabled possibilities for future interaction and perhaps even reconciliation, at local level. It can be regarded as a first crucial step in a long and challenging journey*" (op.cit., p. xi). The final conclusion is thus somewhat despondent: "*the IAP has assisted 50,000 people to regain their homes and property, and the implementation strategy has contributed to building social and human capital in their communities. However, there are still major challenges to overcome if the returnees, and in particular the children, shall stay and prosper in these homes. Lack of work and job opportunities, lack of trust in other people, in politicians and the international community, has lead to a sense of hopeless and thus a lack of meaningful action and fruitful initiative*" (op.cit., p. xii).

In the end, the joint donor Housing Verification and Monitoring Mission (HVM) found that 85% of the 2 854 Norwegian-funded housing units it had inspected were occupied, though this is only a fraction of the nearly 18,000 housing units that Norway supposedly funded (Kirkengen 2006, pp. 18, 29). Most of those interviewed agreed that "a roof over one's head" was first priority, so the reconstruction programs were seen as critical. But the programs faced major hurdles. One thing was problems with opportunism and rent-seeking behaviour among public officials deciding on housing beneficiaries, contractors who turned out to be incompetent or not committed to the task, various strategies pursued by groups to extract further benefits (was it really true that they would only return if power were in place?), and so on. Another was the time and budget constraints the NGOs faced that pushed them towards rapid implementation and assisting the largest number of people possible based on emergency procedures rather than longer-term development programming principles for an investment that after all is expected to have a 50-year lifetime or more. The minority return programs added further complications that the NGOs and donor community only began understanding after a series of poor early results.

Box D.4: "Tents in Concrete"

One of the most careful studies of donor-funded housing is the doctoral thesis "Tents in Concrete" (Skotte 2004). One criticism is that donor-funded rehabilitation in post-conflict settings is typically driven by an emergency thinking, but also by a lack of understanding of the nature of the conflict and thus why housing was so intensely targeted for destruction. There is also little appreciation of the complex roles housing plays in society, and thus a lack of critical assessments of reconstruction decisions.

The break-up of Yugoslavia became a conflict based on "identify politics", where ethnicity and territory overlapped and thus the expulsion of "the other" was a strategy. Housing was not wantonly destroyed but carefully targeted: eliminating housing of "the other" was key to successful ethnic cleansing. The proximity of the communities to each other in BiH meant the conflict was particularly nasty there.

This was acknowledged with the attention to "minority return" – to not accept these "facts on the ground". But the rush to move minorities back was often not based on careful dialogue with the intended beneficiaries – neither regarding the actual scale and location of the build-back, nor the process of actually reconstructing. Assessments of different models for rebuilding have confirmed the value of ensuring that beneficiaries become central agents of reconstruction (see Box D.3). It is also clear that housing must be seen in the wider context of the reconstitution of society's total capital: ***human capital*** (skills, knowledge – using reconstruction to strengthen this capacity); ***environmental (natural) capital*** (using rebuilding to protect, develop, utilize local nature); ***fixed (physical) capital*** (housing but also the linked-in infrastructure, buildings and other means of production required to support livelihoods); and ***social capital*** (relations and norms that shape social interaction). Housing in the social capital context is the key, as the home is the centre of the household's decision making and well-being. Once the home is destroyed, so are many critical options regarding other life choices. Rebuilding the home is thus not just about bricks but also about re-constituting or building social relations, since these are the critical dimensions of *living*. This was a reason many chose *not* to move back to their place of origin because they saw no chance of building the kinds of social fabric they want around them. Some of the "minority return" rebuilding thus also could become an antagonistic signalling to "the other", a show of defiance rather than a step towards reconciliation.

One conclusion is thus for separating *temporary shelter* from *reconstructing housing:* they are two different undertakings that require wholly separate conceptual platforms, implementation models and timelines. As physical capital, private housing can contribute little to reconciliation – this is better done through public infrastructure (see Box D.5) – but to the extent that it can it needs to be done as part of larger societal recovery, in a carefully planned manner. Issues of perceived fairness, local voice and decision making are critical, and economic multiplier effects through local procurement should be maximized and community-wide approaches applied.

The complexities of the housing rebuilding program can also be seen in the pilot project run by NPA in Sarajevo. About 50% of the housing in the cities was public rented housing. In Sarajevo there were about 70,000 of these apartments, many of which had been damaged during the war and needed rehabilitation, but where at the same time the authorities were trying to privatize ownership. While there was less of the political problems connected with minority return, there were major organizational challenges. One thing was to make the new owners realize the real costs of maintaining the apartments. A greater headache was to create self-managed organizations covering all the apartments in one entrance, the building, the larger areas where several buildings shared common/communal ground, to

ensure the organization of the shared maintenance responsibilities. This was to be done in a situation where few had been home-owners before, and where in many entrances there would both be those who bought their apartments and those who continued to rent.

NPA had hired an architect from the Norwegian Federation of Housing Associations (NBBL) as project manager, and the project review was highly laudatory about what had been achieved with fairly limited resources (Nordahl and Omerspahić 2000). While the project ran for three years (1997-2000) and seems to have cost nearly NOK 20 million, there does not seem to have been a follow-up to what was termed a highly positive pilot project.

4.2 Public Infrastructure

Norway supported the rehabilitation of the access to power through a number of projects and channels. One of the first was to help Sarajevo rebuild its distribution system, which was done by providing tied funding to the Rehabilitation of powersystems in Sarajevo (EBRD) power program in 1997 for procuring Norwegian-built transformers. While the transformers seem to have been of standard good quality, the price was considerably higher than on the open market – officials estimate a 20-30% price-premium. Norway was aware of the issue, but since the EU was not willing to let Norwegian companies compete on an equal footing with EU-based firms on EU-funded projects, tied aid was used during the first couple of years.

A different project was to help rebuild Srebrenica, and in particular ensure that returning Bosniaks be re-connected to the power grid. Funds were channelled through UNDP's Rehabilitation and Reconstruction Program. Nord-Trøndelag Energi (NTE), a Norwegian power company, was contracted to oversee the work of the local (Serb-owned) power utility but also to provide technical assistance for improved management and financial viability. This project is considered successful by the UNDP, the Serb company (which praised NTE for its professionalism, the organizational and financial management improvements they introduced), and the Mayor of Srebrenica. The project went into a second phase, where Norway channelled the funding through the International Management Group (IMG) rather than UNDP: since UNDP did not have the technical skills in-house to supervise it had hired IMG as its consultant, so two overheads were being paid. In the second phase, however, the complex financial transactions (NOK transferred to a US bank before ending up in an IMG account in Switzerland in SFR which then transferred payments back to Norway...) led to almost as great a loss to transaction costs. As part of the project, NTE had facilitated the Serb managers discussing with Bosniak community leaders regarding prioritizing those to be connected, which was seen as progress in the inter-ethnic relations at the time.

Norway's support to the water sector was more long-term, beginning with early emergency water well-digging to later water systems management concerns (see Box D.5)

4.3 Private Sector Development

The overall assistance to private sector development (PSD) has been broad in terms of areas supported as well as channels used: access to finance (micro-credit institutions, venture capital funds), a broad range of technical assistance, training, introduction of entrepreneurship in the education system, support to existing and newly established SMEs, incubators, joint-venture projects. Funding was directed through multilateral organizations (World Bank, The European Bank for Reconstruction and Development (EBRD), UNDP), Norwegian private and public companies and foundations.

Box D.5: Norwegian Support to the Water Sector

Norway became involved in the water sector already in 1993, with emergency water supply schemes carried out by NGOs as part of their support to IDPs and later part of their housing programs (NRC 1993-98 for a total of NOK 24.2 mill). Once the conflict had ended, Norway funded several physical rehabilitation schemes through the IMG (1995-97 – NOK 20 mill).

In 1998, Norway through Norad began engaging more directly with the authorities, and began what became a ten-year collaboration with RS and FBiH water ministries, municipalities and local water supply and sanitation companies (WSSCs), which are generally municipally owned. The objective at the start was "*to assist in the rehabilitation and improvement of the water and drainage sector ... and thereby also contributing to the ongoing peace process*" (Norplan 1999, p. 4). Norplan was contracted as the consulting engineer, overseeing the engineering works, providing technical assistance and managing the project funds, where typically objectives included organization building of WSSCs, promote private enterprise, introduce improved cost recovery, and help develop medium term strategy to address main problems of the sector.

The first tasks were physical rehabilitation focused on specific WSSCs, and already in 2002 the overall objective was modified to be "*restore water, sanitation and solid waste services ... to a level that will satisfy basic human needs, mitigate public health risks and support the return of economic activity*" (Norplan 2002, p. 4). That is, the rhetoric about the peace process was taken out and more relevant and directly operational objectives stated, with progress reports focusing on all the practical problems of implementation (Norplan 2000; 2002; 2003; 2004).

Towards the end of the period, the partners became more ambitious and addressed ownership and organizational structures for larger water systems that cross administrative boundaries. The Vrbas project in central Bosnia (2004-2007, NOK 30 million) involved 4 municipalities and the 4 WSSCs. The project was to help rehabilitate and upgrade infrastructure; improve the quality and regularity of the water supply coupled with information campaigns to increase the willingness to pay (a major problem with a public service that has strong public goods dimensions and in ex-Yugoslavia had been treated almost as a human right); and strengthen financial management and viability through tariff improvements, better billing and collection routines, and linked-in electronic management information systems for improved decision making. The larger challenge was to get a more rational water management system in place by river basin rather than administrative boundaries. This last point was to be achieved by introducing the Norwegian model of inter-communal water utility companies, where the four WSSCs became share-owners in a joint regional service company (RSC).

In its completion report, Norplan noted that the institutional strengthening component of the project had led to the restructuring of the four WSSCs, with the two larger ones reaching financial viability; the RSC had been established and was delivering good services to the four WSSCs; collection rates had improved from 60% in 2004 to 75% in 2006; the coordination committee that involved the four municipalities and the four WSSCs as the steering body for the RSC was in place and constituted a major break-through in terms of inter-communal collaboration; and there was much better understanding of the more complex issues of water management including water losses, pollution, water basin water management (Norplan 2007, pp. Ii-v). However, the final report on the use of funds two years later notes "*the lack of commitment from the owner companies (the 4 WSSC's) toward the RSC became more and more apparent*" (Norplan 2010, p. 3). That is, while the original objective of "*contributing to the peace process*" may have appeared unrealistic and put in there just to be "politically correct", the issue was a real one. By not addressing this issue seriously. Norway may have lost an opportunity to influence behaviour and attitudes in a critical service sector (though such a donor-driven approach might have created its own problems).

Some initiatives were cross-border such as the IFC facility South East Enterprise Development (SEED), which provided broad types of technical assistance to private sector and SMEs in BiH, Serbia, Macedonia, Albania and Kosovo. Norway also supported the The European Bank for Reconstruction and Development (EBRD) initiated Micro Enterprise Bank, while Norfund supported the venture capital fund Horizonte. Norfund together with Norad provided funds for Norwegian-BiH joint venture business in fish-farming, and Norwegian companies that were looking for business opportunities in BiH also could get financing for feasibility studies.

PSD assistance was largely driven by the findings of a report that was to identify areas of significant importance which were not sufficiently addressed by other donors, and use Norwegian competencies that would provide value-added in BiH (Norad 2002). The overall recommendation was to continue support to the ongoing projects in the PSD area and to extend support for the next 3-5 years. Main sectors identified for potential cooperation between BiH and Norwegian companies were wood processing, fish farming and agriculture processing. The report strongly supported improvement in cooperation between different actors in the PSD area, and support to existing SMEs and to-be-entrepreneurs through business centres and incubators and creation of linkages with universities, and that special attention should be given to female entrepreneurs. Another area for Norwegian assistance should be agricultural development and introduction of market-oriented and self-sustained production units.

Nevertheless, the PSD strategy did not change significantly Norway's private sector program in Bosnia: those projects that were in place before the document was produced have been continuously supported until today, though a couple of new activities have been added. Three of these activities were looked into by this team.

Box D.6: JPU Support to Agricultural Cooperatives

JPU is an inter-municipal foundation owned by five neighbouring municipalities in the Jæren region that supports agricultural development. The program in BiH has been to develop local cooperatives, strengthen commercialization including quality certification, and build management skills in the cooperatives. JPU builds on the Norwegian model of owner-operator farmers managing sales and purchases through jointly owned cooperative. This was partly in response to an agricultural sector in some areas still characterized by larger landowners dominating the agricultural markets and thus not permitting a more equitable participation and sharing of benefits.

JPU has helped establish one new cooperative a year with technical assistance to management and quality assurance, plus funding for infrastructure investments and rehabilitation, including rotating funds that are managed based on commercial principles and which over half the members have accessed. Over the years, ten cooperatives with over 3,000 members have been established, all of which are now financially sustainable. JPU has introduced and trained members in quality assurance that allows them to provide HACCP certification (EU valid) on their products. A training centre in Konjic provides agricultural skills upgrading. A joint commercialization company *Agroneretva* now handles sorting, packing and exporting of agricultural products, and they have been exporting 600-700 tons of early-harvest potatoes to Norway each year over the last five years, began exporting apples in 2009, and will now focus more on national and international marketing, though by working with existing cooperatives – not just the ones they have supported – and not fund new ones.

In Serbia, the Serb Ministry of Agriculture has requested JPU assistance to introduce this cooperative model across the country. In BiH, JPU has so far not been able to get formal recognition of this model. The one evaluation that has been done of the JPU is old, but noted the value of the credit scheme, since unlike a lot of donor funding it was not grants-based but had to be repaid, thus laying foundations for more commercial and sustainable credit operations (Ugland and Wallevik 2001).

The first was support for agricultural cooperatives through Jæren Product Development (*Jæren produktutvikling,* JPU), which has been going on since 1997. The second is entrepreneurship training in secondary schools by *Business Innovation Programs* (BIP) which started up in 2002*,* while the third is the support to industrial incubators in Tuzla and Banja Luka which began the year after, through the Industrial Development Corporation of Norway (SIVA) and SINTEF (the largest independent research organization in Scandinavia, with a heavy focus on technology).

The incubators in Tuzla and Banja Luka are both premised on the need for modernizing BiH's private sector, but are quite different in nature. The Tuzla BIT centre is to foster IT companies, in close collaboration with the Faculty of Electronics at the University of Tuzla and the fairly wide-spread local machine industry (Tuzla has a long industrial tradition which was an important factor in the selection of the city as home of the incubator). The project started up in 2004, and Norwegian funding was largely terminated in 2009.

SINTEF provided the technology support while SIVA helped put up the administrative model for running the centre. It has a policy of providing facilities for start-ups for a maximum of two years, after which time the embryonic firms have to begin fending

for themselves "in the real world". The first review of the centre was mildly optimistic, though acknowledging that it was too early to draw strong conclusions (Furre et al 2008).

Box D.7: BIP's Entrepreneurial Education

Business Innovation Programs, BIP, is a non-profit foundation that began entrepreneurship training for Bosnian refugees in Norway, to provide skills they could use for setting up own businesses when they returned. As the UNDP began releasing its *Early Warning* reports, where youth expressed very low confidence in the future and a wish to emigrate (EW reports as of 2002 are on-line at www.undp.ba), BIP believed that the introduction of a practical course in entrepreneurial development in a country that had only known planned economics might help youth realize that new options were now possible. Beginning in 2002, BIP thus introduced the youth entrepreneurial training used in Norway, modified to BiH circumstances, in interested secondary schools in the RS and FBiH. In addition BIP has provided entrepreneurship training for unemployed; a company growth project; and business export links.

The pedagogical approach is project and group based and self-learning focused, which has become popular with both teachers and students in a setting where traditional classroom lecturing is the norm. A key activity is the Student Enterprise, where students form groups to develop new services and products, where the best ones compete at annual regional fairs, and the winners participate in a summer camp with youth entrepreneurs from Norway, Kosovo, Montenegro and Serbia (where BIP also works). There is thus an intended inter-ethnic and reconciliation dimension in the program. A number of students and former participants in the program end up setting up their own firms.

BIP's activities in BiH, Croatia and Serbia were reviewed in 2005, concluding that the program is relevant to the local needs, that the cross-border activities and use of local trainers contribute to reconciliation, that the SE program builds new capacities, methodologies and contributes to student self-confidence and interest in business (Bradic 2006). Some of the positive results in for example Croatia can be attributed to particularly engaged individuals or the circumstances under which the program worked, however, so at that time the institutional anchoring was fragile. The fact that the program was working as an extra-curricular activity in BiH, and teachers were paid for these extra hours by the project was a further vulnerability. Because funding was annual BIP found it difficult to track longer-term results but with a three-year program as of 2008, a tracer survey is planned for end 2010, and a survey of BiH teachers was carried out early 2010. In Serbia, the largest independent TV/ radio network, B-92, is producing a seven-part series on BIP across the region.

The Soros Foundation became a key partner during the early years as they saw the program as an innovative contribution to modernizing the curriculum and pedagogy of the BiH educational systems. The EU has later on integrated the BIP program into their vocational education (EUVET) program. While the BIP approach has been approved for inclusion in the school curriculum in Serbia, in BiH BIP has come up against the challenges of trying to work with 13 ministries of education. In January 2010, the RS Ministry of Education and Posavina canton in FBiH signed MoUs to introduce the program into their school systems.

The support in Banja Luka has had a bumpier ride, in part because it is more ambitious. It is an innovation centre that includes a business development section, a training centre and offices for business start-ups. The training centre will include consultancy services in fields such as business plan development, financial planning and management, and marketing for entrepreneurs in general, not just those who

are able to find a physical space within the incubator. SIVA was originally involved, but the management of has now been handed over to Athene Prosjektledelse, which runs a number of such business parks in Norway. The formal opening of the park was set for end of the first quarter of 2010.

4.4 Demobilization of ex-soldiers

There were four waves of demobilization after the Dayton peace agreement: an immediate one after the fighting ended; the more structured downsizing and professionalisation of the armies 1997-1998; and then two externally funded rounds 2001-2007, one funded by two World Bank projects, the other managed by the International Organization for Migration (IOM). In the end 400,000-430,000 men under arms were reduced to a nationally integrated force of about 30,000. Norway was a major contributor to the IOM projects.

The general conclusion drawn by one major study of the process was that "*the overwhelming majority of the soldiers demobilized were not prepared … for their post-military life while still in service…the BiH authorities' negligence has led to a widespread sense of disempowerment and demoralization"* (Heinemann-Grüder et al 2003, p. 5). The report goes on to note that "*Demobilization and retraining are residual strategies that develop out of Security Sector Reform. The strategic policy sequence should cascade downwards to include economic development, national security…Military downsizing is unlikely to succeed unless it is …underpinned by wider socio-economic programs and strategies"* (op.cit.).

The IOM programs represented the tail-end of the process, where the one in 2002 was to assist 7,000 soldiers (60% of those demobilized in 2002) while the second one was managed as a NATO Trust Fund covering the last groups demobilized 2004-2007. The first direct IOM project was evaluated by a team from Columbia University in early 2004[18] (Alexander et al 2004). The team was to assess the program's impact on demobilized soldiers' smooth reintegration into civilian life including their economic independence and psychological well-being, the demobilized soldiers' overall satisfaction with the program and areas of implementation that can be improved; and the program's equity between soldiers in the Federation of BiH and RS. The main findings were:

- "*Smooth Reintegration: The Program helps demobilized soldiers with a smooth reintegration into civilian life... 1) it has a statistically significant impact on the income of those who have received the assistance; 2) it has a positive effect on the psychological well-being of demobilized soldiers who are currently in the process of receiving or have already received assistance from the Program; and 3) it helps their social reintegration and contributes to local development.*
- *Implementation: Soldiers are generally pleased with the implementation of the Program from the time they register to the time they procure the assistance. The Program has been carried out equitably between the two entities and three ethnic groups. Yet a main complaint voiced throughout was that long wait times between registration and procurement of assistance were not only frustrating*

18 The team found that of all the UN-related agencies looked at, IOM had by far the most comprehensive and transparent evaluation program. On the IOM web-site – www.iom.int – a long list of evaluations are given and can be requested (why they are not immediately down-loadable is not clear). It is also interesting to note the wide range of what appear to be quite reputable milieus that have been used for the evaluations.

but had significant implications for the effectiveness of the Program" (op.cit. p. 5).

Despite the project's positive impact, the study found that major obstacles remain as many of the ex-soldiers and their families still were below or close to the poverty line and were struggling to meet their families' basic needs. It turned out also that the IOM never got the funds that were expected, so the number of soldiers who in the end were assisted was about half the planned for, which created credibility problems for the program and questions about who was included and who was not. The program was part of a larger NATO assistance for defence reform, so Norway's contribution was simply part of a larger basket of funds. IOM in the field did not have direct dealings with Norway, and prepared its normal financial and performance reporting as per its standard guidelines – Norway never asked for any additional or particular information. But since this was a NATO project it was multi-year, which permitted longer-term planning and carrying out an evaluation. With Norway's annual funding this kind of quality assurance was not possible (interviews).

4.5 Relevance

The relevance of the housing projects in terms of the immediate need for rebuilding lost assets is obvious. In terms of the relevance to the larger objective of contributing to peace, democracy and reconciliation, the issue is more complicated. The first phase rebuilding was for those who remained in areas controlled by their own ethnic group, whereas the subsequent "minority return" program faced much greater problems. One was political willingness by local authorities to let minorities return, but also information and counselling to those who could return about their rights. Then came the realization that successful return required assistance to reconstitute the local community through social and other community infrastructure, but also ensuring possibilities for a livelihood, which meant projects had to be more encompassing in order to achieve the set objectives. A more painful problem was that many minority members, especially among the young, did not want to return to their place of origin because they did not believe that they would be able to build the kind of life they wanted in what they felt would be largely a hostile environment. The dominance of the older in many minority return programs, the problem of unoccupied houses reflected the fact that some of the return programs did not go deep enough in uncovering what the intended beneficiary population really wanted, but was driven by a political consensus on the donor side of not acceding to the unpalatable reality of ethnic cleansing. Some return building has clearly also been seen as a defiance and challenge to the majority population in the area. This is of course not an acceptable reason for not promoting minority rights, but points to how carefully reconciliation needs to be thought through and implemented if the end result is to be increased mutual acceptance and the beginning of a genuine reconciliation rather than an imposed spatial distribution of people.

The rehabilitation of physical infrastructure was in many ways easier but in reality contained some of the same challenges. The reconnection of Bosniak families to the power grid in Srebrenica was of genuine importance to them, and the fact that the Serb utility and Bosniak community leaders could talk together and find a mutually acceptable solution after the atrocity committed and the communal

distrust is of course positive. But this is primarily a pragmatic and to a large extent opportunistic market transaction: the Serb utility got an external agent to subsidize the connection of a new set of paying customers, and in an era where commercial pressures were increasing who would not be willing to accept such an offer? What we know nothing about is any longer-term attitudinal or behavioural changes on either side from this project, so this relevance dimension remains unknown. Similar was seen in the water sector, where municipal-specific utilities were happy to get assistance for upgrading assets and systems, but where cross-ethnic distrust meant the Mostar water project faced major difficulties as the Bosniak and Croat sides did not want to work smoothly together, and where the inter-communal joint operation in Vrbas appears to be breaking down (see Box D.5). Norway had selected areas with multi-ethnic populations – Mostar, Central Bosnia Canton – in order to promote cross-boundary inter-ethnic collaboration, but with little direct attention or resources allocated for this dimension in the water projects one could not have expected much in terms of sustainable results.

The PSD support is the most problematic in terms of relevance. The irony is that this is the one sector where a genuine attempt was made at mapping sector needs, describing the other actors and their activities, identifying remaining gaps and then looking at comparative advantages of Norwegian actors in order to develop a strategy for Norwegian assistance (Norad 2002). The problem is not that the original mapping was wrong (though particularly for the agricultural sub-sector it probably was incomplete and superficial in terms of understanding the real dynamics and challenges). The problem has been the difficulties and lack of progress in making the interventions more strategic over time through linking with larger public policies and processes, so the support has little impact beyond the small-scale projects themselves. The agricultural program is particularly vulnerable in this regard because the needs for genuine progress in a sector that serves such a large share of the very poor could be so beneficial yet remains mired in small isolated enclaves called cooperatives that show little dynamism and role model building.

The IOM demobilisation was relevant though not critical as it was the last disarmament, demobilisation and reintegration (DDR) phase in BiH. It clearly had the political support of the authorities. One might question whether the funds required for successful demobilization was the best use of what at that time was becoming a rapidly decreasing pool of grants funds. Experience is, though, that if DDR is not done fully and completely, society risks young men with weapons begin looking for alternative (destabilizing, criminal) means of securing their livelihoods, which can become extremely costly.

4.6 Effectiveness

The effectiveness of the housing programs is probably fairly high in terms of measured outputs, and also improved over time in terms of occupancy rates (outcomes) for the minority return programs as reported by the HVM. The pilot project in Sarajevo, assisting the transition towards more owner-managed housing, also seems to have been successful, though it was never replicated with Norwegian funding so the real effectiveness is unclear.

What is also clear, however, is that rebuilding housing in an immediate post-conflict setting leads to pressures to respond as if it were an emergency. This problem was compounded by Norway only providing one-year funding horizons, making it dysfunctional for the Norwegian NGOs to prepare long-term plans with clear medium-term results focus. At the same time, housing is the single most important asset of a household and with a typical expected lifetime of one or two generations which thus ought to have been treated with the programming required for long-term development, as Skotte (2004) notes. MFA delays in making funding available means that the pressure to deliver efficiently undermined the ability to involve local stakeholders to the extent that such construction projects would normally entail. The introduction of the INCOR program on the side of the NRC was an improvement, but it is noteworthy that there was little generalized learning for improved results taking place: the NPA did not learn from the NRC since there was to some extent a sense of competition between the two organizations, but even within the NRC the improved financial management and reporting that the housing program funded by EU ECHO demanded did not lead to similar improvements in the MFA funded projects.

Another criticism is the lack of wider economic effects of this labour- and materials-intensive program. While construction programs can have very high local economy multiplier effects, studies note the import- and foreign technical assistance intensity of the reconstruction. The first factor weakens incentives for rebuilding the national construction materials industry, while the second both holds back the demand for local skills but also is one of the reasons for limited local consultations: language and cultural barriers made close dialogue difficult and costly, especially in terms of time use.

Because of the high value to the families who could get new housing, this was of course a target for corruption. There are stories concerning construction contracts based on favouritism though supposedly controls were put in place that over time reduced this vulnerability. A larger problem noted in studies and confirmed in interviews is that allocation of housing became hostage to local politics and corruption: some were able to get more than one house through false documentation, family ties to decision makers, etc. To what extent this affected Norwegian funded housing is not known, but there is no reason to believe that it was materially different than for other reconstruction programs.

The infrastructure programs clearly achieved their physical assets objectives, but more importantly also seem to have been fairly successful in introducing better organizational models and financial management including better tariff policies and payment rates and thus financial viability. The more complex organizational changes that were pursued when it came to inter-ethnic collaboration (water sector) appear less successful.

The PSD interventions have struggled when it comes to effectiveness in that a number of the first-order outputs – new cooperatives established, number of students participating in the Student Enterprise fairs, number of firms established in the Tuzla BIT centre – have been achieved, but the intention of them contributing to

further spread effects are so far limited. This is particularly a challenge for the first two programs since they have been in place for about ten years now and thus have had considerable time to take hold locally. While the BIP program now seems to be getting an institutional anchor in the RS and Posavina canton in FBiH through the recent MOUs, the cooperative project is still struggling to link up with agricultural authorities. There are also questions about what the overall strategy has been in developing the coops, as one deals with milk, another with grapes and honey, others again produce potatoes, so there clearly is not a *product*-strategy that is driving it. The fact that the export of potatoes to Norway has not really shown much of a trend over the last five years – in part because there supposedly is not much untapped production capacity – raises a question about what the long-term outputs are that the program believes constitute signals of success. The Tuzla incubator can point to some of the firms establishing themselves and surviving beyond the incubator period, but these are still few and thus uncertain cases.

The demobilisation project did not reach its quantitative target due to lack of funds. With regards to those that were included, this appears to have been done well, not least of all because this was the last phase of the DDR process and thus built on the insights generated by the previous phases. This ensured that approach and forms of support provided were reasonably well targeted and hence addressed the problems in an appropriate manner.

4.7 Impact

The longer-term impact of the housing programs is unclear. Kirkengen (2006), which is thorough and well-documented, notes the limited data when it comes to real effects on the people who were to benefit from the reconstructed housing. The detailed study by Sida (Čukur et al, 2005) and the research-based analysis of donor housing (Skotte 2004) raise a lot more critical questions and concerns than the immediate results studies of the Norwegian housing programs, however, which give some reason for concern. One thing is the lack of reflection around the role that housing places socio-culturally, and which was compounded by the fact that the Norwegian NGOs were not really knowledgeable in the housing field: they hired engineering skills and felt their own post-conflict management would be sufficient for ensuring good overall results. While Skotte raises questions about the impact of imposing the rebuilding of minority-group housing – a sign of defiance, as he puts it – there are also indications that over time occupancy rates have increased. The reasons for this may be several, however: the rightful owners took possession of the houses but then sold or traded them to majority families who needed or wanted new housing. A number of families use the rebuilt homes as second homes or retirement homes for the older generation while the younger ones have moved elsewhere, in part for livelihoods reasons. Overall, however, there do not seem to be recent studies that address the more contentious issues regarding the Impact on long-term housing and settlement patterns, the effect housing reconstruction actually had on reconciliation (or if this at least laid the foundations for reconciliation), and the spread effects housing had on rebuilding living social networks. Similar holds for the home-owner program in Sarajevo, where the longer-term

results in terms of this functioning as a good model for this socio-economic asset transformation is not known[19].

The infrastructure projects have led to better quality and more reliable provision of power and water supplies in the affected communities, and thus the improvements in quality of life that this entails. The longer-term effects on cross-ethnic collaboration and thus overall more rational resource use – by water basin, across ethnic-based power companies – is not discussed except as a looming and thus unsolved issue in the water sector. The original objective for the water sector intervention – *"contributing to the ongoing peace process"* – may not have been such a bad idea, but it would have required some reflection around how to do it. One of the Norwegian firms was asked if they were aware of the work that the Nansen Dialogue Centres (NDC) was carrying out (see next chapter) and if they had considered using them in the project. The project was aware of the NDC but felt they could handle the issues themselves. Given the lack of ambition about what the projects *were* to achieve and lack of clarity concerning what the projects *might* achieve in this field, this response is understandable. What remains as a question to Norway and the international community is how major reconstruction activities such as public infrastructure can be linked into larger reconciliation and community re-constitution processes since these may exactly be the occasions in which community decision-making and discussions on distribution of resources and equity can be used to bridge gaps – if done well.

The PSD interventions may actually harbour some interesting models and lessons, but since none of them have been tracked over time nor along any kind of expected trajectory, little regarding higher-level Impact is known. This is critical since it is these higher-level results that could justify the considerable resources that have been poured into in particular the incubators and the rural cooperatives. Has the BIP program led youth not necessarily to become entrepreneurs, but has the group- and project based pedagogy and the "can do" philosophy spilled over into attitudes and behaviours that are more innovative, self-confident, self-reliant in other walks of life? Are upstart projects by graduates from BIP more or less likely to survive than those who did not benefit from this experience? Have JPU coop members changed their attitudes towards quality control, professional running of their own farms, input purchases, commercialisation? Are they more innovative, seeking new production techniques, looking for more joint solutions? Are the incubators really providing a model for how to nurture up-start firms in a highly uncertain environment in the transition out of a planned economy, or is this a very expensive subsidy to a few privileged individuals?

Another question is if there is a need for scale and visibility in order to improve the probability of institutionalization. It may for example be the case that the JPU model is quite appropriate to large parts of Bosnian agriculture, but that the limited funding made it difficult to move beyond the slow one-cooperative-a-year progression. If after a pilot phase the parties agreed that the model was important, it

19 One weakness of a meta-evaluation of this kind is that the team does not have the opportunity to look for what may be interesting or even strategic spillover/spread effects of specific interventions since the results-tracking is limited to what has already been produced on each individual case.

should probably have been scaled up so that it really could have an impact – or terminated and the resources instead spent on the PSD activity that was actually achieving important results and scale that one up instead.

The evaluation of the demobilization program was done at a stage where long-term effects could not be registered, though there were concerns in terms of how the demobilized were doing economically. While BiH was not considered to be so unstable that armed conflict was likely to break out again – and hence a real failure of the DDR program would not have dire consequences – the feeling of increasing instability that seems to be growing is not a good sign. One of the key results that a DDR program should lead to is that command, control and communication structures of the former combatants are largely broken and not likely to be useful in cases of future instability. It is not clear that this has happened as the larger reconciliation process has not progressed very far, so there may be good reasons for going back and checking how the demobilized really experience their situation.

4.8 Sustainability

Housing, being a private asset, tends to be a sustainable investment as long as technology and design chosen is in line with local traditions, and thus can be maintained and is seen as desirable by the owner. In BiH the further dimension of ***location*** – was the housing really built where the intended owners wanted them – has to be added. Skotte (2004), Čukur et al (2005) and Kirkengen (2006) all raise questions regarding aspects of sustainability: parts of the program was too import intensive; the intended beneficiaries were not always consulted properly, especially in the early phase but in general the Norwegian programs faced the constraints of the annual funding that made reasonable consultation difficult (though the INCOR program was created to address this). The location of houses was particularly an issue with "minority return" housing since homes were built in areas where the intended beneficiaries no longer wanted to live, or where the changes brought about by the war made livelihoods in the rural areas much less viable and thus some rural houses remained unoccupied. On the other hand, adding in various forms of social infrastructure and helping increase self-ownership in urban areas probably increased the motivation for keeping and maintaining the homes.

The improvement in organization and financial management of the power and water companies undoubtedly strengthened their financial viability. In the power sector there are essentially different national power utilities along ethnic lines, which ensures that overall rationality in what is a limited national market is below its potential, and which may affect long-term sustainability as the power market in South-eastern Europe opens up and becomes more competitive. This is a more immediate concern in the water sector especially in the Federation since political control by a particular ethnic group in one municipality creates major obstacles to more efficient and effective use of water resources in the larger river basin. In the case of the Vrbas project, two out of four utilities were considered to be on a sustainable footing – in part due to size – while the inter-communal service company was facing increasing problems due to lack of commitment by the four owners, the communal WSSCs. From a BiH *national* perspective the water sector appears particularly problematic since watersheds clearly do not follow ethnic divisions.

None of the PSD programs appear very sustainable, though for different reasons. The agricultural cooperatives, each separately, are able to scrape out a small surplus but as an aggregate the profit from the growth pole – the commercialization/export hub *Agroneretva* – is thin and not showing much dynamics. One thing is that the cooperatives as a group have not been able to get long-term contracts with national food chains (largely foreign owned) – their natural home market – but also have so far not shown much dynamic in terms of important export markets: there is very little going to the EU though the HACCP certificate is EU-valid, and the quantities sold to Norway, despite stable and encouraging support, remain minuscule. More important, the JPU model has not been taken on by any of the local agricultural authorities and the links to agricultural research and testing stations has so far been absent. As noted before, this is unlike Serbia where things appear much more sustainable, and Croatia where JPU exited with a viable cooperative group in place. So it may be BiH and not the model that is the major problem. That, however, is little consolation: as of today the model does not appear very sustainable.

BIP has now got the first agreements for moving the entrepreneurship training from a voluntary to a more integrated part of the school curriculum within the RS and Posavina canton, which is positive. The challenge is whether the link for example to EUVET will make this a more national model. The lack of serious verification of results and thus empirical evidence for the value-added of the model makes it less likely that other ministries of education will take on what is after all an additional cost to their already under-funded education budget. But this means that the sustainability of the model remains questionable. – While this evaluation has not looked into the other dimensions of BIP's engagement in BiH – small-scale credit, export support, general entrepreneurship training – it would seem that with limited organizational capacity BIP is undermining its own sustainability by not focusing on what is its core "deliverable", namely entrepreneurship training as part of secondary (vocational) education.

The incubators have been very expensive to set up. What remains to be seen is if these were necessary one-time investments or if there is a major long-term subsidy element in the program that makes the incubators non-viable over the medium term. The business models developed for the incubators supposedly are built on long-term sustainability (the evaluation has not seen, looked for and hence not assessed these). Given the high costs and the stagnant business environment in BiH, some of the parameters of the business model may be optimistic, so there is a need to track performance and analyze whether the costs are worth it or other cheaper forms for entrepreneurial incentives may make more sense.

The demobilization also faces the problem of its "business model" being based on the BiH economy growing. Only in that way could it absorb the nearly 400,000 new entrants into the labour and agricultural market. The DDR studies were so recent in time to the actual demobilization that little information was available about the relative performance of the ex-combatants, and thus to what extent the support they were given provided them with sustainable livelihoods.

5 Democratisation and Euro-Atlantic Approximation Support

The support to democratisation and Euro-Atlantic approximation was largely made up of three kinds of interventions:

(i) Strengthening social sectors and services;
(ii) Legal and justice sector reform;
(iii) Strengthening democracy, human rights and reconciliation.

The interventions the team looked at were:

- Social inclusion, gender and children's rights by UNICEF and Save the Children Norway, SCN (*Redd Barna*);
- Secondment to the High Judicial and Prosecutorial Council (HJPC) and spin-off activities from this,
- Reconciliation through the Nansen Dialogue Centres (NDCs).

5.1 Social Sectors and Services

Norway never identified the social sectors or social services as a specific program area or as a priority per se. The activities that have been supported have therefore been on the basis of the individual proposals, where these were accepted since they were seen as important but also well designed and thus realistic in terms of implementation.

On the other hand, the activities supported and their objectives are very much in line with Norway's general development concerns: support to vulnerable groups; support to women's and children's rights; combating human trafficking; and strengthening public policies and institutions to defend these rights.

Table D.6: Reconstruction and Development Assistance, Assessment of Results

Activity	Relevance	Effectiveness	Impact	Sustainability
Housing – NRC, NPA	One third of housing destroyed ⇨ rebuilding: ***Highly relevant***: Targeting intended beneficiaries, selection of location, contributing to reconciliation: ***Variable***	Physical works: ***Effective*** Stakeholder involvement, definition of priorities: ***Variable, improved*** Economic effects: ***Limited*** Corruption control: ***Weak, improved***	Immediate results on households w new/repaired homes: ***Positive*** Reconstitution of social networks, livelihoods, building sector, reconciliation: ***Unknown***	Majority return homes: ***Good*** Minority return homes: ***Good where done well, improving in zones where originally not done well through transactions/ exchanges***
Power rehab – Srebrenica, Sarajevo	Need to rebuild national and local grids, improve viability: ***Relevant*** Contribution to reconciliation: ***Weak***	Physical works: ***Effective*** Organizational, financial management improvements: ***Effective***	Public services: ***Much improved*** Community reconciliation: ***None***	Short-term: ***Good*** Long-term as markets open up: ***Potentially problematic***
Water rehab – municipal, various	Need to rebuild national and local grids, improve viability: ***Relevant*** Contribution to reconciliation: ***Weak***	Physical works: ***Effective*** Organizational, financial management improvements: ***Effective***	Public services: ***Much improved*** Community reconciliation: ***None***	Short-term: ***Improved*** Long-term by larger watersheds: ***Potentially problematic***
Ag coops - JPU	Need for collaborative mechanisms in small-holder BiH ag: ***Relevant*** Commercial principles for credit scheme: ***Highly relevant*** Overall model, strategy: ***Unclear***	Viable cooperatives established: ***Reasonably effective*** Cooperatives as model for BiH: ***Limited effectiveness***	Farmer income levels, stability: ***Supposedly improved (unclear)*** Viability, dynamic of agricultural sector: ***Limited, None***	Individual cooperatives: ***Marginally sustainable*** Commercialisation hub: ***Acceptable*** Coop model: ***Unclear***
Entrepreneurship training - BIP	Contents, pedagogical approach: ***Highly relevant*** Link to educational system: ***Unclear*** Contribution to reconciliation: ***Weak***	Training program established: ***Effective*** Training as model for BiH: ***Limited effectiveness***	Entrepreneurship, pedagogical approach on teachers, students involved: ***High*** Improved school system: ***Limited***	As part of curriculum: ***Poor, with exception of RS and Posavina canton***
Industrial incubators – SINTEF, SIVA	Need for supporting modernization of BiH industry, ICT: ***Relevant*** Incubator model: ***Unclear***	Tuzla results: ***Reasonable*** Incubators as model: ***Questionable effectiveness***	On firms supported: ***Positive*** On sector, ICT: ***Unknown, None***	Incubator itself: ***Unclear but undoubtedly facing challenges***
Demobilisation - IOM	Need for DDR: ***Relevant*** Model chosen which based on previous DDR phases: ***Relevant*** Contr to reconciliation: ***Unclear***	DDR exercise as such: ***Effective, though also the last of four DDR phases in BiH***	Life situation of the demobilized: ***Unknown***	DDR program itself closed – sustainability of livelihoods of ex-soldiers: ***Unknown***

The early support was largely medical supplies and equipment for health centres and hospitals, programmes for children including "The Children's House" in Sarajevo, psycho-social counselling that was part of the support to displaced persons (briefly looked at in connection with the humanitarian assistance – see section 3.1 and the evaluation report on this program COWI/DiS (1999)). Other projects supported mentally retarded children, provided much needed home care for the elderly during the 1990s, pre-school support, and various health education programmes. Most of this was through NPA, NRC and NRX.

The two actors looked at were UNICEF and SCN, in part because they worked together on children's rights activities and anti-trafficking programs, in part because the normative starting points for their work is quite similar and it is therefore easy to link the two.

SCN in BiH became active around 1997 with preschool programs, psycho-social centres, and support to unaccompanied children (1997-2002). These were largely direct support projects. Since then, the SCN has focused more on complex rights-based and policy work, in the context of regional programs for the Western Balkans region (see Box D.8).

Box D.8: Linking National and Regional Advocacy Results

Around 2003, SCN in BiH and the other Western Balkans offices began doing more joint region-wide programming, and since then most SCN BiH activities have become part of regional interventions, where projects throughout the region have been developed under a common programmatic umbrella. Children Affected by Armed Conflict and Disaster (CACD) was evaluated in 2004 (Beauclerk et al), the South East European Child Rights Action Network (SEECRAN) was looked at the following year (Pavlović et al 2005), and the evaluation of the second phase of the Child Trafficking Response Programme (CTRP) was an unusually thorough and insightful study of a complex topic (Rosenstock-Armie 2008).

The three SCN evaluations all took a regional perspective on the activities being assessed while discussing specific projects, including in BiH. All the programs/projects have had a clear children's rights objective and have tended to combine advocacy on particular issues – anti-trafficking legislation, setting up children's ombudsmen in the region – with strengthening civil society and public sector organisations and capacities, and in some instances providing direct assistance to target groups, usually in the form of funding to local partner CSOs. In part because of the advocacy work, networking with other like-minded organisations – local, national, regional and international, public sector and civil society based – has been an important part of the work and where the SCN's own international network has been a clear advantage.

Important results in BiH include supporting – sometimes drafting – policy papers and pushing for their adoption. This includes the National Action Plan for Children, a national Strategy for Combating Violence against Children including the bylaws to support these. The SCN has also succeeded in ensuring the harmonisation of legislation addressing children's rights across all 14 governments on UN Convention of the Rights of the Child, and have produced four handbooks on trafficking that are used for training civil servants as well as CSOs.

The SCN helped establish Councils for the Children in BiH and Serbia and several children's ombudsmen offices in the region, and supported the International Committee for Migration Policy Development with the development of standard procedures and a case management manual used in the ten member countries in the region.

About the same time that the SCN began its region-based work, UNICEF in 2003 began its program on Gender-based violence and work against trafficking. In the latter field it supported the establishment of the Department for Anti-trafficking and Illegal Immigration, while this was then later taken over by SCN.

UNICEF's gender and child protection programs supported service providers at municipality level, including training 400 professionals across six sectors and CSO staff. While UNICEF also provided funding for specific interventions such as a shelter for women and children affected by violence, since BiH is a middle-income country UNICEF does not implement activities directly itself but works with partner organizations in the public and civil society sectors.

5.2 Judicial and Legal Sector Reform

Support to judicial and legal reform includes 52 agreements for a total of nearly NOK 83 million over the period 1996-2008. Funds were allocated to about 20 different implementing bodies, though several of these were linked: the Independent Judicial Commission (IJC) later became the High Judicial and Prosecutorial Council (HJPC), and the Institute for War and Peace Reporting worked with the Balkan Investigative Reporting Network (BIRN). In addition, Norway has funded a large number of secondments to the sector (see Box D.11), so total financing has presumably been around NOK 100 mill.

During the 3-year life span of the IJC Norway funded the 2002 "Justice in Due Time" study focusing on court administration and the development of the 2004 ICT Strategy for the BiH judiciary. Both these studies lay the foundation for later interventions related to making courts and prosecutor's offices in BiH more effective and efficient. On both occasions Norwegian short term experts were leading the teams engaged to prepare the documents. In June 2004 the IJC was transitioned from an international institution to the Secretariat of the State level High Judicial and Prosecutorial Council of BiH.

While the HJPC had a number of foreign lawyers and judges sitting on the main panel for a number of years, the only foreigner still there is a Norwegian lawyer that has been seconded since 2001 and has been on the HJPC since its inception in 2004. From this position, he has suggested other areas for Norwegian support, such as upgrading of court buildings, study visits and workshops and other activities that have not necessarily cost a lot of money but have addressed a real need and which could be solved through a donor like Norway coming up with the required funds at fairly short notice.

5.3 Democracy, Human Rights and Reconciliation

By far the most complex and ambitious area for Norwegian support is the agglomeration of activities that can be put under the label of Support to Democracy, Human Rights and Reconciliation. While funding has been important – about NOK 110 million over the last 13 years, for an average expenditure of less than NOK 9 million a year – most of the individual activities have been fairly limited in scale.

There are a large number of initiatives and actors that have benefited from Norwegian funding. Among the Norwegian NGOs, NPA got around NOK 15.5 million, largely for support to media and reconciliation activities like the "Post Pessimists"

project, a region-wide youth initiative. The NRC got around NOK 16 million, a lot of this for their Civil Rights Program (CRP), which was also a regional initiative (and which is looked at in the Serbia country study). The NCA got NOK 3 million for inter-religious activities, while Norway's Confederation of Trade Unions (LO) received around NOK 2.6 million for strengthening labour unions and labour rights in BiH.

But it is the OSCE that has received the most funding, getting nearly NOK 25 million, most of this for a general peace fund during the 1996-97 years, but also for various other initiatives over the years (some of this general contributions to the OSCE).

Box D.9: The High Judicial and Prosecutorial Council (HJPC) of BiH

The HJPC is remarkable in that it is an independent body vested with powers to appoint and discipline judges and prosecutors across the entire judicial system in the country. The HJPC also has significant competences in the field of court administration, training of judges and prosecutors, preparation of budgets for the judiciary and implementation of judicial reform projects financed by donors.

The HJPC is one of the rare instances where the two Entities agreed to relinquish Entity prerogatives in favour of a unified national body, largely thanks to the support, insistence and political arm-twisting by the then-High Representative, but also due to the solid technical work and convincing arguments by IJC management. The establishment of the HJPC is the cornerstone of the judicial reform process in BiH. Deep reforms of a judiciary that had become highly politicised and partisan in applying the law was much needed and though there have been attempts by both Entities to "claw back" some of the HJPC prerogatives, the institution has been able to maintain its position and competences.

Based on best practice from IJC, the HJPC produced it first Strategic Plan in March 2005, three years before the national Justice Sector Strategy in June 2008. This and subsequent strategies have addressed the challenges facing the judiciary in terms of balancing Independence with Accountability and Efficiency with Quality. The first dimension has been critical to ensure that the legal system would be truly independent of strong (ethnic) political forces as well as the economic/criminal/corrupt groups that still wield influence while at the same time holding judges and prosecutors accountable for illegal and unethical behaviour.

The need to increase efficiency is now the main focus of the HJPC. The court system is overwhelmed with almost 2 million backlog cases (many of these are reactions for small infractions that should have been settled outside the court system and more than half of the backlog is unpaid utility bills).

The efficiency problem has been was addressed in part through the introduction of ICT. Based on the 2004 ICT Strategy, the HJPC has been implementing or coordinating ICT projects for about EUR 23 million provided by donors and the BiH State budget. Today over 4,200 users throughout BiH have real-time access to the Judicial Documentation Centre and the Case Management System that are centrally administered by the HJPC in Sarajevo – by far the most comprehensive and up-to-date ICT system in the region. On the back of this, the Register of Fines has been put in place where all the small offences (speeding tickets, other penalties that are to be processed through the legal system) are entered directly by authorized actors (police, courts, tax offices) and made available to the larger public system so that offenders cannot, for example, get their car licence renewed before all fines have been paid. This has allowed the legal system to simply wait for offenders to clear their obligations when applying for licences, passports etc, reducing compliance costs enormously, and also allowing citizens to address minor infractions in an efficient and non-stigmatising manner.

This model of an independent judicial and prosecutorial council is now being considered such a success that missions of the HJPC have visited Kosovo to assist their process along, produced a report for a similar program for Montenegro (Perić et al 2007) and is being looked into by Serbia.

The Research and Documentation Centre (RDC) received nearly NOK 8 million over the four years 2005-08, and thus is one the Bosnian organization to receive most Norwegian support[20]. A host of other initiatives have received lesser amounts, and this was also the most important field for Embassy funds (see section 6) so an additional NOK 1 million a year the last four years should be added to the sum above. For the substance discussion, the activities funded by the Embassy will therefore also be included here.

The main activity that will be looked at is the support to the Nansen Dialogue Centres (NDCs), of which there are three in BiH: Banja Luka, Mostar and Sarajevo. While each centre is responsible for its own activities, they are linked both through formal and informal links where for example the Belgrade NDC has a particular responsibility for monitoring and evaluation work. The Nansen Academy in Lillehammer has been providing support and training for 15 years to the work in the Western Balkans, and while this work has in many ways been Norway's "flagship" intervention in the field of reconciliation and peace development, both approach and results so far have raised questions (see Box D.10).

Box D.10: The Nansen Dialogue Centres, NDCs

Following the 1994 Lillehammer Winter Olympics and the "Olympic Aid" solidarity with Sarajevo, the Nansen Academy in Lillehammer hosted a three-month dialogue workshop with youth leaders from the Western Balkans, building on their experience in the Middle East. The participants felt it was so successful that Nansen was asked to continue the work. In 1997 a first local Nansen Dialogue Centre was established in Pristina. It closed when the Kosovo crisis broke out, but was re-opened two years later along with a number of others throughout the Western Balkans, leading finally to a network of ten NDCs, including in Belgrade (Serbia), Banja Luka, Mostar and Sarajevo (BiH), Pristina (Kosovo), Skopje (Macedonia), Podgorica (Montenegro), Osijek (Croatia).

During 2000-2005, focus was on interethnic dialogue among youth, NGO activists, journalists, schools (56 across BiH) and municipal representatives (40 municipalities including Sarajevo). In 2005 work was re-directed to reconciliation work at community level, the Mostar group working in Stolac and the Sarajevo group in Srebrenica, Bratunac and surrounding villages. These sites are known as places of ethnic tension and conflict. The NDCs have deliberately chosen "the tough nuts" rather than "the low hanging fruits" as their strategy, partly to go where reconciliation services are most needed, but also because if they succeed, the signal effect to BiH society is that "this works – together we can do it".

The approach is to focus on re-integrating schools that have become ethnically divided, working with students, parents, teachers and municipal decision makers, overcoming prejudice and fears, showing "win-win" through practical projects together for improved education and community activities.

20 The United World College in Mostar received nearly NOK 12 million during the same four year period. While has been classified under the Social Sectors as an education institution, the justification for its funding is in large part based on an argument of contribution to inter-ethnic reconciliation.

The work is skills and time intensive, and over the last ten years cost about NOK 145 million. During the 1999-2003 period, the Peace Research Institute of Oslo (PRIO) was managing the program, with the expectation that a stronger research component could be inserted, but without much success: the 2003 review showed that the NDCs lacked common methodologies and concepts (Hushagen & Vik 2003). Questions were raised about the role of the Nansen Academy, whether it should take a stronger management role or let the network manage itself locally – the latter being the fundamental approach as this was seen as both in line with the dialogue approach, but also necessary given that the actual challenges varied so much from one country setting to another. The work programs were also seen as too general and open rather than having clear objectives in mind, and the focus on community level reforms came out of this observation. Clearer skills requirements for hiring, focus on quality in the work, strengthened monitoring and evaluation with a research component was recommended.

A follow on evaluation (Devine et al 2008) notes the difficulties of measuring results in this field but is vague in its assessment of achievements and recommendations on how to improve performance. Interviews carried out with a range of informants, including at research milieus outside Norway, confirm the difficulties of identifying baselines, clear methodological approaches, and benchmarks or target values for achievements in fields termed reconciliation, dialogue, peace development. But several questions ought to have been raised, especially in the 2008 study: after 15 years of dialogue and ethnic reconciliation, what were the monitorable objectives of the NDCs? How were they going to ensure maximum impact, and in particular what kinds of linkages had they established to other organisations and political forces? Why was there so little systematic learning and training taking place locally – why were no local knowledge centres involved in monitoring, quality assuring and learning from the work being done, and why was so little of real leadership transferred to the region?

The range of activities that have been supported range from producing factual information as a foundation for rational debate on the recent past (RDC, Balkans Investigative Reporting Network), reconciliation and peace development activities (NDC, PostPessimist project, an early program by the NRX on "Promoting Humanitarian Values in the Region of Former Yugoslavia" that was evaluated in 1997 (Guerra 1997)), and a range of interventions, largely funded by the Embassy, to transmit messages of inter-ethnic dialogue and reconciliation through cultural processes and events and ecumenical bodies to peace education (direct support to a Peace Education initiative, the United World College in Mostar).

5.4 Relevance

The social sector interventions supported by Norway were in line with Norway's normal development assistance, and in particular the assistance to vulnerable groups, the strengthening of the ombudsman institution, fighting human trafficking and promoting children's and women's rights were also appropriate for longer-term democratisation processes in BiH. All of this happened, however, without Norway as a donor having any particular strategic thinking in place with regards to these areas. The activities were relevant, though not strategically selected nor systemically promoted.

The support to legal and justice sector reform has been important and relevant, based on long-term and consistent dialogue between the legal institutions in BiH and Norwegian authorities. Support has been gradually increased and adjusted to

the situation on the ground and the implementation of the strategies developed by the IJC/HJPC and the EU accession agenda. The secondment of senior Norwegian lawyers to the IJC and HJPC along with financial support to these institutions has been highly successful. The contributions by these staff to the reforms were significant, and Norway is now set to continue the support to the HJPC after the staff secondment ends in 2012.

One interesting discussion concerns *attribution* of results achieved. On the one hand some of the impressive outputs by the HJPC can clearly be accounted for by the seconded lawyers that provided advice. But the *structural conditions* that can explain how the HJPC got the political space to carry out such reforms are primarily due to the EU insisting that unified legal sector reform had to take place and the OHR pushing for systemic change and signed agreements to ensure that this happened, both of which Norway has supported but hardly something Norway can take credit for.

At the same time, the UK and Sweden have supported long-term institutional development in parts of the legal and judiciary sector through sector strategy development, technical assistance and institutional twinning, and strengthened the voice of civil society in legal sector reform (Atos Consulting 2008, 2009). This has so far yielded little in terms of real progress, since they are dealing with the dysfunctional political system: getting Entity and Canton ministries of justice to come to agreement on reforms. Yet in the long run this work is critical, and the lack of progress so far should not be blamed on poor legal advisory skills. Drawing clear conclusions about "what works, what doesn't, and why" is thus complex, though one finding seems clear: Norway has been nimble in seeing possibilities and supporting those, in some cases (like the HJPC ICT program) opening up for larger programs that other donors have also joined.

In the field of Democracy, Human Rights and Reconciliation, Norway has once again not had a clear strategic direction for its support. This is to a large extent understandable: there were not many examples of useful operational guidelines for successful intervention in vulnerable states, as the Western Balkans was the first case of broad-based "3D" (Diplomatic, Development and Defence) interventions in high-risk situations. What Norway has been good at, however, is being attentive to issues and opportunities, and been willing to support a fairly eclectic range of interventions and take risks. Norway was the first large-scale funder of the RDC, an intervention that has been critical to getting important facts on the table concerning the actual level of conflict deaths – an important step in laying to rest a number of myths and exaggerations that have contributed to blocking inter-ethnic dialogue. Norway was an early supporter of BIRN, which has provided comprehensive and reflective reporting on the war crimes proceedings in BiH. The NDC has been an innovative and insistent local voice for ensuring space for dialogue and supporting actions at community level. Many of the cultural events that have moved audiences to reflect on issues the country is facing due to the ethnic dimensions of the conflict have been supported by Norway, including one of the few truly regional projects, the *Sarajevo Notebooks* (see Box D.11). From the perspective of assisting and nurturing local initiatives that could contribute to democracy and reconciliation, Norway has

therefore supported a wide range of relevant activities. What has been missing is follow-through and follow-up through structured learning and critical assessments: Norway has let a hundred flowers bloom, but the gardener has thereafter not been good at tending to those flowers that were really blossoming and weeding away those that wilted.

Box D.11: Norwegian Resource Bank for Democracy and Human Rights, NORDEM

In 1992, as part of the "Norwegian model", the Minister and State Secretary, Thorvald Stoltenberg and Jan Egeland, proposed the establishment of a Norwegian resource bank in human rights and democracy that could at short notice provide Norwegian expertise to international operations and agencies. In early 1993, in collaboration with the Norwegian Institute of Human Rights (now the Norwegian Centre for Human Rights, NCHR, under the Faculty of Law at the University of Oslo), NORDEM was created, where NCHR trains and supervises staff selected for service while the NRC has the management responsibilities and updates the roster. MFA provides most of the funding.

The first arena of operations was BiH, where NORDEM staff worked for the OSCE. A 2002 evaluation of NORDEM reviewed the data for the period 1995-2000, showing that of a total of 1812 work-months (w/m) of NORDEM seconded staff, 780 w/m (43%) were for BiH (Olesen et al 2003, tables 4-5). The largest number of staff were election observers, but in terms of effort the 74 deployed for democratisation and human rights programs provided a total of 530 w/m, leading observers to note that this seemed to be "a Norwegian area". These staff worked around the country to support local human rights efforts or groups, including setting up municipal inter-ethnic resource centres (sometimes called "reading rooms"), working with youth and women's groups, etc. OSCE often lacked resources for actual projects, so in some cases NORDEM staff applied for and received Embassy grants.

The assessment of NORDEM performance in BiH focused on OSCE secondments, and noted that it is difficult to identify specific Norwegian contributions. While Norwegian staff were generally appreciated for their "*well developed democratic, egalitarian and participatory organisation culture*" and most were seen as professional and well-qualified, there were "*cases of less convincing performance by NORDEM secondees, especially by short-term election staff*" (op cit, BiH chapter). It was noted that secondees wrote thorough and useful end-of-mission reports to NCHR, though OSCE was largely unaware of them. Due to lack of hand-over procedures and time-gaps, reports and other learning tools were not used effectively, leading leaving secondees to lament loss of outcomes produced while incoming staff remained unaware of earlier achievements and lessons learned.

5.5 Effectiveness

The social sector interventions by UNICEF and SCN appear all to have delivered both expected outputs but in particular to have contributed to the hoped-for outcomes. This has been achieved through greater political awareness, improved framework conditions with better legislation and Ombudsman capacity in place, strengthened skills in public sector and civil society actors leading to improved services provided to the target populations, and empowering local actors through establishing better networks to like-minded groups, both within BiH, but also to regional networks throughout the Western Balkans.

The support to legal sector reform has also delivered perhaps even more than could have been hoped for when the support began. The model with an independent HJPC is in fact seen as so successful that BiH is now "exporting" this to other countries in the region, with strong support from the international community. The Norwegian inputs to these processes and results appear to have been important.

In the field of support to democracy, human rights and reconciliation, it is difficult to know what has been achieved, since Outcomes from deliverable Outputs generally are not well specified and much less well documented, as far as the evaluation has been able to ascertain:

- The RDC has produced an impressive database on all registered/known deaths, has put this onto an electronic map of BiH, and linked all known information to individual cases. This is available through the internet, the RDC resource centre is open to all – students and researchers in particular – and RDC staff participate in meetings and provide presentations. The question is what this has led to in terms of increased knowledge and awareness, empathy, attitudes and behaviour, across different groups and geographic areas – but also what can realistically be expected from only one program like RDC.
- The NDC has been working nearly five years in Stolac and the Srebrenica/Bratunac areas, and can point to a number of important achievements – schools becoming more integrated, inter-ethnic committees set up, requests for NDC services from other localities that see the progress made. Yet more tangible, conclusive and replicable Outcomes are missing, making the longer-term success of NDC activities unclear.
- United World College (UWC) notes the successful introduction of the *International Baccalaureate* in BiH as one success indicator, as the IB's international reputation is not only academic but also built on universal values of human rights, tolerance etc. What the result is in the context of BiH is debatable, however, since the students – despite coming from across the region – are largely self-selected: only those already accepting the basic values that UWC is based on would wish to apply and take the academically demanding course. The value-added to inter-ethnic dialogue and reconciliation is thus unclear, and hence the justification for the large Norwegian funding as well.

On the other hand, BIRN has produced over 6,000 court reports, 500 radio reports and RSS feeds; records an increasing number of "hits" on its web (www.bim.ba) reaching about a million a month, an increasing number of re-publications of articles and radio broadcasts, and more subscribers to its services. These are all largely in the realm of Outputs, but the reproduction of articles, the re-purchase of services shows a real demand for its work and thus provides a good indicator of probable Outcome, though it still would be interesting to find traceable changes in recipient attitudes and behaviour.

5.6 Expected/Hoped for Impact and Sustainability

The support to social sector interventions and to legal and judicial reform can both be expected to be fairly sustainable as large parts of the program have become embedded in public policies and structures: anti-trafficking legislation and ombudsman are in place (the implementation of the legislation and intentions behind it may

lag, but the ***systemic frameworks*** are in place), and the HJPC is already a successful and important core institution in the BiH legal and judiciary structure. There are serious challenges to the independent and quality of the HJPC from important political forces both in the RS and the FBiH, and a critical question is if the institution has sufficient public and political support to fend off these challenges over time. As democracy takes hold and statehood is strengthened if the process towards EU membership proceeds, this should solidify the support for the HJPC, especially since its creation was a key pre-condition for EU pre-accession agreements.

The Impact of human rights, reconciliation and democracy building activities are much more questionable. Since few if any of these actions have clear-cut long-term objectives apart from a continuous reproduction of current outputs (BIRN, RDC, UWC among others), it is not clear what expected Impact is to be in the first place.

On the sustainability side, this is perhaps even more problematic. It is understandable that Norway wants an exit strategy and not have an open-ended funding commitment. At the same time, Norway – as initiator and strong promoter of human rights and reconciliation – has to recognize that these pure public goods are largely *not* wanted by key target groups: there is no demand for reconciliation among nationalists/chauvinists. Pushing this task onto other donors does not make it any more "sustainable" – *except* if the reconciliation activities produce results that the EU sees as useful or even critical to EU accession, for example in the context of its concern with social inclusion (see Box D.12).

6 Embassy Projects

The Embassy has about NOK 2 million a year to disburse to small-scale projects (in 2009 this amount was in fact doubled). The Embassy has become increasingly transparent about these funds, and uses its web-site www.norveska.ba to announce the availability of grants, and also reports on the activities that received funding over the last four years.

The annual activity plans that the Embassy has prepares each year notes the areas that they intend to focus on, and it can be seen that these have changed over time. Till recently, however, these have not been communicated clearly to the outside world, so applications have covered a wide range of issues. For 2010, though, the web-site now states that "*Current priorities are activities that encourage reconciliation, support human rights, democratisation and civil society development, as well as institution building".*

This set of priorities has in fact been the norm for most of the period for which the team has been able to find data. Table D.8 shows all the activities during the period 2002 through 2008 that received funding and which the Embassy itself has classified in this field (the terms have changed somewhat over time, but have been close enough to make this a reasonably consistent category over time). While this encompasses 31 projects with total expenditures of BAM 1.2 million (nearly NOK 5 million), a number of projects have received several rounds of funding, so the table shows a total of 53 grants.

The activity that has received the most funding is "*Sarajevske Sveske",* a cultural periodical (see Box D.13). Some projects complement activates that have received MFA directly, such as the RDC, BIRN and NDC. Others have received multi-annual funding due to the centrality of their objectives, such as the Janja Reading Room and the Hasija Boric travelling theatre.

Box D.12: Social Inclusion, Social Capital and Reconciliation

One of the problems that the NDCs and other actors in the related fields face, is the weak conceptual foundations for their activities. There is little in the way of agreed-upon definitions of what constitutes meaningful dialogue, what the success criteria are, what are "good practice" approaches etc. More importantly, there has been little discussion about when dialogue and reconciliation is appropriate and useful. Since this is an activity that by its nature is *not* wanted by significant social and political groups, the entire activity runs the risk of being supply-driven. While the *need* for dialogue and reconciliation may seem rather obvious to many, there is still the vexing issue of how soon and what kinds of outside interventions are going to be not only acceptable but actually productive. And Norway ought to be a cautious actor in this regard: 65 years after WW II ended, documentaries and books that raise questions about politically and culturally convenient versions of the Norwegian armed resistance and the court proceedings after the war still lead to strong emotional reactions.

One question is therefore the appropriateness of a dialogue form that requires confrontation with some of the most important myths that a group has about itself and its victimization in the world – a critical component, it seems, to much of the mobilization of nationalist parties and forces in BiH. While it is clear that only by fostering genuine empathy for "the other" can the danger of violent ethnic conflict be reduced or eliminated, the question is if this is the time and the form. One danger of "supply driven" solution sets is that this generates its own demand, but through self selection, and that the battle lines do not disappear – they are just drawn elsewhere: there is an "in" group that participates in the dialogue, while those on the outside may experience exclusion and greater resentment because the earlier group cohesion and thus feeling of safety is threatened.

The alternative is not to accept the ethnic divides and its demonization, but the question is if we know enough to recognise when deep psycho-analysis is needed, and when simpler gestalt-therapy might do, at least as a bridging operation till larger societal reconciliation may be feasible. There is perhaps no obvious answer, among other things because it may take exactly the kind of NDC intensive "psycho-therapy" in selected sites to prepare the ground for more broad-based progress.

The most recent Human Development Report (HDR) for BiH takes a very different approach, using ***Social Capital*** as the analytical framework. Building on earlier studies on social trust across BiH (World Bank 2002, Friedrich Ebert foundation as cited in UNDP 2009), the HDR notes that BiH has extremely low levels of social trust, that the war has destroyed much of this, that ethnic minorities in majority-ruled areas are particularly vulnerable, but that inter-ethnic trust has begun improving, and is better than attitudes towards minorities such as the Roma (UNDP 2009, pp. 28-30). The HDR uses the definition of social capital as "*social networks and the associated norms of reciprocity and trustworthiness*" (op cit p. 25). While *human capital* is individual, *social capital* is about ***relations***. While *physical capital* depreciates through use, *social capital* becomes more valuable through use: networks are reaffirmed.

A distinction is often made between ***bonding social capital*** (horizontal relations that connect people on the basis of similarity which thus tends to exclude "the others"), ***bridging social capital*** (horizontal relations that connect people of *different* backgrounds and thus is inclusive but less "automatic") and ***linking social capital*** (vertical links between groups of different social standing and power).

The density and nature (bonding/bridging) of these networks are important for social inclusion (a key EU concern) and for addressing issues like poverty reduction, because strengthened social capital reduces all kinds of *transaction costs* – for example for accessing information, social services, other rights-based public goods – thus making society more efficient, transparent, accountable. Social capital analysis allows for mapping of various forms of vulnerability and exclusion, can provide an empirical basis for baseline construction, enables the setting of targets and success criteria, and thus for preparing action plans, resource allocations and for monitoring performance.

The analytical/conceptual difference to initiatives like the NDC thus is clear – but also the potential for linkages (a series of studies on implications for the local NGO community has been produced by the Independent Bureau for Humanitarian Issues, for example (IBHI 2009 a, b, c)). By applying concepts that are already accepted and used empirically by major development partners, NDC and others can join an existing "community of practice and learning" that has clout, resources and skills that NDC can take advantage of but also – perhaps more importantly – contribute to and interact with. Without linking to larger social and policy forces, the NDCs risk becoming marginalised and without impact beyond the face-to-face groups they work with, with any spread-effects being slow and *ad hoc* since they will depend on individual networks rather than larger societal ones. This may require NDC rethinking its strategy but may also be the key to long-term Impact and Sustainability.

Table D.7: Support to Euro-Atlantic Approximation and Democratisation, Assessment of Results

Project	Relevance	Effectiveness	Impact and sustainability
Children's rights, anti-trafficking: SCN	In line with Norwegian development concerns and BiH social inclusion agenda: ***Highly Relevant***	The expected Outputs have been delivered on a timely basis and led to desired Outcomes: strengthened rights, improved public and civil society capacities to deliver, strengthened networks to like-minded actors in BiH and the region: ***Very Effective***	Rights embedded in new legislation, Ombudsman institutionalised and with some capacity, objectives linked to EU social inclusion concerns: ***Impact and Sustainability likely***
Children's rights, gender: UNICEF	In line with Norwegian development concerns and BiH social inclusion agenda: ***Highly Relevant***	The expected Outputs have been delivered on a timely basis and led to desired Outcomes: strengthened rights, improved public and civil society capacities to deliver, strengthened networks to like-minded actors in BiH and the region: ***Very Effective***	Rights embedded in new legislation, gender equity "owned" by broad-based group of BiH actors, objectives linked to EU social inclusion concerns: ***Impact and Sustainability likely***
Support to HJPC: Seconded staff	In line with Norwegian development concerns and BiH legal and judiciary reform agenda as well as EU accession commitments: ***Highly Relevant***	The seconded staff have been highly qualified and trusted professionals who have contributed as expected and identified new opportunities for further development ensuring continued progress: ***Very Effective***	HJPC solid institution, "model" recognised as "best practice" in region and thus with high visibility, status, and part of EU accession agreement: ***Impact and Sustainability likely***
Nansen Dialogue Centres: Nansen Academy	In line with Norwegian reconciliation and democracy concerns and formal BiH statements on overcoming ethnic and social tension though somewhat unclear on priority of form of intervention chosen: ***Relevant***	Very time- and skills-intensive methodologies, changes in intended targets from general inter-ethnic dialogue to integrated schools and supportive communities and with unspecified links to higher-levels Outcomes means medium-term and societal results unclear: ***Not Effective***	Currently outside larger networks & social and political forces so vulnerable to ad hoc funding/community interest, and dependent on commitment by own staff: ***Impact and Sustainability questionable***
Sarajevo Notebooks	In line with Norwegian wishes for regional and inter-ethnic reconciliation, though unclear whether audience reached is priority: ***Mildly Relevant***	The magazine delivers a high-quality product to its intended beneficiaries, discussing the difficult issues of the region, providing a platform for new writers – but spill-over to other groups, opinion makers unclear: ***Somewhat Effective***	The magazine now receives support from the Slovenian Government, hopes for others to join for this pan-Western Balkans cultural periodical: ***Impact unknown, Sustainability may becoming more likely***

Table D.8: Embassy Grants 2002-2008, for Democracy, Human Rights and Reconciliation (in BAM)

Project	2002	2003	2004	2005	2006	2007	2008	Total
Sarajevo Notebooks	3 609	50 000	50 000		55 000	48 000	50 000	256 609
IZVOR, court support network					49 978	35 000	40 000	124 978
Janja Reading Room	26 911	51 296	30 000	15 500				123 707
XY Films				50 000	56 000			106 000
Internat Multireligious Int (IMIC)	1 500		5 000	40 000	20 000			66 500
Theatre Hasija Boric	14 000	15 000		30 000	6 300			65 300
BIRN					60 000			60 000
RDC			19 360	34 690				54 050
Helsinki committee, Prijedor-RS					17 000		30 360	47 360
Prosecutor's office, Registry							40 000	40 000
Tutti, concert in Mostar							30 000	30 000
Centers for Civic Initiatives							30 000	30 000
Gamle Oslo youth, Husbergøya							22 277	22 277
Igman Initiative						20 000		20 000
Islam in SE Europe Network						19 570		19 570
NGO GARIWO				10 000			4 403	14 403
Maria Warsinski, Photo exhib				12 500				12 500

Project	2002	2003	2004	2005	2006	2007	2008	Total
Transcultural Psychosocial etc							12 329	12 329
Theatre, Lost on Purpose						11 700		11 700
Bosnia politicians to Norway						11 123		11 123
Serb-Nor Friendship			10 000			1 097		11 097
EUPM, Charter Public Info				10 600				10 600
Youth Resources centre, Stolac							10 000	10 000
Intl League of Humanists			9 000					9 000
Reserve forces reform, trip						8 383		8 383
Nansen DN, Sarajevo, Srebrenica					6 790			6 790
Mostar, “Romeo and Juliet”				3 000	2 933			5 933
Srebrenica national library					5 010			5 010
Peace action children’s team						4 500		4 500
Lazar Manojlovic, book				3 470				3 470
Anti-fascist war veterans				1 100				1 100
HR/Democ/Reconc projects	**46 020**	**116 296**	**123 360**	**203 290**	**271 848**	**169 606**	**273 869**	**1 204 289**
Total expenditure	373 648	241 779	341 245	439 096	489 281	476 478	476 478	2 838 005
Share of total expenditures	**12,32 %**	**48,10 %**	**36,15 %**	**46,30 %**	**55,56 %**	**35,60 %**	**57,48 %**	**42,43 %**

The team looked at the applications received in 2007 – around 140 in all – and was impressed with the seriousness with which applications were processed, the performance criteria used, the search for tangible outputs to be delivered, and the overall concern with quality and realism in the activities being proposed. The overall weakness is thus more that it is difficult to find results from all of the activities, and in particular it is not clear what all of these activities in the fields of human rights, democratisation and reconciliation really adds up to.

Box D.13: Sarajevske Sveske

"One morning we woke up and we didn't have a country anymore". Thus the Executive Editor and Editor-in-Chief of *Sarajevske Sveske,* the Sarajevo Notebooks, explain why this literary journal is so important (# 18 p. 7). The first issue was produced in September 2002, and every quarter since then (sometimes every semester when double issues were prepared), this 200-page 1,000-copy cultural magazine has reached out across the common language and cultural space that was Yugoslavia, reaffirming old ties and establishing new ones – across generations of artists, across modes of expression (poetry, film reviews, short stories, reviews of events, severe self-criticisms of the role of the intellectual in the tragedy of the Balkans), across space and time.

For a Scandinavian not familiar with the intellectual history of this region, issue 18 is an eye-opener: an English-language issue, "Best of Sarajevo Notebooks", it reveals a commitment and love for the intellectual and cultural world that Yugoslavia represented, but also shows the vitality, diversity and commonality of the creative talents of the region that today is split by newly-formed national boundaries but still has solid roots across the Western Balkans, close ties and an obvious paternity in a Central European intellectual space and tradition but also links east to other Slavic-language areas and more exotic Islamic contributions.

These Notebooks have been the single largest recipient of Norway's embassy funds – a total of about NOK 1 million across a six-year period. Is a publication for an intellectual elite nostalgic for a past that cannot be recovered worth supporting?

- The target audience is problematic, since this is clearly those who already have a commitment to cross-cultural, cross-ethnic dialogue. *Sarajevske Sveske* is thus preaching to the converted, which is *not* what Norway is concerned with financing. However, in a region where strong forces are trying to break the bonds that remain, supporting those voices of reason that can transcend these barriers is important. *Sarajevske Sveske* does not guarantee a bringing together of the minds – but it is a serious and committed attempt at doing so – and there seems to be little else.
- Even if *Sarajevske Sveske* succeeds in its ambitions, will it really have any impact? Probably not as much as one would hope. But it is one of the few cross-border attempts at ensuring a genuine reconciliation based on mutual respect and understanding, and through its insistent and probing attempts, it is blazing the way for others to come who might find better avenues in the future.

What is of greater concern is that there is so little local skills and capacity being used to assess and select these activities. There is something contradictory about a flexible donor trying to promote democratisation and reconciliation yet not having local knowledge centres involved as dialogue partners, both in setting more specific priorities, but particularly in assessing results and identifying lessons learned. Right now a badly under-staffed Embassy is trying to process and monitor/track 20-30 minuscule activities each year in an extremely complex and contentious field.

A more careful dialogue with knowledgeable institutions might provide a better approach to which issues or activities it might be most useful to fund, and how these activities can aggregate into a more crucial mass of either learning or impact that can have somewhat wider societal implications. This might even be support that tries to quality assure some of the larger interventions Norway is otherwise supporting – learning events to cortically assess what has been achieved in the various human rights activities; how entrepreneurship training and incubators can link up for enhanced effects; how the different paradigms for understanding strengths/ weaknesses in civil society (social capital, social inclusion, human capital, others) can provide guidelines for future action; and so on.

While the small grants provide the embassy an opportunity for pro-active and flexible funding for interesting interventions, the overall impression is rather an overwhelmed embassy running behind a flood of proposals where the best ones do float to the top but at the end of the day that still did not really matter because they were not very strategic in nature.

Annex E:
Norwegian Support to Serbia

1 Background

Serbia under Slobodan Milošević (1987-2000) was, directly or indirectly, involved in all the wars of the former Yugoslavia between 1991 and 1999. With a population of about 7.5 million, Serbia was the largest Yugoslav republic and the seat of the federal government, army and police.

Mr Milošević climbed to power at a time when a protracted political and economic crisis in Socialist Yugoslavia came to a climax. Yugoslavia was in need of reforms if it were to survive, and increasingly so as the Soviet bloc began disintegrating and the process of democratic transition emerged in Eastern Europe.

Multiparty democracy was introduced in Serbia in 1990, and there were political parties, independent media and NGOs, and foreign organisations operated in the country. Yet strong authoritarian features in governance culture remained. Mr Milošević held a firm grip on state media and the security forces, and opposition was curbed by intimidation or even prosecution.

Serbia's own soil was for the most part spared the civil wars of the 1990s. The southern province of Kosovo i Metohija (Kosovo) was the scene of an ethnic-Albanian insurgency, but it was localised and relatively low-intensity when it began around 1996.

1.1 Serbia: Sanctions and NATO bombing

By the late 1990s Serbia was under severe strain. Led by Western countries, the international community imposed tough sanctions on Serbia for its role in the conflicts in BiH.

Isolation led to economic collapse, hyperinflation, and social misery. By 1996, Serbia hosted some 550,000 refugees from Croatia and BiH, adding to the country's burdens, and the hardships led to a wide anti-Western sentiment across the political spectrum.

In 1999 the Milošević government came down harshly on the insurgency in Kosovo. In response to what the international community saw as massive violations of human rights, NATO launched a military air-strike campaign against Serbia. The ensuing 78-night bombardment led to civilian as well as military deaths, and to major damage of physical infrastructure in large parts of the country.

By mid-1999 Serbian security forces and administration were pulled out of Kosovo province. With them, some 200,000 Kosovo Serbs and other non-Albanian minorities fled for Serbia proper. The number of Internally Displaced Persons (IDPs) in Serbia thus jumped to 750,000, adding even more economic strain and social tensions. The Milošević government became increasingly unpopular, and the elections in September 2000 led to a change in regime.

1.2 Post- Milošević Serbia, 2000 - today

The new government, led by Dr Vojislav Koštunica as president of the Federal Republic of Yugoslavia consisting of Serbia and Montenegro, and Dr Zoran Đinđić as prime minister of Serbia, faced major challenges. The economy was in severe recession with Serbia ranking as one of the poorest countries in Europe. In 2002 Serbia had 1 million people living below the poverty line. The 750,000 IDPs put further strain on public services. The civil service and the justice system – police, prosecution service and courts – were perceived as corrupt or oppressive and affiliated with the old regime, and the government faced further challenges with the assassination of Prime Minister Đinđić in March 2003.

But over the years the Serbian executive has increasingly stabilised, and economic reforms have been introduced. The larger political system is held to be functioning relatively well. There is a separation of executive, legislative and judicial powers, and serious strides have been taken to improve the performance and probity of the institutional pillars. By all accounts the state apparatus has proved itself able to modernise fairly rapidly, as Serbia is not faced with building institutions from scratch, unlike the situations in BiH and Kosovo.

Serbia aspires to become an EU member by 2014, and the pace of reforms and improvements shows a determination to achieve this.

The economy is also improving, with the number of people below the poverty line falling by half since 2002. Serbia's official refugee population has shrunk significantly. As per 2008, some 144,000 persons had tried to return to Croatia, though only about half remained there; and most of the others have settled in Serbia and become naturalised. Some 100,000 residents still have refugee status, whereas more than 200,000 from Kosovo still have IDP status.

2 Norwegian Assistance to Serbia, 2000-2008

Norway provided a total of NOK 7.5 billion to BiH, Serbia and Kosovo over the period 1991-2008, of which about **NOK 1.5 billion** was provided to Serbia during the period 2000-2008. This figure probably under-represents Norwegian funding to Serbia somewhat, as much of the NOK 1.5 billion for regional activities ended up in Serbia. The Nansen Dialogue Centres, for example, were for many years funded as a regional programme. Some of these activities cannot be geographically attributed, but included also funding in Serbia.

2.1 Objectives of Support to Serbia

The purpose of the Norwegian funding was to help Serbia stabilise and democratise, not least because a more democratic and prosperous Serbia was seen as an important factor of regional recovery, reintegration and reconciliation.

There was furthermore a strong *political will in Norway* to help Serbia's reintegration into the Euro-Atlantic community. A close relationship between the Norway (in particular the Labour Party) and Yugoslavia from World War II was maintained even during the 1990s[21].

21 This "special relationship" originates in the treatment of Yugoslav prisoners of war in Norway during World War II. Thousands of Tito's partisans were sent to slave-labour camps in Northern Norway, to build roads and railroads under extremely harsh conditions. In the Saltdal Valley alone 15-18 camps housed nearly 10,000 men. Over 1,700 died, the vast majority Serbs (but also Croats and Bosnians), in addition to Russian and Polish prisoners. The local population and Norwegian underground resistance helped many Yugoslav prisoners to survive or escape. This was never forgotten by the Yugoslav partisans. A joint movie production from 1955, *"The Blood Road"*, records this tragic story.

Table E.1: Norwegian Funding to Serbia 1993-2008, by Programme Area and Year (NOK '000)

	1993-97	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
HumAid	10 989	0	1 109	35 007	14 215	33 779	11 706	11 807	15 600	4 448	3 708	3 150	**145 518**
Demining	0	0	0	0	0	0	0	0	0	3 811	8 450	0	**12 261**
Public Infrastructure	0	0	0	2 806	36 539	62 596	59 982	26 481	37 706	26 987	0	6 321	**259 418**
Legal-Security	0	0	954	0	215	8 635	10 090	5 403	8 875	19 139	21 656	10 421	**85 388**
Public Sector Devt	0	0	0	3 080	5 843	4 571	33 296	34 467	39 497	41 716	57 931	28 579	**247 980**
Private Sector, Income	0	0	0	851	32 243	27 210	12 812	39 641	30 309	41 526	18 409	31 636	**234 637**
Civil Society				2 000	2 500	1 543	1 500	1 050	400	56	0	3 106	**12 155**
Democracy, dialogue, HR	690	0	400	19 276	16 486	24 037	14 378	16 663	16 793	19 387	17 918	20 701	**166 729**
Social Sectors/Services	8 411	0	0	60342	46 323	19 557	26 619	9 817	20 239	6 280	3 118	21 317	**222 023**
TA, Secondment	2 073	0	0	5 562	5 718	7 515	4 642	5 635	3 176	8 656	8 379	5 384	**56 740**
Other	0	0	0	3 566	4 150	4 441	2 702	1 704	4 097	3 044	2 481	2 329	**28 514**
Total	**22 163**	**0**	**2 463**	**132 490**	**164 232**	**193 884**	**177 727**	**152 668**	**175 692**	**175 050**	**142 050**	**132 944**	**1 471 363**

NOK 1 = RSD 11.90 (Jan 2010)

The strategy documents governing Norwegian assistance to the former Yugoslavia are, as a general observation, broad-stroked and scattered:

In late 1999 the Norwegian government submitted to parliament a policy document on its approach to the region entitled "*Main features of future Norwegian support to the countries of Southeast Europe*"[22] (our translation). The document outlines main features of Norway's engagement at the time and is the *only* formal paper of its kind tabled for debate during the 1991-2008 period. It notes the main conflicts in the region; it stresses the importance of recipient responsibility in Norwegian development assistance; it recognises the difficulties of implementing this principle in a region with poor governance, weak civil society, ethnic tension and considerable criminality and corruption; and it discusses the channels for Norwegian funds – the United Nations system, international financial institutions, Norwegian NGOs, Norwegian public-sector institutions and private firms.

Norway's *strategy for aid to Serbia* always remained rather informal or unwritten; and the written strategy-documents in existence were annual and therefore multiple over the years, and they varied in contents as events unfolded. The overall strategic picture is broad-stroked, whereas programmatic priorities – choice of territories, themes, channels and projects – became rather scattered.

Since 1991, the Norwegian parliament has allocated funds for ex-Yugoslavia on a year-by-year basis. The annual state-budget document has provided only very broad-stroked statements of the legislature's intent, and the main budget line was entitled *"Peace, Reconciliation and Democracy".*

Other than this, the legislature naturally left it to the executive to *deliver* the money – i.e., both to prioritise within parliament's signals, and to hands-on disburse the annual budget among concrete projects in the field. MFA determined its annual aid priorities by internal memoranda from the ministry's political leadership to the line-unit staff that delivered the aid, i.e., the Western Balkans section (WBS). These Allocation Notes (*"fordelingsnotater")* apportioned the year's funding among Western Balkans countries, and sketched thematic priorities for it. The material contents of the Allocation Notes have varied from one year to the next, but the Allocation Notes served the essential purpose of expressing the main MFA priorities; and they served as programmatic guidelines for the staff who were tasked with delivering the assistance.

This approach to programming contrasts to the more formal and elaborate procedures used in state-to-state development co-operation normally handled by Norad, Norway's Agency for Development Cooperation. It also differs from the approach of Norway's embassies, which in recent times have got considerable responsibilities for programming, monitoring and reporting. In the case of the Western Balkans, Serbia included, the embassy was never accorded such responsibility, and was never staffed up to handle it, either.

22 *"Hovedtrekk i fremtidig norsk bistand til landene i Sørøst-Europa"*, Stortingsmelding 13, 12 November 1999.

The strategic framework adopted by Norway for delivering the assistance to ex-Yugoslavia left the MFA's Western Balkans Section with *considerable discretion* regarding what areas to prioritise, concrete activities or projects to fund, and which channels or implementers to use. The system allowed for flexibility; but there was by all accounts an overall consensus on what should be done. There were clearly close links between the MFA political leadership and the WBS, since the region was a prominent foreign-policy concern of Norway's.

The MFA funded projects on the basis of *application*. Would-be implementers – NGOs, UN bodies, etc - submitted project documents to the WBS with a request for funding. If MFA wanted a particular type of intervention, it would approach implementers and ask them to design and apply for funds. Thus, the awards mechanism had both active and passive elements: MFA could adapt its aid portfolio to suit development in the ground.

2.2 Norwegian Funding Priorities. Trends

Norwegian programming for Serbia has adapted to political developments on the ground: there was initial *humanitarian* aid to assist with the large influx of Serbs from Croatia and BiH in the early-to-mid 1990s when few other countries were willing to assist, and aid to IDPs from Kosovo from 1999. In 2000 the focus was on *supporting the democratic opposition,* and following the elections and a new government from 2000 onwards, *stabilisation of democracy* was the overriding concern. Once that was considered to have been attained, attention turned to Serbia's longer-term ambition of *European integration*.

Parallel to giving aid to Serbia, Norway pursued active diplomacy – in international groupings like NATO and OSCE, and on the ground through the embassy in Belgrade. The diplomatic effort itself is beyond the mandate of this evaluation. But one element of it, namely the small Embassy grants disbursed directly was part of the overall funding package and is therefore looked at by this evaluation.

Three successive but overlapping stages of Norwegian support to Serbia can be identified:

• *Phase 1 (1993-2000) – humanitarian relief and support to the democratic opposition*

Norwegian assistance to Serbia was moneywise negligible through the 1990s, totalling only about NOK 25 million up to and including 1999. Between 1993 and 1997, when the first influx of refugees hit the country and sanctions were starting to hurt, Norway provided Serbia about NOK 22 million worth of humanitarian assistance, and in 1999 another NOK 2.5 million for humanitarian and democracy-related activities.

By 1999, Norway's main concern was to support the democratic opposition[23], which suffered considerable harassment. Through the long-standing contacts Norwegian politicians had with Serb politicians, small-scale funding for local initia-

23 The aid database show two allocations directly to the MFA in 1999 and 2000 totalling over NOK 7 million, much of which was the cash funding provided to democratic opposition mayors inside Serbia.

tives – like support to schools and health institutions – was given to municipalities run by the opposition, which suffered funding cuts by the central government as a "punishment" for not supporting Milošević.

As the opposition to the regime gained momentum through 2000, Norway stepped up its assistance to independent media, civil society organisations, and to municipalities. Along with the funding, Norway also increased its more general political and diplomatic efforts, reaching out to leaders across the political spectrum, including the more nationalistic camps.

• *Phase 2 (2000-2003) – relief and stabilization of the democratic regime*
With a new government in Belgrade as of 2000, a new era of co-operation between the West and Serbia was initiated. Among the NATO countries, Norway was trusted by large parts of the Serbian leadership, in part because of the widespread political networks, which in turn built on the historical memories of the Serbs from World War II and the continued ties of during and after the Tito regime[24]. Norway was therefore seen by many as a reasonably "honest broker" that could act as a channel to a NATO that was often distrusted and resented, and to an OSCE that was seen as fronting a Western political agenda rather than what many Serbs wanted to believe should have been a more open pan-European body[25].

Western donor countries wished to support the new government, stabilise Serbia and help consolidate the country's emergent democratic institutions and processes. This became a cornerstone in their policy for regional recovery and longer-term peace, an objective that Norway supported and saw as strategically important and therefore committed itself to "*maintain a strong and credible presence*" (MFA Allocation Note 2001).

The first foreign visit after President Koštunica took over following the elections in 2000 was to Norway[26]; and the Norwegian prime minister was the first Western head of government to visit Dr Koštunica in Belgrade. Norway followed up by providing quick-disbursement funds for activities to visibly boost services by the new regime to the population. Funding for child-care allowances for the next couple of years were channelled through Serbia's central bank, which had trusted systems and standards in place. The bank, in turn, was able to funnel the money quickly to the social-services offices (the administration existed, but the public coffers were empty). Funding for heating oil and for strategic repairs of roads was accelerated, to help the population get through a harsh winter. Small-scale embassy funds were also stepped up to address local problems that needed addressing.

24 This led among other things to a rumour that while Norway was a member of NATO, it had refused to participate in the bombing of Serbia. Technically this was true as Norway does not have bombers, but Norwegian fighters flew missions with the NATO squadrons and were definitely part of NATO's military operations against Serbia.

25 Norway was actually chairing the OSCE when the decision by NATO to bomb Serbia was made, a decision that OSCE supported, to the anger of Russia and other Central European nations that felt OSCE was becoming a party to the conflict rather than a neutral mediating body.

26 During his rapid visit on 31 October, President Koštunica confirmed Serbia's intention to respect its obligations under the Dayton agreement, Security Council resolution 1244 on Kosovo, and the conditions for its new membership in the UN. While President Koštunica had on several occasions expressed reservations regarding the role of the International Criminal Tribunal for the former Yugoslavia, ICTY, in the Hague, he promised to respect Serbia's obligations (though he could not give it priority). He also provided a more realistic assessment of what Norway's role had been during the NATO bombing of his country, but "forgave" Norway due to what he felt was sincere solidarity and interest in supporting Serbia according to its own agenda.

• *Phase 3 priorities (2003-present) – Euro-Atlantic integration and democratisation*

Serbia's government has EU membership as a political priority. This will require robustly democratic governance. The government is pursuing civil-service reforms, to make the executive branch more efficient and clean. Similarly, there are efforts to consolidate separation of powers. There is a drive to boost the administration of justice, with a focus on strengthening the capacity and independence of the law courts and prosecution service. The legislature is said to be exercising its powers and prerogatives satisfactorily.

Security-sector reforms – a major concern to donor countries – are ongoing. Both the police and the military are considered to be opening up. Serbia has become a member of NATO's "Partnership for Peace", in no small part due to active lobbying by Norway on Serbia's behalf (and in the face of considerable resistance from some other NATO countries). Serbia has also begun participating in international peace-keeping operations under the UN[27]. Its first deployment has been as part of the UN mission to Chad, where Serbian military are partnering with the Norwegian medical contingent[28]. This has followed from the collaboration in security-sector reform (SSR) between Norway and Serbia that has included army reforms, an area that is a high priority as part of Serbia's EU accession programme.

In terms of funding, Serbia is currently the largest recipient of Norwegian support in the Western Balkans, as the funding has been increasing in volume since the low point in 2002. Norwegian support to Serbia is expected to decrease over time as EU becomes the increasingly dominant funding partner. The relations between Serbia and Norway are then expected to evolve towards more normal international relations based more on trade than aid, and where political dialogue will reflect interests rather than history.

Graph E.1 below shows the evolution in terms of overall volume and distribution across what are termed "programme areas". As explained in Annex H ("Methodology"), this is a grouping of activities done by the consultancy team, since Norway never developed a country strategy or other form of programmatic approach to its assistance to Serbia. The team has therefore gone through the just over 400 individual agreements that the MFA has signed with implementing partners and grouped them by eleven logical areas of assistance (see table E.1). These have been aggregated into eight program areas in the graph.

2.3 Channels for Norwegian assistance to Serbia

Funds for Serbia were channelled through different actors as shown in table E.2:[29]

– *Norwegian NGOs,* where the most important were the Norwegian Refugee Council (NRC), Norwegian People's Aid (NPA) and Norwegian Church Aid (NCA), though others were also engaged, managing **27.3%** of the total funds.

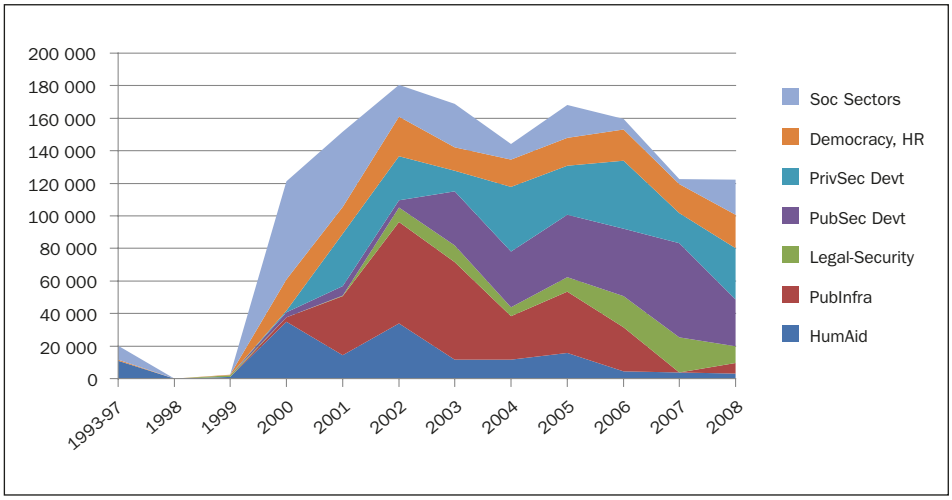
27 Serbia, unlike most of the other former Yugoslav republics, does not have NATO membership as a stated goal, though it is part of NATO's Partnership for Peace programme.

28 During parliamentary debates in June 2009, Serbia's defence minister noted that Serbia was prepared to assume its international responsibilities as a contributor to UN Security Council-mandated operations, and that Serbia intended to build up this experience through collaborating with Norway.

29 The totals in table E.2 are somewhat less than the one in table E.1 because for 11 agreements with total budgets of about NOK 18.5 million it was not possible to identify the channel.

– *Norwegian state institutions* like the Directorate of Police (POD) and the Ministry of Justice and the Police have been used to a greater extent than normal, handling almost as much as the NGOs, for a total of 15% of the funds. Moreover, the embassy in Belgrade was given NOK 2 million per year to dispense more or less at its discretion.

Graph E.1: Norwegian funding to Serbia, by Programme Area and Year (NOK '000)



Other Norwegian state institutions, like the auditor-general and the defence ministry, as well a political parties, launched direct co-operation with counterparts in Serbia over their own budgets, and while these efforts fall outside the scope of this evaluation, they are relevant to an analysis of the results of the package administered by MFA.

- *Norwegian private or semi-public sector:* a number of private firms like Nord-Trøndelag Energi (NTE) and the Norwegian Forestry Group (NFG) were used in the infrastructure and private sector development fields. Educational institutions like the University of Bergen (UIB) and the Nansen Academy were contracted, particularly in fields related to human rights, democratisation and dialogue. Advisory bodies like Statskonsult (the government's internal public-administration advisory body) and SINTEF (Scandinavia's largest applied-research milieu, affiliated with Norway's University of Science and Technology) and bodies like the Association of Municipalities (KS) were also given contracts for tasks corresponding to their fields of responsibility in Norway.

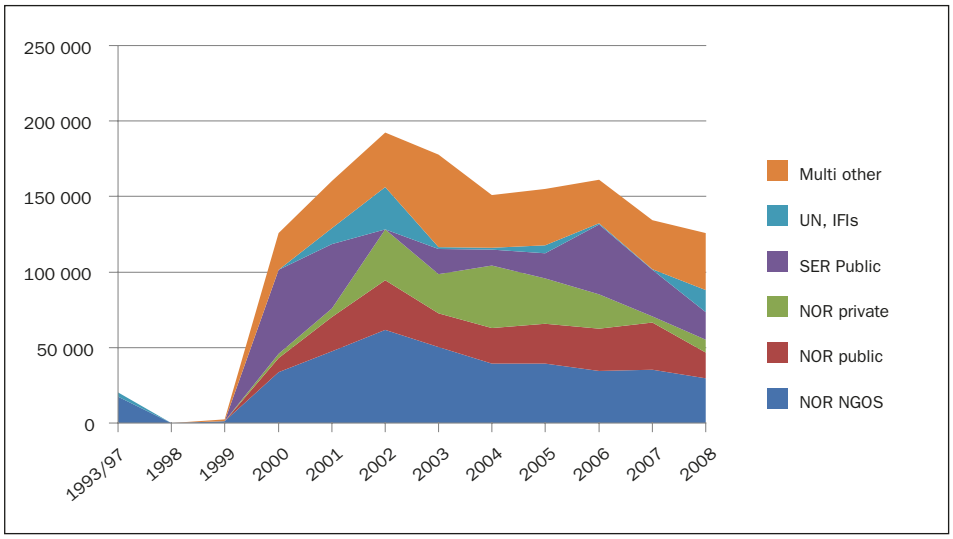
- *Multilateral institutions* were also used as channels for Norwegian funding, though to a lesser degree than in Bosnia and Kosovo. The most important ones were the larger UN agencies like UNDP and UNHCR, but also International Financial Institutions ("IFIs" in the table) such as the World Bank, the European Development Bank and the IMF channelled some resources. But much of the funds went through other multilateral bodies like OSCE and various EU bodies.

One of the most used actors was one that was established specifically to assist in project implementation in the Western Balkans, largely at the urging of Norway, namely the International Management Group (IMG). This organisation began operating in BiH during the war there, specialising in procurement and logistics support for implementers of aid projects. It has grown to become a prominent actor in aid efforts throughout the former Yugoslavia and beyond. IMG is today an accredited diplomatic mission in Serbia, where it partly sells logistics services to implementers as before, but also implements donor-funded projects itself. Norwegian implementers have been using IMG to a significant extent (for example, for procurement under the Police Directorate's JUNO projects). MFA has funded several efforts implemented by IMG, including "Oil for Democracy" and an ongoing project to strengthen the delivery of judicial services in local courts in Serbia. Norway has also been paying salaries of Norwegian staff working in management positions at IMG. The organisation was under evaluation by EU when the Evaluation Team visited Serbia.

- *Serbian public or semi-public institutions* have been used to determine priorities or implement projects to an increasing extent, such as the country's Development-assistance Coordination Unit (DACU), currently in the Ministry of Finance; the Ministry of Interior – in charge of the police – and the judiciary and educational facilities like the University of Belgrade; and semi-public firms like forestry-sector Srbiješume and Elektrosrbija.

- *Serbian non-state* actors have begun receiving some support, ranging from think-tanks like the Centre for Civilian-Military Relations (CCMR) and legal-aid operations (Praxis) to small and local youth associations (e.g., Creative Youth of Novi Sad), though the sums through the local private sector and NGOs are so miniscule that they have not been included in graph E.2 below:

Graph E.2: Allocation of Norwegian Funds across Types of Channels (NOK '000)



2.4 Aid Coordination. Norway's Role

Norway's policy toward Serbia 1991-2008 has been more or less the same as that of the EU and of multinational organisations of which Norway is a member, like NATO and OSCE.

Norway has been well integrated into the multilateral mechanisms that coordinated the policies and assistance to the Western Balkans. It played a proactive role as it took on obligations in the larger international forums, such as OSCE and UN bodies. On the funding side, Norway has by all accounts been transparent regarding its assistance, and has at times been willing to act as a "funder of last resort" due to its flexibility of funding.

Table E.2: Allocation of Norwegian Funds across Types of Channels by Year (NOK '000)

	1993/97	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total	%
NOR NGOS	17 302	0	1 354	33 515	47 600	61 746	50 151	39 234	39 506	34 504	35 468	29 570	**389 950**	27.3 %
NOR public	100	0	0	9 484	22 702	32 991	22 587	23 575	26 129	27 806	31 189	16 979	**213 542**	15.0 %
NOR private	129	0	0	3 051	5 717	33 505	26 042	41 605	30 073	23 027	4 080	8 696	**175 925**	12.3 %
SER Public	0	0	0	55 307	42 303	0	16 358	10 464	16 672	46 240	30 649	18 023	**236 016**	16.5%
SER Private	0	0	0	0	0	664	0	0	0	0	2 417	0	**664**	0.0%
SER NGOs	425	0	0	1 893	0	349	0	0	3 517	4 349	4 838	5 287	**20 658**	1.4%
UN	2 790	0	0	0	1 719	16 111	1 232	1 368	1 456	740	500	14 292	**40 208**	2.8%
IFIs	0	0	0	0	8 873	12 000	0	0	3 744	0	0	476	**25 093**	1.8%
Multi other	0	0	1 109	24 560	31 567	36 154	61 357	34 686	32 273	28 609	32 397	37 721	**325 423**	22.8%
Total	**20 746**	**0**	**2 463**	**127 810**	**160 481**	**193 520**	**177 727**	**150 932**	**158 370**	**165 275**	**139 121**	**131 044**	**1 427 489**	**100,0 %**

Norway is seen to have been constructive in helping Serbia coordinate its foreign aid. Serbia established an aid coordination unit, DACU, in 2001, within its Ministry of International Economic Relations (MIER). This unit has since changed departmental affiliation three times. Today it lies within the Ministry of Finance. It has also changed its name, but is still usually referred to as "DACU", the acronym used in this document for the sake of convenience. Norway supported the establishment of the unit with a resident adviser, who supposedly played a much-appreciated role in formulating strategic plans and systems for assisting reconstruction and development. The unit became fully operational in the period 2001-2004.

DACU is the Serbian government's focal point for donor support. This unit drafts government strategy and coordinates foreign assistance to ministries and other executive bodies (recently also to the ombudsman and anti-corruption agency). DACU has led the process of formulating Serbia's first strategy document for international assistance, "Serbia On The Move" (2003) and its successors. DACU invites ministries and other public institutions to come up with two project proposals for Norwegian funding, assesses them and provides recommendations to donor countries. It liaises with the donors, notes their priorities and allocations, and seeks to match donor priorities with the needs of Serbia's ministries.

Norway has increasingly been channelling its support to public-sector strengthening in Serbia through the DACU mechanism (so-called *"bilateral package"*). Approximately half of the annual Norwegian assistance is said to go through the DACU system today. Norway's priorities for the "bilateral package" have been the environment, employment, vulnerable groups, energy and justice. DACU finds these are "very broad concepts" and that the exact strategy is difficult to pin down at times. This vagueness is said to allow for much-appreciated flexibility: whereas other donors might prioritise certain ministries, Norway would focus on thematic areas and accept what it considers thematically relevant proposals from any ministry. But the loosely formulated priorities have at times also smacked of a lack of focus or consistency. In the end, this has not been a big problem to DACU, because its staff and MFA's Western Balkans section have a joint "advisory board" that agrees on concrete projects to prioritise.

DACU officials consider Norway an important[30] bilateral donor, and Norway is praised for being flexible and quick compared to other (and bigger) donors. Moreover, Norway is appreciated for addressing important gaps – for "*funding a lot of crucial but small projects that other donors would not bother with*" – and for being "*less obsessed with visibility*" than certain others. With regard to the Norwegian practice of only providing annual allocations, DACU officials have said they do not consider it a problem; that on the contrary, it can perhaps even be good because it allows for annual re-evaluation. The small-grants projects financed by the Norwegian embassy in Belgrade (Embassy Projects) are highly appreciated by DACU, and Norway is lauded for building local capacities.

30 The Evaluation Team has even – on multiple occasions – heard Serbian officials say they consider Norway *"the* most important" donor country. This is certainly incorrect in terms of funding, and impossible to verify; but the frequency and strength of such statements suggest that the Norwegian engagement has been much appreciated.

On the other hand, DACU has also voiced concerns about the management of Norwegian assistance. For a start, Norway bypassed DACU (for some reason often called *"multilateral package*) with its security-sector reform support, where Norway has dealt directly with Serbia's defence and interior ministries. With regard to independent institutions like the ombudsman or press council, DACU has acknowledged that it can be difficult to find a ministry to sponsor their project proposals and that a better arrangement has to be found if such support were to be channelled through DACU, and it has recently accepted non-executive (governmental) state entities in its programming. Moreover, there has occasionally been a feeling among DACU officials that MFA has been slow to mobilise experts in some instances, that MFA could perhaps have used Norad's rosters more efficiently. A wish has been expressed that Norway should send more senior-level advisers to other sectors, as it has done in the areas of military and police reform.

On the whole, DACU believes Norway coordinates well with Serbian counterparts and the international community. This also seems to be the impression of other government officials, internationals and Norwegian actors on the ground.

2.5 Evaluating the Serbia Portfolio

The overall evaluation is to look at how NOK 10 billion were spent across the time period 1991-2008, covering the Western Balkans, with an emphasis on the three territories of Serbia, BiH and Kosovo.

This kind of "meta-evaluation" means that it is the portfolio – the total Norwegian aid *package 2000-2008*, not individual projects – that is the focus of attention. Project snapshots serve to inform the larger performance and the aid-administrative arrangements. The team has looked at a selection of projects, as per a set of criteria, and to a varying depth, but only enough to form an overall impression to feed into the larger picture. The methodological constraints and choices are explained in Annex G.

Since the forest, and not trees, is the object under scrutiny, the project-individual analyses in the present report *are much less thorough* than if this were a project-level evaluation; nor has it been possible or necessary to examine every sample project to an equal degree. In some cases, the evaluator read a sole third-party evaluation report on a project, and refers the judgement there as a given; and sometimes, where time and schedules have permitted, the team itself has studied much more first-hand documentation supplemented by one or a few interviews. Any reader should therefore be careful about drawing categorical conclusions with regard to the performance of individual projects just on the basis of statements in the present paper

Notwithstanding such reservations, the full four-person team that conducted the Serbia analysis are confident that the snapshot impressions from all the various projects have been essential to informing the analysis of the overall Norwegian *portfolio 2000 – end-2008,* and the evaluation team members are unanimous when it comes to the main findings and assessment regarding the history and results of the aid package.

According to the Terms of Reference (see Annex A in the overall report), the evaluation is to assess performance against the standard DAC criteria. As per its man-

date, the Evaluation Team has looked for *relevance, impact, sustainability and effectiveness,* but not for efficiency, of sample projects. This, however, cannot strictly be done for the portfolio as such, i.a. since the DAC criteria are to be applied on individual activities that have been funded. The team has identified a number of individual activities out of the portfolio of more than 400 agreements, and use these as *cases* to illuminate the overall portfolio. When feasible the evaluation has also drawn upon perceptions of key actors regarding the performance of the portfolio as such, and to use both to form an overall judgement.

The portfolio has been structured along two key parameters: (i) the different *phases* of assistance, since each phase had a somewhat different objective, and (ii) the type of *channel* used for implementing the assistance, since this helps understand the performance of the portfolio as such.

There have also been sub-themes within the various time periods. In the case of Serbia, the assistance to support the government from 2000 onwards was done through both immediate assistance to enhance the standing of the new and weak regime in the eyes of the population; but also medium-term assistance to help to reconstruct and develop the country. It includes support to build the private sector and to repair infrastructure. While both dimensions have been looked at briefly in the case of Serbia, they have been analysed more in-depth when assessing the BiH portfolio, and reference is made to that country study for these fields.

In the case of Serbia, on the other hand, the team has paid particular attention to the support during the last phase, since assistance to democratisation and European reintegration has been an important overarching objective for Norwegian support to the region and appears to have been the most systematic and successful in the case of Serbia.

As a consequence, only a few activities from the first phases have been looked at when it comes to the Serbia portfolio since these types of assistance have been analysed in greater depth in the cases of BiH and Kosovo, where humanitarian assistance and reconstruction assistance were more prominent.

The 17 projects selected for sample review are listed in table E.3 below, where the two first ones are humanitarian assistance, the next five reflect different dimensions of reconstruction and development support, and the remainder are largely linked to the democratisation support: six in the fields of SSR, and the other four various forms of democracy assistance. Finally, the embassy projects are given as one group, and listed under the support to human rights and democracy, since this was the main category.

3 Humanitarian Assistance

The humanitarian assistance to Serbia was for the most part provided over the period 1993-2000. The Norad database indicates that it totalled **NOK 62 million**, where humanitarian relief was NOK 50 million and demining NOK 12 million.

Norway's humanitarian portfolio has been mostly for *displaced persons (1999-2003).* Much of this help has come in the form of legal aid (information and help

regarding abandoned property, personal status, return or remaining in Serbia proper, etc) and temporary shelter. The NRC, aligned to the larger UNHCR programming, was an important implementer, as was NPA which also cleared mines (2006-08) and in 2007 surveyed cluster munitions from the 1999 NATO bombing, for future clearing. The Norwegian embassy in Belgrade also provided assistance to individuals and groups in particular need during the early period, though the data do not allow for careful identification or study of these interventions.

Table E.3: Norwegian-funded Projects assessed in Serbia (NOK '000)

Project	Channel	Programme	Period	Expenditure
Civil Rights Project (CRP)	NRC	HumAid	1996[57]-2004	35 000 000[58]
NGO Praxis	Praxis, local NGO	HumAid	2006-2008	2 941 000
Power supply, Sandzak	NTE	Publ Infrastructure	2004-2008	17 350 000
Forestry Sector Programme	NFG	Priv Sector Devt	2003-2008	25 176 000
Vulnerable groups, Novi Sad	EHO, local NGO	Social Sector	2001-2008	9 902 000
Public sector reform	Statskonsult	Publ Sector Devt	2001-2005	10 077 000
Municipal improvements	UNDP	Publ Sector Devt	2003-2008	1 377 000
Police Reform (JUNO)	POD	SSR	2002-2008	22 700 000
OSCE secondments	POD	SSR	2001-2008	n.a.
OSCE projects, financing	OSCE	SSR	2001-2008	
Demobilisation	IOM/NATO	SSR	2006-	
MIIP	IMG	SSR	2006-	
CCMR	CCMR, think-tank	SSR	2006-	
Nansen Dialog Centres*	Nansenskolen	HR, Democracy	1999-	
Media devt programme	NPA	Democracy (media)	1998-2011	
Women Can Do It	NPA	Democracy (gender)	2001-2009	
Improving delivery of justice	IMG	Democracy (law)	2007-2009	
Embassy projects	Embassy	All	2000-	18 000 000

*: This does not include the regional funding for the NDC, which was by far the larger share.

31 The project started in Croatia (Eastern Slavonia) in 1996 to protect rights of (mostly Serb) population. An office opened in Serbia, Novi Sad, in 1997. The project was significantly expanded in 1999-2001, and by 2002 NRC has 13 offices in Croatia, Serbia, BiH and Kosovo.

32 The effort was regional and NRC spent some NOK 58m in total. Approximately NOK 39m were allocated by the MFA Western Balkans Section for the efforts in Serbia 1997-2004, of which NRC disbursed some NOK 34.7m. In addition come roughly NOK 3.4m granted for CRP-related capacity-building of local NGOs, of which around NOK 3.1m were spent. (Source: "Detailed overview of NRC projects funded by MFA in Serbia from 1995 to 2004.)

3.1 Humanitarian Projects – sample projects

The team has looked at only two efforts in the humanitarian aid category in Serbia. The first is part of a large regional legal-aid programme. The second was the funding to a local NGO in the same area of legal aid, which was in fact a spin-off from the first. For more analysis of humanitarian aid reference is made to Annex D (BiH).

- **Civil Rights Project (CRP)** - legal information and aid to displaced persons.
- **Praxis** - financing costs of the local legal-aid NGO "Praxis", a spin-off of the above-mentioned CRP effort.

3.2 Relevance of Humanitarian Aid

As noted above, Serbia emerged from the 1990s in an impoverished state yet having to take care of nearly 750,000 refugees and IDPs.

One result of this massive population dislocation that followed the break-up of Yugoslavia was a host of legal problems[33]. For the refugees and IDPs, this ranged from their rights to housing and other assets left behind in the area they fled from, to pensions and other social benefits that they had been entitled to in the republic where they had been living but which had now become a new, sovereign state with confusing legal obligations. Many of the refugees had lost their identity papers and could not even prove their existence, which made it difficult to claim any rights anywhere: they existed in a legal limbo, which in turn made both return and integration in Serbia difficult. Legal assistance and advice was therefore a directly humanitarian concern.

A thorough external evaluation of the CRP notes that the programme in the region, on the whole, has reached the intended beneficiaries and addressed many of their most pressing needs (Danish Centre for Human Rights & T&B Consult 2003). Moreover, the quality of the legal work is deemed to be high. The vast majority of NRC's legal assistance has gone to Serbs from Croatia, whereas IDPs from Kosovo have benefitted less. The project focused on the return option a great deal more than on local integration – probably for reasons of political correctness, as the ideal was to counter-act displacement. Efforts have achieved considerable synergies with international organisations in the "Yugosphere", both on legal-strategic and advocacy issues.

The work initiated under the CRP has to some degree been continued by Praxis, a local NGO set up largely by former local NRC staff. They received financial support as of 2005 from Norway and have continued to provide similar legal services.

This form of legal assistance has clearly been relevant to Norwegian policy and the Serbian government, in addition to the refugees and IDPs.

33 These complex legal issues also went up to the state level in terms of allocation of the obligations of the former Yugoslavia, such as its international debt, across the new independent states But it has been at the individual levels that the problems have been the most intractable and where vulnerable groups and individuals are probably the ones that have lost the most.

3.3 Effectiveness of Humanitarian aid

The NRC CRP effort was favourably assessed in terms of effectiveness in 2002, when it was closing down. Though refugees were not returning in any large numbers, basic needs for legal information were met in both territories of origin and in Serbia; and a significant number got individual counsel in connection with administrative and judicial procedures.

Over the years, CRP reached out to a large number of displaced persons in Serbia with information and case assistance. Of the 44,230 concrete inquiries[34] by individual beneficiaries dealt with by CRP offices in Serbia, 9,904 (22.4%) were registered as resolved, 3,670 (8.3%) were cancelled and 30,656 (69.3%) as pending, as per the 2002 evaluation. Some 62% of the CRP clients in Serbia hailed from Croatia, followed by refugees from BiH. IDPs from Kosovo made up only about 17% of the clientele. Furthermore, CRP staff also implemented a UNHCR-funded repatriation programme for refugees from Croatia, and by 2002 NRC had dealt with 7,113 cases under this programme.

Box E.1: Civil Rights Project (CRP) in Serbia

Legal aid may not be the first need that springs to mind when considering pressing needs of displaced persons, but the Civil Rights Project (CRP) implemented by the NRC illustrates its relevance.

By 2000 the NRC had established a string of legal-aid offices throughout the former Yugoslavia to help refugees and IDPs. The offices were coordinated by Norwegian lawyers with a significant number of local lawyers, who provided information, advice and case assistance, before courts and administrative bodies – both in Serbia and in their territories of origin.

CRP officers would inform the displaced about their status and rights, and the offices organised mobile teams of legal advisers that visited "collective centres", held town-hall meetings and so on, covering practically every municipality in Serbia where displaced people were concentrated.

The cross-border nature of the legal issues in question required a network of offices in the various successor states as it was necessary to obtain critically important documents from other parts of the former Yugoslavia: CRP offices in Serbia arranged for colleagues at sister offices in Croatia, Bosnia & Herzegovina and Kosovo to approach local authorities in the home territories of the uprooted persons and collect duplicates of status documents, property titles, diplomas, marriage, birth and death certificates and similar documents, and forward the documents to clients in Serbia. CRP staff assisted clients with filing legal proceedings for repossession of property in the territory of origin, or to obtain proof of ownership allowing the displaced to rent out or sell properties, thus providing their clients with some means to help rebuilding their lives in Serbia. And they assisted clients vis-à-vis authorities in Serbia, i.e., with naturalisation processes for refugees, equipped with evidence obtained from sister offices in other Yugoslav republics. IDPs from Kosovo have faced particular difficulties in formally integrating in Serbia. For political reasons, Serbia has long been unwilling to allow IDPs to change their registered residence from their Kosovo municipality to a municipality in Serbia proper. This, in turn, has cut them off from certain entitlements due to residents in Serbia proper.

34 The present evaluation has not examined NRC's measurement of the size of its clientele or the qualifiers of success, but based its findings on the 2002 evaluation.

In addition to informing, obtaining documents for and counselling displaced individuals, CRP staff have actively advocated for legal changes in ex-Yugoslav republics with some success. Armed with facts based on their work with individual cases, CRP staff have written analyses of legislation, court and administrative practices, and produced various information materials. They have pursued "silent" advocacy vis-à-vis the international community to apply pressure on ex-Yugoslav countries to remove barriers from durable solutions. Some significant successes have been noted from these advocacy efforts, all of relevance to the individuals displaced by war (Danish Centre for Human Rights and T&B Consult 2003).

Moreover, the effort lived on beyond its lifetime through the establishment of the legal-aid NGO Praxis. Praxis itself has established a reputation for efficiency and professionalism, helping individuals as well as keeping important legal-rights issues alive through their advocacy work.

Table E.4: Humanitarian Assistance, Assessment of Results

Project	Relevance	Effectiveness
Civil Rights Project (NRC)	Consistent with Norwegian priorities and needs on the ground. Provided legal assistance to vulnerable groups at time when few other such services available, addressing key rights ⇨ ***Relevant***	Outputs delivered and outcomes reportedly achieved. Set up ambulatory offices, did pro-active information and out-reach, used legal professionals: ***Effective***
Funding of legal-aid NGO "Praxis"	Consistent with Norwegian priorities and needs on the ground. Continued legal aid to groups that have tended to be forgotten yet stand without resources, rights ⇨ ***Relevant***	Continued services, not examined in detail within the scope of this evaluation: ***Effectiveness likely, but unknown***

4 Transitional and Reconstruction/Development Assistance

The transitional and reconstruction and development support is largely covered by four different programme areas (see table E.1): public infrastructure rehabilitation and improvements (NOK 259 million), public sector development (NOK 248 million), private sector development and support to incomes and livelihoods (NOK 235 million), and funding for social sectors and services (NOK 222 million), for a total of **NOK 964 million** during the period 2000-2008.

Most of the social-service funding was in fact the child-allowance support provided in 2000 and 2001 through the Serbian central bank, and for a programme for agricultural inputs that was also done as an immediate support to the government in 2001. Most of the activities have, however, been more medium-term reconstruction and development assistance across a range of activities, with an increase in total disbursements over time. This phase or modality of support is thus by far the largest in terms of funding levels.

The team selected five projects that were looked at in more depth and which covered the various programmatic areas as well as different actors/channels that were used for Norwegian funding:

- **Power supply, Sandžak district** ("Viking" project): improving the power distribution in a predominantly Muslim district. The project was implemented by Nord-Trøndelag Energi (NTE), a Norwegian power company that has also carried out power projects in Bosnia, Kosovo and Montenegro. This is thus an example of ***public infrastructure support***. Norway also wanted help a poor region but also support the government's efforts to reach out to a minority population in a potentially volatile part of the country, a governance dimension.
- **Forestry Sector Programme**: This project assisted Serbia in creating an inventory of its forests and introduce modern tools for forestry-management planning. The project was implemented by the Norwegian Forestry Group (NFG), a network company that includes the Norwegian Forestry Association (a cooperative organisation of forest owner), the Norwegian State Forest and Land Corporation, several forest-related research institutes. The NFG is thus a private-sector consulting body, owned by a mix of private and public actors in Norway. This has been classified under support to ***private sector development***.
- **Support to vulnerable groups, Novi Sad**: five projects implemented by a local NGO, Ecumenical Humanitarian Organisation (EHO), a Christian charity in northern Serbia, with funding channelled from MFA through Norwegian Church Aid (NCA). The programme includes a series of smaller projects that reach out to vulnerable groups in the Novi Sad area, including Roma. This is classified as a case of social sector and social services assistance, but it also purports to aim at enhancing NGO capacity in the area of social inclusion, and so has a democracy dimension too.
- **Public administration reform:** Statskonsult, Norway's public administration advisory body, was asked by then-Prime Minister Đinđić to carry out an analysis of Serbia's public administration and make recommendations for reform. While the analysis was ready in 2002, an actual reform plan was only done in 2004. Statskonsult was to support APAD, a new governmental agency for public administration reform.
- **Donation, UNDP-implemented Municipal Improvement and Revival Programme, South Serbia**: This was a minor funding of about USD 200,000 through the UNDP for the second phase of this project. Like the public administration reform project above, this is a case of public-sector development.

While a number of Embassy Projects have funded activities in some of these programme areas, they will be looked at as a group in section 6 below.

4.1 Relevance of Reconstruction-and-Development Assistance

The Sandžak power-distribution project of NTE was relevant in two ways: to the general rehabilitation of the country after the destruction of much infrastructure from the 1999 NATO bombing; and to help flag the central government's commitment to development in a sensitive minority-population region. Accordingly, the project was also relevant to Norway's goal of Serbia's recovery and democratic development.

The forestry-resource management programme of NFG is less obvious in terms of its relevance. The project was, however, formally requested by the Serbian ministry in charge of forestry, following a visit to the ministry by NFG in late 2002, and formally thus a relevant activity to Serbia's government. The forestry-planning system was in need of fundamental improvements. At the time the country had no real overview of its resources or logging, and the system in place for good use of it was by all accounts wholly inadequate. With the Serbian government's request that MFA finance the effort, it must be taken as given that the effort was seen as relevant by Serbia – though it was perhaps not the most pressing priority.

Local governance, including in Albanian-majority municipalities bordering Kosovo in southern Serbia, has been, and remains, a relevant concern to both Serbia and donor countries. Norwegian support to UNDP's "Municipal Improvement and Revival Project Phase II" – a USD 200,000 donation in 2005 – was hence a relevant use of funding.

The NCA-EHO projects in Novi Sad are less obviously relevant. EHO efforts do not concentrate on helping war-affected people, but rather on classic vulnerable groups – Roma, HIV/AIDS carriers, street children, the old and poor. One of the arguments for the project was that the efforts not only help people in need, but also aim at building social capital and respect for the weak, as well as strengthening civil-society organisations in the area. While this undoubtedly is true, this would be true of virtually all other social sector interventions, so the relevance of this particular project remains somewhat unclear as it does not have any particular outreach or learning or spread dimensions to it.

The reform of Serbia's public administration has been an on-going process that is central to the country's EU accession programme. The request from the Serbian authorities in this field civil service has been, and remains, a pressing concern. Statskonsult's attempts to aid the government's attempts at civil-service reform was clearly relevant under Norwegian priorities, and it was requested by the Serbian prime minister personally.

The five projects therefore reflect somewhat different degrees of relevance, with two of them – the forestry programme and the Novi Sad EHO projects – somewhat less relevant than the other three.

4.2 Effectiveness of Reconstruction and Development Assistance

Nord-Trøndelag Energi's project to improve the delivery of electricity to the Sandžak district upgraded the grid drastically, established a central equipment-storage facility for the region and trained the utilities in charge in supply-chain management. This project has by all accounts been very effective.

The NFG forestry-management project has delivered all its planned outputs. For a start, it has drawn up a computerised, detailed inventory of all forests in Serbia. This has been placed on electronic maps, providing Serbia with a GIS-based forestry-management and planning tool, though implementation took longer and met more difficulties than expected. GIS has become a subject at the University of

Belgrade's Faculty of Forestry, university staff and students have been trained in its use, and the system is also being used by the country's main forestry companies. By all accounts the effort has been quite effective. A last component of the project was to introduce an environmental certification system, among other things with a view to the country's furniture industry. For this purpose, NFG helped set up an independent NGO to act as watchdog, but funding for the effort was terminated by MFA before this system was fully in place and operational.

EHO draws praise by informants for its humanitarian work in Novi Sad and EHO staff made a very professional impression. While the individual projects have not been studied in detail, the Evaluation Team was impressed with EHO's briefs, information material and strong commitment to their obviously good work.

Statskonsult's early support in the form of analytical work was published and disseminated, the policy advice was in line with reforms necessitated by the EU accession process and a number of proposals incorporated in new policies. About 3,000 civil servants received training by APAD supported by Statskonsult, with follow-up evaluations noting that most participants found the training Positive or Very Positive. When APAD was incorporated into the Ministry of Public Administration and Local Self Government (MPASLG) in 2003, the collaboration largely ended. In 2009, however, Statskonsult was asked by MPASLG to assist in the development of a new training strategy, where MPALSG used the Statskonsult studies from 2002 and 2005 as foundation documents. Overall Effectiveness thus appears good on early efforts but on the hoped-for direct public administration reforms little actually happened, with Statskonsult's engagement largely fizzling out.

4.3 Impact of Reconstruction-and-Development Assistance

NTE's upgrading of the electricity grid in Sandžak has drastically improved delivery in a sensitive minority region. Before the project the electricity supply was unreliable and the voltage so low that it often could not even power a. Electricity supply is now reliable and the voltage stable while supply-chain management is said to have improved markedly.

The forestry-management programme has contributed significantly to improved forestry management in Serbia. The country now has its first-ever forest inventory, allowing Serbia to monitor what sort of forests it has, where, and how to sequence the harvesting of resources in a sustainable way. Modern forestry-management planning software has been introduced, relevant actors have been trained in their use, and the new tools are being used. The effort receives much praise by the University of Belgrade's Faculty of Forestry, by semi-private forestry companies, and by political authorities. Serbian experts are now, in turn, assisting other countries in the region introduce the same system.

The policy advice put forward by Statskonsult has been in line with the actual reform processes later on adopted and implemented. The issue is attribution – the extent to which Statskonsult advice influenced actual decisions and implementation. This the evaluation cannot assess – some local informants were dismissive on

this count – but to the extent that there was an impact, it clearly was positive and in line with EU accession process.

As for the help to vulnerable groups in Novi Sad financed through NCA and implemented by EHO, there is no independent evaluation of these efforts. Achieved or expected long-term impact on society, i.e., beyond the lives of individuals, is not known.

With regard to UNDP's programme for municipalities in South Serbia, it is too early to assess impact. UNDP normally provides final reports with assessments of achievements, so there will no doubt be some documentation available at the termination of the project.

4.4 Sustainability

The technical projects of NFG and NTE both show great promise of sustainability. They have not only secured political support from the respective ministries, but introduced new systems and processes that are being used and highly appreciated at the working level.

With regard to the electricity system in Sandžak, the ministry in charge considers it a high priority to ensure that electricity to this sensitive minority region remains reliable. And at the working level, the supply-chain management is said to have improved markedly, which also bodes well for sustainability.

With regard to the forestry-management planning, the forest inventory for Serbia is in place and the university and the forestry companies have embraced – and are using – GIS. By all accounts these impacts are sustainable. Some persons trained in GIS by the project have even left the public sector and set up a private company that provides consultancy services, indicating there is a market for such skills.

These projects thus seem to have achieved technical sustainability, and financial sustainability also seems virtually assured given the support and efficiency improvements that have been produced.

Overall sustainability is not possible to judge, but training effects may become more sustainable as Statskonsult in 2009 was invited to continue the support in this field, building on 2002, 2005 work done. The Similarly, the Evaluation Team is unable to discern within the scope of this evaluation any societal effects of the NCA-funded aid to vulnerable groups provided by EHO, and it is unable to draw conclusions regarding sustainability. Sustainability of UNDP's programme for municipalities in South Serbia is too early to assess.

Table E.5: Reconstruction and Development Assistance, Assessment of Results

Activity, Implementer	Relevance	Effectiveness	Impact	Sustainability
Sandžak power programme – NTE	Consistent with Norwegian and Serbian priorities. Providing reliable basic service to affected area with ethnic minority, addressing inclusion, inter ethnic tension: ***Relevant***	Outcome reached. TA improved power distribution, reliability, supply chain management: ***Very Effective***	Significant effect on targeted region, Minority population well serviced, project visible, government seen to deliver: ***Positive impact***	Technology taken on board, being used, utility finances can operate, maintain improvements: ***Sustainability good***
Forestry Sector Programme - NFG	Consistent, to a degree, with Norwegian and Serbian priorities. Addressing need for country to better manage important renewable resource, though not a high priority at the time: Arguably ***Relevant***	Outcome reached. Introduced new approach, tools, forest inventory ⇨ Forest management much better: ***Very Effective***	Significant effect on forestry sector expected. Improved planning,, includes all key actors: Positive impact *on sector*	Technology taken on board, being used, Ministry can operate, maintain improvements: ***Sustainability good***
Assistance to vulnerable groups, Novi Sad - EHO	Consistent, to a degree, with Norwegian priorities and needs in Serbia. Assisting vulnerable groups, and supporting NGO sector, social inclusion: ***Relevant***	Outputs delivered effectively, outcomes by nature need time. Assistance provided by all accounts appropriate, well targeted: ***Very Effective***	Societal effects in Serbia limited or indirect in foreseeable future. Largely immediate services to vulnerable groups – long-term impact difficult to assess: ***Impact unclear***	Project depends largely on dedication but also needs external funding. Social service that merits public funding- ***Sustainability uncertain***
Public Admin Reform - Statskonsult	Consistent with Norwegian and Serbian priorities. Addressing what was major concern of prime minister in immediate aftermath of authoritarian state power: ***Highly relevant***	After good start with high output production, civil service reform project lost political support, cooperation came to a halt. Outputs produced while Outcome contested. ***Partially Effective***	Policy advice apparently largely taken, APAD integrated into Ministry and some earlier activities now being revived. ***Impact positive but unclear magnitude***	Statskonsult 2009 invited to develop further training – ***Sustainability of training may thus improve***
Municipal Improvement – UNDP	Consistent with Norwegian and Serbian priorities. Supporting decentralisation, stronger local voice, capacity: ***Relevant***	Project appears to be delivering outputs, degree of outcome achievement as yet unknown: ***Effectiveness unclear***	Too early to assess – ***Impact not known***	Too early to assess – ***sustainability unknown***

5 Euro-Atlantic Integration and Democratisation

The main focus of the evaluation of the Serbia portfolio, as noted previously, has been on the assistance to democratisation and Serbia's Euro-Atlantic integration.

The term "democratisation" is not clear-cut, and neither is the range of activities potentially eligible for Norwegian funding in this areas; but of the programme areas used in this study, the ones that have been included here, are legal and security-rector reforms (NOK 85 million), various technical assistance and secondment (NOK 57 million), support to civil society (only NOK 12 million), and funding for democracy, dialogue and human rights (NOK 167 million). These categories total **NOK 321 million**.

Many of the small-grants Embassy Projects also fall into this category, too, and thus increase the funding levels somewhat. One might question the inclusion of TA and secondment under this heading, but in fact many of the services under this category appear to have been related to security-sector reform (SSR) efforts.

The importance of this objective, however, is not so much the funding levels, but the issues and sectors that have been addressed.

Norway's support for SSR, as referred to earlier, has characteristic of the assistance Norway has provided in the region. SSR has been addressed fairly systematically and over time; and it has supported both defence and police reforms in Serbia. While police-reform support has been financed through the MFA-administered ODA funds for ex-Yugoslavia, other but closely related efforts in the military-reform area have fallen outside that allocation and are therefore outside the mandate of the present evaluation. Therefore, central aspects of Norway's total SSR assistance to Serbia are not analysed here, and the evaluation team must be careful to point out that the comprehensiveness and eventual synergies between key areas of SSR therefore escape this exercise.

This evaluation has sampled *ten projects* classified under "democratisation". Because SSR has been such a frequently emphasised objective of Norwegian policymakers' engagement in Serbia, six activities in this field were included in the portfolio review, both major and smaller efforts. The remaining four projects are more "classic" democratisation-and-empowering-citizens efforts. The projects looked at were the following:

SSR efforts:

- **Police-reform projects** ("JUNO I-IV")**:** To support Serbian police reforms, Norway's police directorate (POD) has equipped crime laboratories in order to boost investigative efficiency and introduced so-called "problem-oriented" community-policing approach to crime prevention throughout the police force. While this was both to enhance the efficiency and effectiveness of police services, it was also to bring police into closer contact with the public; both to help it re-establish trust in law enforcement among the general public, and to improve the delivery of policing services in terms of efficiency under European standards.

- **Police-reform: secondments to OSCE:** secondment at NOK 25 million through Norway's police directorate (POD) of senior Norwegian police to fill key positions in the OSCE Mission in Serbia. More specifically, Norwegians have been placed in OSCE's Law Enforcement Department, the mission's perhaps key unit and international lead in matters of police-cooperation.
- **Police-reform: funding OSCE-projects**: project financing, amounting to some NOK 29 million, for a number of OSCE activities in Serbia. The Norwegian support has, i.a. supported notable efforts to make major changes in police training at NOK 6 million and improvements of the forensic and crime-scene investigative capacities of the police in Serbia. .
- **Military Reform: demobilisation** (project "Assistance to Discharged Defence Personnel within the Scope of Defence Sector Reform in Serbia"): vocational training, job placement and start-up capital for discharged military personnel as Serbia slims down its defence forces. It is also engaged in relevant human-resources capacity-building assistance for the defence ministry. A NATO/Partnership for Peace (PfP) Trust Fund was set up to assist Serbia with demobilisation of military personnel. Norway essentially set up the programme and provided 30% of the financing for the trust fund, with 17 other countries[35] coming on board, and led the coordination with the executing agency its implementation. Activities were implemented by the International Organisation for Migration (IOM), which has been in charge of other demobilisation exercises in the Western Balkans, including earlier programmes in BiH, Croatia and Kosovo.
- **Interior Ministry accountability: upgrading internal information management** ("Management Information Improvement Project, MIIP"): introducing modern computerised management systems for the Ministry of the Interior, implemented by the International Management Group (IMG)
- **Oversight of security system: financing "Centre for Civilian-Military Relations (CCMR)"**: funding an increasingly prominent Serbian think-tank dedicated to strengthening oversight of the security sector. Norway has also funded a number of the research projects that the centre is carrying out.

Other projects supporting Euro-Atlantic approximation and democratisation:

- **Empowerment of women** ("Women Can Do It, WCDI"): provision of training seminars for women and a series of local actions, a NOK 7 million effort to boost women's participation in various sectors of Serbian society. This is regional programme, developed by the Norwegian Labour Party and supported by the NPA.
- **Supporting a vibrant and diverse media** ("Media Development Programme"): NPA has funded a NOK 53 million programme for supporting and strengthening independent media in Serbia through different phases over the period 1998-2011.
- **Improving the delivery of justice**: modest grants to individual courts, for projects to boost efficiency and accessibility of the judicial apparatus, and ultimately its public standing, implemented by IMG.

35 Austria, Bulgaria, Czech Republic, Denmark, Finland, Hungary, Iceland, Ireland, Italy, Luxembourg, Norway, Poland, Slovakia, Slovenia, Spain, Switzerland, The Netherlands, United Kingdom,

- **Nansen Dialogue Centres** have been supported by the Nansen Academy to set up forums for dialogue and facilitating reconciliation in conflict-affected regions of the country.

The democratisation assistance to Serbia has been supplemented by several institution-to-institution efforts implemented by Norway's Ministry of Defence, the Auditor-General's office, and other public entities in Norway. These activities are considered quite important by Serbian officials, but they were not financed with official aid funds by the MFA and thus are not captured in the Norad database. While they would be relevant to understanding the impacts of the totality of Norwegian aid, the team has limited information on these activities and they have therefore not been included in the analysis.

5.1 Relevance of Democratisation Efforts

Democratisation is the goal of Norway's involvement in Serbia, and all interviewed stakeholders in Serbia agree that Norway's support for democratisation has been in line with their priorities. Similarly, all *sample projects* looked at by the Evaluation Team were relevant, albeit to a varying degree.

- The POD's JUNO projects were in part to boost the legitimacy of the police in the eyes of the public. This institution emerged from the 1990s a tainted force, scoring abysmally in public-trust polls. The project funded more modern crime labs, to improve investigative efficiency. And it sought to involve local police closer with their communities. For that purpose it persuaded the Serbian government to introduce so-called "problem-oriented community-policing approach" to crime prevention, and helped the police pilot and introduce this approach. This concept has obvious merit and relevance to democratic development.
- Similarly, secondments through POD for the OSCE Law Enforcement Department in Belgrade were clearly relevant. OSCE was, and remains, the international lead on police-reform. Placement of Norwegians in key positions has been welcomed by all the involved, not least on the Serbian side; and it has probably been relevant to achieving impacts of other, Norwegian-funded efforts in the area of police reform, including the JUNO projects mentioned above..
- IMG's information-management project (MIIP) for the Ministry of the Interior (MoI) was perhaps low-key and technical-managerial in nature, but it was clearly highly relevant. The project was launched after an analysis of DfID in 2005 found the ministry suffering from poor logistics and information management, particularly when it came to financial oversight and planning. MoI has ostensibly accounted for some 7% of the annual state budget; yet it had no centralised overview over the number of people it employed or buildings it owned, the car-fleet, procurement at local police stations, and so on. Analysts found indicators of massive leakage of ministerial resources. This situation undermined political accountability and the general level of respect for the law-and-order apparatus, and encouraged police corruption. The MIIP programme introduced modern, centralised electronic accounting system in the ministry in the period 2006-2007, and hopes to add modules on management of vehicles, buildings, human resources and procurement. These are clearly relevant issues for Norwegian assistance. The idea originated in Serbia's Ministry of International Rela-

tions (MIR, which housed the Norwegian-advised DACU, Serbia's unit in charge of coordination of international assistance) which in turn approached IMG and asked it to design and propose the project to Norway's MFA for funding.

- Military reform is another area where Norway is engaged. Among other things, Serbia is slimming down its military forces and its support apparatus. Through the NATO Trust Fund, Norway has helped organise and coordinate a fund to assist the defence ministry help discharged military persons find work and reintegrate into civilian life, and done it under a NATO umbrella in part to improve that alliance's image. Both the content and the "image" aspects of the project are relevant to the SSR agenda.
- Since 2006 Norway has funded an increasingly prominent watchdog and think-tank, the Centre for Civilian-Military Relations (CCMR). Norway is financing running costs and individual research projects. The centre does research and advocates for public oversight over the entire spectre of security services – from army and police to private firms, and thus provides one of the few examples of civil society engagement and constructive contribution to SSR. The institution aims to become an incubator for a new generation of experts and contribute to the discourse on security-sector reforms on a basis of research-documented facts.
- Since 1998 MFA has financed a portfolio of NPA-implemented projects, termed "Civil Society and Media Development Programme". This portfolio has supported civil-society organisations devoted to Roma rights, IDPs and refugees, youth and human rights – but the perhaps most prominent efforts in the portfolio have been the so-called "Media Development Programme" (NOK 53 million) and the programme "Women Can Do It (WCDI)" (NOK 7 million).
- WCDI has been arranging seminars and local actions to promote gender equality during the period 2001-09. The Media Development Programme has been financing Serbian media throughout the 1998-2011 period in four phases: first an emergency-support phase (1998-2001, NOK 20 million), next a consolidation phase (2002-2005, NOK 16 million), third a democratisation phase (2006-2008, NOK 10 million) and is presently in an exit phase (2009-2011, NOK 7 million).

Both projects are clearly relevant given the explicit Norwegian priorities in these two areas, but they also correspond well with priorities set forth by important Serb stakeholders.

- The judiciary remains a weak institution in Serbia, if not in formal powers then in authority. Many of Serbia's 138 municipal and 34 district courts[36] are hampered by poor facilities, systems and processes, rendering them inefficient as deliverers of justice-services to the population. They also have a poor reputation for corruption, and the judiciary by all accounts scores worryingly low in public opinion polls when it comes to trust.
- Norwegian funding for the IMG-implemented "Improving the Delivery of Justice in the Courts in Serbia" is a grants mechanism for local courts, to improve facilities and access to justice. It was launched in 2007 on the basis of a DfID analysis, with a EUR 1.1 m budget over one year. It was extended in 2008 for another

36 The number and names of courts in Serbia are changed with effect from January 2010.

two years. The total budget stands at EUR 2.5 million. It aims, among other things, to improve efficiency of local courts, coordination between key justice-sector actors and judicial transparency, and to improve public image of the judiciary. The project advertises funding for concrete improvements in local courts, which are invited to apply for grants to implement their plans. The effort is relevant to an enhanced legal sector, though it would have been useful to understand this project in light of larger court-reform processes.

- The Nansen Dialogue Centres aim at creating forums for dialogue. In Serbia it has been engaged in three regions. It supported the establishment of local ombudsman institutions in the northern Vojvodina province. It sought to help establish functional structures in two dysfunctional municipalities in the predominantly Muslim region of Sandžak. And it sought to defuse tensions in the Albanian-majority town of Bujanovac on the Kosovo border. All these efforts are to varying extents relevant to Serbia's democratisation and EU-approximation process, though the choice of sites and problems to address are unclear in terms of their priorities to the national situation.
- Embassy Projects have clearly been relevant as a portfolio; but the direct relevance of individual efforts to Norway's overarching goal of peace, reconciliation and democracy has undoubtedly varied a great deal.

From the selection of activities looked at, the portfolio has addressed a fairly *wide range* of interventions that all appear relevant to the situation Serbia is facing and largely in line with Norway's policy objectives.

The most coherent Norwegian effort is, it seems, in the field of security-sector reform, with the combination of police reform, military reform and civilian-oversight strengthening. It should be note here, however, that much of Norway's defence-related co-operation goes directly through Norway's defence ministry and budget (not through the MFA), and are therefore not part of this review. Support to the court system is of course highly relevant in a good-governance perspective, but this kind of assistance is marginal in Serbia from Norway's side. Support to free media and women's empowerment are mainstream and stand-alone relevant activities, while the Nansen Dialogue Centre programme appears well-intentioned and targeted to problem areas – all three contain inter-ethnic cleavages that are important for Serbia to address.

5.2 Effectiveness of Democratisation Efforts

The project-specific documentation and interviews point to varying degrees of effectiveness in the projects reviewed, though most appear to have been very good.

- The police-reform efforts implemented by POD have by all accounts delivered very well. The first module, JUNO I ("model police station, 2001-02), was a pilot project. JUNO II (2004) equipped criminal laboratories in north and south Serbia, boosting forensic-investigative capacities[37]. JUNO III (2005) piloted the introduction of so-called "problem-oriented" community-policing approach to crime prevention in north Serbia. JUNO IV-VI (2007-) expanded this form of

37 "Alt utstyr i henhold til prosjektbeskrivelsen for JuNo- prosjektet er anskaffet og tatt i bruk i samsvar med opplæringen som ble gjennomført i 2004. Slik sett har JuNo II-prosjektet resultert i en *merkbar oppgradering [our Italics]* av de kriminaltekniske tjenester i Novi Sad, jf. også den økning av antall undersøkelser/analyse som er utført i 2005 sammenlikned med 2004" (Evaluering av Juno II prosjektene "Kriminaltekniske tjenester" v/politisekretariatene i Novi Sad og Nis, Serbia", Arne Bjørkås 2007)

policing to every police station in the country. The JUNO efforts have been well managed. Each phase followed clear plans, reporting is good and focused, and the successive steps were internally evaluated by Norwegian experts. Combined with overwhelmingly positive feedback heard by the present evaluation team from Serbian counterparts, the conclusion is that the JUNO efforts have been highly effective.

- The POD-seconded personnel to the OSCE Law Enforcement Department are seen to have provided sound professional services. The secondments have reportedly been valuable to OSCE, helping it to play its role as a dependable lead international partner to the Serbian police in reform work and Euro-Atlantic approximation. These transformations are difficult and often controversial for a large body like a police service to implement, since it to some extent challenges core values of the "corporate culture". The partnerships with the Norwegian police directorate and the OSCE Law Enforcement Department have been often praised by informants for having reinforced one another, creating synergies between efforts that have been funded by MFA; and the secondees have been mentioned in flattering terms for showing not only competence but respect and patience, necessary to build the prerequisite trust for Serb partners to endorse some proposals and ideas that have been central to these programmes.
- The IOM-implemented NATO Trust Fund took about a year to design – a normal time span – but got off to a slow start when less than a thousand beneficiaries were referred to the fund in the first round. This was addressed, and the project now has received praise as a good mechanism to complement other efforts to helped demobilized military personnel re-enter civilian life, while also assistintg Serbia's ministry of defense build its capacity in this field.
- The Management Information Improvement Project (MIIP) for the Serbian interior ministry has by all accounts delivered as promised, though with serious lags as it was more difficult than foreseen. In the period 2006-2007 the project introduced a modern, computerised accounting system in the ministry, providing software, some hardware, and provided sufficient training for the system to be implemented. Serbian officials are clearly satisfied with its effectiveness.
- Norwegian funding has allowed the CCMR to double or triple its staff from 2006 and maintain adequate premises, and to continue its analytical and networking activities. This has allowed the institution to contribute to the critical dialogue on the further reforms required for the Serb military to become aligned with current concepts of a modern and democratic defence force. This in itself was the desired outcome of the Norwegian support, which has therefore been effective.

As for CCMR's productivity, the institution has become a prominent[38] actor in its area. It is by all accounts visible in the media, drafting analyses and opinions, and organising debates. CCMR has close links to Norway's foreign-policy institute (NUPI). It is difficult to measure the think-tank's effectiveness, but it seems activity levels are high.

38 It is recognised knowledgeable in military matters, political science, law, sociology and psychology, and it has launched a PhD programme. Between 2006 and 2008, 32 research fellows at CCMR have graduated from the institution, including four PhDs, while 11 foreign research associates have worked there. In the same period, 104 research papers and articles have been published by its researchers ranging from an analysis of the private security sector (big in Serbia), an index of SSR (who is doing what), and various literature which is distributed for free and used by the media and academia. The number of speeches, lectures and other public presentations amount to 50 in the same period, attended by more than 700 participants.

- NPA "Women Can Do It (WCDI)" has arranged almost 300 seminars in Serbia for over 6,200 women, covering general issues (public speaking, management of meetings) and specific topics (politics, media, business, etc). The seminars have been followed up by about the same number of "local actions" – that is, the awareness raising has been used to produce tangible results (more women representatives, as per stated desire) and further activities by the women involved.

  The regional WCDI programme was independently evaluated in 2005[39], and the evaluation noted that one of the main achievements of the effort has been its ability to reach a large number of women in the region, and that the quality of the activities have been met with overwhelmingly positive from the beneficiaries. Overall, the project was *"well-functioning"* and was *reaching its immediate objectives* of *"increasing skills and motivation among a substantial number of women"*.

  However, the 2005 evaluation report also noted critically that *"the programme's output and results factors are not clearly distinguished and indicators are not quantified. This makes it difficult to use indicators for monitoring and evaluation. Therefore, the success indicators should be made more directly linked to programme performance."* It appears NPA has subsequently given considerable attention to improving the logical framework of the effort, and that such efforts are still in progress; but the Evaluation Team has not been in a position to dig deeper into the results-management of this individual programme today.
- IMG's project "Improving the Delivery of Justice in the Courts of Serbia" was launched in September 2007 for a one-year period with a budget of EUR 1.1 million It has supported local and regional courts in a variety of efforts, according to the project plan and Serbian priorities., as expected. Following advertisements by IMG that invited Serbia's 168 local courts to apply for funding of concrete projects, the project initially selected 20 courts with a geographic spread - including in minority and border areas, big and small courts, and courts with serious backlogs. In the end, some 200 activities were implemented. Most went to infrastructural improvements, such as client-area improvements, establishing a separate public-information desk (allowing other clerks to work without interruption) and trainings of judges and other court staff facilitated and implemented by Judicial Training Center in Serbia. Other grants paid for such things as computers, web-pages and mediation-training sessions at Centre for Mediation in Belgrade, or to installing lifts for the physically disabled. The projects financed were proposed by the courts themselves. The project has so far delivered what it set out to do and is considered in positive terms by interviewees.
- The Nansen Dialogue Centre efforts have generated a number of outputs as presented by the programme, but more substantive outcomes are more anecdotal, sketchy and unconfirmed. This field is notoriously difficult to monitor and pass judgment on, but at the same time Norway is allocating considerable resources both to the general field and to the NDC network in the region. A more careful assessment of achievements and some ideas on how the NDCs may be able to link up with other societal change agendas is discussed in the BiH portfolio review.

39 "Women Can Do It – an evaluation of the WCDI programme in the Western Balkans", Norad 2005

5.3 Impact and Sustainability of Democratisation Efforts

The most surprising finding regarding Norway's assistance to Serbia is the nearly unison opinion that Norway's aid portfolio has had significant impacts on democratic developments. The most frequently mentioned are a "socio-psychological" effect, and a positive influence on security-sector reform (SSR).

The "socio-psychological effect" is clearly the more difficult to document, describe or measure; yet it appears to the team as perhaps the most important. The argument or explanation provided by interviewed persons in Serbia to justify this somewhat unusual conclusion is based on a mix of several factors. The first is the "special relationship" that many Serbs feel with regards to the links between Norway and Serbia. While the historical roots are the ones going back to WW II, the continued linkages between political elites in the two countries is clearly well known. But there is also a feeling, based on the fairly widespread experience that many Serbs now have with Norwegians through these projects, that Norwegians and Serbs have some compatibilities in how they think and operate: practical and solution oriented, not a lot of unnecessary talking, focus on results[40]. There were also what seemed to be some common misconceptions about the Norwegians that played in Norway's favour: while the Serbs recall the solidarity during the war and the political ties to the Labour Party under Tito, it is assumed that the Norwegians are as well aware of this history and that these links hence are as important to the Norwegians.

But the fact that Norway was among the first donors to come into the country, that Norway has all along been willing to talk with all political actors including the nationalists has been noted by a country that has felt vilified and collectively punished and wrongfully singled out for the brutal wars across ex-Yugoslavia – there was in some sense a need for creating the myth of "the good brother", and Norway was in a position to assume that role. The willingness by Norway to quickly extend a hand and to signal solidarity and support during some of the darkest days in their recent history has been noted. This has led to a fairly broad-based sense of Norway being a fair player, despite being a NATO country – and in fact Norway hosted the NATO embassy in Belgrade and once Serbia wanted an approximation with NATO/PfP, Norway played an important bridging role. The fact that Norway is not a member of EU has also been an advantage in times when the EU and the US have been seen as bullies rather than as partners. The wide geographic dispersion of the Embassy grants, which has made Norway visible across the country, has further cemented the image of a donor that is equitable and balanced in its dealings. The impression is that Norway is being forthright and open with Serbia, and that it does not have a hidden agenda. Even after the 1999 NATPO bombing and Kosovo's 2008 declaration of independence, which Norway supported, Norway remains a much appreciated partner.

So Norway has benefited from a mix of myth and smart moves, and of being small and thus not a threat, which in turn has created a feeling, across an amazing range

40 This impression is confirmed by a number of Norwegians who have worked in the region and who on their own noted that they felt it was easier to work with the Serbs than some of the other ethnic groups in the region: the unspoken communication was easier, common agreements simpler to reach, and the experience was that Serbs would deliver on their commitments, thus simplifying project implementation and administration.

of informants, that Norwegian support had some important signalling effects – that in particular at the cross-roads when a new regime was coming into being, there was a trusted and friendly voice that welcomed Serbia back into the European political space and genuinely wanted to see the country succeed.

This all meant that Norwegian support was seen as contributing – maybe not as a decisive factor but a visible and very useful one – to changing the overall mood of despair, resignation and resentment, to one of looking to the future, to the West, and at oneself with a very different self-confidence. This confluence of intangibles and tangibles on the Serb side was complemented on the Norwegian side with good diplomacy based a solid knowledge of the region, sensitivities to history and sentiments, and ability to communicate quite widely the Norwegian position and Norway's partnering objectives, in a way that was acceptable and appreciated.

This has built the platform of trust that has allowed in particular the SSR collaboration to move ahead, but has also created this unusual sense of solidarity. This is undoubtedly a historical phase that will pass; but to many Serbian informants this contribution – however one may phrase it and explain it – remains by far the most important result of Norway's support, and one that is claimed to have been of great value to Serbia.

At the level of the projects, expected impact and sustainability varies:

- In the area of *police reform*, POD's JUNO projects are by all accounts contributing to important long-term impacts. As earlier described, the Norwegian funded upgrading of Serbia's main criminal laboratories has markedly improved the police's forensic-investigative capacity, and thus the ability to solve crimes. But even more importantly, he Serbian police has adopted modern approaches to crime prevention, including "problem-oriented policing" which involves local actors – businesses, schools, communities – to prevent and better deal with crime locally. Opinion polls show that while the police was distrusted just a few years ago, it has recently become one of the country's top-three most-trusted institutions (after the church and the army). Informants inside and outside the MoI and police believe that rebuilding trust between the police and the population will have a positive impact on law enforcement and larger governance culture, and Norway is given much credit as an agent of influence. Though it is too early at this stage to assess the longer-term results of the new policing approach in Serbia, the positive reception and commitment on the Serbian side bodes well for sustainability.
- The POD's JUNO-projects – crime-lab improvements and then community-policing reform – have been closely coordinated with the OSCE, where the often Norwegian-led Law Enforcement Department has been supportive. This "Norwegian connection" appears by numerous interview statements to have facilitated coherence and synergic effects between Norwegian-funded efforts – both in terms of the internal developments within the Serb police forces, and with regard to their increasing international integration – not only in terms of formal linkages, but also with regards to their policing approach and international police collaboration in cross-border criminality. It often seems as if Serbian counterparts in the police, interior ministry – or for that matter in the military - may

attach less importance to the organisational hat of the Norwegian individual he or she is dealing with, bilateral or OSCE, than to the Norwegianness; and on the whole it all appears to be a perception of a big presence of "Norwegians here", and it is clearly seen as a positive presence. It is inherently difficult for the evaluation team to probe deeper into such statements within the scope of this evaluation, but the overall picture is consistent and appears to be realistic enough.

- Also relevant to police reforms, the introduction of computerised financial-management systems in the interior ministry – through the IMG's MIIP programme – is expected to significantly improve budgeting, accounting, general resource planning. By extension interviewees expect an impact of increasing effectiveness and strengthening oversight and control. Time will tell whether this will happen, but officials and police embrace the upgrading and believe it will have impact. Attribution will be uncertain, but causality seems plausible.
- IMG's efforts to improve the delivery of justice in the courts of Serbia are in a too early stage to assess for impact. IMG plans an evaluation in mid-2010. . After the initial batch of 200 activities in 20 municipal courts, the project from late 2008 – i.e., beyond the timeframe covered by the present evaluation – continued with 10 municipal and 10 district (second-instance) courts, and began efforts to look at corruption. A steering committee involving the justice ministry, judicial training centre (the institution tasked with training judges), the Norwegian embassy in Belgrade and IMG has been set up. The project is praised by Serbian officials, who seem committed to the effort.
- Reform of the armed forces in Serbia has been a key concern, and Norway has invested much diplomatic effort and funding to strengthen political oversight of the armed forces in line with NATO policies. The armed forces of Serbia today are seen as a very different force than during the Balkan wars, both by the own population but also abroad, where the increasing willingness to engage internationally is earning Serbia new respect and acceptance as a modernizing European nation. While this development is defined and run by the Serbs, informants credit Norway with supporting both own confidence in the course chosen, providing good technical and policy advice along the way, assisting with the professionalization of key areas of the military, facilitating the entry into new international military arenas, and partnering the first Serb military contingent abroad . While Norway should be careful in claiming credit for these changes, it was clearly stated by informants that the Norwegian support has all been constructive and in the right direction, and therefore on the margin has contributed to these positive impacts.
- The impact of the NATO Trust Fund effort to support demobilisation of military personnel was evaluated in 2009[41] by IOM in collaboration with external analysts. The report concludes that "*the project accomplished its strategic objectives in the field of social reintegration of former military personnel. The data listed above clearly show an interconnection between the NTF project and successful social integration*". Interviews conducted in the course of the present evaluation support the overall findings of the 2009 report. Apparently, some

41 "NATO Partnership for Peace . Project for Assistance to Discharged Defence Personnel within the Scope of Defence Sector Reform in Serbia. Evaluation on the Economic, Security and Social Impact of the Project", IOM/NTF team in collaboration with Questlab, Prof Dr Ljubiša S. Adamović of Florida State University and Mr Slobodan Spasić of Singidunum University, Serbia (June 2009)

aspects of the effort have attracted the interest of countries like Japan and Ukraine[42].

With regard to sustainability, Norway promoted the insertion in the NATO Trust Fund project of a capacity-building component. This element aims at ensuring the capacity of the Serbian Ministry of Defence to conduct similar downsizing activities in the future, when professionalisation of the army is likely to see further discharging. The project has reportedly strengthened the relevant departments of the ministry, and established mechanisms and structures that are already now embedded in the Ministry set-up.

- Norway's support to CCMR has allowed the think-tank to develop and become a prominent voice in Serbia's public discourse on security-sector reform. CCMR staff point at several indicators of societal impact that they claim come as a result, at least partly, of their activities. The parliamentary oversight of intelligence services is said to be improving. CCMR has gained access to military barracks to train officers in relevant European standards, representing an "opening up" of a traditionally closed structure. Serbia has – with the considerable help of Norwegian lobbying – become a member of NATO's Partnership for Peace programme, and inside Serbia a public dialogue on a closer future relationship between Serbia and NATO is no longer a taboo. CCMR is said to have stimulated the creation of a growing network of thinkers on security-sector reform. Other sources are largely consistent with CCMR's claims. CCMR has developed a broader funding base than just Norway[43].
- NPA's "Women Can Do It" programme scores well on impact and sustainability in the 2005 evaluation report. It found that the WCDI local partner organisations had developed the skills and organisational apparatus needed to run a WCDI programme on their own. This corresponds with the opinion of persons interviewed in Norway and Serbia in the course of the present evaluation. Eight members of Serbia's parliament have been through WCDI seminars and local actions; and the number is 80 for the whole Western Balkans region.

42 During the year 2009 and 2010, delegations from Japan and Ukraine have visited the Norwegian-funded project to learn more about the mechanisms developed in cooperation with the Serbian Ministry of Defence.

43 Among the donors today are the EC, EAR, USAID, some embassies in Belgrade, the Balkan Trust, Open Society Institute, the Westminster Foundation and Freedom House. Even in the face of decreasing funding from Norway, CCMR staff believe that funding will be found and that the think-tank itself is sustainable and will continue to have an impact on reforms of Serbia's security sector.

Table E.6: Support to Democratisation and Euro-Atlantic Approximation, Assessment of Results - summary

Project	Relevance	Effectiveness	Impact and sustainability
Police Reform (JUNO I-IV) – POD	Consistent with Norwegian and Serbian priorities. Addressing key institution that under Milosevic used to repress population so need for democratic development critical: ***Highly relevant***	Outcomes achieved. The community-based policing and improved crime labs have contributed to enhancing the effectiveness and public trust in the police : ***Highly effective***	Long-term effect on police, law enforcement in general, expected. Reforms fully taken on board and being pursued and developed by national authorities: ***Impact significant, sustainability good***
Secondments - OSCE	Consistent with Norwegian, European and Serbian priorities. Providing senior staff to assist Serb police introduce modern methods, strengthen international ties: ***Highly relevant***	Outputs – secondments - delivered and outcome – strengthening OSCE's work - achieved. Norway has provided staff to OSCE as planned, who have performed well by all accounts: ***Effective***	Effects of secondments seen as positive, but this is short-term support: ***Impact positive, limited sustainability***
Police project financing - OSCE	Consistent with Norwegian, European and Serbian priorities. Linked with above project, ensure funds to operationalize improvements: ***Relevant***	Outcomes achieved – i.e., the funding has resulted in delivery of the planned projects, the results of which could not be critically assessed within scope of this evaluation; but the delivered OSCE projects are praised by interviewees for having reformed police training in Serbia. and by OSCE itself. ***Effective***	Not critically assessed within scope of this evaluation, but some long-term effect of the OSCE project funding seems likely on police, and on law enforcement in general. ***Impact probably positive, sustainability unknown***
Military reform, demobilization - IOM	Consistent with Norwegian, European and Serbian priorities to slim down the military apparatus. Added dimension of having this done under a NATO umbrella to help build bridge between Serb and Western militaries ***Highly relevant***	Outputs delivered and outcome being achieved, including strengthening of MoD capacity for military reform and demobilization: ***Highly Effective***	Individual beneficiaries adapting well in civilian professions and MoD capacity in place for continued support. ***Impact Positive, Sustainability likely***
Mngt Info Improvemt Project (MIIP) - IMG	Consistent with Norwegian and Serbian priorities. Rationalising and controlling interior ministry with its large budget, ensuring accountability, transparency in funds use important: ***Highly relevant***	Outcome achieved. ministry equipped and trained with tools required to control resources better: ***Effective***	If results continue as positive as currently foreseen, ***Impact and sustainability highly likely***

Project	Relevance	Effectiveness	Impact and sustainability
Civilian-Military relations - CCMR	Consistent with Norwegian and Serbian priorities. Strengthening civil-military dialogue, build independent watch dog based on research, independence, credible views: ***Highly relevant***	Outcome achieved: funding allowed the NGO to operate with a high level of activities across a broad spectrum of issues, strong international engagement, links, publications: ***Highly effective***	Beneficiary now a prominent voice in SSR discourse, mobilising resources, expected to survive and be influential: ***Impact promising, sustainability probable***.
Nansen Dialog Ctrs	Consistent with Norwegian and Serbian priorities. Addressing inter-ethnic divides in outlying regions where Serbia facing possible unrest: ***Relevant***	A number of outputs produced and results achieved in each of three geographic regions, though longer-term outcomes not clear: ***Somewhat effective***	NDC so far small, marginal actor, no clear links to larger social or political forces: ***Impact unclear, sustainability vulnerable*** as Norwegian funding ends.
Media Devt Prog - NPA	Consistent with Norwegian priorities. Assisting development of independent, critical media during transition to stronger, more civil society based critical dialogue: Highly relevant	Outputs produced and outcomes largely achieved. The project allowed many independent media to operate through phases of Serbian rule. Fairly broad-based program that over time has assisted in a structured manner: ***Effective***	Societal effect of project over the years is difficult to document, but some degree of impact seems plausible. Will be phasing out as planned, so will undoubtedly have some longer-term impact, though no external evaluation seen, so ***Impact unknown.*** As media institutions taking over responsibilities, those aspects of program that have been taken on board will be ***Sustainable***
Women Can Do It - NPA	Consistent with Norwegian priorities, and apparently highly appreciated by target group (individual beneficiaries), who feel the effort is very appropriate: ***Relevant***	According to sources, outputs and outcomes not always clearly defined, but the effort reportedly produced and outcomes reportedly achieved. Large number of seminars and actions involving many women: ***Effective***	Societal effect difficult to document, but plausible in a longer perspective. Local capacity has reportedly been built to carry on. According to the evaluation, ***impact promising, sustainability positive***
Improving the Courts - IMG	Consistent with Norwegian and Serbian priorities. Courts need to improve in terms of functioning and accessibility: ***Relevant***	Many small-scale activities, produced as planned. ***Effective***	Too early to assess, ***Impact unknown Sustainability*** is unclear but possible, depending on results of other efforts .

- The Nansen Dialogue Centre has some results to point to, though the relative contribution by the NDC compared with other political and social forces in the three case areas is not clear since no in-depth assessments have been made. The larger question is what the next steps and higher-level impacts of these specific interventions are expected to be, and how such efforts can become more generally available and contributory to larger societal processes (Impact). These questions are not specific to the NDC in Serbia but to the NDC network as a whole, and discussed more carefully in the BiH annex. One of the concerns raised there is that the lack of a more generally accepted and used analytical framework, such as Social Capital (World Bank, UNDP, academia) or Social Inclusion (EU), makes it difficult for NDC to link up with larger networks, monitor its performance against more widely used indicators, and thus does not really have a gateway to larger learning and knowledge management arenas. Without this, it becomes difficult to see how the NDC approach can become sustainable and create any significant impact.

6 Embassy Projects

The Belgrade embassy disbursed on average some **NOK 2 million** per year in small grants ("Embassy Projects") to a wide range of applicants.

The purpose of this comparatively small funding was to address issues identified on the ground, so as to supplement, or facilitate, Norway's larger efforts in Serbia. Apart from making a difference in the lives of individuals and communities in Serbia, the grants have been a diplomatic instrument to help boost Norway's public image in Serbia. Grants have, among other things, financed activities in *virtually every municipality* in the country, which has been one of the most noted aspects of the support. The embassy was quite active in its approach and was willing to "seize the moment" and take risks.

Since 2000, the list of Embassy Projects runs to some *400 grants*. These span the range of humanitarian aid, reconstruction, transcending various forms of polarisation and democratisation-related efforts, as well as a multitude of activities that escape tight classification.

There are no strict formal criteria for allocating the Embassy Project grants, and the embassy is fairly open to whatever applications are presented. In reality, the embassy has had different fields of concern, depending on the situation in the country and thus the issues that Norway has wished to contribute towards. It has meant, however, that allocation decisions have not been fully transparent to those whose grants were not accepted, and that the embassy has had to process a large number of not always very relevant applications, so management costs have probably been on the high side.

Examples of Embassy Projects range from equipping local hospitals and roofing municipal kindergartens, to financing opposition media; from carp- and cattle-breeding schemes, to helping an invalid through university ("filling the gaps"). It appears this aid has been quite widely reported in Serbian media, locally and to some degree, nationally.

There have been variations in profile of the Embassy Project portfolio over time. Immediately after the installation of the new government in 2000, many of the grants went to fix up community hospitals, kindergartens and other public facilities. Over the last years there has been a shift toward security-sector activities, support for human rights and general "democratisation" efforts.

While no real assessment documents exist of the embassy grants, since they are so small, a number of progress and final reports from activities were reviewed and a number of beneficiaries interviewed.

Whereas individual grants cannot be meaningfully studied within the mandate and scope of the present evaluation, it seems safe to assume that not all of the grant were equally relevant, directly speaking, to the explicit objectives of Norwegian aid or Serbian priorities.

The point here is that the Embassy Projects – the whole portfolio, or the instrument – has been relevant. The embassy has had quite a broad outreach and thus has received applications representing a wide range of issues and organisations. By all accounts these efforts have contributed positively to Norway's pursuit of larger priorities in Serbia.

One particular dimension of the portfolio that many have commented on is the geographic spread of the resources. While this has created a lot of local goodwill, there was a more profound political message behind this approach: that Norway – and the international community as a whole – was serious in its message about wishing to support Serbia as it rejoined the common European space.

Showing this, in this case with small-scale support to locally visible activities, clearly served Norway's own short-term interest in being seen as a friend and ally. Moreover, it was highly relevant to the larger objective of supporting democratisation and Serbia's Euro-Atlantic approximation. At times, this has been furthered by tangible proof of friendship, and often these small Norwegian grants were all that local municipalities had to show their population in terms of support and resources from the wrenching changes being made. These small-scale grants were probably more important for the larger "socio-psychological" impact than any aggregation of individual Embassy Project outputs would be able to capture.

One effort that has been frequently mentioned by officials in Belgrade is the award of university scholarships for Serbia's best 1,000 students, offered at the time of the regime change. The idea originated at the Norwegian embassy in Belgrade, it was presented to and approved by the MFA in Oslo, and then financed as an Embassy Project and implemented by the G17 Institute. The scholarships were awarded when the economy had reached rock-bottom. Pessimism, not least among the young, was deep, and many wanted to leave the country. For the best students being able to study abroad was a tempting avenue. Norway funded scholarships for studies *inside* Serbia. Although financed as an Embassy Project, it was also considered an important effort by the MFA Western Balkans section in Oslo. These scholarships were strictly merit-based, and a point was made of the fact that this

was open to qualified students of all political persuasions – there was going to be no "punishment" of nationalists or former Milošević supporters. – The evaluation team met a number of former scholarship recipients in high office today. The fact that the funds came quickly, and at that difficult time in their history, and also that the scholarships were available to all – all this has seemingly made a considerable impression among many members of Serbia's upcoming élite, and the scholarships probably cemented the image of Norway as a sincere partner.

Otherwise it is clear that *individual* grants were a mixed lot in terms of relevance to operational foreign-policy goals. In general, these Embassy Projects, representing a large number of disparate activities, are impossible to aggregate in any meaningful way. At the level of effectiveness of individual grants it is therefore difficult to see what can be claimed.

What has been somewhat striking, however, is that those informants that have benefited from Embassy Project grants – and the many others who are aware of them - *all speak highly of them*.

Since the projects have largely been quite specific and targeted, the likelihood of the outputs being produced is probably reasonably good. But it would be very helpful to have a more careful synthesis study on what has actually been achieved through these numerous activities. Given some of the comments and observations provided, the results may in fact be more profound than expected. What is clear is that having this flexible small-scale funding available locally has given the Embassy an important tool for remaining relevant, visible and supportive in a fast-changing context.

Annex F: Norwegian Support to Kosovo

1 Background

The term **Kosovo War** or **Kosovo Conflict** is used to describe two sequential and at times parallel armed conflicts in Kosovo:

- **1998– Early 1999**: Increasing fighting between Yugoslav security forces and Kosovo Albanian insurgents.
- **1999**: NATO bombing of Yugoslavia between 24 March and 10 June 1999, during which the conflict on the ground between Yugoslav and Kosovo Albanian forces intensified, with thousands of dead and nearly one million civilians having to flee their homes.

The Kosovo war had a number of important consequences in terms of the military and political outcome. International negotiations began in 2006 to determine the status of Kosovo, as envisaged under UN Security Council Resolution 1244, but failed. The province is formerly administered by the United Nations despite its unilateral declaration of independence on February 17, 2008. **UN Security Council Resolution 1244** authorized an international civil and military presence in Kosovo, then part of the Federal Republic of Yugoslavia, placing it under interim UN administration. It was adopted on 10 June 1999. Both sides in the conflict subsequently adopted it in the *Kumanovo Treaty*.

The 2008 Kosovo declaration of independence was an act of the Provisional Institutions of Self-Government Assembly of Kosovo (PISG), adopted on 17 February 2008 by unanimous quorum (109 members present – Serb representatives boycotted this event), which declared Kosovo to be independent from Serbia. 65 countries have till now recognized Kosovo. Serbia intends to seek international validation and support for its stance that the 2008 Kosovo declaration of independence is "illegal" at the International Court of Justice (ICJ), after, in October 2008, the United Nations General Assembly approved Serbia's proposal to request an ICJ advisory opinion on the matter. This process is currently on-going.

The UN-backed talks, led by UN Special Envoy Martti Ahtisaari, began in February 2006. Whilst progress was made on technical matters, both parties remained diametrically opposed on the question of status itself. In February 2007, Ahtisaari delivered a draft status settlement proposal that proposed 'supervised independence' for the province, but no agreement could be reached by the five permanent members of the Security Council.

A number of international actors in addition to the EU and the UN maintain large missions in Kosovo[44]. Since 1999, Nato has maintained a security presence through the Kosovo Force (KFOR), with approximately 10,000 troops on the ground as of 2009. OSCE has a countrywide regional organization, and the European Council, the World Bank and the IMF have liaison offices. Bilateral donors, from countries that have recognized Kosovo, have bilateral agreements directly with the Kosovo authorities.

Like other countries in the Western Balkans, Kosovo is included in the Stabilisation and Association process (SAp), a framework for EU approximation. As not all EU member states have recognised Kosovo, the country lacks a clear EU perspective. EU dialogue with Kosovo takes place within the framework of the Stabilisation Tracking Mechanism (STM); no Stabilisation and Association Agreement (SAA) has been concluded with Kosovo. According to the Thessaloniki Agenda, Kosovo is a potential candidate country for EU membership, and therefore eligible for Instrument for Pre-accession Assistance (IPA) funds, trading rights and other benefits, despite the absence of an SAA. The EU provides advice and support through the European Partnership and follows developments in key areas.

Despite declaring its independence in February 2008 after nine years as a UN- administered territory, Kosovo is still to remain under temporary international supervision, with the deployment of an International Civilian Representative mission (ICO) and a rule of law mission by the European Union (EULEX). Many of Kosovo's government offices remain under-staffed and with inexperienced personnel and thus often continue dependent on international expertise and guidance.

1.1 Macro-Economic Context

With an estimated GDP/capita of EUR 1,759[45], Kosovo is one of the poorest countries in Europe and considerably less developed than the other parts of former Yugoslavia. The country has an estimated population of 2.2 million people, although no census has been conducted since 1981. Its ethnic composition according to a Statistical Office of Kosovo estimate is 92% ethnic Albanian and 5.3% Serbian, with the remaining 2.7% made up by other minority groups. Around 32% of the population is below 15 years of age. With a very young population, thousands of young people enter the job market every year, so while the general unemployment rate is approximately 45%, among young people it is thought to be in the order of 80% in some areas. Approximately 45% of the population live in poverty (below EUR 1.42 per day) and 15% in extreme poverty (less than EUR 0.93 per day). Emigration, particularly among young people, is substantial. Kosovar emigrants play a key role in the economic, social, and political development of Kosovo. Remittances from the diaspora are critical, with almost 80% of households receiving monthly remittances of USD 250–500. A recent survey estimated that these remittances provided 45% of Kosovo's annual domestic revenues—up from 25% before the war. Over half the population relies on small-scale agriculture for their immediate support.

44 UN agencies such as UNDP, UNICEF, the International Organisation for Migration (IOM), World Health Organization, UN High Commissioner for Refugees, UNIFEM, UN Office for Project Service (UNOPS), UN-HABITAT, UN Population Fund (UNFPA), Office of the High Commissioner for Human Rights (OHCHR), and UNV, have offices as part of the UN Mission in Kosovo (UNMIK) and thus operate under resolution 1244.

45 Poverty Assessment 2007, World Bank: www.worlbank.org/kosovo; Statistical Office of Kosovo: www.ks-gov.net/esk/eng/

Kosovo has a massive trade imbalance; exports make up a very small proportion of imports. The privatisation of state-owned enterprises in the energy, transportation, telecoms and communications sectors is meant to pave the way for sustainable economic growth, although the processes are seen as highly politicised.

Kosovo's public administration is weak, as is civil society although more that 4,000 nongovernment organizations are registered. With the public sector unable to pay competitive wages, highly qualified people are choosing to move into the private sector or opting for jobs with international organisations. The social sectors have been neglected since the start of the 1990s, so health indicators such as infant mortality are the worst in the region. Education indicators are also poor. Economic development is hindered by inadequate infrastructure (electricity, water and roads). The mining and metals industries are obsolete, and erosion of agricultural land is on the rise due to illegal logging. The erosion in turn affects access to potable water and increases vulnerability to climate change. Other serious environmental problems are inadequate waste management and disposal, inadequate wastewater treatment, and airborne pollution. As a number of rivers in Kosovo flow into neighbouring countries, the inadequate wastewater treatment is also a regional problem.

2 Aid Coordination and Norway's Role

After the crisis in 1999, donors committed a total of about EUR 1 billion for Kosovo during 2000[46]. Aid has since then moved from emergency and relief to reconstruction and development and now increasingly is supporting the European agenda leading towards EU membership in the long term. Aid has levelled out, but is not expected to decrease much given the political importance of stability in Kosovo, the relatively weak economic prospects and the EU funds which will increasingly be available as the European approximation process matures.

Numerous donors and international agencies[47] have been and are still active in Kosovo, without there being a common development agenda or mechanism to coordinate aid flows and programs. Projects have often overlapped, while important sectors, such as education, health, economy, have gone without much support. The main focus was given on rather politically attractive issues such as democracy, human rights and civil society, justice, home affairs and security, culture and youth and other cross sectors, and in following the EU approximation standards. These sectors are important for a democratic oriented economy, but contribute little to make the economy grow. A substantial proportion of total aid has gone and is still going to foreign experts: around 80 cents of every USD 1 of aid Kosovo receives annually is delivered as technical assistance. There has still been no systematic assessment of the sustainable results from this massive provision of TA. At the same time, off -budget aid financing supports hundreds of small projects and initiatives that have produced perceived aid inefficiencies.

46 See "Report on Donor Activities Kosovo 2005, 2006" submitted to all donors in 2006 and 2007.

47 These include Austria, Belgium, Canada/CIDA, Denmark, Finland, France, Germany (also comprising GTZ and KFW), Greece, Ireland, Italy, Japan, Luxembourg, Netherlands, Norway, Sweden, Switzerland, Turkey, United Kingdom (comprising both DFID and "British Office"), USA (comprising USAID, USOP and other US entities), the EC, European Agency for Reconstruction, World Bank, IMF, OSCE, the UN agencies listed in footnote 1. A number of Eastern European and Middle East agencies disburse funds plus numerous international and national NGOs, some getting funding from the above mentioned sources and/or elsewhere. Military organizations are also involved in some developmental activities, so this list is incomplete.

Regarding donor coordination function, a ***Donor Coordination Centre*** (DCC) was established under the ***Office of the Prime Minister*** (OPM) at the end of 2006. It was established to be the national "single window" for aid coordination, and bring together all donors in one strategic forum led by national development and EU integration priorities. However, a policy making process was not yet institutionalized during the DCC functioning. The DCC efforts during 2007 and 2008 mainly worked towards aid management institutional capacities and increased awareness on globally accepted principles of ownership, alignment and harmonization. In addition specific modalities were being pursed such as a SWAP in education, silent partnership approaches, facilitating OECD/DAC 2008 survey on aid effectiveness applied at the national level in Kosovo.

With strong support of the donors, and World Bank facilitation, the Kosovo Government policy document of principles and commitments on aid coordination, elaborated by the DCC in close dialogue with donors, got approved to the post status (post declaration of independence in February 2008) donors' conference in the summer of 2008. This document urged Kosovo Government leadership, to establish a coherent framework that fully takes account of Kosovo`s European Integration ambitions and accelerates the donor coordination structure with adequate institutional and legal authority and the right staffing capacity to deal with aid coordination matters. This integrated policy making process on development and EU integration would contribute to increase aid effectiveness through local ownership, and the alignment and harmonization principles agreed at this conference. At this conference, pledges were made for a total of EUR 1.2 billion to meet Kosovo`s financing needs for socio-economic development as indentified in its ***Medium-Term Expenditure Framework*** (MTEF) 2009-2011, including the creation of a reserve for contingent liabilities.

Soon after this donor conference, Kosovo Government merged the DCC and ***Agency for European Integration*** (AEI) into one structure of the ***Agency for Coordination of Development and EU integration*** (ACDEI). The ACDEI promotes donor coordination under the EU approximation agenda, through ensuring the efficient running of a high level ***Government Coordination Forum*** (GCF) that meets at least once a year to guide, implement and evaluate donor coordination on the basis of an action plan with benchmarks. However, the donor coordination and alignment to national development agendas is not taking place to any large extent. GCF deals with macro and sector levels and crosscutting issues. Its coordination efforts for coordination of development and EU integration are based on the key short term and mid-term priorities of the European Partnership and on budgetary planning process of the MTEF managed by the Ministry of Economy and Finance. In this respect, the adoption of the European Partnership Action Plan is being used for planning the Government activities related to political agenda of the Government and its priorities. It was expected that the Government, soon after the 2008 conference, would accelerate an integrated "one-stop shop" policy making process for development and EU integration with detailed costed projects/activities.

At present, there are different sector strategies approved by Government but yet not detailed with concrete actual plan financially reported in the MTEF. Due to the lack

of an integral strategic development and EU integration agenda in place, aid in Kosovo has still relatively low government ownership and is generally not well coordinated. This is reflected in such weaknesses as a relatively high allocations for technical assistance (TA, consultants and advisors), and low allocations for capital investment. The public capital investments are mainly covered from the Kosovo budget, such as the schools and road constructions presently taking place. There is not yet in place clear strategy or assessment needs reported financially, for capacity building in different sectors and sub sectors. Almost all aid is in the form of projects which still do not rely on government procedures and public financial management systems and are not reflected in government budgets. Almost no aid is provided so far through basket funding or direct budget support.

Some donors have argued for more aid effectiveness and lately there are some collective practices which are taking place such as: i) a three year program which will provide grant funds for budget support to Kosovo from a multi-donor trust fund for Sustainable Employment Development Policy Program[48], ii) SDC-Danida joint programme 2008-2012 for employment promotion through business and skills development, iii) feasibility studies on SWAP aid modality in education, iv) and recently a feasibility study on SWAP on health.

Despite the relatively high number of donors, donor-donor and donor-government aid management mechanisms are generally ad-hoc and informal. Still there is no formally agreed or managed division of labour between donors[49]. To a large extent the distribution of donor resources reflects donor priorities and have been and are not well harmonized and aligned with Government priorities and plans(which are anyhow not well consolidated), nor between donors. This is despite the fact that most donors in Kosovo are committed to the principles of local ownership, alignment and harmonization.

For the above reasons aid in Kosovo is currently most likely relatively inefficient and associated with high transaction costs[50].

2.1 Norway's Role

Of the three countries of ex-Yugoslavia that this evaluation is assessing, Kosovo clearly comes closest to one that faces a classic development agenda. Under these circumstances, Norway normally engages quite actively in various forms of aid coordination and aid assistance. In Kosovo, however, while Norway is one of the major bilateral donors, it has not been a pro-active party to the aid coordination dialogue and process.

In a "normal" ODA country Norway's support is normally divided between some support to national plans (Poverty Reduction Strategies, National Development plans, sector plans), some direct project support to areas of special concern, and a

48 Apart from the World Bank contribution (USD 40 mill), this operation is supported by nine other important donors for Kosovo. In total it consists of approximately EUR 60 mill in a series of three annual operations.

49 During 2009 the European Commission in close cooperation with ACDEI/OPM has initiated the EU member states plus non-EU countries harmonization forum where donors meet on a monthly basis and update each other on activities taking place. This forum led to an agreement amongst donors to assign a donor focal point donor for the five following sectors: local governance (USAID), health (Luxembourg), Education (Sweden-Sida), water (Switzerland-SDC), and energy (Germany-KfW).

50 See OECD/ DAC survey 2008 www.oecd.org/dataoecd/58/41/41202121.pdf

civil society program. The support to national plans may be seen as high risk but with expected high dividends, while the support to civil society growth can be seen to counter-act some of the risk inherent in budget support by strengthening voice and accountability in society, in addition to genuine civil society development being seen as a positive in itself. On the other hand, the recent ***Public Expenditure Framework Assessment*** (PEFA) for Kosovo shows that the systems in Kosovo are well ahead of comparable systems in African countries that already for several years have received Norwegian budget support.

Until now, however, Norway has not engaged much in more collaborative forms of aid assistance such as sector or budget support, but has focused on project funding. Where Norway has begun engaging in practical coordination, this has largely been on the activities it has funded, and the actual coordination has thus been taken on by the project implementers (like Statens Kartverk, see Box F.1). In general Norway has not interacted much with the national aid coordination structures, though this has changed somewhat since the Embassy was established in early 2008. This raises questions and possibilities for the medium-term engagement for Norway, since the indications are that Norway intends to continue its assistance at a significant level for the years to come.

While Norway has supported the aid coordination mechanisms in Serbia (direct funding to the Ministry of Finance's aid coordination unit, DACU) and provided considerable funding to UNDP's aid coordination support in BiH, Norway has so far not played this role in Kosovo. One reason for this is that the new integrated aid unit clearly has an EU focus and EU funding, but this may be at the expense of a focus on strengthening the effectiveness and impact of the resources more directed towards the country's socio-economic growth and development.

The aid strategy so far seems to have been to avoid the risks inherent in more joined-up modalities in a country that faces serious problems of corruption. Instead Norway has sought safety in the project modus, which has been reasonably successful from a project implementation point-of-view. This raises the classic problems of ensuring short-term project efficiency versus possible problems with longer-term program effectiveness. In the case of Kosovo, as the country hopefully further strengthens its planning, financial management and aid coordination architecture, Norway should consider whether it should strengthen its engagement at this strategic level, since this may, as in other countries, ensure better resources allocation and efficiency, better integration into national systems and priorities and thus improving the likelihood of longer-term impact and sustainability of the results produced.

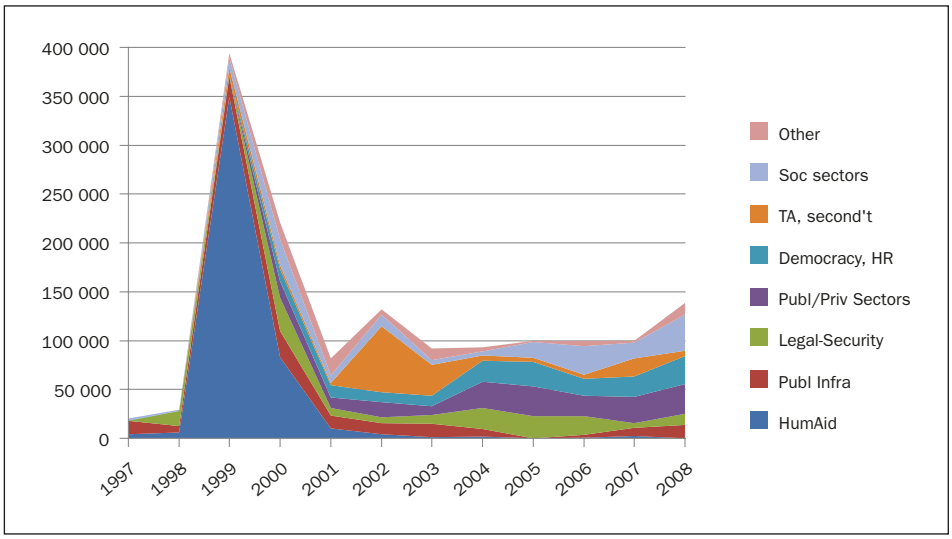
3 Norwegian Assistance to Kosovo 1997-2008

As noted in the methodology annex (see Annex H), "Kosovo" is not a geographic identifier in the Norad aid database during the period reviewed. The team has therefore had to identify which activities actually happened on Kosovo soil, including during the period when it was recognised as a province in the former Republic of Yugoslavia.

This provided an overall assessment of NOK 1.5 billion having been spent in Kosovo, as reported in table F.2 and shown in graph F.1 below. This is an underestimate of perhaps 10-20%. The reason is that of the NOK 7.5 billion that went to the region, one fifth could not be attributed to a particular geographic region (much of the funding for the Nansen Dialogue Centres, for example, was from a regional allocation, and which share of that was spent in Kosovo is not possible to tell without carrying out very detailed expenditure analyses). Concerning the allocation across program areas, as explained in Annex H, this is a grouping of activities done by the consultancy team, since Norway never developed a country strategy or other form of programmatic approach to its assistance to Kosovo. The team has therefore gone through the approximately 460 individual agreements that the MFA has signed with implementing partners and grouped them by twelve logical areas of assistance (see table F.2).

These twelve areas have been aggregated into eight program areas in graph F.1, since some of them have limited expenditures (civil society added to human rights and democracy, housing as part of public infrastructure) or are logically closely connected (demining as part of humanitarian assistance, public and private sector support merged).

Graph F.1: Norwegian funding to Kosovo, by Program Area and Year (NOK '000)



The more detailed figures in table F.2 show the development of these program areas over time. The major funding in the immediate aftermath of the war was where humanitarian assistance was provided. Since then the program has been fairly consistent with support to UNMIK, the legal sector, the cadastral/ housing agency, support to democracy and human rights and, more recently, education. A few program areas have received sporadic and shorter term support, one of them being, somewhat surprisingly, civil society development. This is however supported in more recent years through the Embassy grant[51].

51 The Embassy in Prishtina was established in early 2008. Prior to this a counsellor was in charge of Kosovo from the Embassy in Belgrade but was continuously in country from early 2007.

Norway has been good in distributing funding both geographically and between ethnic groups inside Kosovo. As a perceived independent actor Norway has balanced its support and this has paid dividends as informants across geographical areas and ethnic groups view Norway as a fair and equitable donor and an actor who is seriously committed to assisting Kosovo's development across the various divides (informant interviews).

The policy direction of the Norwegian support to Kosovo has been fairly clear over time: first humanitarian assistance including demining; infrastructure rehabilitation with a focus on water and power; support to democratization covering independent media, political parties, public sector strengthening, free unions and NGOs with particular emphasis on human rights organizations; private sector development; and support to educational programs on human rights and democracy.

In the annual budget document, the annual allocations are presented as voted by Parliament (see Annex I for an overview of all the annual statements). The funding for the Western Balkans region has been provided across several budget lines, and it is interesting to note that of the approximately NOK 1.5 billion allocated for Kosovo, only about NOK 50 million has been classified as Humanitarian aid (budget line 77), while NOK 394 million has been classified as assistance to the Former Yugoslavia (budget line 71). Three small agreements have been classified as either "*the lending mechanism"* (budget line 90) at NOK 1 million, *"other refugee related assistance"* (budget line 75) for NOK 2 million or *"culture"* (budget line 73), though this is only NOK 350,000. The bulk of the money has been classified as *"ODA countries Balkans and OSCE"* (revised title for budget line 71). This reflects the fact that most of the funding for Kosovo was considered as normal Official Development Assistance (ODA) while the mechanisms for funding and management have been those for humanitarian assistance (an issue discussed further in the main report).

Once the annual allocation and its general guidelines have been published, the MFA produces its internal Allocation Notes ("*Fordelingsnotat"*) that show in more detail how the funds are to be used across countries and objectives (Annex I includes the more important segments of the Allocation Notes). These show that Norway was preoccupied with first "*prevent escalation; humanitarian intervention, relief; support Stability Pact*" in 2000[52] and then a large focus on humanitarian aid through 2001 and into 2002. Beyond 2002 the assistance was focused on support to UNMIK, through Norwegian secondment, while also continuing to channel funding through other multilateral agencies and Norwegian NGOs and moving into reconstruction and developmental efforts. The Allocation Note of 2002 then turns to a more forward and political agenda as it says "*Support to* ***political and economic reform*** *– i.e., toward Euro-Atlantic integration. There will be more focus on* ***democratization-efforts,*** *longer-term* ***capacity-building*** *and* ***institution-building*** *projects, and* ***private sector*** *development projects*" – that is, a fairly broad and ambitious agenda.

52 Allocation Notes for 2000, 2001 and 2002.

As of this phase, the Norwegian portfolio has remained quite stable, with a number of projects supported since the early 2000s. Overall policy has been flexible, with shifts more or less describing the overall phases and not prescribing more specified interventions.

The practical direction of the Norwegian support to Kosovo has largely been developed by the Kosovo desk in the Western Balkan section of MFA. The same adviser has been in place in the MFA for the last eight years which has made the support as consistent as one could expect in a country with quite rapid changes, since a continued institutional memory has been ensured. The complex political situation in particular has made the support to Kosovo somewhat different from the phases implied in the TOR for this evaluation. While the first phase clearly was the humanitarian assistance, the support to reconstruction and development has continued after the more political support to Euro-Atlantic approximation and democratisation started up. The support over the last several years is thus characterized by this more complex agenda so there have been several objectives at the same time for the Norwegian support.

The projects the evaluation team looked at in the field cover all the main channels/ actors over the three phases, including two Embassy projects, for a total of 1n6 projects with budgets of just over NOK 360 million, about 25% of the identified funding in Kosovo.

Table F.1: Norwegian-funded Projects assessed in Kosovo

Channel	Number of projects	Program area	Total budgets, approx
Norwegian NGOs	3	Humanitarian/ Recovery/ Democratisation	NOK 60 mill
Multilateral agencies	6	Humanitarian/ Recovery/ Democratisation	NOK 240 mill
Norwegian private	1	Recovery	NOK 30 mill
Norwegian public	4	Democratisation	NOK 30 mill
Embassy	2	Democratisation	NOK 1 mill

4 Humanitarian Assistance

Norwegian humanitarian assistance to Kosovo covers the period 1997-2003. The assistance consisted mainly of support to the refugees fleeing Kosovo from 1999, through both Norwegian NGOs and the UN system. The assistance also includes support to demining by the UN and Norwegian People's Aid (NPA) prior to the return of refugees. Total humanitarian aid was just over ***NOK 490 million***.

The projects looked at by the evaluation were:

- ***UNHCR's refugee programs 1999-2001***. This was a support to a general call for funding in the immediate aftermath of the Kosovo wars. The objective was to

immediately assist refugees with basic needs such as housing, food, blankets and safety.

- ***NPA demining 1999-2001***. The objective of this project was to assist the UNMIK's Mine Action Centre survey and clear the Unexploded Ordnance left in Kosovo after the war. NPA was tasked by the UN and conducted clearance operations for approximately two years with a team composed of international staff and technical advisors from the Bosnia programme.

4.1 Relevance

According to all stakeholders, beneficiaries and general documentation (UNHCR plans for 1999, 2000, 2001; Annual Reports 1999, 2000, 2001), the Norwegian projects were highly relevant. The territory faced a humanitarian crisis with almost 1 million refugees inside and outside the territory, with little or no basic services. The support to refugee related work, both inside the territory and in neighbouring countries, through UNHCR and large Norwegian NGOs was thus of critical importance – basic survival was actually at stake.

Table F.2: Norwegian Financial Support to Kosovo, by Program Area, 1997-2008 (in NOK '000)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
HumAid	4 300	5 759	349 295	82 851	10 349	4 391	1 000	1 812	0	531	2 220	0	**462 508**
Demining	0	0	5 000	11 500	13 778	0	0	0	0	0	0	0	**30 278**
Housing	0	0	0	4 375	3 500	4 657	11 674	4 126	0	0	0	0	**28 332**
Public Infrastructure	13 728	6 512	21 013	27 089	13 191	10 927	14 077	7 635	0	2 795	8 303	13 815	**139 085**
Legal-Security	0	16 053	0	34 168	7 250	6 414	8 810	21 767	22 474	19 447	5 027	11 334	**152 744**
Public Sector Devt	0	0	58	2 500	6 040	8 067	3 662	13 669	22 769	13 230	14 936	10 114	**95 045**
Private Sector, Income	0	0	0	14 261	5 057	7 485	5 000	13 068	7 752	7 500	12 169	20 432	**92 724**
Civil Society	0	0	0	1 000	0	350	0	0	800	2 500	1 358	9 568	**15 576**
Democracy, dialogue, HR	433	0	846	12 473	12 226	9 737	11 157	21 597	25 265	17 670	20 689	28 583	**160 676**
TA, secondment	0	0	7 982	3 703	2 413	67 837	31 596	5 329	3 995	4 029	18 253	5 313	**150 450**
Social Sectors/ Services	2 000	704	10 000	26 711	8 080	11 486	4 865	3 897	16 484	29 415	16 459	36 904	**167 005**
Other	0	0	0	220	0	493	0	0	0	2 497	0	2 221	**5 431**
Total	**20 461**	**29 028**	**394 194**	**220 851**	**81 884**	**131 844**	**91 841**	**92 900**	**99 539**	**99 614**	**99 414**	**138 284**	**1 499 854**

NOK 1 = EUR 0.12 (*January 2010*)

Mines and other unexploded ordnance (UXOs) covered large parts of the country, so clearance activities of explosive remnants of war was a precondition for the safe and secure return of refugees after the end of the fighting (NPA proposals to MFA 2000, 2001; NPA Annual Reports to MFA 2000, 2001).

4.2 Effectiveness

Reliable written documentation, including reviews and evaluations, was limited ten years after the events took place. This is especially true for UNHCR while somewhat less of a problem regarding the Norwegian NGOs. The general perception among researchers, stakeholders and beneficiaries alike is that the work on refugees during and immediately after the Kosovo crisis was reasonably efficient. Refugees were returning relatively quickly, basic needs were met in or as close to the homes of the returnees as possible, housing was provided (both temporary and reconstruction), legal services to vulnerable groups and returnees was provided and landmines and other UXOs were more or less cleared by 2001.

As for longer-term results there is hardly any written documentation on this, and the relative lack of reviews and evaluations from this phase is a point worth noting. The country is still to a certain degree struggling with integration of refugees across ethnic groups. This is true for all ethnic minorities across the territory but the Serb-dominated areas are especially divided, with the city of Mitrovica as an example of this.

Table F.3: Assessment of Results, Humanitarian Assistance

Project	Relevance	Effectiveness
UNHCR refugees	1 million refugees and IDPs: ***Very relevant***	Delivered what the programs promised: basic services to refugees inside and outside Kosovo: ***Effective***
NPA mine clearance	Landmines and cluster munitions a problem in large parts of the country: ***Very relevant***	Delivered what the project promised: Cleared landmines and UXOs in the "high impact" areas: ***Effective***

5 Reconstruction and Development Support

The support to reconstruction and development began right after the war ended, and is for all practical purposes still continuing. The activities that fall under this heading include the physical infrastructure support (NOK 139 million) with the reconstruction of housing (NOK 28 million) as well as support to strengthening the public sector (NOK 95 million), private sector development and income generating activities (NOK 93 million), and the funding of social sectors and services (NOK 167 million).

The Norwegian support was spread across a number of sectors and projects. Because there are no formal strategy documents for Norwegian assistance to Kosovo beyond the general objectives first in the Parliamentary paper from 1999 and subsequently in the annual Allocation Notes, it is not always clear what the

reasons or criteria used for approving a particular project have been, and what the thinking behind the total portfolio thus has been. One criterion that has been important, however, is that the applicant was seen as a credible project implementer – that the ability to deliver the foreseen Outputs within budget and on time was an important consideration. This project implementation capacity has been particularly important due to the annual allocations and thus the expectation that annual deliverables would be produced, but also because the project focus as a modality meant that Norway as an actor was much more directly accountable for visible results: Norway could not "hide" behind sector programs or general budget support where neither individual contributions nor annual results could be easily attributed, and where possible weaknesses or direct failure of delivery could somehow be discounted. Direct accountability for project Outputs was thus an issue.

Total Norwegian aid under this heading is just over ***NOK 522 million***.

The projects/ programs selected by the evaluation team to be looked at were:

- ***UNDP's Rapid Response Facility***. This project was to provide quality housing for returnees and internally displaced persons (IDPs). The project was part of a national effort after the war to repatriate displaced people. This is a case of a ***Housing Reconstruction*** project.
- ***Statens Kartverk's support to Kosovo Cadastral Agency*** (KCA). This project was support the establishment and build capacity at the Kosovo Cadastral Agency. The cadastral issues are important to the general economic and political development of a democratic society, and Norway supported the KCA from 2001 and onwards. This was a ***Public Sector Development*** project.
- ***UNDP's Capacity building project and the youth employment project (ALMP).*** These projects focus on capacity building at municipal level and local youth employment. UNDP, Kosovo Open Society Foundation and the Kosovo PISG/ Office of the Prime Minister developed the first project whose aim is to support the central and municipal institutions of Kosovo in strengthening democratic institutions, improving public administration, and implementing the "Standards for Kosovo" policy framework. The ALMP for youth project in Kosovo seeks to strengthen the capacity of labour market institutions to provide individualized services to clients and to sequence active labour market measures, and provide direct assistance to registered young jobseekers through On-the-Job training, Pre-Employment training, Employment Subsidies and Internship Schemes by partnering with enterprises that require additional workforce. These activities fall under ***Public Sector Development*** and ***Private Sector Development,*** respectively
- ***Norway's Association of Municipalities' (KS***) cooperation with local governments. The Project objectives have been defined as capacity building in local business advisory services, to support new or newly established businesses through business planning, establishment of a credit line scheme for already established businesses or new ones, support and encouragement to the entrepreneurial spirit and skills among young Kosovars, provide technical assistance and capacity building within the area of Local Governance, and last but not least to support development of employment and production in the various fields of agriculture including the establishment of networks and business cooperation to

start the process of positioning themselves to regain domestic market and later for the export market. This project is in the same category as the UNDP Capacity Building project.

- ***Norwegian Forestry Group's (NFG) support to Ministry of Agriculture 2003-2008***. There have been several phases to this project, all concentrating on capacity building of the Forestry Department of the Ministry of Agriculture. The objective was to increase and build a sustainable capacity through on-the-job training and the development of systems and procedures for the management of Kosovo's forests. This is an example of a ***Private Sector Development*** project.
- ***NORWAC's building of hospitals***, in particular in Mitrovica. The objective of this project, which is one of several NORWAC hospital projects in Kosovo, was to establish a improved and better-functioning health delivery system in Mitrovica by building and equipping a hospital. First part of the project was completed in late 2009. The evaluation team was present at the official opening with the Minister of Health, the Norwegian Secretary of State for Foreign Affairs, the Norwegian Ambassador and other guests. This has been classified under ***Social Sectors and Services.***
- ***WHO Mental health project.*** Capacity Development of mental health services in UN administered Province of Kosovo. The objective of this project was to develop the capacity of medical personnel and update infrastructure in the mental health services in Kosovo. The project has been administered by WHO in Kosovo. This has been classified under ***Social Sectors and Services.***
- ***UNFPA, Providing Security, Promoting Health***: Combating Gender-Based Violence in Kosovo. The overall purpose of this project was women and especially victims of gender-based violence to have easy access to quality healthcare and protection. Toward these results the project involved coordination meetings with relevant actors, action-based research, advocacy, direct support for safe houses and improved healthcare, awareness-raising through media campaign and roundtables. This has been classified under ***Social Sectors and Services.***

5.1 Relevance

The reconstruction and development assistance is more difficult to assess in terms of relevance than the humanitarian assistance because no clear national or international rehabilitation or development plans existed, and Norway itself did not have a clear set of priorities for its engagement. As time passed more consultations and clearer local views can be ascertained, but especially in the first years the international community faced some difficult issues. Kosovo was not an independent country but legally an autonomous province within what was then the Federal Republic of Yugoslavia and later on the Republic of Serbia, though the territory clearly had an autonomous position. But the autonomy was not defined and operationalized into clear politics by Kosovars, but by the international society through the UN resolution 1244, and by practical extension UNMIK.

- The UNDP Rapid Response Facility was a quick response to a priority need for housing for the most affected part of the population. Since this was done by a UN agency that was part of the *de facto* government, it represented a clear prioritization by an agency responsible for pan-territorial development. But the

project was also in line with the need for rebuilding housing after the massive destruction that took place during the conflict.

- The support to the Kosovo Cadastral Agency (KCA) has gone through a series of phases (see Box F.1), and the political commitment to this agency by national authorities has varied. It is without a doubt important, especially in the context of competing claims to properties after a situation of conflict/post-conflict with mass movements of people, to have one agency that could ensure, in a professional and transparent manner, the documentation of property rights and titles. The questioning of relevance is thus not because of lack of importance of the substance issues, but due to the wavering political support in early parts of the project.
- Of the two UNDP projects, both the Capacity Development Facility for local authorities and the ALMP were requested by the Ministry of Local Government and fit into a larger agenda for supporting local authorities. The ALMP was in addition relevant for the private sector development, given the high unemployment rate among young people, something that is also potentially quite destabilising for a new nation.
- The KS project for local authority support falls into the same category of relevance as the UNDP capacity building project.
- NFG produced a project that assisted Kosovo to manage a scarce renewable resource in a time of over-exploitation of forests, and thus was undoubtedly useful. But this proposal seems to have been at least as much supply driven by the Norwegian project proponent as demand driven by national authorities.
- NORWAC's hospital building had essentially two objectives: to re-build critical health infrastructure, and to do so in a way that could contribute to ethnic reconciliation. NORWAC was asked by the hospital management after the retreatment of the KFOR hospital which had been providing basic surgical services after the war. The South side of the city and surrounding municipalities did not have developed secondary health services. The choice of Mitrovica was thus not arbitrary: it was deliberately meant to confront the ethnic divide in the city. – Health sector development in primary health is to a large extent delegated down to local decision making levels. The Ministry s is the main actor involved in taking decisions on important investments like a hospital. While NORWAC has been careful to discuss its rebuilding program with the Ministry (Mitrovica is the second hospital it has helped (re-) build), the key agreements have been at municipality level. This has led some ministry staff to worry about the sustainability as the health budget is limited and may not be able to carry all the recurrent costs compared with higher priorities being given to preventative and primary health care. The Mitrovica hospital in fact represented a second hospital in the city that was to service the Kosovo-Albanian population since the existing hospital was in the Serb-controlled part of the city and thus not considered fully accessible by the Kosovar population. Both from an overall health resource allocation and from the inter-ethnic points of view this project raises issues of relevance and priority[53]. The WHO mental health project was relevant since the baseline assessment for the project (WHO proposal to MFA, 2002) shows that

53 NORWAC notes in a comment to the draft report that "The Mitrovica Hospital on the North Serb controlled side of the city is not accessible for the Albanian population, there is no common health insurance system between Serbia and Kosovo and there is of course a major lack of trust and confidence which makes treatment impossible. By the Ahtisaari settlement proposal Mitrovica is one city with two municipalities. This makes the two hospital logic."

the issue of mental health was low on the agenda in the Kosovo political environment and that the services delivered in the sector was below accepted standards. The issue was at the same time important due to the massive needs a traumatised population faced with very limited professional resources to address these concerns.

- The UNFPA project on gender equality was also seen as relevant in a country where traditional practices and especially gender inequality practices are still very much alive (UNFPA project proposal to MFA, UNFPA 2007, page 3). For Norway in particular the need to support women has been obvious, and especially in light of Norway's strong support for UN Security Council Resolution 1325 of 2000 – often referred to as *Women and Girls in Conflict Situations* – the relevance of this project to the Kosovo situation was clear.

5.2 Effectiveness

The ability of projects to deliver the foreseen Outputs and contribute to expected Outcomes has varied somewhat:

- The UNDP RRRF project scores high in UNDP reports and the participatory Mid-term review, as the program has been able to deliver on its planned outputs and received stable funding from Norway, and thus was able to provide the housing to the beneficiary population as foreseen[54].
- The support to Kosovo Cadastral Agency has clearly experienced different efficiencies over time, and thus the delivery of actual results has been variable. What also seems to be the case now, however, is that project has now reached a much more stable and results-focused phase where both immediate results and the longer-term Outcomes are considered likely to be delivered by those involved with the project (see textbox F.1).
- As for the NFG support to the Forestry Department, senior staff there state that the NFG helped develop systems and capacity for them to manage their forest resources in a much more efficient and effective manner. Even if the NFG "project" has been a fairly loose concept, and in reality has been a set of activities, the consistency in technical support staff has been a key factor in securing direction and delivery throughout the years.
- The UNDP projects have both delivered as planned. The ALMP has provided a number of young job seekers with employment opportunities. The project evaluation says that "*the evaluation found that the beneficiaries had a significantly higher rate of employment than the non-beneficiaries (control group). At the time of the survey, 46 per cent of the beneficiaries and 20 per cent of the control group were employed. Among those employed, three-fourths had full time employment. The beneficiaries earned an average monthly salary of 175 Euros as against 193 Euros among the control group. The average age of the beneficiaries was 24 years, confirming the focus on young job-seekers. The project provided equal opportunities for men and women. While the project records show that a majority of the beneficiaries are educated up to the primary level, a majority of the surveyed beneficiaries are educated up to the secondary level*" (DevTech Solutions 2008, p 6-7).

54 In November 2002 UNDP and partners conducted a participatory mid-term review. The responses the received were overall positive. Two of the findings from the questionnaire they sent out were: "Almost all respondents, some 97%, reported they 'strongly agree' or 'agree' that RRRF is adding value to the returns process in Kosovo". And "Eligibility Criteria for Housing Assistance are generally considered clear and appropriate, particularly for those directly referring cases to RRRF for consideration".

- The Capacity Building Facility has also delivered according to its planned outputs. The independent evaluation report conducted in December 2005 the CBF, "*From the point of view of the clients it is indeed a great success - due to the assistance of the CBF advisor, they could achieve, for example, the following: Performance of the 1. public consumer protection campaign; establishment of the Kosovo Association for Consumer Protection; draft of a campaign "Protection of children's rights as consumers"; Set up and organisation of the Second Donor Co-ordination Conference in Kosovo; establishment of the unit "donor co-ordination" and make it work; Draft a human rights strategy; establishment of focal points for human rights in the different ministries; Conceptualisation and implementation of an anti-corruption campaign; establishment of the Kosovo Anti Corruption Agency; Draft of a free trade agreement with Albania; establishment of an Investment Promotion Agency for Kosovo; Draft of a policy for industrial development of Kosovo; draft of a number of new laws with regard to fiscal policy; establishment of the Kosovo Table of Industry*" (Lullies 2005, p. 14).
- The KS project did deliver what it set out to do, and the mode in which it implemented the project (KS Kosovo established as independent NGO) has potentially made an impact on sustainability. The project, implemented both by KS Norway and through the local NGO (KS Kosovo), delivered upon its outputs; delivering business advisory capacity to local municipalities and other stakeholders (KS 2006, p. 6-7)[55].
- The NORWAC hospitals have been delivered on time, budget and with (more than) the expected quality, according to the information provided. Public statements at the opening of the Mitrovica hospital reflected the view that NORWAC and Norway were important partners and that Kosovo's Ministry of Health trusted NORWAC to always deliver quality. The unanswered question is if this health facility is delivering health services to a large enough population that it justifies the investment and the subsequent operating costs, or if other solution sets could have provided more efficient and effective answers. For the local Kosovar population, the answer seems to be that this new facility was in fact necessary. So this issue needs to be seen from both the macro health sector perspective, but also from a local population directly affected by an ethnic divide which in this case effectively bars the population from essential public services that otherwise could have been available ("across the bridge").
- The WHO mental health project was relatively effective and has delivered on its three main outputs. The final report produced by WHO in December 2008 states that "*Through the present project many activities have been conducted which have had profound positive effect in the process of mental health reform*" (WHO 2008) – that is, it has not simply provided direct services but has contributed to structural and organisational reforms in the health sector.
- The UNFPA project was supported for only seven months and so was unable to deliver on its planned outputs. According to one informant this approach by the Norwegian MFA, although possibly believed to be a gap funding, did not give the expected positive effects on the important work of improving gender equity in Kosovo, so effectiveness has been negligible.

55 KS, Final Report on KS project on Local Governance and Local Economic Development in the municipalities of Fushë Kosova/ Kosovo Polje, Obiliq/ Obilic and Gllogovc/ Glogovac in Kosovo, 2006, page 5-6.

5.3 Impact and Sustainability

The degree to which projects have been well integrated into their sectors and have clear support from senior management or political decision makers are always critical factors when trying to assess likely longer-term societal impacts.

- The UNDP RRRF project was part of, and in line with (in terms of quality standards) national directives and plans for repatriation. This helped in achieving the planned results, and the housing provided has been taken over by intended beneficiaries, who have assumed the responsibilities for maintenance and thus the ***sustainability*** of project Outputs. The fact that people were able to quickly return to their place of origin and have their homes rebuilt has been important for re-constituting local society and individual livelihoods, so the project has been able to deliver on its intended longer-term ***impacts*** (UNDP project progress reports).
- Statens Kartverk has aided KCA establish itself as a relatively strong public organisation despite problems along the way – a first important ***impact***. This has happened through persistency as much as good planning and coordination, but the MFA and Statens Kartverk should take credit for staying the course. As for ***sustainability***, the returning challenges of political support and consistent public funding remain key risks.
- The UNDP ALMP project has had an impact on both policy and implementation of youth employment in Kosovo. According to the independent evaluation report, the project has "*provided an opportunity to the Government of Kosovo to tailor the active labour market programs for youth for the first time in the country. It familiarised the public machinery with the schemes and their operational requirements. In terms of policy influence of the project, probably due to the UNDP project, the national employment plan of Kosovo positively refers to the role of ALMPs. A senior central level official of the MLSW mentioned that the government wishes to pursue ALMPs targeting vulnerable groups such as the youth, the women, the long term unemployed and the persons with disabilities. This is a valuable contribution to shaping the thinking on the national labour policy in Kosovo*". However, when it comes to sustainability the report also states "*Though the Government of Kosovo realises the significance of the ALMPs, due to budgetary constraints, it appears the possibility of the government continuing the ALMPs for youth on its own is slim endangering the sustainability of the UNDP project*"(DevTech Solutions 2008, p. 22).
- The CBF project has had an impact on the structures it worked with. The evaluation report states that "*The CBF programme contributed to rationalise the structures, to simplify administrative procedures, to effectively utilise financial and human resources and to improve performance. The CBF programme was also successful in real capacity building: It increased knowledge, built skills and abilities and changed attitude and behaviour. One of its most important contributions was confidence building of the clients*". When it comes to sustainability the evaluation report is less positive and states that "*For the future of the CBF it is absolutely necessary to increase the visibility of the owners of the programme and to strengthen their obligations and responsibilities. PISG should take over responsibility for the CBF programme by nominating a department director in the Office of the Prime Minister as CBF commissioner*"(Lullies 2005, pp. 12-15).

- The KS project made an impact on the institutions it interacted with. The final report mentions a number of impacts, among those "*The KS project has enabled business to start planning or extend businesses as well building new capacities in local schools, introducing innovative teaching methodologies, coherent with local and international reform efforts. The project, according to the evaluation report, has also contributed to re-establish cooperation and reconciliation between ethnic groups (Kosovo Serbs and Kosovo Albanians) within the agricultural sector*" (KS 2006, p. 21). As for sustainability the reproduction of results depends upon the continued political will in both the target areas and other potential municipalities.
- The NFG project has helped improve efficiency and effectiveness of the Forestry Department. According to Ministry staff, the professional and consistent quality of the NFG advisers throughout the project period had made capacity building and trust in the systems proposed by the NFG lead to their successful adoption, which in turn has improved the Department's management of the territory's forest resources. This has further supported the Department to become a more genuine actor in the field of natural resource and environmental management, which are seen as important impacts. The sustainability seems to be assured in that staff have the technical skills to run the systems and so far the Department has the means to do so. Whether low public sector salaries will make some of the trained staff leave is a more general threat to the longer-term viability of technologies that depend on well-trained and committed staff.
- The NORWAC hospitals have had (and in the case of Mitrovica, will have) an immediate ***impact*** on the health service availability in the surrounding communities. The challenge for sustained impact is the ability and capacity of the national health system to operate and uphold the quality of the infrastructure provided by NORWAC. Whether the hospital in Mitrovica will have any impact on the social fabric (reconciliation) of this divided city remains to be seen. But a more even distribution of health on both sides of the city may bring tension down and may give the possibility for more balance in future discussions on reconciliation.
- The WHO project assisted the political momentum on mental health in Kosovo. The final report states that "*This project has enabled drafting and finalizing and approval of the strategic plan of the mental health services of Kosovo 2008-2013. This had impact in the policy level as this now is official document of the Ministry of health in planning the future activities in the mental health*" (WHO 2008, p. 7-8).
- The UNFPA project is not assessed as having an impact since the Norwegian funding was ended after only 7 months. Therefore there is clearly as no issue of the sustainability of the activities started up.

Box F.1: Support to Kosovo Cadastral Agency

In 2000 Norway's mapping agency (Statens Kartverk) presented a project to support Kosovo's Cadastral Agency (KCA). The project included a large technical assistance component as well as investment of some equipment. At the same time the Swiss Development Cooperation (SDC) and Sweden's Sida initiated their support and together agreed to a joint "programme" in this first phase. The cooperation was not without challenges, with three different technical cultures working side by side and interlinked, but by 2003 the KCA was more or less established. The period from 2003-2007 saw Norway, Sida and SDC continuing their support through relatively turbulent times for KCA, with lack of political support from the Ministry of Public Administration and the coming and going of five Directors/Chief Executive Officers. In the period 2005-2007 Statens Kartverk reinitiated their technical support, together with the continuous support from Sida and SDC, and KCA cemented its role also politically. The donors jointly agreed to hire an international "management advisor" to the CEO. The World Bank also supported the establishment of a Program Coordination Office inside the KCA. The KCA developed a strategy and a business plan that they costed for the donors to relate to. The status in late 2009 is that KCA has a clear political mandate, management tools, technical systems including a Land Information System, but relatively weak human resources due to competent staff leaving for better paid jobs.

The Kosovo Cadastral Support Program (KCSP) is considered very relevant by all stakeholders, including national authorities at all levels. The different phases of the KCSP have delivered the planned Outputs on time and budget, but the quality of delivery has not always been according to plan (NCG 2001 and 2003, SDC 2008). The arrangement where three different donors all contracted their own specialised technical experts to do parts of the KCSP was problematic. The interfaces did not always work, and the different cadastral philosophies of the implementers led to challenges. The three, more less independent procurement systems also made the implementation less effective than it should have been, and resulted in delays from both Norway and Sida. In the SDC review of the KCSP (2008) this is suggested as one of the main challenges moving forward.

The most important impact was that the KCA in 2009 is an established institution with clear political support. Its products have helped establish the basis for the work being done in the property sector in Kosovo, by the Kosovo Property Agency and the Kosovo Privatisation Agency. These are real impacts for which the KCSP should be credited.

Having focused for a long time mostly on the technical aspects of the KCA, the support in 2007-08 paid more attention to governance and management issues. This resulted in the hiring of a management advisor to the CEO of KCA, and the development of a KCA strategy and business plan.

The KCA is still relatively fragile when it comes to human resources as most of the experienced staff left when the KCA moved to a governmental salary scale. There is also disagreement with regards to the usefulness and practical applicability of some of the technical equipment introduced. There are still challenges with regards to vertical mandates, that is the political support to KCA from its line ministry and the mandate of the KCA to work with the Municipal Cadastral Offices (MCO).

The sustainability of the impacts achieved so far seems to be closely linked to three main elements: (i) the continuous support of donors towards the 2009-2014 Business Plan and its successful implementation, (ii) the Ministry of Public Administration (MoPA), the KCA and the donors' ability to agree on a unified "philosophy" for the cadastral work in Kosovo, and (iii) the MoPA and KCA's long-term financial strength and the ability to employ and keep qualified staff.

The KCSP was co-financed with SIDA and SDC initially. Presently the Business Plan is planned co-financed by Sida, the World Bank, NMFA and GTZ, and there is thinking among donors to develop a basket arrangement to further coordinate, harmonise and align the support.

However, the efforts in practice were less coordinated than it appear to be. The agreement to coordinate was a political/ strategic one, while the technical implementation turned out to be much less easy to harmonise and coordinate.

The fact that Norway did not have a delegated representation in Kosovo until 2007 meant that the contracted Norwegian institution had to play both the role as technical implementer AND strategic representative. Other donors have remarked that this was an uncomfortable set-up and that the clarity of Norway's role has become much improved since 2007 (this is not a criticism of Statens Kartverk but a reflection on donor coordination when one donor is not politically represented).

Table F.4: Results Assessment, Reconstruction and Development Assistance

Project	Relevance	Effectiveness	Impact	Sustainability
Statens Kartverk/ KCA	Cadastral services important in post-conflict: ***Relevant***	Delivering on technical deliverables, less so in terms of capacity building: ***Varying effectiveness***	KCA is an established organisation with technical equipment, but high staff turn-over: ***Varying Impact***	Political backing may now ensure more support than previously: ***Reasonable sustainability***
UNDP RRRF	Reconstruction of houses a defined need. - RRRF part of a larger reconstruction national strategy: ***Highly relevant***	Review shows good delivery of housing and capacity building, IDPs were housed and municipalities were capacitated: ***Effective***	Individuals and communities in defined need could return and restart normal lives: ***Highly positive***	Housing owner-operated: ***Likely sustainable.*** Municipality capacity depends on public funding: ***Unclear***
Forestry Project: NFG	Low capacity in Gov't for forest management: ***Relevant though not critical***	Capacity building including tools and systems and skills upgrading of Forestry Dept staff: ***Effective***	Forestry department able to manage important forest, environmental issues: ***Positive***	Sustainability depends on Gov't capacity, willingness and financial backing: ***Unclear***
UNDP Cap'ty Dev Facility	Large need for capacity at local authority level, which both important for development and democratisation: ***Relevant***	Have delivered its planned outputs, providing capacity according to defined needs: ***Effective***	Have increased individual and institutional capacity to some degree: ***Positive but fragile***	Challenge: continued political support and resources; keeping people in low-paid Gov't positions: ***Uncertain but possible***
KS Local Govt	Support to decentralisation, employ-ment support: ***Largely relevant***	Local NGO set up to deliver well to municipalities, business advice to others: ***Highly Effective***	Improved business training, agri development, and reconciliation : ***Highly Positive***	Many of the same issues as for the UNDP Capacity Building Facility: ***Possible though problematic***
UNDP ALMP	Very high youth unemployment rate post-conflict, need for dynamic economy: ***Relevant***	Delivered short-term employment to youth, increased capacity of Employment offices: ***Effective***	Some impact on local economies where implemented: ***Limited***	Poor econ development and lack of continuous capacity in decentralized offices: ***Uncertain***
WHO mental health	Mental health not focus area, although problem large: Relevant to population, *not identified as high government priority*	Delivered planned outputs of rehabilitation of specialized hospital and capacity building of staff: ***Effective***	Policies improved, mental health now stronger political support: ***Positive***	Sustainability dependent on political and financial support: ***Uncertain***
UNFPA Gender project	Gender inequality and gender based violence a large problem: ***Relevant***	Norway only funded 7 months, no real results produced: ***Ineffective***	Since project cut short, ***No Impact***	As no continuation foreseen, ***No Sustainability***
NORWAC hospital building	(Re-)built health facilities in ethnically divided areas: ***Relevant but can be questioned***	Hospitals and equipment have been delivered on time and on budget to local stakeholders: ***Effective***	Improved health services to previously underserved communities: ***Positive***	Min of Health has limited funding so maintaining and staffing the existing health system is a challenge: ***Uncertain***

- Most of the investment projects are dependent on the political will and ability of the Kosovo authorities to run, operate and manage the delivered outputs. These projects and their results encounter challenges in terms of sustainability as the Kosovo government struggles with political priorities, budget constraints and international pressure in different strategic directions. The low government salaries present a major challenge for sustainable results, as many civil servants who are trained leave for better-paid jobs outside.
- High staff turn-over and qualified staff replaced by less qualified staff is thus a major challenge – a dilemma that is not addressed by donors constantly providing more short-term gap filling in the form of further TA and secondments.

6 Democratisation and Euro-Atlantic Integration Support

The Democratisation and Euro-Atlantic approximation phase has been running since before the establishment of the Kosovo state in February 2008[56], although many projects which can be considered as part of a democratisation process were started much earlier. Within this phase, Norway has focused more generally on various issues related to democratisation and not so much on the Euro-Atlantic approximation, partly because this is the focus of much of the EU support, and partly because some of the EU approximation issues do not address core Norwegian concerns.

The program areas that have been included under this heading is support to the legal-security sector (NOK 153 million), the strengthening of civil society (which is a surprisingly small NOK 15.6 million, as observed earlier), and the direct support to the field of democracy, dialogue and human rights (which has received a very respectable NOK 161 million). More controversially, perhaps, is that the team has considered most of the TA and secondments to fall under this category of democratisation. While this can be questioned – a lot of the TA was for more general gap-filling tasks in the UN system that could as well be considered Public Administration – the overall profile of the seconded personnel appears to be in this field.

This assistance has consisted of a mix of secondment, technical assistance and capital investment, with a heavy focus on the two first. The reason why most donors, Norway included, have chosen to support with technical expertise is partly demand driven, with a real need for capacity building in Kosovo institutions. But there also seems to have been a reluctance to provide major investments as a hedge against the exposure to the corruption which, according to Transparency International and other sources, is embedded in post-war Kosovo society. The macro-economic instability and lack of real and sustained growth are also important reasons why donors have chosen not to support major investment projects, with the challenges in sustainable maintenance and re-investment that follows.

The Norwegian support to Kosovo for this objective was around ***NOK 480 million***.

The projects looked at were:

- ***Nansen Dialogue Centres (NDC***). The objective of these projects was to initiate and assist the reconciliation process in Kosovo. The project has a

56 When international negotiations on the status of Kosovo began in 2006, this phase started in earnest.

community focus, and NDC has run projects in several communities in Kosovo, and is an example of support to ***Democracy and Dialogue***.

- ***Gimlekollen and the establishment of a media/journalism college***. The objective of this project was the establishment of a media/journalism college in Kosovo. Gimlekollen was chosen as implementing partner due to its experience in other developing countries and their extensive international network. The project was to deliver both a physical infrastructure for a modern college as well as the human capital and educational environment expected from such an institution. This is also support to ***Democracy and Dialogue*** through the strengthening of free media.
- ***Support to UNMIK through the Ministry of Justice and Police Directorate*** throughout the period (3 projects/ specific secondments). The objectives for this support were (a) high quality political and technical assistance to the UN, and (b) provision of specific services where Norway could reasonably claim expertise. The secondment included professional police officers and managers, as well as some legal expertise, and thus falls under both ***TA/Secondment*** and ***Legal-Security*** assistance.
- ***Two Embassy projects*** were looked at as well, and while they by content could be considered as social sector or social services projects, their real value lies more in the support to vulnerable groups and local empowerment approaches to development, and have thus been assessed under this heading (see Box F.2)

6.1 Relevance

The four projects that were looked at under this heading all appear quite relevant to the larger agenda of supporting democratic development, though their importance and hence priority as an important aspect of relevance varies:

- The need for strengthened inter-ethnic dialogue and reconciliation is obvious in Kosovo. Whether the NDC is the most appropriate approach and has a methodology that addressed the key concerns of the civilian population at this point is not clear, among other things because Norway itself has never defined either what it means by reconciliation in the Kosovo context nor specified what kinds of results it believes should come from these kinds of interventions. It thus becomes difficult to ascertain what the relevance of the undertaking actually is, except at the overarching generic level: projects that contribute to enhanced and richer dialogue that have the potential for leading to reconciliation are relevant for a post-conflict and divided society like Kosovo.
- The project for developing journalism and establishing a journalism-media college through the collaboration with Gimlekollen College appears highly relevant to the situation in Kosovo. The project has introduced a modern curriculum, trains students in critical/investigative reporting and journalism, and thus is strengthening the capacity of “the fourth estate” to critically assess actions and results by decision makers, whether in the public, private or not-for-profit spheres. In a country that is accused of being highly corrupt, this function is particularly important for strengthening Good Governance. A modern approach to independent media was also required in a country where journalism still has strong traditions of regime-supportive writing and self-censorship (see Gimlekollen proposal to the MFA, 2003, Background).

- The support to UNMIK was relevant as far as the overall support is concerned: UNMIK was in several fields the *de facto* authority, clearly a democratising force in a society that is trying to build a new state without traditions in the field and where traditional loyalties and constant opposition to the former state (first Yugoslavia, later Serbia) has embedded a deep scepticism regarding central authority and power. Norway's focus on justice and police sectors within UNMIK was furthermore particularly relevant as the territory was in need of a reformed legal and justice sector since one of the key recriminations against Yugoslav/ Serb control had been the biased and distorted use of these important public institutions to further Serbian interests.
- The Embassy supported projects seem especially relevant as many of them support the growth of civil society and popular participation through different means but often with good, immediate results.

6.2 Effectiveness

It is difficult to assess how effective democratisation projects have been. The external factors that influence such projects by their very nature are more complex and sustained than in less political projects. However, the Gimlekollen Media College and the Embassy projects seem to have delivered the planned Outputs according to evaluation reports and informant interviews. The Nansen Dialogue and the UNMIK secondments have more uncertain deliverables, in part because documentation is lacking (UNMIK) or insufficient (NDC).

- The Nansen Dialogue project in Kosovo was recently evaluated, and while noting that dialogue activities were in demand, the report states "*It might appear, everything else being equal, that dialogue with definable and operational goals has a higher possibility of success than more open-ended dialogues. It may also be a matter of pitching the dialogue at the right level in the sense that participants have a possibility of effecting change. If the dialogues are beyond their capacities, requiring higher political backup, they are inevitably subject to the vagaries of high politics. KND has consistently tried to engage the Serb community, but with mixed results. Work with student associations has not got off the ground. Some dialogue evenings have been held with Serbs in Mitrovica North and there are plans for initiating a Nansen Inter-ethnic Forum in Pristina this year. These appear to our knowledge to be open-ended engagements and expectations may have to be adjusted accordingly*" (CMI 2008, pp. x-xi).[57]
- The large support to UNMIK probably provided varying results, since much depended on the individual qualities of the seconded personnel. While most staff provided written reports about their tasks, and something is thus known about the activities carried out and some of the results achieved, this is not systematic and the team has not seen any aggregate assessments of the secondments in general or those of the Norwegians in particular[58]. In interviews, key UNMIK staff praised the Norwegian personnel and provided a very positive

57 Nansen Dialogue states in a response to Scanteam's draft report that "The abovementioned quote from CMI gives the impression that KND is facilitating open ended dialogue. In Kosovo KND is involved in dialogue in three communities. Although open ended dialogue meetings have been used to build up relations, particularly to local authorities, and to build up trust among the citizens and helped KND get solid local knowledge the focus in Obiliq is on integrated education (Computer- and English classes for Serbian and Albanian children), in FKP on return of refugees to their home community and in Mikronasalje on strengthening and helping a rare multiethnic neighborhood to survive (through educational classes and the establishment of a resource centre and a library)."

58 This is not a surprising finding – there is no reason why the UN should track the performance of seconded staff from particular nations. But it does mean that Norway has limited means at its disposal to assess the first-level impact of its considerable secondment funding. On the other hand, the decision by Norway to second staff was often in part driven by the political need/ objective to participate and contribute, so the ability to identify and place qualified staff was in itself a success criterion.

picture; according to these statements the Norwegian personnel, in particular police officials, conducted their work according to the highest standards, and in fact stated that the Norwegians did their outmost to deliver over and beyond their mandated job descriptions. The evaluation team does not have any reason to doubt the contents of such statements, but there clearly is an inherent interest on the side of UN staff to praise "free inputs", so a more rigorous assessment to confirm such views would have been helpful[59].

6.3 Expected/Hoped For Impact and Sustainability

Uncertain capacities combined with limited public budgets pose a risk to longer-term impact and sustainability for projects in the public sector. This becomes a particular challenge when the project itself may run into opposition from forces in society that are not necessarily in favour of activities such as investigative journalism or fundamental reform of legal and security institutions.

- Gimlekollen has evidently done an excellent job in building up a well-functioning media college on the outskirts of Prishtina. The students/ graduates have already made an impact on local and national media according to several informants. But the planned exit strategy as far as Norwegian funding is concerned includes a gradual take-over of the running of the college by the University of Prishtina. This assumption may be problematic since the University currently neither seems to have the political will nor the funding to include the media college in their operations anytime soon. If ***sustainability*** is not assured, then the longer-term ***impact*** will also become more limiting[60].
- The Nansen Dialogue Centre is even more vulnerable to the funding challenge. It faces some difficult decisions as the MFA has indicated that it will be phasing out funding to the NDC network as of 2012. The key for the NDC is probably to be able to point to significant Outputs/Outcomes that lead to interest from other donors, and in particular perhaps the EU in terms of its Social Inclusion agenda. While the CMI review noted some positive NDC results, these are still not at the level of convincing arguments for long-term sustainable impact. Part of this may have to do with the NDC not being part of larger learning arenas and networks that could both take advantage of NDC's "lessons learned" but also could provide support and entry to larger forums (an issue discussed more in-depth in the BiH annex)[61].
- The secondments to UNMIK were largely meant as short-term assistance to UNMIK in particular fields. One might therefore not expect any long-term impact or sustainability from this. But there is a need to make a distinction between TA or secondment that is largely meant to be gap-filling – when for example Norwegian staff take on implementation tasks within UNMIK – and technical assist-

59 An evaluation of Norway's Resource Bank for Democracy and Human Rights, NORDEM, was carried out in 2002 (Olesen et al 2003). NORDEM is often used for managing secondees, including to Kosovo, though this particular evaluation took place so early that the Kosovo experience was not included for assessment. It did, however, look at the BiH experience, which was in many ways similar as many NORDEM staff in BiH worked for OSCE. The assessment noted that it was difficult to identify specific Norwegian contributions. While Norwegian staff were generally appreciated for their "well developed democratic, egalitarian and participatory organisation culture" and most were seen as professional and well-qualified, there were "cases of less convincing performance by NORDEM secondees, especially by short-term election staff".

60 The team has several times been told that there supposedly is a review or evaluation of this project but despite several attempts at finding a copy of this, no such external review has been received. This has limited the team's ability to assess what has been delivered so far, and what the real challenges are for the future.

61 Nansen Dialogue has facilitated dialog in Kosovo with the support from USAID, World System Learning and International Commission for Missing Persons. This may be seen as recognition of the work. Nansen Dialogue states that they "see that particularly EU, but also the U.S., is starting to realize that for a state to function it needs lojality from its citizens." Nansen also states that "there are reasons to believe that dialog and reconciliation might get a higher priority in the future", while the evaluators believe that for that to happen actors have to strategically make that choice.

ance for capacity building, where the person has a job description to train, advise or mentor local staff and organizations with the explicit intent of building local sustainable capacity. The documentation seen on UNMIK does not address this well, and the NORDEM study referred to earlier also has not discussed this, so it is not clear to what extent Norwegian funding of seconded staff in fact should have produced longer-term results.

7 Embassy Projects

The Embassy in Prishtina was only formally established in early 2008, but the diplomatic efforts were strengthened already from early 2007 with an in-country presence of a senior attaché.

From the outset the Embassy was actively engaging with smaller actors and projects through its Embassy budget line. The projects being supported receive from EUR 5.000-30.000. The quality and relevance of the projects the evaluation team looked at are high, and the evaluation team was impressed by how the projects were implemented. The Embassy has hired a young local advisor, experienced from Kosovo civil society, and he is responsible for the Embassy funding. This has had an impact on the quality of the projects supported.

The Embassy does not have stated selection criteria for the Embassy funds, making the job of assessing the applications a costly one. On the other hand flexibility and outreach seems to have been important in the first few years, and it probably has helped the Embassy mapping and understanding the "market place" and the environment in which they operate even better.

Textbox F.2 Embassy projects

Two of the projects supported by the Embassy are the small library project implemented by BN Architects, and the support to minorities' education implemented by BP Sunflowers.

The BN Architects project has delivered creative and cost-efficient libraries to local schools, designed in a way that has shown an impact on the use of the libraries by the students.

The BP Sunflowers work on ethnic minorities school children and their communities have had an impact on the number of students completing primary school, as well as an increased understanding in the ethnic communities of the importance of education.

Both projects show big local impact through small funding because of good local knowledge and Kosovo ownership. These projects include elements that could be used in many more interventions, also beyond the Embassy format; civil society, education and youth are all potential key words in the present and future support to Kosovo.

However, they are both exposed to the same sustainability issues discussed in many of the other projects supported by the MFA in Oslo because they are not necessarily connected to national and/ or local plans and budgets.

Table F.5: Presentation of results and sources Democratisation/ EU approximation

Project	Relevance	Effectiveness	Expected Impact and sustainability
Gimlekollen Media College	Very few independent journalists and media in Kosovo: ***Relevant***	Has delivered planned outputs, the physical building of a state-of-the art media college, the development of a modern curriculum, the training and recruitment of professional staff: ***Effective***	The project has had a clear impact in that journalists from Kosovo are better trained and equipped to conduct independent journalism: ***Positive Impact so far*** Sustainability is uncertain since plan for national ownership is hampered by indecision and culture at University of Prishtina: ***Sustainability unclear***
Nansen Dialogue	Addressing ethnic divide through dialogue, reconciliation positive contribution: ***Relevant***	Have delivered outputs in the local setting though with quite staff intensive processes: ***Reasonably Effective***	Very local approach to reconciliation, uncertain if effects beyond the individuals actually participating: Can the individual results be reproduced to ensure impact and sustainability? ***Impact unclear – Sustainability highly uncertain***
UNMIK secondment	UNMIK needed capacity to deliver mandated services, Norway focused on legal, police sectors: ***Highly relevant***	Uncertain/ unambitious mandates for secondment, resulting in individually driven delivery/ ambition over and beyond a gap-filling role: ***Varying effectiveness***	Some individuals delivered outputs and contributed to impact far beyond mandate. UNMIK in general, and security in particular, delivered more or less on mandate. ***Varying Impact – Sustainability not an issue unless long-term capacity development was objective (not clear)***
Embassy projects: **Balkan Sunflower** **BN Architects Library project**	Projects have been addressing needs among important constituencies for Kosovo's long-term development, though neither project represents top priority for authorities: ***Mildly Relevant***	Both projects deliver on their outputs: BS providing a number of school services to minority children/ communities BN developing and providing groundbreaking libraries for schools across communities ***Reasonably Effective***	BS has achieved higher enrolment rates among ethnic minorities in the communities in which they work BN has made more children interested in the value of books ***Both delivering Impact*** Both these projects need public budgets and political support to reproduce results, and this is a risk ***Sustainability vulnerable***

Annex G:
Norway and Anti-Corruption

The TOR for the evaluation includes specific questions concerning administration of funds and if there are areas of the assistance that are particularly subject to misuse. To address this issue, a separate module was included in the evaluation process, using BiH as the case study.

According to Transparency International (TI) corruption has been and still is very high in BiH. Since 1999, anti-corruption work has been a priority in the Norwegian aid administration. Norad issued a Good Governance and Anti-Corruption Action Plan in 2000. Zero-tolerance for corruption as a political goal has been emphasised by the current Government (St.prp. nr. 1 (2006-2007). The MFA does not have a comprehensive anti-corruption strategy or action plan, but a number of guiding documents have been produced in recent years and capacity building in this field is ongoing.

Donors generally fight corruption in two ways: (i) through the funding of anti-corruption activities and good governance efforts, and (ii) through addressing corruption in donor-funded activities to avoid misuse of donor funds. The focus of this study is on the second dimension.

1 Study Topic and Methodology

The 18 year portfolio of support to BiH can be characterized by several phases of support, and with the funding being for a number of programme areas. During the first period, most of the funding went to *emergency and reconstruction* activities that included the programme areas Humanitarian Aid, Refugee/IDP shelter, Housing, Public Infrastructure (Water and Sanitation and Health) and Technical Assistance (TA) and secondments.

In this early period, the main agreement partners to MFA were the large Norwegian NGOs and UN humanitarian organisations: Norwegian Red Cross (NRX), Norwegian Peoples Aid (NPA), Norwegian Refugee Council (NRC), Norwegian Church Aid (NCA), World Food Programme (WFP) and United Nations High Commissioner for Refugees (UNHCR).

1993 was the first year where funding to BiH was substantive (about 200 million NOK) and the funds were allocated to 11 different partners, including the six mentioned above.

The more recent period has seen a shift in funding to *democratisation and EU accession*. Programme areas include Public and Private sector Development, Democracy, HR, Dialogue, Civil Society, Legal-Security and Social Sectors and Services.

In 2008, the portfolio of about 111 million NOK was allocated to 43 different partners (not including the small-scale Embassy projects). The biggest programme, in terms of funding, is the NPA demining programme with NOK 15 million and then support to the High Judicial and Prosecutorial Court (HJPC) with NOK 9.2 million, while the smallest was only NOK 205,000. These agreement partners include UN agencies, Bosnian public bodies, international, Bosnian and Norwegian NGOs, and Norwegian private companies and public bodies.

1.1 Study Approach and Key Questions

There are a number of contextual conditions that have shaped the study approach. The context in BiH has changed since the early emergency and reconstruction phase to a phase concerned with reconciliation, democratic development and EU accession. With these changes, corruption type and risk also have changed.

The structure of the Norwegian portfolio has naturally also changed with the phases. The actors and programmes in the country today are very different to those of the 1990s. While funding during the first years was channelled through large Norwegian and International NGOs and the UN, the picture is considerably more fragmented today, and there are few programmes that have been consistent over time[62].

It would have been interesting to track changes within organisations and programmes over time to assess how anti-corruption (AC) work has evolved, but this has not been possible due to the changes in portfolio and changing actors on the ground. Instead, an approach was chosen in which relevant topics were investigated in depth with key informants: MFA, other donors, Norwegian NGOs, Bosnian NGOs and anti-corruption experts. The topics are:

- General changes in awareness of and attitudes to corruption among donors and implementing agencies. These can be assessed through changes in policies and guidelines for fund management in addition to interviews.
- The differences in corruption risk and response is likely to differ in the two phases. Differences will be illustrated, but the main focus of the study is on the current challenges.
- In line with the overall evaluation's focus on decision making / administrative (internal organisational) processes in MFA, the study compares the "Norwegian model"[63] to other countries' anti-corruption work to highlight some differences between Norway and other donors, and possible consequences of these differences.
- A number of changes have taken place in the administrative anti-corruption work in Norway during recent years, especially related to the zero-tolerance policy.

62 NPA's demining programme, HJPC secondment of Norwegians and Nansen Dialogue are notable examples.
63 Being a flexible donor that collaborates closely with (Norwegian) NGOs, mainly through one-year agreements and relatively moderate requirements to risk assessments, monitoring and reporting on results.

The study describes these and points to some of the challenges ahead, based on interviews with implementing agencies from both phases.

The above approach can be summarised in the following key questions:

- How has the zero-tolerance policy been executed by the MFA and recipients of Norwegian funding?
- What are the differences between the emergency/recovery and reconciliation / democratic development phase in terms of risk and response to corruption?
- What are the strengths and weaknesses of MFA and its partners' capacity to prevent detect and react to corruption? – in relation to other donors and as compared to the past.

It is *not* the task of this study to map incidents of corruption in Norwegian funded programmes. The methodological approach was not designed to detect corruption in respondent organisations.

1.2 Methodology

A literature review included studies of anti-corruption work in development aid, agency guidelines and toolkits in addition to project documents for the Western Balkan portfolio (see Attachment B).

Interviews were conducted with Norwegian NGOs that were active during the reconstruction phase, focusing on how they have changed their procedures as a consequence of experience from the Balkans. Interviews with Bosnian NGOs today, mainly in rights-based projects, centred on how they address corruption risk and how they compare Norway to other donors in this field. Interviews with other Donors were conducted to investigate how their procedures and requirements differ from the Norwegian. Finally, interviews were held with anti-corruption experts in Norway and MFA/Norad staff – how they deal with corruption risk and detection, such as alert raising, and what the current challenges are.

2 Conceptual Framework and Norwegian Anti-Corruption (A-C) Strategy

It is a growing recognition internationally that corruption constitutes a threat against democracy, human rights and social justice. It is furthermore emphasized that corruption could obstruct economic growth and that such impacts in particular concern the poorest countries with the most vulnerable population. Corruption and misuse of donor funds undermines development effectiveness not only by reducing the amount of assistance, but also by hampering it to reach the intended target groups. Discussion of the subject is very sensitive due to fear of undermining public trust in donors.

The term corruption is however like a prism – it contains numerous meanings or interpretations. The literature as well as the public debate is full of various angles, related to persons involved (natural and legal), different kinds of corruption and the magnitude of the problem. The causal relations and consequences are explained through various approaches such as ethics, history, culture/tradition, economic systems and political institutions. Suggested actions or measures against corruption

seem further to be characterized by which understanding or interpretation of the phenomenon they are based on.

Descriptions of corruption often distinguish between "active corruption" (the supplier) and "passive corruption" (the receiver) and various types of corruption such as bribery, embezzlement, extortion, nepotism, cronyism, fraud and kick-backs. „Petty corruption" and „grand corruption" is about how substantive values are involved, and where corruption takes place. "Business corruption" is the term often used when private companies are involved and "political corruption" in which politicians are involved. Various statistical correlations are also frequently used in order to highlight the phenomenon, such as TI's Corruption Perception Index (CPI) and other indicators of development such as Freedom House's *Democratisation Indicators* and the World Bank's *Worldwide Governance Indicators.*

This study is based on TI definition where corruption is defined as "*the misuse of entrusted power for private gain".* Ewins underlines that "*in the context of humanitarian relief, this means thinking through where power lies, what would constitute misuse, how power has been entrusted and what "private" means"* (Ewins et al. 2006, p. 7). In other words there could be several perceptions of what corruption is and what normal or legitimate practice is. Therefore, in the world of international assistance this means that entrusted power includes the power entrusted to humanitarian/development agencies by both the public in donor countries and by beneficiaries. Personal gain does not necessarily refer only to the individual, but also for example to the family, the village, the caste, political parties, warlords / militia as well as to businesses or other economic entities / organisations. Moreover, it is not just about financial gain. In relief / development contexts money or goods are not necessarily the most sought-after "good". It also may be abuse of power to achieve personal reputation, political results, access to goods (water, employment) or sexual services.

Box G.1: Definitions and Expressions

Examples of corruption definitions:

- **Transparency International** (TI): *"abuse of entrusted power for private gain",*
- **The World Bank** (WB): *"abuse of public office for private gain".*
- **Norad** (2000): *"transaction between private and public sector actors though which collective goods are illegitimately converted into private payoffs"*

Bribery is the act of offering someone money, services or other valuables, in order to persuade him or her to do something in return.

Embezzlement is the misappropriation of property or funds legally entrusted to someone in their formal position as an agent or guardian.

Extortion is the unlawful demand or receipt of property or money through the use of force or threat.

Nepotism is usually used to indicate a form of **favouritism** that involves family relationships. It describes situations in which a person exploits his or her power and authority to procure jobs or other favours for relatives.

Cronyism refers to the favourable treatment of friends and associates in the distribution of resources and positions, regardless of their objective qualifications.

Fraud is economic crime involving deceit, trickery or false pretences, by which someone gains unlawfully.

A **kickback** is a bribe, the 'return' of an undue favour or service rendered, an illegal secret payment made as a return for a favour.

Graft is to obtain money dishonestly by exploiting one's position of political power Graft refers also to the rewards of corruption: the loot or payoffs.

Grand corruption takes place at the political top level, and involves politicians and bureaucrats who have power to formulate the "rules of the game" and abuse this power to gain great advantages and retains power through personal enrichment and purchase of support. It often takes the form of major embezzlement and bribery received through dubious awards in connection with the state's purchasing, infrastructure and manufacturing, and political manipulation of the market.

"**Petty corruption**" happens at the other end where delivery of public services meets the individual. (www.u4.no).

2.1 Factors Influencing Corruption Risks in Development Cooperation

Several studies show that corruption risks are **possible in all stages** of development cooperation, but tend to be higher when it comes to humanitarian aid (see Box G.2, based on Tamber 2008). The risks are in general higher in emergency/reconstruction than in the development phase, in part due to the actors having more time to carry out and quality assure each component of the assistance when it comes to more long-term assistance. High risk areas include procurement, finance/administration and human resources, where examples include (*see Ewins et. al. (2006), Willits-King and Harvey (2005), Tamber (2008)*):

- Elites bribe/influence those conducting the assessment to inflate needs and/or to favour specific groups;
- Response selected to enhance personal or organisational reputation rather than based on needs;
- Double funding: allocating the same expenditure to two or more projects funded by different donors;

- Agency staff invent partners or demand kickbacks;
- Bribes or kickbacks from suppliers during the procurement process to influence contract awards;
- Goods which are sub-standard or do not meet the original specification are accepted and ultimately paid for through kickbacks, bribes and collusion;
- Favouritism in recruitment;
- Powerful individuals within the community manipulate the beneficiary lists;
- Beneficiaries have to bribe agency staff, local elites or authorities to maintain their place in a distribution line or receive goods;
- Manipulation of monitoring reports / information to attract further resources;
- Reports falsified to hide corruption;
- Disposal of assets to favoured people;
- Monitoring, reporting or evaluations falsified to hide evidence of corruption found.

Box G.2: Factors influencing the Risk of Corruption in Humanitarian Aid

The country context:
- Level of pre-crisis corruption
- State legitimacy and governance at local levels
- How fair and independent is the judiciary
- Anticorruption measures
- Public debate and level of media scrutiny
- Security situation

Characteristics of different stages in emergency and development aid:
- Special challenges in emergency phase:
- Need for speed
- Social networks are vulnerable/unbalanced
- Confusion and uncertainty
- Strong demand for purchase
- High tolerance for "short cuts"

Characteristics of humanitarian aid as such:
- Number of external (and internal) players
- Competitive conditions for attention
- Not sufficient or weak coordination
- High turnover
- Abundant supply of funds and resources
- Not always sufficient knowledge of local conditions
- Strong demand for purchase
- Pressure on management capacity

2.2 MFA and Norad Anti-Corruption Work 1999-2009

The Good Governance and Anti-Corruption Action Plan was issued by Norad in 2000 as a follow-up to the 6-point offensive against corruption launched by then-Minister of International Development and Human Rights, Hilde Frafjord Johnson in a presentation to the Parliament in May 1999. The six points were:

- *Norad will become an international front-line organisation in the battle against corruption*
- *Corruption will be put on the agenda in our dialogues with our partner countries*
- *We will provide assistance to our partner countries in the battle against corruption*

- *International efforts to combat corruption must be better co-ordinated, more systematic and more effective.*
- *NGOs must be drawn into the battle against corruption*
- *Sanctions will be imposed if necessary.*

In the Anti-Corruption Action plan it is acknowledged that corruption is a broad and sometimes difficult concept to measure directly and agree upon. While corruption in the public sector tends to be the focus of attention, it is also to be found in the private sector and civil society. It is noted that donors should be careful, since corruption is understood and regarded differently in different contexts: what is illegal in one country may be accepted practise in another. *"It is often difficult to delimit clearly what is corruption. What appears to foreigners to be illegitimate or illegal governance practices might be more acceptable locally. There is a risk that the international donor community, in its eagerness to promote good governance and fight corruption, will become ethnocentric. It may force third-world countries to adopt systems and practices that are suitable for western societies, but less well suited to the conditions in other parts of the world. There is a need to develop internationally accepted concepts of corruption, which define what behaviour should be criminalized as corrupt"* (Norad 2000, p. 9).

There is no reference to differences in emergency, reconstruction and long term development phase in the Norad Anti-Corruption (A-C) Action Plan.

The Norad approach is described in the Plan:
- To insist on strict adherence to agreements, and to carefully monitor the way Norwegian funds are used.
- To raise the issue of corruption in the dialogue, and to expect the authorities to assume responsibility for combating the problem.
- To provide assistance for administrative reforms aimed at eliminating the underlying causes of corruption and improving the authorities' control of the use of public resources.
- To contribute towards preventing and exposing corruption by providing support for civil society.
- To hold contracting parties responsible and demand repayment of any misused funds.

Recent A-C initiatives in Norad/MFA:

An anti-corruption project was established in the MFA in 2007 which has resulted in a number of actions taken in MFA to strengthen anti-corruption work in the Ministry and at the Embassies:
- A new unit for financial control was established in MFA in 2007 with the responsibility to manage and oversee financial management and the new alert raising service.
- MFA staff receives training through general and specialised courses on anti-corruption. U4 provides online training for MFA / Embassy staff[64].

64 The U4 Resource Centre was initially established in 2002 as a result of the so-called 'Utstein-partnership' which begun in 1999 with an initiative taken by the ministers of international development from the Netherlands, Germany, Norway and the UK to formalise their cooperation. High on the priority list was anti-corruption. Sweden (Sida) and Canada (CIDA) joined as U4 partners in 2005, BTC (Belgium) and AusAid (Australia) became funding U4 partners in 2008 and 2009 respectively.

- In January 2009 a channel for alert was established by MFA to be managed by the independent law firm G-Partner. G-Partner receives alerts, and carries out the first investigations on the suspicions.
- A poster for alert raising describing how this works has been developed, and in 2009 new guidelines concerning how to handle suspicion of economic misconduct were issued. All of these are directed to MFA staff.

The following tools have been developed during recent years:
- Norad Handbook on Assessment of Financial Management and Corruption.
- Establishment of a comprehensive grants-administration system in MFA (*helhetlig tilskuddsforvaltning*) with new formats and more specific emphasis on corruption risk. Anti-corruption clauses have been included in contracts with grants partners.
- Guidelines for dealing with suspicion of fraud – for internal MFA use.
- Plan of Action for improved control and monitoring of Norwegian support to the Western Balkans.

There is no updated overall Norwegian anti-corruption strategy developed to replace the first anti-corruption plan from 2001 which could describe how the new A-C tools are interlinked and what the consequences of the zero-policy is for Norwegian and international development / humanitarian partners.

3 BiH Context and Background

TI in Sarajevo points out in interview that the three main sources of corruption in the country are:
- Privatisation of public companies
- Public procurement
- Functioning of State-owned companies and local development banks

Corruption in development assistance is not seen as a major challenge compared to the other three sources.

3.1 Social Capital in BiH and the Link to Corruption

An important basis for understanding corruption in BiH is described in the UNDP Human Development Report 2009: "The ties that bind. Social Capital in Bosnia and Herzegovina". Social trust is placed in the context of social capital and social networks to describe the ties that bind members of society together after the war in BiH.

The report draws on a survey from 2007 and complementary focus group interviews. Social capital is categorised as 'bonding', 'bridging' or 'linking' depending on the level of homogeneity and type of relations in social networks. Social capital is also described as either 'inclusive' with open membership, or 'exclusive' with closed networks[65]. *"The general characteristics of social capital in BiH suggest a society built on strong, but primarily family or locally-based ties. There is little bridging or linking social capital. The resulting social fabric is characterised by fragmentation*

65 Less than 20% are members of a club, organisation or association. In comparison, similar numbers for Norway are ca 80% and for Sweden ca 90%.

and segmentation rather than cohesion and solidarity"(UNDP 2009, p. 9). This type of social fabric is vulnerable to fostering social exclusion, nepotism, clientelism and cronyism.

The UNDP report describes how the local notion of 'štela' is an unwritten contract between two people that involves obligations that may or may not be financial. There is no exact equivalent to the word in English, but *štela* is present in most relationships between people and service providers in BiH (though not exclusive to this country).

> *"The social dynamics informed by štela create and enforce exclusive social networks that benefit their members to the disadvantage of others. Where štela interactions involve immediate financial payments, they exclude those who cannot afford the 'fees'. It is important to point out that BiH is by no means unique in this regard. The grey areas between 'networking' and nepotism/clientelism are apparent in many countries, and the line where favours stop and corruption starts is not always easy to identify. What is significant in BiH is the scope of the phenomenon, where it appears to pervade so entirely so many institutions. As such, it is the degree to which štela acts as a disincentive, reduces the quality of services, blocks access to the services and encourages corruption that is of such concern" (op.cit.)*

3.2 Corruption Risk in BiH

BiH is a society where connections, relationships and networks are of major importance, which opens up for favouritism and cronyism. There is a large bureaucracy and several levels of administration with unclear division of responsibilities, which create a fertile ground for corruption. The managing functions in public companies and privatisation agencies are held by persons chosen because of their affiliation to specific political parties. This leads to the public to perceive that political parties are the most corrupt institutions in the country, connected with fraud, theft, cronyism and other corrupt behaviour. In a UNDP study from 2007: 92% of respondents believe that the official sector is corrupt – though an overwhelming majority does not have personal experience with corruption (Swedish A-C strategy).

Projects and activities that are funded by Norway take place in this environment and cannot be seen as existing in a vacuum. The question is how zero-tolerance can be practised for those who operate in a society where *štela* is the norm and does not necessarily materialise as financial corruption(bribing, embezzlement), but may still entail the "public misuse for private gain.

4 Norwegian Assistance to BiH and Corruption Risk

4.1 Emergency and Reconstruction Phase

In the emergency/reconstruction phase a large portion of the Norwegian funding was for INGOs with infrastructure projects such as rehabilitation of schools and houses and water and sanitation. In capital intensive projects like these, financial corruption (tender rigging, kickbacks in procurement, bribing for contracts etc) risk is generally considered to be high. All of the "five large NGOs" in Norway were implementing projects in Western Balkan in this phase: NRC, NCA, NPA, NRX and Save the Children Norway (SCN). The last three still have a presence in Bosnia, but

with different types of programmes compared with the ones in the first emergency phase.

During the early phase of emergency and reconstruction there were few procedures in place to prevent, detect or deal with corruption. Norwegian agencies, both the MFA / Norad and the Norwegian NGOs report however that corruption was widespread, though there were few documented cases where action was taken.

Respondents in BiH report that there was poor donor coordination during this period and it was easy to get double-funding for a project. There was no banking-system and thus more difficult to track money transfers. Norwegian NGOs had few procedures in place for tracking expenditure and ensuring checks- and balances. Kickbacks were normal. One of the Norwegian implementing agencies conducted a procurement procedure according to the rules, but still experienced that the winning company came openly to pay the "reward" at the office in cash (USD 500 in an envelope). It was just taken for granted by the company in question that the NGO would expect a kickback.

The Norwegian experiences are confirmed in a CMI report in 2005 about characteristics of corruption in international aid in the reconstruction phase in BiH (CMI 2005, pp.):

- *International agencies could be forced into contracting cronies of the local elite at inflated prices, as other potential bidders were threatened or blackmailed not to participate in the tendering process for reconstruction contracts. International agencies could be powerless to stop this.*
- *Sometimes a range of companies would be 'allowed' to bid, but it was widely suspected that the successful bidder would have to give a certain percentage of the overall contract value to local leaders. Again, international agencies could do little if they were determined to undertake the project.*
- *In other cases, corruption was subtler. NGOs that had received funding to rebuild houses in a municipality for returning minorities needed support and even legal permission from local leaders. These leaders might insist that in return for their support, the NGO would undertake a 'balancing' project, which they would select. Thus, as well as repairing returnee houses, NGOs could be coerced into, for example, improving local roads or even assisting local businesses. This had two negative effects: it diverted international funding from the real priorities, and strengthened the power of these corrupt local leaders because the majority population believed that they could deliver.*

Box G.3: NRC experiences with corruption in the reconstruction phase

During the reconstruction phase in Bosnia, corruption was definitely on the agenda for the agencies in the shelter sector. Stories were shared in the expatriate community about "how bad it used to be" and there were lots of rumours, especially regarding kickbacks and cheating in tender processes. The agencies shared knowledge and advice on how to prevent corruption and misdirection of funds. The NRC had regular staff deliberations on the issue, asking advice from local staff on how to ensure that the assistance reached the target groups. They were openly brainstorming to identify the different ways they could be tricked and staff was encouraged to come up with innovative ways of countering trickery. The staff had an extraordinary humanitarian engagement and it was felt that they really appreciated that corruption was put on the agenda openly. An external advisor with in-depth shelter and local context knowledge was hired to assist with improving procedures for tendering. This led to the discovery that three companies tendering for a contract were in fact "mail-box" companies under the same owner. NRC received threats when the company was excluded from the tendering processes. Though there were sometimes rumours about staff and counterparts, investigations did not yield any documented evidence to act on. If rumours persisted, the solution would be to reorganise activities and responsibilities to minimise risk. NRC only experienced one concrete case over the years, which was prosecuted in court. NRC had funded the rehabilitation of a school, and the Mayor had managed to solicit funds from another donor for the same school. Those funds were not embezzled for private use, but used to build a mosque. While NRC was not directly involved, the embassy was alerted and NRC contributed with documentation to the court proceedings.

Based on the experiences from the Balkans, as well as other countries, NRC today has a 21 page anti-corruption guideline (2006) and 34 pages with explanatory notes to the code of conduct in addition to the "regular" tools, such as Logistics Handbook, Financial Handbook and Guidelines for management and administration of National staff.

The CMI report further describes how the international community at the time did not have "their own house in order" to serve as a good example to their BiH counterparts. They did not have open recruitment procedures in their own organisations, but would hire staff based on network and connections, they were often seen to be speeding and ignoring local law and they did not have proper mechanisms in place to regulate per diems and other benefits. Norwegian NGOs have, since then, developed strict codes of conduct, and behaviour that was considered normal five years ago, is today seen as completely unacceptable.

4.2 Democratisation and EU Accession Phase

Over the last years, the structure of Norwegian assistance has changed. The portfolio of Norwegian assistance could be described more as a "low-risk" portfolio,. By "low-risk" is meant that most funding is for yearly projects, and most of them "knowledge-producing" (advocacy, human rights, democracy). There are few capital-intensive projects, i.e. little procurement, and only a few cases of core (non-earmarked) funding. Funding is spread very thin on a large number of actors. There are no sector-wide programmes and no budget support.

Examples of Norwegian support to public sector and civil society are presented below.

Support to the public sector

Neither Norway nor Sweden is supporting government or national agencies directly, without any international counterpart closely involved in, and thus monitoring the project.

Examples of Norwegian support to the public sector and mechanisms for monitoring are:

- Parliament restoration is a capital-intensive reconstruction project where the Ministry of Finance is the agreement partner to MFA. IMG, which is an international professional consulting/ implementing agency has been hired to closely monitor this project.
- Support to the High Judicial and Prosecutorial Council. Norwegian experts have been seconded to this institution since the creation of the first Independent Judicial Commission in 1998. They work as counterparts to the HJPC in the implementation of the various projects.
- State Coordinator for anti-trafficking in human beings and illegal immigration. Funds are located at the Ministry of Human Rights, while the State Coordinator is within the Ministry of Finance and Treasure. A commission of nine members from the involved Ministries, IOM, Save the Children Norway, civil society etc. oversee the project and there are four regional monitoring teams in place that pay unexpected visits to the centres for victims of trafficking to monitor the quality of the services provided and the running of the centres.
- Association of Municipalities and Cities of the Federation of BiH. Support to Municipal International Cooperation and capacity building is channelled through the Norwegian association of Local and Regional Authorities (KS).

Demining

About 15% of the total portfolio to Bosnia is support to Mine Action. NPA has, since 2001, received the largest single allocation every year for demining. This is generally a field with high corruption risk, since large contracts are awarded to private companies and it is demanding to measure results and compare the quality of work. In BiH there are 33 demining organisations (local NGOs and commercial companies) in addition to NPA and the army. Mine Action is a well-regulated sector at the national level, but transparency in the award process is not adequate, and it is not clear that duties have been segregated in the priority setting and tendering processes. Norway avoids this risk by providing support for Norwegian Peoples Aid mine action programme which does not work for profit and compete for contracts in the open market. NPA is, however, affected by the overall market environment in the sector, and depend on a stable and transparent environment for continued donor support.

Support to civil society

Support to civil society is also characterised by low-risk projects that are rights based and target knowledge production, advocacy and reconciliation at different levels. Several of the projects that are supported by Norway are directly seeking to address the systemic challenges related to cronyism and networks based governance. Examples provided during the field work include:

International Commission on Missing Persons (ICMP)

The organisation was established following the Dayton Agreement and the two components are i) human rights advocacy and ii) DNA identification. ICMP identifies bodies from mass graves, and thus produce factual information about victims of war. With facts from ICMP, politicians cannot manipulate numbers for propaganda purposes. ICMP has ten donors, all with different reporting obligations, some which are very strict. Most agreements, including the Norwegian are for two years. While most donors want to fund the DNA research, Norway provides budget support, which is appreciated. The organisation is a split-off from ICRC and does not have a legal status, which has financial implications, but the organisation has two bank accounts to safeguard funds. ICMP has diplomatic immunity since the information they work with is sensitive and there is considerable interest in the genetic material they store.

Box G.4: Integrated IT systems for combating corruption.

NPA has implemented programmes in BiH since 1996, first with reconstruction programmes, now with demining. The current finance manager has been with the organisation since the beginning to see the substantial changes that have taken place to safeguard the funds. Both the Bosnian and the Norwegian regulations and systems have improved significantly and today NPA believes there is very little room for corruption within the chain of delivery.

An anecdote from Kosovo describes the challenges for NPA in construction work right after the war: you couldn't buy materials in Kosovo and had to go to the border to buy it straight off the trucks and you did not have a choice between suppliers. 2-3 persons were sent (to promote accountability) and they needed cash to pay for the materials and machines. If the machines got stuck in the mud, you needed cash to pay the local farmer to pull them out with a horse. There was no banking system in place and salaries were paid in cash. The main problem was to keep control over the cash payments.

The situation today is very different:

- NPA was one of the first NGO to require that all staff (even temporary) were registered and that tax, pension and insurance were paid.
- There are still other agencies that don't register their staff and only pay salaries.
- All payments are made through the bank and can therefore be tracked.
- Monitoring has always been done on-site, for example for every 50 houses. Paper reports were not enough.
- Since 2005, Agresso (IT administration system) has been implemented where connections are made between all components of the financial and logistics management concerning procurement, inventories, asset registry, staff salaries, project plans, warehouse stocks etc.
- A good planning system with many checks and balances in the chain of planning, purchasing, implementation and monitoring, all registered in the central database, is a barrier to corruption.
- A plan of needs is prepared by the coordinator, endorsed at the main office, and a procurement plan is prepared (and compared to the inventory). Purchase orders are confirmed by operational management and prices are checked. A logistics controller has all the contracts and will check with the storekeeper. The order for the bank must be signed by two people.
- Each vehicle has a separate fuel card. There is a logbook in the car and the invoice from the fuel company every 50 days can be checked against the log.

- Since NPA has the internal liquidity and the Agresso system that allows the organisation to pay straight away (within 15 days) it is considered a good customer. There was an incident where the same producer suddenly provided clothes of poorer quality than before. The explanation given was that the clothes came from two different factories. NPA will terminate the contract if the quality of goods is not brought to the agreed standard.
- Being a big organisation, staff can also be rotated so that they are not too long in a field office. Staff can rotate within the organisation in the region. Most of the staff has been with the organisation for a long time and are proud of their organisation.

ICMP is a lean and results-based organisation which they claim makes less room for corruption. They always work in teams and collect six signatures for payments. There are only bank transfers, no cash payments. The risk identified by management is that the equipment and competence needed for doing the genetic work is so specialised that it is difficult to check for non-specialists. They have procedures in place for double-checking orders.

Center for Interdisciplinary Postgraduate Studies (CIPS)

CIPS receives 15% of the funding from Norway and find that administrative procedures are not complex The dialogue with the Norwegian Embassy is good, the Center is a neutral area, all can study and the curriculum is new, removing what they label "enemy teaching". CIPS works closely with civil society through internships, and thus has the opportunity to monitor their activities, especially in the fields of gender and human rights. CIPS has accounts for each programme and are monitored by federal authorities. There is not much risk of corruption in such a "knowledge-producing" system. The budget is quite detailed and reallocation is possible, but must be approved in advance. EC, Sida and Norway undertake joint audit. There may be political resistance to the programmes, but no risk of political corruption.

The Nansen Dialogue Centres (NDC)

NDC has been a close partner of MFA in the initiatives to support reconciliation in the Balkans since 1995. They have witnessed the changes in fund management and priorities and have had to adapt to new requirements concerning reporting on results. NDC is concerned with developing relevant tools for Monitoring and Evaluation (M&E), but point out that it may be discouraging that there are no "quick fixes" in a process of reconciliation and that it may be difficult to detect short term results. Though NDC has had considerable freedom to develop their own methodology it is also clear that they have had to adjust programmes and approaches to Norwegian foreign policies. On the issue of preventing corruption, NDC points out that the whole programme is about relation building, getting to know each other, loyalty and friendship. Programme managers know stakeholders well.

In Sarajevo, there is double auditing every year, by the Norwegian requirements and by the local Bosnian law, which is strict. Auditors visit the accounting firm to check their capacities. Recently, USAID came in as a donor and demanded full financial inspection of the NDC office for two full days, going through all procedures for procurement and reporting, statutes and banking. There are four people in the office, and USAID demand three signatures for ordering printer paper. If NDC takes

a trip with 500 KM (Convertible Marks) in the cash box and only spends 400 KM, USAID demands that the remaining 100 KM is put back in the bank with explanation. The bank charge for the transfer is 97 KM. Norway would allow NDC to keep the 100 KM for the next trip.

Six years ago, the Norwegian NDC office would keep a non-residential bank account for the project. This enabled Norway to not pay taxes and other employee benefits such as maternity leave according to Bosnian law. Salaries were thus not transparent and not reported correctly to the Government. At that time the level of taxes could reach 71%. There are still international organisations operating like this in BiH, but Norway now does everything in the open. The reason was probably that donors wanted the funds to go as un-diverted as possible to activities.

NDC Sarajevo is concerned with long-term engagement in the field of reconciliation, and cannot afford irregularities . For seminars, the hotel manager and the project manager both sign for the number of coffees served, and this is checked against participants. Lessons have been learned, as too many coffees have been charged, and cigarettes added to room bills during the first years.

Balkan Investigating Reporting Network (BIRN)

BIRN was established in 2005 and have monitored every single trial of the war tribunal. The trials are covered on radio, without comments. The concept is to give factual information from the courts. BIRN does not use anonymous sources,. In addition there is a portal where all court reports can be accessed by the public. The founders of BIRN all had backgrounds from development agencies and had seen how much money is wasted. They designed the BIRN NGO with mechanisms for sustainability and accountability before they invited a number of donors to a joint meeting. There are two Management boards; one with the BIRN regional directors and one with three persons from the local office management. Staff can write to the board which has focus on protection of staff rights. They have established a level of transparency beyond what donors require. There is a separate bank account for each donor and with a special software (ETS), accounts can be made per donor, but also integrated. This is to ensure that the same cost is not reported to several donors. Donors are also provided with lists of service-providers for cleaning, security, office supplies etc. The providers are kept on an annual basis, to minimise negotiation. Donors are Norway, Swiss and Soros Foundation, US, UK and NED. BIRN arrange joint donor meetings yearly. Norway is the only donor that demands yearly external auditing in addition to the accounting / auditing that is required by Bosnian law. The US asked for separate bank accounts. Each donor has separate formats for reporting.

Gariwo

Gariwo is a local NGO which is a branch of an Italian organisation. MFA has supported Gariwo to educate young people about civil courage since 2005. MFA is the main donor, and other donors are the Swiss, OSCE, UN and the Dutch Embassy. One of the founders of the Helsinki Committee in Sarajevo, Doushko Kondor, was politically assassinated. Gariwo presents the Doushko Kondor award for civil courage, but the manager of Gariwo is not a member of the 13 member commission

that decides on the award. Gariwo also keeps separate accounts for different grants and the responsibility is divided by the different project managers in the organisation.

Transparency International (TI)
TI in BiH implements a big AC programme which is funded in part by Norway. Components are i) advocating for reforms, ii) monitoring progress in public procurement, and iii) advocacy and legal advice for whistleblowers.

Norway is seen as a good donor because they are not micromanaging issues, which is important in such a sensitive field. Norway does not appear to be a donor that has vested interests. Some donors require monthly reporting, but the funds set aside for administration is not sufficient. Norwegian institutional support is highly appreciated.

TI wishes the U4 project could be accessible by more partners than just the member donors. The expertise and knowledge sharing could greatly benefit civil society organisations like TI. The Soros foundation is mentioned as a responsive and good partner/donor that is fast to recognize needs and has clean-cut procedures. NED is another "model donor" (see below).

TI emphasises that donors need to understand the context and country specific priorities. While it is not possible to implant a civil society from outside, neither will civil society develop without international assistance.

Research and Documentation Centre (RDC)
MFA has given support to the RDC since 2005. RDC collects information concerning genocide, war crimes and crimes against humanity. RDC has documented the fate of close to 100 000 people that were killed during the war – on all sides. The documentation has been deemed the most credible factual information about war victims, and like the work of ICMP and BIRN, objective factual information is crucial in the aftermath of war to counter political propaganda.

In 2010, donors froze funding to the organisation[66]. Swedish Sida ordered a forensic audit of the organisation in 2009 and following this, reported RDC to the attorney in Sarajevo. Norway, Switzerland and the Mott foundation have funded RDC without discovering irregularities through the normal audits.

4.3 NGO Views on Corruption Risks and Response

Representative of the NGOs interviewed would offer their own opinions on where the risks are and what donors should do, based on their own experiences with civil society in BiH, but without wanting to be quoted directly. These statements are included below:

- Norway and Sweden are emphasised as donors who have a good understanding of what the needs are in Bosnian society.

66 http://www.sida.se/Svenska/Kontakta-oss/For-medier/Pressmeddelanden/2010/Sida-fryser-sitt-samarbete-med-bosnisk-organisation-/

- For regular NGOs it is easy to mismanage funds. Accountants can be bought, though it is becoming harder and harder in BiH.
- If there are 200 CSOs, not more than 100 have proper programmes. Many were established by the international community during the war.
- With donors changing strategy often, and thus partners, it is easy for NGOs to find short-term funding. In areas like gender, trafficking, shelter, and microloans, you will find most corruption since the areas are so broad and "popular".
- Donors should look for partners that have a long-term engagement, is focused over time and has a specific niche of expertise – to avoid those "shopping for funds".
- One problem faced by several NGOs is the time gap between the deadline for applying for Norwegian funding, which is 15 February, and the moment a proposal is approved and the funds transferred, which in some cases has been as late as September. Since these are one-year proposals but often multi-year continuous projects, this affects the organisations' ability to ensure good administrative practices.
- Organisations that are "one-man shows" may be very good at the beginning, but as the organisation grows there is a need for a structure that balances monitoring and decision making.

Box G.5: Advice to donors from local NGOs in Sarajevo

- Beware of centralised organisations with a charismatic leader at the top.
- Beware when there is high turnover in the organisation and staff is not paid regularly.
- Make an effort to communicate with staff of the organisation, invite even people at lower levels "to the cocktail parties" even if you are a big donor (small donors often do).
- Sending an external consultant (stranger) to "strengthen the institution" is not enough
- Demand narrative reports in addition to the financial reports.
- Carry out institutional evaluations, not only financial evaluations, demand explanations *for* the budget. (who owns the house the organisation is in? who owns the companies that deliver goods and services?)
- If there is an alert raising system in place, let staffs of implementing partners know about it.
- If corruption is detected – do not close down a good programme, show responsibility and save the programme.

4.4 Donor Approaches

The European Bank for Reconstruction and Development, EBRD, gives loans to public large scale infrastructure projects while the National Endowment for Democracy, NED, gives small-scale funding to civil society organisations.

USAID, EU, Switzerland, Sweden and Norway are often co-funders of the same projects, though each keeps their own grant management requirements. While most of the donors have similar requirements, there are differences in their capacity and systems for preventing, discovering and sanctioning corruption. Examples of donor approaches are presented below.

The European Bank for Reconstruction and Development, EBRD

The EBRD was established in 1990 primarily to provide funding for private sector actors. The Bank provides co-finance with the private sector, and also has a "transition objective", supporting reform for EU accession. Every year a transition report is produced. For support to public projects, like roads, banks and electricity, the public entities need to follow EBRD rules for procurement and they are supported every step of the way by EBRD experts. EBRD only gives project financing, no budget support. EBRD Consultants work with the Government to procure, overseen by procurement specialists in London. Expertise is needed to avoid preferential specifications. And there is a complaint mechanism in place. EBRD rules supersede local legislation. Clients in the public sector come back to EBRD and have said that they feel relief to say that their "hands are tied" by EBRD. EBRD thus offers "protection" to technical staff in the Government sector from local politicians. "Integrity checks" of the institutions are carried out before EBRD funding is granted and there are guidelines for how to deal with "PEP"s – politically exposed people. There is an EBRD hotline for alert raising, and a separate evaluation department evaluates every project that has been funded by EBRD.

EBRD has, together with the African Development Bank Group, the Asian Development Bank, the European Investment Bank Group, the Inter-American Development Bank Group and the World Bank Group signed a uniform framework for preventing and combating fraud and corruption where they agree to cooperate through the establishment of a joint international financial institution anti-corruption task force. The task force will develop a consistent and harmonised approach. Elements of the approach are:

1. Definitions of Fraudulent and Corrupt Practices
2. Principles and Guidelines for Investigations
3. Exchange of Information
4. Integrity Due Diligence
5. Mutual Recognition of Enforcement Actions
6. Support for Anti-Corruption Efforts of Member Countries

Procedural Guidelines give details on how the IFIs should follow up on complaints under the following headings:

- Sources of Complaints
- Receipt of Complaint
- Preliminary Evaluation
- Case Prioritization
- Investigative Activity

National Endowment for Democracy, NED

At the other end of the scale from the large IFIs we find NED, which provides short term funding with few "tick the box" regulations, but with close follow-up by one dedicated programme officer (see Box G.6 below).

Sweden

The Swedish embassy in Sarajevo has developed an anti-corruption plan written specifically for BiH, with support from U4. The Embassy however points out that

political corruption cannot be fought "by document". Other approaches are needed. The Swedish definition of corruption is quite broad, detailed and operational:

> *"Institutions, organisations, companies or individuals obtaining improper gains by their position in an operation and thereby causing damage or loss. It includes e.g. kickbacks, bribery, extortion, favouritism, nepotism, embezzlement, racketeering, conflicts of interest and illegal financing of political parties" (Sida's Anti-Corruption Regulation 2007)*

The plan provides a general background on corruption in BiH and then outlines which activities should be undertaken at the embassy to improve staffs understanding ability to cope with situations, mitigate risk and contribute to BiH capacity to counteract corruption.

Norway

The Norwegian Embassy in Sarajevo does not have the capacity to engage in anti-corruption work beyond regular grant management. The embassy staff has also undertaken the U4 course, which was useful, and finds the dialogue with the central control unit in Oslo to be constructive. The embassy finds that there is high awareness about corruption among fund recipients. More information is reported than required, for example sending copies of all receipts. The one person in charge of follow-up of Norwegian funded projects also has other tasks at the embassy. The main systems for quality assurance are the Handbook for development assistance (*bistandshåndboka*) and the tools for grant management (*tilskuddsforvaltning*). The donor milieu is not too big, and there is a lot of informal communication. Partners are encouraged to ask for joint meetings.

Box G.6: NED - A "model" donor

Transparency International in Sarajevo was asked to recommend "good practise donors" and mentioned the Soros Foundation and National Endowment for Democracy (NED). NED is seen as a pragmatic and results-oriented style donor with good local grounding. NED is a grants-providing organisation, fully funded by the US government, but independent and providing non-earmarked funds for "support to democracy" small scale projects in civil society. The objectives and intentions of the fund may be compared to the Embassy small-scale fund, and the characteristics of how it is being managed are:

- There are no calls for proposals. Applications encouraged through networks and word of mouth.
- One programme officer / researcher (PO) with responsibility for the Balkans. Full time responsibility for portfolio management. Visits 2-3 times a year – visit all grantees.
- The board in Washington approves projects based on PO's recommendations.
- Projects listed in NED database with short description – for institutional memory and transparency.
- Purpose-driven projects: simple applications, focus on realistic outputs and outcomes
- Simple reporting every 3rd month on outputs and (intermediary) outcomes – by budget category only.
- Process seen as more important than final outcomes, applicants focus on the relevance of their project in the democratic process, and doesn't prepare indicators in the application. Still they are required to report on the effect of their activities (outcomes).

- NED asks: "What can you realistically achieve within a year – and how are you going to measure your achievements"?
- NED does not require that their logo is put on projects
- NED doesn't interfere in the implementation, but may not renew support if results are not forthcoming.
- Anti-corruption measures:
  - One programme officer (PO) that follows each project continuously,
  - The PO is not based locally, but has a wide network and local knowledge,
  - The PO keeps close cooperation with journalists and other donors. There is openness about who NED funds.
  - The NED PO gives the list of planned projects to Embassies as a courtesy and for feedback.
  - Random audits are conducted.
  - If "problems" occur and are explained, NED gives a second-chance, though with very close monitoring. Zero-tolerance is a guiding principle, but not an absolute and "blind" requirement.

Only two incidents of possible misconduct have been detected in relation to Norwegian assistance during the last years. One is currently under investigation (2010), and the other one was solved locally through a democratic process in the organisation, but under the pressure of the Norwegian counterpart withholding funds (ca 2006). The Norwegian Ambassador was informed and monitored the developments in the organisation. Both cases originate from the structure of the recipient organisation, where the actual decision making power is centralised with one person. Though the organisational structure may look functional on paper, the reality of the informal powerbase of the organisation is that the checks and balances are not operational.

Box G.7: Capacities of Norway and Sweden in Bosnia-Herzegovina

The Norwegian and Swedish embassies are in the same building on one of the main streets in Sarajevo, yet their staffing levels are quite different based on very different management models:

Sweden:
- Total budget is roughly SEK 250 mill per year to Bosnia and most projects are above SEK 5 mill.
- They prefer not to do small projects.
- While decision making lies in Sweden, programme management is delegated to the field.
- The embassy has six staff managing the programme with a further four staff in Stockholm.
- Sweden carries out standard programming of its bilateral cooperation through the Swedish aid agency, Sida. It began preparing its first country cooperation strategy in 1995, though the first one was only signed in 2003, covering the three year period 2003-2005, with a second strategy covering the period 2006-2010. Along with the strategy 2003-2005, Sida commissioned a series of background papers, one of them an assessment of the corruption situation in BiH by CMI, which led to a strategy annex addressing Sweden's anti-corruption approach.

Norway:
- Total budget is roughly NOK 100 mill per year to Bosnia.
- In 2008 there were 43 agreement partners.
- One person in Oslo is responsible for managing the portfolio and one person in Sarajevo responsible for the NOK 2-4 million small-grants fund. Interns at the Embassy contribute to application screening. No formal program management tasks are delegated to the embassy.
- Norway has no cooperation strategy for BiH, and Norad plays no role in program management.
- The embassy staff does not have any provisions for overtime in their contracts.

Some possible consequences for AC work:

Sweden has recently received two alerts on possible mismanagement of funds (two different projects), and initiated investigation. For one of the projects, Norway is a co-funder. No irregularities have been detected through regular audits. One reason why the alert came to Sweden and not to Norway is assumed to be that Sweden has the capacity to follow-up more closely the partner organisations and therefore Sweden's systems and policies regarding anti-corruption cases tend to be better known and understood.

Ministry of Foreign Affairs/Oslo

The Western Balkans (WB) section of the MFA in Oslo has produced an action plan for 2010-2011 to improve monitoring and control with Norwegian funds to the region. Elements are:

- A continuous political dialogue with the national authorities on corruption
- Opportunities to engage external competence for pre-assessment of partners' administrative systems
- The embassy should assess how the existing capacity can be strengthened in order to assess risk and monitor results better
- The embassy should work towards reducing the number of agreement partners and ensure that 40-60% of the projects have three-year agreements.
- Accept proposals at a fixed date (15 February) for bilateral support
- The WB section will review the management structure for different projects to ensure a more coordinated approach
- Embassy homepages should be used more actively to inform about projects, grants and results
- The alert channel should be made available to partners
- Guidelines and reporting formats are to be developed for MFA missions to the WB. Focus is on corruption risk management at the Partner organisations.

4.5 MFA-NGO Cooperation and Dialogue

The Norwegian Development Network (NDN – *"Bistandstorget"*) sent a letter to MFA in October 2009 to initiate a dialogue on how to deal with suspicion of corruption in development assistance. Fifteen organisations belonging to the anti-corruption thematic group in NDN had met to share experiences and challenges related to alert raising in September 2009. The letter was followed up by MFA through an invitation to a meeting where the NGO concerns were discussed.

NDN requested greater predictability, clearer guidelines and more coherent and consistent reactions from MFA and Norad in response to NGOs' alert raising. NDN

indicated that more transparency and better terms relating to alert raising is important to avoid a feeling of being "punished" for putting the searchlight on corruption. The NGOs' concerns were:

- The need for more transparency relating to requests for repayment of funds
- The cost of investigating possible cases of corruption. If the NGOs have followed all required procedures for risk assessment, fund administration including prevention of misuse, the NGO's ask if MFA / Norad is willing to carry the cost of forensic audits, legal advice and other costs related to the investigation and prosecution.
- The NGOs' present examples of what they find to be inconsistencies in Norad / MFA requirements in agreements and contracts.
- Some organisations have experienced that delays in response from MFA concerning alerts have resulted in shut-down of local partners' projects. The reasons have been that continued funding has not been secured awaiting investigation.

NDN also pointed out that it is not always clear what the division of roles and responsibility is between the MFA (Oslo), Norad and the embassies regarding follow-up of suspected funds misuse. The organisations have also experienced that when they have reported to desk officers in MFA / Norad, the media have covered the cases in such a way that further investigations have been hampered.

The NDN letter and follow-up meeting with MFA and Norad resulted in a seminar that was arranged in Feb 2010 for members of NDN. In that seminar, the MFA Central Unit for Control (for financial management) and Norad gave presentations on their mandates and work.

Box G.8: Norwegian Church Aid, NCA

NCA is the lead agency in the anti-corruption thematic working group of NDN. The NCA approach to fighting corruption has been presented in a comprehensive framework and includes the following key elements / principles (examples):

- Fighting corruption "is about people":
  - Leadership and priorities
  - Organisational culture, transparency, and knowledge management
  - Policies, routines and guidelines
  - Learning and training
  - Working together and advocacy
- NCA "attitude" and response to 'incident reporting' (whistle blowing)
- NCA principle of openness even if this leads to media coverage and negative reputation
- NCA views on bearing 'acceptable' risk
- The principle that fighting corruption effectively requires congruence between financial and programmatic management
- One (web) point of reference globally for policies, routines and guidelines
- Detailed description of elements in the 'control environment' (appraisals, monitoring, audits, documentation, reporting etc.)
- Project agreements with local partners
- Using real experiences for enhancing awareness and improving control
- Documentation of a summary of all cases in one register

Some challenges identified by NCA are:

- Long value chain with local partners, employees at Representations and different departments at HQ
- Dilemma: promoting responsibility vs. monitoring and control
- Capacity squeeze: implementation + thematic evaluations + reporting to donors
- Getting the Incident reporting system to work
- Focus on reactive crises management vs. proactive risk management
- "Tax payers' money", media attention, high risk environment – sharing the burden with donors?
- Donor desk officers' understanding of intricacies of wordings in audit management letters and audit opinions.
- Control routines and audits are not cheap, donors limit administrative cost.

An interesting (rhetorical) question posed by NCA is: "Does exposure in the media on corruption cases mean that the organisation has a high focus on corruption and therefore detects it – or does it mean that there is more corruption in that organisation?"

NCA is one of very few agencies that reports on corruption cases they have investigated on their website. (http://www.kirkensnodhjelp.no/Aktuelt/Nyhetsarkiv/Apenhet-og-risiko-i-bistanden/

5 Summary and Issues to Address

During the Emergency and Reconstruction phases in BiH the main corruption risks were identified to be:

- Lack of donor coordination (opportunity for double funding);
- Lack of banking system (difficult to track payments);
- Kickbacks on contracts/procurement.

There was little systematic work preventing and detecting corruption and few cases were reported. Following these early phases, lessons learned resulted in a number of new tools and procedures introduced, in MFA, in Norwegian NGOs and in Local NGOs. During the current democratisation/EU Accession phase, the perception is that corruption in BIH has not improved, but the risk in development aid is somewhat different than in the emergency/ recovery phase. This is in part due to the fact that donors' and partners' AC procedures have improved substantially, especially on preventing corruption to occur within the chain of delivery. Norway has improved tools and procedures for grants agreements and reporting, but remains less strict compared with other donors

The "Norwegian model" is appreciated by fund recipients. In general, Norway is seen as a donor that understands the local context, keeps a constructive and informal dialogue with development partners and does not micromanage projects, but trust the partners' integrity, competence and local anchoring. To some local partners it is important that Norway is seen as a donor without vested interests in BiH.

Institutional support is highly appreciated by recipients, since many donors only fund project activities, but such funds are more difficult to track through monitoring of results and safeguard against misuse.

Norwegian requirements for financial and narrative reporting are not perceived to be particularly strict compared to other donors. All respondents, both donors and partners say that financial reporting and auditing is necessary, but by no means sufficient to discover corruption and misuse of funds. Other tools must be used to assess risk up front, follow procedures for implementation, and ascertain that results have been achieved through the activities undertaken.

The Bosnian institutions receiving Norwegian aid were asked open questions about how they prevent corruption. Several of them portrayed a high level of awareness on the issue, and while they would describe the financial and administrative systems for securing funds disbursement, they would put equal weight on decision making procedures and power relations in the organisation. This is however not an area that has been emphasised by Norway in grants agreements. Norway does not seem to have systematic procedures in place for assessing the soundness, sustainability of the organisational structure of partner agencies or the accountability the organisation has towards constituencies. This does not mean that MFA is not aware of these challenges; the point is that there is no systematic approach to ensure that such considerations are part of assessment and monitoring. There is no follow up to check if decision making, for example by boards of managers is in accordance with agency statutes. There may be informal structures that supersede the formal ones. The risk of power abuse is expected to be high in Bosnian civil society organisations given the culture of *štela*.

The predominant change in all organisations, from MFA, to Norwegian actors to Bosnian actors is the massive changes in procedures and tools to *prevent* corruption. But it is the more and more strict requirements from (other) donors, specifically the USAID and the EU and the media attention that is seen as the main driving force for this change.

Norway has not *detected* any cases of corruption in Bosnia during recent years. Two cases have been brought to the attention of the Norwegian donor through other channels, but no cases of corruption have been identified as a result of the normal financial audits. The recent case of accused resource abuse was identified by Sweden, which was about to co-finance a local NGO with Norway. It has a more thorough due diligence procedure which uncovered irregularities that triggered more careful investigations, leading to a full-scale forensic audit.

While anti-corruption work has been on the agenda for Norad and MFA during the last decade and requirements of grants recipients and tools for addressing alert raising has been developed, it is not easy to get a good overview of the various elements of the Norwegian anti-corruption approach. To the outsider, it appears fragmented without a well-developed framework. This is illustrated by the need felt by NDN to ask for a meeting with MFA to discuss issues of roles and responsibilities, managing of risk and predictability of consequences if corruption is suspected. The European Bank for Reconstruction and Development (EBRD) and NCA have good examples of web-based “hubs” for anti-corruption information, which gives partners a very good overview of the agencies’ comprehensive approach to prevent,

detect, investigate and sanction corruption. The web pages include guidelines, policy statements, process descriptions, institutional arrangements etc.

Local NGOs in Bosnia gave "bottom-up" advice to donors (in interviews) on what they should be on the look-out for and these could be further expanded through more donor-partner dialogue on the issue. Similarly, Norwegian NGOs have taken the initiative to improve dialogue with MFA / Norad to sort out misunderstandings and to further improve the cooperation in the fight against corruption. Their point is that corruption exists in most contexts and cannot only be fought through regulation. A hypothesis that agencies do not have incentives to report corruption because of the high cost involved has not been confirmed in this study. Rather, respondents were found to be proactive, eager to cooperate with donors, and concerned with developing effective approaches. It is thus believed that donors would benefit by partaking in joint methodology development.

The various actors interviewed for this study have the practical experience and have developed good practise to prevent corruption. There is a lot to learn and share to cooperate better in the management of the development portfolio. It could for example be envisaged that the Embassy seek advice from counterparts in Bosnia on what their demands should be, where they need to be pragmatic for effective cooperation and where the key risks are. There are several testimonies to the fact that local staff in organisations, local agencies and local politicians express gratitude when corruption is openly discussed and solutions sought. Since the majority of actors will be law-abiding and interested in the good outcomes of support, they are also victims to the pervasive system of corruption and cronyism. They are grateful when they can operate within a well-regulated system that protects them against attempts by people with power to influence them. This has been exemplified by The European Bank for Reconstruction and Development (EBRD), by NRC and by BIRN.

One area that is emerging is the contradiction between the strengths of the peace-building and civil society profile of the "Norwegian model" and the zero-tolerance policy. Being a bold and independent donor, flexible and willing to support innovative projects, wishing to encourage recipient responsibility, and working through a number of informal and political channels does not always correspond well with the need to safeguard funds through professional development grants administration (bureaucracy). Sometimes grants agreements are made through diplomatic channels and not as a result of a quality assured application process. Social movements, political groups and informal CSOs that have legitimacy at the grassroots are often very differently organised than urban-based professional NGOs. Though it has not been explicitly documented in this study, it is sensed that different actors within MFA and Norad may have different opinions on which principle should be given top priority if political / peace-building / reconciliation perspectives are not easily combined with indicator-based planning and zero-tolerance for corruption.

While none of those interviewed were in disagreement with a zero-tolerance policy in principle, they question whether Norway has the capacity and knowledge base developed to implement it in a predictable manner. There are also concerns among

the Norwegian NGOs regarding how zero-tolerance is communicated in the media and how well MFA cooperates with development partners to address the root causes of corruption in development aid. Especially in fragile states where MFA engage in partnerships with administratively weak partners, for example civil society organisations, there is a need for more clarity about where the responsibility for preventing and detecting corruption lies, and to what extent Norway can assist in the uncovering and prosecution of possible cases of funds mis-management.

A key concern among partners is the challenge of safe-guarding long-term results if corruption is detected in a project. Suspicion of irregularities is in principle a cause for freezing funds. MFA does not have a clear policy on how investments should be protected if funds are frozen and how third-party harm should be avoided. How is impact on society of frozen funds assessed? This was a question asked in BiH following the investigation of the Research and Documentation Centre, which is by all considered an important contribution in the reconciliation process.

A key challenge that has not been discussed in this study, but mentioned by respondents is the cost related to investigating and sanctioning corruption cases. If an organisation suspects corruption it is extremely time-intensive and costly to investigate in a thorough manner. The investigation is expected to protecting the rights of the suspected – and of the ones who raises alert. Few organisations have this capacity and competence.

5.1 Issues to be Addressed

It would be useful for the MFA and its implementation partners to further develop the *framework* for prevention of and response to corruption. There is a need for more predictability, transparency and a clearer understanding of roles and sharing of responsibility in the case of "gray zone" abuse of trust. The anti-corruption plan from 2001 is not comprehensive enough and needs updating. There is a need for an approach that links prevention, detection, reaction, communication and cooperation with partners. While some of the elements need to "come from the top", i.e. be the same for all, some should be developed "from the bottom", i.e. adapted to local context. Such a framework should describe MFA policy, requirements and prescribed action in a number of areas.

A. Prevention-systems and procedures to minimize risk

This includes risk analyses, logistics / accounting and auditing, procurement procedures and warehouse systems as well as coordination and management systems and procedures.

Prevention systems- and procedures seem mainly sufficient, but special focus should be given to development of ***corruption risk analyses in a local context*** since these are not systematically incorporated into plans of preparedness and needs assessments, or used systematically as a basis for selecting anti corruption approaches. This also includes assessments of the different phases in humanitarian aid (emergency/reconstruction vs. development phase) as there are different risks, different objectives and different acceptance in different phases.

B. Preventive and enforcement systems
These would include whistle-blowing policy, investigation procedures, information strategies and sanctions. Partners in BiH were not aware of the Norwegian alert-raising system. There have not been any incidents reported through this system from the Balkans. It is important that incidents are followed up in an adequate manner. If not, the incentives for reporting will be limited.

Predictability of consequences and risk sharing with MFA has yet to be resolved. The issue of possible Cost-sharing of investigation should be addressed in an AC framework. Does it, for example, depend on the capacity of the partner? Does MFA expect a local CSO to have the capacity and knowledge to investigate and follow up suspicions of irregularities? The large donors have procedures in place to ensure that the rights of both offender and alert raiser are protected during an investigation. MFA expectations and procedures need to be better communicated to partners for the purpose of predictability and consistency.

C. Downward accountability
This includes the involvement of the beneficiaries /recipients of aid on the local level in project design, implementation and evaluation.

Downward accountability measures as a way of preventing and detecting corruption is scarcely developed. The general picture emerging is that prime focus is on accountability to donors. There are general statements about respecting local structure and culture, and having an involving approach and high level of accountability to all stakeholders, but measures are mainly ***donor oriented***. There are few routines and guidelines directed to "***downward accountability***" towards the partners and receipts of aid.

The issue of corruption should also be "mainstreamed" and assessed specifically in all external evaluations and integrated as part of TOR .

The issue of negative consequences resulting from the zero-tolerance policy, such as termination of good initiatives, local staff losing their jobs etc. should be addressed in future MFA – partner dialogue. How can the negative impact of a corruption case on innocent third-parties be reduced?

For the Embassy to follow-up on the increased demands for safeguarding development assistance, establish a more systematic dialogue with partners on the issue of AC work and assist partners in the battle against corruption in line with the Norad Good Governance and Anti-Corruption Plan (2000) there is need for more capacity.

5.2 Some Final Observations
There are no empirical data from the BiH case that provide any further insights into the question regarding areas of assistance that are particularly subject to misuse. It would seem that the general findings in the literature noted earlier, that emergency and rehabilitation phases are the more vulnerable, also held in Bosnia. As noted in the country annex on Bosnia, there was clearly considerable theft of emergency supplies by the combatants, and while this does not fall under the label of corrup-

tion, it is obvious that in an atmosphere and situation of lack of rule of law and control, desperate needs, and use of violence or threat of violence, that all kinds of resource abuses are likely to occur, including corruption.

What is also clear is that the international community is taking steps to address these vulnerability points. Transparency International's head office in Berlin has developed a handbook for humanitarian organisations and corruption issues in emergency situations (presented at a workshop in Oslo in the fall of 2009), and better organisation and coordination of humanitarian assistance under the UN system is in part also helping to address this challenge better.

Overall, the increased awareness of corruption issues, willingness to talk about them and address them, and greater engagement by local stakeholders who are willing to fight the various forms for resource abuse prevalent in their environments improves the possibilities for preventing and even uncovering fraud and abuse and recover lost resources. It also remains the case, however, that corruption cases are extremely time demanding and costly to take on, and the concerns of burden sharing when this happens that was raised by stakeholders in BiH are thus very real.

At the same time, it is also clear that improvements in larger societal framework conditions are critical to long-term improvements. The legal and judicial reforms that are reflected in the powers, policies and practices of the High Judicial and Prosecutorial Council, where a critical step was the "cleaning up" of what was seen as a highly politicized and corrupt judiciary and prosecution service, may have done more than anything else to address this problem[67] (see Annex D).

Donors should also keep in mind what the real corruption challenges in a given society may be. While control and oversight with own resources is important, in countries like Bosnia many informants note that donor funding is often not of much interest: the amounts are limited, tightly controlled, and the downside consequences of being caught can be severe. Instead large-scale asset transfers – such as in privatization processes – or control of large-scale credit – for example through national development banks – are much more tempting, and thus may be where donors should put at least some of their anti-corruption efforts and resources.

ATTACHMENT A: LIST OF INFORMANTS

Ms. Mette Strengehagen, Embassy of Norway, BiH
Mr. Anders Hedlund, Counsellor, Embassy of Sweden, BiH
Ms. Slavenka Perkovic, Embassy of Sweden, BiH
Mr. Nedim Bukvic, Embassy of Sweden, BiH
Mr. Kjetil Køber, Adviser, Western Balkans Section, MFA, Oslo
Ms. Jannicke Bain, Adviser, Western Balkans Section, MFA, Oslo
Ms. Lise Stensrud, Anti-Corruption Unit, Norad, Oslo
Mr. Fredrik Eriksson, Anti-Corruption Unit, Norad, Oslo
Mr. Eirik Glenne, Sentral Kontrollenhet, MFA, Oslo

67 Since there are so far no independent evaluations of the HJPC, this conclusion remains speculative but likely.

Mr. Bjørn Tore Saltvik, lawyer, G-Partner, Oslo
Mr. Øystein Haugen, Manager International Projects, Norwegian Association of Local and Regional Authorities
Mr. Bjørn Rongevær, Special Advisor, Norwegian Association of Local and Regional Authorities
Ms. Berit Faye Petersen, Norwegian Refugee Council, Oslo
Ms. Marit Backe, Norwegian Refugee Council, Oslo
Ms. Benedicte Nesheim Bergersen, Norwegian Refugee Council, Oslo
Mr. Yul Shah Malde, Norwegian Church Aid, Oslo
Ms. Eli Sørensen, Internal Auditor, Norwegian Church Aid, Oslo
Ms. Eivind Aalborg, Seksjonssjef Utenlandsavdelings stabsseksjon, Norwegian Church Aid, Oslo
Mr. Bjørn Ole Grodås, Nord Trøndelag Energi
Mr. Carl Solberg, Nord Trøndelag Energi
Ms. Bojana Dokanovic, International Commission on Missing Persons, BiH
Ms. Samira Huncek, State Coordinator for Anti-trafficking in human beings and illegal immigration
Ms. Azemina Vukovic, UNICEF, BiH
Mr. Emil Jeremic, Regional Director South East Europe, Norwegian People's Aid, Belgrade
Mr. Darvin Lisica, Norwegian Peoples Aid, BiH
Ms. Meliha Hadziosmanovic, Norwegian Peoples Aid, BiH
Mr. Emir Djikic President of the Board, Transparency International, BiH
Mr. Srdjan Blagovcanin, Executive Director, Transparency International, BiH
Ms. Nejra Nuna Cengic, Coordinator, Master's Degree in Gender Studies, Center for Interdisciplinary Postgraduate Studies
Ms. Taida Begic, Director, Center for Interdisciplinary Postgraduate Studies
Mr. Sven Marius Urke, Member of the Council, High Judicial and Prosecutorial Council, BiH
Ms. Ljuljjeta Goranci Brkić, General Manager, Nansen Dialogue Centre (NDC), Sarajevo
Mr. Nebojša Šavija-Valho, NDC/Sarajevo
Mr. Mustafa Cero, Operations Manager, NDC/Sarajevo
Ms. Anisa Sućeska Vecić, Director, Balkan Investigative Reporting Network (BIRN)
Ms. Amila Nezirović, Administration and Finance Officer, BIRN
Ms. Andrea Zeravcic, Save the Children Norway, BiH
Mr. Bjørn Hagen, Save the Children Norway, BiH
Mr. Damir Cosic, European Bank for Reconstruction and Development, BiH
Ms. Ivana Howard, Programme Coordinator, National Endowment for Democracy, BiH

ATTACHMENT B: DOCUMENTS CONSULTED

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Annex H: Methodology

The evaluation has been based primarily on four sources of information:

1. Norad's integrated aid database;
2. Documents – strategies, plans, project reports, independent reviews and evaluations etc (see Annex C for a complete list);
3. Informant interviews, in Norway and in the three states/territories (see Annex B for a complete list);
4. More careful project reviews of selected projects.

1 Norad's Aid Database

Norad maintains the database on all Norwegian Official Development Assistance (ODA), whether funding is managed by the Ministry of Foreign Affairs, Norad, or the Embassies. The database is a fully consolidated database, and covers the entire 1991-2008 period.

Size of Database

The database covering the Western Balkan contains a total of about ***4,000 agreements*** with total disbursements of around NOK 10 billion. From this, the team (i) removed funding for Balkan refugees in Norway (NOK 2 billion), (ii) identifiable funding for Albania, Croatia, Macedonia, Montenegro and Slovenia, and (iii) agreements with an expenditure under NOK 50,000. The resultant database contains about ***3,060 agreements*** with total disbursements of ***NOK 7.34 billion***. This is the basic database that Scanteam has been using.

Geographic Classifiers

"Kosovo" was not a geographic category in the database since Kosovo only declared its independence at the end of 2008. We therefore had "0" as the total resources going to Kosovo as far as the database was concerned.

Much of the assistance to Serbia was classified under the "Ex-Yugoslavia" or "Former Republic of Yugoslavia" categories.

Of the NOK 7.34 billion in the database, during the first "run" we ended up with total disbursements of nil to Kosovo, about NOK 500 million to Serbia and a little over NOK 2 billion to BiH – one third of the total funding.

The team therefore had to go through the database and verify - through project title or project description – if the geographic location of the project could be asserted.

In the end, the team was able to attribute a further NOK 2.5 billion in this way: NOK 3 billion to BiH and NOK 1 billion each to Serbia and Kosovo.

Towards the end of the evaluation process, at the end of April 2010, the MFA made Scanteam aware of the fact that in their payments system, the MFA had since 2000 included a geographic variable, including Kosovo. With print-outs from this payments system, Scanteam was then able to identify a further almost NOK 500 million each to Serbia and Kosovo, and these are the figures used in this report (why the MFA has not provided this information to Norad as part of their reporting of Norwegian aid is something of a mystery).

Adding a Program Variable

Scanteam elected to introduce a variable "programme areas", which allowed the team to aggregate project activities up to a level where it seemed meaningful to assess results. This variable was entered in the database for about 3,000 of the 3,060 agreements, as there were some activities that either could not be identified by programme area, or was so particular that it was not meaningful to aggregate into other categories. This was a very marginal group of activities, however.

The 13 programme areas are, as organised under the phasing headings:

- ***Humanitarian Assistance***:
  1. Emergency aid: individual survival items (food, blankets, medicine etc) and short-term basic services (medical equipment, simple water and sanitation)
  2. Humanitarian Demining
  3. Refugee/IDP shelter
- ***Reconstruction and Development Assistance:***
  4. Housing
  5. Public Infrastructure, Water and Sanitation
  6. Public Sector Development
  7. Social Sectors and Services
  8. Private Sector Development, Livelihoods and Income Generating activities
- ***Democratisation and Euro-Atlantic approximation:***
  9. Legal and Justice Sector Reforms
  10. Civil Society Development
  11. Media and Advocacy
  12. Human Rights, Peace, Reconciliation
  13. Technical Assistance and Secondment

The last area of TA and secondment is clearly not a separate programme area but rather a modality for assistance. However, most of the seconded staff seem to have been working in fields related to democratisation, such as election observers, staff to the legal, police and justice sectors etc.

These program areas together cover virtually all the funding.

These program areas are not uniquely well defined. Support to the legal and justice sectors can for example be broken down by the different "deliverables" in the three phases. During the first phase it is simple protection from violence; in the second

the basic rights to return and to property; and in the third phase to the building of a state of law and good governance in general. However, these very detailed disaggregations were not seen as useful and were thus not carried out.

Identifying Agreement Partners/Channels

One task was to identify the key channels for Norwegian support. In the database this is the "Agreement Partner" variable. More than 25% of these were classified as "Undefined". These 850 agreements were reviewed to identify the actual partner, and in over 700 cases this was done. The number without a clear agreement partner is now only 129 with total disbursements of NOK 118 million – only 1.6% of the total (largely actors that received one or two smaller allocations and hence not worth separating out).

When it comes to Norwegian agreement partners, virtually all have been registered[68]. When it comes to non-Norwegian partners, the general rule has been that partners that received allocations at least two – in most cases three – years have been separately identified, except for the UN system where all agencies are included.

In a database this large and spanning so many years there are problems of classification consistency. With regards to the Agreement partner, one issue is that some programs are recorded as funded through different channels. The Nansen Dialogue Centres, managed by the Nansen Academy ("*Nansenskolen*") in Lillehammer, has registered the funding for this through PRIO for the years 1999-2003 while otherwise it is linked to the Nansen Academy itself, so this was for purposes of funding consistency always recorded under Nansen (PRIO was in fact the manager for these years – it is therefore not a mis-classification, but creates "noise" for the analysis). The same issue arises with the NORDEM program, where staff were in some years recorded under the Centre for Human Rights at the University of Oslo, in other cases they appear on the budget of the Norwegian Refugee Council. These anomalies were therefore corrected.

Adding a Channel Variable

The database was found to contain a total of ***136 Norwegian and 65 non-Norwegian actors.*** These were aggregated into six groups of channels: (i) Norwegian NGOs; (ii) Norwegian Public sector actors, (iii) Norwegian private sector actors, (iv) UN bodies, (v) Other multilateral actors, and (vi) local/national actors, as listed below. These are the basic groupings of actors that were used in the report when anal sizing channels, and the structure for presenting the flow of funds in annex J tables J.3-J.6:

1. Norwegian Non-Governmental Organizations (29)
2. Norwegian Public Sector Channels (59):
   a. Ministries, National Institutions (25)
   b. Educational and Research Institutions (18)
   c. Associations, Professional Organizations and Political Parties (16)

68 A program for high schools called *Mellomfolkelig Samarbeid* (Intercultural Cooperation) was in some years registered only as a program, in others by school. Here we have aggregated into one budget/program line.

3. Norwegian Private Sector Channels (48):
   a. Private Companies, Consulting Firms (35)
   b. Public Companies, Advisory and Funding Bodies (13)
4. UN Agencies, Bodies (21)
5. Other Multilateral Bodies (23)
6. Western Balkans Actors (25)

Some of these actors have very broad mandates and have taken on tasks in all phases and across all territories, such as some of the larger Norwegian NGOs, UN agencies, etc. Most Actors, however, are "single objective" as far as this evaluation are concerned.

The distinction is made because with the "multi objective" actors, it can be useful to use projects from different territories or phases/programs for inclusion in the analysis since it provides a basis for comparative analysis (some "single objective" actors have activities in all the territories, such as Nord Trøndelag Energi, and they will for the same reason be included).

The TOR ask that these Actors/Channels be analyzed in terms of in which phase they were used; the results of what they delivered, asking for some comparison of channels; describing some of the administrative and management dimensions such as financial accounting and audit procedures; and their interaction and possible synergy.

In general it was expected that the evaluation would be in a better position to assess the Norwegian actors compared with the non-Norwegian actors, which has largely been the case.

Of the non-Norwegian actors, the multilateral agencies were assessed in rather general terms, largely because most of the activities they carried out with Norwegian funds were co-mingled with other donor or own funds. Furthermore, these are large international bodies that have not been set up to respond to particularistic bilateral agendas: UNDP does not have a different management or performance profile when it handles Norwegian funds than when it handles Dutch or Brazilian funds. What can be said is therefore more in terms of general observations, and perhaps the appropriateness (relevance) of the channel selected compared with the task objective.

When it comes to locally based actors, such as ministries, municipal councils, local NGOs, the local consultants tried to make some assessments, but overall this was not very successful given the limited time and scope of the collaboration.

Regarding the Norwegian actors, the team also looked look at the administrative and financial set-up for some of the major actors, though again this relied to a large extent on existing information (a number of Organizational Reviews of Norwegian NGOs have been carried out over the last several years that were relevant).

Some First Findings

A February 2009 document review prepared by NIBR as part of the tender, included tables prepared by Norad (using the same database), but with data only up to 2007. Some of the aggregated figures provided in that study are quite different from the ones found here, in part because their figures covered the complete Western Balkans. Basing themselves on the complete assistance of NOK 10 billion, the largest single category in the Norad tables was "state to state" which covered nearly NOK 6.5 billion – that is, about 65% of the total. This category was so wide in its definition that it was found not to be helpful for an analysis of the channels. The tables used Norwegian NGOs as a category, but also Local, Regional and International NGOs. These latter are categories Scanteam has not been able to identify nor found very useful, so the groupings found in the data tables in annex J here are rather the ones given above.

The major differences, however, concern the "channels" of the funds, where the figures in the Norad tables are in places very different from here. While the NIBR study claims Norwegian NGOs managed NOK 1.9 billion of the NOK 8 billion total in the region (24%), Scanteam's analysis shows that Norwegian NGOs managed nearly NOK 2.8 billion out of NOK 7.3 billion 39%).

This discrepancy is noteworthy because there are two biases in the Norad tables that should have *increased* the NGO figures in NIBR's study. The first is the one noted, that the data include the entire Western Balkans. The other is that they have included a number of actors that Scanteam has classified as "Public Sector", such as political parties, and "Private Sector", such as Norwegian Forestry Group.

The basic reason for the differences is undoubtedly that the tables Norad had prepared could not allocate the funds to "Undefined" Agreement partners, most of which turned out to be Norwegian NGOs. When looking at the data for specific organizations, the differences in absolute numbers and percentages is significant (table H.1 below).

Table H.1: Total Funding to largest Norwegian NGOs, in NIBR and Scanteam Study

NGO	NIBR study/Norad tables	This study
Norwegian People's Aid	545 155	781 502
Norwegian Refugee Council	391 882	815 416
Norwegian Red Cross	234 022	505 176
Norwegian Church Aid	188 529	265 154
NORWAC – Norwegian Aid Committee*	137 602	71 740
Sub-totals	1 497 190	2 438 988

*: The totals for NORWAC are greater in the NIBR study because NORWAC worked in Kosovo and Macedonia, and the Macedonia resources are not included in Scanteam's tables.

2 Documents Consulted

The document universe was enormous. On the project side there should in principle be at least three documents for each agreement: (i) the project application, (ii) the decision document (in the early phases decisions were often done by commenting/approving directly on the application), (iii) the final report. 3,060 agreements meant over ***9,000 documents***. There are strategy and policy documents by these channels as well as larger reviews and evaluations.

There were a range of ***general policy documents*** by the international bodies that have been involved in the Balkans, the ***budget and program documents*** of the Norwegian authorities, the internal ***allocation decision documents*** by the MFA staff, and various ***studies and evaluations*** that have been commissioned directly by the authorities.

The ***local partners*** have a number of documents that have set parameters for the cooperation with the external actors, as well as studies and reports on this assistance.

In order to make the document universe manageable, the team decided that it would generally only look at project documents for those projects that were part of the evaluation. The exception was more general ***project evaluations*** that might provide insights useful at the level of country or program achievements.

Policy and Decision Documents

Regarding Norwegian policy and decision documents, the team put together a complete inventory of the main ones, as also listed in Annex I:

- The team has reviewed all the annual MFA budget documents 1991-2008 (St. Prp. 1) and noted budgets and policy objectives.
- The team received from the WBS copies of all MFA internal Allocation Notes which the section has been able to identify.
- The team has reviewed all the annual Auditor-General reports to Parliament on MFA expenditures, noting any observations made on the Western Balkans allocations.
- The team has made a note of the policy documents referred to in the Tender document and has also done a search in the library of Parliament.

Policy and framework documents from the three Balkan states:

- The three resident consultants have identified the key documents relevant to the evaluation, and provided copies of these to the rest of the team.

Policy and framework documents from international actors:

- Researchers at NUPI and PRIO provided references to what they believe are the most important documents, and these have been collected.
- In addition searches have been done on the web to access important documents issued by the EU, NATO, UN (UNMIK), OHR, OSCE, Stability Pact relevant to Norwegian assistance. These documents have been downloaded and inventory made.

Project and Program Documents

The second main set of documents relates to project achievements on the ground. These are therefore (i) documents produced by the project/Channel, such as project applications, reports, financial statements, audit reports, mid-term reviews etc, (ii) independent or external reviews and evaluations – of projects or programs that the projects are part of (NPA demining as part of Bosnia's demining program, for example); (iii) possible locally produced documents that include information on Norwegian-funded programs.

There are two key sources for this kind of information: the project Agreement partner itself, and the MFA archives (the Norad archives have been looked at but contained little since Norad played only a limited role).

Norwegian and Multilateral channels have already provided a considerable amount of general documentation. As the team asks the Channels for project specific information, the situation may be more complicated, especially as far as NGOs go: a number of them have stated that they are having problems finding documentation on activities that took place some time ago; or they may have changed desk officers and documentation may have been lost in transfers of responsibility; or they did not keep all the documentation when they closed down local offices; and they are not obliged to keep this kind of documentation for very long. Their proposal has then been to rely on the MFA archives.

Scanteam has done a first random search in the MFA archives, and the results were not encouraging: few folders had all the documents they should; there was in particular lack of final reports; documents that clearly had been in the archive had been removed by somebody and no tracer on the borrower could be found (it should be noted that archive staff have been extremely helpful – the issue is the contents of the folders).

Basically Scanteam had to abandon the MFA archive as a source of systematic information because it just was not possible to trace projects over time through any available archive identifier. The most common identifier for registering documents is the annual agreement number, which changed from one year to the next. The ***principles*** for numbering the agreements also changed over time, so it is not possible to track a given project, such as demining in BiH, through a logical evolution in agreement numbers. The fact that the MFA has changed its basic archival system twice during the period has not made matters easier. – The Norad database includes the agreement numbers, but the easiest way to identify a continuous programme was to sort on Agreement partner by year, and then see if project names have been stable enough over time that the time series could be established, then find the Agreement number and hope that the document actually was in place.

Structuring the Document Base

Many of the documents were received in electronic form. The team collected these and put them on the server where all team members had access and could down-

load (Scanteam has an FTP-server so that external users can access certain areas of the server from outside).

More important documents were accessed through a restricted area on Scanteam's web-site, such as drafts of annexes etc. These are documents that are continuously being updated and posted so that team members can correct and add as new information becomes available.

In order to make the document collection as easily accessible as possible, it was structured in line with the main categories of the evaluation.

3 Informant Interviews

Because this was a meta-evaluation and the team in principle was not going to assess individual projects to any great extent, more so than in other evaluations interviews with critical informants was central. This was because the evaluation was to cover such a long time period, and from the first period in particular the documentation available was limited.

This at the same time made the evaluation vulnerable to distorted memories (informants tend to make the past sound more positive and less complicated – many of the real problems and frustrations disappear in the mists of time!). One way of overcoming this weakness was to try to identify those informants that had the best overview or those that can be expected to be less biased, or where the biases at least are well understood. The team interviewed in all about 210 persons (see Annex B).

Informant Groups

The evaluation team grouped the informants into four key clusters:

- ***Norwegian decision makers***, at policy and administrative levels (largely politicians and senior officials in the MFA), and other informants who were aware of the policies and decisions (researchers, journalists).
- ***Norwegian Channel staff*** (NGOs, private sector, public sector – current and former) – individuals who have information about the implementation of the Norwegian-funded activities.
- ***Non-Norwegian informants*** directly involved in Norwegian-funded activities (local NGOs, public officials, local staff of Norwegian actors)..
- ***Non-Norwegian informants not involved in Norwegian-funded activities*** but with some knowledge of them, directly or indirectly (government officials, donor and international community staff, local researchers).

Informant Interviews

Because of the importance of the interviews, the team had to ensure that these both were properly structured and properly recorded. This was done through two instruments: the Conversation Guide, and the Interview Report.

The Conversation Guide was a short (1-2 pages) outline of the key issues that we wanted to discuss with the given informant. In the case of this evaluation, four slightly different Conversation Guides were prepared, for each of the four groups

listed above. These Conversation Guides were normally sent beforehand to the informants, so that they knew what the team would be asking about, and they could prepare themselves if they so wished, for example by bringing along supporting documentation (few had!). The Conversation Guides ensured consistency and coherence in terms of what the individual team member asked about, though the content of the Guides changed as the process evolved: some questions turned out to be less interesting than expected; others became more important; we already have sufficient information on one variable and could focus more on others; etc.

Interview Reports

Once the interview was over, it was to be typed out as an Interview Report. This followed a set structure according to the proposed structure of the Final Report. This was to ensure that key information is included according to a similar structure across all interviews. These Interview Reports were to be circulated to all team members, so that all could see what was said by the various informants (whether a Kosovo team member wanted to read all the Serbian interviews was for the individual to decide, but a lot of information was expected to be relevant across borders). A standardized format for labelling and writing these reports was been agreed to, for easy and consistent identification of the interviews and informants.

In the end, the number of such reports that were circulated was limited, though within country teams notes were exchanged (in the case of the BiH team, 65 such interview notes from both BiH and Norway were produced covering about 90 informants).

4 Projects Selected for Review

The original Mapping Study prepared by the team that over 3,000 agreements of assistance had been signed that would make up the agreement universe for the evaluation. The actual number of projects was less since all agreements were annual even if the activity was multi-year (the demining program in BiH which has run for about 15 years therefore has nearly 20 agreements – they received several agreements in a couple of the years – for this one continuous activity). Even so the team had no way of evaluating all projects so sampling was done.

In the Tender Proposal, Scanteam had suggested six criteria for selecting projects: (i) the three phases proposed in the TOR must be covered well, (ii) the big-budget programs must be included, (iii) completeness of documentation, since cases with poor reporting make the review difficult/very costly, (iv) all the three territories must be covered, (v) activities that represent typical channels (UN agencies, local administrations, NGOs), and (vi) *ad hoc* cases that represent politically important choices or activities that provide interesting insights.

Table H.2: Selection Criteria for Projects/Activities for Review/Analysis

Criteria/ Phase	Budget size	Completeness of documentation	Geographic coverage	Channel/ type	"Interesting cases"
Humanitarian					
Reconstruction					
Democratization – Euro-Atlantic process					

In the end, 15-18 projects were selected in each of the cases, representing normally about a third of the total expenditures in that state/territory, and a wide range of channels/ actors, programme areas/phases, and periods (see table H.3 below, which is taken from the BiH annex). The overall spread and coverage of the total portfolio was therefore considered quite good and in line with the criteria presented in the table above (table H.4).

Table H.3: Norwegian-funded Projects assessed in Bosnia and Herzegovina (NOK)

Project	Channel	Program	Period	Expenditures
Humanitarian Aid	NRC, NPA, NRX	HumAid	1993-1996	328 676 100
Demining	NPA	Demining	1996-2008	257 800 400
Housing	NPA, NRC	Housing	1996-2001	251 680 000
Demob'ion of EXCs	IOM	Legal-Security	2002-2007	8 500 000
Ag Coop Devt	JPU	Priv Sector Devt	1997-2008	63 737 100
Entrepreneurship	BIP	Priv Sector Devt	2002-2008	12 999 000
Incubators	SINTEF-SIVA	Priv Sector Devt	2003-2008	31 255 600
Srebrenica, RMAP	UNDP	Public Sector Devt	2002-2008	14 128 000
Water sector support	Norplan	Infrastructure	1998-2007	105 050 800
Sarajevo electrification	EBRD	Infrastructure	1997-1999	45 000 000
BiH Parliament	BiH MOFT	Infrastructure	2003-2008	16 170 200
Nansen Dialog Ctrs *	Nansen/PRIO	HR, Democracy	2001-2008	45 000 000
Social inclusion, gender, children	UNICEF	Social Sector	2002-2008	28 250 000
Legal sector reform	Direct	Legal-Security	2000-2008	38 376 000
Children's rights	Redd Barna	Social Sector	2003-2006	5 636 100
Sarajevo Notebooks	Local NGO	Embassy projects	2002-2008	1 050 000
				1 253 309 300

*: This does not include regional funding for the NDCs in BiH.

Table H.4: Projects in Evaluation across Key Criteria

	Bosnia		Serbia		Kosovo	
Actor	**No of projects**	**Total budgets**	**No of projects**	**Total budgets**	**No of projects**	**Total budgets**
Nor NGO	7	NOK 847 mill	4	NOK 50 mill	3	NOK 60 mill
Nor public	2	NOK 76 mill	4	NOK 30 mill	4	NOK 30 mill
Nor private	3	NOK 181 mill	2	NOK 10 mil	2	NOK 30 mill
Multilateral	5	NOK 95 mill	3	NOK 24 mill	4	NOK 240 mill
Local govt	2	NOK 54 mill	2	NOK 18 mill	0	
Total	19	NOK 1 253 mill	15	NOK 132 mill	13	NOK 360 mill

Once the projects had been identified, Scanteam contacted the Agreement partner to comment on the selection, since the data-base identification process may not have identified the most interesting projects. If there were good reasons for using an alternative, Scanteam was willing to consider it, IN the case of BiH, for example the support to the legal sector was added in as an important component that had not been considered in the first round.

Another selection process was local. Many of the more important projects from a political point of view were funded directly by the embassies over their allocations. The local consultants thus discussed with the embassies a selection of 3-5 projects that the embassies felt were among the more interesting ones across time, and those were to be added to the list. In the end, this worked out a little differently in each case. In Kosovo, two of the projects were actually looked into, in Serbia a database of the more than 400 embassy projects was put together and a general analysis carried out, while in BiH a combination took place: some of the larger projects were reviewed, an inventory of all projects during the period 2002-2008 in the field of democratisation, peace and reconciliation was compiled for analysis, and all the applications for 2007 were reviewed to get a picture of the quality of the processing of embassy grants.

In all, ***about 65 projects*** were reviewed.

Aggregating Projects Results: Phases versus Programs

While the evaluation was to use projects as key building blocks for drawing conclusions, this faced two challenges. The first was that this evaluation was not in a position to carry out independent project level evaluations, and the TOR makes it clear that this was not expected. The evaluation therefore relied on other sources for results data, and this evaluation primarily tried to ***validate, modify or correct*** these conclusions, ***not*** generate own primary data and conclusions.

The other issue was that project level results are not what the evaluation is looking for. The intention was to draw conclusions at a higher level of aggregation. Projects therefore had to be aggregated along one or more dimensions.

The TOR talks about Norwegian aid being delivered according to three ***phases:*** humanitarian aid, reconstruction/development, and democratization/Euro-Atlantic approximation, and it suggested that the evaluation use this as a defining dimension.

The ***phases*** are politically defined time slices, however, typically with a beginning date ("emergency is largely over and we are now moving into reconstruction"). They may, however, overlap in time, and they may not necessarily follow in the quasi-developmental linear sequence implied by the TOR: the assistance to Serbia was defined more in terms of *during* and *after* President Milosevic. Trying to measure results against the objectives of such unclear categories was therefore problematic.

But aid can typically be aggregated around recognizable ***programmes,*** such as infrastructure reconstruction, emergency housing, etc. While there often are close links between different kinds of programs and the kinds of phases presented above, there is not necessarily a one-to-one relationship: demining as a program continued under all the three phases of support to Bosnia, for example.

As noted above, Scanteam therefore identified about a dozen ***programme areas*** that constituted the main results groupings, and these were therefore the intermediate operational/analytical level that was used when doing the results evaluation: projects that belong to the same program were – to the extent possible – linked together to form an aggregation within that same territory. In order to do this analysis, the additional ***Programme*** variable was therefore added to the database, as stated above.

There was, however, a fair degree of overlap between programs and phases, so in the report an attempt was made to analyse results at the level of ***phases*** and not just programmes.

5 Comparing Results across Geographic Areas

The situations and dynamics in the three territories have been quite different. It is therefore questionable to what extent it is meaningful or useful to ***compare*** results across the three geographic areas.

The fact that a number of Actors – UN agencies, Norwegian NGOs, private companies like Nord Trøndelag Energi – have worked in two or all three of them meant, however, that it was possible to ask comparative questions. This of course generated the critical insight as to the importance of the different framework conditions, and in particular confirmed the previous impression of how important ***political will*** is for longer-term impact and sustainability, and in the absence of that the conducive conditions that the EU approximation process imposed on local actors.

6 Assessing Results: The DAC Criteria

The projects are to be assessed using the DAC criteria. The application of the DAC criteria had to be restricted to project level because there were no higher-level programmes that had defined objectives or target values against which criteria like Effectiveness or Impact could be assessed.

Since this evaluation was not to generate own primary data, but largely rely on existing information, the evaluation obviously was hostage to the quality and quantity of information already in place. This was in fact rather scanty. Scanteam therefore proposed a simplifications to the use of DAC criteria:

- **Efficiency** was not to be looked at except in a fairly simple way when it came to Channels. This productivity measure is very time and data intensive and would yield little insight for the actual questions being asked in the TOR.
- **Effectiveness** and **Relevance** were to be looked at, to the extent possible, in all cases.
- **Sustainability** and **Impact** was not be applied to the humanitarian phase, since by definition no sustainability or long-term impact is expected, and only to a limited (speculative!) extent looked at when it came to the more recent phase of democratization because higher-level results are not likely to be in place yet.

7 Evaluation Timeline

The team produced a Mapping Study in October 2009, followed by an evaluation team workshop in Oslo 19-22 October with the three Western Balkan consultants, to discuss the evaluation, methodology, tasks, division of labour, and next steps.

At the end of the workshop, the team had a joint meeting with the Norad Evaluation Department, where it presented a Status Report for discussion on 22 October with the three local consultants.

Following the discussions there, the Inception Report was presented on 6 November 2009, and the field work was then carried out end November-early December 2009.

Because of the political sensitivities and the complexity of the portfolio, the team then organised its feed-back workshops with local stakeholders in the Western Balkans as a separate process, which took place 27 January-7 February 2010. This was followed by another workshop in Oslo of the full team 17-19 February, with an open feed-back workshop for Norwegian stakeholders 19 February.

The complete draft report was to be presented 20 April, so the finalization is expected June, about one month later than originally foreseen, as seen in table H.5 below.

Table H.5: Original and Actual Timeline for Evaluation:

Activity	Original Dates	Actual Dates
Mapping Study	21 September 2009	6 October 2009
Joint workshop, Oslo	14-16 October 2009	19-22 October 2009
Inception Report	23 October 2009	6 November 2009
First data collection phase	End Oct-early Nov 2009	November
Joint field work	9-20 November 2009	30 Nov – 11 December
Team workshop, Belgrade	21-23 November 2009	12-14 December
Drafting of country annexes etc	(not included)	Dec 2009 – Jan 2010
Local feed-back workshops	20 November	27 Jan-7 Feb
Oslo workshop and internal team meet	January 2010	17-19 February 2010
Draft final report	1 March 2010	20 April 2010
Final Report	14 April 2010	Mid-May (?) 2010
Publication, distribution, presentation	April-May 2010	June 2010

Annex I:
Chronology of Events and Norwegian Decisions

1 Norwegian Policy Makers and Main Political Events

Policymakers: Ministers and State Secretaries of Foreign Affairs	Policy-shaping events
1990-1993: ***Mr. Thorvald Stoltenberg*** (1992-97 Mr. Jan Egeland)	Wars; Croatia, Bosnia; humanitarian disaster
1993-1994: ***Mr. Johan Jørgen Holst***	Humanitarian relief, mainly in Bosnia
1994-1997: ***Mr. Bjørn Tore Godal***	Dayton Agreement – peace in Bosnia; reconstruction beginning
1997-2000: ***Mr. Knut Vollebæk*** (Ms. Janne Haaland Matlary)	OSCE Chair. Kosovo crisis, Serbia bombing, Kosovo intervention
2000-2001: ***Mr. Thorbjørn Jagland*** (Mr. Espen Barth Eide)	Fall of Milosevic – stabilisation of democratic regime in Serbia
2001-2005: ***Mr. Jan Petersen*** (Mr. Kim Traavik, Mr. Vidar Helgesen)	
2005- : ***Mr. Jonas Gahr Støre*** (Mr. Kjetil Skogrand, Ms. Elisabeth Walaas)	Kosovo declares independence.

2 Parliamentary Budget Policies, Allocations, Expenditures, Auditor General's Comments

	Budget Document ("St.Prp.1")	Budget/Activities	Auditor General's comments
St.Prp.1 1991-92	**Programkategori 03 Utviklingshjelp**,. p. 23 Finnes ‚lån og kreditter til Jugoslavia ® 235mill NOK' under punkt 4 Oversikt over utnyttelse av de garantiordninger som forvaltes av UD med underliggende etater. dekker politisk risiko for tradisjonell norsk eksport til Jugo. p.g.a. politiske og økonomiske situasjon har nye garantier blitt stoppet Juli 1991. **Utenrikssaker 1991-1992, Innst. S. nr. 242** Innstilling fra utenriks-og konstitusjonskomiteen om humanitær bistand til det tidligere Jugoslavia for å avhjelpe flyktninge-situasjonen som følge av krig og borgerkrig**.**	p.10 Budsjett forslag for 1992 bevilget 7 823 mill NOK, økning av 370mill NOK fra 1991. Budsjett forslaget utgjør 1,09pst av forventet brutto nasjonal inntekt.	Nothing applicable
St.Prp.1 1992-93	Change in format of reporting. Programområde 02 Utenriksformål, handel og skipsfart **Kap. 0106 Deltaking i internasjonale organisasjoner (DIO),** **Post 70 Tilskudd til internasjonale organisasjoner** Pliktig bidrag til FN inkluderer UNPROFOR **Kap 0108 Internasjonal Bistand** **Post 72 Tiltak til støtte for demokrati, utvikling og nasjonal selvstendighet** Forslag 1993: foreslår bevilges 25 Mill til formålet, ment å dekke utgifter i forbindelse med norsk deltagelse i den sivile delen av UNPROFOR. **Programområde 03.10 Øvrig bistand, Kap. 0182 Tilskudd til internasjonale fond** *Post 77 Tilskudd til EFTAs industrialiseringsfond for Jugoslavia* Fondet skal gi et langsiktig konsesjonelt lån med løpetid på 25 år. Økonomiske rammen USD 100 Mill, innbetalt i like store beløp over 5 år, aldri aktivisert p.g.a. den politiske situasjonen. **Kap 0191 Hjelp til flyktninger og menneskerettigheter** *Post 75 Annen flyktningshjelp og menneskerettigheter* som følge av situasjonen i det tidligere Jugoslavia har det vært gitt betydlige humanitær hjelp til krigsofre og flyktninger i dette området. (this aid area includes Kenya, Cambodia, the Kurds in Iraq etc)	p.54 Kap 0108, post 72 i 1000kr: Regnskap 1991: 24 520 Saldert budsjett 1992: 10 375 Forslag 1993: 25 494 Kap 0191, post 75 i 1000kr: Regnskap 1991: 338 134 Saldert budsjett 1992: 223 300 Forslag 1993: 228 500	Nothing applicable

	Budget Document (“St.Prp.1”)	Budget/Activities	Auditor General’s comments
Nothing applicable	Increase in budget of 170mill NOK for aid to refugees and human rights. with an emphasis on aid, food for former BiH, Croatia, and Serbia including Kosovo) ***Programkategori 02.10 Utenriksformål*** ***Hovedsatsningsområder 1994*** Støtten til arbeidet for å finne politiske løsninger på konfliktene i Midt-Østen og det tidligere Jugo., og deltagelse i fredsbevarende operasjoner i disse og andre konfliktområder, vil være viktig også i 1994 ***Kap. 0116 DIO, post 70 underpost 1 FN*** Pliktig bidrag inkluderer UNPROFOR i det tidl. Jugo. ***Kap. 0118 Internasjonal bistand post 72 Demo, Utv, og Nasjonal Selv.*** bidra til de sentral- og øst europeiske lands og SUS-landenes omstilling til demokratisk styre og et markedorientert økonomisk system. Basert på politisk pluralisme og frie valg, rettsstatens prinsipper og respekt for grunnleggende menneskerettigheter. Gis også støtte til tiltak som bygger opp kompetanse innenfor disse områdene. ***Program 03.40 Nødhjelp/flyjtninger og enneskerettigheter/ demokratibygging*** Hovedsatsningsområder 1994 Krigshandlingene i det tidl. Jugo. ser ikke ut til å gå mot en snarlig slutt. Konflikten vil føre til økende behov for humanitær bistand så lenge krigshandlingene fortsetter og vil betinge betydelige innsats også når en eventuell fredsløsning skal gjennomføres. Fred kan bare skapes ved forhandlingsbordet og som resultat av en tidkrevende prosess. ***kap. 0191 flyktninger og menneskerettigheter. post 75 annen flyktningshjelp*** målet er raskt kunne yte humanitær bistand til flyktninger i nød- og katastrofesituasjoner som følge av krig og konflikter i ulike deler av verden, samt yte støtte til menneskerettighetstiltak. som følge av situasjonen i det tidl. Jugo har det blitt gitt betydlig humanitær hjelp til krigsofre og flyktninger i dette området. Budsjett 1994 Norge vil rehabilitere boliger og bygge landsbyer for flyktninger i Bosnia og Kroatia og sørge for frakt av nødhjelp inn i Bosnia. Bosnia vil derfor være en hovedsatsningsområde for den norske bistanden. Hitiil skaffet 6000 for mer enn 6000 personer samtidig levert beredskapstelt til 25 000 personer.	.42 Kap 0118, post 72 i 1000kr: Regnskap 1992: 28 252 Saldert budsjett 1993: 25 494 Forslag 1994: 25 900 Støtten til det tidl Jugo var 13,3 mill NOK inkludert 11,9mill NOK til sivil norsk politistyrke innenfor UNPROFOR. p.173 Kap 0191 i 1000kr Regnskap 1992: 331 791 Saldert budsjett 1993: 243 500 Forslag 1994: 260 350	Nothing applicable

	Budget Document (“St.Prp.1”)	Budget/Activities	Auditor General’s comments
St.Prp.1 1994-95	‘halvparten av antatte ODA-godkjente utgifter til flyktninger I Norge 212mill NOK foreslås dekket over bistandsbudsjettet. Tilsvarende beløp for 1994 er 554mill NOK.’ ***Programområde 03 Utviklingshjelp*** Huminatær hjelp, flyktninger, menneskerettigheter og demokratitiltak. Bevilgningene til humanitær bistand og nødhjelp i utviklingslandene foreslås opprettholdt på høyt nivå. Det vil bl.a. være behov for hjelpeinnsats i det tidl. Jugo., Mosambik etc. I 1995 foreslås det bevilget 212 mill NOK over bistandsbudsjettet for å dekke 50pst. av ODA-godkjente førsteårsutgifter for flyktninger fra utviklingsland i Norge. Reduksjon fra 1994 hvor det var bevilget 554mill NOK til å dekke 60pst. av førsteårsutgifter. ***Program 02.10 Utenriksformål Kap 0116 DIO post 70 Tilskudd til int. org.*** Norway still contributing forces, including UNPROFOR. More on importance of UN‘s role and their experience and how emergency aid has taken much of their resources. ***Kap 0118 Intern. Bist. Post 72 Tiltak til støtte for demo, utvik, og nasjonal selvs.*** ***Programkategori 03.40 N/F og M/Demo*** Behovet for humanitør innsats i tidl. Jugo. økte betraktelig i løpet av 1993, medførte styrket innsats fra norsk side. Den norske støtten, kanalisert gjennom norske hjelpeorganisasjoner og FN systemet, har vært et vesentlig bidrag til å lindre nøden blant den krigsutsatte del av befolkningen, spesielt i Bosnia. Hovedsatsningsområder 1995 Trolig fortsatt stort behov for humanitær innsats også i 1995. Dersom en løsning på konflikten skulle oppnås, vill insatsen gradvis gå over i en gjenoppbyggings-og repatrieringsfase, som vil også kreve internasjonal bistand. ***Kap 0191 Hjelp til flyktninger og menneskerettigheter*** ***Post 75 Annen flyktningshjelp og....*** P.g.a. situasjonen i tidl. Jugo. har den betydlige humanitære innsats i spesielt Bosnia vært videreført. Innsatsen har gått til ferdigstillelse og drift av flyktningelandsbyer, transportoperasjoner for UNHCR, helseprosjekter, leveranse av mat og medisiner m.m. J.f. forøvrig omtale under post 77 (ny) **Budsjett 1995** I lys av den omfattende norske innstasen i det tidl. Jugo, foreslås at midler til dette formål skilles ut i en egen budsjettpost, post 77. ***Post 77 Humanitær bistand til det tidligere Jugoslavia*** Bevilgningen skal anvendes til humanitåre prosjekter i det tidligere Jugoslavia, menneskerettighetstiltak i området, samt Albania.	Kap. 0118, Post 72 i 1000kr Regnskap 1993: 16 149 Saldert budsjett 1994: 25 900 Forslag 1995: 25 900 p.50 Under denne posten føres det norske bidraget på 13,8mill NOK til UNPROFOR (sivil politistyrke i tidl. Jugo.) Kap 0191, Post 75 i 1000kr Regnskap 1993: 435 525 Saldert budsjett 1994: 289 350 Forslag 1995: 276 050 p.199 p.196 Post 77 i 1000kr Regnskap 1993: 0 Saldert budsjett 1994: 0 Forslag 1995: 200 000	Nothing applicable

	Budget Document (“St.Prp.1”)	Budget/Activities	Auditor General’s comments
	Budsjett 1995 Uten å kunne forutsi den politiske utvikling i det tidl. Jugo. forventes at den humanitære nødsituasjon vil vedvare og kreve fortsatt stor innstas fra det internasjonale samfunn. Innsatsen vil fortsatt utføres i nært samarbeid med UNHCR, og tilpasses den politiske utvikling. Prosjekter fra 1994 vil bli videreført, med en gradvis større vekt på rehabilitering og gjenoppbygging dersom forholdene skulle tillate det.		
St.Prp.1 1995-96	***Kap. 0118 Intern Bist Post 72 FN sivile politistyrke i tidl Jugo benyttet 15mill NOK*** (dekkes i 1995 under programområde 03). For nærmere redegjørelse av innsatsen på dette området vises til St.meld.nr.47 (1994-95). ***Prog.kat. 03.40 N/F og M/ Demo*** Norske innsatsen ytterligere forsterket som følge av nye krigshandlinger og etnisk rensning. Siden krigen startet i tidl jugo har den norske bistanden gitt over 30 000 flyktninger tak over hodet. i 1995 dekket man fra norsk side halvparten av utgiftene til FN‘s landveistransport av humanitær bistand i Bosnia. ***Kap. 0191 Hjelp til flykt……*** ***Post 77 Humanitær bistand til det tidligere Jugoslavia*** Mål: see above ***Rapport 1994:*** På bakgrunn av gjenopptatte krigshandlinger og bølger av etnisk utrenskning har det vært behov for å øke den betydlige humanitære innsatsen. Midlene er blitt kanalisert gjennom frivillige organisasjoner og FN systemet og har vært benyttet til ferdigstillelse og rehabilitering av flyktningemottak og boliger, transportoperasjoner, helseprosjekter, leveranserr av mat og medisiner m.m. ***Budsjett 1996*** Den politiske utvikling i området er uforutsigbar, men det forventes likevel at den humanitære nødsituasjonen vil vedvare og fortsatt kreve stor innstas fra det internasjonale samfunn. Den norske innsatsen vil bli utført i nært samarbeid med FN og tilpasset den politiske utviklingen. I den grad forholdene tillater det, vil en legge vekt på rehabilitering og gjenoppbygging i tillegg til den rene nødhjelp. For 1996 foreslås bevilget 300mill NOK	p.54 Kap 0118, post 72 i 1000kr regnskap 1994 19 096 saldert 1995 25 900 forslag 1996 25 900 p.201 Kap 0191, post 77 i 1000kr Regnskap 1994: 0 Saldert budsjett 1995: 250 000 Forslag 1996: 300 000	***UDs tilskuddforvaltning*** General comments about the forvaltning av årlige tilskuddsmidler --> rekke svakheter ved forvaltningen. Manglet retninglinjer for både UDs tilskuddsforvaltning, og for kontroll og oppfølging av underliggende etaters tilskuddforvaltning. Målformuleringer er generelle, heller ikke fastsatt målbare kriterier som gjorde det mulig i ettertid å vurdere graden av måloppnåelse. I noen avdelinger manglet skriftlig informasjon om de ulike tilskuddene, en del av info ble dermed gitt muntlig til tilskuddsmottaker. Differential treatment between Nor & international recipients, especially when it comes to unused funding and interest. Ulik praksis ved registering av inngående søknader og delegering av avgjørelsesmyndighet. Mangelfulle purrerutiner bidro til oppfølging av rapporter og regnskapsoversikter ikke ble tilfredsstillende ivaretatt. The evaluation of tilskuddsordningen was not satisfactory. MFA was given several recommendations; utarbeide sentralt regelverk for å oppnå mest mulig ensartet praksis, vurdere å innføre ensrtet registeringssystem og prosjektorientert arkivsystem og vurdere rutinene i tilknytning til avgjørelsesmyndighet på de ulike nivåene. **MFA replied**: vil dessuten bemerke at det er satt igang et omfattende utredningsarbeid for å bedre kvalitetssikringen i UDs bistands forvaltning. A lot of haze about their målformuleringer and that btw they have concrete goal for Handlingsprogrammet for Øst-Europa. Making a standard forms does not seem likely as there are many different tilskuddsordninger, but they would look into it. **RR:** ser positivt på UD vil utarbeide overordnende retninglinjer for departementets tilskuddforvaltning…RR forutsetter at dette arbeidet gis høy prioritet.

	Budget Document (“St.Prp.1”)	Budget/Activities	Auditor General’s comments
St.Prp.1 1996-97	***Kap0191 Post 75*** ***Rapport 1995*** For å møte akutte og uventede behov er det også gitt betydelige støtte til humanitær bistand til Afrika og tidl Jugo, i tillegg til postene 77 (Tidl Jugo) ***Post 77*** Mål: Bevilgningen ... til humanitære hejlpetiltak i det tidl Jugo og Albania. Hovedvekt på rehab av ødelagte boliger og skoler. Menneskerettighetstiltak og forsoningsarbeid i regionen vil bli støttet. ***Rapport 1995*** Undertegningen av fredsavtalen for BiH medførte at nødhjelps-programmene i det tidl. Jugo dreies mer mot rehab. og gjen.bygging, samtidig mye direkte nødhjelp trappes ned. UNHCR faset ut sine nødhjelpskonvoier til de beleirede områdene i Bosnia, og den norske delen av UNHCR transportprogram ble derfor avsluttet våren 1996. Viktigste områdene har vært reparasjon av krigsskadde boliger og rehab av skoler, helse programmer, mineryddingsprsjekter og personell til overvåking, beskyttelses- og kontrollaktiviteter i regi av bl.a. UNHCR, OSSE, ICRC og den internasjonale sivile politistyrken. En betydelig del av bistand ble kanalisert gjennom frivillige organisasjoner. ***Budsjett 1997*** Under forutsetning av en fredelig utvikling i området antas det at de internasjonale finansinstitusjoner som VerdensBanken og EBRD vil komme sterkere inn i gjennoppbyggingsarbeidet, og at mer av den direkte nødhjelpen fases ut. Mer langsiktig gjenoppnbyggingstiltak foreslås dekket over ny post på kap. 0153. De store ødeleggelsenebåde når det gjelder infrastruktur og boligmasse vil likevel kreve betydelig innsats fra hele det internasjonale samfunnet også i 1997. den norske innsatsen vil bli videreført i nært samarbeid med FN og de sentrale aktørene i gjenoppbyggingsrabeidet. ***Kap 0192 Tiltak til støtte for Fred og Demokrati Post 70 tilskudd - globale*** ***Rapport 1995*** Midlene har vært brukt til støtte til demokratifremmende tiltak i en rekke land, herunder S.A., Latin Am., det tidl. Jugo...Den norske bistand har blitt kanalisert gjennom FN-systemet samt norake, nasjonale og internasjonale organisasjoner.	p.211 kap 0191, post 75 i 1000kr Regnskap 1995: 424 744 Saldert budsjett 1996: 394 000 Forslag 1997: 400 000 p.211 Kap 0191, post 77 i 1000kr Regnskap 1995: 349 338 Saldert 1996: 300 000 Forslag 1997: 250 000 p.215 Kap 0192, post 70 i 1000kr Regnskap 1995: 96 052 Saldert 1996: 91 900 Forslag 1997: 91 900	Antegnelser desidert ‘Til observasjon’ som anses avsluttet: ***UDs tilskuddsforvaltning*** UD har i brev 20 august 1996 uttalt at det har et arbeid i gang med sikte på å utarbeide overordnende retningslinjer for departementets tilskuddsforvaltning, samt retningslinjer for departementets kontroll og oppfølging av underliggende etaters tilskuddsforvaltning. Den første delen av arbeidet er fullført, og den gjenstående delen forventes å være sluttført ved årsskiftet 1996/97 RR: vil i den løpende revisjon følge opp at gjenstående retningslinjer blir utarbeidet og iverksetting skjer. Saken anses avsluttet.

	Budget Document (“St.Prp.1”)	Budget/Activities	Auditor General’s comments
St.Prp.1 1997-98	***Kap 0116 DIO*** IFOR i Bosnia byttet m SFOR også NATO ledet, norsk bidrag 740 mann. ***Kap. 0153 Bistand til andre prioriterte områder, Post 71 Tilskudd til tidl Jugo*** Situasjonsbeskrivelse 1998 tredje fredåret, behovet for nødhjelp og humanitære hjelpetiltak avtatt. Til gjengjeld kreves betydelig innsats av gjennoppbyggigngs og rehabtiltak. Freds og demokratiprosessen i BiH kan vise til enkelte positive resultater, valg og etablering av felles institusjoner. Partene viser liten vilje til å oppfylle bestemmelser i Daytonavtalen. ***Mål***: Bistand skal styrke freds og demo prosessen, særlig vekt på å befeste fredsavtalen i Dayton og Erdut. Styrke generelle samfunnsutvikling, bidra til å integrere de ulike etniske grupper. Rehab av krigsødelagt infrastruktur skal legge grunnlaget for en bærekraftig økonmisk utvikling. En forutsetning av norsk bistand er at partene i den tidligere konflikten oppfyller sine forpliktelser i henhold til fredsavtalene og viser vilje til å arbeide mot felle mål. ***Budsjett 1998*** Tiltak i BiH og Øst-Slavonia prioritert. Vekt på rimelig fordeling mellom FBiH og RS. Områder: sosial sektor, energi, vann og telekommunikasjoner. Samt institusjons-, kapasitets-, og kompetansebygging, institusjonell integrering særlig offentlig sektor. Hovedkanalene for bistanden vil være multilaterale finansieringsinstitusjoner og frivillige organisasjoner. Prog.kat. 03.40 N/F og M/Demo Mest støtte til BiH ca 270mill NOK i bistand. ***Kap. 0191 Hjelp til flykt.....*** ***Rapport 1996*** .....De viktigste satsningsområdene for Norge var reparasjon av krigsskadde boliger, rehab av skoler, helseprogram, mineryddingsprosjekter og personell til overvåking, kontroll og besyttelsesaktiviteter i regi av bl.a. UNHCR, OSSE, Det internasjonale Røde Kors og den internasjonale sivile politistyrken. Norge viktig partner i BiH siden 1993 gitt husly til 50 000 mennesker og skoleplass til 50 000 barn og unge. Omfattende mineryddingsprosjekt i regi av Norsk Folkehjelp i 1996..... ***Kap. 0192 Tiltak til støtte for fred og demo Post 70 tilskudd - globale*** Mål: bidra til å befeste demokratisk styreform hvor demokrati er nylig innført, eller styrke en utvikling i mer demokratisk retning. Støtte fredsprosesser Tiltakene kan bl.a. innrettes mot nasjonal og regional politisk stabilisering, valgprosesser, valgte forsmalinger, rettsvern og rettsstatens prinsipper, organisatorisk mangfold, samt informasjon og presse.	p.102 Kap. 0153, post 71 i 1000kr Regnskap 1996: 0 Saldert 1997: 100 000 Budsjett 1998: 120 000 p.166 Kap. 0191, post 77 i 1000kr Regnskap 1996: 300 496 Saldert 1997: 250 000 Forslag 1998: 130 000 Kap. 0192, post 70 i 1000kr Regnskap 1996: Saldert 1997: Forslag 1998: 95 000 Rapport 1996 .....OSSEs sendelag i BiH er et langsiktig engasjement med sikte på å bygge opp landets demokrati. I forbindelse med valgene i BiH i 1996 håndterte Norge raskt forespørsler fra FN og OSSE, og omfattende støtte ble kanalisert til bl.a. observatører og valgeksperter gjennom OSSE og Institutt for Menneskerettigheter. Denne type tiltak ansees som helt nødvendige for å bidra til å underbygge freds og demo.prosessen i landet.....	Tilskuddsforvaltning i Utenriksdepartementet p.105-106 UD arbeidet med å forbedre tilskuddsforvaltningen, utarbeidelse av standardvilkår, retningslinjer, informasjonsmateriell, strategier osv. Bidratt til at UDs forvaltning stort sett synes å fungere tilfredsstillende. Oppfølging og kontroll à UDs rutiner ikke tilfredsstillende. Målformulering, søknadsbehandling, oppfølging og kontroll ikke etablert tilfredsstillende rutiner som sikrer søknader behandles på en ensartet måte og i samsvar med målformulering og eventuelle forskrifter. Mangler entydige kriterier for utvelgelse og tildeling av tilskudd. Enkelte ordninger ikke utarbeidet beslutningsnotat som dokumenterer hvilke vurderinger som er lagt til grunn i forbindelse med behandlingen av den enkelte søknad. UD har i liten grad utarbeidet tilfredsstillende dokumentasjon av interne rutiner. Standardvilkår, retningslinjer og informasjonsmateriell mv synes i stor grad å være ment til bruk for mottakerne av midler og ikke til UDs egen bruk. Etablerte rutiner synes å være mangelfulle bl a når det gjelder konkrete krav til hvilke kontroller skal utføres, frister for innsendelse av rapporter og sikring av at disse purres og følges opp.

	Budget Document ("St.Prp.1")	Budget/Activities	Auditor General's comments
St.Prp.1 1998-99	***Programkategori 03.40 KAP. 0192 Fred, Forsoning og Demokrati (FFD)***: p.183 Post 71 Tilskudd til tidl. Jugoslavia og ODA-godkjente OSSE-land (inkluderer land som øst-slavonia, albania etc.) Mål: Å yte rask og effektiv humanitær bistand Å styrke freds- og demokratiseringsprosessene Å bidra til gjenoppbygging og økonomisk vekst Å bidra til å styrke sammenhengen mellom humanitær innsats og gjenoppbyggingstiltak	p.172-3 Anslått Humanitær bistand ca. 170mill NOK til BiH p183 i 1000kr: Regnskap 1997: 377 524 Vedtatt Budsjett 1998: 343 500 Forslag 1999: 380 000 I 1997 meste gikk til BiH og øst-Slavonia	Utenriksdepartementets økonomiforvaltning og regnskap for 1998 p.113-114 8 Flere forhold som ikke var tilfredsstillende. Flere av de samme forhold ble også tatt opp i 1997-regnskapet. Manglende rutine-beskrivelser, manglende dokumentasjon osv. UD uttalte den gang at det arbeidet aktivt med problemløsninger på forhold som var påpekt 9 UD har for 1998 ikke vært i stand til å fremlegge et fullstendig regnskap innen utgangen av 1. halvår 1999. UD synes i liten grad å ha forbedret påpekte svakheter fra regnskapsavleggelsen for 1997. Riksrevisjonen, (RR), har merket seg at UD nå har iverksatt tiltak for å forbedre regnskapet for 1999.
St.Prp.1 1999-00	***Prog.kat. 03.40 N/F og M/Demo Kap. 0191*** Mål see 1997-98 Rapport 1998 p.217 ……NORDEM was involved in 37 projects over 24 countries with 190participants in 1998. Most were engaged in the elections in OSCEregion, but observers were also sent to Africa and Asia. Five investigators were involved with ad hoc tribunals in the former Yugoslavia and Rwanda….. Kap. 0192 FFD Post 71 ODA-godkjente land på Balkan….. Mest alvorlige situasjon Europa har stått overfor i 1999 har vært konflikten i Kosovo. Mål: see previous year Kosovo prioriteres i første rekke humanitær bistand for å unngå en ny humanitær krise når vinteren setter inn. Gjenoppbyggingstiltak settes igang etter man har fått oversikt, men umiddelbar tiltak for å etablere en offentlig admin., og tiltak for å skape lov og orden. Some on the peace agreements and that all parties should be willing to implement their roles in the peace agreements. And a note that the stability pact has to be implemented in practice. En plan for Norges medvirkning i gjenoppbygging og stabilisering i Balkan-regionen vil bli lagt frem for Stortinget høsten 1999. Planen vil vurdere ulike virkemidler som skal brukes og hvorden disse kan tilpasses avhengig av hvilken tiltak og geografisk område det gjelder.	p.222 Kap. 0192, post 71 i 1000kr Regnskap 1998: 427 937 Saldert 1999: 390 000 Budsjett 2000: 530 000 p.224 Rapport 1998 Det tidl Jugo var også i 1998 den største enkeltmottaker av norsk bistand. Overveiende bistanden gikk til BiH og Øst-Slovania. Omtrent like deler ble brukt til humanitær bistand og til mellomlangsiktige tiltak i BiH. Bidragene til rehab o.l. la forholdene til rette for freds- og forsoningsarbeidet. Meste av bistanden ble gitt som humanitær bistand og støtte til demo.tiltak Rehab av boliger i BiH og Kroatia, viktig felt, i tillegg til mineryddingsprosjekter. Samt human.bistand til Kosovo som følge av serbernes overgrep. Mellomlansiktig bistand mest til rehab av grunnleggende infrastruktur som vann elektrisistet og rehab av flyplassen i Sarajevo. Videreføring av støtte til helseprogrammer, og personell til overvåking, beskyttelses- og kontrollaktiviteter.	UDs økonomiforvaltning og regnskap for 1999, p.95 UD har ikke fulgt opp flere av de forhold som RR, tok opp i forbindelse med revisjonen av 1998-regnskapet på en tilfredsstillende måte. Dette har medført at det også er svakheter knyttet til UDs regnskapsavlegg for 1999. Til orientering: Norsk bistand kanalisert via KN og NPA til Etiopia og Bosnia KN perioden 1995–98 ca. 30mill NOK i Bosnia. NPA samme periode ca 288mill NOK i Bosnia. Støtten omfatter nødhjelps-, rehabiliterings- og langsiktig utviklingsbistand. Formålet à kontrollere forvaltning av tilskudd via norske frivillige org. er tilrettelagt og gjennomført slik at UD og NORAD har tilstrekkelig styring og oppfølging (kontroll) med bruken av midlene og resultatene av organisasjonenes arbeid. Undersøkelsen også omfatte vurdering av om UD og NORAD har samordnet oppfølgingspraksis overfor organisasjonene. KN og NPA forvaltning: Organisasjonene har klart å forholde seg til de fleste av UDs og NORADs krav og retningslinjer. UDs og NORADs forvaltning à hovedsaklig tilfredsstillende. Vesentlige forskjeller mellom NORAD of UD i rutinene à bl a utbetaling, administrasjonsgodtgjørelse osv. Målformuleringer og oppfølgingskriterier: Ikke utarbeidet oppfølgingskriterier for tilskuddsordningene. Tilskudd til organisasjonene à rapportert på aktiviteter, men lite på utviklingsrelaterte områder som er beskrevet under formål. Generelle målformuleringer, manglende oppfølgingskriterier vanskeliggjør analyser av måloppnåelse og effekter. Retningslinjer fra departementet: Ikke utarbeidet fullstendige interne retningslinjer eller særskilte retningslinjer for organisasjonene. Dokumentene for gjennomgåtte prosjekter, var ikke presise og fullstendige nok som informasjon og veiledning for organisasjonene i deres arbeid og i forståelsen av samarbeidet mellom UD og organisasjonene. Gitt ulik tolkning av regelverket og forskjellig praksis hos organisasjonene.

	Budget Document (“St.Prp.1”)	Budget/Activities	Auditor General’s comments
			Evaluering av tilskuddsordningene og resultater av støttede tiltak: UD ikke har initiert evalueringer for å få informasjon om hvorvidt fastsatte målsettinger for tilskuddsordningene er oppnådd. UD uttalte at det arbeides med å forbedre de svakheter RR påpeker, bl.a. satt i gang systematisk gjennomgang av prosjekter/ sluttrapporter. Videre arbeides det med en revisjon av retningslinjene for tilskudd som kanaliseres via frivillige organisasjoner. Generally comments that the routines are not the same in NORAD and the MFA and that they are poorly thought through and horribly documented, and that includes all aspects, applications, processing, progress reports, final reports, even payment system.
St.Prp.1 2000-01	Intro has its on section on Utviklingen i Sørøst-Europa/Balkan p.13 Just a little under a page on the instability may have effects that affect Norwegian interests as well and should therefore stay active in the area and that substantial Norwegian resources has gone to this region over the last few years. Prog.kat. 03.40 Nødhjelp/Menneskerettigheter, fred og demokrati Rapport 1999, p.198 ....I 1999 ble en evaluering (rapport 3.99 fra departementet) av psykososiale prosjekter i hhv. BiH og Kaukasus sluttført. Konklusjonene av evalueringen var at psykososiale prosjkter bør være en integrert del av nødhjelpsbistanden i sammensattekatastrofesituasjoner..... Kap. 0157 Næringutvikling og økonomisk utvikling p.147, Post 72 Finansieringsordning for utviklingstiltak Mål: Bidra til at utviklingslandene kan gjennomføre prioriterte utviklingsprosjekter som ikke er bedriftsøkonomisk lønnsomme nok til kommersiell finansiering gjennom å bidra til gunstig fullfinansiering av prosjekter. Siktemål à fremme deltakelse fra internasjonalt konkurransedyktige norske bedrifter. Bidra til at mottake utviklingslandene kan utnytte de produkter som kjøpes fra Norge slik at de i størst mulig grad bidrar til bærekraftig utviklling. Kap. 0192 Post 01, Driftutgifter p.205 Gjenoppbygging i Balkan kreves fortsatt høy bistandsaktivitet. For 2001 forslag av 2,5mill	p.149 Kap.0157, post 72 Tilskudd til parallellfinansiering i Balkan 54,8mill NOK à 2 prosjekter Tilskudd til blandede kreditter i Balkan 13,6mill NOK à 1 prosjekt Tilskudd til opplæring ved eksport fra Norge i Balkan 1,4mill NOK à 3 prosjekter p.205 Kap 0192, post 71 i 1000kr Regnskap 1999: 1 088 566 Saldert 2000: 530 000 Forslag 2001: 775 000 Rapport 1999 Bistandàkortsiktige tiltak under og etter Kosovokonflikten. Mest nødstiltak for internt fordrevne i bl.a. Kosovo og Serbia, også strakstiltak for rehab av infrastruktur, bolig og skoler.	Nothing relevant to either region or general procedures.

	Budget Document ("St.Prp.1")	Budget/Activities	Auditor General's comments
	Post 71 Tilskudd til ODA-godkjente land på Balkan og..... Mål: • Å yte rask og effektiv humanitær bistand • Å styrke freds- og demokratiseringsprosessene • Utvikling av rettsstaten og reformer i sikkerhetssektoren • Å bidra til gjenoppbygging og reform • Å styrke den regionale dimensjonen i bistand Stab. Pakten for Sørøst-Europa vil fortsatt være rammen for assistansen, slik at koordinering er sikret, og mottakerlandene forpliktes til å gjennomføre reformprogrammer og tiltak som vil sikre fred og stabilitet i regionen. More stuff on implementation in practice and governments fulfilling their obligations from the peace agreements, and obvious emphasis strengthen the economies. Fokus bør dreies over til mer langsikitg tiltak, men de gjenværende humanitære behov bør også møtes, spes. Kosovo, BiH, Serbia og Montenegro.	Mineryddingstiltak i Kosovo, demokrati- seringstiltak i Serbia. BiH og Kroatia fortsatt hum-hjelp og støtte til demokratitiltak. Særlig vekt på mindretallsretur.	
St.Prp.1 2001-02	***Kap. 161 Næringsutvikling*** Inntil 30mill. NOK av bevilgningene 70 (nærings-og handelstiltak), 72 (finansierings-ordning for utviklingstiltak) og 73 (institusjonsutvikling i utviklingsland) anvendes til allerede avtalefestede og eventuelt nye tiltak i Sørøst-Europa. ***Kap. 164 FFD Post 70 ODA-godkjente land på Balkan og godkjente OSSE-land*** Mål: • Å yte rask og..... • Å styrke freds..... • utvikling av rettsstaten og reformer i sikkerhetssektoren • bidra til bekjempelse av organisert kriminalitet • å bidra til gjenoppbygging og reform • å styrke den regionale dimensjonen i bistanden Stabilitetspakten for SEE vil bli aktivt benyttet som rammeverk for bistand, som i 2001	***Kap 161, Post 72*** ***Rapport 2000:*** Videreført tiltak innen vann-og elektrisitets- sektoren i BiH Kap 164 p.126 i 1000kr: Regnskap 2000:829 879 Saldert Budsjett 2001: 775 000 Forslag 2002: 855 000	Nothing relevant to either region or procedures. Comments on NORADs forvaltning av tilskudd til og via Bistandsnemnda og Atlas-alliansen, with geografical emphasis everywhere else except Europe

	Budget Document ("St.Prp.1")	Budget/Activities	Auditor General's comments
St.Prp.1 2002-03	***Programkategori 3.20 Globale ordninger Kap. 161 Næringsut.*** Regjeringen foreslår at til sammen inntil 29mill. NOK av bevilgningene ....i Sørøst-Europa. ***Kap164 FFD Post 71 ODA-godkjente...*** Mål: Å yte rask og..... Å styrke freds..... utvikling av rettsstaten .... bidra til bekjempelse ..... å styrke den regionale ..... støtte til næringsutvikling Nærmere omtale av satsingsområdene i 2003 Vest Balkan: engasjementet innen politi- og jutissektoren trappes opp lagt vekt på å fremme fred, stabilitet, demokratisering og integrasjon av så vel landene enkeltvis, som regionen, i det euroatlantiske samarbeidet.	Rapport 2001: Kap 164 i 1000kr Regnskap 2001: 722 805 Saldert budsjett 2002: 855 000 Forslag 2003: 922 000 Rapport 2001 Vest Balkan: Total bevilgning på 722,8 mill NOK, ble 633 mill NOK benyttet i V.B. Bistanden spesielt rettet inn på tiltak til støtte for politiske, sosiale og økonomiske reformer, understøttelse av fredprosesser i regionen, Dayton, Ohrid og Covic, samt til gjennomføringen av Sikkerhetsråds resolusjon 1244 i Kosovo	***UDs tilskuddsforvaltning p.67-69*** Ved revisjonen av regnskapet til UD for 2002 har RR blant annet foretatt kontroller av departementets forvaltning av tilskudd gitt over ***Journalføring og arkivrutiner*** For flere av de undersøkte tiltakene var arkivverdig dokumentasjon ikke lagt til arkiv eller journalført. Elektronisk mottatte dokumenter, rapporter og korrespondanse var ikke registrert og manglende dokumentasjon på rapportering i arkivet viste seg i mange tilfeller å ligge hos saksbehandler. Det var også flere saker hvor arkivmateriale ikke var levert tilbake til arkivet etter langvarig utlån. UDs arkivrutiner på området synes ikke å fungere tilfredsstillende. RR vil videre påpeke at flere av forholdene som nå er tatt opp, har vært gjenstand for kritikk fra RR tidligere uten at det kan sees at forholdene har bedret seg i særlig grad. RR har merket seg de tiltakene departementet har satt og vil sette i verk for å forbedre tilskuddsforvaltningen og vil understreke viktigheten av det nå blir etablert en tilfredsstillende internkontroll på området. RR vil følge opp dette i den løpende revisjonen.
St.Prp.1 2003-04	***Kap 161 Næringsut.*** Støtte til tiltak for næringsutvikling i Sørøst-Europa som tidligere har vært finansiert over postene 70, 72 og 73 under Kap 161 Næringsutvikling, finansieres fra og med 2003 over kap.164 FFD post 71 ***Kap.164 FFD, Post 71 ODA-godkjente....*** Videreføring av assistanse fra det internasjonale samfunn bør styrke institusjoner og øke myndighetenes kapasitet til selv å ta ansvar for forsoning og økonomisk utvikling. Det legges særlig vekt på at nasjonale myndigheter oppfyller sine forpliktelser og i praksis viser vilje til samarbeid. Fra internasjonalt hold understrekes behovet for omfattende økonomiske, juridiske og demokratiske reformer. As well as previous years goal descriptions Næremere omtale av satsningsområdene i 2004, Vest Balkan: Bevilgningen skal brukes til å fortsette norsk støtte til de viktigste reform- og utviklingsprosesser som finner sted i regionen. Hovedtyngde på mellomlangsiktig arbeid innen institusjonsbygging, næringsutvikling og fredsprosessrelatert bistand videreføres. Støtte til landenes bestrebelser for politisk og økonomisk reform, herunder deres arbeid for å nå europeiske standarder.	p.144 Kap 161, Post 70 Støtten til parallell finansieringstiltak utgjorde 140,5mill NOK, gjaldt bl.a. elektrifisering i BiH, palestine, mosambik, laos, rehabilitering av kraftsektoren i land i Afrika og rehabilitering av vann og avløpssystemer p.154, Kap 164 i 1000kr: Regnskap 2002: 919 408 Saldert budsjett 2003: 922 000 Forslag 2004: 922 000 p.158, Post 71 Totale bevilgningen 855mill NOK ble 745mill NOK brukt i Vest Balkan regionen.	***UDs tilskuddsforvaltning*** RR kontrollert UDs forvaltning av tilskudd gitt over – Kap. 0163 Nødhjelp, humanitær bistand og MR – Kap. 0164 Fred, forsoning og demokrati Undersøkelsen basert på tilfeldig utvalg av totalt 36 prosjekter, 18 prosjekter med utbetalinger på 68,5 mill.NOK i 2001 og 18 prosjekter med utbetalinger på 234,4 mill.NOK i 2003. Intern kontroll og vurdering av søknader For de fleste tiltakene ingen dokumentasjon i saksmappene på at nevnte forhold var vurdert. UD har opplyst at tilsagnsbrevet skal være dekkende som BD. I de gjennomgåtte tilsagnsbrevene er det vanskelig å se at dette er tilfelle. Manglende dokumentasjon av beslutningsgrunnlaget gjør det vanskelig å se Uds vurderinger av søkerorga-nisasjonenes kompetanse som gjennomførere og når det prioriterer mellom prosjekter.

	Budget Document ("St.Prp.1")	Budget/Activities	Auditor General's comments
	Det tas sikte på opprettholde et sterkt norsk engasjementet innen politi- og jutissektoren, bl.a. gjennom et samarbeid me Pol.direk. Det er videre et nært samarbeid med NORAD om bistanden i BiH og Albania, innen infrastruk., næringsut., og insti.bygging. Norsk engasjementet i anti-traficking tiltak videreføres. Kortsiktig human. Hjelp begrenset til aktuelle samfunnsgrupper & områder Utvelgelse av satsningsområder tar hensyn til prioriteringer som foretas i internasjonale samarbeidsorganisasjoner og fora, samt de enkelte mottakerlandene. Fokus på instit.bygging økende grad påvirke valg av kanaler. Norske NGOs andel i samlede bistand til V.B. gått noe ned, selv om arbeidet i demokratibygging og H.R. kommer delvis til å erstatte reduksjonen i den humanitære innsatsen. Stabilitets pakten i S.E. vil forsette å være en sentral kanal og ramme for prosjekt bistand.	Riksrevisjonen: Utskrift fra UDs prosjektdatabase viser at det per april 2004 var 232 prosjekter som ikke var registrert som sluttbehandlet fra 2001. Totalt utbetalt for disse prosjektene var 308 mill. kroner.	***Utbetalingsrutiner:*** Etter at tilsagn er gitt, utbetales hele støttebeløpet. Hver utbetaling omtalt som engangsstøtte med utgangspunktet 12 måneders varighet. Krav om tilbakebetaling av ubenyttede midler ved prosjektslutt, selv om gis støtte til de samme aktiviteter/tiltak over flere år. Praksisen med ny utbetaling og senere tilbakebetaling av tidligere støtte lite hensiktsmessig for UDs oversikt over likvidsituasjonen og for forutsigbarhet og kontinuitet i tiltakene. Erfaringsmessig oppstår det også forsinkelser i gjennomføring og rapportering fra prosjektene som medfører at midlene blir tilbakebetalt så sent at de må inntektsføres i statsregnskapet og dermed ikke kommer til nytte til de formål Stortinget har bestemt. ***Rapportering og prosjektoppfølging*** Av retningslinjene framgår det at det for hver tildeling/utbetaling skal mottas beskrivende sluttrapport og et revidert regnskap senest seks måneder etter at finansierte aktiviteter er avsluttet. Det blir presisert at ny tildeling til en organisasjon ikke skal foretas før tilfredstillende rapportering foreligger fra alle prosjekter som er forventet avsluttet, uavhengig av geografisk område.
St.Prp.1 2004-05	***Kap 164 FFD Post 71 ODA-godkjente land på Balkan og andre OSSE-land*** Vest-Balkan ....Reformprosesser er innledet i alle landene, men disse er gjenstand for politiske kontreverser.....Thessaloniki-toppmøtet i juni 2003 stadfestet Eus vilje til styrket innsats for å trekke Vest-Balkan-landene tettere inn i den europeiske integrasjonsprosessen. Vil skje gjennom revitalisert Stabiliserings- og assosieringsprosess med de enkelte land i regionen, samtidig som EU i økende grad påtar seg stadig større ansvar for internasjonale opeerasjoner som bl.a. EUPM i BiH...og nylig ALTHEA som etterfølger av SFOR i BiH..... Mål: Styrke demokratiske institusjoner, politiske og økonomiske reformer, respekt for menneskerettighetene, bekjempe korrupsjon og arbeide for et bredt regionalt samarbeid. Det legge vekt på at nasjonale myndigheter viser vilje til å oppfylle sine internasjonale forpliktelser med sikte på å få et tettere samarbeid med europeiske og transatlantiske institusjoner. Nærmere omtale av satsningsområdene. I 2005 Vest-Balkan	Kap. 164, post 71 i 1000kr Regnskap 2003: 898 442 Saldert 2004: 922 000 Forslag 2005: 1 021 250 ***Rapport 200***3 Fokus på demokrati, kapasitets og instit- bygging, næringsutv. Spes rettet inn på tiltak til støtte til landenes bestrebelser for politisk og økonomisk reform. Styrket tiltak rettet mot barn, ungdom og kvinner, samt innsats innenfor sikkerhetssektor reform og rettsreform. Interetnisk dialog og forsoningsprosesser videreført. Vekt på tettere dialog med EU,	Kvaliteten på søknader .....For tilskudd under kapittel 164, post 71 og 72 utarbeidet standardiserte rapporteringsskjema, som sammen med retningslinjer for vurdering av søknadene skal bidra til bedre utforming av søknad, målsetting og resultatindikator fra søker. For enkelte ordninger under nevnte poster også utarbeidet standardiserte søknadsskjemaer. Det er også løpende dialog med organisasjoner og tilskuddsmottakere for å bedre kvaliteten på søknader og prosjektbeskrivelser. UD à gjennomført et systematisk opplæringsarbeid overfor sentrale myndighetsorganer knyttet til bilaterale prosjektsamarbeidet i enkelte land på Vest-Balkan for å oppnå bedre kvalitet.

	Budget Document ("St.Prp.1")	Budget/Activities	Auditor General's comments
	1. Støtte til landenes..... 2. Det tas sikte på..... 3. Hovedtyngde på mellomlangsiktig arbeid innen institusjonsbygging, næringutvikling og fredsprosessrelatert bistand videreføres. 4. Utvelgelse av satsningsområder..... 5. Det bilaterale prosjektsamarbeidet med serbiske, kroatiske, og makedonske myndigheter videreføres, vurderes også i Montenegro. 6. Fokus på instit.bygging..... 7. Stabilitets pakten i S.E..... 8. Kortsiktig humanitær hjelp og bistand til flyktningeretur, vil være begrenset til aktuelle områder og samfunnsgrupper.	økt engasjement fra Stortinget parlamentarisk samarbied, fokus BiH, Serbia-Montenegro og Kroatia Av prosjektbistand ble 95mill NOK kanalisert gjennom FN og 135mill NOK gennom norske frivillige org. Evaluering av Nansen dialoget utført i 2003, ført til omorganisering av prosjektet for å bidra til bedre fokusert og samordnet innsats. Evaluering av støtteapparatet for norsk næringliv på V. Balkan, herunder Norges Eksportråds virksomhet. Høsten 2003 regional evaluering av Kirkens Nødhjelps religiøs dialog prosjekt, forventes avsluttet medio 2004.	Dersom en søknad i utgangspunktet er relevant, men ikke tilfredsstillende dokumentert, ber UD normalt om skriftlige tilleggsopplysninger. I enkelte tilfeller innhentes tilleggsopplysningene muntlig. Dersom det hentes inn muntlig skal det likevel påføres søknaden. Også bedt om ny søknad i enkelte tilfeller. Søknader blir avslått hvis de ikke er godt nok dokumentert. Rapportering på forsinkede/utvidede prosjekter For bevilgninger til ODA-godkjente OSSE-land kreves det at fremdriftsrapport/statusrapport skal innsendes et halvt år etter tildeling. Endringer i opprinnelige planer eller i grunnlaget for tilskuddet, herunder vesentlige endringer i tiltaksbudsjettets hovedposter innenfor budsjettets totalramme, kan bare foretas etter forutgående skriftlig samtykke fra UD. Det vil ofte være kontakt med tilskuddsmottaker underveis i prosjektet. UD vil opplyse at det for flere ordninger bes om en foreløpig finansiell og en beskrivende rapport ved søknader om forlengelse av prosjektperioden. Also general comments on routines still being relatively poor but some indication in tightening their procedures.
St.Prp.1 2005-06	Kap 164 FFD, Post 71 ODA-godkjente land på Balkan. Posten omfatter fra 2006 utelukkede bistand til ODA-godkjente land på Balkan. Bistand til andre godkjente ODA-land som til og med 2005 også ingikk under denne posten, er omtalt i ny post 73 (bl.a. Kaukasus, Moldova, Sentralasia) Mål: see previous years	Kap 164 FFD i 1000kr: Regnskap 2004: 919 460 Saldert budsjett 2005: 1021 250 Forslag 2006: 781 250 Rapport 2004: See previous years Forsterket fokus på lansiktige kapasitets- og instit.byggende karakter. Tiltak rettet mot barn, kvinner og ungdom styrket. Arbeidet med å utvikle og støtte prosjekter mot menneskehandel ble videreført. Stortinget styrket sitt engasjement med ulike former for parlamentarisk samarbeid, fokus for samarbeidet var BiH, Kroatia og Serbia-Montenegro Det ble gjort dansk-norsk evaluering av felles nordiske regionalt fotballskoleprosjektet.	***Håndtering av korrupsjon*** Revisjonen viser at UD ikke har etablert tilstrekkelige rutiner for håndtering av eventuell mistanke om og avdekking av korrupsjon. Slike rutiner vil kunne gi en enhetlig behandling og reaksjon overfor tilskuddmottaker, sikre etterlevelse av norsk politikk på området og samtidig gi UD oversikt over omfang og typer av misligheter i tiltak støttet over departementets budsjett. UD har ikke rutinemessig utarbeidet oversikter over registrerte tilfeller av mistanke om eller avdekking av korrupsjon. En liste over korrupsjonstilfeller eller mistanke om korrupsjon kan utarbeides på bakgrunn av årsrapportene fra de respektive bistandsambassader, og vil også kunne være et grunnlag for utarbeidelse av framtidige handlingsplaner. Tilskudd via norske frivillige organisasjoner ....Departementet opplyser videre at det bl.a. er gjort følgende endringer i tilskuddsforvaltningen vedrørende humanitær bistand og frivillige organisasjoner: • Ved revidering av retningslinjene økt fokus på dokumentasjon og arkivering av UDs vurderinger og beslutningsgrunnlag • Innføring av beslutningsskjema for prosjektvurdering • Økt fokus på konkretisering av forventede resultater og måloppnåelse

	Budget Document ("St.Prp.1")	Budget/Activities	Auditor General's comments
			• Økte krav til rapportering fra tilskuddsmottaker • Større vekt på inspeksjonsreiser for å kontrollere • prosjektgjennomføringen • Større vekt på kompetanseheving internt og i forhold til samarbeidspartnere • Økt fokus på å effektivisere og kvalitetssikre tilskuddsforvaltningen Saken anses for avsluttet.
St.Prp.1 2006-07	Kap 164 FFD p.162 Mål: See previous years as well as: Å styrke miljøtiltak i regionen	i 1000kr: Regnskap 2005: 1 006 715 Saldert budsjett 2006: 750 000 Forslag 2007: 600 000 Rapport 2005: Ble gjennomført en evaluering av NPAs regionale prosjekt 'Kvinner Kan', evaluering positiv og anbefaler at støtten videreføres. Ble satt igang omfattende gjennomgang av erfaringene med rehabilitating av boliger og flyktningretur i BiH.	1.1 Generelt om resultatet av revisjonen Revisjonen av regnskapet for UD viser at det fortsatt er svakheter i departementets forvaltning av tilskudd. Det er også tatt opp forhold knyttet til styring av utenriksstasjoner. Håndtering av korrupsjon Saken er videreført i 2006.
St.Prp.1 2007-08	Kap 164 FFD, Post 71 ODA-godkjente land på Balkan. ...Spenningsnivået kommer idag till uttrykk innen de enkelte landene og ikke mellom dem....EU også planlagt å overta rollen til FN-admin i Kosovo (UNMIK), største sivile EU-op noensinne. Forhandliger innledet til EU-melemdskap, Serbia og BiH..... Mål: See previous years Institusjonsbygging og konkret reformarbeid i forbindelse med gjennomføringen av EUs Stabiliserings og assosieringsprosess Målrettet og langsiktig arbeid til støtte tfor forsoningsprosesser og interetnisk dialog. Oppfølgingen av FNs Sikkerhetsresolusjon 1325 om kvinner, fred og sikkerhet. Levedyktig demokrati, fremme internasjonale menneskerettigheter. Rapport 2006 Bistanden til sikkerhetssektor reform i Serbia vært viktig bidrag til omstillingsprosessen i det serbiske forsvaret, avvikle gamle strukturer og styrket folkevalgt kontoll over forsvaret.. Bistand til reform i rettsvesenet bidratt til at BiH vurderes som det beste landet i regionen i forhold til rettsutviklingen internasjonalt. I Kosovo har norsk støtte bidratt til oppbygging av et moderne meieri og slakteri. Av prosjektbistanden for 2006 ble noe over 72 mill. kroner kanalisert gjennom FN. Støtten gjennom norske frivillige organisasjoner var på over 141 mill. kroner.	Kap 164, post 71 I 1000kr 1 Regnskap 2006: 748 337 2 Saldert 2007: 600 000 3 Budsjett 2008: 600 000	RR report for 2008 covers Tilskudd til Serbia, own discussion with complete correspondence available.

3 Main Events; MFA Objectives, Budgets/Activities, Organizational Issues

Year	Events	MFA Objectives Allocation Notes (“Fordelingsnotater” - FNo)	Budgets/Activities	MFA Organization
1991	Yugoslavia disintegrates; **Slovenia and Croatia secede** (June); federal army set in; war	BiH: Humanitarian relief	**NOK 2m**	
1992	**BiH secedes** from the union; start of the Bosnian War (Mar 92 – Nov 95). – UNHCR takes on coordi- nating role, other UN agencies on the ground	*”siktemålet med den norske innsatsen var å **bistå flyktningene** så nært som mulig til deres opprinnelsessted. Det norske hjelpeprogrammet har derfor hatt **Bosnia-Hercegovina** som sitt hovedinnsatsområde.* (Memo ”Norsk bistand til det tidligere Jugoslavia – 1992-1997”, 25 May 1997)	**NOK 24m**	
1993		*Same as previous year*	**NOK 249m** 17 Jun 93 memo states that over 2.pol.ktrs kap 0191, post 75, the sum NOK 56.2m was allocated for ex-Yugoslavia for 1993; this amount has been augmented by NOK 20m from ”omfordelingsprp til kap 0191.75”	
1994	Norway rejects EU membership; becomes important to be **visible**, establish **status vis-a-vis EU**, Euro-Atlantic structures and processes Some 4 m people displaced, fled in ex-SFR Yugoslavia	*Same as previous year*	**NOK 250m** 23 Feb 94 memo ”fordeling av Jugoslavia-midler 1994. Foreløpige søknader” (covers BiH, Cro, Mac) amounting to NOK 137m: • NRC: NOK 53m – housing, water, camps, etc • NPA: NOK 27m - temporary settlements, etc • Nor Red Cross: 56m – med, aid, protection • Misc: 21m 3 Mar 94: ”Referat fra møte [...] **fordeling av bevilgningen for 1994 til nødhjelpsformål**” – MFA wants *”tilleggsmidler”* for ex-YU of *NOK 225m* in Revidert Nasjonalbudsjett; NOK 300m, of which NOK 75m is covered by existing allocation oved kap. 0191.57. An amount of NOK 25m proposed covered over the budget of Minister of Dev Coop	23 Feb 94: Notat til **Egeland** fra **2.pol. ktr**. ”fordeling av Jugoslavia-midler 1994. Foreløpige søknader”: ”Vi må be de fire Noraid-organisasjonene prioritere sitt arbeid i et minimums, og et maksimumsalternativ for første og andre halvår” 3 Mar 94:”Referat fra møte [...] fordeling av bevilgningen for 1994 til nødhjelpsformål” fra **”2. Pol.ktr.”** til **”Politisk Avdeling”** via **”Hum. Rådgiver”** cc Egeland, Budsjettkontoret, Flyktningerådgiver, MR-rådgiver”.

Year	Events	MFA Objectives Allocation Notes (“Fordelingsnotater” - FNo)	Budgets/Activities	MFA Organization
1995	Srebrenica massacre (Jun 95) **Dayton Accord** (Dec 95)**– peace in BiH** OHR, Peace Implementation Council (PIC) established Implementation conference (London) of foreign ministers; agreement on division of tasks ahead and coordination Donor conference (Brussels, Dec 95). **WB and EC estimate recovery-aid needs at $5.1bn over *3-4 years;* with $2.1bn needed for 1996.** Donors pledge $500m for 1st quarter 1996. Urgent priorities: *power, transportation, gas, water, health, education, agriculture, demining*. Aid dependent on Dayton/HR-compliance by signatories Donors foresee a *massive, speedy and short-term aid to BiH, mainly aimed at reconstruction*	BiH: Humanitarian relief, peace, reconciliation - **Norway, like other donors, prepares for massive, short-term support to reconstruction of BiH**. So far the policy has been relief: 2.pol.ktr: *”siktemålet med den norske innsatsen [in the period 1992-1997] var å **bistå flyktningene** så nært som mulig til deres opprinnelsessted. Det norske hjelpeprogrammet har derfor hatt **Bosnia-Hercegovina** som sitt hovedinnsats-område*. (Memo ”Norsk bistand til det tidligere Jugoslavia”, 25 May 1997: **water, food, roof.** Now the policy changes toward reconstruction: 21 Nov 95: Memo ”Norsk engasjement i de krigsherjede områdene i det tidligere Jugoslavia”: this memo proposes a Norwegian package of efforts: (1) 1,000 men for *IFOR force:* NOK 1bn; (2) *Humanitarian aid, democracy, human rights – urgency measures* – NOK 400m; for houses, facilities, infrastructure, health and medicines, children and youth, convoys, protection personnel for returns, elections observers, HR monitoring and democratization efforts, 20-25 policemen for CIVPOL. (3) Belgrade embassy to get a full ambassador; (4) Resumption of economic relations (5) May discuss longer-term aid, possibly	**NOK 427m**	21 Nov 95: Memo from **2.pol.ktr** via **Pol. seksjon V**, to 3 ministers entitled: ”Norsk engasjement i de krigsherjede områdene i det tidligere Jugoslavia” : *This is a proposal for a Norwegian position at upcoming **”Implementation conference” (London)*** of foreign ministers. It proposes a Norwegian package of efforts: (1) 1,000 military for IFOR: NOK 1bn; (2) Humanitarian aid, democracy, human rights – urgency measures – NOK 400m;

Year	Events	MFA Objectives Allocation Notes (“Fordelingsnotater” - FNo)	Budgets/Activities	MFA Organization
1996	**-SEEP** (Southeast European Cooperation Process) launched at Sofia conference; regionally-owned initiative for trust, stability and Euro-Atlantic integration; a key talk-club, influential on later Stability Pact and RCC. -WB and EU charged with coordinating longer-term aid and reconstruction aid. -WB establishes office in Sarajevo (Mar 96), negotiates Bosnian existing debt of $415m; prepares BiH for membership, IDA loans, etc -UNDP establishes office in Sarajevo. Will focus on capacity development and soft sectors; will involve govt and prepare longer development plan -WHO to fix BiH’s ruined medical system -UNHCR, UNICEF working on repatriation; UNICEF also involved in a string of activities for women and children, like health, water, sanitation, education, etc.	22 Jan 96 (memo): ***contribute to larger donor plans for reconstruction***; such efforts to be financed over the NOK 400m humanitarian allocation. *”bistanden må gis på en slik måte at den ikke skaper bistandsavhengighet. [...] ..mindre aktuelt å vurdere bistand til landet utover støtte til gjenreisningsprogrammet som har et **3-4 årsperspektiv.**” Additional* allocations should be channeled through actors on the ground: - ***WB*** *(trust fund* estd. – NOR should promote NOR businesses; MFA Political Dept. Will consider from hum allocation if it can ”be matched” with resources intended for longer-term aid), - the UN system *(**UNDP** capacity-building, aid coordination, good governance; UNICEF* expected to ask for money, too*),* *Norwegian firms* are actively co-operating with NOR NGOs on humanitarian aid, but are less interested in participation in reconstruction; this may change with the WB trust fund. Policy formulation (internal MFA memo, 22 Jan 96): *”Norsk innstats i Bosnia har som formål å **konsolidere freden i en overgangsfase** gjennom støtte til humanitære tiltak og gjenreisningsaktivitieter. - Bistandsengasjementet i Bosnia har et relativt kortsiktig perspektiv som bør søkes finansiert fra den humanitære bevilgningen. Det bør sikres at bevilgningen på 400 mill kroner på 1996-budsjettet nyttes fullt ut før det gis tilsagn om ytterligere bistand. Tidsperspektiv for bistanden og type aktiviteter som synes aktuelt å støtte tilsier at det ikke etableres stat-til-stat samarbeid med Bosnia. Kanaler for norsk støtte vil fortsatt være frivillige organisasjoner og internasjonale organisasjoner.””*	**NOK 410m** Focus: Participation in IFOR peacekeeping force; maintain high humanitarian profile; efforts to enhance democracy & human rights. 12 Mar 96: MFA recommends the following NOK **392m**-budget, based on applications: (1) **Construction, schools, hospitals, misc** (NRC, NPA): NOK **90m** - Bugojno-area, Tuzla, Sarajevo, Zenica, Republika Srpska. (2) **Housing** projects: NOK **57m** -UNHCR fund, projects in Eastern Croatia and Buhojno (BiH) (2) **Infrastructure**: NOK **5m** -water in Tuzla, electricity in Mrkonjic Grad (R. Srpska) (4) **Medical**: NOK **25m** – NRX with IFRC/ICRC (5) **Demining**: NOK **35m** (NPA) (6) **Transport**: NOK **16m** - UNHCR, NORAID (7) **Food, seeds** (NCA, FAO): NOK **30m** (8) **Elections/Protection/HR/Democracy**: NOK **32m** - OSCE; UNHCR observers; NRC legal project, property rights; ECMM observers (9) **Secondments**: NOK **8m** - UNHR, IMG (10) **Coordination**: NOK **3m** - telecoms, Bildt (11) **International organizations**: NOK **18m** (12) **Civpol**: NOK **30m -** 35 police, E Slavonia (13) **WB Emergency Fund fBiH**: NOK **30m**	12 Mar 96: *”Forslag til fordeling av Jugoslavia-midlene 1996”* submitted to **Egeland** by ”**2.Pol.Ktr.**” cc ”Hum-rådgiver” via ”**Seksjon V POL.AVD.**”: Upgrading embassies in Belgrade, Zagreb; establish temporary embassy in Sarajevo Normalize trade relations; - budgeting NOK 400m for 1996, and based on ”*inkomne* prosjektforslag fra norske NGOer, UNHCRs appell og anmodninger fra Bildt-komiteen, IMG (International management Group), OSSE og ECMM” – not mentioned anything about the system for processing such requests; *to whom* they were directed or how the requests were *processed* by the recipient

Year	Events	MFA Objectives Allocation Notes (“Fordelingsnotater” - FNo)	Budgets/Activities	MFA Organization
1997	Donor conference (Brussels, 24-25 June 97)	BiH: Reconstruction & Reconciliation; return *”siktemålet med den norske innsatsen var å **bistå flyktningene** så nært som mulig til deres opprinnelsessted. Det norske hjelpeprogrammet har derfor hatt **Bosnia-Hercegovina** som sitt hovedinnsatsområde.* (Memo ”Norsk bistand til det tidligere Jugoslavia – 1992-1997”, 25 May 97). *”Etter Dayton-avtalen ble det viktig med hurtige tiltak på bakken, slik at flyktningene kunne se resultatene av fredsavtalen. Mye av den direkte norske nødhjelpen ble faset ut, men Norge satte igang et storstilt byggeprogram [....] slik at internflyktningene skulle kunne **vende tilbake**.”*	**NOK 420m** 1997 funding **reconstruction in BiH (NOK 100m)** and **emergency relief (NOK 250m)**, plus KommunalDept repatrieringsstøtte NOK 112m. 25 May 97: Memo ””Etter Dayton-avtalen ble [mye] av den direkte norske *nødhjelpen faset ut*, men Norge satte igang et **storstilt byggeprogram** med *reparasjon av krigsskadde boliger og skoler*, slik at internflyktningene skulle kunne vende tilbake.” Also *infrastructure* projects, *demining*, *police deployments* in Croatia, *observers*, etc.	11 Feb 09: Notat, **Bilateral Avdeling** til **bistandsministeren**: ”Statsbudsjettet 1998: Bistand til det tidligere Jugoslavia”: ”tett **koordinering mellom Politisk avdeling, Multilateral og Bilateral** gjør at gråsoneproblematikken lett lar seg håndtere”,
1998		BiH: Reconstruction & Reconciliation Kosovo: prevent escalation of conflict	**NOK 360m**	
1999	OSCE: Norway chair NATO: **Serbia bombed**, **Kosovo intervention** **Stability Pact for South Eastern Europe** (Jan) – ”EU-driven”; primarily for stability of Kosovo	BiH: Reconciliation Kosovo: prevent escalation; humanitarian intervention, relief; support Stability Pact OSCE chair Norway ”in bed” (Russian view) with USA over bombing of Serbia and intervening in Kosovo	**NOK 1bn**	Europapolitisk Avdeling now handles all project support to Central and Southeastern Europe – “one roof” for all funding in OSCE area as Norway takes on OSCE Chairmanship (Vollebaek with Traavik, Aarhus);
2000	**Serbia: Fall of Milosevic** opens hope of prospects for meaningful help to Serbia and ultimate stability Humanitarian crisis shrinking in extent Starting Stability Pact activity. Norway heads **chair of table 3** (justice and defense).	BiH: Reconstruction & Reconciliation 12 Mar 01: *FNo for 2001* summarizes events in 2000. Assistance suffering after-effects from the Kosovo Crisis and the political developments in Croatia and Yugoslavia. **Serbia: shift;** from merely *boosting opposition* groups to *facilitating larger, stabilizing reforms* in political, social and economic spheres. Norway chips in generously in Stability-Pact launch, secures chair of important working group. **Starting Stability Pact activity.** Norway chairs table 3 (justice and defense).	**NOK 844m** 12 Mar 01: *FNo for 2001; Return* of minorities Serbia-Croatia-Bosnia really started in 2000, necessitating a level of **homes**-rehabilitation, **employment** efforts and **legal aid.** Channels: Norwegian NGOs (29%); Nor public actors (20%); UN and multis (30%) **NORAD** managed **NOK 123m**-worth of aid to the Balkans. Most to parallel financing of infrastructure in Croatia and Bosnia, and to humanitarian and democratizing efforts in Croatia and Bosnia.	**Western Balkans Section established** October 2000 12 Mar 01: *FNo for 2001* summarizes events in 2000. **NORAD** managed **NOK 123m**-worth of aid to the Balkans. . After 4 years, feels is called for an **assessment of NORAD’s role in channeling aid**.

Year	Events	MFA Objectives Allocation Notes ("Fordelingsnotater" - FNo)	Budgets/Activities	MFA Organization
2001	**Stability-Pact projects**, chairing the Stabilitetspakten **arbeidsbord III**.	BiH: Reconstruction & Reconciliation 12 Mar 01: *FNo for 2001,* **the year will see a decrease in humanitarian aid, and a turn toward longer-term efforts.** There will be increasing focus on the **regional stability.** *"Det er viktig å opprettholde en sterk profil i Balkan-regionen. "* *"Norge har med **gode resultater** deltatt i arbeidet på Balkan i en årrekke. Det ansvar Norge har påtatt seg gjennom medlemsskapet i **FNs sikkerhetsråd,** lederskapet for **KFOR**, samt formannskap for Stabilitetspaktens **arbeidsbord III**, understreker betydningen av at **Norge opprettholder en sterk og troverdig innsats.**"*	**NOK 700m** 12 Mar 01: *FNo for 2001:* -bilat & regional co-operation: NOK 175m -BiH: NOK 90m -Kosovo: NOK 105m -Serbia: NOK 150m **Less humanitarian** assistance, shift toward democracy, institutions, the economy; efforts were particularly *"politisk, sosial og økonomisk reform"*. Support to **peace processes** (Dayton, Ohrid, Covic).	12 Mar 01: *FNo for 2001* from **Seksjon for utenriks-og justispolitiske saker.** 21 Dec 01: *FNo for 2002* from WB-section: seeing **a transition** from **humanitarian** efforts toward mid-and-long-term **institution-building, business-developing** and **peace-consolidating** efforts will continue 2002.
2002		20 Dec 02: "FNo for tiltak på Vest-Balkan - 2003". The paper says following will be prioritized in 2003: Support to **political and economic reform** – i.e., toward Euro-Atlantic integration. There will be more focus on **democratization**-efforts, longer-term **capacity-**building and **institution-building** projects, and **private sector** development projects.	**NOK 755m** 21 Dec 01: *FNo for 2002:* • bilat & regional co-operation: NOK 140m • Albania: NOK 30m • BiH: NOK 100m • Kosovo: NOK 100m • Croatia: NOK 100m • Macedonia: NOK 55m • Montenegro: NOK 15m • Serbia: NOK 170m Main channels in 2002: the shift in focus to institution-building and process-oriented aid affects channels. **Norwegian NGO**s share down. They have been consulted, and are **preparing to scale down**. Direct engagement with public and semi-public engagement on the *increase*: Police Directorate in police training. -2002 saw increasing focus on democracy, CD and institutions, private sector, a trend since 2001. -Increased bilateral project cooperation with authorities in Serbia and Croatia. Project activities under Stability Pact strengthened a regional dimension. Closer dialogue with UN and other donors.	20 Dec 02: "FNo for tiltak på Vest-Balkan - 2003" makes subsequent remarks on the efforts done in 2002: WB-section *"hadde i 2002 over **500 prosjekter til behandling**. Av disse ble 362 innvilget og gjort til gjenstand for gjennomføring og oppfølgning."* this in addition to ongoing projects from 2001. *... " gjennomført **evalueringer** av **NORDEM ordningen for sekondering** av norsk personell til internasjonale organisasjoner i regionen, **Flyktningerådet's regionale "Civil Rights Project"** og de norskstøttede prosjektene for registerutvikling i Makedonia.* "Evalueringene er meget nyttige styringsredkaper og gir mulighet til å foreta korrektiver i den praktiske gjennomføringen av prosjektbistanden" WB-section in 2003 ***consulted** the biggest Nor NGOs* in the Balkans: hear the NGOs thinking about the projects in each of the countries; hear ***NGO's views*** on priorities for 2004. WB-section has received similar project-related ***feedback from the embassies.***

Year	Events	MFA Objectives Allocation Notes (“Fordelingsnotater” - FNo)	Budgets/Activities	MFA Organization
2003	Western Balkans still on **shaky foundations**: need for international involvement with military components in BiH, Kosovo and Macedonia. Stabilisation/reconciliation outsider-driven, not owned. OHR BiH will continue to require lots of resources. USA turning attention elsewhere. USA threatening Serbia with aid cut if Serbia doesn’t co-operate better with ICTY. 12-14 May 03: Oslo hosts a conference on preparations for Thessaloniki Conference EU-Western Balkans summit meeting (Jun 2003) **”Thessaloniki agenda”** ; **EU steps up** aid to Western Balkans. Western Balkans a high-priority issue for EU; but support will be more ”selective and targeted”, and it will focus on **Euro-Atlantic integration.** Stability Pact implementation must be prioritized. Increased appreciation that it is also necessary to *boost growth* and, to *reform* security apparatus and judicial system. Organized crime and trafficking are special concerns.	20 Dec 02: ”FNo for tiltak på Vest-Balkan - 2003”. The following are priorities for 2003: Support to **political and economic reform** – i.e., toward Euro-Atlantic integration. More focus on **democratization**-efforts, longer-term **capacity-**building and **institution-building** projects, and **private sector** development projects 20 Dec 02: ”FNo for tiltak på Vest-Balkan - 2003”: *”Det internasjonale samfunns samlede bistand til landene på vest-Balkan vil etter alt å dømme gå noe **ned** i 2003. Nedgangen vil fortrinnsvis ramme **budsjettstøtte** og i mindre grad prosjekttiltak.”* Norway never gave budget support, anyway. *”Fra enkelte hold ytres en viss bekymring for at bistanden vil bli **nedtrappet for hurtig** og for lite planmessig. Samtidig gjøres det klart fra flere enkeltland (bl.a. Nederland) og EU at Vest-Balkan vil **forbli et høyt prioritert** satsningsområde.* In 2003, says FNoet, Norway should focus on **reform and development processes**, to boost stability, develop European standards and integration. More institution-building, democratization, private sector. **Women, kids and youngsters** to be given more. Same for educational cooperation, skills-transfers in **education**. **Inter-ethnic dialogue** too, as in 2002. Recommended to continue environment, in liaison with Environment Ministry and UNEP. The FNo says **bilateral project** co-operation will continue for political reasons with Serbia and Croatia, and from should be expanded to Macedonia.” Police-support efforts to continue as in 2002, working with Police Directorate. More anti-trafficking.	**NOK 745m** 20 Dec 02: • bilat & regional co-operation: NOK 155m • Albania: NOK 35m • BiH: NOK 100m • Kosovo: NOK 100m • Croatia: NOK 100m • Macedonia: NOK 65m • Montenegro: NOK 20m • Serbia: NOK 170m More focus on democratization-efforts, longer-term capacity-building and institution-building projects, and private sector development; this should determine **types of projects** Stortinget allocated NOK **745m** to WBalkans 22 Jan 04: ”FNo for tiltak på Vest-Balkan - 2004” makes som subsequent remarks on the efforts done in 2003: • In 2003, there was a strengthened focus on democracy-building, longer-term capacity and institutional development, and private-sector development – as part of political and economic reforms toward EU standards. • Efforts for women, children, youth. Special attention to developing and implementing anti-trafficking projects in 2003. • Efforts were strengthened in some areas of SSR and judicial-system reform in 2003. • More efforts in education cooperation and competence-building areas. • Efforts continued to promote inter-ethnic dialogue and reconciliation processes. Peace processes supported (Dayton, Ohrid, Covic South-Serbia processes)	20 Dec 02: ”FNo for tiltak på Vest-Balkan - 2003” from **WB-section** Bilateral project efforts are *”ressurskrevende for seksjonen”*. 22 Jan 04: ”FNo for tiltak på Vest-Balkan - 2004” makes som subsequent remarks: **WB-section** ”hadde i 2003 over 500 prosjekter til behandling. *Av disse ble 412 innvilget og gjort til gjenstand for gjennomføring og oppfølgning.”* this in addition to ongoing projects from 2002. WB-section *”har i økende grad i 2003 utarbeidet **mål**rettede **prosjektkonsepter** i samarbeid med implementerende organisasjoner. Dette innebærer en kvalitativ hevning og bedre målretting av prosjekter i forhold til utenrikspolitiske målsettinger”. ….* … *”Det er gjennomført **evalueringer** av Nansen-dialognettverket, og det pågår en gjennomgang av religionsdialog prosjekter (Kirkens Nødhjelp).* Nansen-findings resulted in reorganised project. Evaluation of projects for developing registries in Macedonia finalized, and help sought from Statens kartverk to save its sustainability. Evaluations planned for Norges Eksportråds efforts and commercial development; a joint Dan-Nor evaluation of a Nordic-Regional football project . WB-section in 2003 ***consulted** the biggest Nor NGO*s in the Balkans: hear the NGOs thinking about the projects in each of the countries; hear **NGO’s views** on priorities for 2004. WB-section has received similar **feedback from the embassies.**

Year	Events	MFA Objectives Allocation Notes ("Fordelingsnotater" - FNo)	Budgets/Activities	MFA Organization
		The FNo says **choice of channels** in 2003 . Share of Norwegian NGOs will continue to decrease in 2003. They are already scaling down projects and/or preparing handovers. The Stability Pact will remain "en sentral kanal og ramme for prosjektbistanden". Several **humanitarian issues remain:** supplies, displacement, weak groups (sick, elderly, kids again). **Return** of displaced should remain a priority in 2003 too, but it must be sustainable. Private sector must be developed too. 22 Jan 04: "FNo for tiltak på Vest-Balkan - 2004" makes som subsequent remarks on the efforts done in 2003: *project portfolio is increasingly* ***adapted to EU priorities*** for the region.	• Efforts of bilateral projects with Croatia and Serbia continued in 2003, efforts underway to start up in Macedonia from 2004. • Closer staying-in-touch efforts with EU and other donors in 2003. • Project portfolio is increasingly aligned to EU priorities for the region.	
2004	Norway: foreign-aid administration reorganizing; roles of Norad/MFA changing; WB-section gets bigger project-related responsibilities	22 Jan 04: "FNo for tiltak på Vest-Balkan - 2004": (this paper *contains considerable presentation of rationales, priorities in 2004; it smacks of stocktaking, redirection, not simply re-adopting last year's)* Western Balkans section recommends for 2004 (and Traavik notes "Enig"): more emphasis on **Euro-Atlantic integration**. The Stability Pact will remain *"en sentral kanal og ramme for prosjektbistanden"*. FNo proposes to back the WB-countries aspirations of EU/NATO membership, and to *make it clear to the EU* that we support such ambitions; and in 2004 establish closer relations with EC, secretariat, key countries, EU representatives in West Balkans. Norway should continue participation in EUMM (EU monitoring missions). FNo: in 2004 support should be skewed toward **boosting process of reform toward "European standard"** institutions, security sector and private sector.	**NOK** 22 Jan 04 FNo: Stortinget allocated NOK **745m** for WBalkans • bilat & regional co-operation: NOK 140m • Albania: NOK 35m • BiH: NOK 100m • Kosovo: NOK 100m • Croatia: NOK 100m • Macedonia: NOK 80m • Montenegro: NOK 20m • Serbia: NOK 170m The FNo says increased efforts for *women, children, youth*. B*ilateral project* will continue for political reasons with Serbia and Croatia, and from 2004 be expanded to Macedonia. Such efforts are *"ressurskrevende for seksjonen"*. " The FNo says **choice of channels** in 2004. Share of Norwegian NGOs will decrease in 2004. They are already scaling down projects and/or preparing handovers.	22 Jan 04: "FNo for tiltak på Vest-Balkan - 2004". As a consequence of the restructuring of the foreign-aid administration, **Norad project portfolio reverts to MFA**; transfer is ongoing and to be completed by 1 Apr 04. Europaavdelingen (WB-section) gets **3 more staff** to manage the money. Norad keeps small (NOK 4m) portfolio "mellomfolkelig samarbeid med Sørøst-Europa". The FNo says that *"Seksjonen vil videreføre arbeidet med å bidra til bedre samordning og samarbeid mellom ulike geografisk konsentrerte prosjekter som mottar norsk støtte. I denne forbindelse vil en også i 2004 invitere prosjektpartnere til en løpende dialog om prosjektgjennomføring".*

Year	Events	MFA Objectives Allocation Notes ("Fordelingsnotater" - FNo)	Budgets/Activities	MFA Organization
		FNo recommends continued *police-reform* engagement; MFA liaises with Justice Ministry, Police Directorate. In 2004, Norway should continue to provide police-training schemes, specialist advice, reform ideas. Continued participation in EUPM (BiH) and in Macedonia. FNo also recommends continued *military-reform* engagement; civilian supremacy, SI-apparatus under civilian control, demobilization, guns-collection, demining. The FNo proposes for bilateral project co-operation to continue with Serbia and Croatia, and from 2004 be expanded to Macedonia. "Det bilaterale samarbeidet utgjør en *politisk viktig* kanal for prosjektbistand, men er også ressurskrevende for seksjonen". The *Stability Pact* will remain "en sentral kanal og *ramme* for prosjektbistanden". The FNo proposes: keep *bistandsattaché* in Sarajevo, add regional responsibility for private-sector development.	Statssekr Traavik comments the draft FNo 2004, noting he agrees with the outline, but wants more *thematic* concentration, with a focus on *Euro-Atlantic integration* and highlights governance-type efforts like in justice sector, SSR, institution-building measures, international crime and human trafficking. He thinks the number of single projects today is too great and suggests MFA should try to bring it down to *fewer, bigger projects*.	WB-section makes effort to get better grip on project co-operation, drawing on lessons from previous two years: *"Erfaringene fra 2002 og 2003 innebærer at det for 2004 utarbeides detaljert veiledning for de respektive lands myndigheter til bruk ved utarbeiding av søknader og budsjettering. Dette arbeid er i gang og forventes avsluttet i løpet av januar 2004. Seksjonen vil deretter, i samarbeid med berørte utenriksstasjoner, drøfte prosjektsamarbeidsprosessen med myndigheter i Serbia, Kroatia og Montenegro."*
2005		20 Jan 05: "FNo for tiltak på Vest-Balkan - 2005": *Formålet med den norske prosjektbistanden til landene[er]prosessene knyttet til regional stabilisering og euroatlantisk integrasjon.Det tilrås[...] fokusert norsk støtte til gjennomføringen av* EUs Thessaloniki-agenda. *Støtte til [...] politisk og økonomisk reform [...]tilrås å stå sentralt [...]. Herunder tilrås [...] spesielt institusjonsbygging og reformtiltak, herunder sikkerhetssektorreform og næringsutvikling.* Norway wants Croatia into EU. The FNo advises **focus on Kosovo**, for the sake of regional stability; and **support to reformers in Serbia and** Montenegro.	**NOK 750m** for Western Balkans. As follows (almost same as in 2004): • bilat & regional co-operation: NOK 140m • Albania: NOK 35m • BiH: NOK 100m • Kosovo: NOK 100m • Croatia: NOK 100m • Macedonia: NOK 80m • Montenegro: NOK 25m • Serbia: NOK 170m	20 Jan 05: "FNo for tiltak på Vest-Balkan - 2005" The proposal has apparently been *agreed* to between Vest-Balkan and Russland-CIS sections (two sections liaising horizontally)

Year	Events	MFA Objectives Allocation Notes ("Fordelingsnotater" - FNo)	Budgets/Activities	MFA Organization
2006		31 Jan 06: "FNo for tiltak på Vest-Balkan - 2006": *Formålet med den norske prosjektbistanden til landene[er]prosessene knyttet til regional stabilisering og euroatlantisk integrasjon.Det tilrås[...] fokusert norsk støtte til gjennomføringen av EUs Thessaloniki-agenda. Støtte til [...] politisk og økonomisk reform [...]tilrås å stå sentralt [...]. Herunder tilrås [...] spesielt institusjonsbygging og reformtiltak, herunder sikkerhetssektorreform og næringsutvikling.* The FNo advises **focus on Kosovo**, for the sake of regional stability; and support to **reformers in Serbia** and Montenegro. Norway wants Croatia into EU.	**NOK 750m** 31 Jan 06: "FNo for 2006" proposes • bilat & regional co-operation: NOK 140m • Albania: NOK 35m • BiH: NOK 120m • Kosovo: NOK 100m • Croatia: NOK 100m • Macedonia: NOK 80m • Montenegro: NOK 30m • Serbia: NOK 170m	31 Jan 06: "FNo for tiltak på Vest-Balkan - 2006"
2007		23 Jan 07: "FNo for tiltak på Vest-Balkan i 2007": It contains long list of goals. Essentially, Kosovo and Serbia are prioritized with thematic budget-cuts in regional UNHCR-run efforts; and for Croatia and Macedonia. The note says: "Det overordnede formål med bistanden er å bidra til fred, forsoning og demokratiutvikling i regionen. Hovedinnretningen [er] regional stabilisering og euroatlantisk integrasjon. Det tilrås fortsatt støtte til [..] EUs Thessalonika-agenda [..]. videre bør det legges vekt på fortsatt støtte til økonomisk og politisk reform. Institusjonsbygging, sikkerhets- og justisreformer, samt næringsutvikling tilrås særlig vektlagt. Utviklingen i Kosovo i forbindelse med statusavklaring vil ha stor betydning for regional stabilitet. Bistand som kan bidra til å stabilisere situasjonen i Kosovo bør derfor gis høyeste prioritet. Likeså er det av stor viktighet at reformorienterte krefter i Serbia fortsatt støttes. [Croatia – EU membership] "	**NOK 600m** **"FNo for 2007" proposes** **-Regional co-operation: NOK 85m** **-Albania: NOK 30m** **-BiH: NOK 100m** **-Kosovo: NOK 100m** **-Croatia: NOK 50m** **-Macedonia: NOK 50m** **-Montenegro: NOK 25m** **-Serbia: NOK 160m** **The FNo notes that within the overarching goal one has tried to reconcile an array of considerations and priorities:** **(Item 1. STATEBUILDING EFFORTS:)** **- security sector reform, including police, judicial system and defense, is essential in order to overcome economic, political and social transition problem**	23 Jan 07: "FNo for tiltak på Vest-Balkan i 2007", states that it has been prepared through a highly consultative process, incl. a half-day seminar with Norw NGOs, internal one-day seminar for state actors in the region and relevant embassies and departments, and correspondence with embassies in the region. Finally, the fordelingsnotat 2007 states that "Bistand til fred og forsoning og til statsbygging er en meget krevende form for bistand. Det er derfor viktig at erfaringsutveksling og løpende vurderinger av pågående og avsluttede prosjekter står sentralt i seksjonens arbeid. Evalueringer og interne gjennomganger av løpende prosjekter vil derfor gis høyere prioritet.

Year	Events	MFA Objectives Allocation Notes (“Fordelingsnotater” - FNo)	Budgets/Activities	MFA Organization
		Effekten av nedskjæringen av bevilgningen søkes i noen grad å kompenseres med et klarere geografisk og tematisk fokus, kombinert med økt vektlegging på evalueringer og interne gjennomganger av prosjekter. Det foreslås at omfanget av bistanden til Kosovo, Serbia, Bosnia-Hercegovina, Montenegro og Albania videreføres på omtrent samme nivå som i foregående år, og at bevilgningsreduksjonen hovedsakelig tas ut i støtten til regionale tiltak, først og fremst vi UNHCR, samt til Kroatia og Makedonia.” - Miscellaneous: bilateral project co-operation with local authorities to continue, environmental energy projects to be maintained, increase support for OSCE activities, encourage regional co-operation through the post-Stability-Pact RCC, remain prepared for Kosovo-refugee intake scenario, improve ”samordning” of projects that receive Norwegian funding, continue ”ambassadefond” administered locally.	**- Judicial reform, organized crime, human trafficking, in order to reduce lawlessness** **-HR, reconciliation, inter-ethnic dialogue will remain a central element** **(Item 2. CROSS-CUTTING ISSUES:)** **- The environment and women will now be integrated in the project portfolio** **- Children, youth and women will remain key target groups** **(Item 3. BUSINESS-STRENGTHENING:)** **- Private sector development will remain crucial for regional stability**	
2008	**RCC (Regional Co-operation Council)** succeeded Stability Pact (Feb) – ”regionally owned”; SEEP gives guidance	BiH: consolidation as a state Kosovo: consolidation as an independent state Serbia: Euro-Atlantic integration Regionally: Euro-Atlantic integration	**NOK 600m**	
2009		24 Jan09: ”FNo for tiltak på Vest-Balkan i 2009”: *”Norsk bistand til Vest-Balkan skal bidra til å støtte opp under de viktigste politiske målsettingene for norsk innsats i regionen:* • ***Konsolidering av Kosovo*** som uavhengig stat • ***Konsolidering av Bosnia-Hercegovina*** (BiH) som stat • ***Fremme Serbias euroatlantiske integrasjon*** • Fremme euroatlantiske integrasjonsprosesser *i* ***regionen*** *Man vil videreføre arbeidet for* ***økt geografisk konsentrasjon*** *i norsk bistand. Økt fokus på utdanning og norsk næringsutvikling.*	**NOK 575m** for democratization, peace and reconciliation in Western Balkans.	24 Jan09: ”FNo for tiltak på Vest-Balkan i 2009”, **WB-section** *(T.Svenningsen)* til ***J.G.Støre*** via statssekr ***Walaas,*** **Europaavd**, cc Utenriksministerens sekretariat, Utenriksråden, Politisk direktør ***Ellefsen***.

Annex J: Financial Flows by Region, Programme Area, Channel

Table J.1: Financial Resources Disbursed according to Geographic Region, by year (NOK '000)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
Bosnia	326	16 709	200 496	201 888	295 441	343 115	308 559	206 370	239 926	233 434	97 053	135 429	111 346	108 039	113 104	121 337	99 934	111 527	**2 944 033**
Serbia	0	0	284	1 246	8 896	10 300	340	0	2 463	93 059	72 002	37 419	116 990	63 463	133 750	121 921	174 928	195 518	**1 032 579**
Kosovo	0	0	0	0	2 373	2 000	16 088	29 028	394 194	179 641	66 907	70 926	55 753	57 370	51 186	49 043	66 537	76 806	**1 117 852**
Regional	1 350	0	30 245	16 259	89 150	12 631	28 164	59 859	267 160	208 799	209 007	343 004	235 000	250 668	197 488	172 048	64 619	61 620	**2 247 071**
Sub-total	**1 676**	**16 709**	**231 025**	**219 393**	**395 860**	**368 046**	**353 151**	**295 257**	**903 743**	**714 933**	**444 969**	**586 778**	**519 089**	**479 540**	**495 528**	**464 349**	**406 018**	**445 471**	**7 341 535**

Table J.2: Financial Resources Disbursed according to Programme Area, by year (NOK '000)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
HumAid	1 676	16 155	164 970	146 185	218 444	68 644	39 239	49 281	526 152	176 922	36 391	64 154	50 634	33 615	28 800	15 106	4 823	3 150	**1 644 341**
Refugee/IDP Shelter	0	0	29 900	28 306	60 183	10 000	3 141	0	0	1 800	1 000	7 800	6 000	7 000	7 600	0	1 705	0	**164 435**
Demining	0	0	705	0	0	35 930	20 666	34 483	31 454	39 631	43 948	17 119	17 986	16 665	16 463	20 970	24 420	16 150	**336 590**
Housing	0	0	11 452	0	13 693	72 004	74 563	36 787	42 439	4 375	19 500	5 430	11 674	5 784	0	0	0	0	**297 701**
Public Infrastructure	0	0	6 361	23 378	34 069	79 720	96 599	34 984	165 474	124 702	73 763	104 327	97 188	62 784	63 957	55 560	13 668	37 124	**1 073 658**
Legal-Security	0	0	0	5 595	364	726	6 500	23 245	34 502	36 760	19 385	20 625	26 606	39 780	34 711	58 624	47 943	43 774	**399 140**
Public Sector Devt	0	0	380	1 318	1 399	978	839	1 374	15 823	9 644	14 819	29 675	49 979	55 381	76 000	66 079	84 068	54 031	**461 787**
Private Sector, Income	0	0	0	0	9 195	30 368	26 786	9 592	15 461	90 829	53 404	57 408	52 441	118 716	74 287	69 126	62 008	79 011	**748 632**
Civil Society	0	0	0	0	0	0	853	1 952	3 077	12 845	8 184	5 188	4 300	1 050	1 774	5 444	2 758	12 974	**60 399**
Democracy, HR, dialogue	0	0	891	1 369	4 330	15 405	27 553	17 743	18 602	56 694	77 254	112 416	89 728	72 107	94 609	75 509	76 255	90 377	**830 842**
TA, secondment	0	554	6 946	9 547	33 488	38 029	31 731	52 539	23 509	39 233	22 245	108 474	61 209	33 899	26 893	27 033	42 828	14 418	**572 575**
Social Sectors & Services	0	0	9 281	3 095	19 661	16 645	23 484	32 441	22 011	109 876	65 572	46 827	44 533	28 435	60 648	59 643	32 766	77 727	**652 645**
Other																			**0**
Total	**1 676**	**16 709**	**230 886**	**218 793**	**394 826**	**368 449**	**351 954**	**294 421**	**898 504**	**703 311**	**435 465**	**579 443**	**512 278**	**475 216**	**485 742**	**453 094**	**393 242**	**428 736**	**7 242 745**

Table J.3: Financial Resources Disbursed to Norwegian NGOs, by year (NOK '000)

Org name	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
NRC - Nor Refugee Council		5 437	68 074	65 903	122 248	94 395	79 396	58 430	85 172	59 682	45 222	33 698	37 178	30 632	7 057	5 483	10 451	6 958	815 416
NPA - Nor People's Aid		7 603	48 845	33 322	39 406	116 554	71 723	50 497	98 736	60 633	36 820	37 488	16 461	34 762	32 057	37 287	34 320	24 988	781 502
Norwegian Red Cross	1 500		40 590	45 310	97 682	34 729	28 593	21 316	59 938	34 075	39 875	27 829	21 940	12 566	13 896	14 886	5 383	5 068	505 176
Nor Church Aid		250	12 000	12 798	21 955	17 479	18 621	9 285	50 766	12 974	10 723	16 958	13 477	10 839	15 343	19 244	9 629	12 813	265 154
Save the Children Norway				791	2 291	1 533	4 993	10 104	22 632	7 000	7 542	9 357	8 096	11 824	6 811	8 622	10 471	6 990	119 057
Norwac - Nor Aid Committee						65			17 360	1 000	3 331	3 035	3 557	8 160	7 407	7 800	8 600	11 425	71 740
Helsingfors Committee				350	76	3 746	4 292	1 140	2 320	2 340	1 900	7 376	4 763	3 132	3 421	5 626	2 500	8 065	51 047
CARE Norge						300	1 745	597	14 986	2 800	400	4 291	0	765	0	5 195	1 403	7 069	39 551
Norges Vel													4 600	8 243	7 037		6 084	8 383	34 347
Caritas Norge	100	525	0	723	1 100	300	200	1 550	14 250	3 100	0	3 813	0	970	0	900	0	0	27 531
Nor Soccer Association												2 300	450	4 525	5 671	5 000	4 000	3 090	25 036
Sandnes-Dubrovnik Foundation									3 660	2 705	1 100	2 500	1 947	1 500	2 190	2 286	1 250	2 650	21 788
MSF Norge	326				300		1 362	3 853	4 000										9 841
LNU										975	1 000	1 125	1 000	932	1 000	1 200	-201	1 093	8 124
Others *	0	0	0	0	0	0	0	0	4 503	702	0	591	386	597	792	2 398	495	285	10 749
Sub-total	**1 926**	**13 815**	**169 509**	**159 197**	**285 058**	**269 101**	**210 925**	**156 772**	**378 323**	**187 986**	**147 913**	**150 361**	**113 855**	**129 447**	**102 682**	**115 927**	**94 385**	**98 877**	**2786059**

*: 4G 93 000; ADRA 3 500 000; Fredskorpset 1 260 000; Hjelpende Hånd 320 000; Maritastiftelsen 653 000; KFUM/KFUK 168 000; Norges Kvinne og Familieforbund 186 000; Norges Naturvernforbund 215 000; Norsk-Jugoslavisk Samband 1 327 000; Oslo Natur og Ungdom 165 000; Bosnisk Post 152 000; Menneskerettighetshuset 965 000; SOS Barnebyer 275 000; Teater Spursven 200 000; WWF Norge 1 271 000.

Table J.4: Financial Resources Disbursed to Norwegian Public Sector Actors, by year (NOK '000)

Org name	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
Ministries, National Instituions																			
Police Directorate											1 000	94 423	42 986	33 453	36 926	31 013	27 179	16 923	283 903
Min Justice					5 961	15 545		22 624	24 258	37 253					6 256	4 600	4 350	2 262	123 109
Kommunenes Sentralforbund							233		130	600	3 690	925	2 850	11 361	14 253	11 870	9 740	9 937	65 589
Norad									49 613	152									49 765
Statens Kartverk										4 000	6 040	5 400	3 260	6 000	5 343	8 179	11 140	250	49 612
NOR Embassy Belgrade									917	9 909		11 252			2 991	2 367	3 611	2 039	33 086
NOR Embassy Sarajevo						66	374	261	968	1 276	2 277	1 399	1 078	1 609	1 970	1 999	2 000	3 282	18 559
Statskonsult											3 598	2 834	3 946	2 800	2 858	475	-631		15 880
Min Defence				620	1 150	1 135	1 200	827	250	4 185		3 019							12 386
Min Finance										600		11 774							12 374
Min Foreign Affairs									4 007	3 356								204	7 567
Rikshospitalet													1 000		1 050	1 200		2 400	5 650
Folkehelse-instituttet			705	709	709	430	255	485			604	528							4 425

Org name	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
Min Environment														1 741	2 907	-746			3 902
NOR Embassy Pristina																187		2 221	2 408
Municipalities etc	0	0	0	0	0	0	0	0	0	0	0	180	2 534	2 798	315	2 900	1 821	585	11 133
Other *	0	0	0	0	1399	718	319	298	1000	600	0	470	0	0	55	0	800	788	6 447
Sub-total	0	0	705	1 329	9 219	17 894	2 381	24 495	81 143	61 931	17 209	132 204	57 654	59 762	74 924	64 044	60 010	40 891	705 795
Educational, Research Institutions																			
Nansen Academy					60		1 947	2 091	4 596	10 335	17 545	17 187	21 373	8 440	18 693	14 268	19 937	9 434	145 906
University of Bergen								148		15 000	20 000	15 000							50 148
Gimlekollen Media College										500	127	699	1 414	773	9 721	10 000	5 000	10 553	38 787
U of Oslo/Ctr for Human Rights			418	1 500	539	5 920	3 772			224		412	860	2 654	13 691	1 950	144		32 084
Mellomfolkelig										3 275	0	3 941	3 993	3 878	627	500	0	0	16 214
Centre for Int University Coop																		15 000	15 000
U of Natural Sciences									300	548	1 410	2 247	960	4 867	84	252	4 000		14 668
Instd for Foreign Relations Studies						90					2 006					3 500	4 038	3 928	13 562

Org name	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
Vefsn Agri School															150	4 150	5 372	3 358	13 030
National Water Institute													4 000	6 000	520	930			11 450
Akvaforsk											830	850	1 720	2 085	1 974				7 459
Lovisenberg College														2 025	1 855	1 855			5 735
Other **	0	0	0	0	200	150	92	0	0	0	720	1 077	1 223	0	1 282	126	0	623	5 493
Sub-total	0	0	418	1 500	799	6 160	5 811	2 239	4 896	29 882	42 638	41 413	35 543	30 722	48 597	37 531	38 491	42 896	369 536
Associations, Professional Organisations, Political Parties																			
Conf of Trade Unions								568	2 513	1 289	1 110	950	470	597	546	1 476	1 558	241	11 318
Nor Atlantic Committee															510	3 231	3 083		6 824
Nor Medical Association			250	300	144	170	520		331	386		247		311		346			3 005
Northern Norway Peace Ctr										100				1 500	135	296	300	300	2 631
Political parties									467	2 350	585	300	455	636	1 250	2 890	2 180	0	11 113
Other ***									1 436	771	895	200	0	0	340	523	0	1 000	5 165
Sub-total	0	0	250	300	144	170	520	568	4 747	4 896	2 590	1 697	925	3 044	2 781	8 762	7 121	1 541	40 056
Total	0	0	1 373	3 129	10 162	24 224	8 712	27 302	90 786	96 709	62 437	175 314	94 122	93 528	126 302	110 337	105 622	85 328	1 115 387

*: Min Environment 3 902 000; Min Trade & Industry 1 000 000; Min Culture & Church Affairs 116 000; Auditor General 788 000; Tax authority 2 734 000; Statens Strålevern 354 000; Posten 600 000; Rådet psykisk helse 800 000; Matttilsynet 55 000.
**: Architecture College Oslo 245 000; Business U/Bl 183 000; Buskerud College 264 000; Sør Trøndelag College 104 000; FAFO 479 000; Nor Inst for Regional Studies 1 384 000.
***: Nor Church 200 000; High School Ass 273 000; Nor Accreditation 1 000 000; Teachers' Ass 2 052 000; Psychology Ass 950 000; Ecumenical Council 100 000; Grenaderkorpset 590 000.

Table J.5: Financial Resources Disbursed to Norwegian Private Sector Actors, by year (NOK '000)

Org name	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
Private Companies, Consulting Firms																			
Jæren Produktutvikling							4 200	3 370	5 079	8 030	7 330	14 050	15 438	16 938	17 345	7 732	8 080	5 950	113 542
SINTEF													246	21 425	16 623	12 895	6 259	7 830	65 278
Nord-Trøndelag Energi											3 495	4 200	11 973	11 658	14 341	18 357			64 024
Norplan								1 453	1 969	1 213	204			8 678	8 079	14 818	3 060		39 474
BIP - Business Innovation										3 000	2 469	4 938	4 348	2 954	2 982	3 509	5 014	8 594	37 808
Nor Forestry Group													11 820	15 395	-1 012	3 681	3 865	1 872	35 621
Nordic Aviation Resources												19 845	2 369	76					22 290
Nor Balkan Invest										8 266	2 115	724	1 000	5 099	3 628				20 832
ABB									7 875	2 625									10 500
Telenor						8 920					57								8 977
Jakobsen Elektro									5 711	1 904									7 615
Linjebygg										4 859	2 500								7 359
ENSI - Energy Savings												2 450	1 232				1 510	1 430	6 622

Org name	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
Siemens						5 244		1 063		238									6 545
Nor Power Group									4 757	1 586									6 343
Jan Karlsen AS											4 587	453							5 040
Kjelforening, Norsk Energi													2 500	2 497					4 997
Other private companies *			120	118	185	0	125	1 521	0	2 830	894	1 224	564	0	345	200	0	0	8 126
Sub-total	0	0	120	118	185	14 164	4 325	7 407	25 391	34 551	23 651	47 884	51 490	84 720	62 331	61 192	27 788	25 676	*470 993*
Public Companies, Funds, Advisory Bodies																			
Norfund										10 000				21 829	3 444		7 500		42 773
Innovasjon Norge											16 317		2 400	2 325	617				21 659
Norges Eksportråd							10 095												10 095
NVE			138								450	100		312	3 387	3 277	883	400	8 947
SIVA																	1 617	5 000	6 617
Others **	0	0	0	0	0	0	0	0	1 697	4 360	2 141	400	0	694	50	0	0	570	9 912
Sub-total	0	0	138	0	0	0	10 095	0	1 697	14 360	18 908	500	2 400	25 160	7 498	3 277	10 000	5 970	*100 003*
Total	0	0	258	118	185	14 164	14 420	7 407	27 088	48 911	42 559	48 384	53 890	109 880	69 829	64 469	37 788	31 646	570 996

*: Alcatel Kabel 84 000; Bionor 120 000; Felleskjøpet 2 339 000; Geno 749 000; GICON 513 000; Hundeskolen Veiviseren 380 000; Hoff Potetindustri 100 000; Kopinor 245 000; Kuri Konsult 196 000; Malthus 117 000; Multiconsult 293 000; Norconsult 1 565 000; NCG 449 000; Norsk Energi 165 000; Scanteam 138 000; Syopress Forlag 275 000; Tine 180 000; Østerdalssmia 127 000.

**: IKT Norge 570 000; Apotekernes Felleskjøp 238 000; Norway Registers 117 000; NSB 1 691 000; Handel og Kontor 3 552 000; Luftfartsverket 3 000 000; Mosjøen Næringsutvikling 400 000; Wikborg & Rein 344 000.

Table J.6: Financial Resources Disbursed to Non-Norwegian Actors, by year (NOK '000)

Org name	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
UN Agencies, Bodies																			
UNHCR - HiComm Refugees			38 171	44 834	57 668	12 511	15 351	15 754	180 012	40 092	10 000	11 000	20 566	20 000	20 000		2 000		487 959
UNDP										10 000	800	15 932	28 846	7 113	22 674	13 072	10 280	21 763	130 480
World Food Program			20 495	14 719	17 869	9 156	1 100	2 500	19 416	20 000	5 000	10 000							120 255
Unicef			6 037	5 000	14 325	4 339	1 800	4 700			800	3 350	22 067	2 350	7 050	6 340	2 500	2 500	83 158
IOM - Int Org Migration			484	1 018	650	660	1 140	3 400	20 554	3 967	11 351	14 780	2 197	2 500	79		3 020		65 800
WHO			2 645	2 695		2 000	1 970	6 000		10 000			5 012	3 000	9 500	6 000	1 100	7 321	57 243
UNMIK - Kosovo									11 250	5 320	5 000	8 066	7 810	10 882		2 795	4 953		56 076
UN-OCHA									39 517										39 517
FAO						3 289						8 908	4 984	5 182	5 000				27 363
UNEP									3 775	1 000	4 219	10 000	300						19 294
UN HCHR - Human Rights												9 724		5 000			1 000		15 724
UN ICFY				3 995	1 860		-119												5 736
Other UN bodies *				150	728	973	5 801	1 287	1 500	0	500	1 836	560	571	0	1 000	1 500	0	16 406
Sub-total	**0**	**0**	**67 832**	**72 411**	**93 100**	**32 928**	**27 043**	**33 641**	**276 024**	**90 379**	**37 670**	**93 596**	**92 342**	**56 598**	**64 303**	**29 207**	**26 353**	**31 584**	**1 125 011**

Org name	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
Other Multilateral Bodies																			
IMG - Int Mngt Group					16 805	12 955	1 980	2 375	1 325	25 286	33 579	42 601	55 827	43 915	40 895	24 249	16 580	59 589	377 961
World Bank						38 287		3 500	4 000	47 970	8 874	2 227					1 425	11 476	117 759
EBRD							47 700	15 900	2 236	8 721		12 000					7 148	17 897	111 602
ITF - Int Trust Fund Mines									21 328	38 100	28 247	729	17 477						105 881
OSCE						7 325	14 475	17 437		2 500	6 852	10 985	3 198	6 030	5 411	6 161	8 370	1 476	90 220
SEAF - Small Enterprise Assistance Funds										10 206	4 500	3 169	4 640	336	6 485	1 932	776	-5 666	26 378
Stability Pact													382	4 310	8 367	7 368			20 428
NATO - North Atlantic Treaty Organisation								9 288		410	900		409				2 415	4 000	17 422
Regl Envl Centre for Central and Eastern Europe											3 039	787	1 300		3 245	1 600	4 614	481	15 066
EUMM - European Union Monitoring Mission							1 815	1 253	1 200	1 199	1 181	6 602	711	1 643	1 121	284	720	205	17 933
Office High Rep/BiH							1098	1 222	2 346	1 403			3 816	693	1 395	301	2 080	530	14 884

Org name	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
ICMP - International Commission on Missing Persons											1 500	1 867	2 000	2 930	2 500		2 000	1 500	14 297
CEB - Council of Europe Development Bank														8 243			4 092		12 334
IFC - International Finance Corporation							5 000			1 540	746				3 744				11 030
IWPR - Institute for War and Peace Reporting											1 000	2 804	1 848				1 700	2 364	9 716
Council of Europe				839		300	200			2 683	476	743		90		2 000	196		7 527
ICTY - International Criminal Tribunal for the former Yugoslavia									3 986	300					1 580	125			5 991
ICG - International Crisis Group									375		1 500	1 101	1 228		1 170				5 375

Org name	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
European Centre for Minority Issues													821	1 660	1 384	1 500			5 365
Other **											1000	785	604	61	1789	0	0	6746	10 985
Sub-total	**0**	**0**	**0**	**839**	**16 805**	**58 867**	**72 268**	**50 975**	**36 795**	**140 318**	**93 395**	**86 401**	**94 262**	**69 911**	**79 086**	**45 520**	**52 116**	**100 597**	**998 154**
Western Balkan Public Bodies																			
BiH - Govt, Parliament									52 366	74 980	17 396	29 417	31 269	1 847	16 330	10 459	3 140	5 963	243 167
SER - Nat Bank of Yugo										55 307	27 651								82 958
SER - Govt													1 989	9 769	8 220	36 683	19 135	1 850	77 646
Deposit Insurance Agency (SER)														668	7 905	7 482	6 032	-2 351	19 735
KOS - Ombudsman's office											250		619	342	616	500			2 327
University of Sarajevo																400	200	400	1 000
Sub-total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**52 366**	**130 287**	**45 297**	**29 417**	**33 877**	**12 625**	**33 071**	**55 524**	**28 507**	**5 862**	**426 833**

Org name	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
	Other Non-Norwegian Actors																		
Regional Water Board Batllava									14 700	4 881									19 581
United World College - Mostar BiH															405	4 000	4 000	3 500	11 905
Praxis - Belgrade															3 000	2 937	2 937	2 941	11 816
Pilot community TV project									930	9 663									10 593
Ed Development Centre																1 750	4 000	4 300	10 050
WWF - World Wildlife Fund																	2 000	6 125	8 125
The Brussels Office SPRL																	2 895	3 750	6 645
CCMR- Centre for Civil-Military Relations															1 647	1 411	1 900	1 666	6 624
BOS - Belgrade Open School																		6 233	6 233
Visoki Decani Monastery																	2 895	2 776	5 671

Org name	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
Wilton Park Executive Agency												465	1 698	878	599	682	386		4 708
Jefferson Institute																2 000	2 680		4 680
PSOTC - The Peace Support Operations Training Centre													1 185	2 490		515	320	-123	4 388
Save the Children International Alliance											1 200	1 101	1 000	500					3 801
Civil Rights Program Kosovo																	1 980	1 993	3 973
BIRN - Balkan Investigative Reporting Network															1 185	200	1 830		3 215
Other ***											2 800		567		1 000	1 106	500	540	6 513
Sub-total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**15 630**	**14 544**	**3 999**	**1 566**	**4 450**	**3 868**	**7 836**	**14 602**	**28 323**	**33 701**	**128 520**
Total	**0**	**0**	**67 832**	**73 250**	**109 905**	**91 795**	**99 311**	**84 616**	**380 815**	**375 528**	**180 361**	**210 980**	**224 932**	**143 003**	**184 296**	**144 853**	**135 298**	**171 744**	**2 678 518**

*: UN Mine Action 3 500 000; UN Secretariat 2 900 000; UNIFEM 2 500 000; UNOPS 2 336 000; UNESCO 2 228 000; UN DHA 1 524 000; WMO 848 000; UN DPKO 287 000; UNV 283 000.
**: ESI/European Stability Initiative 2 635 000; DCAF/Centre for Democratic Control of Armed Forces 2 496 000; ICO/International Civilian Office 4 250 000; OECD 1 604 000.
***: Press Now Press Now 2 951 000; La Strada Mostar 1 982 000; Tutti Mostar 1 580 000(Footnotes)

EVALUATION REPORTS

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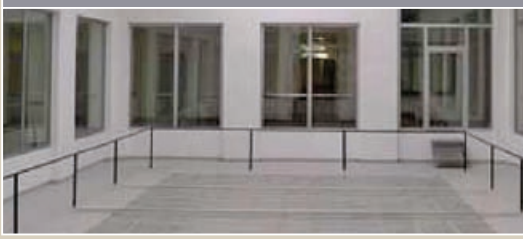
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