



[STRENGTHENING CAPACITY FOR INCLUSIVE LOCAL DEVELOPMENT IN SOUTH SERBIA]

ANNUAL PROGRAMME NARRATIVE PROGRESS REPORT

REPORTING PERIOD: 1 JANUARY – 31 DECEMBER 2010

Programme Title & Number

- Programme Title: Strengthening Capacity for Inclusive Local Development in South Serbia
- Programme Number (*if applicable*) 00075710
- MDTF Office Atlas Number: 00075710

Country, Locality(s), Thematic Area(s)

(if applicable)

Serbia (SRB10)

Participating Organization(s)

UNDP, UNICEF, ILO

Implementing Partners

- 13 municipalities in South Serbia
- Ministry of Public Administration and Local Self Government
- Ministry of Economy and Reg. Development
- The Ministry of Youth and Sport,
- Ministry of Human and Minority Rights
- Ministry of Labour and Social policy
- Ministry of Health
- Ministry of Education
- Youth offices
- Schools in South Serbia
- Centres for Social Work (CSW)
- Civil society organisations.
- The Coordination Body for South Serbia
- The Ombudsman Office
 - National Employment Service (NES)
 - Regional Development Agency (RDA)
- Commissariat for Refugees
- Health care providers in South Serbia

Programme/Project Cost (US\$)

Pass-through contribution by the donor:

- *Government of Norway:* USD 1,842,229
- *Swedish International Development Cooperation* USD 1,451,379
- *Swiss Agency for Development and Cooperation* USD 933,333

Agency Contribution

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Government Contribution
(if applicable)

Other Contribution (donor)
(if applicable)

TOTAL: USD 4,226,941

Programme Duration (months)

Overall Duration
3 years

Start Date¹:
July 2nd, 2010

End Date or Revised

End Date,
Oct 31st, 2012

(if applicable)

Operational Closure
Date

Oct 31st, 2012

Expected Financial
Closure Date

Oct 31st, 2012

Programme Assessments/Mid-Term Evaluation

Assessment Completed - if applicable *please attach*

Yes No Date: _____

Mid-Evaluation Report - *if applicable please attach*

Yes No Date: _____

Submitted By

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¹ The start date is the date of the first transfer of the funds from the MDTF Office as Administrative Agent. Transfer date is available on the [MDTF Office GATEWAY](http://mdtf.undp.org) (<http://mdtf.undp.org>).

The Report is structured in two Parts: the Narrative Report and the Financial Report. The Narrative Report is divided in V sections:

- I) Purpose (provides an overview on governance structure and main outcomes and outputs of the programme)
- II) Resources (provide information on funding resources and on any budget revisions approved by Programme Management Committee; human resources within the PBILD team)
- III) Implementation and Monitoring Arrangements (provides details on monitoring system)
- IV) Results (provides achievements/results towards outcomes/outputs)
- V) Future Work Plan (provides plan for the 2011 year)

The Financial Report has been produced by the AA and it contains 8 Standard Tables description.

NARRATIVE REPORT

I. Purpose

Programme Management Committee and Programme Steering Committee

The PBILD Programme Management Committee (PMC) is a body that provides oversight for PBILD, reviews progress and takes key decisions on implementation. Outlined in both project documents, the important working practice of holding one combined PMC to function for PBILD as a whole was agreed among stakeholders and donors in March 2010 and has been established. Meeting on a quarterly basis in a rotating field location, the PMC is comprised of: the mayors or senior representatives of the 13 municipalities in the PBILD target area; the appointed representative of each of the central government project partners (seven ministries and three bodies, as outlined above); representatives of each of the six partner agencies; representatives of each of the four donors; and, a small number of observers.

Organised by the PBILD field team, PMC meetings are chaired by a representative of the lead ministry, the Ministry of Public Administration & Local Self-Government, and co-chaired by a representative of one of the partner agencies (a rotating system of co-chairing has been established).

A National Steering Committee (NSC) and Programme Steering Committee (PSC) are foreseen in project documents to be held on a six-monthly basis, and to serve as a higher level of oversight for PBILD, with government policy and donor co-ordination in particular in mind. Members of the PSC are therefore confirmed as the NSC, with the addition of representatives of the three bi-lateral donors, SIDA, SDC and the Norwegian Embassy, and the removal of the Spanish Ambassador (though welcome as observer); again, all PMC members may participate as observers.

The Strengthening Capacity for Inclusive Local Development in South Serbia (SCILD) programme is one of two programmes that comprise the Peace-Building and Inclusive Local Development (PBILD) joint UN programme, the other being an MDG-F joint programme titled, Promoting Peace-Building in Southern Serbia. SCILD is financed by the Government of Norway, the International Development Cooperation Agency of Sweden (SIDA) and the Swiss Agency for Development and Cooperation (SDC).

PBILD builds on the UN's previous continuous programme interventions in southern Serbia since the 2001 conflict and co-ordinates closely with an EU- and Switzerland-funded programme PROGRES – European Partnership with Municipalities Programme which also covers the two districts of southern Serbia where PBILD operates. Close co-ordinate between PROGRES and PBILD has led to a clear division of labour on a number of areas, including gender regional working groups where PBILD focuses on south Serbia and PROGRES on its other region, south west Serbia.

PBILD's goal is to contribute to inclusive, peaceful and sustainable development in South Serbia, thereby supporting the country's aspirations of accession to the European Union. The four cornerstones of PBILD's work are:

Outcome 1 - Community Cohesion and Human Capital: Communities in South Serbia are stronger, more integrated, and better able to reduce inter-ethnic tensions and conflict risk

- Output 1.1 - Increased confidence of local population in key institutions of local and national government
- Output 1.2 - Strengthened inter-ethnic understanding and collaboration among adolescents and young people

Outcome 2 - Public Services: More equitable and improved access to public services and welfare benefits (including basic registration documentation, health and education)

- Output 2.1 - Municipalities have strengthened ability to formulate, implement and monitor policies in relation to public service provision, and in particular, develop an awareness of the differential impact of policies on different ethnic groups
- Output 2.2 - Vulnerable and ethnic minority children have improved access to public services and benefits to which they are entitled
- Output 2.3 Improved quality of public services, especially in those sectors that have potential to increase inter-ethnic dialogue and reduce conflict risk
- Output 2.4 Support to capacity development and awareness raising of the role of Ombudspersons Outreach Office in South Serbia

Outcome 3 - Economic Development: Increased overall economic prosperity of the region, and reduced discrepancies in wealth and employment between ethnic groups, and with other parts of the country

- Output 3.1 - The labour market disadvantage of population groups and geographical areas (i.e. municipalities) reduced through more and better access to targeted active labour market programmes that respond to labour market requirements.
- Output 3.2 - Increased funding for regional and municipal level projects that will impact upon job creation

Outcome 4 – Migration Management: Migrants from the region fully participate in the social and economic life of the region and thereby contribute to the development of their wider communities and Serbia's EU integration aspirations.

- Output 4.1 Municipal Administrative Services better meet the needs of Migrants
- Output 4.2 Municipal Capacity Development to Manage Migration Issues

PBILD thus contributes to achieving many of the Serbia UN Development Assistance Framework (UNDAF) priorities and country programme outcomes:

UNDAF Outcome	PBILD contribution
<i>UNDAF Outcome 1: Strengthened Good Governance</i>	In particular through capacity-building for local government on gender and minority rights, support for the Ombudsman’s Office, and capacity-building and funding for civil society, including partnership work with local government.
<i>UNDAF Outcome 2: Sustainable Development and Social Inclusion Enhanced</i>	In particular through work on access to education and health services, through work to capacitate and empower youth, and through work on employment and upgrading vocational education training in the area.
<i>UNDAF Outcome 3: Increased Regional Stability and Co-operation</i>	In particular through work to promote regional development and co-operation across the PBILD target area and between local and central government, through both research on and capacity-building for migration management, and through facilitating and promoting partnership between civil society and local government.

The Joint Programme uses a pass-through funding modality and the Participating UN Organizations (PUNOs) have selected UNDP/Multi-Donor Trust Fund Office (MDTFO) to act as Administrative Agent (AA) for the Joint Programme.

II. Resources

Financial Resources

The table below presents the project document output /activity, then the adjustment we proposed, and in the third column a short rationale or ‘reasons why’ the adjustment was proposed. Several revisions were presented to the PBILD PMC at the quarterly meetings held throughout 2010. The short notes here reflect changes due to (i) final definition of plans and (ii) in some cases wrong numbering in the project document.

Original text	Revision proposed	Rationale
<i>Multi-donor project document: ‘Strengthening Capacity for Inclusive Local Development in South Serbia’</i>		
Original budget for Activities: 4.1.2 - \$100,000 4.1.3 - \$100,000 4.1.4 - \$20,000 4.2.4- \$20,000	Budget revision: 4.1.2 - \$169,500 4.1.3 - \$36,000 4.1.4 - \$34,500	Budget revision to reflect more accurate estimates of planned activity costs.
Activity 4.1.4 – Review existing strategies and include social policy actions <i>And,</i> Activity 4.2.4 - Municipal	Activity 4.1.4 – Review existing strategies, include social policy action plans and link to relevant national policies	Revision to merge the two activities into one (4.1.4), as revision of strategies was identified as the most appropriate way to link to

representatives participation in capacity and policy development activities that are organized at the national level		national policy.
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Delays in implementation and delivery were due to an administrative/legal problem and approval of the detail plans by the Programme Management Committee. The Administrative issue was that UNDP signed Cost-Sharing Agreement with the donors according to which the participating UN Agencies were considered as `responsible parties`, so it had to be changed into a Standard Administrative Arrangement for Multi Donor Trust Fund in order to be able to comply fully with the JP procedure. This was finalized in June 2010 and the UN partner agencies received their first installment in July 2010. Concurrently, this had an influence on the implementation, since the detail work plan had to be developed/revised which demanded the approval of the Programme Management Committee which are held on quarterly basis.

Human Resources

PBILD PIU established, providing for a functioning office base and team equipped for programme implementation.

2010 saw **the establishment of the new UN field office in Bujanovac, southern Serbia and the PBILD Programme Implementation Unit (PIU)**. The set up of the office itself represented a significant step, as this is the first and only UN office in a Phase 1 security zone in Serbia. In addition to equipping the office space and procuring vehicles, various security measures and systems were also established.

Recruitment was the primary challenge for establishment of the PIU, resulting in the multi-agency field team of 15 full-time staff (including staff employed on the `Peace Building programme in south Serbia` programme), alongside additional part-time support staff (drivers, translators, etc.). The full-time team was complete by the end of July 2010, and efforts since then have focused on team-building and strengthening communication, as well as on capacity-building in key areas for the staff, including gender and conflict awareness. Several important team communication systems have been established to ensure good co-ordination, including shared meeting reports, a co-ordination matrix, monthly team reports and a team calendar.

PBILD team post Programme/Operation	Staff person	Agency	Inter./National	Start Date
Programme Manager (Programme)	Nicholas Hercules Chrissie Hirst	UNDP	International	6 March 2011 1 February 2010-31 January 2011
Deputy Programme Manager (Programme)	Tatjana Strahinjac- Nikolic	UNDP	National	21 April 2010
Finance & HR Assistant (Operation)	Dragan Ristic	UNDP	National	15 March 2010
Project Co-ordinator for	Radule Ristic	UNDP	National	RR 01 May 2010; new

Migration (Programme)	(until 1 October) Milijana Merdovic (from 29 November 2010)			Co-ordinator 29 Nov 2010
Project Co-ordinator for Governance & Social Inclusion (Programme)	Marina Babovic	UNDP	National	26 April 2010
Project Co-ordinator for Regional Development & Strategic Planning (Programme)	Armend Aliu	UNDP	National	22 April 2010
Logistics & Procurement Assistant (Operation)	Vladimir Stamenov (until 1 October) Nenad Nakic (from 1 October)	UNDP	National	VS 01 June 2010; new Logistics Assistant 1 Oct 2010
Communications Assistant (Programme)	Dijana Elliott (until 12 July) Mustafa Skenderi (from 5 July)	UNDP	National	DE start date 12 April; new Communications Assistant 5 July 2010.
Project Co-ordinator for Children & Youth (Programme)	Jelena Despotovic	UNICEF	National	26 July 2010
Project Co-ordinator for Employment (Programme)	Jelena Savic	ILO	National	19 July 2010

III. Implementation and Monitoring Arrangements

In October 2010 the PBILD Programme produced an integrated Result Based Monitoring and Evaluation Framework and Plan. This framework provides a methodological approach and practical tools for regular monitoring and reporting.

Approach

The majority of programme activities aim to create changes in organisations and institutions present at the local level. These changes will influence systems and structures, the skills of their people, strategies and policies and their clients' responses to them.

Monitoring institutional changes will come in two forms. First, a simple set of indicators has been assembled from the programme document which identifies the major objectively verifiable changes that are planned to be achieved by PBILD, such as the creation of new structures or changes to services delivered.

Second, monitoring qualitative institutional changes, influenced by PBILD or/and by other factors, the important events and changes will be identified in team meetings and debriefings, and noted in regular monthly and quarterly reports.

Monitoring Tools

Individual tools to monitor the socio-economic impact and the institutional change have been used to establish baseline information and assess outputs and their immediate impact such as:

1. Inclusive Development Opinion Survey - The main instrument to assess changes in public perception of conflict-related issues in their communities was done through public opinion survey.

The first survey was carried in 2010 and the second is planned for 2012. Comparison of results will be able to provide information about trends and changes in public opinion.

The survey includes questions on perceptions of the following:

- personal safety
- role of the media
- municipalities' ability to maintain peaceful and stable environment
- confidence in public institutions
- relations between ethnic groups
- participation in community and political activities
- migration issues

All perceptions will be disaggregated by gender, ethnicity, age (with particular focus on youth as a separate group), employment status and migration status where possible. The same survey will be conducted at the end of the project to produce comparable data for result measuring and attribution for the final evaluation.

2. Pulse Survey - This instrument is intended to get a rapid assessment of changes in public opinion relevant to the programme as they happen. It consists of 11 multiple choice questions. These

questionnaires are distributed by the programme team members, and other organisations (e.g. NGOs, youth offices) to around 100-150 people throughout the programme area every quarter.

The results of the survey will provide a basic reflection of public opinion on subjects such as:

- whether the economic situation is improving or worsening
- perceptions of public institutions
- perceptions of personal safety

Although basic, the survey is able to provide some indication of what people are thinking about the issues which form the main areas of PBILD programme intervention.

3. Socioeconomic Scorecard- A socio-economic impact monitoring ‘scorecard’ has been developed which shows the key, basic indicators of programme impact. This scorecard is updated quarterly. Official data is not always updated regularly (e.g. some of it is available annually, and is published at different times during the year) so the scorecard will show latest data available.

Scorecard data will come mainly from the following sources:

- Official data available from national and local government sources (e.g. employment and economic statistics)
- A wide-ranging survey of citizens’ opinions. This is undertaken once in 2010 and will be repeated in 2012. The results from the surveys can be compared to assess changes in public opinions, relevant to the programme.
- A quarterly ‘pulse’ survey (already described in more details under point 2.) the findings of which will be indicative rather than statistically valid. However, they will enable the programme team to identify emerging issues and major changes quickly, and to respond if necessary.

4. Institutional Change Scorecard- The *institutional monitoring scorecard* brings together the key indicators relating to institutional change. It can be completed quickly from information provided by the PBILD team, and the ‘pulse’ questionnaire. The scorecard is completed in a quarterly group workshop session, so that the PBILD team can share information and achievements on the changes in locally present institutions.

Monitoring reporting instruments

Monthly reporting- regular monthly situation report feeds into the quarterly report

Quarterly reporting- Regular quarterly report feeds into the annual and semi annual MDG-F and MDT-F reporting requirements.

Quarterly M&E meetings – this quarterly meeting provide a setting for team discussion on observations made on results, progress and result trends. As part of the regular discussion agenda, apart from the Institutional Change score card, issues like risk assessment and lessons learned are discussed. It is an information sharing forum but its primary purpose is knowledge and experience sharing and learning from them. Based on the lessons learned log kept through the regular updating

of the Institutional Change scorecard, the team is able to timely adopt and implement lessons from their colleague's experience.

- Report, assessments, evaluations or studies undertaken.

PBILD midterm evaluation will be conducted in April-May 2011.

In order to assess training needs and capacities of the municipal staff in the area of monitoring and evaluation, an assessment was carried out in all 13 municipalities. The assessment revealed low level of knowledge on M&E tools and practices and its low utilization in daily work. The assessment findings were used to design modules for the trainings that will be delivered in the first half of 2011.

Although funded through the MDGF part of the PBILD, the Inclusive Development Opinion Survey brought a number of valuable insights in the stances and opinions of some of the target groups and helped by providing baselines to guide further development of local projects. The most relevant findings are incorporated into the Indicator Based Performance Assessment Table at the end of this report.

IV. Results

Outcome 1 - Community Cohesion and Human Capital: Communities in South Serbia are stronger, more integrated, and better able to reduce inter-ethnic tensions and conflict risk

Youth strengthened through advocacy and youth policy as well as through networking.

Infrastructure for youth in the target region has been strengthened through PBILD's work: advocacy contributed to the establishing of one new and formal opening of additional two Youth Offices (YOs); Youth Office workshop dedicated to policy at the local level was organized for YO co-ordinators from all 13 municipalities, relevant municipal representatives and representatives of CSOs in the region dealing with youth issues. The workshop contributed to strengthening the YO regional networking and improving linkages with the Ministry for Youth & Sport (a key partner for these activities) and additionally increased knowledge of Youth Offices staff on the mechanisms for youth infrastructure and youth policies' implementation at the local level. The workshop was also used to define types of support for institutional development and capacity building in the implementation of the youth policy at the local level required by the PBILD program.

Based on this, the development of youth grant scheme was undertaken and will be continued in 2011.

Outcome 2 - Public Services: More equitable and improved access to public services and welfare benefits (including basic registration documentation, health and education)

Cross-regional collaboration mechanisms established. Minority children and members of their families assisted through legal support on registration, and through institutional capacity-building for minority health care and for improved primary school teaching. Local access to the Ombudsman facilitated.

Cross-regional co-operation to tackle key issues was enhanced through PBILD's establishment of three regional working groups (RWGs), bringing together over 100 local authority and civil society representatives to tackle shared regional problems. In addition to gender equality, groups were established on Integrated Regional Development and Environment & Waste Management, with the first meetings leading to action plans for follow-on work and next steps.

Capacity building in the area of monitoring and evaluation was recognized as an important precondition of the work on strengthening M&E aspects of local strategies. In order to design a training programme that would follow the needs of local municipalities, an assessment of municipal practices, capacities and training needs in the area of monitoring and evaluation has been finalized. The findings pointed to numerous weaknesses related to data use, data collection and organization structures that would support these functions. It was further noticed that there is a low awareness on the importance of data use in daily work, or more general for the monitoring of policy. This findings were used as an input for the training modules for the training sessions that will be delivered in 2011 which will target heads of departments for social affairs and general affairs in the municipality, members of local economic development offices, youth offices etc.. It was assessed that DevInfo training sessions can come only after more basic M&E training is delivered and will be implemented as a second step.

Discussions were also held with the Republic Statistical Office (RSO) on how to provide data that are important for the policy making, monitoring and evaluation at the local level on a more regular and user friendly basis. It was recognized that regularization of the data exchange processes between the producers of the administrative data and municipalities/RSO needs to be supported in order to enable equal access to the needed data at the municipal level. The package of support, designed to be implemented in 2011 and 2012 addresses all these challenges and should result in operational municipal DevInfo data bases customized for municipal data needs.

Registration at birth is essential to access state services in Serbia and many minority or vulnerable groups have incomplete documents or are not registered at birth, preventing them from accessing health and education services, as well as social benefits. Through PBILD's provision of free legal aid a procedure for civil registration was developed in close co-operation with a local NGO PRAXIS. The accessibility to free legal aid was widely communicated through community meetings, local media and visits to, primarily, Roma settlements. Additional effort was made to ensure higher involvement of municipal staff in resolving issues of access to birth certificates and other personal documents through meetings of staff/experts working in municipal services in this area. These meetings were used to raise awareness of possible solutions for particular types of problems, to facilitate practical inter-sectoral and inter-departmental co-operation in solving issues of birth registration and to raise the motivation levels of municipal staff to adopt a more proactive approach in individual cases.

Interventions aimed at improving access to health services have been designed in partnership with the Ministry of Health. Roma health mediators have been recognized as a logical and an important mechanism for reaching the most vulnerable in municipalities (8 out of 13) with the significant number of Roma that are recognized as the most vulnerable group. It was also acknowledged that municipalities in which Roma are not the most dominant vulnerable group and which do not have employed Roma health mediators, the approach will be different and will focus on mobilization of the mobile health teams from the primary health

institutions and local civil society organizations. PBILD undertook a thorough assessment of training needs of Roma mediators and possible models of work of the health teams in municipalities which has informed the programme of support for 2011 where special attention will be put on capacity building in areas of early childhood development and adolescents, communication practices and multi-cultural sensitivity.

Health services for minority communities were supported in designing the software package (through complimentary funding) which should enable easier reporting by Roma Health Mediators. The Ministry of Health will be further supported in 2011 to make the electronic database and indicators on Roma health more sophisticated.

PBILD conducted an assessment of practices of teaching Serbian to non-mother tongue Albanian speaking students in Presevo and Bujanovac. It showed that lack of qualified staff, inappropriate curricula and textbooks are the key reasons for a poor command of the Serbian language which is then an obstacle for continuing higher education in Serbia and employment opportunities. The assessment showed also an interest in the Albanian community for improving their command of Serbian in order to have better opportunities for future education and employment. The assessment found that there are initiatives among Serbian students to learn Albanian as an optional language in schools and community programmes and currently some 50 students are involved in these programmes. Although small in number, these initiatives create good ground for increasing opportunities for inter-ethnic interaction among young people and prospects for young Albanians to continue their education in Serbia. Education services for minority children will also benefit from the development of an Active Learning module for teaching Serbian as a second language and primary schools in the region have been identified for implementation of the training package in 2011. The PBILD grant to the national Ombudsman has facilitated the establishment of three outreach offices in Presevo, Medveda and Bujanovac with multi-ethnic staff selected, following a PBILD-organised study tour of multi-ethnic Vojvodina in Serbia's north, and deployed. It is anticipated that this will lead to enhance confidence in the Ombudsman in 2011 and beyond, as the new development becomes better known. With a significant increase already noticeable from 2009, when 52 cases were recorded, in 2010, 78 complaints/cases were recorded, and recommendations provided for 75, with advice on presentation to alternative institutions for 3 cases.

Outcome 3 - Economic Development: Increased overall economic prosperity of the region, and reduced discrepancies in wealth and employment between ethnic groups, and with other parts of the country

Local institutions capacity strengthened for addressing unemployment and regional development. The design of active employment programmes supported with key data analysis. Regional co-operation supported through the PBILD Regional Development Grants scheme.

Targeted data analysis of unemployment and labour market needs in the PBILD region provided for the confirmation of priority target groups of unemployed and of the vocational education profiles required by local employers. PBILD supported local branches of the National Employment Service (NES) through a series of capacity-building workshops and assisted in the design process for the active labour market measures scheduled for 2011. At the central level, PBILD has supported the establishment of a working group for the development of occupational selection guides and information materials.

The region's capacity for co-operation and collaborative development was strengthened through a combination of local institution capacity-building and 'on the job' collaboration for a partnership grants

scheme. Targeted training increased the capacity of the Jablanicki and Pcinjski Regional Development Agency (RDA) in various areas, including financial reporting and procurement, and will continue through 2011. The design of PBILD Regional Development Grants scheme was developed through broad consultations and the RDA contracted as an implementing partner for the day-to-day management of the scheme. The Call for Proposals was successfully launched in 2010, and a total of 18 applications, involving all PBILD municipalities were received: the selection and implementation of projects will continue in early 2011.

Outcome 4 – Migration Management: Migrants from the region fully participate in the social and economic life of the region and thereby contribute to the development of their wider communities and Serbia’s EU integration aspirations.

Local social strategies and action plans revised and developed to address migration issues. Improved service provision encouraged through PBILD Social Partnership Grants. All activities informed by data collected through the first survey on migration in the region.

Several carefully considered revisions to the original project document resulted from consultation and the gathering of lessons learned from previous migration programming in Serbia. The re-design of the provision of citizen’s advisory services and social work outreach activities led to the launch of the PBILD Social Partnership Grants. These Grants are directly linked to the continuing process of revision of social protection strategies and development of action plans at municipal level – six strategies and action plans have been revised to date, and an additional five are in process of revision, with new social protection strategies being developed in two municipalities where none previously existed.

The development of new and adapted information materials for Citizen’s Assistance Centres in the region is underway through PBILD assistance. The PBILD Inclusive Development Opinion Survey was completed during 2010, including a specific chapter on migration, representing the first research project to collect empirical data on this topic in the region. Preparation is completed for awareness-raising on migration issues and regional co-operation on migration will begin in early 2011; further research and policy-advocacy efforts will continue to assist in addressing migration related problems throughout 2011.

- Report on the key outputs achieved

Outcome 1 - Community Cohesion and Human Capital: Communities in South Serbia are stronger, more integrated, and better able to reduce inter-ethnic tensions and conflict risk

Output 1.2 - Strengthened inter-ethnic understanding and collaboration among adolescents and young people

Advocacy by PBILD and the Ministry of Youth and Sport contributed to the establishing of one new and the formal opening of an additional two Youth Offices (YOs);

YO regional networking was strengthened and linkages with the Ministry for Youth and Sport improved. Types of support by PBILD programme for the institutional development and capacity building in the implementation of youth policy at the local level were identified during the workshop

dedicated to youth local policies. The workshop was attended by 21 representatives from Youth Offices, municipalities and CSOs from the region dealing with youth issues.

Outcome 2 - Public Services: More equitable and improved access to public services and welfare benefits (including basic registration documentation, health and education)

- Output 2.1 - Municipalities have strengthened ability to formulate, implement and monitor policies in relation to public service provision, and in particular, develop an awareness of the differential impact of policies on different ethnic groups

In order to strengthen local capacities and encourage regional networking, a Regional Working Group (RWG) for Gender Equality was established, following consultation with municipalities and the appointment of representatives from each of the 13 Jablanicki and Pcinjski district municipalities, as well as active civil society organizations. The first meeting of the RWG was held on 25-26 November: speakers included leading figures from the Gender Equality Directorate (GED, Ministry of Labour & Social Policy), the Standing Conference of Towns and Municipalities, the PBILD donor the Swedish International Development Agency, the Vojvodina Provincial Institute for Gender Equality and the European Union/Switzerland PROGRES UN programme. The meeting resulted in the agreement of a 'terms of reference' for the RWG and the development of an action plan, including follow up work on raising awareness of local civil servants and lobbying for sufficient resources for local gender mechanisms.

The Integrated Regional Development RWG met on the 25-26 November in Nis, running concurrently with the Gender Equality RWG, and the Environment & Waste Management RWG on 9-10 December also in Nis. These first 'start-up' meetings for each RWG included key speakers from central government and relevant specialist organisations to spark discussion and highlight local needs within the framework of national programmes and priorities – the meetings concluded with the definition by participants of 'terms of reference' for each group and an action plan for the coming period. These meetings built capacity for all 50 participants involved, increasing understanding and awareness of national policy and key issues. The meetings also resulted in increased cross-regional co-operation, and a firm basis for further collaboration going forward through the action plans agreed – including for example, joint work on building capacity and responding to funding opportunities. The first meeting of the Migration RWG was postponed until January 2011 to allow for full presentation of Inclusive Development research.

Training needs assessment in the area of M&E was conducted in all 13 municipalities in Jablanicki and Pcinjski districts. Additionally, a training module has been developed based on municipal needs and local staff capacities, along with recommendations for the selection of participants for future training sessions which will be implemented in 2011. The training package for technical use of the DevInfo data base was also developed. A 2-year programme of support has been developed in partnership with the Republic Statistical Office and its implementation will start in 2011.

- Output 2.2 - Vulnerable and ethnic minority children have improved access to public services and benefits to which they are entitled

The process of providing free legal assistance for civil registration and obtaining personal documents for Roma was initiated in Medvedja, Leskovac and Vlasotince, the first three target municipalities for this implementation phase. Through direct work with Roma representatives a total of 185 requests were registered and are now being processed, out of which 172 (for 87 clients) were related to provision of personal documents. During the reporting period 100 requests were successfully solved (for 51 clients), 72 requests (for 38 clients) are being processed and a further 12 received support in initiating subsequent birth registration. Through 8 expert meetings that were held with the representatives of Centres for Social Work, registry offices, police stations, trustees for IDPs and refugees and health centres from Leskovac, Vlasotince and Medvedja, the capacities of local services providers for dealing with systemic obstacles and legislative gaps, and facilitating civil registration procedures are increased.

In close co-operation with the Ministry of Health, planning for the development of training packages for Roma Health Mediators (RHMs) and primary health care institutions was undertaken in 2010. Consultations were focused on the establishment of an initial co-ordination unit that will be responsible for the implementation and co-ordination of activities within this component of the PBILD programme.

Additionally, the development of a software package for the easier reporting by Roma Health Mediators was supported and financed through partnership with Telenor (a Norwegian mobile phone company) which has provided a basis for further strengthening of the Roma health monitoring system.

- Output 2.3 Improved quality of public services, especially in those sectors that have potential to increase inter-ethnic dialogue and reduce conflict risk

Based on the findings of the assessment in Presevo and Bujanovac, conducted with the Ministry of Education and the Education Forum, a Special Module of Active Learning for teaching Serbian as a non-mother tongue has been developed. Ten primary schools in the region have been identified for the implementation of the training package in 2011. Four schools in Presevo municipality have been identified for piloting of the training module.

Outcome 3 - Economic Development: Increased overall economic prosperity of the region, and reduced discrepancies in wealth and employment between ethnic groups, and with other parts of the country

- Output 3.1 - The labour market disadvantage of population groups and geographical areas (i.e. municipalities) reduced through more and better access to targeted active labour market programmes that respond to labour market requirements.

The use of administrative data to gauge overall labour market supply and demand presents a number of problems, first and foremost the fact that these figures fail to capture phenomena such as work in the informal economy, discouragement and inactivity. However, when compared to survey-based

data collected at the national level, they serve to highlight the specific features that characterize the labour market in a particular geographical area. Thus, a training workshop was organized in mid October with the staff of the local NES offices to: i) review data on local labour supply and demand as means to profile vulnerable groups and labour market requirements; and ii) identify the key features of active labour market programmes aimed at (re)integrating vulnerable groups in the labour market.

The analysis indicated that active labour market programmes should target: i) prime age workers who are at risk of long-term unemployment (e.g. those registered with unemployment spell from 9 to 12 months) with 'preventive' measures; and, ii) prime age workers who have been unemployed for one-two years to be treated with 'curative' measures. In addition, the Leskovac branch office will introduce youth employment programmes targeting first labour market entrants, with a view to ease their transition from school to work.

On the demand side, the economic sectors that are creating jobs in the two target districts are light manufacturing, trade and personal services. The competency lists and descriptors of the occupations most demanded by these sectors are already available. Additional competency lists and descriptors will be developed on the basis of the results of the occupations and skills survey run by the Serbian Statistical Office, which will be available early in 2011.

A capacity building activity was organized in November 2010 with staff of the local branch offices on: i) key design features of labour market programmes targeting disadvantaged population groups; and ii) implementation modalities of preventive and curative active labour market programmes targeting vulnerable groups of unemployed. This workshop was instrumental to the design of two set of guidelines, one targeting disadvantaged young people (15 to 24 years old) and one targeting prime age workers (25 to 45) at risk of long term unemployment.

In 2010, a working group was established at the NES Directorate to update the guidebook on career choices. This group comprises career development practitioners of various NES branch offices (including Vranje and Leskovac) as well as expert from the Career Guidance Department at NES headquarters.

- Output 3.2 - Increased funding for regional and municipal level projects that will impact upon job creation

The design of PBILD Regional Development Grants scheme was developed through broad consultations, the RDA contracted as an implementing partner for the day-to-day management of the scheme and the Call for Proposals was published on 28 October.

A combined regional 'Info Conference' meeting was held at the end of November in Leskovac to review again the application procedure, encourage partnership-building and generally provide help, information and support to applicants. The Integrated Regional Development Working Group meeting in late November was also an opportunity to encourage applications and partnership-building.

Field co-ordination with the EU Regional Socio-Economic Development Programme (RSEDP) 2 resulted in agreement to use planned RSEDP 2 training to assist the preparation of applications for the PBILD Regional Development Grants. A joint PBILD-RSEDP2 letter was sent to all municipalities in November 2010, and two workshops were conducted by RSEDP 2 the following

month for municipal officials working on applications to the PBILD grants, thus encouraging applications and improving the quality of proposals.

Following the deadline of 20 December, a total of 18 applications were received. Following technical evaluation by the RDA, 17 applications were forwarded to the PBILD evaluation committee for final review. Comprising a mix of agencies and of Belgrade- and field-based staff, as well as the Ministry for Public Administration & Local Self-Government, the evaluation committee meeting was scheduled for 17 January and 8 projects were selected.

Outcome 4 – Migration Management: Migrants from the region fully participate in the social and economic life of the region and thereby contribute to the development of their wider communities and Serbia’s EU integration aspirations.

- **Output 4.1 Municipal Administrative Services better meet the needs of Migrants**

An expanded ‘social partnership’ grants scheme was developed and consultations were held with Programme Management Committee members, including a consultation meeting in Vranje on 29 November for municipal and Centre for Social Work representatives.

The PBILD Social Partnership Grants included two lots, both social outreach services and citizen’s advisory services. Municipalities were eligible to apply with projects to provide either social outreach services (partnerships with implementing partners were envisaged) or to provide improved advisory services, that: i) involve partnerships between Centres for Social Work and Citizens’ Assistance Centres; ii) may include NGOs as a third partner for additional expert support or training; and, iii) include a 20% municipality contribution. PBILD continued to promote the grants scheme and encourage applications over the coming period; the deadline for applications was 28 February 2011 and contracting of projects will be in April.

At the same time support to the revision of social protection strategies and the development of action plans in PBILD municipalities was initiated in 2010. A particular focus was given to Presevo and Trgoviste municipalities as they had no social protection strategies and therefore development rather than revision was required. This support included various activities, including coached SWOT analysis and action planning, which resulted in the production of the first draft of strategy formats and action plans. The PBILD Migration Co-ordinator had been working with municipalities through working groups for strategy development consisting of the PBILD social protection consultant, local authority representatives, Centres for Social Work, Health Centres, and Youth Offices.

- **Output 4.2 Municipal Capacity Development to Manage Migration Issues**

The ‘PBILD Inclusive Development Opinion Survey’ was conducted by the research company CESID, and includes a substantial section on migration as cross-programme co-ordination pooled resources for a combined research initiative. The survey covered a wide range of information in order to inform specific activities and provide a baseline for later impact assessment, with findings also feeding into the research grant scheme that will be implemented in 2011. Additionally, the

survey involved joint work by UNICEF and UNDP on methodology development with CESID and represented a collaborative approach to the research in place of multiple assessments.

- Challenges and actions taken to mitigate future delays and lessons learned in the process.
 - Both JPs: Promoting Peace-building in south Serbia and Strengthening Capacity for Inclusive Development in south Serbia are led by the same PIU, a joint UN field project office. The establishment of this field office took more time than foreseen, and this delayed the start of field activities. Equally, recruitment has also been slow – a combination of late advertisement and the lack of qualified candidates available for field postings (several positions went to re-advertisement). Recruitment was completed by August 2010, although the replacement of two staff positions subsequently entailed further challenges to identify suitably qualified candidates. Furthermore, the Programme Manager chose not to renew her contract.
 - There was a delay in starting activities due to administrative problems related to contractual modalities. The problem was solved in July 2010 and allowed the full start of field work.
 - The Joint Programme has also lacked up-to-date or detailed activity planning for some of the outcomes, requiring additional field mapping to identify the most appropriate activities and modalities for achieving outputs.
 - Planning of interventions in the area of access to health services took more time than expected in order to design a support package for the Roma health mediators, which would meet present needs and be in line with other ongoing initiatives.
 - In terms of procuring quality services, challenges have been faced. A point for future programming would be that local capacities in certain specialised areas are limited, and therefore budgeting should be in accordance with price ranges for national/regional expertise and services.
- Key partnerships and collaborations, and impact on the achievement of results.

Extensive consultation with government, civil society and other development implementers – a co-ordination matrix in key thematic areas was developed and maintained.

- Field co-ordination with the EU Regional Socio-Economic Development Programme (RSEDP2) resulted in agreement to use planned RSEDP 2 training to assist the preparation of applications for the PBILD Regional Development Grants. A joint PBILD-RSEDP2 letter was sent to all municipalities in November 2010, and two workshops were conducted by RSEDP 2 the following month for municipal officials working on applications to the PBILD grants, thus encouraging applications and improving the quality of proposals. The joint work of RSEDP2, the Centre for Development of Jablanica and Peinja district (the RDA who is playing administrative role in identification, technical selection and monitoring of

implementation of regional projects) and PBILD programme resulted in receiving 18 applications for regional projects.

- Regular outreach continues to optimise co-ordination in the field, and particular co-operation efforts are underway with EU programme PROGRES to maximize synergies in our collective target area.
- Co-ordinated action with the Ministry of Youth and Sport mobilized municipalities in South Serbia to provide further support to developing youth infrastructure on the local level and will continue through grants to be provided to municipalities/Youth offices and NGOs.
- Close cooperation has been established with the Ministry of Health and in-depth planning was undertaken to recognize and appropriately address current needs of the health system providers but also beneficiaries. Work on the development of the software for reporting of the Roma mediators started in partnership with the Ministry, Telenor and UNICEF and will be continued in 2011.
- With support of the Ministry of Education and in close co-operation with the Education Forum from Belgrade, the Active Learning training module for teaching of Serbian as non mother tongue was developed with the aim to improve education services for minority children. The plan of activities for 2011 was agreed with local municipal and school authorities.
- The established co-operation with the Statistical Office of the Republic of Serbia resulted in a developed training package for technical use of DevInfo data base and agreed project activities for 2011 that will look into provision of locally relevant data on a sustainable basis through the municipal DevInfo database.
- One of the constraints relates to the overall costs of the active labour market programmes targeting disadvantaged youth and prime age workers to be piloted in the target districts. The programmes envisage a mix of individual counselling, off- an on-the-job training and employment subsidies. The overall cost per individual treated will average approximately USD 1,870. In addition, most municipalities in the Pcinjski District will provide, in the current programming cycle, subsidies to employers ranging from USD 2,740 to USD 4,110 to recruit workers for a minimum period of 12 months. The overall amount of subsidies to be provided under the PBILD programme ranges from USD 685 to USD 1,096, according to the prior length of unemployment spell experienced by the target individual. This may create a sort of “competition” among programmes for the (limited) number of vacancies available, also in light of the fact that labour demand continues to stagnate. Thus, the USD 225,000 to be contributed to the NES will allow the targeting of approximately 120 individuals against an expressed target of 200 unemployed participating to active labour market programmes.
- Another one is related to the administrative capacity of the target branch offices (Vranje and Leskovac) to implement integrated labour market programmes. Vranje has prior experience in managing comprehensive employment services and programmes targeting specific groups of the unemployed population. However, the reduction of public sector employment, which started to be implemented in 2010, had a proportional higher impact on those branch offices, like Vranje, which had a larger share of employees on temporary or

definite employment contracts. In real terms, the branch office in Vranje lost approximately 20 per cent of its staff in 2010. This poses a risk for the implementation of the active labour market programmes to be implemented within PBILD. To counteract such risk, in 2011 the Programme may have to support the recruitment of one staff to manage the programmes and ensure adequate monitoring and follow up. For the branch office Leskovac, this is the first experience in piloting integrated employment services and programmes. Therefore, particular attention will have to be devoted to the team entrusted to manage the programmes in the initial phases (selection of beneficiaries, providers and matching of individual to programmes and providers).

- The final concern relates to training providers in the target districts. Just a limited number of training providers that partnered with the NES in the past are suitable for the measures to be implemented under the PBILD programme. The involvement of vocational schools, although permitted by the Ministry of Education, would require additional negotiations with school management. Furthermore, the training methodologies used by providers will need to be adapted to meet the requirements of individuals on the one hand, and the needs of the labour market, on the other.

Other highlights and cross-cutting issues pertinent to the results being reported on.

Several cross-cutting themes have emerged during both planning and implementation process which are relevant to PBILD's work, namely: social inclusion, minority issues and inter-ethnic relations; youth; gender; and civil society. These cross-cutting themes have and will be targets for greater co-ordination, and have been promoted and explored where opportunities have arisen – for example in the selection of themes or priorities for media productions or CSO grants.

Social Inclusion, minority issues and inter-ethnic relations

Social inclusion is a dominant theme for the programme, and various components include activities directly contributing to it. Roma issues are a particular area of common interest, particularly concerning: the minority rights capacity-building under Outcome 1; the education and health activities particularly related to Roma child access to public services, as well as support for minority rights protection by the Ombudsman, under Outcome 2; and, the employment focus on vulnerable job-seekers under Outcome 3.

Inter-ethnic relations are directly targeted by youth activities under Outcome 1, and through education activities under Outcome 2. Work with civil society under Outcome 1 promotes healthy and respectful relationships and improved communication among different ethnic groups. Through recruitment and capacity-building for the PBILD team itself, an inclusive approach and representation is encouraged.

Gender

A series of capacity-building activities on gender are underway for local stakeholders under Outcome 1, and gender equity is an important theme mainstreamed throughout the programme. Under Outcome 1, youth work ensures the participation of young men and women. Under Outcome 2, work on child education and health ensures a gender balance and responds to the particular needs

of girls, and the work with the Ombudsman also supports the work that institution is undertaking on gender issues. Under Outcome 3, work on employment aims to have a good gender balance among direct beneficiaries, and regional development activities include the re-establishment of a regional working group on gender. Outcome 4 migration activities, is also being approached from a gender sensitive perspective.

Civil Society

Civil society is the specific target of capacity-building and funding under Outcome 1, where increasing capacities for gender-, minority- and conflict-sensitive work and partnerships with local government is the particular focus of targeted training and ‘on the job’ mentoring through the specialised grants scheme and youth activities. Outcome 3, relevant NGOs and CSOs will also be included in regional working groups on key themes – e.g. gender, environment and migration. Partnership between civil society and local government is also a theme promoted under Outcome 4, where several migration activities see such partnership as bringing added value – citizens’ advisory services, social work outreach services, and research into particular aspects of migration in the region.

Impact on EU Accession readiness

The programme addresses a number of strategic pre-accession priorities which have been established by the EU in the European Partnership. Therefore the programme provides its own contribution to Serbia being prepared for the accession process.

Most of the achievements of the programme that are providing contribution to the priorities which are set out in the European partnership are in the field of public administration, social and economic rights and the specific ones for 2010 were:

- The work of the Ombudsman office in Presevo, Bujanovac and Medvedja municipalities was initiated. Although the support in terms of infrastructure, awareness raising and capacity development is yet to come through the PBILD programme, the number of submitted and resolved requests is increasing daily. The requests were in the area of: good governance, citizens and political rights, economic, social and cultural rights, minority, children and people with disability rights etc.
- The work on the revision of Social Protection strategies through Migration perspective was initiated in all 11 municipalities whereas in Presevo and Trgoviste the programme would have to give an additional support in order to initiate and support the development of Social Protection Strategies. By tackling migration issues, these revisions will deal with the integration of Roma, including the returnees, IDPs, refugees, potential migrants and people affected by migration.
- Tailored made training was completed in 2010 with the Ministry of Education and the implementing partner, the Educational Forum. The training will be delivered in early 2011 and will provide teachers with better methodologies in teaching Serbian as non- mother tongue language. The actual delivery of the training will have direct impact on teachers’ skills which will again have direct influence on the ability of minority children to grasp Serbian language and better access to further education in Serbia.
- Birth registration of Roma children and members of their family was initiated in three municipalities: Medvedja, Leskovac and Vlasotince. This resulted in the 185 request being submitted for obtaining personal documents. The remaining 10 municipalities will be covered by the end of August 2012.

- In terms of developing mechanisms that will provide skills which foster employment opportunities and long term economic growth, the following was done in 2010:
 - Training was organized for the staff of the local NES offices;
 - Age groups defined that would be targeted by the active labour market programmes
 - Working group was established to update the guidebook on career choices
 - Regional development Call for Proposal was announced which was based on EU standard application form, thus developing LSG capacities to easier apply for future EU funds

V. Future Work Plan (if applicable)

Projected activities and expenditures for 2011 are as following:

Outcome 1 - Community Cohesion and Human Capital: Communities in South Serbia are stronger, more integrated, and better able to reduce inter-ethnic tensions and conflict risk

Output 1.2 - Strengthened inter-ethnic understanding and collaboration among adolescents and young people (USD 126,108)

- Continued advocacy and technical support to municipalities in establishment and capacity building of Youth offices and youth clubs through development of specific support plans based on needs and their implementation in selected municipalities.
- Providing support to strengthen youth offices, formal and informal groups of young people by awarding grants to be used to establish youth clubs and for youth projects aiming at increasing youth participation, interethnic collaboration and social inclusion of the most vulnerable youth. Support will also be provided in strengthening their capacity to establish voluntary services, in monitoring and evaluation, establishment and management of youth clubs, etc.

Outcome 2 - Public Services: More equitable and improved access to public services and welfare benefits (including basic registration documentation, health and education)

- Output 2.1 - Municipalities have strengthened ability to formulate, implement and monitor policies in relation to public service provision, and in particular, develop an awareness of the differential impact of policies on different ethnic groups
 - Establishment of Migration RWG as an identified topic in consultations with all stakeholder as well as development and implementation of action plans for all four RWG: 1) Gender; 2) Environment; 3) Integrated regional development; 4) Migration. Main activities listed in the Gender RWG consist of technical support to Municipalities in the establishment of Gender Equity Commissions/Councils and signing of the European Charter on Gender Equity by the municipalities which would lead into the development of Gender Action Plan for each municipality. The activities around Integrated Regional Development RWG will be around identifying priority regional projects, raising their capacities through their development and developing network with other advanced local self-governments in order to speed up Serbia's EU accession on a local level. Environment and Waste management RWG will have awareness rising activities on environmental issues throughout the 2011. Migration RWG

will be held beginning of 2011 and the first meeting will be used for identifying priorities of this RWG. (USD 70,000).

- After preparations and assessments for capacity-building support on DevInfo use at the local level and based on the assessment results, PBILD will initiate the process of revision of strategic documents in target municipalities with emphasis on monitoring and implementation tools. Gender and minority rights issues will be covered during the revision process. (USD 70,000)
- Continued support to strengthening the capacity of municipal staff in the field of M & E, use of data in reporting, monitoring and evaluation of policies at the local level through the implementation of M & E training, delivery of IT equipment, introduction of locally relevant indicators into the DevInfo database, installation of DevInfo database in all 13 municipalities and training for the technical use of databases. (USD 55,708)
- Output 2.2 - Vulnerable and ethnic minority children have improved access to public services and benefits to which they are entitled (USD 224,564)
 - Implementation of the Birth registration plan in following 8 municipalities: Bojnik, Presevo, Bosilegrad, Trgoviste, Vranje, Bujanovac, Vladičin Han and Lebane and further providing of free legal assistance to Roma population for civil registration and obtaining personal documents.
 - Implementation of trainings for the Roma health mediators and health teams from primary health institutions, development of the Manual for Roma health mediators, further work on the database and Roma health indicators.
- Output 2.3 Improved quality of public services, especially in those sectors that have potential to increase inter-ethnic dialogue and reduce conflict risk (USD 282,650)
 - Finalising of the plan for the implementation of Active Learning training module for teaching Serbian as non mother tongue; partial modification of the training programme based on the feedback from pilot seminar; implementation of training for teachers that teach Serbian to the minority children in other municipalities; training of local trainers and mentors who will be providing support to teachers in their future work; follow up support after the basic seminars, supervision seminars and mentoring visit by expert trainers; implementation of Active Learning training module in schools monitored by selected mentors; development of a guidebook for trainers for teaching Serbian as non-mother tongue; conducting series of meetings with all school staff on the innovations in education (laws, by-laws, standards, enrolment and assessment policies etc.).
- Output 2.4 Support to capacity development and awareness raising of the role of Ombudspersons Outreach Office in South Serbia (USD 214,494)
 - There are three main project activity areas:
 - a) Public information and awareness campaign to inform the public about the Ombudsman's Office activities and services in South Serbia
 - b) Staff capacity development

c) Establishing outreach office infrastructure for the Ombudsman in South Serbia

Outcome 3 - Economic Development: Increased overall economic prosperity of the region, and reduced discrepancies in wealth and employment between ethnic groups, and with other parts of the country

- Output 3.1 - The labour market disadvantage of population groups and geographical areas (i.e. municipalities) reduced through more and better access to targeted active labour market programmes that respond to labour market requirements. (USD 659,477)
 - The provision of training and coaching services to NES branch offices will continue in 2011 through the following activities: (i) consolidate the case management approach implemented by mixed NES multi-disciplinary teams; (ii) monitor the performance of programme in easing the transition of disadvantaged jobseekers to decent employment; and (iii) identify the most cost-effective interventions to inform the employment policy making process. The key features of the mix of programmes to be offered in Vranje and Leskovac are summarized below:
 - (1) In-classroom training organized by an eligible provider for 100 hours (one month, five days week/five hours day). It serves to introduce the client to the new occupation. The provider is entitled to a training grant of RSD 14,000 per each unemployed trained, paid at the end of the training (after an internal assessment).
 - (2) On-the-job training organized with an eligible enterprise for 500 hours (total training should not exceed six months) for both groups. It is assessed externally. The training grant is 56,000 RSD per every person in training, payable half in advance and the other half after external assessment has been done.
 - (3) An employment subsidy offered to the enterprise providing the training, with an obligation to employ the client for six months. The subsidy is RSD 50,000 for individuals with unemployment spell 9-12 months and RSD 80,000 for individuals with an unemployment spell of 12 to 24 months.
 - The specific activities that will be undertaken in 2011 are:
 - a) Providing career information and guidance to 300 secondary school students
 - b) Designing curricula and training packages for the identified emerging occupations
 - c) Delivering competency-based modular training programmes that are based on labour market requirements, embed transferability of skills and include core competencies to support life-long learning skills;
 - d) Providing coaching and follow-up assistance to newly-contracted training providers during the training of 100 disadvantaged individuals.
- Output 3.2 - Increased funding for regional and municipal level projects that will impact upon job creation
 - Once approved by PMC, the contractual issues will be finalized and implementation of eight regional development projects will commence. (USD 500,000)

Outcome 4 – Migration Management: Migrants from the region fully participate in the social and economic life of the region and thereby contribute to the development of their wider communities and Serbia’s EU integration aspirations.

- Output 4.1 Municipal Administrative Services better meet the needs of Migrants
 - Promote Social Partnership Projects through presentations in the field (published criteria, priorities, application forms, etc), raise awareness. Provide encouragement and support to potential applicants to gain interest in the scheme. Create guidelines for selection and evaluation of project proposals, form selection commission and review applications. Implementation and monitoring of selected projects to be finalized in 2011. (USD 269,500)
 - Field visits and needs assessment conducted; training held on capacity development of local institutions to manage migration issues and on how to proceed within the reintegration agreement. Design, plan and conduct above mentioned training for representatives of Citizens Assistance Centres, CSOs, and representatives of police, education, and health sector. Review, design, print and distribute: a.) Information leaflet for returnees by readmission agreement b.) Guide book on how to proceed within the reintegration process of returnees. Produce a new information booklet aimed at potential migrants. Field visits to the Citizens Assistance Centres and monitoring of the impact of the capacity building process. (USD 36,000)
 - Mentoring for revision or development of social protection strategies and action plans. Continuation of support to the municipalities Trgoviste and Presevo to develop social protection strategies and action plans. Support public hearing and municipal adoption.(USD 34,500)

- Output 4.2 Municipal Capacity Development to Manage Migration Issues
 - Presentation of Inclusive Development Social Survey and the main finding in the area of migration to be used for round table discussions in 2011. Findings will also be used to define recommendation for further research and raise awareness on migration issues throughout 2011. (USD 30,000)
 - Define themes, design Call for Proposals for empirical research and investigative documentary reportage, advertise, provide encouragement and support potential applicants. Results of research and documentaries presentation. (USD 50,000)
 - Review research results, define agenda and plan conference: Roundtable/conference in February, May and November 2011. (USD 50,000)

VIII. INDICATOR BASED PERFORMANCE ASSESSMENT

	Performance Indicators	Indicator Baselines	Planned Indicator Targets	Achieved Indicator Targets	Reasons for Variance (if any)	Source of Verification	Comments (if any)
Outcome 1:							
Communities in South Serbia are stronger, more integrated and better able to reduce inter-ethnic tensions and conflict risk							
Output 1.1 <i>Increased confidence of local population in key institutions of local and national government</i>							
	Indicator 1.1.1 Degree of confidence of population in the work of the Coordination Body	35% unaware of existence of Co-ordination Body (CB). 38% not at all satisfied with work of the CB. 1.33 average score for trust in the CB (1 lowest, 5 highest)	1. Increase awareness of the CB by 5%. 2. Increase satisfaction with the work of the CB by 5%. 3. Increase trust in the work of the CB to 2.	PBILD grant contract signed with CB for USD 50,000. Activities defined, including: capacity-building, youth grants and support for working groups. Capacity-building activities begun, e.g. Dec 2010 study tour on education to Vojvodina.		Inclusive Development Opinion Survey, baseline Qs: <i>What is your level of satisfaction with the following institutions...? / Do you trust the following institutions...?</i>	
	Indicator 1.1.2 % of people who voted in last municipal	Gender and turnout in 2008 local elections:	Increase female turnout by 5%	As noted above, training needs assessment		Inclusive Development Opinion Survey - baseline Q: <i>Did</i>	

	elections, disaggregated by gender and ethnicity	Female 48% Male 60% Serbian 51% Bulgarian 70% Albanian 75% Roma 50%	Proportional turnout by ethnicity	preparation, scheduled for first quarter 2011; training on gender and minority issues for local government and political parties scheduled to begin second quarter 2011.		<i>you vote in the last municipal election</i>	
	Indicator 1.1.3 Change in perception of people towards other ethnic groups	% of 'objections' by ethnicity of respondent: * Serb respondents, 44% object to Albanians and 32% to Roma as neighbours; * Albanian respondents, 9% object to Serbs and 8% to Roma as neighbours; * Roma respondents, 21% object to Albanians and 1% to Serbs as neighbours.	Reduce all objections by 3%	As noted above, a range of activities designed to improve inter-ethnic relations in the area: ongoing training and grants for CSOs and planned training for local government and political parties on minority rights; inter-ethnic work with youth begun through Youth Office		Inclusive Development Opinion Survey - baseline Q: <i>Did you vote in the last municipal election?</i>	

				support; capacity-building for media tendering underway, etc.			
	CSO grants disbursed - by total value and number of organisations	0	TBD – approx. 10 – 15, dependent on applications received in February 2011	Training implementer contracted. Capacity building for CSOs held Dec 2010; small grants advertised Jan 2011, deadline for applications is February 2011		Training / mentoring implementer reports; PBILD monitoring reports; application / selection / contracting documentation.	
	Number of CSOs supported by mentoring	0	approx. 10 – 15	As above – all small grants disbursed will be supported by mentoring as part of training process begun in Dec 2010.		Training / mentoring implementer reports; PBILD monitoring reports; application / selection / contracting documentation.	
	Number of beneficiaries of projects funded by CSO grants disbursed	0	TBD on applications selected in February 2011	As above.		Application and grant documentation; grant reports; mentoring and monitoring reports.	
	Number of people trained;	0	Approx. 80 local	One four-day training for		Training providers'	

	Amount of training delivered		government and 50 civil society training participants – total 130.	CSOs on gender and minority rights delivered Dec 2010 (18 participants: 11 female / 7 male; 3 Roma, 2 Bulgarian, 13 Serbian). Training preparation for local govt and political parties underway, planned for second quarter 2011. Tendering for media training ongoing.		reports, verified by PBILD monitoring.	
	Number of people who are involved in CSOs / other organisations – gender breakdown	7% respondents are involved in NGOs – 6% of women, 7% of men	TBD	As a general indicator of participation and activism – in particular for women – therefore all CSO and gender capacity-building relevant, as noted above.		Inclusive Development Opinion Survey - baseline Q: <i>Evaluate your activity in the following organisations / associations over the last year; not a member to very active.</i> Pulse survey,	

						indicative Q: <i>In the last six months, have you done any work for, or given any help to, a local association or NGO without being paid for it?</i>	
Output 1.2 <i>Strengthened inter-ethnic understanding and collaboration among adolescents and young people</i>	Indicator 1.2.1. Change in the number of young people who participate in intercultural activities	14% of young people who have contact with other ethnic groups only ‘very rarely (maybe once a year)’. 14% of young people ‘never’ have contact with other ethnic groups.	Decrease these two categories by 5%.	Outreach and consultation with Youth Offices ongoing; establishment of new Youth Offices ongoing and promotion of YOs as mechanism for inter-ethnic contact. Preparation ongoing for grants scheme for inter-ethnic relationship-building, to be launched first quarter 2011.		Inclusive Development Opinion Survey – baseline 2010 and follow-up 2012.	
	Indicator 1.2.2. Number of young people	0	600 young men and women	20 young people took active		PBILD reports, Youth Office reports, grantee	

	participating in programme activities		participate in programme activities	participation in Nov 2010 youth planning workshop		reports	
	Indicator 1.2.3. Number of Youth offices established/fully integrated into municipal structures and Number of Youth Clubs fully functional	* 11 of 13 municipalities have youth offices. * 4 of 13 municipalities have documented specific Youth Co-ordinator's position. * 2 of 11 Co-ordinators are permanent municipal employees. * 0 of 13 municipalities have fully functioning Youth Clubs.	Additional 2 Youth Offices fully integrated in municipal structures. 2 Youth Clubs fully functional	1 new Youth Office established in the region (Trgoviste). Advocacy ongoing for establishment of remaining YO (Medvedja).		PBILD site and monitoring visits and reports, Youth Office reports	
Outcome 2 Improved and more equitable access to public services and welfare benefits (including basic registration documentation, health and education) reduce feelings of exclusion and inter-ethnic tension							
Output 2.1 <i>Municipalities have strengthened ability to formulate,</i>	Number of participants from municipal organisations and CSOs at [PBILD]	0	365 municipal employees / 135 civil society representatives	91 municipal employees / 36 civil society representatives received training from PBILD to		Visual confirmation by PBILD team / YO partners / CSO partners at hearings	

<i>implement and monitor policies in relation to public service provision, and in particular, develop an awareness of differential impact of policies on different ethnic groups</i>	training and development opportunities ²			date.		Annual time series data, and comparison across municipalities	
	Number of municipalities with functioning DevInfo system established	0	13 of 13 municipalities have functioning DevInfo system established	M&E training needs assessment conducted; training packages developed. Target staff /departments for DevInfo functioning identified, along with recommended training participants.		Inclusive Development Opinion Survey - baseline Q: <i>Evaluate the availability / access to the following services and institutions; response options.</i> Pulse survey, indicative Q: <i>In the last year, have you had problems accessing health / education / social welfare services?</i>	
Output 2.2 <i>Vulnerable and ethnic minority</i>	Indicator 2.2.1						
	Number of children (and family members) who	n/a	* 600 children / family members obtain ID	Registration and legal assistance support through implementing		Training records, monitored and compiled by PBILD team	

² A compilation of information on all planned and delivered training across the PBILD programme is used for this indicator.

<i>children have improved access to public services and benefits to which they are entitled [health]</i>	receive identity documents as a % of those who apply for PBILD assistance		documents. * 1,300 procedural documents obtained	partner (IP) Praxis activities begun with community outreach in Sept 2010. 95 applications received for processing; 51 clients received ID documents.			
	Number of children and family members who receive health documents as a % of those who apply for PBILD assistance	n/a	n/a – as uncertain what the level of needs in the area will be.	As above. However, no health documents obtained, as all applications received focused on ID documents.		IP, Praxis, reports- documentation records. PBILD monitoring.	
	Number of children and family members who receive identity documents as a % of those who are accepted into the procedures	n/a	n/a	As above. 51 applicants receive ID docs out of 95 applications		IP, Praxis, reports- documentation records. PBILD monitoring.	
	Number of children and family members who receive health documents as a % of those who	n/a	n/a	As above - no health documents obtained, as all applications received focused on ID		IP, Praxis, reports- documentation records. PBILD monitoring.	

	are accepted into the procedures			documents.			
Output 2.3 <i>Improved qualities of public services, especially in those areas that have potential to increase inter-ethnic dialogue and reduce conflict risk [education]</i>	Change in Serbian language ability of non-native Serbian speaking children involved in programme compared to similar children not involved in programme	TBD	TBD	Active Learning module for teaching Serbian as a second language developed by expert group. Selection of pilot schools/teachers completed; ongoing preparation for training to start first quarter 2011.		IP, Praxis, reports-documentation records. PBILD monitoring.	
	Teachers' satisfaction with the progress of their pupils' learning	TBD	TBD	As above, preparation completed, training activity yet to begin.		Government health statistics – as available.	
	% of children of school age enrolled in first year of primary school. By ethnicity, gender and migrant status (IDP)	TBD	TBD	As above.		PBILD to devise assessment methodology	
Output 2.4 <i>Support to capacity development</i>	Public awareness of the existence and role, and trust in the	35% unaware of the Ombudsman's existence	Reduce lack of awareness by 10% Reduce	PBILD grant confirmed with Ombudsman and contract signed.		PBILD to devise teacher assessment methodology	

<i>and awareness raising of the role of Ombudsman's Outreach Office in South Serbia</i>	institution of ombudsman	40% not at all satisfied with work of Ombudsman	dissatisfaction by 10%	Activities have begun and include: opening and equipping of 3 field offices; staff capacity-building; awareness campaign.			
	Year on year change in the number of Ombudsman registered cases	52 cases from PBILD target region in 2009.	TBD	PBILD grant support as above. 136 cases from PBILD target region in 2010.			
Outcome 3 <i>Increased overall economic prosperity of the region, and reduced discrepancies in wealth and employment between municipalities, between ethnic groups and between women and men</i>							
	Growth in employment in PBILD municipalities, disaggregated by gender	73,599 people employed in S Serbia in 2009. 38% of women among the employed in the PBILD municipalities.	TBD	Capacity-building process begun with local National Employment Service (NES) branches. Analysis completed and identified employer needs and profiles for vocational training; preparation for training programmes ongoing.		Growth in employment in PBILD municipalities, disaggregated by gender	

	Rate of growth in employment in PBILD municipalities compared to whole Serbia, disaggregated by gender	In 2008, in S Serbia employment decreased by 7.7% (M - 9.1%, F - 5.7%); for whole Serbia, decrease was 5.5% (M - 6.6% F - 4.1%).	TBD	As above.		RSO communication ZP20 provides annual data on employment by municipality. ; National Employment Service.	
	Year-on-year growth of GDP in PBILD municipalities	TBD - Information to be collected in the second quarter of 2011	TBD	As above. Also the activities related to regional development noted below – launch of PBILD regional development grants and capacity-building for RDA.		Data available from municipalities; approx 6 months after end of period.	
	Rate of growth of GDP in PBILD municipalities compared to whole Serbia	TBD - Information to be collected in the second quarter of 2011	TBD	As above.		Municipal data available as above; national figures available from RSO, and Ministry of Economy.	
	Citizens' perception of economic situation	14% of respondents described their family's state	n/a	As above.		Inclusive Development Opinion Survey, baseline Qs: <i>How</i>	

		of living as 'unbearable' 11% described their family as living 'well'				<i>do you and your family live? (Categories 'Well' to 'Unbearable')</i> Pulse survey, indicative Q: <i>Compared to 2 years ago, does your family live better / worse / the same.. etc.?</i>	
	Citizens' perception of economic differences between Belgrade and South Serbia	TBD	n/a	As above.		Pulse survey, indicative Q: <i>Compared to 2 years ago, do you think the difference in wealth between Belgrade and South Serbia is bigger / smaller / about the same...?</i>	
	Citizens' perception of job opportunities for young people	TBD	n/a	As above.		Pulse survey, indicative Q: <i>Compared to 2 years ago, do you think young people in the area have better / worse / the same opportunities for work?</i>	
	Citizens' perception of support from Belgrade for	TBD	n/a	As above.		Pulse survey, indicative Q: <i>Do you think the government in</i>	

	economic development					<i>Belgrade is helping the economic development of South Serbia a lot / a little / etc....?</i>	
ID Output 3.1 The labour market disadvantage of population groups and geographical areas (i.e. municipalities) reduced through more and better access to targeted active labour market programmes that respond to labour market requirements	Number of disadvantaged individuals achieving a recognized vocational qualification	0	200	As above, labour market survey confirmed target profiles for vocational courses to be offered. Preparation to launch training with providers ongoing. NES capacity-building and planning workshops ongoing.	.	NES records; training provider records; PBILD monitoring reports	
	Number of disadvantaged individuals covered by the employment services and active labour market programmes organised by the NES local offices (by type of programmes and individual	0	200	As above.		NES records; training provider records; participating employer records; PBILD monitoring reports.	

	characteristics)						
	Percentage of disadvantaged individuals, which have received recognised vocational qualifications and participated in active labour market programme, employed in decent work 6 months after participation in programmes	0	TBD, once final programme details confirmed.	As above.		NES records; training provider records; participating employer records; PBILD monitoring reports.	
<i>ID Output 3.2 Increased funding for regional and municipal infrastructure projects that will impact on job creation</i>	Number and value (USD) of inter-municipal projects approved for PBILD funds	0	USD 500,000 – approx. 6 projects.	PBILD Regional Development Grants launched Oct 2010; 18 applications received (16 eligible). Selection process ongoing.		Applications submitted. Implementing agency (RDA) reports. External monitoring reports. PBILD reporting.	
	Value of funds actually disbursed for inter-municipal projects	0	USD 500,000	As above.		Financial and contract documentation; project reports.	
	Number of inter-municipal	0	TBD – pending final	As above, selection		Project reports. Implementing	

	projects completed		project selection, approx. 6.	ongoing, final number of projects will be confirmed in early February 2011.		agency (RDA) reports. External monitoring reports. PBILD field visits. Information to be collected in 2012.	
	Number of jobs directly created by PBILD-funded inter-municipal projects	0	TBD – pending final selection and targets set in successful applications.	As above, selection ongoing – contracting planned for first and second quarter 2011; projects to be completed May 2012.		Project reports. Implementing agency (RDA) reports. External monitoring reports. PBILD field visits. (Additional sources will depend on target jobs to be created.) Data to be collected throughout project implementation and in second quarter 2012.	
<i>ID Outcome 4 Migrants in South Serbia are provided with appropriate support to participate in the social and economic life of the region</i>	Change in employment status of migrant population compared to non-migrant population	49% of migrants unemployed 26% of migrants inactive	Increase migrant employment rates by 5%	Launch of PBILD Social Partnership Grants in Dec 2010, targeted at migrants. Ongoing drafting of advisory publications for migrants and		Inclusive Development Opinion Survey – baseline 2010 and follow-up 2012. Inclusive Development Opinion Survey, baseline Qs on economic profile, disaggregated by	

				preparation for Citizens' Assistance Centre (CAC) training for first quarter 2011. Ongoing revision of municipal social protection strategies and action plans to include migrant issues.		migrant status.	
	Change in degree of participation of migrants in community activities	18% of migrants a political party member 7% of migrants a NGO member	Increase migrant participation in political parties / NGOs by 5%	As above.		Inclusive Development Opinion Survey – baseline 2010 and follow-up 2012. Inclusive Development Opinion Survey, baseline Qs on level of political and civil society activity, disaggregated by migrant status.	
<i>ID Output 4.1 Municipal administrative services better meet the needs of migrants</i>	Number of clients provided with information on migration through PBILD	0	TBD – on basis of grant proposals selected and capacity-building of	As above. Launch of PBILD Social Partnership Grants – includes lot		PBILD to compile data in quarterly and annual reports as appropriate.	Number of clients provided with information on migration

	support. ³		CACs.	specifically designed for advisory services. Additionally, preparation ongoing for new info materials and training for CACs.		CAC records. Grant reports and documentation. Monitoring reports.	through PBILD support. ⁴
	Number of regular beneficiaries of new outreach services	0	TBD – on basis of grant proposals selected.	As above. Launch of PBILD Social Partnership Grants – includes lot specifically designed for social outreach services.		PBILD to compile data in quarterly and annual reports as appropriate. Centre for Social Work records. Grant reports and documentation. Monitoring reports.	
<i>ID Output 4.2 – Capacity development to manage migration issues</i>	Number of people considering migration out of the area as an option	20% considering the idea of migrating away from the area	n/a	As above.		Inclusive Development Opinion Survey – baseline 2010 and follow-up 2012. baseline Q: <i>Have you ever considered moving away because of a job or another</i>	PBILD team / Milijana

³ Indicator revised in accordance with revisions to original activities approved at October PMC – establishment of two Citizen’s Advisory Bureaux now changed to provision of citizen’s advisory services through PBILD Social Partnership Grants scheme.

⁴ Indicator revised in accordance with revisions to original activities approved at October PMC – establishment of two Citizen’s Advisory Bureaux now changed to provision of citizen’s advisory services through PBILD Social Partnership Grants scheme.

						<i>reason? Never / Did but gave up the idea / Yes, thinking about it / DK.</i>	
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**JOINT UN PROGRAMME ON SCILD IN SERBIA
FINANCIAL REPORT OF THE ADMINISTRATIVE AGENT FOR THE PERIOD
1 JANUARY TO 31 DECEMBER 2010**

The Joint Programme in the Republic of Serbia, entitled "Strengthening Capacity for Inclusive Local Development (SCILD) in South Serbia", has been established by the United Nations Development Programme (UNDP), United Nations Children's Fund (UNICEF) and International Labour Organisation (ILO) to promote socially cohesive and inclusive development in the region through: Enhancing community cohesion and human capital; Improving provision and equitable access to public services; Strengthening economic development and Improving migration management. It is a 36 months programme, ending in September 2012.

The Joint Programme is implemented jointly by Participating UN Organizations UNDP, UNICEF and ILO using a pass-through funding modality. The programmatic and financial accountability rests with the Participating UN Organizations, which manage their respective components of the Joint Programme.

Participating UN Organizations have appointed United Nations Development Programme (UNDP) which through the Multi-Donor Trust Fund Office (MDTF Office) serves as the Administrative Agent (AA) of the Joint Programme.

1. Source and Use of Fund

In 2010, the total amount of funding received from the donors through the pass-through fund mechanism amounted to US\$ 3.31 million. In addition, the fund earned an interest income of US\$ 23,000. In June 2010, US\$ 1.02 million of received contribution was transferred to the JP Participating UN Organizations, whereas US\$ 33,000 (1% of the total 2010 revenue) was apportioned to the AA. Upon transferring US\$ 1.02 million to JP and apportioning US\$ 33,000 to the AA, remaining balance of funds available with the AA was US\$ 2.29 million. Given that the JP 2010 expenditures were US\$ 0.51 million, the remaining balance with the JP Participating Organizations was US\$ 0.51million at the end of 2010.

This information is summarized in below in the financial overview table of the Joint Programme.

Table 1. Financial Overview*For the period ending 31 December 2010 (amounts in US\$ Thousands)*

	Prior Years as of 31 Dec 2009	Current Year Jan-Dec 2010	TOTAL
Sources of Funds			
Gross Donor Contributions	-	3,310	3,310
Fund Earned Interest Income	-	23	23
Interest Income received from Participating Organizations	-	-	-
Refunds by Administrative Agent(Interest/Others)	-	-	-
Other Revenues	-	-	-
Total: Sources Of Funds	-	3,333	3,333
Uses Of Funds			
Transfers to Participating Organizations	-	1,015	1,015
Refunds received from Participating Organizations	-	-	-
Net Funded Amount to Participating Organizations	-	1,015	1,015
Administrative Agent Fees	-	33	33
Direct Costs:(Steering Committee,Secretariat...etc)	-	-	-
Bank Charges	-	-	-
Other Expenditures	-	-	-
Total: Uses of Funds	-	1,048	1,048
Balance of Funds Available with Administrative Agent	-	2,285	2,285
Net Funded Amount to Participating Organizations	-	1,015	1,015
Participating Organizations' Expenditure	-	508	508
Balance of Funds with Participating Organizations	-	506	506

2. Donor Deposits

There are three main Donors contributing to the SCILD Joint Programme: (1) the Government of Norway with total contribution of US\$ 1.84 million; (2) the Swedish International Development Cooperation (SIDA) with total contribution of US\$ 1.45 million and (3) the Swiss Agency for Development and Cooperation (SDC) with total contribution of US\$ 0.93 million.

In 2010, distribution of Donors contributions was as follows: Government of Norway has transferred 1.36 million, Swedish International Development Cooperation has transferred 1.45 million while Swiss Agency for Development and Cooperation transferred 0.5 million, as shown in Table 2.

Table 2. Donor Contributions

For the period ending 31 December 2010 (amounts in US\$ Thousands)

DONORS	Prior Years as of 31-Dec-2009	Current Year Jan – Dec 2010	TOTAL
GOVERNMENT OF NORWAY	-	1,358	1,358
SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION	-	1,451	1,451
SWISS AGENCY FOR DEVELOPMENT AND COOPERATION	-	500	500
TOTAL:	-	3,310	3,310

3. Transfer of Funds

In June 2010, amount of US\$ 1.02million of donors' contribution was transferred to the SCILD Joint Programme, as per the request from Chair of Joint Programme National Steering Committee, Assistant Minister of Ministry of Finance (Donor Aid Coordination Unit) of Republic of Serbia and UNDP Serbia Resident Representative and the Participating Organizations work plans and fund transfer requests.

Out of the total of US\$ 1.02 million, the ILO received US\$ 0.30 million (representing 29.56%), UNDP received US\$ 0.35 million (34.48%) and UNICEF received US\$ 0.37 million (35.96%), as reflected in the table below.

Transfers by UN Participating Organization are reflected below in Table 3.

Table 3. Transfer of Net Funded Amount by Participating Organization

For the period ending 31 December 2010 (amounts in US\$ Thousands)

Participating Organization	Prior Years as of 31-Dec-2009		Current Year, Jan – Dec 2010		TOTAL	
	Approved Amount	Net Funded amount	Approved Amount	Net Funded amount	Approved Amount	Net Funded amount
ILO	-	-	300	300	300	300
UNDP	-	-	350	350	350	350
UNICEF	-	-	365	365	365	365
TOTAL	-	-	1,015	1,015	1,015	1,015

4. Delivery

Out of a total US\$ 1.02 million transferred to the Joint Programme, the total expenditures of the Joint Programme for all Participating Organizations amounted US\$ 0.51million (50.09%) as of 31 December 2010.

The Joint Programme encountered slight delays in the implementation and delivery, mainly due to an administrative/legal issue and the approval of the detailed plans by the Programme Management Committee. Initially, UNDP signed a Cost-Sharing Agreement with the Donors, which has been changed into a Standard Administrative Arrangement with the Multi-Donor Trust Fund Office in order to fully comply with the JP pass-through procedures. This was finalized in June 2010 and the UN Participating Organizations therefore received their first installment in July 2010. Consequently, this influenced the implementation schedule, since the detailed work plan had to be developed/revised with the approval of the Programme Management Committee which holds meetings on quarterly basis.

Financial delivery rates are reflected below in table 4.

Table 4. Financial Delivery Rates

For the period ending 31 December 2010 (amounts in US\$ Thousands)

Country/Sector	Approved Amount	Net Funded Amount	Expenditure			Delivery rate (%)
			Prior Years as of 31 Dec 2009	Current Year Jan – Dec 2010	TOTAL	
Serbia/ JP Serbia SCILD	1,015	1,015	-	508	508	50.09
Serbia Total	1,015	1,015	-	508	508	50.09
TOTAL	1,015	1,015	-	508	508	50.09

5. Expenditure

Detailed expenditures for the Joint Programme are reflected in table 5.1 in the six-category expenditure format, as prescribed by the UNDG and “2010 Supplemental Financial Reporting Specifications for Participating Organizations”. The “Personnel” expenditure category (50.6%) represents half of the total expenditures of the Joint Programme. The second highest expenditure category is “Contracts” (34.5 %) and includes all legally binding contractual obligations for the implementation of the Joint Programme. “Supplies, Commodities, Equipment and Transportation” (8.1 %) refer to the operational expenses for the establishment of the JP Office. “Other direct costs” (5.7 %), “Training of counterparts” (1.1 %), and “Indirect Support Costs” (7%), are smaller expenditure categories of the Joint Programme.

The Table below provides detailed figures of the expenditure by category for the JP.

Table 5.1. Expenditure by Category

For the period ending 31 December 2010 (amounts in US\$ Thousands)

Category	Expenditure			Percentage of Total Programme Cost
	Prior Years as of 31 Dec 2009	Current Year Jan – Dec 2010	TOTAL	
Supplies, Commodities, Equipment and Transport	-	39	39	8.13
Personnel	-	240	240	50.59
Training of Counterparts	-	5	5	1.09
Contracts	-	164	164	34.53
Other Direct Costs	-	27	27	5.66
Programme Costs Total	-	475	475	100.00
Indirect Support Costs	-	33	33	7.00
TOTAL	-	508	508	

As shown in Table 5.2, UNDP has the highest delivery rate (84.4 %) against the amount received in 2010 and has also the greatest share of expenditures of the JP. UNICEF follows UNDP with delivery of 48.7 % against the transferred funds, while ILO's delivery rate is 11.8 %, mainly linked to its late start in JP.

Table 5.2. Financial Delivery Rates by Participating Organization

For the period ending 31 December 2010 (amounts in US\$ Thousands)

Sector/Project No. and Project Title	Participating Organization	Total Approved Amount	Net Funded Amount	TOTAL Expenditure	Delivery Rate (%)
JP Serbia SCILD/ 00075710 JP SRB Strengthening Capacity for Inclusive Local Development in South Serbia	ILO	300	300	35	11.79
00075710 JP SRB Strengthening Capacity for Inclusive Local Development in South Serbia	UNICEF	365	365	178	48.69
00075710 JP SRB Strengthening Capacity for Inclusive Local Development in South Serbia	UNDP	350	350	295	84.37
JP Serbia SCILD Total		1,015	1,015	508	50.09
T O T A L		1,015	1,015		50.09

As reflected in Table 5.3, the total JP expenditures in 2010 amounts US\$ 508,000 against first received installment of US\$ 1,015 million. Greatest portion in JP expenditures are UNDP expenditures of US\$ 295,000, followed by UNICEF participating with US\$ 178,000 and ILO with US\$ 35,000.

As for analyses by category of expenses: UNDP expenses under “Supplies, Commodities, Equipment and Transport” (US\$ 39,000) and “Other Direct Costs” (US\$ 27,000) refer to UNDP as leading agency in establishing the JP office and related operational expenses. In the ‘Personnel’ category, UNDP expenditures (US\$ 165,000) refers to the appointment and entitlements of the international JP Manager and the initial recruitment of other employees ; UNICEF expenditures (US\$ 54,000) and ILO’s (US\$ 22,000) refer also to initial staffing expenses. Expenditure “Training of counterparts” (US\$ 5,000), was solely made by ILO. In “Contracts” category, UNICEF has largest portion (US\$ 112,000) of expenditure, while UNDP’s and ILO’s amounts respectively US\$ 46,000 and US\$ 6,000, all in regards to legally binding contractual obligations for implementation of JP in 2010.

Table 5.3. Expenditure by Participating Organization, with breakdown by category, cumulative
For the period ending 31 December 2010 (amounts in US\$ Thousands)

TOTAL			Expenditure	Expenditure by Category						Indirect Support Costs	% of Total Programme Costs
Participating Organization	Approved Amount	Net Funded Amount		Supplies, Commodities, Equipment and Transport	Personnel	Training of Counterparts	Contracts	Other Direct Costs	Total Programme Cost		
ILO	300	300	35	-	22	5	6	-	33	2	7.00
UNDP	350	350	295	39	165	-	46	27	276	19	7.00
UNICEF	365	365	178	-	54	-	112	-	166	12	7.00
TOTAL	1,015	1,015	508	39	240	5	164	27	475	33	7.00

Table 6. Received Interest at the Fund and Agency Level

For the period ending 31 December 2010 (amounts in US\$ Thousands)

The Joint Programme earned an interest income of US\$ 23,000 on the contribution received from Donor's (3.31 million), as reflected below in Table 6.

Administrative Agent	31 Dec 2009	Jan-Dec 2010	TOTAL
Fund Earned Interest	-	23	23
Total – Fund Earned Interest Income Participating Organization (PO)	-	23	23
Total – Interest Income received from PO	-	-	-
TOTAL	-	23	23

7. Accountability and transparency

In 2010, the MDTF Office officially launched the MDTF Office GATEWAY (<http://mdtf.undp.org>). It is a knowledge platform providing real-time data from the MDTF Office accounting system, with a maximum of two-hour delay, on financial information on donor contributions, programme budgets and transfers to Participating Organizations. It is designed to provide transparent, accountable fund-management services to the United Nations system to enhance its coherence, effectiveness and efficiency. Each MDTF and JP administered by the MDTF Office has its own website on the GATEWAY with extensive narrative and financial information on the MDTF/JP including on its strategic framework, governance arrangements, eligibility and allocation criteria. Annual financial and narrative progress reports and quarterly/semi-annual updates on the results being achieved are also available. In addition, each programme has a Factsheet with specific facts, figures and updates on that programme.

The GATEWAY provides easy access to more than 5,000 reports and documents on MDTFs/JPs and individual programmes, with tools and tables displaying related financial data. By enabling users in the field with easy access to upload progress reports and related documents also facilitates knowledge sharing and management among UN agencies. The MDTF Office GATEWAY is already being recognized as a 'standard setter' by peers and partners.