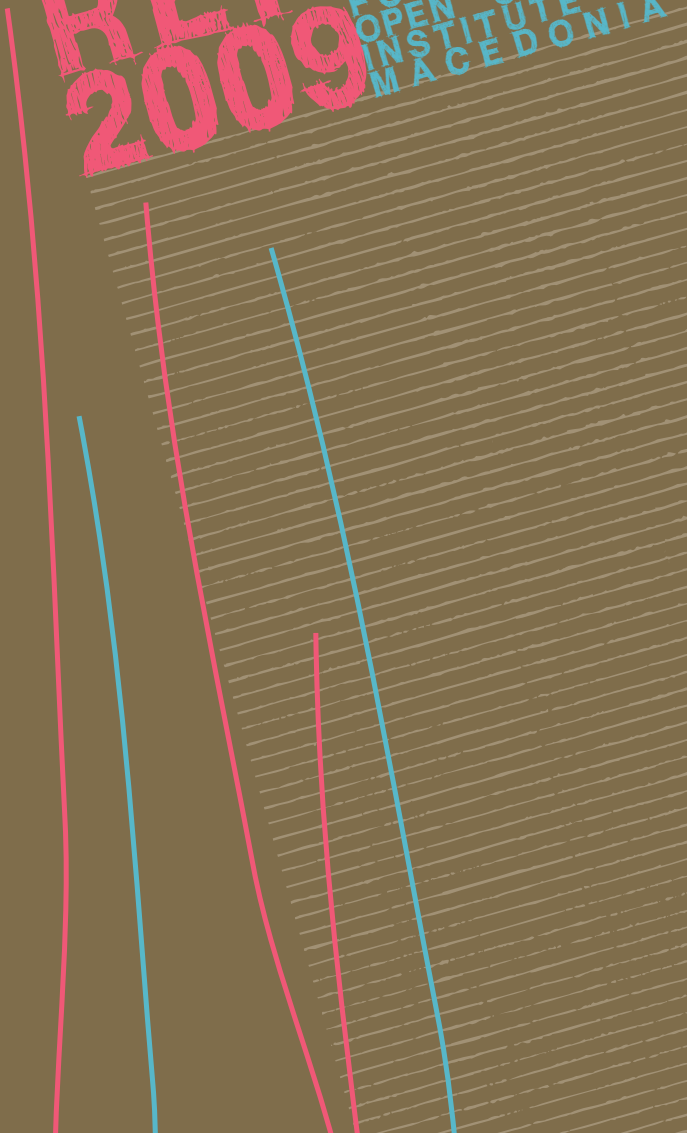
ANNUAL REPORT 2009

FOUNDATION OPEN SOCIETY INSTITUTE - MACEDONIA



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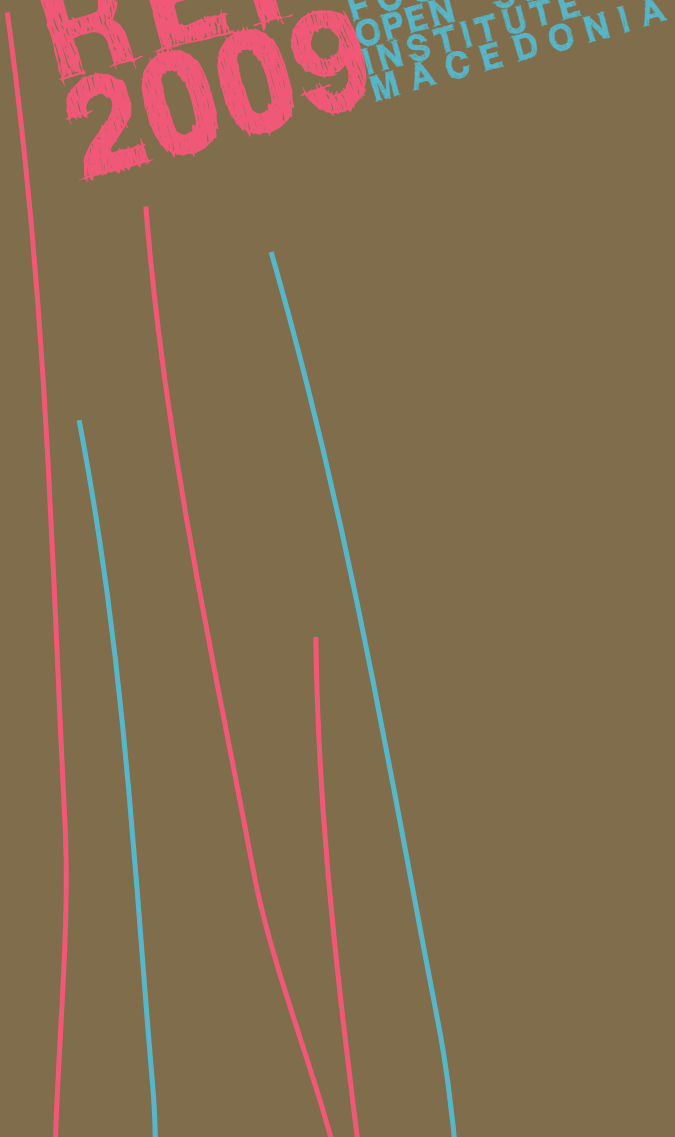

FOUNDATION ФОНДАЦИЈА
OPEN ИНСТИТУТ
SOCIETY ОТВОРЕНО
INSTITUTE ОПШТЕСТВО
MACEDONIA МАКЕДОНИЈА

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ORGANIZATIONAL SET-UP

EXECUTIVE BOARD

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Goce Todorovski (until August 2009)
Mersel Biljali
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Zarko Trajanoski
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PROGRAMS AND PROJECTS

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MEDIA

Violeta Gligoroska, *Program Coordinator*

PUBLIC ADMINISTRATION REFORM

Fani Karanfilova-Panovska, *Program Director*
Kire Milovski, *Project Assistant*

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1 The Information Program is a spin-off program coordinated by the Metmorphosis Foundation from Skopje.

LAW PROGRAM

Neda Korunovska, *Program Coordinator*

Dance Danilovska, *Project Coordinator*, Free Access to Information

Nada Naumovska, *Project Coordinator*, Approximation of the Macedonian Legislation

EAST–EAST: PARTNERSHIP BEYOND BORDERS

Aleksandar Markovski, *Program Assistant*

ROMA FELLOWS

Orhan Usein, (until May 2009)

Fatima Osmanovska (until August 2009)

CIVIL SOCIETY

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Sara Demiri, *Project Coordinator*

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Ljubisa Angelovski, *Assistant, Logistics*, Community Forums,

Vesna Skortova, *Moderator*, Community Forums,

Igor Taseski, *Moderator*, Community Forums,

Tamara Kjortoseva, *Project Assistant*

Daniela Nastevska, *Assistant for Finances*

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Anastazija Paneva, *Cashier*
Igor Krstevski, *IT Support*
Branko Zoksimovski
Ivona Stalevska and Katerina Doneva, *Reception*
Stana Filipovska and Lepa Doneva, *Maintanance*

PUBLIC EVENTS

- January 20, Skopje, **Public Health in Macedonia and Roma: What Was Done and What Is Next?** *national conference*
- February 3, Kriva Palanka, **Revealed Testimonies – Soldiers' Letters from the Great War 1914 – 1918**, exhibition and monograph promotion
- February 13, Probistip, **Revealed Testimonies – Soldiers' Letters from the Great War 1914 – 1918**, exhibition and monograph promotion
- February 23, Stip, **Revealed Testimonies – Soldiers' Letters from the Great War 1914 – 1918**, exhibition and monograph promotion
- February 26, Skopje, **Institutional Responses to Elections Irregularities – Dilemmas and Challenges,** *round table discussion*
- February 27, Skopje, **2009 Budget of the Republic of Macedonia,** *public debate*
- April 22, Skopje, **Citizens Debating for European Macedonia,** *public debate*
- May 14, Skopje, **Survey Results on the Public Perception as regards the Implementation of the Law on Free Access to Information of Public Character**, *press conference/presentation of survey results*
- May 21, Skopje, **Policy Paper: Long Way to Knowledge Based Society,** *press conference*

- June 30, Skopje, **Policy Paper: Long Way to Knowledge Based Society,** *round table discussion*
- July 4, Struga, **Under the Same Sun**, *multiethnic happening*
- July 17, Skopje, **Draft National Strategy on Resolving the Dispute with the Republic of Greece Concerning the Name of Republic of Macedonia,** *public promotion*
- September 2, Skopje, **Education for Poor Project**, *press conference/signing MOU with the Ministry of Education and Science*
- September 12, Skopje, **Freedom not Fear- Awareness Raising Action for Privacy Protection,** *public promotion*
- September 28, Skopje, **Right to Know Day- International Day of Free Access to Public Information,** *press conference*
- October 22, Skopje, **Decentralization – Opportunity for More Tolerant Municipalities,** *conference*
- October 28, Skopje, **Conference: Lisbon – Skopje – Athens,** *round table discussion*
- October 29, Skopje, **What Orwell Didn't Know?** *public debate on the occasion of book promotion*
- October 30, Skopje, **Alliance for Inclusion of Roma in Education Project**, *closing ceremony*
- November 6, Skopje, **Fiscal Transparency Project - Increasing Fiscal and Management Autonomy of Sub Municipal Governments,** *closing conference*
- November 13-15, Ohrid, **Creative Teaching and Learning Project-Education for Social Justice**, *closing conference*

- November 19, Skopje, **Pressures on Freedom of Expression,** *public debate*
- November 20, Skopje,**The Challenges in the Light of the Adoption of the Law on Free Legal Aid**, *round table discussion*
- November 20, Skopje, **Does Business Incubation work?,** *regional conference*

PARTNERS AND DONORS

NATIONAL

Public Institutions and Organizations

Ministry of Justice of the Republic of Macedonia
Directorate for Protection of Personal Data, Skopje
Commission for Protection of the Right to Free Access to Information of Public Character, Skopje
Southeast European University, Tetovo
Faculty of Dramatic Arts, Skopje
Faculty of Natural Sciences and Mathematics, Skopje
Faculty of Natural Sciences and Mathematics, Tetovo
Faculty of Philosophy, Skopje
Faculty of Philology "*Blaze Koneski*", Skopje
Faculty of Social Sciences and Humanities, Tetovo,
Faculty of Pedagogy, Bitola
Faculty of Pedagogy "*Goce Delcev*", Stip
Faculty of Pedagogy "*St. Kliment Ohridski*", Skopje
Faculty of Law "*Iustinianius Primus*", Skopje
Faculty of Medicine, Skopje
Municipality of Debar
Municipality of Chair
Municipality of Kocani
Municipality of Novo Selo
Municipality of Bitola
Municipality of Bogovinje
Municipality of Ohrid
Municipality of Karbinci
Municipality of Stip
Municipality of Kumanovo

Municipality of Tetovo
Municipality of Oslomej
Municipality of Kavadarci
Municipality of Gevgelija
Municipality of Gjorce Petrov

Non-Governmental Organizations

Foundation *Horizonti*, Skopje
Foundation for Rebuilding and Development of Ovce Pole, Sveti Nikole
Aid for Handicapped and Poor, Prilep
Vrama si, Kumanovo
KHAM, Kumanovo
Soncogledi, Skopje
Dendo vas, Skopje
Center for Institutional Development – CIRa, Skopje
Association for Sustainable Development and Cooperation *Alka*, Skopje
Association for Democratic Initiative (ADI), Gostivar
Youth Cultural Centre, Bitola
Coalition for Sexual Health and Rights (HOPS, EGAL, CGCP, HERA, Izbor), Skopje
Humanitarian and Voluntary Roma Association *Mesecina,* Gostivar
Association for Emancipation, Solidarity and Equality of Women (ESE), Skopje
Center for Regional Policy Research and Cooperation *Studiorum,*Skopje
Macedonian Young Lawyers' Association, Skopje
Association for Criminal Law and Criminology of Macedonian, Skopje
Coalition *All for Fair Trials*, Skopje
Forum for Roma Rights *Arka*, Kumanovo

Center for Democratic Development, Tetovo
Center for Civic Initiative, Prilep
Izbor, Strumica
Transparency Macedonia, Skopje
FORUM – Center for Strategic Research and Development , Skopje
Media Development Center (MDC), Skopje
Association of Journalists of Macedonia (AJM), Skopje
NGO Infocenter, Skopje
ZELS - Association of Local Self-Government Units, Skopje
Center for Civic Communications, Skopje

Spin-off Organizations

Junior Achievement Macedonia, Skopje
Youth Entrepreneurial Service Foundation, Skopje
Foundation for Educational and Cultural Initiatives *Step by Step*, Skopje
Youth Educational Forum, Skopje
Akcija Zdruzenska, Skopje
Children's Theater Centre, Skopje
Common Values, Skopje
Contemporary Arts Center, Skopje
Regional Advocacy Centre, Delcevo,
Regional Sustainable Development Centre, Gevgelija
Regional Sustainable Development Centre, Kratovo
Local Community Development Foundation, Stip
Local Development and Democracy Foundation *Focus*, Veles
Local Development Centre *Antigonea*, Negotino
Community Development Centre, Kicevo
Community Support Centre, Resen
Support and Development Foundation, Prilep

Sustainable Community Development Centre, Debar
Sustainable Development Centre *Porta*, Strumica
Association for Development and Activism *Aqua*, Struga
Macedonian Center for European Training (MCET), Skopje

Business Organizations

Export and Credit Bank, Skopje
Center for Business Cooperation, Skopje
Consulting for Strategic Development, Skopje
Sonet, Internet Provider, Skopje

INTERNATIONAL

Embassies, Institutions and International Organizations

Norwegian Ministry of Foreign Affairs
United States Agency for International Development (USAID)
Embassy of the Kingdom of the Netherlands
US Embassy in Skopje
Roma Education Fund, Budapest, Hungary
European Commission, Brussels, Belgium
Delegation of the European Commission , Skopje
Swiss Agency for Development and Cooperation (SDC)
Swiss Cultural Program in the Western Balkans
OSCE Spillover Monitor Mission to Skopje

Non-Governmental Organizations

Pestalozzi Children's Foundation, Trogen, Switzerland
Center for Economic Management from South Africa
Procurement Watch Inc., Philippines
Freedom of Information Advocacy Network

Human Rights Center, Zagreb, Croatia
Open Society Justice Initiative, New York
Partners Foundation for Local Development – FPDL, Bucharest
Roma Educational Fund – REF, Budapest
SINTEF Technology and Society, Trondheim, Norway
Swedish Helsinki Committee for Human Rights, Stockholm, Sweden

EDUCATION PROGRAM

CREATIVE TEACHING AND LEARNING PROJECT

Implementing organization: FOSIM

Donor/s: USAID

Partner/s: HS Zef Ljus Marku, Skopje;, HS Josip Broz Tito, Skopje; HS D-r Ibrahim Temo, Struga; HS Niko Nestor, Sturga; HS Goce Delcev, Kumanovo; HS Naum Naumovski Borce, Krusevo; HS Gostivar, Gostivar; HS Josip Broz Tito, Bitola; HS Kiril Pejcinovik, Tetovo; HS Zdravko Cockovski, Debar; HS Koco Racin, Veles

Aim: to reduce ethnic divisions and tensions at 11 ethnically-mixed primary and secondary schools selected.

In the course of the school 2008 – 2009 year, as part of the "Social Justice Education" project around 450 high school teachers attended two training modules (each in the duration of three days). In addition, 305 high school students participated in the Summer Camp on Intercultural Education.
In the period 13-15 November 2009, 400 teachers from 11 secondary schools attended the conference titled *Education for Social Justice – from Training to Reality,* held in Ohrid. This conference provided teachers with the rare opportunity to share various ideas and approaches from their school practices and present their active role in awareness rising for the purpose of overcoming prejudices and discrimination.
More than 300 high- school students participated in the Summer Camp on *Intercultural Education,* as well as in workshops and meetings organized by the Youth Educational Forum (FOSIM's implementing partner). In the period October-December, students organized various events in their schools or communities, and thereby demonstrated their creativity in topics covered, as well as in methods used for different presentations. Apart from the school board and their teachers, the students' work was also supported by

the students from the Youth Educational Forum. In some municipalities (Bitola, Gostivar, Kumanovo, etc.) the events were also supported by local government officials. All events were covered by local media. Moreover, the events in Bitola and Gostivar were covered by national media.
As part of this phase, a base line study and evaluation of teachers' attitudes was performed. The evaluation showed continuous and consistent trend of changes in attitudes as regards greater comprehension of these notions. Social Justice Education is implemented in three components: problem identification; preparedness to discuss problems; alliance building for joint action. The analysis of results showed that the training delivered brought about changes under all three components.

ROMA EDUCATION PROGRAM (REP)

Implementing organization: FOSIM

Donor/s: United States Agency for International Development (USAID), FOSIM and Roma Education Fund

Partner/s: 5 primary schools: *Braka Miladinovci* and *Straso Pindzur* - Skopje; *Hristijan Karpos* and *11 Oktomvri* - Kumanovo, *Dobre Jovanovski* - Prilep; 5 Local Roma NGOs: *Vrama si* and *Kham* - Kumanovo, *Aid for the Handicapped and the Poor* - Prilep, *Soncogledi* and *Dendo Vas* - Skopje

Aim: REP aims to provide comprehensive education support for increased school retention and academic achievement of Roma children and youth.

The project completed the fifth and initiated its final implementation year. REP pre-school component prepared 198 children at pre-school age for regular school. Through the activities implemented by the Roma Education Centers (REC), these children developed social and cognitive skills, cultural and

hygiene habits, learned Macedonian language and gained basic knowledge in mathematics.

A total of 853 1st to 8th grade primary school Roma students from five primary schools benefited from the direct out-of-school support in homework writing, subject-based tutoring, English language and IT courses, creative and other workshops provided by the Roma Education Centers on day-to-day basis. REC secured parents' involvement and established links between Roma families and schools by means of organizing home visits, regular monthly parent-teacher meetings, educational workshops and other activities that targeted Roma parents. In the school 2008-2009 year, 90.50% of regular REC attendees (5th to 8th grade) successfully completed the grade and continued in the next one.

As part of REP secondary school component, a new intervention group of 102 Roma secondary school students from 40 schools in 21 towns who attend third year of secondary education and hold GPA of at least 3.0 received scholarships and benefitted from school-based mentorship provided by 53 secondary school teachers-mentors. English Language Courses were delivered to 69 scholarship beneficiaries. Education for Social Justice Training was delivered to 30 mentors and 37 mentors benefited from training on effective mentorship. 99% of scholarship beneficiaries successfully completed the school year.

REP provided assistance to 82 Roma university students from different universities/faculties, academic years and fields. 35 of them received scholarship support, whereas 27 students received 929 tutoring hours assistance in 49 subjects delivered by 26 tutors (junior faculty staff, peers and professionals). 22 Roma students were trained in integrated topics on "Active Citizenship", "Advocacy & Lobbying" and "Public Speech and Debate" all delivered as part of the summer school sessions. 34 out of 35 university scholarship beneficiaries successfully enrolled in the next academic semester.

ROMA EDUCATION PROJECT-PCF

Implementing organization: FOSIM

Donor/s: Pestalozzi Children's Foundation from Switzerland and FOSIM

Partner/s: 3 Local Roma NGOs: *Vrama si* - Kumanovo, *Aid for the Handicapped and the Poor* - Prilep, *Dendo Vas* – Skopje; 6 primary schools: *Straso Pindzur* – Skopje, *Braka Ramiz i Hamid* – Skopje, *Hristijan Karpos* - Kumanovo, *Braka Miladinovci* – Kumanovo, *Krste Misirkov* – Kumanovo, *Dobre Jovanovski* - Prilep;

Aim: to enable access to quality education for Roma children in 4 municipalities throughout Macedonia aimed to improve their school performance and retention, to mainstream Intercultural Education in partner schools, to identify the barriers to the exercise of the right to education and to establish advocacy instruments and lobby state institutions and to strengthen the local partner organizations for the purpose of successful implementation of their strategic plans.

This project is an extension of certain activities implemented in the previous four years as part of the Roma Education Program and realized by Roma Education Centers (REC): *Dendo vas,* Skopje, *Vrama si,* Kumanovo and *Romano Pro Angle*, Prilep.
In 2009, the project continued the direct support to upper primary grade students, including tutoring, assistance in homework writing, educational workshops and intercultural activities. Activities were extended to include two additional schools in Kumanovo and one school in Skopje. 622 Roma and 195 non-Roma upper primary grade students benefited from these activities organized at Roma Education Centers.
The concept of Intercultural Education was mainstreamed in the project by means of: regular intercultural activities in the Centers; training sessions and mentorship aimed to prepare primary school teachers to implement

intercultural syllabus; Intercultural Education training for REC educators. The project also included an analysis of Intercultural Education's inclusion in official textbooks and a public debate on the same topic. Intercultural syllabus was introduced in History subject for upper primary grades at three project-targeted primary schools. In addition, intercultural syllabus was prepared and implemented in two project-targeted schools in the subjects: Civil Education, French Language, Music Education, English Language and Geography.

As part of the project, a comprehensive database on Roma population in Kumanovo and Prilep was developed and analysis of the application of the elective subject *Roma Language and Culture* in primary schools was undertaken in order to determine the barriers to the exercise of the right to education. In addition, alternative report to the *Republic of Macedonia's Second Periodic Report on the Convention on the Rights of the Child* was developed and submitted to the UN Committee on the Rights of the Child.

ALLIANCE FOR INCLUSION OF ROMA IN EDUCATION

Implementing organization: FOSIM

Donor/s: *Roma Education Fund, Budapest*

Partner/s: *Department for Promotion and Development of Education in the Languages of Minorities/MoES*

Aim: to improve retention and achievement rates of targeted Roma students enrolled at secondary schools; to increase the number of Roma in the country with completed secondary education as well as to improve the transition rate of Roma students from secondary to university education.

In September 2009, the project entered its fourth and last implementation year. A total of 118 students attending four-year secondary school and

holding GPA of 3.5 and above participated in project activities. All of them continued to benefit from scholarship and mentorship support in the school year 2008/09. 46 teachers were engaged as mentors in the same school year. Following are the findings from the evaluation of the fourth project year: retention rate of the 2008/09 program participants is 100, meaning that all students completed secondary education with average GPA of 3.72 (3.79 for female and 3.63 for male students) and no failing grades at the end of the school year.

Both students and their parents agree that the scholarship motivates continuous schooling and achievements. The role of the mentors should not be underestimated, especially since indirect measures indicate that students have developed high self-confidence in their academic achievements which -to a certain extent – may be due to their mentors' work.

In the course of the project implementation (2005-2009), a total of 1,464 scholarships were awarded to 657 students. A total of 149 teachers provided mentorship support for one or several years. Both intervention components - scholarships and mentorships - improved students' retention rate (98%) and school performance (average GPA of 3.7). The project increased the number of Roma with completed secondary education (498 graduates) and the number of Roma students enrolled at universities.

At the beginning of the school 2009/2010 year, the Ministry of Education and Science with the support provided by the Roma Education Fund continued the implementation of both project interventions - scholarships (awarded to 800 Roma high school students) and mentorship.

EQUAL EDUCATIONAL OPPORTUNITIES FOR ROMA CHILDREN

Implementing organization: FOSIM

Donor: Embassy of the Kingdom of the Netherlands

Duration: July 2006-December 2009

Partner/s: 10 primary schools in Macedonia: *Bratstvo Edinstvo* - Debar, *Sande Sterjovski* - Kicevo, *26 Juli* - Skopje, *Braka Ramiz i Hamid* - Skopje, *Dimkata Angelov Gaberot* - Vatasa – Kavadarci, *Blagoj Kirkov* - Veles, *Rade Kratovce* - Kocani, *Slavco Stojmenski* - Vinica, *Vanco Prke* - Delcevo, *Dedo Iljo Malesevski* - Berovo.
Foundation for Educational and Cultural Initiatives Step by Step and 12 local Roma NGOs *Mesecina* - Debar, *Mesecina* and *Bela kula* - Kicevo, *Caritas* - Skopje, *Romani bah* - Veles, *Association of Roma from the Tikves Region* - Kavadarci, *Terno vas* - Berovo, *Kham* - Delcevo, *Initiative of Unemployed Intellectuals* - Vinica, *Association for Roma Rights* - Stip, *Avena* and *Svetla idnina* - Kocani.

Aim: to improve school achievement of project-targeted Roma lower primary grade students and to improve retention rate of project-targeted Roma upper primary grade students.

The project that ended in December 2009 was an extension of educational actions performed by the Foundation Open Society Institute - Macedonia (FOSIM) under the primary school component of the Roma Education Program. During the project's three year implementation **2,550** students were provided with additional learning support at the After School Support Centers, established and fully equipped with school furniture, didactic materials and computer equipment. Free textbooks, school materials and snacks were provided to children who attended additional classes. Training delivered to teachers introduced positive changes in the classrooms and improved teacher- student relations. As part of the project, 747 teachers were trained in 5 different areas.
The "Equal Educational Opportunities for Roma Children" project successfully achieved the anticipated objectives, those being: 1) to improve school achievement of project-targeted Roma lower primary grade students; and 2) to improve the retention rate of project-targeted Roma upper primary grade students. In addition, the project provided for increased self-confidence among Roma students and their satisfaction with additional classes.

Project activities and achievements can be indicated as good practices in the light of motivating underachievers and increasing their knowledge and overall performance. Roma students, in general, and underachievers from the schools targeted by the project, improved their school results and increased their own and the expectations of those responsible for their achievements, which were positively evaluated in the project findings.

EU POLICIES AND MACEDONIAN EDUCATION

Implementing organization: FOSIM

Donor/s: FOSIM

Partner/s: *Macedonian Center for European Training, Metamorphosis*
In cooperation with the *Association of High School Principals*, in February FOSIM delivered a three-day training titled *A Step Closer to the EU through Education* to 60 secondary school principals. The training was delivered by internationally certified trainers from the *Macedonian Center for European Training (MCET)*. The participants were acquainted with EU structures, enlargement policy and the new Lisbon Treaty, as well as the overall IPA funding policies and EC's Community and Life Long Learning Programs.
FOSIM's education staff developed a policy paper titled *LONG WAY TO KNOWLEDGE BASED SOCIETY: Macedonian Education in the Light of the EC,* which aimed to examine the performance of the Macedonian education system against the five key benchmarks set under the EU *Education and Training 2010 Work Program*. The paper was published in Macedonian and English and was distributed to all MPs, government representatives, embassies, international and in-country NGOs, educational organizations, media, etc. 30 education experts, representatives of the education donor community and international organizations attended the round table, organized at the end of June. Given that Government representatives boycotted the round table, an open letter addressed to the Government and accompanied with

conclusions and recommendations from the paper, was published in 3 daily newspapers and 2 weekly magazines.
In December, an agreement for cooperation was signed with Metamorphosis on research aiming to define IT and e-contents used by Macedonian educational institutions.

EDUCATION FOR POOR

Implementing organization: FOSIM

Donor/s: Soros Emergency Fund

Partner/s: *Ministry of Education and Science of the Republic of Macedonia*, primary schools, local municipalities

Aim: to provide primary school students (at the age of 6-15 years) with necessary didactic and other school materials (notebooks, drawing papers, crayons, maps, etc.)

The project aimed to reduce private expenditure (households' expenses) in the light of promoting equality in education at times of economic crisis, which is one of the key open society values. The project aimed to ensure access to education for primary school students and maintain their school attendance as a precondition for successful completion of the relevant school grade and transition to the next one. The project is anticipated to be implemented during two school years (2009/2010 and 2010/2011).
On 2 September 2009, the Memorandum of Cooperation was signed with the Ministry of Education and Science of the Republic of Macedonia. The Ministry of Education and Science assisted FOSIM in information provision to schools, local governments and the Employment Agency on the school materials donated to poor children.

A total of 19,714 students (53% male and 47% female students) from 309 primary schools received school material donations for the first semester of the school 2009/2010 year. Following is the ethnic structure of project beneficiaries: 42% Macedonians, 32% Albanians, 10% Roma, 4% Turks, and 3 % others and 8% did not declare their ethnicity. The second part of the donation packages will be distributed to students at the beginning of the second school semester.

YOUTH FOR AN OPEN SOCIETY – LOCAL YOUTH INITIATIVE

Implementing organization: *Youth Educational Forum*

Donor/s: FOSIM

Aim: the main goal of the project is to offer alternative space and contents to Macedonian youth for their active involvement in the promotion of open society values. It also encourages their active involvement in creating youth policies and principles closely related to their needs.

Youth for an Open Society – Local Youth Initiative is a three-year project implemented by *Youth Educational Forum (YEF)* in partnership with thirteen centers throughout the country. 2009 is the project's second implementation year. In 2009, a total of 23 events were organized, 10 out of which were held in June, and the others in January, February, March, July, and November. High school students from Resen increased the capacity of the student library "Library in Crisis", in Struga they showed that young people are free of prejudices and segregations "We Are All the Same", others promoted the European Union values "Judge Me by the Game", and in Skopje the students promoted recycling "Don't Be a Compost, Put It on the Right Place". Local clubs also organized a series of public events aimed to raise awareness on helping people with fewer opportunities.
In the course of 2009, around 550 high school students in Macedonia were

trained in Youth Activism and 350 were trained in Debate. Lectures were held by YEF associates, with the help from local club's coordinators. Apart from the topic on how to organize events and youth activism, lectures covered issues on social inclusion, new media and public relations, basic youth freedom and democracy, and were accompanied with lectures on how to identify problems in society, design projects and create networks. Each club was presented with curriculum and materials conductive to lecturers' organization, and developed by YEF's coordination team. Moreover, some lectures were delivered by YEF activists, while another group visited the centers and communicated with the respective members and coordinators.

In August 2009, a *Youth Freedom Academy* was organized, attended by 90 high school students from the country, as well as local club coordinators. They participated in various workshops as part of the Academy, primarily depending on their interests.

The debate club followed the elements of Karl Popper's debate format. Regional debate tournaments were organized in April for the purpose of selecting the best speakers to take part in the IDEA international debate tournament. The winners thereof (from Stip and Delcevo), participated in the annual IDEA Youth Forum 2009, held in Jahorina, Bosnia and Herzegovina, together with more than 100 teams from all over the world. In addition, several debate tournaments were organized throughout the country, where debaters from clubs established in different towns competed and demonstrated their debating skills. The winners thereof participated in the *International Macedonia Open Debate Tournament 2009*, held in December in Skopje and hosting 120 debaters from Macedonia and the Balkan.

EAST-EAST PROGRAM: PARTNERSHIP BEYOND BORDERS

EAST-EAST PROGRAM: Partnership beyond Borders supports international cooperation between civil society and non-governmental organizations aimed to exchange experiences, expertise and knowledge in the light of promoting open society principles on international level.

This Program represents unique resource and methodology in support of civil society and non-governmental actors. It is implemented by 23 Soros Foundations seated in: Albania, Azerbaijan, Bosnia and Herzegovina, Bulgaria, Georgia, Armenia, Estonia, Kazakhstan, Kyrgyzstan, Kosovo, Latvia, Macedonia, Moldavia, Mongolia, Poland, Romania, Serbia, Slovenia, Tajikistan, Turkey, Ukraine, Montenegro, and the Czech Republic. In Slovenia, Russia, Lithuania, Croatia, and Hungary, the Program is implemented by institutional partner organizations.

The Program provides financial support for implementation of cross-border initiatives aimed to encourage international exchanges. It also aims to cover direct costs incurred in the organization of international events hosted in Macedonia and participation of Macedonian representatives in events organized abroad.

For additional information, please visit **www.soros.org/initiatives/east.**

In 2009, FOSIM's goal under the East East: Partnership Beyond Borders Program was to promote open society values as a cornerstone of developed democracy by supporting mobility of civil society actors and ideas across borders which, in turn, will enable exchange of knowledge and organization of comprehensive debate and critical analysis of developments in Macedonia. This will counterbalance the conservative and totalitarian ideas that Macedonian citizens are likely to follow, thus preventing Macedonia to become a closed society.

INITIATIVES/EVENTS SUPPORTED IN MACEDONIA (HOSTED IN-COUNTRY ACTIVITIES)

Strengthening Regional Cooperation and Partnership (final phase)

The project aimed to exchange information on reconciliation and democratization processes in Western Balkan post-conflict societies. The initiative holder - *Center for Civic Initiatives, Prilep*, organized a regional conference (June 2009), which opened the discussion on the role of civil society organizations in addressing challenges faced in regard to building regional peace and stability as a precondition for economic development of local communities and promoting the European perspective in the region. Participants in this initiative inferred the conclusion that civil society organizations in the region have the potential and capacity to initiate dialogue in multicultural societies. They also concluded that development of participatory culture among citizens, and notably among the young population, and promotion of cooperation and partnership with local authorities for the purpose of addressing local challenges is of essential importance. Contrary to conservative, populist and regressive tendencies of post-conflict societies from the region, and by means of analysis of specific radical groups that negatively affect the region's peace and stability, emphasis was put on the need for democratization and enhancement of the region's EU perspective. At the event, participants stressed the need for initiating preventive cross-border mechanisms aimed to promote European values and democratic principles in the region. Participants also indicated the importance of organizing debates on the issues of radicalism, xenophobia, ultra-nationalism and intolerance in civil society sectors from respective societies in the region.

Partnership for Effective Public Services: Rehabilitation and Re-Socialization of Drug Users

The project's main goal was to build the capacity of stakeholders in Macedonia profiled in treatment, rehabilitation and re-socialization of drug users, with special emphasis on therapeutic communities. This initiative was implemented in two phases.

In the first phase, representatives from *HOPS – Healthy Options Projects, Skopje* and *Izbor, Strumica*, representatives from the City of Skopje and the Municipality of Strumica, social workers and civil servants from the Ministry of Labor and Social Policy participated in three study visits to Bosnia and Herzegovina (April, 2009), Poland (May, 2009) and the Czech Republic (June, 2009). In addition to the day-to-day activities of re-socialization centers and therapeutic communities' institutional set-up and operation, participants were particularly interested in the good practices related to public/private and local/national funding. Participants in this initiative had a unique opportunity to be introduced with the successful models of partnership-building and cooperation between local and national level stakeholders.

Under the second phase, in the period 13-16 October 2009 a one-day conference was organized in Skopje and two-day training was delivered in Ohrid. The conference[1], attended by many participants from Macedonia, presented Czech and Polish experiences, as well as lessons learned from the development of effective and efficient public policies and strategies. Building local partnerships for re-socialization and networking in light of effective service provision were pointed as being one of the main factors for successful and complete community reintegration of former drug users. It was recommended that state's annual programs should anticipate and fund re-socialization and rehabilitation programs, and the government should incorporate these programs in its IPA programming documents. According

1 For more information, please visit : http://www.hops.org.mk/news.htm

to the participants, it is necessary to regulate the status of employees at both, re-socialization centers and drug addiction prevention and treatment centers. Establishment of international organizations and experts' network tasked with advocating for the implementation of humane and cost-effective drugs policies is also necessary.

Sustainable Rural Development Policies: Mechanisms in the Fight against Global Crisis' Effects

The Macedonian Green Center, Skopje – partner organization in the regional project Sustainable Rural Development Policies: Mechanisms in the Fight against Global Crisis' Effects organized a round table (April 2009) addressing the climate changes' effects on the environment in Macedonia and the possibilities for creation and implementation of participatory public policies on rural development in Macedonia. Eco-agriculture, new employments in rural areas as a result of enhanced alternative and rural tourism, use of renewable energy sources in rural environments and introducing so-called "green jobs" in the production of organic food from rural areas were indicated as alternative solutions to address the global crisis' effects. At the same time, concerns were raised as regards the failure of civil society organizations to participate in relevant policy-creation and implementation. At the event, participants reiterated the need for allocating more earmarked grants in order to raise civil awareness and encourage their participation in environmental policy development and implementation. Conclusions inferred at this event were presented at the regional closing conference held in Tirana (May 2009).

Environmental and Urban Sustainable Development: First Regional Green Lobby Group

The initiative aimed to establish regional green lobby group in Albania, Macedonia and Montenegro by strengthening the alliance of civil society organizations, central government and media representatives. The organization "*Balkan Bridges*" *Skopje* organized a conference[2] (June 2009), where experiences were exchanged in relation to civil society's involvement in the creation of public policies on environmental protection and promotion, and the possibilities were presented for influencing the decision-making process in the light of effective and sustainable urban development. Dusana Zdravkova, representative[3] of the Republic of Bulgaria at the European Parliament presented the positive experiences from the involvement of the civil society sector in advocacy policies, and the successful lobbying models in the European Parliament, the European Commission and other EU decision-making bodies.

At the event, participants exchanged experiences related to the "gray zones" referred to in the national strategic documents adopted by the respective countries, the national environmental action plans and the legal framework on sustainable environmental development. Representatives from environmental organizations and media discussed the possibility for using the media as an instrument to increase the involvement of civil society organizations in initiating "green policies" and in addressing environmental issues. Particularly interesting was the discussion on access to funds which support environmental initiatives and possibilities for partnership-building under regional cross-border initiatives.

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2 For more information, please visit : http://www.balkangreenlobby.org/what_is_done/struga_conference.html

3 Also a Vice-President of the Constitutional Committees at the European Parliament, Strasbourg.

The so-called *Struga Platform* was adopted at the event, which represents a roadmap designed to encourage joint regional environmental policies and promote cross-border lobbying and raise advocacy initiatives in front of national and international institutions from different fields[4].

Illusion or Inclusion? Consultation Process of Civil Societies from Western Balkans

The Macedonian Center for International Cooperation, Skopje organized a meeting (June 2009) with the members of the *Balkan Civil Society Development Network*[5]. The project aimed to build organizations' capacities in order to involve them in EU integration policies, as well as to exchange information on current public policies aimed to accelerate the EU Integration Process in the region. Special attention was given to the analysis of manners for increased impact on the consultation process, as well as the progress made by Western Balkan countries in fulfilling the EU membership criteria. Participants in this initiative reiterated the need for joint advocacy and lobbying activities aimed to influence the inclusion of the Western Balkans in the EU enlargement policy. The financial sustainability of the *Balkan Civil Society Development Network* was also assessed at the meeting.

4 Promoting alternative and renewable energy resources, protecting biodiversity, promoting natural heritage, protecting border national parks and natural resources and promoting sustainable urban development policies.

5 Balkan Civil Society Development Network is comprised of 14 civil society organizations from 10 states in the region.

Cultural Lobby – New Perspective of the European Integration Processes

The project aimed to promote visual arts as an alternative instrument in the promotion of European principles and values. An informal lobby group comprised of profiled organizations, curators and artists from Western Balkans initiated cross-border networking in order to encourage positive changes and social cohesion by means of promoting cultural, ethnic, religious and social differences in Western Balkan societies[6]. This initiative was implemented in two phases.

The first phase included harmonization of the methodology and instruments intended for field research. Representatives of the *Center for Contemporary Public Art – Elements, Bitola* participated in the regional workshop (August 2009, Montenegro) and contributed to the development of the plan on research-targeted cities and locations. As part of the second phase, the hosts (B. Isijanin and J. Krsteski) and artists from Albania (L. Klafi and A. Habajaz) carried out field research in 10 cities/locations in Macedonia with different social and economic development rate. Around 50 citizens were interviewed by means of visual techniques such as photographs, audio and video recordings. National audio and video archive was established, and in the following project phases it will become part of the regional archive database that would serve as barometer of attitudes, expectations and opinions of citizens from Western Balkans concerning the advantages and changes in their every-day lives following the EU accession.

Waste Management Policy: EU Experiences and Best Practices

The overall goal of the project was to facilitate the process of drafting and advocating for the adoption of the Law on Waste Management in Macedonia by

6 For more information, please visit : www.theculturelobby.com

means of exchange of good practices from the region and successful models from EU Member States. The project promotes inclusive, transparent and sustainable policy-making process concerning waste management between the public, civil and business sector in Macedonia. The regional initiative anticipates institutional capacity building for civil society organizations in the light of initiating advocacy efforts for implementation of environmental policies, monitoring the implementation and enforcement of environmental standards in line with EU criteria.

The project is designed in two phases. *MDC-Ti. Net, Skopje* organized a national workshop (October 2009, Ohrid), where the representatives from the Ministry of Environment and Spatial Planning presented the Draft Law on Waste Management. The event also included identification of advocacy efforts targeting different levels of governance and institutions for the purpose of adopting legislative solutions, which – *inter alia* – would provide a more favorable climate for the participation of civil society organizations in waste management issues.

Regional and European experiences related to enhanced role and importance of civil society organizations in addressing waste management challenges were presented on the closing conference in Skopje (February 2010). Conclusions inferred include the need to incorporate informal waste collectors in the organized waste management system, the need to establish public environmental fund that would support the activities of civil society organizations and the need to introduce state subsidies in order to encourage waste collection.

Consumer Education and Protection: Implementing School Curricula

The bilateral initiative between Montenegro and Macedonia titled "*Consumer Education and Protection: Implementing School Curricula"*aimed to exchange good practices on developing and introducing curriculum on protection and

promotion of the rights of children/students as consumers. *The Consumers Organization of Macedonia, Skopje* organized an expert forum on which it presented the positive experiences from the curriculum's introduction and implementation in the Macedonian education system. The initiative also included representatives from the Ministry of Education and Science, the Ministry of Economy, the Bureau for Development of Education and National Commissions on Protection of Rights from Macedonia and from Montenegro. Subject of interest were the methodology approaches to education of children/students as consumers, and models for developing relevant curricula. Special attention was given to the introduction of relevant subject and challenges related to its implementation. As part of the visits to education public institutions, representatives from Montenegro were introduced with the positive experiences from the cooperation with civil society organizations in consumer education policy-making and implementation in Macedonia.

Euro-Asian Initiative - Organizations for Patients' Rights and Safety

The *Center for Regional Research and Cooperation – Studiorum, Skopje* hosted the final phase of the several-years project *Euro-Asian Initiative on Patients' Rights and Safety (*November 2009). The event aimed to exchange national and regional experiences in developing mechanisms on improving the public health sector, with emphasis on patients' rights and safety, by means of coalition-building among representatives from the non-governmental sector and the local and central level decision-makers.

The event included presentation of successful examples of policy-making aimed to raise public awareness on the need to promote the principles of patients' safety in public health institutions, as well as public policy creation in order to initiate advocacy activities, to encourage changes in the existing national legislation, and to establish operational public health system which would enable quality treatment, safety and security of patients.

Resolution was signed at the conference and aimed to establish long-term cooperation and cross-border networking of partner organizations for the purpose of initiating joint cross-border advocacy activities and programs. Partner organizations expressed their commitment to create advocacy policy in order to develop effective and efficient public health system, to inform and deliver training to citizens on their rights as patients, to develop health sector economics and to introduce efficient health care reforms based on human rights.

Business Incubators: Successful Model for Creating Favorable Environment for Local and Regional Development

The project, comprised of three phases, aimed to exchange experiences related to increased visibility of business incubators as a successful alternative approach to reducing unemployment and prevention of brain-drain in the region, as well as a model designed to encourage local and regional economic development, particularly focused on youth self-employment.
In the first phase – induction meeting (April 2009, Bosnia and Herzegovina), participants analyzed the visibility of business incubators in the countries from the region and determined joint methodology, unified approach and tools for measuring the success of the business incubator model in encouraging local economic development and employment of young people. At the regional workshop (May 2009, Bosnia and Herzegovina), partner organizations analyzed the challenges faced by business incubators. The analysis, *inter alia*, indicated the high unemployment rate among young population which is a result of the lack of state support, bureaucratic procedures and business barriers, as well as the lack of venture and seed capital for start-up businesses. Participants established an instrument which should enable the partners in the initiative to measure and monitor the success of business incubators. The instrument is based on EU benchmarks on doing business and entrepreneurship development.

In the last phase, the initiative holder, the *Youth Entrepreneurial Services Foundation, Skopje,* organized one-day regional conference in Skopje (November 2009) where it presented the results from the regional research[7] and the possibilities for initiating activities aimed to promote local economic development through self-employment of young people. The event promoted the need for policy advocacy efforts aimed to encourage local and central government to support business incubators. Economic relations and EU integration of the region increase the need for introducing regional policies and networking of business incubators from the Western Balkans.

PARTICIPATION IN EVENTS ABROAD

In 2009, the East-East Program: *Partnership Beyond Borders* enabled 37 participants and one organization [8] from Macedonia to participate in 11 events organized abroad.

Macedonian representatives were mostly interested in the topics on marginalized children, their abuse in society and promotion of children rights by means of creating comprehensive policies.

NGO First Children's Embassy *Megasi*, Skopje led a team[9] of NGO activists, one social worker[10] and one civil servant[11] which attended the seminar "*Addressing Child Abuse*" (October 2009, Warsaw, Poland). Macedonian representatives presented the national regulations and institutional procedures on care provision and protection of abused children. They also shared the positive experiences from the involvement of volunteers in children protection and

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7 For more information, please visit : www.inkubator.ba

8 Macedonian Centre for European Training

9 Angelina Calakovska, Megasi; Marina Pavlovska, Megasi,

10 Nada Blazevska, Social Work Centre, Tetovo

11 Dusan Tomisik, Ministry of Labor and Social Policy

advancing institutional mechanisms aimed to reduce deviant behavior of children. Representatives from the NGO First Children's Embassy *Megasi*[12], Skopje, one expert on children and human rights[13] and one civil servant[14] attended the regional conference "*Regional Experiences in Working with Abused and Neglected Children*" (September 2009, Przno, Montenegro) where they exchanged regional experiences related to utilization of SOS children lines as a tool for addressing child abuse. Macedonian representatives shared the experiences from the operation of the SOS children line in Macedonia. They also discussed the challenges faced by civil society in the cooperation and partnership-building with public institutions.

Representatives from the Foundation *Step by Step*[15]*, Skopje* who attended the regional seminar "*Equal Access to Education for Marginalized Children*" (August 2009, Fojnica, Bosnia and Herzegovina) presented the alternative education tools and contemporary skills used in the promotion of quality of and access to education, with a special emphasis on marginalized children and children – members of minority communities in their early development age.

12 Gordana Pirkovska Zmijanac and Angelina Calakovska

13 Nevenka Krusarovska, Deputy Ombudsman

14 Elka Todorova, Ministry of Labor and Social Policy

15 Simona Palcevska, Miroslav Stojanovik, Zorica Jovanovska, Petrusa Ristik and Anita Tasevska

INFORMATION PROGRAM

SOCIAL MEDIA FOR DEMOCRACY

Implementing organization: Metamorphosis Foundation

Donor: FOSIM, Information Network Program

Partner: Youth Educational Forum (YEF)

Aim: to enable democratic development in Macedonia through the use of new technologies – social media and user-generated content. Activities include dissemination of technical and leadership skills in the civil sector in Macedonia.

The project assisted 60 young NGO activists from 10 municipalities in Macedonia to become local leaders, by enabling them to use new media and social networking as primary and most efficient means to generate support for and address imminent problems. The leaders selected attended a comprehensive course in March on the use of developed educational resources in the areas of lobbying and advocacy, new media, critical thinking and argument-supported web-writing, use of tools and technologies (blogging, social networking, wikis, and aggregators) and digital storytelling. A multiuser blogging platform for civil activism *kauza.mk* ("cause.mk") was designed to accommodate the needs of activists as regards joint coverage of common topics from different geographic locations.

ACTIVE CITIZEN PARTICIPATION THROUGH USE OF NEW TECHNOLOGIES (ACP)

Implementing organization: Metamorphosis Foundation

Donor: FOSIM, Information Network Program
Partners: NGO Support Centers, local activists, bloggers

Aim: to increase transparency and accountability of state and public institutions, by means of enabling active civic participation that would lead to greater cohesion in the Macedonian society and accelerated EU integration process. The project aims to build the capacity of local NGOs to assist their respective communities in providing active citizen participation through the use of new technologies.

The ACP project built the capacity of geographically diverse NGOs as regards initiation and maintenance of initiatives targeting solutions to local issues on the basis of active citizen participation through the use of new technologies. The project established a network of trainers from 15 NGOs, whose capacities were built as part of ToT Program. They are tasked to train their colleagues and launch local campaigns on specific issues, by means of established partnerships with other NGOs and the municipalities (where possible). Project participants developed the training guidelines and created *Wiki.mk* - an information-sharing platform for all local communities.

ONLINE PRIVACY MADE EASY (OPME)

Implementing organization: Metamorphosis Foundation

Donor: FOSIM, Information Network Program

Partner: Directorate for Protection of Personal Data

Aim: to support the development of democracy and open society in Macedonia and contribute towards the protection of basic human rights in the field of digital privacy protection. The project aims to raise the awareness of general public and, in particular the children, on their rights related to the use of Internet, and introduce them with the technical and legal measures for the protection of these rights.

OPME project aimed to increase e-contents intended for the young population, to increase their awareness as regards the risks of using new technologies and instruct them on the constructive manners to address these risks. As part of the project, children-actors from various ethnic backgrounds took part in 12 educational video-clips, developed in cooperation with the Children's Theatre Centre. These video clips complement the planned 15 animations and on-line computer games addressing the same topics, as well as other contents published on-line on the *Safe on the Internet* website (bezbednonainternet.org.mk) and offline, in cooperation with the children's inserter in the daily newspaper *Nova Makedonija*. OPME project also included public events, such as celebration of the international Safer Internet Day in Macedonia, public lectures and participation in policy discussions in the Parliament.

E-SOCIETY CONFERENCE

Implementing organization: Metamorphosis Foundation

Donor: Information Network Program

Partner: NGO Glasnikot

Aim: to discuss the role of new media in the promotion of debate and dialogue, inclusion and social changes.

More than two hundred participants from seven countries (Macedonia, France, UK, Poland, Armenia, Kosovo and USA) attended the Fifth International Conference e-Society. Mk titled "I Media"— held in Skopje on 2 and 3 December 2009. At the two-day event, experts and high-level decision makers addressed the role of new media in the promotion of debate and dialogue, inclusion and social changes. Apart from the panels and round-tables, people were able to post comments on Twitter, Facebook, blogs and other websites, and thereby participated in the discussions.

INCITING LOCAL E-CONTENT

Implementing organization: Metamorphosis Foundation

Donor: FOSIM, Information Network Program

Partners: New Media Center, Kontrapunkt / Tocka Cultural Centre

As part of the project on inciting local e-content, 108 participants from different ethnic communities, engaged in the operations of 14 NGOs and 2 higher education institutions attended 15 training sessions, such as: blogging and use of social media and multimedia, digital storytelling and updating Wikipedia and Global Voices Online.

Ping.mk is an aggregator of local e-content which was set up in order to connect the divided Macedonian blogosphere, NGO websites and other non-commercial sources, and to enable users' automatic and manual vote or post links or comments. At the moment, the system uses pre-categorized data from more than 250 sources, and presents alternative opinions on various social and cultural issues, including the single local blogging platform which has more than 2,500 users.

PUBLIC HEALTH PROGRAM

The Public Health Program is dedicated to advancing human and health rights of socially marginalized groups of citizens, by building the capacities of civil organizations and advocacy for accountability and transparency on behalf of institutions, as well as inclusion of the civil society in the creation of health policies and practices.
The Public Health Program objectives are realized by awarding grants to civic organizations in regard to implementation of projects in 4 subprogram areas, as well as by direct operational support provided by FOSIM.

LAW AND HEALTH INITIATIVE (LAHI)

Implementing organization/s: *School of Public Health, Skopje; Centre for Regional Policy Research and Cooperation – Studiorum; Faculty of Law "Iustinianus Primus", Skopje;*

Donor/s: FOSIM and OSI PHP

Aim: to enrich educational process and practices of health and legal professionals by implementing integrated law and health concepts that promote non-discriminatory services and protection of the rights of socially marginalized communities.

By promoting the integrated concept of law-based health approach, FOSIM substantially contributes to the educational process at the Faculty of Law and the School of Public Health and raises awareness and builds practical skills of law and health professionals. In the course of 2009, the multidisciplinary

team comprised of law and health educators[1] was continuously encouraged to complete the postgraduate curriculum and related textbook in Law and Health. As a result of these efforts, by the end of September 2009 the textbook in Law and Health was published and in October 2009 the first postgraduate course in Law and Health was opened at the Faculty of Law "Iustinianus Primus", Skopje.

In the second half of 2009, in order to assist the development of a new generation of lawyers with expertise in patients' rights and to build capacities of local NGOs interested in working in this field, *NGO Studiorum* in partnership with the *Association for Emancipation, Solidarity and Equality – ESE* started the implementation of the one-year fellowship program. By means of training and development of materials and networks, this program will follow-up the implementation of legislation related to patients' rights as well as human rights and patient care. The process involves relevant stakeholders and is part of the regional effort managed by OSI LAHI.

Aiming to encourage victims of violence and discrimination to file charges in front of competent courts, continuous legal assistance was provided for sex workers who were victims of the police raid from November 2008. Two lawyers were engaged in the court proceeding[2] initiated against 7 sex workers in front of domestic courts. In addition, consultations are underway with an expert on human rights as regards the proceedings and preparation of complaints to be lodged in front of the European Court of Human Rights.

1 8 professors from the Faculty of Law and the Faculty of Medicine

2 Procedure on examining the legality of the actions taken during the police procedure; criminal procedure against sex-workers pursuant to Article 205 of the Criminal Code; procedure on protection of the right to safety; procedure on protection of the right to privacy.

SEXUAL HEALTH AND RIGHTS PROGRAM (SHARP)

Implementing organization/s: *HOPS* as leading organization of the *Coalition for Promotion and Protection of Sexual and Health Rights of Marginalized Communities (SH&R Coalition)* comprised of 6 NGOs[3]

Donor/s: FOSIM and OSI PHP

Aim: to put health on the human rights agenda by using the law as a tool for health advocacy for people whose health rights have been abused and to accelerate the establishment of law-based health protection of the rights of vulnerable populations such as LGBT population, sex workers, intravenous drug users, etc.

SH&R Coalition[4] tasked with the project *Promotion and Protection of Sexual and Health Rights of SMC* continued to build the capacities related to the use of the methodology on documenting cases of violation of human rights of the members of SMC.
In the course of 2009, the Coalition overcame the uncertainties, and successfully enhanced and implemented a broader civil platform, thus challenging the continuous governmental campaigns and actions undertaken with the purpose of disrupting the concept of human rights and equality (forced testing for sex workers, anti-abortion campaigns, limiting the possibilities for treatment of drug users, governmental campaigns that discriminate and stigmatize PLHA, etc.). 80 announcements and articles related to the coalition's activities were published in the printed and electronic media, thereby continuously promoting sexual and health rights

3 HOPS, EGAL, MHRN, HERA, Izbor, STAR.

4 http://www.coalition.org.mk/

of marginalized communities. 4 training sessions were delivered to 11 people and 40 cases were documented. 7 thematic workshops were organized aiming to raise the awareness of target groups on their rights. Based on the analysis of the documented cases, the *Annual Report on Sexual and Health Rights of Marginalized Communities* was developed and presented to the public. *Comparative analysis of the legislation regarding LGBT, Sex workers, DU and PLHA* was also completed. 3 workshops were organized for journalists aimed to trigger sensitiveness on the target groups' specifics, and encourage their reporting ethics.
Advocating for sexual and health rights of SMC is realized by means of printed materials[5], distributed to relevant ministries, parliament bodies, partner organizations and the general public.

HEALTH BUDGET MONITORING AND ADVOCACY PROJECT (HBMAP)

Implementing organization/s: *NGO Mesecina*, Gostivar

Donor/s: FOSIM and OSI PHP

Aim: to support NGOs capacity building to integrate and successfully use budget analysis in their policy and advocacy work and thereby enable evidence-based advocating for appropriate budget allocations.

Considering the lack of both - transparency in health budget spending and budget programming and in compliance with the *National Action Plan for the Health of the Roma Population*, following the consultation process with PHP/ HBMAP, FOSIM committed to assist the long-term capacity building process

5 http://www.coalition.org.mk/index.php?option=com_content&task=blogcategory&id=18&Itemid=122

of Roma NGO *Mesecina* in order to specialize in monitoring health budget spending.

With technical and financial assistance provided by HBMAP, FOSIM supported the implementation of the *Equal Access to Health Care*[6] project. The first phase of the project mainly focused on building the capacities of the organizations tasked with the project implementation. They provided continuous technical assistance, organized one site visit, delivered 4 training sessions, as well as 11-days specialized training aimed to build research capacities, conduct analysis and engage in advocacy for improving budget allocations and reducing costs in the health sector. Field research was carried out with the purpose of assessing the gaps regarding the immunization of Roma children. 10 local Roma organizations were involved in the research targeting 645 Roma families from 10 towns in Macedonia. The share of the health budget anticipated for immunization in the period 2006–2008 was analyzed. Results from both, the research and budget analysis, will serve as a basis to plan advocacy activities and propose measures for budget allocations, thereby enabling appropriate immunization coverage.

ACCESS TO ESSENTIAL MEDICINES INITIATIVE (AEMI)

Implementing organization/s: *FOSIM* and *AEMI*

Donor/s: FOSIM and OSI PHP

Aim: to involve the civil society in the process of public control over budget funds allocated for the procurement and supply of medicines, thus strengthening the civil society's check-and-balance role and advocate for transparency and accountability on behalf of public institutions.

6 Grant beneficiary – NGO Mesecina, Gostivar, partner – NGO ESE, Skopje.

In June 2009, aiming to promote the inclusion of NGOs in the monitoring of essential medicines procurement and supply, and in collaboration with AEMI, FOSIM organized an introductory seminar: *Transparency in the Procurement Process and Supply of Medicines – Role of Civic Organizations*. In order to introduce civic organizations with the specifics of this process in Macedonia, the seminar topics were presented by 8 representatives from relevant state institutions (*Ministry of Health – Bureau for Medicines, Republic Institute for Health Protection and Health Insurance Fund*); *Faculty of Pharmacology*, as well as representatives from civic organizations profiled in law and transparency issues (*Macedonian Young Lawyers' Association and the Center for Civic Communications*). In addition, two consultants with international experience provided technical assistance through the OSI NY[7] Network Program. 16 representatives from 9 Macedonian civic organizations profiled in health, law and transparency issues pointed out the specific problems related to supply and availability of certain medicines necessary for treatment of people from targeted groups.

At the end of the seminar, the guidelines for further cooperation of civic organizations were defined, as well as the topics and areas based on which they can develop their project proposals. In December 2009, two projects were approved[8] in consultations with OSI NY Network Program.

Two Macedonian participants from the *NGO HEPTA* attended the conference titled *Intellectual Property, Human Rights and Access to Medicines in Eastern and Central Europe* (September 2009), organized in Kiev, Ukraine.

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7 Carol Bellisario, Procurement Watch Inc, Filippini, and Paul Lalvani, executive director of RaPID Pharmacovigilance Program, India.

8 Project: Access to Essential Medicines for Women's Health in Macedonia, grant beneficiary- Association for Emancipation, Solidarity and Equality – ESE; and the project Prices, Availability and Affordability of Anti-Hypertensive Medicines in the Republic of Macedonia, grant beneficiary - MIA - Association for Health Promotion and Education

ECONOMIC REFORM PROGRAM

The Economic Reform Program aims to create new business and jobs among youth, encourage private initiatives and entrepreneurship, foster small business development by providing affordable financing sources, organize training and workshops for young entrepreneurs and Roma business consultants, increase the financial literacy level of low-income Roma households.

YOUTH ENTREPRENEURIAL SERVICE (YES)

Implementing organization: YES Foundation, Skopje; SINTEF, Norway and FOSIM

Donor/s: FOSIM and Norwegian Ministry of Foreign Affairs

Aim: to stimulate start-up businesses among youth.

Since its establishment in September 2007, the *YES Incubator*[1] successfully supported the development of 27 start-up companies and created approximately 70 new jobs. The Business Incubator is currently 100% occupied. In 2009 six newly established companies entered the incubator and five companies became virtual tenants. For the short period of running a start-up business, some tenants achieved impressive results: first on-line shopping system in Macedonia from order to delivery; first contract for export in Albania; signed contract with partner from Bosnia and Herzegovina. Two

1 Youth Entrepreneurial Service Incubator is founded by FOSIM and MIR Foundation.

tenant-companies established by students of economy received international awards[2].

The YES Foundation organized entrepreneurship training and tailored training, coaching and mentoring for incubator tenants and helped them implement their business ideas. In order to improve tenants' soft and business skills, as well as to boost their self-confidence, the following activities were organized: training for approximately 60 participants[3]; separate coaching for each of the maximum 17 incubator tenant-companies, with around 10-20 participants; several workshops tailored to the needs of incubator tenant-companies on export marketing, advanced sales techniques, project management, communication skills, new product development, creative thinking, innovation, etc.

Although incubator space can be rented under favorable conditions, under a progressive scale towards attainment of market prices, it should be emphasized that the Incubator does not act as real estate agency, but a catalyst for job creation and long-term company sustenance. The Incubator's success is related to output, jobs created and the long-term success of the new ventures inside and outside the incubator - actual and virtual tenants.

In cooperation with the Export and Credit Bank – Skopje, a credit line under favorable conditions was established for the purpose of supporting small companies and start-up businesses, most often tenants at the YES Incubator. The loan includes a monitoring and coaching component for the new entrepreneurs. A total of 29 loans were disbursed in the amount of 8,802,630 MKD.

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2 The company AdvertSms won the "Global Innovator" prize at the Global Innovators Contest 2009 (http://www.idisc.net/en/Article.38885.html). The company Broker won the second prize of the Business Innovation Contest organized for SEE and Central Asia countries by the Business Incubators' network InfoDev (http://www.ecabit.org/).

3 Using CISCO branded workshop "Starting a Business" and EBCL training http://www.ebcl.at

TRAINING OF TRAINERS FOR ROMA CONSULTANTS

Implementing organization: *Center for Business Cooperation*, Skopje (CDS)

Donor/s: FOSIM

Aim: to increase the number of Roma trainers to deliver training on economic development and entrepreneurship.

In 2009, the new cycle of advanced training of trainers started and aimed to improve the level of Roma employment by encouraging entrepreneurial spirit, developing entrepreneurial skills and training capacity building. In May, 11 Roma attended the five-days training of trainers titled Financial Literacy for Low Income Households. After the ToT completion, nine junior Roma trainers were engaged in delivering training on financial literacy for Roma households. Four Roma trainers participated in the CISCO certified training on entrepreneurship. After the training was completed, two participants were given the opportunity to become junior trainers for CISCO. The five-day training of trainers for Project Cycle Management was organized in September. The five-days training on Strategic Planning was delivered in November and aimed to initiate the institutionalization of the group of young Roma trainers. By the end of 2009, 11 young Roma started the preparations for the registration of citizens' association. The organization will be supported by FOSIM and will aim to develop professional skills of young Roma, build their consulting abilities and prepare them to further disseminate the training.

PET RECYCLING PROGRAM IN MACEDONIA

Implementing organization: MDC.Ti-Net, Skopje and FOSIM

Donor/s: USAID

Aim: to establish an efficient and economically viable PET (polyethylene terephthalate) recycling program in Macedonia.

Within the project, FOSIM's role is to strengthen institutional capacity of the implementing non-governmental organization MDC.Ti-Net. Also, FOSIM provided support in capacity building in the field of administration and grant implementation for the purpose of securing full transparency and accountability.
In 2009, FOSIM sub-granted *Green Tech* to purchase treatment plants for the purpose of environment protection.

FINANCIAL LITERACY FOR LOW-INCOME ROMA HOUSEHOLDS

Implementing organizations: Microfinance Center, Poland; Foundation *Horizonti*; FOSIM and *Center for Business Cooperation* (CDS)

Donor/s: FOSIM and Soros Economic Development Fund

Aim: to provide financial planning education for low-income Roma households in order to emerge from poverty and sustain livelihood by efficient utilization of their scarce economic resources.

For the purpose of providing financial planning education for low-income Roma households, in May 2009 **24** trainers (11 of which were young Roma)

attended the training of trainers titled *Plan Your Future*. The training was delivered by the consultants from the *Microfinance Center from Poland*. The financial education training for Roma households started on 1 June 2009. For a period of 7 months, 23 training sessions were delivered in 7 different towns[4]. The main messages concerning the household budget and financial goals, incomes and expenses, savings, debts and family budget planning were successfully delivered to training participants. Around 300 people from 160 different families attended the training sessions. In October 2009, an evaluation meeting was organized, where participants shared their experiences as regards the pilot training organization and delivery for Roma. In 2010, as a part of the project, training on debt management, job creation, and entrepreneurial skills will be organized for Roma households and youth. This will enable Roma households to advance towards the income generation phase, based on their preference: job or entrepreneurial oriented.

COMPUTER LAB FOR PRE-INCUBATION AND INCUBATION TRAINING

Implementing organization: YES Foundation

Donor/s: FOSIM, Western Union-Washington

Aim: to establish state-of-art computer lab at the YES ICT Business Incubator for delivering business (CISCO start-up business), soft skills (negotiations, communications, creativity, etc.) and ICT training.

In January 2009, in cooperation with the YES Foundation FOSIM announced an open call for equipping the premises of the YES Business Incubator with state-of-art PC and network equipment.
A total of 70 educated young people (with English skills and computer

4 Skopje, Kumanovo, Kocani, Sveti Nikole, Delcevo, Berovo, Pehcevo

literacy) attended the training course "Starting a Business" and gained knowledge required to start-up businesses. After the completion of training for the sixth group of beneficiaries, YES announced the business plan competition for all 70 trainees. – Eight business plans were received within the deadline for submission of business plans (1 October 2009). The business plans were reviewed by the commission, and three plans were awarded with first, second and third awards in the amount of 1,500 USD, 1,000 USD and 500 USD, respectively.

In the project's final stage, one of the participants established a software company *ICT Creative* for interactive advertising and entered the YES Incubator as a tenant-company.

MEDIA PROGRAM

TV CO-PRODUCTION EUROPE NOW

Implementing organization/s: *TV Alfa*

Donor/s: FOSIM and *TV Alfa*

Aim: to enhance informed public debate on EU topics and to contribute to the promotion of EU values

Europe Now is monthly magazine designed to be broadcasted at the national TV Alfa. It will raise issues concerning the Macedonia's accession in the EU, as well as EU values that Macedonia should incorporate in all societal spheres. Ten magazines are planned to be produced in the spring-autumn season.

JOURNALIST FELLOWS ON EU

Implementing organization/s: FOSIM

Donor/s: FOSIM

Partner/s: Macedonian Center for European Training (MCET) and Foundation Metamorphosis

Aim: to increase the number of competent media packages on EU topics in nation-wide broadcasting and print media.

Eleven young journalists were trained on EU issues as a preparation for their further engagement as journalist – fellows that will report on EU topics at 11 broadcasting and printed media throughout the country. The Media Program secured work engagements for the journalists trained and their incorporation at the relevant media.

EU BRIEFINGS FOR JOURNALISTS

Implementing organization/s: FOSIM

Donor/s: FOSIM

Partner/s: Macedonian Centre for European Training

Aim: to enhance informed public debate on EU topics and to contribute to the promotion of EU values.

Formal and informal meetings with media editors from different departments were organized in partnership with MCET. These briefings aimed to improve the quality of information related to EU processes that concern Macedonia and its accession in the EU.

MEDIA MIRROR

Implementing organization/s: NGO Infocenter

Donor/s: FOSIM and U.S. Embassy in Macedonia

Aim: to provide clear overview of t the professional standards, criteria and the manner in which the media use them to cover and interpret EU-related topics.

In addition to the continuous media monitoring on these topics, *NGO Infocenter* performed an analysis of media coverage during the Elections. The monitoring criteria targeted the manner in which media covered the election campaigns and the politicians" use of EU-related topics and the name dispute with Greece as part of the campaigns. The findings thereof

were presented in the monitoring reports, which were published and widely distributed to all interested and relevant domestic and foreign institutions.

MEDIA LEGISLATION IN DIGITAL AGE

Implementing organization/s: *Media Development Center* (MDC)

Donor/s: FOSIM and *Swedish Helsinki Committee*, Sweden

Aim: to secure civic participation through the MDC which also acts as a watchdog and advisor on specific and disputable issues related to media legislation and policy-making.

Throughout the year, MDC actively participated in all relevant policy-making processes from the media sphere such as: drafting the amendments to the Broadcasting Law, Copyright Law and Strategy on Digitalization. It organized several workshops and debates with all stakeholders to discuss the forthcoming legislative changes.

MEDIA LITERACY: YOUNG MEDIA WATCH-DOGS

Implementing organization/s: NGO Infocenter

Donor/s: FOSIM, US Embassy in Macedonia and *Balkan Trust for Democracy* (BTD)

Partners: *Center for New Media* and *Youth Educational Forum* (YEF)

Aim: to improve media literacy and knowledge among the youth and NGO activists to be able to identify propaganda and political marketing, to

develop critical approach towards information offered and to promote and expand youth's participation in the public sphere on local level.

In 2008 and first half of 2009, the Media Program and the US Embassy in Skopje co-financed a series of training on media literacy delivered by *NGO Infocenter*. These training sessions targeted NGO activists from youth organizations and students at the Faculty of Journalism. The project continued in second half of 2009 and in 2010 and was co-financed with another donor (BTD). This round of training strengthened the monitoring skills of NGO activists from youth organizations, with a special emphasis on monitoring local authorities' PR communications) aimed towards the citizens.
70 high-school and university students benefited from the training.

TV MENADA

Implementing organization/s: *TV Menada*

Donor/s: FOSIM and *Norwegian People's Aid*, Norway

Aim: to inform and educate citizens in Tetovo and Gostivar regions on the benefits from the country's EU integration process and to encourage them to voice their problems

A grant was awarded to TV Menada to cover production costs of the serial: *I Want to Say*. The serial raised the issues and problems affecting the citizens and offered possible solutions by means of on-air current affairs programmes, where the representatives of relevant national and local institutions were invited to discuss the problems raised by the citizens.

INSTITUTIONAL SUPPORT FOR TV BTR

Implementing organization/s: *TV BTR*

Donor/s: Network Media Program

Aim: to secure further operation of the Roma *TV BTR*

A grant was awarded to *TV BTR* to settle the license and copyrights fee for the current year.

PUBLIC ADMINISTRATION AND LOCAL GOVERNMENT REFORM PROGRAM

For the period 2009-2010, the Public Administration Reform (PAR) Program of the *Foundation Open Society Institute –Macedonia (FOSIM)* defined the following priorities:

- to mobilize public support and increase the public pressure for the purpose of putting the country back on the EU-track and accelerating the accession process;
- to strengthen municipal capacities for efficient and transparent service-delivery and better use of EU funds;
- to strengthen public pressure as regards central government's transparency and accountability in public spending.

In line with the priorities defined, following projects and activities were implemented in the reporting period:

ACCESSION WATCH

Implementing organization/s: FOSIM and *Macedonian Centre for European Training* (MCET)

Donor/s: FOSIM and Local Government and Public Service Reform Initiative (LGI), Budapest

Partner/s: *Macedonian Centre for European Training* (MCET)

Aim: to monitor the compliance of govermental policies and activities against the key priorities from the Accession Partnership 2008 of the European Commission.

Four quarterly Accession Watch reports[1] which provide an analysis of the government policies and activities' compliance with the key priorities from the Accession Partnership, accompanied with relevant recommendations as regards future progress and accelerated EU integration, were printed in 250 copies and distributed to the Parliament, the Government, municipalities, civil society organizations, the EU Mission in Skopje and to the relevant DGs and think tanks in Brussels. The Accession Watch reports are used as an important source of information by the media; politicians quoted report findings and recommendations; the first report provoked the Government, after being silent for more than a year, to prepare and submit to the National Council for European Integration a report on the country's progress in the accession process. A conference was organized to discuss the findings from the EC 2009 Progress Report for the Republic of Macedonia. Foreign experts were invited and participated in the conference, along with 130 representatives from the Parliament, the Government, non-governmental organizations, media and foreign embassies in the country. Two policy briefs[2] advocating for Macedonia to obtain a date to start accession negotiations were developed and promoted in Macedonia and in the EU. The project will continue in 2010.

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1 First Quarterly Accession Watch Report "The Government Should Work 24/7 on the EU Agenda" was released on 22nd April, 2009; Second Quarterly Accession Watch Report "Macedonia Needs a New Prime Minister for European Integration" was released on 9th July, 2009; Third Quarterly Accession Watch Report "Lisbon-Skopje-Athens" was released on 7th October 2009; and the Fourth Quarterly Accession Watch Report "Is the Government Making a Monument Out of the EU?" was released on 2nd February 2010.

2 1) Lisbon-Skopje-Thessalonica: Europe's Homecoming — Five Reasons Why Macedonia Should Start the Negotiations and 2) Following the Leader: Rhyme or Reality

ACTION FOR EUROPE

Implementing organization/s: FOSIM and *Macedonian Centre for European Training* (MCET)

Donor/s: FOSIM

Partner/s: *Youth Educational Forum* (YEF), former NGO Support Centers and *Macedonian Cultural Centre*, Bitola.

Aim: to raise citizens' awareness on the need to accelerate the EU accession process by increasing the knowledge on EU structures and policies and the funding possibilities from IPA and Community Programs in 13 municipalities country-wide; to promote and debate EU accession benefits and challenges by means of organized debates, promotional activities and local initiatives and by learning from the Member-States' experiences.

The project "Action for Europe" focused on increasing citizens' awareness and knowledge related to the EU and the EU accession process. It mobilized the support and secured active participation of the EU Mission and 12 ambassadors from EU Member States[3] in the project activities. As part of this initiative, eight brochures[4] and handbooks for high-school students were developed and printed in 4200 copies. 24 debates and 14 information

3 Embassies of Bulgaria, Greece, Slovenia, Hungary, Romania, Slovakia, Czech Republic, Poland, France, Germany, Austria.

4 1) What are We Going to Negotiate About, 2) Community Programmes, 3) What You Wanted to Know About EU; 4) Myths and Truths, 5) European Union – Street Law, 6) EU Testimonies, 7) Macedonia and the EU, 8) Action for Europe.

sessions were organized in 14 municipalities[5] and were attended by more than 2500 citizens. These events opened the floor for discussion of relevant EUU-related issues and the country's progress as regards the accession process. In addition, more than 2000 high-school students from 30 towns participated in 56 one-day training sessions on EU, IPA Funds and Community Programs. The EU Guide was also developed. The project will continue in 2010.

BETTER USE OF IPA FUNDS

Implementing organization/s: FOSIM and *Macedonian Centre for European Training* (MCET)

Donor/s: FOSIM and Local Government and Public Service Reform Initiative (LGI), Budapest

Partner/s: Municipalities of Karpos, Kicevo, Kriva Palanka, Prilep, Tetovo, local NGOs and local media

Aim: to strengthen EU funding absorption capacities of the municipalities by providing training on the possibilities, mechanisms and criteria for applying to EU financial instruments and programs.

Better use of IPA funds initiative envisaged six-day trainings, delivered to 120 participants from different profiles: local government representatives, NGOs and media in five municipalities[6]. The training curriculum was tailored to suit the needs of the participants and focused on EU structures and policies,

5 Skopje, Bitola, Veles, Stip, Strumica, Gevgelija, Negotino, Kratovo, Delcevo, Prilep, Resen, Struga, Debar, Kicevo,

6 Kriva Palanka, Tetovo, Prilep, Kicevo, Karpos.

with a special emphasis on the Instrument for Pre-Accession Assistance and Community Programs. These training sessions provided expert support and encouraged the municipalities to develop projects for the purpose of applying on EU open calls for Cross-Border Cooperation and Community Programs. The project will continue in 2010.

MONITORING DECENTRALIZATION

Implementing organization/s: FOSIM

Donor/s: FOSIM and Local Government and Public Service Reform Initiative (LGI), Budapest

Partner/s: *Association of the Local Self Government Units* (ZELS), municipalities of Bitola, Bogovinje, Gevgelija, Debar, Kavadarci, Karbinci, Kumanovo, Oslomej, Ohrid, Tetovo, Stip and local NGOs.

Aim: to support transparent, effective and efficient process of decentralization in the fields of financing, urban planning and education.

An efficient and transparent decentralization project implies continuous monitoring of the implementation of competences in the fields of education, urban planning and local financing in 11 municipalities.[7] In the reporting period, the project's working group analyzed the monitors' reports for the year 2008 and developed additional monitoring indicators on education competences, and updated the indicators in the fields of urban planning and local financing. Based on the training instructions and data collected

7 Tetovo, Bogovinje, Debar, Oslomej, Ohrid, Bitola, Gevgelija, Kavadarci, Stip, Karbinci, Kumanovo.

in the past years (2006, 2007, and 2008), the monitors prepared comparative report for the competence performance in the period 2006-2008 in all municipalities. The findings from the 2009 two six-month show that in most municipalities the data collection system in the fields of local financing and urban planning has significantly improved, while further efforts are needed as regards data collection in the field of education.. In addition, an integrated Annual Monitoring Report (2009) was prepared and provides an assessment of competence performance on the basis of which recommendations for future improvement will be developed in 2010.

OPEN STATE BUDGET - PUBLIC PROCUREMENT MONITORING

Implementing organization/s: FOSIM and *Centre for Civic Communications* (CCC)

Donor/s: FOSIM and Local Government and Public Service Reform Initiative (LGI), Budapest

Aim: to evaluate the transparency and efficiency of central level public procurements, and to contribute to the adherent implementation of the Public Procurement Law.

In the reporting period, the project *Open State Budget* monitored a total of 160 central level public procurement procedures. Four quarterly reports were developed and printed in 250 copies each and provided analysis of central level public procurements and recommendations for future improvements. The findings on the application of the principles of transparency, accountability, efficiency, non-discrimination and competitiveness among economic operators in the public procurement procedures as noted in the quarterly

reports[8] were followed-up with press conferences. Two public debates were organized for the purpose of discussing the results and recommendations from the second quarterly and the 2009 annual summary report with the relevant stakeholders. Both events received broad media coverage and contributed to intensified public debate as regards central level public procurement procedures. The project will continue in 2010.

FISCAL TRANSPARENCY - INCREASING FISCAL AND MANAGEMENT AUTONOMY OF SUB-MUNICIPAL GOVERNMENTS

Implementing organization/s: FOSIM

Donor/s: Local Government and Public Service Reform Initiative (LGI), Budapest

Partner/s: Municipality of Krusevo

Aim: to develop and implement functional model of local sub-government.

The main goal of the project was to develop and implement a functional model of local sub-government that would strengthen the cooperation among the sub-municipal units and the local government in the municipality of Krusevo. The model envisaged democratic, transparent and participatory representation of the interests of all local community members, close cooperation in order to implement local projects, involvement in the planning and implementation of municipal investments that affects the operation of the local sub-government. The key findings from the project implemented

8 http://soros.org.mk/dokumenti/Quarterly_Analysis_Public_Procurement.pdf; http://soros.org.mk/dokumenti/Public-procurements-quarterly-report.pdf

in the Municipality of Krusevo were presented in front of 40 Mayors who attended the closing conference titled *Increasing Fiscal and Management Autonomy of Sub Municipal Governments*.

ROMA PARTICIPATION AND ALLIANCES

Implementing organization/s: FOSIM
Donor/s: FOSIM and Local Government and Public Service Reform Initiative (LGI), Budapest

Partner/s: Local Government and Public Service Reform Initiative (LGI), Budapest and Roma Information Office (RIO), Budapest

Aim: to develop policy-oriented communication and advocacy skills of Roma NGOs leaders.

The aim of the program was to develop policy-oriented communication and advocacy skills of participants in order to enhance the network effectiveness in advocating for their positions within the Decade of Roma Inclusion.
15 representatives from 15 Roma NGOs benefited from the capacity building on policy development and advocacy.
In addition, FOSIM organized a closing workshop *on Policy Writing & Advocacy Skills Development Program for Roma NGO Leaders*. This workshop was the final activity of a broad-scale initiative that focused on policy advocacy skills development targeting Roma NGOs in 5 countries signatories to the Decade of Roma Inclusion, those being: Macedonia, Montenegro, Romania, Serbia and Slovakia. The program targeted Roma NGO leaders and provided both training in policy paper writing and advocacy, as well as the opportunity to develop policy briefs and supported advocacy campaigns.

LAW PROGRAM

The Law Program aims to promote the rule of law by shaping government policy and supporting legal reform in the Republic of Macedonia. In 2009, the Law Program implemented a range of initiatives targeted at transparency and accountability of the government institutions, human rights, free access to information, and alignment of the legislation with the EU acquis, criminal justice system reform and monitoring election irregularities. The program was implemented in cooperation with various domestic and foreign organizations.

CRIMINAL JUSTICE REFORM

Implementing organization: Association for Criminal Law and Criminology of Macedonia

Donors: FOSIM and Ministry of Justice

Aim: to support the preparations for an adherent and compliant enforcement of new the Criminal Procedure Code.

Following up the 2008 project which was focused on the drafting of the new Criminal Procedure Law and amendments to the Criminal Code, in 2009 FOSIM continued its activities aimed to enhance the aligned criminal-legal reforms on the basis of the concept for balancing, on one side the efficient fight against organized crime and crime in general, and on the other side the attainment of the highest level of basic human rights and freedoms protection. To that end, FOSIM implemented the project whose aim was to create conditions that would be conductive to reform implementation

as stipulated under the Criminal Procedure Code, which introduced a new system of relations between the executive and judicial authorities. The project pursued an approach that combined theoretical (academic) and practical aspects and aimed to influence the reform process by providing guidelines and solutions that should be integrated in the three pillars of the criminal procedure reform: (1) legislation, (2) training and (3) capacity building. The project included development of 5 expert analyses, each followed up with a public discussion or workshop on the analysis' subject matter. These events included domestic and foreign experts engaged by the Association for Criminal Law and Criminology of Macedonia, law professors, attorneys, public prosecutors, judges, police officers (or representatives of the Ministry of interior) and representatives of the Ministry of Justice. In total, the project included around 200 people.

LEGISLATION APPROXIMATION

Implementing organization: FOSIM

Donor: FOSIM

Partners: Directorate on Personal Data Protection

Aim: to support the approximation of the domestic legislation with the EU acquis.

FOSIM supported several activities in the EU approximation process, mainly by providing independent expertise and supporting stakeholder participation in legislation drafting. The program supported the Directorate on Personal Data Protection (Directorate) in the implementation its Strategic Development Plan for the period 2008-2011. Pursuant to the EU annual report, the program established a task group comprised of two lawyers and tasked to strengthen

the implementation of new competences. The two lawyers, engaged at the Directorate, were appointed to the legal affairs department and the department on supervising adherent implementation of the Law on Personal Data Protection. In order to contribute to a better understanding of the law, the program established a team of domestic and foreign experts and tasked them to draft comments on the two main legal acts governing personal data protection: the Law on Personal Data Protection and the Rulebook on Technical and Organizational Measures for Personal Data Protection.

In 2009, FOSIM continued its efforts aimed to improve the legislative framework on the freedom of association in Macedonia, through its representative in the working group tasked to draft the Law on Citizens' Associations and Foundations. On an on-going basis, FOSIM's representative provided suggestions to improve the draft law and further liberalize the legislative framework and submitted written comments to the Ministry of Justice and to the working group members. The advocacy efforts will continue in 2010.

Furthermore, FOSIM continued to be an active participant in the public debate by providing comments on draft laws that are to incorporate respect for human rights standards[1].

HUMAN RIGHTS SUPPORT

Implementing organization: FOSIM

Donors: FOSIM, OSI Human Rights and Governance Grants-Giving Program and UN Voluntary Fund for Victims of Torture

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1 The program mainly submitted comments to the Standing Parliamentary Inquiry Committee for Protection of Civil Freedoms and Rights on the following draft laws: the anti-discrimination law; the law on free legal aid; the law amending the law on the ombudsman and the law on establishing national criminal-intelligence data base.

Partner: Human Rights Support Network[2]

Aim: to address the lack of effective domestic mechanism to support alleged victims of police abuse in filing official complaints and/or pursuing judicial remedies.

The Human Rights Support project has been continuously supported since 2005 in order to (1) assist alleged police abuse victims in filing official complaints and/or pursuing judicial remedies; and (2) work with official bodies to foster an environment where victims' complaints are properly dealt with and ensure that police officers overstepping their powers are disciplined or prosecuted. The network of 5 local NGOs continued to provide free legal aid to alleged victims of police abuse, torture and ill-treatment, aimed at ensuring that victims' complaints are properly dealt with and police officers who overstep their powers are disciplined or prosecuted. In 2009, a total of 42 cases were processed[3] and 4 court cases were monitored. As was the case in 2008, in 2009 as well majority of registered victims are men (85,7%) and adults (90,5%), and their complaints were mainly based on excessive use of force with elements of torture (50%), but also on unlawful and unprofessional conduct (14%), ill-treatment (12%), failure to act (9%), offensive and humiliating behavior (5%), abuse of power (5%) and unlawful conduct during search (5%)[4]. The HRSP network capacities were enhanced by means of 10 capacity building seminars and 1 advanced training. In order to

2 "Coallition All for Fair Trials", Skopje, "Center for Civic Initiatives", Prilep, "Center for Democratic Development", Tetovo, "Choice", Strumica and "Forum for Protection of Roma Rights - Arka", Kumanovo. More information about the network's activities can be found at: www.hrsp.org.mk

3 Project attorneys file complaints to the Sector for Internal Control within MoI, the Ombudsman, and the Public Prosecution Office or file a private lawsuit. In addition, free legal advice is permanently offered through a toll-free line.

4 The annual report was produced and promoted in November 2009.

promote the project, raise public awareness, and condemn specific violations and spectacular arrests, more than twenty media events were organized: press releases, TV, radio and newspaper interviews and presentations of case analyses. The project organized numerous public presentations for the purpose of communicating the principles underlying the project and the fight against torture to citizens and other stakeholders. In this line, more than 20 local public debates and presentations were organized in the local communities where they were deemed to be most needed. Moreover, throughout the 5 years of project implementation HRSP legal advisers gained valuable experience in the field of identifying, recognition, prevention and fight against torture and different forms of police abuse. Thus, this year they organized or took part in three round tables and two training sessions which raised and discussed issues related to different aspects of torture.

Most of the citizens who approach the network are still unfamiliar with the available complaint procedures and mechanisms against police abuse. A considerable number of citizens, alleged victims of police abuse, seek legal advice but are afraid to initiate lawsuits against the police. Some initiate only indemnity civil procedure and are not interested in initiating criminal procedures against police officers. In order to discuss patterns of police abuse and build a common strategy to overcome these problems, the network organized 6 local coordination meetings and over 20 meetings with representatives of the Police Internal Control Unit, the Ombudsman and the Public Prosecution. The cooperation with the public institutions was visibly enhanced in 2009 despite the substantial obstacles that emerged. As a result thereof, in October 2009, HRSP network signed a Memorandum of Cooperation with the Ombudsman and was regularly invited to attend sessions of the Parliamentary Standing Inquiry Committee on Protection of Civil Freedoms and Rights.

FREEDOM OF INFORMATION

Implementing organization: FOSIM

Donors: FOSIM and OSI Human Rights and Governance Grants Program

Partners: *Macedonian Young Lawyers' Association, Youth Educational Forum, Radio Vat* and the Commission for the Protection of the Right to Free Access to Information of Public Character

Aim: to promote and monitor the implementation of the right to free access to information through strategic litigation.

FOSIM continues to promote the right to free access to information. 2009 project activities focused on monitoring the implementation of the Freedom of Information Law, provision of free legal aid on rejected FOI applications and strategic litigation to test the Law's enforcement. FOSIM, in cooperation with Youth Educational Forum and Macedonian Young Lawyers' Association, submitted a total of 800 FOI applications to more than 90 institutions.[5] In the reporting period, a total of 115 appeals were submitted to the Commission[6], most of which had a positive outcome. The monitoring results

5 Based on the monitoring results, MYLA publishes monthly reports and an annual analysis of the situation related to free access to information in Macedonia, which is regularly distributed to the media. On the basis of data collected through the submitted FOI applications, Youth Educational Forum with the support of FOSIM prepared and published a publication on the implementation of the European Credit Transfer System in the Republic of Macedonia, also containing a report of the FOI law implementation monitoring. These results were publicly presented by FOSIM at the promotion of the publication.

6 Commission for the Protection of the Right to Free Access to Information of Public Character, independent body responsible for decision-taking on appeals longed against rejected access to information applications. More information on the Commission and its work are available at www.komspi.mk.

showed that while progress is noticed compared to the previous years and after the adoption of the Freedom of Information Law, its implementation is still unsatisfactory. The administration's silence (tacit rejection of the FOI application) continues to be a major challenge as regards the Law's implementation, since approximately 30% of FOI applications were answered only after appeals were submitted to the Commission.

FOSIM's survey[7] on citizens' perception of the right to free access to information, conducted in the beginning of 2009, demonstrated that majority of citizens (63%) are unaware of the FOI Law's existence or the possibilities it provides. Therefore, FOSIM undertook awareness-raising and educational activities, including the promotion of 28th September the international "Right to Know Day", training for students on the effective use of the right to free access to information (in cooperation with the Youth Educational Forum) and discussion sessions on the research possibilities the Law provides for journalists and academic researchers (in cooperation with the Macedonian Young Lawyers' Association). Furthermore, in November 2009, FOSIM initiated a project in cooperation with *Radio Vat*, a local radio-station in Albanian language, aimed to promote the right to free access to information and raise awareness among the population on the Freedom of Information Law. The project activities include preparation, recording and broadcasting ten radio-shows focused on diverse aspects of the right to free access to information on four different radio stations, both in Macedonian and Albanian language.

FOSIM continued its activities aimed to improve the legal framework on freedom of information in Macedonia. In October 2009, the Ministry of Justice

7 Available online in English, at: http://soros.org.mk/dokumenti/Survey_Public_Perception_FOI_Law.pdf

drafted the amendments to the existing law in a non-transparent process and without participation of the Commission, relevant experts and civil society representatives. FOSIM advocated for amendments' improvement.[8] The amendments to the Law were enacted by the Parliament of the Republic in January 2010, and included several amendments proposed by FOSIM.

FOSIM was also actively involved in the Justice Initiative and Access Info Campaign related to the Council of Europe's Convention on Access to Official Documents. FOSIM continued its local advocacy efforts which resulted in the Republic of Macedonia's signing of the Convention on 18 June 2009. Thus, Macedonia became one of the 12 countries that signed the Convention. Local efforts aimed to promote faster ratification of the Convention continued. In order to assess the Convention's effect on the domestic legal system, FOSIM - in cooperation with Access Info[9] - conducted an analysis and drafted a report on the Convention's legal impact to the domestic legislation.

Additionally, the Law Program together with the Civil Society Sub-Program, Citizens for European Macedonia, supported the project Monthly Reports on the Fight against Corruption and the State of Transparency in the Republic of Macedonia, implemented by Transparency Macedonia on the basis of grant awarded. The project aimed to contribute to the establishment of an ongoing mechanism for civil society monitoring of transparency and fight against corruption in the Republic of Macedonia by issuing monthly analyses of six anticorruption pillars, those being: (1) economic and financial system;

8 FOSIM's advocacy efforts were conducted through participation at the session of Parliamentary Committee on the Political System and Inter-ethnic Relations in the stage of the first reading of the proposed amendments. Furthermore, FOSIM drafted amendments to the proposed changes and submitted them to the Assembly of the Republic of Macedonia through the Chairperson of the Standing Inquiry Committee for Protection of Civil Freedoms and Rights.

9 http://www.access-info.org/

(2) political system; (3) public administration and local self-government (4) civil society, media and international community; (5) judiciary and (6) law enforcement authorities. The analyses prepared were broadly distributed to competent public authorities and international community and were promoted at monthly press conferences. Also, an annual report was issued and contained summarized analysis on the situation related to the fight against corruption in the Republic of Macedonia, which included specific recommendations to overcome the shortcomings identified in relation to public authorities' transparent budget spending. All reports can be downloaded at http://www.transparentnost-mk.org.mk/

MONITORING OF THE INSTITUTIONAL RESPONSES TO ELECTION IRREGULARITIES

Implementing organization: Coalition *All for Fair Trials*

Donors: FOSIM and OSCE Spillover Mission to Skopje

Partners: Academy for Judges and Public Prosecutors

Aim: to contribute to the democratic election process in the Republic of Macedonia.

For the purpose of assessing the progress made as regards the organization and implementation of fair and democratic elections on the Presidential and Local Elections in April 2009 against the high number of irregularities and the failure to meet key OSCE and Council of Europe standards identified in the course of the Early Parliamentary Elections in June 2008, FOSIM continued to support the project "Monitoring the Institutional Response to Election Irregularities". The project aimed to monitor all court proceedings undertaken against election perpetrators and to provide objective and

comprehensive overview of institutional responses to election irregularities, thus contributing to the re-establishment of public trust in the election process and the country's democratic capacities.

Based on the court monitoring and expert analyses, the project released a final report[10] in July 2009 and a progress report[11] in December 2009. By the end of 2009, the project registered that first-instance rulings were adopted in 16 criminal cases against 44 persons, while 16 criminal cases against 75 persons and related to the 2008 Early Parliamentary Elections are still pending decisions. 13 criminal charges were filed in front of the Basic Public Prosecutor' Offices against 34 persons on the grounds of reasonable suspicion that they had committed crimes in the course of 2009 Presidential and Local Elections. Compared to 2008 Parliamentary Elections, the number of persons reported and prosecuted was reduced by 85%. As for the criminal acts related to the 2009 Presidential and Local Elections, 3 indictments were motioned in front of the Basic Court Skopje 1, but by the end of 2009 no court hearings were scheduled. Furthermore, the Coalition "All for Fair Trials" organized three round tables in cooperation with the Academy for Judges and Public Prosecutors on issues mainly concerning the challenges related to improving the institutional responses to elections irregularities. The project will continue until April 2010.

EMERGENCY FUND PROJECT: FREEDOM NOT FEAR - PROTECTING THE RIGHT TO PEACEFUL GATHERING AND THE RIGHT TO EXPRESS PUBLIC PROTEST

Implementing organization: Institute for Human Rights

Donors: FOSIM

10 http://www.all4fairtrials.org.mk/Default_files/Threelingual%20for%20web.pdf

11 http://www.all4fairtrials.org.mk/Default_files/Progress_Report_MKD_2009.pdf

Partners: Macedonian Young Lawyers' Association

Aim: to prevent the economic crisis' impact on the exercise and protection of the right to peaceful gathering and the right to express public protest, as an instruments for expressing public dissatisfaction with the state economic policies.

An emergency fund project was awarded to the Institute for Human Rights to prevent the impact of the economic crisis on the exercise and protection of human rights in the country, after a peaceful students' gathering was violently cut short and followed-up with misdemeanor charges against the organizers and participants. Since the freedom of peaceful gathering and the right to public protest as instruments for expressing public dissatisfaction with the state economic policies, were largely suppressed by state authorities in the aftermath of economic crisis' onset, the project was approved and aimed to provide professional legal aid to persons whose rights have been limited or violated. Furthermore, the project provides an ongoing analysis of the level of protection of human rights in general and by this moment has provided free legal aid to 4 persons (organizers and participants of the peaceful protest) convicted as part of 2 misdemeanor cases. Additionally, the project aims to establish positive jurisprudence on limits to and breeches of domestic and international human rights norms and recommendations and their incorporation in the relevant legislation. The project will continue until June 2010.

CIVIL SOCIETY PROGRAM

LIVING IN MULTI-ETHNIC ENVIRONMENT – CITIZENS WITH EQUAL RIGHTS, OPPORTUNITIES AND PROTECTION

Implementing organization: FOSIM

Donors: *European Commission* (*EIDHR – Campaign 4: Advancing Equality, Tolerance and Peace)* and *FOSIM*

Partners: NGO *Common Values,* Skopje and network of 12 NGO Support Centers in Veles, Prilep, Stip, Kicevo, Struga, Resen, Gevgelija, Negotino, Strumica, Delcevo, Kratovo, Debar

Aim: to improve the status of minority groups and to strengthen capacities for active participation in public policy making on local and national level. The project (January 2007 – October 2009) is comprised of the following components: 1) capacity building and networking of NGOs, institutions, media; 2) lobbying and advocacy and public awareness building; and 3) monitoring local administration.

In 2009, a total of 164 representatives from NGOs, local governments and public institutions attended 7 training sessions targeting different aspects of minority issues and delivered by a core group of 13 trainers created as part of the Training of Trainers Program. Communication and cooperation between NGOs and public institutions working in the field of minority rights protection, as well as media were strengthened through networking and thematic meetings, and regional workshops. Relations between regional Ombudsman offices, Committees for Inter-Community Relations, Municipal Councils and NGOs were established for the purpose of active involvement in minority rights protection.
Two publications for wider promotion of the rights of ethnic communities (*Guidebook on the National Legislation in the Field of Using the Languages*

of Ethnic Communities in the Republic of Macedonia and *Manual on the Elimination of Ethnicity-Based Discrimination)* were published in the 7 languages spoken in Macedonia and in English language and were promoted on 12 workshops.

Issues of common interest were identified and discussed on a series of public and TV debates, accompanied with the awareness raising campaign *Under the Same Sun* aimed to promote multiethnic values and mutual respect between the ethnic communities in Macedonia. The second one-day multiethnic happening in Struga gathered more than 6,000 visitors who were able to get familiarized with different ethnic communities' culture and tradition. Folk costumes, handcrafts, culinary specialties and folk dances from different towns were presented by 1,700 participants in the event.

In the period January 2008-June 2009, 12 monitoring teams monitored the implementation of the international and domestic legislation related to minority rights in 24 municipalities[1]. Final monitoring reports and recommendations were published in the publication *Towards Tolerant Municipalities: Report from Local Administration Monitoring January 2008 – June 2009* and presented on the national conference "Decentralization – An Opportunity for More Tolerant Municipalities". A publication with the discussion and conclusions from the national conference was published in the 7 languages spoken in the country and in English language. Six press conferences were organized to present the final monitoring reports on local level.

Project activities were regularly promoted on the project website www.podistosonce.org.mk.

1 Kicevo, Drugovo, Vranestica, Resen, Demir Hisar, Debar, Centar Zupa, Struga, Valandovo, Dojran, Prilep, Dolneni, Krusevo, Veles, Caska, Stip, Karbinci, Delcevo, Pehcevo, Kocani, Kriva Palanka, Staro Nagoricane, Tetovo and Kumanovo.

CITIZENS FOR EUROPEAN MACEDONIA

Implementing organization: FOSIM

Partners: NGO Infocenter, Foundation *Metamorphosis*, *Children's Theatre Center*, *Youth Cultural Centre* Bitola and 12 former NGO Support Centres

Aim: to encourage civic activism by means of the newly created civic alliance *Citizens for European Macedonia* that re-affirms open society values and responds to the government's non-democratic practices

In 2009, FOSIM supported the establishment of the civic initiative *Citizens for European Macedonia* (*CEM*), which started its actions with the announcement of *European Macedonia Manifesto* developed by a group of intellectuals. The Manifesto promotes European values and civic unity based on the principles going beyond ethnic lines and was supported by 3,000 citizens. Promotional materials[2] were developed to expand the idea to a broader scope of citizens and to encourage them to take part in CEM activities. CEM's initiators critically assessed governmental policies on 23 public discussions with 2,230 citizens organized in 19 towns[3]. The EU Ambassador answered citizens' questions on the debate organized in Skopje and attended by 420 participants. Pro-governmental media and blogs accused and labeled CEM initiators and supporters as traitors, enemies, viruses; the label "sorosoids" became a synonym for the different-minded people. The debate in Struga was violently interrupted by a group of 20 persons, where the police failed

2 Announcements in newspapers, website www.gem.org.mk, 3000 copies of comic strip Pecko, 5000 leaflets, 3000 T-shirts and 2000 bags.

3 Skopje, Veles, Stip, Strumica, Bitola, Kumanovo, Kicevo, Debar, Kocani and Tetovo (February 2009); Skopje, Ohrid, Gostivar, Resen, Gevgelija, Berovo, Kavadarci, Vevcani, Kriva Palanka and Prilep (May-June 2009); Tetovo, Veles (September 2009).

to react to this attack. The second Manifesto titled Against Silence was promoted in July and appealed to citizens to publicly express their opinions. CEM also reacted to the non-democratic actions taken by the government and promoted EU and open society values by means of announcements published in daily newspapers (*Ignoring Violence Leads to More Violence!; STOP for the Ethnona(r)cism and Nationalist Hate Speech!; Lies, Insinuations and Provocations*).

Pressures on freedom of expression were also discussed on the debate organized with journalists and civic activists. Following the debate, the declaration titled *Disorder Cannot Be Order!* signed by 34 prominent journalists and intellectuals was published in daily newspapers. All public outbursts of totalitarianism, verbal violence, hate speech, etc. will be noted in the so-called *Black Book of Shame*.

FOSIM supported the operation of partner organizations involved in *CEM* activities and awarded grants for project implementation to *Transparency Macedonia, Akcija Zdruzenska* and *Balkan Idea* NGOs and *Kanal 77* Radio. The Association of unemployed people at the age of up to 50 years who have lost their employment "*Fear*" from Veles was supported with the donation of 50 blankets, mineral water, juices, vitamins and fruits for the strikers.

Support was provided to the initiatives raised by informal civic groups in reaction to the non-democratic governmental policies and practices. The campaign *Don't Fall for It!* was designed as a reaction to the regressive governmental policies against women. A petition supported by more than 4,000 signatures was published and contained recommendations targeting all levels of governance. The related promotional materials with various key messages on the issues of reproductive and sexual rights, stereotypes and limited choices imposed to women were distributed as well.

The youth initiative *Square Freedom* started as a reaction to the violence demonstrated against the students who protested against the construction of religious buildings on the Skopje city square. Based on the survey conducted in the Municipality of Center, which showed that 70% of citizens

disagree with the construction of religious building on the Skopje city square, *CEM* and *Square Freedom* started a joint initiative, signed by 1059 citizens, and requested municipal referendum that would give the citizens right to decide on this matter. The institutions systematically obstructed the initiatives, ignored our requests, letters sent, debates, polls of public opinions and the signatures gathered to start the citizens' initiative. Stuck between institutions and their administration rules, the institutionalization of the initiative was prevented, meaning that there was no referendum on which the citizens would have decided for or against the construction of religious buildings on the city square.

COMMUNITY FORUMS PROGRAM

Implementing organization/s: FOSIM, *Centre for Institutional Development (CIRa), Macedonian Center for International Cooperation (MCIC), Association for Democratic Initiatives (ADI) and Alka*

Donor: *Swiss Agency for Development and Cooperation (SDC)*

Partner/s: *Association of Local Self-Government Units (ZELS), Strategic Development Consulting* – Forum Coordination Unit, Municipalities of Debar, Chair, Strumica, Caska, Karbinci, Kocani, Novo Selo, Bitola, Resen, Berovo, Sveti Nikole, Dolneni, Saraj, Krusevo, Mogila, Novaci, Bogovonje, Aerodrom, Gostivar, Makedonski Brod, Radovis and Konce.

Aim: to support a participatory community development at local level. The Forum is a development platform: 1) for the citizens to improve their life with their own ideas and participation and 2) for the administration to develop participatory, accountable and trusted local governance.

This is a long term program (2006-2010), financed by *SDC* and the municipalities where the program is implemented. *FOSIM* is one of the implementing partners in the Community Forums Program. The program consists of organizing discussions (forum sessions) and between-session work, where municipal administration and citizens represented through various stakeholders (NGOs, youth, teachers, urban/rural communities, sports associations, businesses) assess municipal priority needs. By means of structured and guided discussions, they transform local priorities in specific project ideas and provide recommendations for solving community problems. On the last session, all forum participants jointly select the best and most relevant projects to be funded by project fund (comprised of funds secured by the municipalities and SDC).

As part of the program's first phase (March 2008 – August 2009) *FOSIM* organized the community forums in Debar and Cair. Projects selected to be funded by the program fund in Debar and Cair were implemented in the course of 2009. In Debar 4 projects were implemented: *Reconstruction of the Facade and Arrangement of the Plateau and the Sidewalks of the Old Gymnastic Hall in Debar, Amusement Park, Supplying the school "Sait Najdeni" with didactic teaching aids and books,* and *Preparation of Technical Documentation for Reconstruction of the Gymnasium*. The project *Communal Trash Bins* was implemented in the Municipality of Cair, whereas the project *Amusement Park in Topaansko Pole* was replaced with *Amusement Parks at Elementary Schools "Cvetan Dimov" and "7 Mart"* and will be completed in 2010. Project fund in Cair accounted for 6,000,000 MKD, and in Debar it accounted for 8,000,000 MKD.

The program's second phase (October 2008 – April 2010) is carried out in 8 municipalities. *FOSIM* organized the community forums in Kocani and Novo Selo. As part of seven sessions, more than 100 citizens from *Kocani* and *Novo Selo* discussed the problems related to infrastructure and environmental protection in the relevant municipalities. As part of the last session, they selected the projects to be financed. In Kocani three projects were selected:

Reconstruction of the Sports Hall, Increasing the Security of Children at the Elementary School "Kiril i Metodij" and *Park in Kalimanova glava*. In Novo Selo, the citizens selected two projects to be financed: *Irrigation Channels* and *Securing Clean Drinking Water for Novo Selo*. The project fund in Kocani and Novo Selo accounts for 8,000,000 MKD each.

The program's third phase started in October 2009 in 12 municipalities; it will be completed in December 2010. FOSIM implements the program in Strumica, Krusevo, Mogila and Novaci. The Forum in Strumica is a budget forum, and is the first community forum whose topic is the Municipal Budget. As part of the five sessions organized, the citizens from Strumica discussed the 2010 Municipal Budget and defined the priority projects to be implemented. The recommendations made as part of the forum were incorporated in the 2010 Municipal Budget. The forum selected one project to be financed by the project fund: *Construction of the Amphitheatre in Strumica*.

The 2009 program implementation included another novelty: the first inter-municipal forum organized in Mogila and Novaci. The citizens from the two neighboring municipalities are faced with the same problem - waste collection – and by means of forum sessions they will develop projects that provide relevant solutions to address the problem identified. The citizens from Krusevo selected *Communal Infrastructure* as the forum topic that will be addressed and discussed as part of the sessions to be organized until March 2010.

REVEALED TESTIMONIES

Implementing organization: FOSIM

Donor: FOSIM

Aim: to provide the public with the alternative side of history, daily life of

soldiers and civilians from the region of Kratovo and Probistip during the First World War (1914-1918).

The original letters and other documents of the Macedonian soldiers from the Kratovo and Probistip region, who were mobilized in the Serbian and Bulgarian army and imprisoned during the First World War (1914-1918) at Austro-Hungarian war camps were collected and analyzed. The collection was published as an inventory titled *Revealed Testimonies – Soldiers' Letters from the Great War 1914-1918*.
In 2009, the inventory was promoted and exhibitions of the documents and interviews were installed in Kriva Palanka, Probistip and Stip with the aim to provide the public with the alternative side of history.
The collection of the original documents was given to the Museum of Kratovo to be used for a period of 10 years and to support the exhibition *Revealed Testimonies* placed in Simikeva Kula.

BOOKS FOR OPEN SOCIETY DEBATE

Implementing organization: FOSIM

Donor: FOSIM

Aim: to encourage public expression of opinions by promoting books that open critical debate on issues important for the democracy in Macedonia.

In order to open the debate on the name dispute, the *Draft National Strategy on Resolving the Dispute with Republic of Greece concerning the Name of the Republic of Macedonia*[4] was published, promoted and broadly distributed to

4 Submitted to the Parliament on 13 January 2009 by the MP Stojan Andov, but not adopted.

citizens as inserters in daily newspapers.

Preparations were made for the debate *History and Apocrypha - Demythologization of 2001* intended to open discussion of facts presented in the books that address the 2001 crisis. The book *Preventing War in Macedonia* by Mark Laity was translated and published in Macedonian and Albanian language. FOSIM financially supported the publication and promotion of the book *Conflict Prevention in the New Security Context: The Case of Macedonia* by Anton Grizold, Marina Mitrevska, Vlado Buchkovski, Anthony Wanis. Also, two reports and three articles were translated and published and 9 books (by Macedonian or Albanian authors) were purchased in order to prepare all relevant materials needed for the debate. Packages of materials: publications, chronology of events and a collection of texts was prepared and delivered to the potential participants.

Translation in Macedonian and publication of the book *What Orwell Didn't Know*, edited by Andras Szanto was supported and a promotional debate was organized. Discussions on the debate are prepared to be published as inserter in daily newspapers.

FOSIM also initiated the translation of three additional books from English into Macedonian language (*The Evils of Revolution* by Edmond Burke, *Macedonia and Macedonians: History* by Andrew Rossos and *The Contest for Macedonian Identity 1870-1912* by Nick Anastasovski), and awarded grants to *Kontrapunkt* for translation and publishing of the book *Pedagogy of the Oppressed* by Paulo Freire, and to the Publishing House *Templum* for the book *Reflections on Antiquity/Antiquity Musing* (working title) by Anastas Vangeli.

RURAL COMMUNITIES CULTURE

Implementing organization: *Contemporary Art Centre*, Skopje

Donors: FOSIM, Swiss Cultural Program in Western Balkans

Aim: to stimulate cultural life and active contribution to the issues related with rural regions' development in Western Balkan by means of: developing cultural programs in the rural communities from the countries targeted; capacity building on joint planning and implementation of innovative, community-driven cultural initiatives; and creating effective approach to issues of cultural and social development and capacity building for local communities for their further development.

The three-year project (February 2009 - February 2012) is implemented in rural areas in 4 countries from the region (Macedonia, Bosnia and Herzegovina, Serbia and Kosovo) and targets the rural population.
Main project activities are:

- *Cultural Animation* activities like mobile cinema, exhibitions, theatre performances, concerts and different similar activities;
- *Capacity Building Activities*- community cultural initiatives, theatre workshops and tailored training sessions;
- *Regional Networking* – cross border cooperation in the field of culture, regional meetings and on-site visits;
- *Promotional Activities* aimed to raise the interest for rural cultural development and promote project approach and results.

2009 project activities included 7 community cultural initiatives, over 15 mobile cinema projections, 6 exhibitions, 5 concerts, 3 theatre performances, 1 theatre workshop, 8 capacity building workshops, over 20 meetings of/with

different stakeholders in the villages, more than 15 consultancy processes. The following community activities can be noted as most important responses to the project activities: re-establishment of the 35mm village cinema in Vevcani; establishment of youth centre in Tearce; establishment of Annual Nikiforovo Cultural Gatherings;, initiating cultural connections between Gora (Kosovo) and Mavrovo-Reka regions; exhibitions of Macedonian authors from rural areas in rural municipality centres in Bosnia, Serbia and Kosovo.

MULTICULTURAL INITIATIVES

Implementing organizations: *FOSIM; Ensemble Rusit Sakir* from Kumanovo; *Children Theater Center* from Skopje

Donor: FOSIM

Aim: To promote multiethnic society values and culture of different ethnic communities.

MK Roma Rap is an operational project initiated by FOSIM in the beginning of 2009. *FOSIM* announced an open competition for original hip-hop and rap songs produced and performed by Roma people with Macedonian origin. 14 songs were selected and recorded and can be found on a CD compilation. The compilation will be released in mid- 2010. Aiming to promote Roma music and artists on the international music scene, *FOSIM* made serious efforts to find appropriate partner in order to publish this CD compilation in the EU countries as well.

FOSIM also awarded grants to two organizations that promote different cultures of ethnic communities in Macedonia. The Ensemble *Rusit Sakir* from Kumanovo received a grant to organize the 4th Festival of Woodwind & Brass Orchestra from Macedonia *Roma Truba Fest 2009*.

FOSIM supported the *Children Theater Center* from Skopje in order to

participate in the *International Theater Festival MESS 2009* in Sarajevo, Bosnia and Herzegovina with the theater play *A Boy with a Suitcase*.

STRIP CENTER, VELES

Implementing organization: *Comic Center of Macedonia*

Donor: FOSIM, Municipality of Veles, Ministry of Culture of the Republic of Macedonia

Aim: to promote and support development of the comic culture.

The *Comic Center of Macedonia*, located in Veles, organized the 7th International Comic Saloon *Veles 2009*. The project was co-funded by FOSIM. Several workshops, lectures and exhibitions were organized; comic authors presented their works and created joint comics and the edition Strip Creator was published.

AKTO FESTIVAL, BITOLA

Implementing organization: *Faculty for Staff That Can Not Be Learned*

Donors: FOSIM, the Embassy of Germany, Municipality of Bitola, commercial sponsors, private contributions

Aim: to open the cultural framework for a modern society by means of "recomposing" and redefining them in a new concept.

AKTO contemporary art festival includes: visual arts, performing arts, music,

and theory of culture (2006-2009). The program of the festival is based on two concepts. The first concept is space/location. Locations have been transformed in terms of previous meanings. The second concept is the topic. AKTO topic of 2009 was *Generations*. The aim of the festival's forum within the 2009 Program: *Generations - Archive of the Identity* founded by FOSIM is to develop critical debate on the hegemonic (national) models of creating historical narratives and identities trough critical and polemical re-thinking. The goal was achieved with presentation of alternative historical narratives that create democratic space for all marginalized and excluded identities, acting, practices and subjectivities that produced interactive critical debate. Main actors were intellectuals from different fields, audiences and the media.

AKCIJA ZDRUZENSKA – SPIN-OFF

Implementing organization: *Akcija Zdruzenska*, Skopje

Donor: *OSI International Women's Program*

Aim: to contribute to the development of sustainable women's movement in Macedonia, competent to address women's human rights and gender equality issues, as part of the global efforts and needs in this area.

The organization has been determined to develop knowledge, skills and abilities to identify and address the specific needs of Macedonia in terms of gender equality. The 2009 activities of the organization were focused on campaigning and mobilizing support as part of the campaign *Don't Fall for It!* developed to secure continuous reaction to the enhanced promotion of patriarchal norms and values, gender stereotypes and discriminatory policies, and to the limited space for critical positioning of the civil society.
The organization continued with its regular activities aimed to enhance

gender equality policies on local community level. The analysis conducted in 2008, *Monitoring of the implementation the Law on Equal Opportunities for Women and Men in the Local Government* was published and provided relevant information on the level of law implementation by the local government, as well as the priority guidelines for further actions. It served as basis for developing the program *Enhancing Gender Equality Policies and Practices of Local Governments,* whose objectives are: to encourage local government's responsible and efficient response to gender inequality as one of the legitimate areas within the scope of local governments' responsibility; to encourage development of policies and practice for continuous monitoring and assessment of local government performance as regards gender equality; and to encourage women activists' active engagement in monitoring and shaping local gender equality policies and practices. The implementation of the program started in Sveti Nikole as pilot municipality, and in 2010 it will be expanded to include three other municipalities.

The organization used the opportunity of intensified interest in progress in the area of gender equality and women's rights and participated in the consultations organized by the EC, and prepared *Macedonia 2009 Progress Report on Gender Equality* as a contribution to the process of preparation of the EC 2009 Progress Report for the Republic of Macedonia. The report was prepared in cooperation with the *Association for Emancipation, Solidarity and Equality of Women in the Republic of Macedonia - ESE* and it is planned to become regular activity of the organization in the following years.

EMERGENCY FUND REPORT

THE FOUNDATION OPEN SOCIETY INSTITUTE – MACEDONIA received an Emergency Fund allocation in the amount of 200,000 USD and in the period 6 July – 1 December 2009 awarded eight grants in the amount of 25,000 USD as follows:

The ***Foundation for Rebuilding and Development of Ovce Pole (FOROP)*** from Sveti Nikole was awarded grant to implement the project **Intervention for Recovery from the Global Economic Crisis in Agriculture and Rural Development,** whose aim is to help small farmers from three municipalities in Southeast and Vardar Region to preserve their family agriculture businesses during the crisis. Addressing specific immediate needs in the region, the project funds provide: payment of unsettled pension and health insurance for three months for 43 registered farmers from Sveti Nikole; procurement of raw materials for 46 wine-farmers from Kavadarci, for 25 registered cattle breeders and 21 tobacco planters from Konce. Implementation is planned in the period September-December 2009. Local governments of the municipalities contributed 8,500 USD to the OSI funds. The grant beneficiary, FOROP, is estimated to have capacity to apply transparent procedures for the selection of final beneficiaries on the basis of pre-defined criteria for each group of beneficiaries and to make necessary procurement and disbursement of materials. The final beneficiaries will be invited to apply on an open call. The selection committee will be comprised of grantee and municipality representatives. The final beneficiaries are expected to be able to continue their business after this intervention.

The ***Youth Cultural Center (YCC)*** from Bitola was awarded grant for the project **Agriculture Initiatives in Mogila,** for the purpose of providing support to dairy farmers from the nearby village of Mogila. The global economic crisis additionally burdened the turbulent market conditions in the dairy industry, and thereby endangered the mere survival of cattle herds. The challenges include lack of technical equipment and unfavorable prices of milk and raw materials, but also legal and organizational barriers. As part of this project

dairy farmers will receive: legal assistance and logistic support to establish an association; single non-refundable financial aid to cover urgent pending expenses; institutional support through different tailored training; and cattle food processing equipment that will be jointly used by association members. The project was implemented in the period July- December 2009. The implementing grantee *YCC* contributed 1,500 USD to the OSI funds and will further support the new association as regards capacity building for future operation and providing sustainable support to its members.

The ***Association of Women-Farmers Agro-Vinka*** from Vinica was awarded grant for the project **Macedonian Traditional Handcrafts – Support for Rural Women** that would support 24 low income women and their families from the rural village Istibanja. The project funds provide: three months engagement of 24 women that have skills for handicrafts, purchasing necessary materials for the products, website and catalogue design for the purpose of promoting the products and the region. This initiative will result in alleviated economic conditions for the local women, continuation of the tradition; stimulation of economic development in rural environments and decreasing social exclusion of rural women. The grant beneficiary Agro-Vinka contributed 14,000 USD (in-kind) and is estimated to have capacity to apply transparent procedures for the selection of final beneficiaries and procurement of materials. The project sustainability is identified in the creation and promotion of self-employment by means of established mechanisms for handicrafts production and marketing.

The ***Institute for Human Rights (IHR)*** was awarded grant for the project **Freedom Not Fear: Protecting the Right to Peaceful Gathering and the Right to Express Public Protest** with the aim to prevent crisis effects on the exercise of human rights in the country, after a peaceful student gathering to protest against the abuse of public funding was violently cut short and followed-up with misdemeanor charges against the organizers and participants. Since the freedom of peaceful gathering and the right

to public protest, as instruments for expressing public dissatisfaction with state economic policies, were largely suppressed by the state authorities after the crisis onset, the granted project provided professional legal aid to persons whose rights as defined above have been limited or violated. Project outcomes include: 1) establishment of an efficient system for monitoring and analysis of the human rights protection in general, 2) establishment of positive jurisprudence on limitations to and breeches of domestic and international human rights norms, 3) recommendations for the purpose of improvements in the relevant legislation and 4) broader public debate on human rights issues. The project will be implemented in the period July 2009-June 2010, in cooperation with the Macedonian Young Lawyers' Association (MYLA).

The project **Personal Finance Management** addresses the consequences of insufficient understanding of personal financial instruments among Macedonian middle class citizens brought to light with the economic crisis, such as for example the difficulties related to the settlement of personal debts incurred for the purpose of covering living expenses in period of unemployment and business stagnation. Throughout the implementation period (December 2009 - September 2010), the project will promote a culture of responsible spending and informed decision-making as regards personal financial future. The project activities include: organization of three workshops on debt management targeting 60 participants (middle class households that face financial problems), creation of the personal finance blog portal in Macedonia for the purpose of providing financial education and counseling - primarily targeting the young population that recently joined the labor force, publication of personal finance book in Macedonian language as an educational instrument with broad scope of application. The population targeted with the project should improve judgment and efficient decision-making as regards the use and management of individual finances. It is expected that the process will raise the standards on customer

support pursued by financial service providers and will create a synergy among various stakeholders in the Macedonian financial market towards the attainment of project goals.

Leski was awarded grant for the project **Overcoming the Economic Crisis by Means of Malesevo Tradition** with the aim to support handcrafters from Berovo. The economic crisis additionally complicated the turbulent market conditions, in particular in the country's small and rural areas, and thereby endangered handcrafters' sustenance. They are faced with challenges such as problems related to product marketing, lack of entrepreneurial skills, as well as brain-drain and migration to the capital city among the youth. As part of the project, the handcrafters will receive financial support to refurbish sales outlets for joint sales of products, to organize tailored workshops that suit the needs of young handcrafters, website and catalogue design for the purpose of promoting the products and the region, participation at local and regional fairs where traditional handcrafts can be promoted. The project will be implemented in the period December 2009-November 2010. It is expected that the initiative will alleviate local economic conditions, secure continuation of handcrafting traditions and stimulate economic development in this rural environment. The implementing organization *Leski* contributed 1,200 USD to the OSI funds and will further support the network of handcrafters.

The ***Roma Business Information Center Macedonia*** from Skopje was awarded grant for the project **Vocational Training for Construction Workers** that targets 50 low income and marginalized people at the age of 18-35 years from Skopje. The project activities include: three-month vocational training for 50 construction workers. After the completion of training and exam-taking the successful trainees will receive certificates, while Habitat for Humanity – Macedonia will secure field practice as part of its construction work programs in Veles. As regards the sustainability of target group's education investment, the trained construction workers will be recommended for employment to

other companies and the option of association and joint service provision, probably by means of company establishment, will be explored.

NGO "BORKA – For Each New Day" was awarded grant for the project **Wigs for Patients Undergoing Chemotherapy** and targets 300 women who - after their chemotherapy treatments - cannot secure wigs for themselves. For malignant disease patients, recovery and social life are significantly influenced by their ability to use a wig in the aftermath of their chemotherapy treatments. Since wig expenses are not covered by the Health Insurance Fund and many patients cannot afford such additional expense, at least one third of patients hesitate whether to accept chemotherapy after the first medical treatment. Ultimately, this behavior jeopardizes the treatment's outcome. The economic crisis additionally complicates the problem, and despite the increased number of patients undergoing chemotherapy (average 10% per year), the number of wigs sold has declined by 5%. Project activities include: procurement of wigs, identification of potential users, distribution, collection when not needed any more, sterilization and redistribution to other users. Project outcomes are as follows: 1) faster decision-making on chemotherapy treatment after the surgery, that will affect the treatment's overall success; 2) improved psychological and social well-being of cancer patients, i.e., higher quality of life; 3) over a period of one year, 100 wigs will be used by a total of 300 patients (one chemotherapy cycle lasts 4 months); 4) procurement of quality medical wigs and their proper maintenance will allow use by other patients in the next year. The project will be implemented in cooperation with the Radiotherapy and Oncology Clinic, for the purpose of direct contacts with patients and identification of financially vulnerable patients that would benefit from this project.

FINANCIAL REPORT

HIGHER EDUCATION PROGRAMS

The following individuals received Roma University Students Scholarships 2008/09 in MKD equivalent to $1000 each

Romaversitas - USAID	MKD
From Skopje: Jasminka Rasitova, Daniel Petrovski, Sara Sejfula, Zafer Kurtesi, Ervin Sikovski, Sunaj Ismail, Sabina Dzeladin, Sebijan Fejzula, Farije Asan, Emil Huna, Fahri Sali, Senada Zekirija and Sabina Memed.	
From Bitola: Sabrije Jusufova and Sakine Dzeladinovska.	
From Valandovo: Katerina Mitrova	
From Radovis: Denis Bojarov	
From Tetovo: Istref Sejfula, Turkjan Limani, Medina Beluli, Ferdi Ismaili and Senad Fidani.	
From Makedonska Kamenica: Emran Nezirovski	
From Kicevo: Mirsad Ramazanoski and Ajnur Seloski.	
From Ohrid: Elvis Fazlioski	
From Stip: Anife Sakirova, Igbal Aliova and Arslan Arslanov.	
From Veles: Sabina Ramadanova	
From Kumanovo: Elez Elezovski and Rebeka Huseinovska.	
From Gostivar: Sabrina Ajvazi	
From Berovo: Mustafa Alimanovski	
From Delcevo: Enida Sadulova	
Operational costs:	1.025.284,50

Romaversitas - USAID		2.686.122,00
REF - Romaversitas	Operational costs:	3.196.457,00
Roma Memorial University School	Operational costs:	393.376,00
Faculty of Drama Arts, Skopje	Meetings of Drama Art Students SKOMRAHI 2009	**1.381.790,00**
TOTAL HIGHER EDUCATION PROGRAMS:		**7.657.745,00**

CHILDHOOD & SECONDARY EDUCATION		
Creative Teaching and Learning - external fund	Operational costs:	1.243.644,00
Creative Teaching and Learning - 3rd party	Operational costs:	27.181.977,00
Equal Opportunities for Roma - 3rd party	Operational costs:	16.541.645,00
Equal Opportunities for Roma - external fund	Operational costs:	1.559.196,00
Foundation for Education and Culture Initiatives Step by Step, Skopje	Administrtative support for the Foundation Step by Step	863.039,00
ROMA EDUCATION PROGRAM - 3RD PARTY		

The following individuals received Roma High-School Scholarships 2009/10 in MKD equivalent to $600 each
From Skopje: Elizabeta Airizov, Fikrija Tair, Dzevrija Ljatifovska, Emran Sulejman, Belgjuzar Sakir, Isen Osmanovski, Monika Redzep, Agnur Mustafa, Durak Sulejmanov, Alan Dzemail, Semina Mamuti, Almira Ilijas, Larisa Hasani, Manuela Sefer, Nailja Redzep, Benita Dzeladin, Sabina Bajramovska, Lizabet Redzepi, Rabije Redzepi, Kjefaet Ramadan, Sabahet Bislimova, Emran Jonuz, Dzeljana Dzeladin, Ersana Jasari, Dziana Asani, Alen Ramcevski, Emran Asanovski and Azret Hasani.
From Tetovo: Senada Sali, Ismail Kamberi, Amir Bajrami, Bergen Idrizi, Larisa Muaremi, Enis Memeti, Sengil Jasari, Miriban Redzepi, Erkan Kurtisi and Senad Hazir.
From Prilep: Dzengis Berisa, Denisa Selimoska, Denis Bajramoski, Emran Bajramoski, Remzija Memedoski, Ahmed Ahmedoski and Sibel Salioska.
From Gostivar: Beari Toci, Bektes Hajdari, Bari Abduli, Amela Ismaili, Erol Kalburi, Spresa Kalguri, Razie Hajredini, Denis Ramadani and Dzengis Bajrami.
From Kavadarci: Zengin Eminov and Mazes Mustafova.
From Ohrid: Mirsada Susica and Suzane Usein.
From Delcevo: Sermina Salieva
From Berovo: Mervijana Kanturska, Adila Alimanovska and Anifa Kanturska.
From Pehcevo: Faik Abdulov, Vanesa Abdulova and Melita Destanovska.
From Bitola: Kadrie Sulejmanova, Alma Azemovska and Denis Salijevski.
From Vinica: Seba Mustafova
From Kocani: Almadet Osmanova and Ali Ibraimov.
From Kriva Palanka: Ajsa Demirovska
From Kumanovo: Suad Rustemi and Muhamed Massart.
From Sveti Nikole: Zoran Kralev and Ivica Mitrovski.

From Debar: Almir Ameti		
From Kicevo: Vebija Maksutoski, Sabina Mamudoska and Riza Alijevic.		
From Strumica: Melda Memedova		
From Stip: Mersiha Ibraimova and Dzelana Asanova.		
From Radovis: Jasar Demirov		
ROMA EDUCATION PROGRAM - 3RD PARTY		
The following individuals received Roma High-School Scholarships 2009/10 in MKD equivalent to $400 each		
From Skopje: Melisa Selim, Robert Demiri and Kjetrina Sefer.		
From Kicevo: Ramazan Abduloski, Fikrije Nedziposka and Rodina Zengo.		
From Gostivar: Feride Aliu, Semra Bajrami and Ajten Tairi.		
From Tetovo: Edis Dzemaili and Gjunaj Sakiri.		
From Prilep: Robert Memedoski		
From Probistip: Ruse Arsov		
From Veles: Mahmud Mahmudov		
Operational costs:		17.755.604,50
Roma Education Program - 3rd party		20.085.898,00
Roma Education Program - Pestallozi - external fund	**Operational costs:**	3.864.241,00
Roma Education Program - Pestallozi - 3rd party	**Operational costs:**	3.431.215,00
REF - ALLIANCE FOR INCLUSION OF ROMA IN EDUCATION - 3RD PARTY		

The following individuals received Roma High-School Scholarships 2008/09 in MKD equivalent to 480€ each		
From Skopje: Perjan Bajram, Ramadan Mamutov, Orhan Osmanov, Turhan Sakir, Resmije Durmis, Ramiza Etem, Osman Bajram, Alfrida Redzep, Santlijan Sabanova, Klaudija Dalipova and Ajse Jasari.		
From Tetovo: Sead Memedov		
From Kumanovo: Dzeljana Alievska and Meco Mamutovski.		
From Vinica: Zejnep Demirova, Serdal Ibraimov and Sermina Saliova.		
From Delcevo: Sinan Serifov		
From Demir Kapija: Sami Fejzulov		
From Kriva Palanka: Jasmin Trajkovski		
From Vasilevo: Zumrija Isinova		
From Prilep: Adem Amzoski		
From Kocani: Raman Abedinov		
From Gostivar: Salije Ajdari and Mejdin Elmazi.		
Operational costs:		4.481.595,50
REF - Alliance for Inclusion of Roma in Education - 3rd		5.217.156,00
Faculty of Philosophy, Skopje	Securing copy rights for the edition History of Women, addittion to grant 8800	123.000,00
Operational costs:		2.017.322,00
EU Polices & Macedonian Education		2.140.322,00
Association of Citizens Common Values, Skopje	Inter-Ethnic Dialogue at High Schools, MOZAIK	739.200,00

Internal Capacity Building	**Operational costs:**	306.091,00
AIESEC - International Platform for Discovering and Development of Indiviual Potential - Local Committee, Skopje	Building Bridges	106.200,00
Operational costs:		6.125.357,00
Youth for an Open Society		6.231.557,00
Forum of European Journalisam Students - FEJS Macedonia, Skopje	YOUTHINFO - New Media for the New World	383.348,00
EMP - Teacher Training	**Operational costs:**	566.197,00
TOTAL CHILDHOOD & SECONDARY EDUCATION:		90.354.726,00

EAST - EAST		
East - East / participation		
Gordan Georgiev, Skopje	Regional Advocacy for Cooperation in the Balkans: Comparative Experiance of Cooperation in Europe, 20 - 21 March, 2009, Tirana, Albania	37.050,00
Zidas Daskalovski, Skopje	Regional Advocacy for Cooperation in the Balkans: Comparative Experiance of Cooperation in Europe, 20 - 21 March, 2009,Tirana, Albania	6.141,00

Macedonian Center for European Training - MCET, Skopje	White Schengen List / Reaction of Western Balkans to Migration in the Visa Liberalization Context, March - September, 2009	113.312,00
Metodija Sazdov, Skopje	Participation on the Workshop: Sustainable Rural Development Policies- Mechanism to Fight the Global Crisis Impact 3 - 5 May, 2009, Tirana, Albania	92.400,00
Stole Georgiev, Radovis	Participation on the Workshop: Sustainable Rural Development Policies - Mechanism to Fight the Global Crisis Impact	6.141,00
Ana Petruseva, Skopje	Participation on the Seminar - Riga Network, 31 May - 5 June, Riga, Latvia	57.155,50
Janko Nikolovski, Skopje	Regional Seminar - Encouraging Transparency, Accountability and Public Integrity, 5 June, 2009, Belgrade	6.140,00
Slavica Dimitrievska, Skopje	Regional Seminar - Encouraging Transparency, Accountability and Public Integrity, 5 June, 2009, Belgrade	6.140,00
Danka Bubevska, Berovo	Regional Seminar - Fostering Transparency, Accountability and Public Integrity, 5 June, 2009, Belgrade	6.140,00

Ana Janevska Deleva, Skopje	Regional Seminar - Fostering Transparency, Accountability and Public Integrity, 5 June, 2009, Belgrade	39.883,00
German Filkov, Skopje	Regional Seminar - Fostering Transparency, Accountability and Public Integrity, 5 June, 2009, Belgrade	6.140,50
Sabina Fakik, Skopje	Regional Seminar - Fostering Transparency, Accountability and Public Integrity, 5 June, 2009, Belgrade	6.140,00
Aco Kolevski, Skopje	Regional Seminar - Fostering Transparency, Accountability and Public Integrity, 5 June, 2009, Belgrade	6.140,00
Emilija Velkovska, Skopje	Regional Conference - Critical Assesment of ICTY's Impact on States from Former Yugoslavia, 12 - 13 June, 2009, Dubrovnik, Croatia	35.237,50
Jana Lozanoska, Skopje	Regional Conference - Critical Assesment of ICTY's Impact on States from Former Yugoslavia, 12 - 13 June, 2009, Dubrovnik, Croatia	41.418,50

Simona Palcevska, Skopje	Participation on Regional Meeting: Improving Access and Quality of Education for Minority Community and Marginalized Groups of Children in South-East Europe, 21 - 25 August, 2009, Fojnica, Bosnia and Herzegovina	48.799,00
Miroslav Stojanovic, Skopje	Participation on Regional Meeting: Improving Access and Quality of Education for Minority Community and Marginalized Groups of Children in South-East Europe, 21 - 25 August, 2009, Fojnica, Bosnia and Herzegovina	41.177,00
Zorica Jovanovska, Negotino	Participation on Regional Meeting: Improving Access and Quality of Education for Minority Community and Marginalized Groups of Children in South-East Europe, 21 - 25 August, 2009, Fojnica, Bosnia and Herzegovina	38.109,00
Petrusa Ristic, Ohrid	Participation on Regional Meeting: Improving Access and Quality of Education for Minority Community and Marginalized Groups of Children in South-East Europe, 21 - 25 August, 2009, Fojnica, Bosnia and Herzegovina	38.109,00

Atina Tasevska, Skopje	Participation on Regional Meeting: Improving Access and Quality of Education for Minority Community and Marginalized Groups of Children in South-East Europe, 21 - 25 August, 2009, Fojnica, Bosnia and Herzegovina	41.177,00
Elka Todorova, Skopje	Regional Conference: Regional Experiences in Working with Abused and Neglected Children, 22 - 24 September, 2009, Przno, Montenegro	17.410,00
Gordana Pirkovksa Zmijanac, Skopje	Regional Conference: Regional Experiences in Working with Abused and Neglected Children, 22 - 24 September, 2009, Przno, Montenegro	17.409,50
Nevenka Krusarovska, Skopje	Regional Conference: Regional Experiences in Working with Abused and Neglected Children, 22 - 24 September, 2009, Przno, Montenegro	17.410,00
Monika Veckovska, Skopje	Regional Conference: Regional Experiences in Working with Abused and Neglected Children, 22 - 24 September, 2009, Przno, Montenegro	17.410,00
Angelina Calakoska, Skopje	Regional Conference: Regional Experiences in Working with Abused and Neglected Children, 22 - 24 September, 2009, Przno, Montenegro	24.206,50

Angelina Calakoska, Skopje	Seminar - Prevention and Intervention - Overcoming Children Abuse, Warsaw, Poland 25 - 29 October, 2009	23.713,00
Marina Pavlovska, Skopje	Seminar - Prevention and Intervention - Overcoming Children Abuse, Warsaw, Poland 25 - 29 October, 2009	23.712,50
Dusan Tomsic, Skopje	Seminar - Prevention and Intervention - Overcoming Children Abuse, Warsaw, Poland 25 - 29 October, 2009	23.712,50
Nada Blazeska, Tetovo	Seminar - Prevention and Intervention - Overcoming Children Abuse, Warsaw, Poland 25 - 29 October, 2009	27.491,00
Jana Lozanoska, Skopje	NGO Forum - Dealing with the Past - Development Witness and Victim System Support, 26 October, 2009, Zagreb, Croatia	24.108,50
Emilija Velkovska, Skopje	NGO Forum - Dealing with the Past - Development Witness and Victim System Support, 26 October, 2009, Zagreb, Croatia	24.108,50
Nikica Kusinikova, Skopje	Regional Conference - Corporate Social Responsibility in Montenegro and in the Region - Examples of Good Practice, 2 - 3 November, 2009, Podgorica Montenegro	14.838,00

Goran Lazarevski, Skopje	Regional Conference - Corporate Social Responsibility in Montenegro and in the Region - Examples of Good Practice, 2 - 3 November, 2009, Podgorica Montenegro	14.838,00
Marjana Susevska, Skopje	Regional Conference - Corporate Social Responsibility in Montenegro and in the Region - Examples of Good Practice, 2 - 3 November, 2009, Podgorica Montenegro	15.176,50
Tanja Hafner Ademi, Skopje	Regional Conference - Corporate Social Responsibility in Montenegro and in the Region - Examples of Good Practice, 2 - 3 November, 2009, Podgorica Montenegro	12.484,50
Dojranka Atanasovska Cvetanovska, Skopje	Regional Conference - Corporate Social Responsibility in Montenegro and in the Region - Examples of Good Practice, 2 - 3 November, 2009, Podgorica Montenegro	13.104,50
Iskra Tikvarovska, Skopje	Regional Conference - Corporate Social Responsibility in Montenegro and in the Region - Examples of Good Practice, 2 - 3 November, 2009, Podgorica Montenegro	13.104,50
Filip Gerovski, Skopje	Regional Workshop Strenthening Organizations for Protetcion of Patients Rights, 8 - 10 December, 2009, Tirana	30.438,00
Operational costs:		1.136,00
East-East / participation		1.028.762,00

East-East / Hosting		
Civic Initiative Centre - Prilep	Strengthening the regional co-operation and partnership - third phase, February - June, 2009, Prilep and Ohrid	886.865,00
Foundation Youth Entrepreneurial Service, Skopje	Business Incubator: Succesful Model for Creating Favorable Conditions for Local and Regional Development, March - November, 2009	849.010,00
HOPS - Options for Healthy Life, Skopje	Partnership for Effective Public Services: Rehabilitation and Resocialisation of Drug Users, April - November, 2009	1.966.278,00
Macedonian Green Centre, Skopje	National Workshop - Sustainable Rural Development Policies - Mechanisms to Combat the Impact of Global Crises, April, 2009	27.300,00
Balkan Bridges Skopje 4x4x4, Skopje	Establishing and Facilitating the First Regional Green Lobby Group, second phase, conference June, 2009	951.960,00
Macedonian Centre for International Cooperation MCMS - Skopje	Ilusion of Inclusion? Civil Society Processes in Western Balkans, July, 2009, Skopje	195.844,50
Center for Contemporary Public Arts Elementi, Bitola	Cultural Lobby, July - November, 2009, Montenegro and Macedonia	195.323,00

MDC-TI.Net Skopje	Improving Packaging and Packaging Policy in Macedonia - EU Experiences and Best Practices, October - November 2009, Skopje	1.008.147,00
Macedonian Consumers Organization, Skopje	Expert Forum: Introduction to Consumer Protection in Primary and Secondary Education -Research and Reccomendations, 26 - 29 September, 2009, Skopje	468.759,00
CRPRC Studiorum, Skopje	Conferenc: Patients' Organizations from Eastern Europe and Asia for the Rights and Safety of Patients, November, 2009, Skopje	688.603,50
Operational costs:		540.812,00
East - East / Hosting		6.697.278,00
TOTAL EAST-EAST:		7.726.040,00

INFORMATION		
What Orvel Didn't Know	**Operational costs:**	80.832,00
Metamorphozis, Skopje	**Open Access**	296.305,00
Metamorphozis, Skopje	Conference on Information Policies	55.358,00
Operational costs:		78.554,00
Information Policy		133.912,00
Templum, Skopje	**Webportal OKNO**	481.612,00

Metamorphozis, Skopje	**Active Civil Participation by Using New Technologies (E-Citizenen Participation)**	2.758.500,00
Metamorphozis, Skopje	**Social Media for Democracy**	3.984.500,00
Book promotions	**Operational costs:**	52.716,00
Goran Sanev, Skopje	**First Macedonian Web Portal on Archeology**	124.621,00
Metamorphozis, Skopje	**Conference: E-Society.mk**	150.171,00
Metamorphozis, Skopje	**On-line privacy made easy**	980.800,00
TOTAL INFORMATION:		9.043.969,00

PUBLIC HEALTH		
PH Sexual Health & Rights	**Operational costs:**	18.677,00
CRPRC Studiorum, Skopje	Monitoring and Advancing Implementation of Legislation on Human Rights in Health Protection	501.359,00
HOPS - Options for Healthy Life, Skopje		301.673,00
Operational costs:		1.793,00
PH Sexual Health & Rights		804.825,00
PHP Seminars	**Operational costs:**	157.228,00

PH Seminar Series Operating	**Operational costs:**	22.596,00
Access to Essential Drugs	**Operational costs:**	311.076,00
Association of Clubs of Rehabilitated Alcoholics of Macedonia, Skopje	Donation of used computer equipment	3,00
Association of Citizens ESE, Skopje	Availability of Basic Drugs for Women Health	643.701,00
Operational costs:		71.422,00
Access to essential medicines		715.126,00
HOPS - Options for Healthy Life, Skopje	Model for Provision of Long-Term Legal Aid and Human Rights Protection of Sexual Workers	1.526.584,00
CRPRC Studiorum, Skopje	Monitoring and Advancing the Implementation of Legislation on Human Rights in Health Protection	559.492,00
Operational costs:		141.779,00
PH Law & Health		2.227.855,00
HOPS - Options for Healthy Life, Skopje	Promotion and Protection of Sexual Health Rights of Marginalized Communities	162.500,00
Operational costs:		210.633,00
Practitioner Guide Follow-up		373.133,00

Annual Conference of the EUPHA	**Operational costs:**	15.096,00
RIO Roma Fellowships	**Operational costs:**	309.881,00
Humanitarnian and Charitable Roma Association Mesecina, Gostivar		392.977,00
Operational costs:		9.557,00
Roma Helath		402.534,00
Humanitarnian and Charitable Roma Association Mesecina, Gostivar	Equal Access to Health Protection	419.144,00
Operational costs:		967.541,00
Health Budget Monitoring		1.386.685,00
TOTAL PUBLIC HEALTH:		6.744.712,00

ECONOMIC REFORM		
Youth Entrepreneurship Support	**Operational costs:**	1.708.422,00
Financial Literacy	**Operational costs:**	3.450.538,00

Housing Finance for Roma - 3rd Party	**Operational costs:**	4.459,00
Plastic Recycling Project in Macedonia	**Operational costs:**	462.129,00
Grinteh DOO, Skopje	**Construction of Waste Waters Treatment Plant**	374.774,00
ToT for Roma Consultants	**Operational costs:**	854.925,00
Computer Lab for pre-incubation and incubation trainings in IT business incubator	**Operational costs:**	619.043,00
Foundation Youth Entrepreneurial Service, Skopje	**Be Young! Be Creative!**	310.500,00
Association of Citizens Economic Education of Young Managers, Skopje	**Employment Skills**	255.000,00
Women's Organization Radika branch office in Debar	**Handcrafts - Our Great Cultural Treasure**	117.940,00
TOTAL ECONOMIC REFORM:		8.157.730,00

MEDIA		
TV Co-production EUROPE NOW	**Operational costs:**	1.308.769,00
Association of Journalists of Macedonia, Skopje	**Celebration of the World Day on Freedom of Press**	110.000,00
Journalists Fellows on EU	**Operational costs:**	2.407.516,00
NGO Infocenter, Skopje	Media Mirror - 2009 Elections	1.122.595,00
NGO Infocenter, Skopje	Media Mirror - European Commission's Progress Report 2009 for the Republic of Macedonia	1.588.300,00
Media Mirror		2.710.895,00
Media Development Center, Skopje	**Petition in front of the European Court on Human Rights in Strasbourg**	398.416,00
JI Freedom of Media	**Operational costs:**	54.913,00
Breifings for Journalists on EU	**Operational costs:**	38.135,00
TV Menada T.R.D., Tetovo	**TV Menada, series What I Wanted to Say**	400.000,00
BTR Nacional TV Station, Skopje	**Institutional Support for TV BTR**	420.624,00
Media Development Center, Skopje	**Media Legislation in Digital Age**	3.087.955,00

Research, Policy and Advocacy	**Operational costs:**	75.548,00
TOTAL MEDIA:		11.012.771,00

PUBLIC ADMINISTRATION		
Municipality of Gjorce Petrov, Skopje	**Anti-Corruption Strategies at Local Level**	305.837,00
Operational costs:		146.691,00
Anti-Corruption Strategies at Local Level		452.528,00
Open State Budget	**Operational costs:**	3.058.483,00
Better Use of IPA Funds	**Operational costs:**	2.140.848,00
Municipality Bitola	Transparent Procedure for Obtaining Urban Planning Documents	207.000,00
Operational costs:		2.853.926,00
Transparent & Efficient Decentralization		3.060.926,00
Macedonian Center For European Training - MCET, Skopje	Lisbon-Skopje-Athens: MK@EU (Accession Watch Reports and Support for Republic of Macedonia's Accession to EU	1.240.744,00

Operational costs:		4.893.508,00
Accession Watch		6.134.252,00
Fiscal Transparency	**Operational costs:**	2.027.573,00
LGI Regional Event Vienna	**Operational costs:**	85.378,00
Roma Fellowships	**Operational costs:**	494.428,00
Action for Europe	**Operational costs:**	11.038.947,00
Roma Participation / Alliances	**Operational costs:**	43.444,00
Diversity Management	**Operational costs:**	655.425,00
TOTAL PUBLIC ADMINISTRATION:		29.192.232,00

LAW		
European Law Students' Association ELSA, Skopje	Trial Hearing Simulation Club	180.000,00
Operational costs:		1.732.916,00
Legislation Approximation		1.912.916,00
Criminal Justice Reform	**Operational costs:**	1.270.752,00
Human Rights Support		

Keti Jandrijeska Jovanova, Skopje	Participation on Lawyers' Seminar in Tirer, Germany: Anti-Discrimination, EU Directives, 27 - 28 April, 2009	25.925,50
Operational costs:		2.321.370,50
Human Rights Support		2.347.296,00
Transparency Macedonia, Skopje	2009 - Monthly Reports on the Fight Against Corruption and Organized Crime and on Transparency in the Society	922.535,00
Wat Radio, Skopje	We Have the Right to Know: Free Access to Public Information	450.000,00
Operational costs:		3.215.188,00
Freedom of Information		4.587.723,00
Monitoring of the Institutions Responses Against Election Irregularities	**Operational costs:**	313.431,00
TOTAL LAW:		10.432.118,00

CIVIL SOCIETY		
Living in Multiethnic Environment	**Operational costs:**	22.881.677,00
EIDHR Overhead	**Operational costs:**	123.138,00

Association of Citizens Eko-vita Skopje, Cair - Skopje	Communal Waste Bins for Every Household	2.867.500,00
Municipality Cair, Skopje	Revitalization and Landscaping the Park in the Settlement Topansko Pole	1.132.500,00
Bratstvo Edinstvo Primary School,Debar	Reconstruction, sanation of facade and landscaping the entrance and side-walks of the facilities old building and gym	2.555.467,00
JOUDG Bresija, Debar	Construction of an entertainment park	2.437.880,00
Zdravko Cockovski High School, Debar	Preparation of project documents for the reconstruction of Zdravko Cockovski High School in Debar	273.323,00
Said Najdeni Primary School, Debar	Supplying schools with teaching aids and stocking the library fund	733.330,00
Operational costs:		1.647.747,00
Community Forums - Cair and Debar		11.647.747,00
Ss. Cyril & Methodius Primary School, Kocani	Fenced School Yards - Greater Safety and Security	1.774.136,00
Association of Citizens Consumer Protection Organization, Kocani	Refurbishment of the Sport Hall	3.360.220,00
Association of Citizens Equal for all, Kocani	Park and Green Areas Project	865.644,00

Municipality Novo Selo	Provision of clean drinking water for the village Novo Selo	3.701.660,00
Municipality Novo Selo	Developing open channel networks in the villages Smolari, Drazevo and Staro Konjarevo	2.298.340,00
Operational costs:		2.526.371,00
Community Forums - Kocani & Novo Selo		14.526.371,00
Community Forums - Krusevo, Strumica & Mogila & Novaci	**Operational costs:**	926.638,00
Citizens for European Macedonia		
Balkan IDEA, Skopje	Europe Spring Day 2009	217.000,00
Transparency Macedonia, Skopje	Monthly Reports on the Fight Against Corruption and Organized Crime and on Transparency in the Society	614.965,00
Association of Citizens Akcija ZdruZenska, Skopje		307.000,00
Association of Unemployed or Laid Off Workers at the Age of 50 or more than 50 years-old Strav (Fear), Veles	Procurement of blankets	29.795,00

Association of Unemployed or Laid Off Workers at the Age of 50 or more than 50 years-old Strav (Fear), Veles	Refreshment, fruit and vitamins for laid off workers on strike in Kumanovo	30.650,00
Operational costs:		15.241.888,00
Citizens for European Macedonia		16.441.298,00
Revealed Testimonies	**Operational costs:**	89.645,00
Vlado Buckovski, Skopje	Translation and Proofreading from English into Macedonian the book Conflict Prevention and Management in the Intrastate Context - Macedonia in the 2001 - addition to grant 7917	49.000,00
Kontrapunkt, Skopje	De-Schooled Knowledge (Summer school and book Pedagogy of the Oppressed)	431.186,00
Templum, Skopje	Publishing the book Thoughts on Antique (working title) by Anastas Vangeli	275.000,00
Operational costs:		4.474.621,00
Books for Open Society Debate		5.229.807,00
Center for Contemporary Art, Skopje	**Rural Communities Culture**	1.036.512,00

Roma Folk Songs and Dances Ensamble Rusit Sakir, Kumanovo	Roma Trumpet Fest 2009	250.000,00
Children's Theatre Center, Skopje	Performance on the International Theatre Festival MESS 2009 in the official selection under Children MESS	122.328,50
Operational costs:		642.718,50
Multicultural Initiatives		1.015.047,00
Comics Center of Macedonia, Veles	**7th Traditional Comic Saloon Veles 2009**	59.000,00
Association of Citizens Faculty for Stuff That Can not Be Learned, Bitola	**AKTO Festival - Social Forum Generations - Identity Genealogies and Archives**	173.000,00
Association of Citizens Akcija ZdruZenska, Skopje	**Effective Implementation of the Law on Equal Opportunities at Local Governments**	841.451,00
Roma Fellow	**Operational costs:**	369.018,00
TOTAL CIVIL SOCIETY:		75.360.349,00
Regional Research Promotion Program	**Operational costs:**	2.756.909,00
OTHER PROGRAMS		2.756.909,00

EMERGENCY FUND		
Institute for Human Rights, Skopje	**Freedom Instead of Fear: Protection of the Right to Peaceful Gathering and Public Demonstration**	1.082.891,00
Foundation for Rebuilding and Development of Ovce Pole, Sveti Nikole	Intevention Measures as a Reaction to the Consequences of the Global Economic Crisis in Agriculture and Rural Development	1.084.510,00
Youth Cultural Centre - Bitola, Bitola	Agricultural Initiatives in Mogila	1.081.550,00
Agriculture Emergency Fund		2.166.060,00
Educational Support for the Poor	**Operational costs:**	7.353.027,00
Association of Women Farmers Agro Vinka, Vinica	**Macedonian traditional handcrafts, Istibanja - supporting women in rural communities**	1.066.163,00
NGO BORKA - For Each New Day, Skopje	**Emergency assistance to chemotheraphy recipients - Provision of wigs for the patients**	1.092.442,00
Roma Business Information Center, Skopje	**Training in professions and occupations related to construction works**	1.092.442,00
Personal Finance Management	**Operational costs:**	61.166,00

Association of Citizens Leski, Berovo	Malesevo Handcrafts Tradition - Reaction to the Economic Crisis	1.092.442,00
TOTAL EMERGENCY FUND:		15.006.633,00
Program Admin. Expenses:		10.437.707,00
General Admin. Expenses:		22.951.515,00
GRAND TOTAL:		306.835.156,00
		306.835.133,00
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FINANCIAL STATEMENTS

Foundation Open Society Institute Macedonia

Financial Statement For the year ended 31 December 2009 With Independent Auditor's Report thereon

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Independent auditor's report

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Independent Auditor's Report to the Managing Board of the Foundation Open Society Institute Macedonia

We have audited the accompanying financial statements of the Foundation Open Society Institute Macedonia ("the Foundation"), which comprise the statement of financial position as at 31 December 2009, and the statement of comprehensive income, statement of changes in fund balance and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG Makedonija DOO Skopje is a Macedonian limited liability company and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Registered in the Trade Registry of the Republic of Macedonia with EMBS 5078998

Tax No. MK4030996107

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Foundation as at 31 December 2009, and of the results of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

KPMG Macedonia DOO

KPMG Macedonia DOO

18 May 2010

Skopje

Statement of financial position

As at 31 December

	Note	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Assets					
Cash and cash equivalents	6	31,635	741,480	36,758	843,823
Receivables	7	38,505	902,492	52,427	1,203,524
Prepayments	8	371	8,688	230	5,285
Total current assets		70,511	1,652,660	89,415	2,052,632
Loans and advances	9	20,897	489,800	21,199	486,644
Long-term investments	10	308	7,224	308	7,075
Property, plant and equipment	11	18,802	440,710	36,176	830,476
Total non-current assets		40,007	937,734	57,683	1,324,195
Total assets		110,518	2,590,394	147,098	3,376,827
Liabilities and fund balance					
Other payables	12	1,066	24,971	979	22,461
Deferred revenue	13	14,564	341,367	32,025	735,174
Accruals	15	60,703	1,422,775	61,011	1,400,608
Total current liabilities		76,333	1,789,113	94,015	2,158,243
Fund Balance					
Accumulated fund surpluses		34,185	845,919	53,083	1,296,822
Translation reserve		-	(44,638)	-	(78,238)
Total fund balance		34,185	801,281	53,083	1,218,584
Total liabilities and fund balance		110,518	2,590,394	147,098	3,376,827

The notes set out on pages 5 – 31 form an integral part of these financial statements.

The financial statements set out on pages 1 to 31 were authorised for issue by the Managing Board of the Foundation Open Society Institute Macedonia on 18 May 2010 and signed on its behalf by:

Mr. Vladimir Milchin
Executive Director

Mr. Zoran Cali
Administrative Director

Statement of comprehensive income

For the year ended 31 December

	Note	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Revenues					
OSI Income	16	174,092	4,000,760	166,306	3,938,974
Third Party Funding	17	125,011	2,871,878	131,600	3,170,465
		299,103	6,872,638	297,906	7,109,439
Expenses					
OSI Program expenses	18	(152,664)	(3,515,027)	(148,835)	(3,512,666)
OSI Administrative expenses	19	(18,728)	(425,702)	(17,473)	(425,803)
Third party expenses	20	(131,538)	(3,018,451)	(129,628)	(3,077,121)
Depreciation	11	(10,167)	(238,290)	(9,605)	(220,495)
Other (expense)/income	22	(8,238)	(192,171)	640	16,178
Loss before net finance income		(22,232)	(517,003)	(6,995)	(110,468)
Finance income		3,334	66,100	3,076	72,891
Total finance income	23	3,334	66,100	3,076	72,891
Deficit for the year		(18,898)	(450,903)	(3,919)	(37,577)
Other comprehensive income for the period, net of income tax		-	-	-	-
Total comprehensive income for the period		(18,898)	(450,903)	(3,919)	(37,577)

The notes set out on pages 5 – 31 form an integral part of these financial statements.

Statement of changes in fund balance

For the year ended 31 December

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Accumulated fund surpluses				
At 1 January	53,083	1,296,822	57,002	1,334,399
Total comprehensive income for the period				
Deficit for the year (unrestricted)	(18,898)	(450,903)	(3,919)	(37,577)
At 31 December	34,185	845,919	53,083	1,296,822
Translation reserve				
At 1 January	-	(78,238)	-	33,773
Translation (loss)/gain for the year	-	33,600	-	(112,011)
At 31 December	-	(44,638)	-	(78,238)
Total fund balance at 31 December (unrestricted)	34,185	801,281	53,083	1,218,584

The notes set out on pages 5 - 31 form an integral part of these financial statements.

Statement of cash flows

For the year ended 31 December

	Note	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Cash flows from operating activities					
Deficit for the year		(18,898)	(450,903)	(3,919)	(37,577)
Adjustments for:					
Depreciation	11	10,167	238,290	9,605	220,495
Impairment loss on loans given	22	688	16,136	16	357
Loss on write-off of property, plant and equipment	22	11,851	277,770	1,697	42,145
Unrealized foreign exchange loss/(gain)		-	30,488	-	(78,734)
Interest income	23	(621)	(14,241)	(852)	(20,104)
		3,187	97,540	6,547	126,582
Change in receivables		13,922	301,032	(5,484)	(76,824)
Change in prepayments		(141)	(3,403)	423	10,398
Change in other payables		87	2,510	(1,341)	(33,228)
Change in accruals		(308)	(7,098)	(2,810)	(131,466)
Change in deferred revenue		(17,461)	(393,807)	3,168	42,437
Net cash from/(used in) operating activities		(714)	(3,226)	503	(62,101)
Cash flows from investing activities					
Purchase of property, plant and equipment		(4,644)	(104,482)	(8,740)	(196,444)
Loans and advances given		-	-	(338)	14,461
Interest received		235	5,365	852	20,104
Net cash used in investing activities		(4,409)	(99,117)	(8,226)	(161,879)
Net decrease in cash and cash equivalents		(5,123)	(102,343)	(7,723)	(223,980)
Cash and cash equivalents at 1 January		36,758	843,823	44,481	1,067,803
Cash and cash equivalents at 31 December	6	31,635	741,480	36,758	843,823

The notes set out on pages 5 - 31 form an integral part of these financial statements.

Notes to the financial statements

1. Reporting entity

The Foundation Open Society Institute Macedonia ("the Foundation") was established as a not-for-profit organization on 7 October 1999. The Foundation is incorporated and domiciled in Skopje, Republic of Macedonia. The address of the Foundation's registered office is Blvd. Jane Sandanski 111, 1000 Skopje.

The Foundation operates as a non-governmental and not-for-profit organization and performs its activities through the donations of the donor (principal) for charitable, scientific, capacity building and educational purposes. The major program activities relate to the accomplishing of the following programs: Education, Information, Medical and Health, Arts and Culture, Public Administration, Law, Roma and Civil Society.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

The methods used to measure fair values are discussed further in note 4.

(c) Functional and presentation currency

The financial statements are presented in Macedonian Denars ("denars" or "MKD"), which is the Foundation's functional currency. All financial information presented in denars has been rounded to the nearest thousand. In addition, as prescribed by the Foundation Policies the financial statements are presented in US Dollars (USD).

(d) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS's requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

There were no judgements made by management in the application of IFRS that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year.

Notes to the financial statements

2. Basis of preparation (continued)

(e) Changes in accounting policies

(i) Overview

Starting as of 1 January 2009, the Foundation has changed its accounting policies in the following areas:

- Presentation of financial statements

(ii) Presentation of financial statements

The Foundation applies revised IAS 1 *Presentation of Financial Statements* (2007), which became effective as of 1 January 2009. As a result, the Foundation presents in the statement of changes in fund balance all owner changes in fund balance, whereas all non-owner changes in fund balance are presented in the statement of comprehensive income. Comparative information has been re-presented so that it also is in conformity with the revised standard. The change in accounting policy only impacts presentation aspects.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in note 2 (e), which addresses changes in accounting policies.

(a) Foreign currency

Transactions in foreign currencies of the Foundation are translated to denars at the exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to denars at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in denars at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Foreign currency differences arising on retranslation are recognised in the statement of comprehensive income.

(i) Presentation currency

The financial statements for the years ended 31 December 2009 and 2008 are presented in USD as prescribed by the Foundation policies.

The following method of translating the financial statements from the functional currency (MKD) to the presentation currency (USD) has been applied in accordance with IAS 21 *The Effects of Changes in Foreign Exchange Rates*:

- Assets and liabilities for each statement of financial position presented have been translated at the closing rate at the date of each statement of financial position;
- Income and expenses for the statement of comprehensive income have been translated using the exchange rates at the dates of the transactions;
- Equity items (fund balance) are not retranslated;

Notes to the financial statements

3. Significant accounting policies (continued)

(a) Foreign currency

(i) Presentation currency (continued)

- All exchange differences resulting from this translation have been recognised as a separate component of the fund balance.

(b) Financial instruments

(i) Non-derivative financial assets

The Foundation initially recognises loans and receivables on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Foundation becomes a party to the contractual provisions of the instrument.

The Foundation derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Foundation is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Foundation has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Foundation has the following non-derivative financial assets: loans and receivables and available-for-sale financial assets.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise receivables and loans receivable.

Cash and cash equivalents comprise cash on hand and cash balances.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and that are not classified in any of the previous categories. The Foundation's investments in equity securities are classified as available-for-sale financial assets. Subsequent to initial recognition, they are measured at cost less impairment as there is

no market for these investments and there have not been any recent transactions that provide evidence of the current fair value.

(ii) Non-derivative financial liabilities

Financial liabilities are recognised initially on the trade date at which the Foundation becomes a party to the contractual provisions of the instrument.

The Foundation derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Notes to the financial statements

3. Significant accounting policies (continued)

(b) Financial instruments (continued)

(ii) Non-derivative financial liabilities (continued)

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Foundation has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Foundation has the following non-derivative financial liabilities: trade and other payables and accruals.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

(c) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other income" or "other expense" in the statement of comprehensive income.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Foundation and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in statement of comprehensive income as incurred.

(iii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives for the current and comparative periods are as follows:

Notes to the financial statements

3. Significant accounting policies (continued)

(c) Property, plant and equipment (continued)

(iii) Depreciation (continued)

Buildings	100 years
Vehicles	6 years
Computers	5 years
Furniture and Equipment	5-10 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(d) Impairment

(i) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Foundation on terms that the Foundation would not consider otherwise, indications that a debtor or issuer will enter bankruptcy.

The Foundation considers evidence of impairment for receivables at a specific asset. All individually significant receivables are assessed for specific impairment.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in statement of comprehensive income and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through statement of comprehensive income.

(ii) Non-financial assets

The carrying amounts of the Foundation's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit, or CGU").

Notes to the financial statements

3. Significant accounting policies (continued)

(d) Impairment (continued)

(ii) Non-financial assets (continued)

The Foundation's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in statement of comprehensive income. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amount of the assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(e) Employee benefits

(i) Defined contribution plans

The Foundation contributes to its employees' post retirement plans as prescribed by the national legislation. Contributions, based on salaries, are made to the national organizations responsible for the payment of pensions. There is no additional liability in respect of these plans.

Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in the statement of comprehensive income when they are due.

(f) Accruals

Accruals related to program expenses are recognised in the statement of financial position when the Foundation has a legally binding commitment with the grant recipient that has been approved by the Managing Board, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(g) Income recognition

(i) OSI Income

OSI income earned under the core budget and budgets allocated by the OSI Network Programs is conditional upon incurring legally binding commitments and is recognised in the statement of comprehensive income when the legally binding commitment is signed and approved, and in the same periods in which the related expenses are incurred.

Notes to the financial statements

3. Significant accounting policies (continued)

(g) Income recognition (continued)

(i) OSI Income (continued)

The External Match Fund is conditional support, with an approved budgetary limit, promised by OSI where the condition is that the Foundation needs to secure matching funds from third party donors for specific purposes/projects. Determining whether or not a matching fund obtained from third parties qualifies to earn OSI funding from the approved budget needs approval from OSI on a project basis. The recognition of contribution income under programs requiring matching contributions from external sources (External Match Fund) is conditional upon incurring legally binding commitments and is recognised in the statement of comprehensive income when the legally binding commitment is signed and approved, and in the same periods in which the related expenses are incurred.

Funds received from donors not yet used for program activities are recognized as deferred revenue. The related funds will be recognised as income in the future periods to match the program expenses incurred.

(ii) Third party funding

Funds from donors other then OSI, i.e. Third Party ("TP") donors for implementation of program activities by the Foundation are recognised in the statement of financial position initially as deferred revenue when there is reasonable assurance that it will be received and that the Foundation will comply with the conditions attaching to it. The income is recognised when program activities are implemented to match the program expenses.

Funds received from donors not yet used for program activities are recognized as deferred revenue. The related funds will be recognised as income in the future periods to match the program expenses incurred.

(h) Expense recognition

(i) Program expenses

Expenses related to grants provided by the Foundation are recognized when the grant agreement is signed by the Foundation and counter signed by the grant recipient. When the Foundation implements program activities, expenses are recognized in the statement of comprehensive income in the period in which they are incurred.

(ii) Administrative expenses

Administrative expenses are recognized in the statement of comprehensive income in the period in which they are incurred.

(i) Donated assets

Assets donated to grantees are recorded as program expenditures.

Notes to the financial statements

3. Significant accounting policies (continued)

(j) Finance income and expenses

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest method.

Foreign currency gain and losses are reported on a net basis.

(k) Management commitments

Management commitments are commitments of the Foundation to fund grants or programs in the following year, which are not recognised as liabilities in the current year, but meet certain criteria established by the Foundation.

(l) Taxation

As a not-for-profit organization the Foundation is not liable for income tax.

(m) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2009, and have not been applied in preparing these financial statements. None of these will have an effect on the financial statements of the Foundation.

Notes to the financial statements

4. Determination of fair values

A number of the Foundation's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Receivables

The fair value of receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes.

(ii) Loans receivable

The fair value of loans receivable is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

The Foundation places its loans to financial intermediaries in the Republic of Macedonia at fixed rates determined by the Foundation. Since these loans are unique in the Republic of Macedonia, the interest that the Foundation charges represents the market interest rate of these loans.

(iii) Non-derivative financial instruments

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

Notes to the financial statements

5. Financial risk management

Overview

The Foundation has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Foundation's exposure to each of the above risks, the Foundation's objectives, polices and processes for measuring and managing risk and the Foundation's management of capital. Further quantitative disclosures are included through these financial statements.

The Managing Board has overall responsibility for the establishment and oversight of Foundation's risk management framework.

Foundation's risk management is established in order to identify and analyse the risks faced by Foundation, to set appropriate risk limits and controls and monitor risks and adherence to limits.

(a) Credit risk

Credit risk is the risk of financial loss to the Foundation if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Financial instruments, which expose the Foundation to credit risk, consist primarily of receivables from OSI Zug and third party donors. The Foundation does not regard these receivables as significant credit risk because they are based on approved budgets by OSI and signed agreements with third party donors.

The Foundation is also exposed to credit risk on loans given. On behalf of the Foundation the administration work and management of credit risk is done by Izvozna i Kreditna Banka who bears half of the collection risk. Izvozna i Kreditna Banka make an analysis of creditworthiness of the loan applicants and take measures for collection of the loans.

(b) Liquidity risk

Liquidity risk is the risk that the Foundation will not be able to meet its financial obligations as they fall due.

The Foundation's approach to managing liquidity is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Foundation makes payments to grantees taking into consideration the expected inflows from donors. This excludes the potential impact of extreme circumstances, as natural disasters or political disturbances in the region.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect Foundation's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return.

Notes to the financial statements

5. Financial risk management (continued)

(c) Market risk (continued)

(i) Currency risk

The Foundation incurs foreign currency risk on receiving donations, giving grants for program activities and operational expenses that are denominated in a currency other than MKD. The currencies giving rise to this risk are primarily EUR. The trend of EUR currency during 2008 and 2009 is relatively stable and this trend is expected to continue in future.

(ii) Interest rate risk

The Foundation has fixed rate financial assets consisted of cash and cash equivalents. Since these financial assets are with low market interest rate, changes in the interest rate could not have significant effect on the financial results of the Foundation.

(d) Capital management

The Foundation's policy is to maintain stability of capital base so as to maintain donor and market confidence and to sustain future development of the activities.

The Foundation is not subject to externally imposed capital requirements.

Notes to the financial statements

6. Cash and cash equivalents

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Bank balances	31,100	728,951	36,046	827,495
Cash on hand	535	12,529	712	16,328
	31,635	741,480	36,758	843,823

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Cash and cash equivalent balance related to OSI funded operations	6,794	159,246	5,467	125,494
TP Funds on OSI deposit account	(1,428)	(33,469)	(2,402)	(55,130)
Total cash and cash equivalent balances related to OSI funded operations	5,366	125,777	3,065	70,364
Cash and cash equivalent balance related to third party funded operations	24,841	582,234	31,291	718,329
TP Funds on OSI deposit account	1,428	33,469	2,402	55,130
Total cash and cash equivalent balance related to third party funded operations	26,269	615,703	33,693	773,459
	31,635	741,480	36,758	843,823

7. Receivables

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Receivables from OSI	24,733	579,704	40,151	921,716
Receivables from OSI funded activities due from:				
Employees	182	4,267	69	1,579
OSI related receivables from third party donors	12,322	288,801	10,573	242,711
Total OSI related receivables	37,237	872,772	50,793	1,166,006
Receivables related to third party funded activities	1,268	29,720	1,634	37,518
	38,505	902,492	52,427	1,203,524

The Foundation's exposure to credit and currency risk and impairment losses related to receivables is disclosed in note 24.

Notes to the financial statements

8. Prepayments

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Advances to suppliers	371	8,688	230	5,285
	371	8,688	230	5,285

The following table presents balances of prepayments according to source of funding:

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Prepayments related to OSI funded operations	229	5,369	195	4,470
Prepayments related to Third party funded operations	142	3,319	35	815
	371	8,688	230	5,285

9. Loans and advances

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Loans and advances (Small Business Credit Line-revolving fund)	20,897	489,800	21,199	486,644
	20,897	489,800	21,199	486,644

The amount of MKD 20,897 thousand or USD 489,800 (2008: MKD 21,199 thousand or USD 486,644) represents a revolving fund established by the Foundation on a special account in Izvozna i Kreditna Banka AD, Skopje (IK Banka) for granting of short-term loans to small and medium entities. Extending and collection of the loans and the interest on the loans from the above fund is managed by the loan department of IK Banka. The interest collected from the loans and the impairment losses for uncollectability, if any, are borne half by the Foundation and half by IK Banka. The interest earned on the loans increase the fund and the impairment losses for uncollectability decrease the fund. During 2009 the fund earned interest of MKD 387 thousand or USD 8,841 (2008: MKD 338 thousand or USD 8,091).

10. Long-term investments

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Step by Step Foundation	308	7,224	308	7,075
	308	7,224	308	7,075

The equity investments of the Foundation are classified as available-for-sale. As they do not have a quoted market price in an active market and their fair value cannot be reliably measured, they are stated at cost. Funds for this investment have been provided from OSI contribution.

Notes to the financial statements

11. Property, plant and equipment

In MKD '000	Buildings	Vehicles	Computers	Furniture and Equipment	Total
Cost					
At 1 January 2008	4,390	5,323	39,935	30,049	79,697
Additions	-	2,008	3,575	3,157	8,740
Items written off	(1,470)	(346)	(2,268)	(954)	(5,038)
At 31 December 2008	2,920	6,985	41,242	32,252	83,399
At 1 January 2009	2,920	6,985	41,242	32,252	83,399
Additions	-	26	1,931	2,687	4,644
Items written off	-	-	(25,205)	(13,538)	(38,743)
At 31 December 2009	2,920	7,011	17,968	21,401	49,300
Depreciation					
At 1 January 2008	227	3,555	21,289	15,888	40,959
Charge for the year	35	853	5,709	3,008	9,605
Items written off	(79)	(346)	(2,004)	(912)	(3,341)
At 31 December 2008	183	4,062	24,994	17,984	47,223
At 1 January 2009	183	4,062	24,994	17,984	47,223
Charge for the year	30	837	5,814	3,486	10,167
Items written off	-	-	(19,031)	(7,861)	(26,892)
At 31 December 2009	213	4,714	11,777	13,608	30,498
Carrying amount					
As at 1 January 2008	4,163	1,768	18,646	14,161	38,738
As at 31 December 2008	2,737	2,923	16,248	14,268	36,176
As at 1 January 2009	2,737	2,923	16,248	14,268	36,176
As at 31 December 2009	2,707	2,112	6,191	7,792	18,802

Notes to the financial statements

11. Property, plant and equipment (continued)

In USD	Buildings	Vehicles	Computers	Furniture and Equipment	Total
Cost					
At 1 January 2008	105,393	127,787	958,697	721,355	1,913,232
Additions	-	49,822	77,169	69,453	196,444
Items written off	(37,052)	(7,585)	(51,981)	(22,036)	(118,654)
Translation difference	(1,297)	(9,862)	(36,958)	(28,397)	(76,514)
At 31 December 2008	67,044	160,162	946,927	740,375	1,914,508
At 1 January 2009	67,044	160,162	946,927	740,375	1,914,508
Additions	-	582	44,680	59,220	104,482
Items written off	-	-	(590,793)	(316,594)	(907,387)
Translation difference	1,408	3,314	20,491	18,575	43,788
At 31 December 2009	68,452	164,058	421,305	501,575	1,155,390
Depreciation					
At 1 January 2008	5,456	85,342	511,082	381,403	983,283
Charge for the year	811	19,588	131,043	69,053	220,495
Items written off	(1,988)	(7,585)	(45,894)	(21,042)	(76,509)
Translation difference	(72)	(4,288)	(22,371)	(16,506)	(43,237)
At 31 December 2008	4,207	93,057	573,860	412,908	1,084,032
At 1 January 2009	4,207	93,057	573,860	412,908	1,084,032
Charge for the year	685	19,624	136,282	81,699	238,290
Items written off	-	-	(445,509)	(184,108)	(629,617)
Translation difference	88	1,869	11,490	8,528	21,975
At 31 December 2009	4,980	114,550	276,123	319,027	714,680
Carrying amount					
At 1 January 2008	99,937	42,445	447,615	339,952	929,949
At 31 December 2008	62,837	67,105	373,067	327,467	830,476
At 1 January 2009	62,837	67,105	373,067	327,467	830,476
At 31 December 2009	63,472	49,508	145,181	182,549	440,710

Notes to the financial statements

12. Other payables

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Suppliers	892	20,904	752	17,262
Other payables	174	4,067	227	5,199
	1,066	24,971	979	22,461

The following table presents balances of other payables according to source of funding:

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
OSI related liabilities payable to:				
Tax Authorities	5	110	2	37
Other suppliers	888	20,806	965	22,155
Third party related payables	173	4,055	12	269
	1,066	24,971	979	22,461

13. Deferred revenue

The deferred revenue represents funds received from third party donors not yet used for program activities. The related funds will be recognised as income in the future periods to match the program expenses incurred.

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
TP Funds	14,564	341,367	32,025	735,174
	14,564	341,367	32,025	735,174

14. Management commitments

Management Commitments are commitments of the Foundation to fund grants or programs in the following year, which have not become liabilities, but meet certain criteria established by the Foundation. As of 31 December 2009 the Foundation had Management Commitments related to the core support of USD 42,494 (2008: USD 13,064). The Management Commitments related to the budgets allocated by the OSI Network Programs were USD 1,034,995 (2008: USD 62,050). Additionally, the Foundation had Management Commitments related to Programs meeting the External Match Criteria of USD 21,732 (2008: USD 37,242).

15. Accruals

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
OSI program related accruals	45,201	1,059,427	54,144	1,242,953
Third party related accruals	15,502	363,348	6,867	157,655
Total	60,703	1,422,775	61,011	1,400,608

Notes to the financial statements

15. Accruals (continued)

Program accruals are recognised after signing of a grant letter with the grantee before year end for which realization is not completed within the current financial year.

16. OSI income

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
From OSI Zug	174,092	4,000,760	166,306	3,938,974
	174,092	4,000,760	166,306	3,938,974

17. Third party funding

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
USAID	44,719	1,045,699	37,599	883,984
Embassy of Switzerland	26,710	622,529	2,821	79,772
European Commission	17,865	410,437	21,512	537,386
AMB Ministerie Van Buitenlandse Zaken	16,506	358,753	33,200	812,439
Roma Education Fund	8,742	198,552	7,494	178,740
Stiftung Kinderdorf Pestalozzi	3,423	75,336	3,923	91,980
Universitete de Fribourg	2,722	64,209	701	15,831
Fund	1,393	31,180	-	-
MDC - TI.NET	799	17,464	14,751	337,897
Western Union	618	14,194	-	-
Ministry of Education of RM	566	12,336	-	-
OSCE Spillover Monitor Mission	133	3,062	1,179	29,189
Center for Democracy in CEE Europe	-	-	3,783	94,458
SONET	-	-	2,142	51,422
Swiss Agency for Development and Cooperation	-	-	957	23,063
Other	815	18,127	1,538	34,304
	125,011	2,871,878	131,600	3,170,465

Notes to the financial statements

18. OSI program expenses

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Public administration	31,476	721,000	16,973	386,698
Civil Society	31,452	713,679	27,037	650,777
Childhood	18,075	421,779	17,923	405,272
EU Programs	15,005	359,182	13,445	309,135
Media and communication	12,063	277,949	14,733	360,662
Law	11,437	257,715	13,628	339,008
Information	9,176	215,009	6,234	140,642
East/East	8,639	193,095	8,282	199,735
Medical and health	7,829	181,301	12,146	287,108
Economic reform	5,658	132,735	15,781	368,092
Higher Education	1,854	41,583	2,653	65,537
	152,664	3,515,027	148,835	3,512,666

19. OSI administrative expenses

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Salaries and benefits	10,394	237,030	8,383	202,740
Rent and utilities	1,526	33,941	980	24,540
Board and committees expenses	1,030	23,369	1,071	25,571
Office supplies	921	20,871	735	18,383
Travel, conference, meetings	699	16,004	878	21,844
Part Time & Interns	620	14,108	526	12,832
Professional and consulting fees	606	13,840	879	20,857
Telecommunications	478	10,028	1,170	29,090
Auto expense	452	10,364	386	9,239
Professional education	323	7,434	589	13,793
Security, maintenance	295	6,740	556	14,070
Annual reports	242	5,673	249	6,048
Publications and printing	128	2,916	197	4,829
Software	82	1,857	63	1,334
Air courier, postage	59	1,356	52	1,272
Hosting Foundation personnel	11	257	60	1,394
Office Services	4	83	95	2,201
Advertising	-	-	13	287
Other	858	19,831	591	15,479
	18,728	425,702	17,473	425,803

Notes to the financial statements

20. Third party expenses

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Program expenses				
Childhood	72,448	1,643,706	78,715	1,879,566
Civil Society	45,110	1,058,822	25,922	611,113
Higher Education	6,276	139,645	5,484	134,915
Economic reform	2,813	63,930	14,654	339,503
Youth Programs	566	12,389	678	16,687
Public administration	147	3,438	355	8,402
Law	54	1,161	1,011	25,308
East/East	-	-	61	1,254
General administrative expenses	2,647	60,746	605	12,444
Administrative expenses	1,477	34,614	2,143	47,929
	131,538	3,018,451	129,628	3,077,121

21. Personnel expenses

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Wages and salaries	28,183	642,829	28,832	694,545
Social security on salaries	10,106	230,455	11,976	288,611
Other staff costs	-	-	2,889	69,561
	38,289	873,284	43,697	1,052,717

In 2008 other staff costs are comprised of allowances for food and transport.

22. Other (expense)/income

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Unspent grant funds – OSI Funds	34	797	8	194
Unspent grant funds – TP Funds	-	-	4	94
VAT refund	3,283	77,936	1,243	29,310
Other – OSI Funds	809	18,964	198	4,519
Other – TP Funds	175	4,038	577	13,958
Impairment loss on loans given	(688)	(16,136)	(16)	(357)
Loss on write-off of property, plant and equipment	(11,851)	(277,770)	(1,374)	(31,540)
	(8,238)	(192,171)	640	16,178

Several projects implemented by the Foundation are registered for VAT. The VAT for expenses related to such projects can be refunded by the Foundation.

Notes to the financial statements

23. Finance income

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Interest income	621	14,241	852	20,104
Net foreign exchange gain	2,713	51,859	2,224	52,787
Finance income	3,334	66,100	3,076	72,891
Total finance income	3,334	66,100	3,076	72,891

The following table presents net financing income and expenses according to the source of funding:

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Interest earned on OSI funds	479	9,328	401	9,541
Interest earned on third party funds	142	4,913	451	10,563
Net foreign exchange gain - OSI funds	1,020	13,975	380	9,587
Net foreign exchange gain - TP Funds	1,693	37,884	1,844	43,200
Finance income	3,334	66,100	3,076	72,891
Net finance income	3,334	66,100	3,076	72,891

24. Financial instruments

(a) Credit risk

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Note	Carrying amount			
		2009		2008	
		MKD'000	USD	MKD'000	USD
Cash and cash equivalents	*6*	31,635	741,480	36,758	843,823
Receivables	*7*	38,505	902,492	52,427	1,203,524
Loans and advances	*9*	20,897	489,800	21,199	486,644
Long-term investments	*10*	308	7,224	308	7,075
		91,345	2,140,996	110,692	2,541,066

Notes to the financial statements

24. Financial instruments (continued)

(a) Credit risk (continued)

(i) Exposure to credit risk (continued)

The maximum exposure to credit risk for receivables at the reporting date by geographic region was:

	Carrying amount			
	2009		2008	
	MKD'000	USD	MKD'000	USD
Domestic	1,578	36,991	2,670	61,295
USA	34,975	819,744	49,170	1,128,747
EU countries	1,952	45,757	587	13,482
	38,505	902,492	52,427	1,203,524

(ii) Impairment losses

The aging of receivables as at the reporting date was:

	Gross 2009		Impairment 2009		Gross 2008		Impairment 2008	
	MKD '000	USD	MKD '000	USD	MKD '000	USD	MKD '000	USD
Past due 0-1 month	38,505	902,492	-	-	52,427	1,203,524	-	-
	38,505	902,492	-	-	52,427	1,203,524	-	-

The aging of loans and advances as at the reporting date was:

	Gross 2009		Impairment 2009		Gross 2008		Impairment 2008	
	MKD '000	USD	MKD '000	USD	MKD '000	USD	MKD '000	USD
Not past due	5,611	131,503	56	1,316	20,637	473,725	-	-
Past due 0-1 month	1,951	45,723	20	459	9	213	-	-
Past due 1-3 months	235	5,518	2	56	-	-	-	-
Past due 3-6 months	-	-	-	-	-	-	-	-
Past due 6-12 months	-	-	-	-	-	-	-	-
More than one year	-	-	610	14,305	553	12,706	-	-
	21,585	505,936	688	16,136	21,199	486,644	-	-

Loans and advances are placed in the Republic of Macedonia.

Notes to the financial statements

24. Financial instruments (continued)

(a) Credit risk (continued)

(ii) Impairment losses (continued)

The movement in the allowance for impairment in respect of loans given during the period was as follows:

In thousands of denars	2009 MKD '000	2009 USD	2008 MKD '000	2008 USD
Balance at 1 January	-	-	-	-
Impairment loss recognised	688	16,136	-	-
Balance at 31 December	688	16,136	-	-

(b) Liquidity risk

The following are the contractual maturities of financial liabilities:

31 December 2009

In thousands of denars	***Carrying amount***	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Other payables	1,066	(1,066)	(1,066)	-	-	-	-
Accruals	60,703	(60,703)	(60,703)	-	-	-	-
	61,769	(61,769)	(61,769)	-	-	-	-

31 December 2009

In USD	***Carrying amount***	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Other payables	24,971	(24,971)	(24,971)	-	-	-	-
Accruals	1,422,775	(1,422,775)	(1,422,775)	-	-	-	-
	1,447,746	(1,447,746)	(1,447,746)	-	-	-	-

Notes to the financial statements

24. Financial instruments (continued)

(b) Liquidity risk (continued)

31 December 2008

In thousands of denars	***Carrying amount***	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Other payables	979	(979)	(979)	-	-	-	-
Accruals	61,011	(61,011)	(61,011)	-	-	-	-
	61,990	(61,990)	(61,990)	-	-	-	-

31 December 2008

In USD	***Carrying amount***	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Other payables	22,461	(22,461)	(22,461)	-	-	-	-
Accruals	1,400,608	(1,400,608)	(1,400,608)	-	-	-	-
	1,423,069	(1,423,069)	(1,423,069)	-	-	-	-

(c) Currency risk

(i) Exposure to currency risk

The Foundation's exposure to foreign currency risk was as follows based on national amounts:

In thousands of denars	**MKD**	**EUR**	**USD**	**CHF**	**MKD**	**EUR**	**USD**	**Other foreign currencies**
	31 December 2009				**31 December 2008**			
Cash and cash equivalents	17,675	618	1,310	12,032	13,746	11,540	3,195	8,277
Receivables	1,578	26,138	10,242	547	2,670	40,738	9,019	-
Other payables	(1,026)	(40)	-	-	(979)	-	-	-
Accruals	(47,078)	(11,316)	(2,309)	-	(38,894)	(19,745)	(2,372)	-
Gross statement of financial position exposure	(28,851)	15,400	9,243	12,579	(23,457)	32,533	9,842	8,277

Notes to the financial statements

24. Financial instruments (continued)

(c) Currency risk (continued)

(i) Exposure to currency risk (continued)

	MKD	EUR	USD	CHF	MKD	EUR	USD	Other foreign currencies
In USD		31 December 2009				31 December 2008		
Cash and cash equivalents	414,274	14,485	30,704	282,017	315,561	264,909	73,349	190,004
Receivables	36,991	612,642	240,041	12,818	61,295	935,198	207,031	-
Other payables	(24,024)	(947)	-	-	(22,463)	-	-	-
Accruals	(1,103,431)	(265,234)	(54,110)	-	(892,861)	(453,285)	(54,461)	-
Gross statement of financial position exposure	(676,190)	360,946	216,635	294,835	(538,468)	746,822	225,919	190,004

The following significant exchange rates applied during the year:

	Average rate		Reporting date spot rate	
	2009	2008	2009	2008
EUR 1	61.27	61.27	61.17	61.41
USD 1	44.08	41.86	42.67	43.56

Notes to the financial statements

24. Financial instruments (continued)

(c) Currency risk (continued)

(ii) Sensitivity analysis

A 10 percent strengthening of the MKD against the following currencies at 31 December would have increased (decreased) surplus or deficit by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2007.

Effect in thousands of denars	**Surplus**
31 December 2009	
EUR	(1,540)
USD	(924)
CHF	(1,258)
31 December 2008	
EUR	(3,253)
USD	(984)
Other foreign currencies	(827)

Effect in USD	**Surpluse**
31 December 2009	
EUR	(36,095)
USD	(21,664)
CHF	(29,484)
31 December 2008	
EUR	(74,682)
USD	(22,592)
Other foreign currencies	(19,000)

A 10 percent weakening of the MKD against the above currencies at 31 December would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Notes to the financial statements

24. Financial instruments (continued)

(d) Interest rate risk

(i) Profile

At the reporting date the interest rate profile of the Foundation's interest–bearing financial instruments was:

In thousands of denars	Carrying amount 2009	Carrying amount 2008
Fixed rate instruments		
Financial assets	51,997	57,245
	51,997	57,245

In USD	Carrying amount 2009	Carrying amount 2008
Fixed rate instruments		
Financial assets	1,218,751	1,314,139
	1,218,751	1,314,139

Since these financial assets are with low market interest rate, changes in the interest rate could not have significant effect on the financial results of the Foundation.

(e) Fair values

(i) Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

	Note	2009				2008			
		Carrying amount		Fair value		Carrying amount		Fair value	
		MKD '000	USD	MKD '000	USD	MKD '000	USD	MKD '000	USD
Cash and cash equivalents	6	31,635	741,480	31,635	741,480	36,758	843,823	36,758	843,823
Receivables	7	38,505	902,492	38,505	902,492	52,427	1,203,524	52,427	1,203,524
Loans and advances	9	20,897	489,800	20,897	489,800	21,199	486,644	21,199	486,644
Long term investments	10	308	7,224	308	7,224	308	7,075	308	7,075
Other payables	12	(1,066)	(24,971)	(1,066)	(24,971)	(979)	(22,461)	(979)	(22,461)
Accruals	15	(60,703)	(1,422,775)	(60,703)	(1,422,775)	(61,011)	(1,400,608)	(61,011)	(1,400,608)
		29,576	693,250	29,576	693,101	48,702	1,117,997	48,702	1,117,997
Unrecognised loss				-	-			-	-

The basis for determining fair values is disclosed in note 4.

Notes to the financial statements

25. Commitments and contingencies

Commitments

For Management commitments see note 14.

Contingencies

The Foundation is not involved in routine legal proceedings in the ordinary course of operation.

26. Related party disclosures

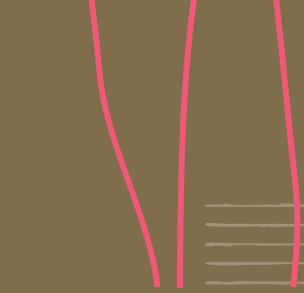
Identity of the related parties

The related parties of the Foundation are the Managing Board, Executive Director and Administrative Director.

Transaction with related parties - key management personnel

Total remuneration for the Managing Board members, Executive Director and Administrative Director is included in "personnel expenses" (refer note 21).

	MKD'000 2009	USD 2009	MKD'000 2008	USD 2008
Short-term employee benefits	4,918	115,273	4,869	111,780
	4,918	115,273	4,869	111,780

27. Subsequent events

No material events subsequent to the statement of financial position date have occurred which require disclosure in the financial statements.