



Annual report



C ontENTS

04	MESSAGE FROM THE MANAGEMENT
05	LOCAL DEVELOPMENT
07	EMPLOYMENT
08	CIVIL SOCIETY AND DEMOCRACY
12	RELATIONS BETWEEN COMMUNITIES
13	BALKANS
14	MCIC STRUCTURE AND DEVELOPMENT
17	INDEPENDENT AUDITING REPORT
18	FINANCIAL REPORT FOR 2007

MISSION

MCIC is a civil society organization that believes in peace, harmony and prosperity of Macedonia and the Balkans, based on the universal principles of a civil society and participatory democracy, good governance, equal social and economical development, interdependency and cultural diversity.

MCIC strives to stimulate and lead changes in resolving the societal challenges in innovative way and establishing alternative models to be incorporated in the mainstreams.

GOALS AND METHODS

Long-term goals of MCIC are:

- ♦ An equal and sustainable economic development leading to a social cohesion and poverty reduction through rural and regional development, employment, entrepreneurship, education and access to public services;
- ♦ A diversified and deeply rooted civil society promoting the inclusion of a number of interest groups that affect the main streams of social life;
- ♦ Just and democratic society based on the principles of good governance, decentralized system of management and a high degree of trust;
- ♦ An accepted cultural diversity, interdependence and dialogue, reflected in every segment of public life;
- ♦ Established partnerships for the development and a strengthened social capital.

MCIC implements its activities through:

- ♦ Advocacy;
- ♦ Capacity building;
- ♦ Networking and partnership;
- ♦ Co-financing;
- ♦ Information – public relations.

MCIC IS A MEMBER OF:



ECOSOC



ACT
International



CIVICUS



Balkan Civil
Society
Development
Network



Civic Platform
of Macedonia

M MESSAGE FROM THE MANAGEMENT

After a long time, 2007 saw a positive trend in resolving the burning issues: economic growth (as a result of finding a solution for the unemployment and poverty) and decline of corruption (the country moved for around 20 positions on the Transparency ranking). However, this did not bring the positive assessment by the European Commission about the country's progress on the road to EU integration, mainly due to the political criteria. In return, this has postponed the date for starting the negotiations for EU membership.

The focus was not entirely on the civil society sector, but nevertheless the Strategy of the Government for Cooperation with the Civil Sector was adopted. At the beginning of its implementation the increased participation of the representatives of the civil society sector was evident in the work of the governmental bodies, particularly during the drafting of the new laws. On the other hand, the Government failed to adopt the criteria for providing funding to the civil society organizations.

In addition, the circumstances under which the civil society organizations work deteriorated as a result of the reduced support from the international organizations and funds and further decline may be anticipated.

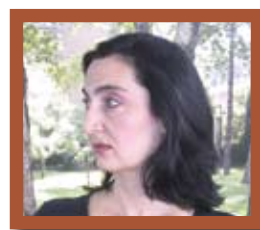
MCIC's portfolio in 2007 consisted of 56 projects and a budget amounting to 97 million MKD.

The following programs were completed this year: the Water Supply and Sanitation for Communities, the Strategy for the Civil Society and the Balkan Civil Society Development Network, as well as the part of the Institutional Development of Civil Society funded by EAR. These three programs were funded by the European Union's grants. Also, another international partner - the DanChurchAid (DCA) - closed its funding in the country.

During this year, MCIC significantly intensified the fund raising efforts, which showed good results among the traditional partners (EED, NCA) and attracted new partners (the first significant donation from the private sector, then the Balkanactie from Belgium and the KS - Association of the Norwegian Municipalities). The activities for restructuring of MCIC adopted in July 2005 continued in 2007, with a purpose to adjust the organization to the new context. A significant progress was made in replacing the sources of funding - from the traditional partners with funds from the European Union (22% more in comparison with 2006) and own funds (3% increase). At the regular elections, for the third time in a row Sašo

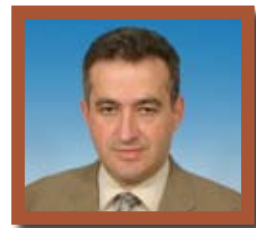
Klekovski was elected for Executive Director until 2011.

The regular cooperation with many different partners, which is one of the main features of the MCIC's work, continued with the same intensity.



Nataša Gaber - Damjanovska

A handwritten signature in black ink, appearing to read 'Nataša Gaber'.



Sašo Klekovski

A handwritten signature in blue ink, appearing to read 'Sašo Klekovski'.

LOCAL DEVELOPMENT

Local Development of the Communities

The goal of the program is to stimulate local development of the rural and marginalized communities through increased participation and organizational strengthening.

The program has covered the municipalities of Dolneni, Mogila, Karbinci, Lozovo, Staro Nagorichane, Saraj, Jegunovce, Zelino, Caska, Konce, Tearce, Veles, Prilep, Stip, Debar, Kriva, Palanka Centar Zupa.

The following trainings were delivered in 2007: preparation of project proposals for IPA funds; access to donors and preparation of project proposals; human resource management; team work and team leadership and identification of priority needs of communities. Total of 75 municipal officials attended the training sessions.

The training on project planning included 11 rep-

resentatives of the municipalities and the civil society organizations, while 12 officials of the municipalities, Local Neighbourhood Units and the civil society organizations visited the positive practices in Karbinci, Lozovo and Veles.

The workshop on lobbying and advocacy and preparation of project proposals implemented for ZELS and ADKOM was attended by 32 municipal officials. MCIC supported the participation of these institutions on the following trainings: How to access the European funds and Public relations.

Establishing participatory approach in the local communities was the topic of eight workshops attended by 193 representatives of the municipalities, local neighbourhood units and the civil society organizations.

SUCCESSFUL UTILIZATION OF IPARD FUNDS

MCIC and the Macedonian Enterprise Development Foundation (MEDF) promoted the publication on Successful Utilization of IPARD Funds. The publication was promoted by the Deputy Minister of Agriculture, Forestry and Water Supply, Pero Dimišoski, while two of the authors, Mate Gjorgjievski and Valentina Gjošeska addressed the guests.

In the publication seven authors present the experience of the former candidate countries for EU membership. The readers may learn from this experience; to get an insight in the administration capacities and structures that manage the financial assistance; to get information on the ways of managing the IPARD funds and to understand the conditions under which Macedonia may use these funds. This publication provides an opportunity for the public to get to know the conditions and criteria for approval of the projects and utilization of the funds from IPARD program as well as the methodology

applied in the procedure on development and evaluation of investment programs.

The Pre-Accession Assistance for Rural Development (IPARD) amounting to EUR 31.5 million has specific long-term goal in terms of preparing the farming and food sector in Macedonia to meet the requirements of aquis communautaire, as well as to provide efficient implementation of the programs and utilization of the European Union funds.



MODERNIZATION OF EDUCATION

The goal of the projects is upgrading and modernization of the primary education in compliance with the EU standards.

In 2007, MCIC was accredited by the Ministry of Education and Science as an organization to deliver trainings for teachers from primary schools. MCIC training team held training sessions for 6 schools on project management, communication skills, participatory approach in education and school management. The training covered 81 teachers, management and other school staff.

MCIC also implemented the projects “Advocacy and Lobbying for Roma Education”, in cooperation with

the Roma 2002 network and “Advocacy and Lobbying for Decentralization of Roma Decade” in cooperation with DROM Kumanovo.

In cooperation with AED – USAID Primary Education Project (PEP), MCIC developed a database of all state primary schools from first to eight grade. The database covered 471 primary schools, providing data and information on their problems and needs.

Two primary schools from the rural areas (the primary school in Dobruševo village, municipality of Mogila and the primary school in Dolno Kolicani village, municipality of Studenicani.



Improved HYGIENIC CONDITIONS FOR 112 STUDENTS

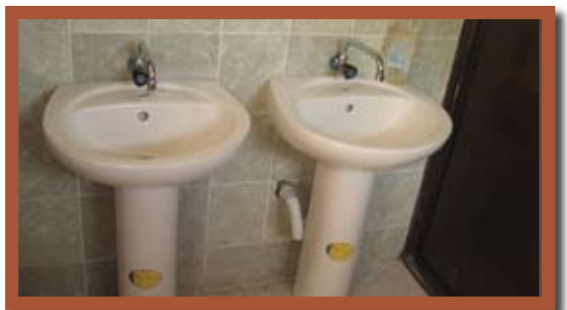
For the students of “Braka Miladinovci” primary school from Dobruševo village, Mogila municipality and for their parents, the new school year started with one problem less – the old and ruined toilets were renovated.

The school building in Dobruševo village was built in 1966 and did not undergo any major renovation since then. Total of 112 pupils attend this school. The situation with the toilets was very bad. They were located around 110 meters outside the main school building, without any water supply or a basin for the students to wash their hands. Additional problem was the fact that the male toilet cabins were not separated with walls.

“When I had to go to the toilet, I went home. The toilets were terrible. It was really hard in wintertime, when it was very cold. Now it will be much better,” told us young Nikola.

New toilets were built, connected to the local water supply system and with sanitary facilities, 6 WC bowls, 2 pissoirs and 7 water basins.

MCIC performed the renovation with support from Sokotab Frana SA from Switzerland.



E MPLOYMENT

MCIC is the founder of the Macedonian Enterprise Development Foundation (MEDF). MEDF implements the planned activities from the MEDF Business Plan 2007-2011 through the programs: Development of Financial Services, Development of Financial Institutions and Promotion of Entrepreneurship.



FINANCIAL SERVICES

Goal of the program is development of affordable financial services. In 2007, the program covered 27 small enterprises and 1,292 micro entrepreneurs. The total paid amount is 199,826,993 MKD.

Loan for more quality products

Nice and well-landscaped yard is immediately spotted from the local road in Recica village in Kumanovo region. The house of Stanojkovic family is located here. The farming equipment in the yard is a clear sign that the family earns its bread from the agriculture. All members are part of this family business. They mainly grow peppers.

"The peppers are of highest quality, because we closely monitor the growing process," Aneta Stanojkovic told us. In order to improve the quality and production they decided to get additional mechanization, so they addressed the savings house "Štedilnica Moznosti" for a loan. The loan amounting to 5,600 EUR was approved from MEDF credit line. This amount together with the 6,000 EUR of own funds was sufficient to procure pepper planter, milling machine, irrigation pumps and additional equipment. The quality improved, which is evident from the secured product placement. "The hard work and the high quality are always a sign for good product placement," Aneta added.

PROMOTION OF ENTREPRENEURSHIP

Goal of the program is promoted entrepreneurship.

In the course of 2007, MEDF provided program and organizational support to the Chamber of Commerce of North Western Macedonia. The support included capacity building of the Chamber, preparation of the Strategic plan, training for 14 representatives of the managing bodies of the Chamber and providing office equipment. A research was conducted and database was prepared for the Chamber.

In order to promote the positive examples "The European Day of the Entrepreneur" was celebrated and the event "Entrepreneur of the Year – 2007" was organized for the first time.

CIVIL SOCIETY AND DEMOCRACY

INSTITUTIONAL DEVELOPMENT OF CIVIL SOCIETY

The goal of the program is to create an enabling environment and support for further development of civil society and improving the results of the actors in the civil society in Macedonia.

During 2007, 11 issues of the Civic World magazine were published and survey on the sustainability of the informative publications of MCIC was conducted.

The 6th NGO Fair – Forum of Civil Society in Macedonia brought together 130 civil society organizations, churches and religious communities, governmental and intergovernmental organizations. The Fair hosted 25 forum events. Around 4,300 citizens visited the NGO Fair. Throughout the year, three regional NGO fairs were organized in Debar, Del'evo and Negotino. Total of 117 organizations participated, 41 forum events were organized and more than 6,100 citizens visited the fairs. The Ministry of Justice, MCIC and the Civic

Platform of Macedonia (CPM) were invited to participate in drafting the Law on Citizens' Associations and Foundations. A conference was organized regarding the law with the representatives of the civil society organizations and the state institutions. Four workshops were organized on the Law on Sponsorships and Donations for Public Benefit, which were attended by 100 representatives of the civil society organizations, the local and central government and the business sector.

In the course of the year, 17 publications were produced for improving the work of the civil society organizations in Macedonia.

The program activities were implemented in partnership with members of the CPM, specifically Foundation Open Society Institute (FOSIM), CSRD "Forum", First Children Embassy in the World "Megjashi", Polio Plus, Centre for Civic Initiative, Centre for Institutional Development, National Council of the Woman in Macedonia and Association for Democratic Initiatives.



GOOD GOVERNANCE

The Macedonian Centre for International Cooperation promoted the new training "Good Governance – Increased Sustainability" for the civil society organizations in Macedonia. The training was delivered in September 2007 and 20 representatives of the managing and governing bodies of the civil society organizations, members of CPM and other CSOs in Macedonia took part. The participants discussed the concept of governance, the difference between the governance and management, the governance compared to good governance, the circumstances under which the governing bodies work, the prevention of the conflict of interest, etc.

MCIC together with the Civic Platform of Macedonia has undertaken additional steps aimed at good governance in the civil society sector.

The Manual is a compilation of theoretical and practical issues and draft-solutions on the basic principles of good governance in the civil society organizations.

Authors: Kelmend Zajazi and Emina Nuredinoska

17 PUBLICATIONS

The program Institutional Development of Civil Society has largely increased the collection of publications focused on the issues related to the civil society organizations. The need for publishing is in fact a need for having institutional memory of all analyses, debates, solutions offered by the civil society sector and not only for the issues emerging in this area, but also for the issues of wider social interest. A brief description of all publications is available on www.mcms.org.mk. In addition, we present only few of them.

TRUST IN THE CIVIL SOCIETY

The report "Trust in the Civil Society" gives a broader overview of the trust in the civil society, but also in the other two sectors, the state and the private, and gives insight in the attitudes of the citizens about



the three sectors.

The research showed that in Macedonia there is relatively low general trust (57.3%) and trust in institutions (43.1%). There is higher trust on micro and local level in comparison with the lower trust in the large and national institutions. In terms of the trust in civil society organizations, the citizens are divided i.e. 45.4% have the trust.

Authors: Sašo Klekovski, Aleksandar Krzalovski

PUBLIC BENEFIT AND CIVIC ORGANIZATIONS

The publication provides an overview of the status of public benefit in several European countries as well as overview of the domestic legislation regulating the public benefit. "The publication should serve as a tool for lobbying and a basis for formulation of new legal provisions for the public benefit status of the associations of citizens and foundations, which will create conditions for es-



tablishing a domestic support system for the sustainability of the civil society sector," Emina Nuredinoska, co-author of the publication, said at the promotion. (prepared in cooperation with the European Centre for Not-for-Profit Law - ECNL)

Authors: David Moore, Katerina Hadzi-Miceva, Nilda Bullain, Emina Nuredinoska

COOPERATION OF THE LOCAL GOVERNMENT WITH THE CIVIC ORGANIZATIONS

The publication is a research report on the cooperation between the municipalities and the civil society organizations in the Republic of Macedonia, providing recommendations and advice by presenting the best practices of this cooperation, as well as the support for the activities of the civic sector, both in the country and abroad.

Authors: Vesna Atanasova, Neda Milevska-Kostova and Bardul Marku



STRATEGY FOR THE CIVIL SOCIETY

The goal of the program is to give support to the Government in the development and implementation of a coherent long-term policy and strategy that will help the Government in its cooperation with the civil society.

During the implementation of the program in 2007, four trainings on capacity building of the Civil Society Unit's staff and the other liaison officers were delivered: Public Relations, Strategic Planning, Monitoring and Evaluation, Dimension of Civil Society and Financial Management. Total of 56 representatives of the governmental institutions attended the training. In addition, a study visit to the United Kingdom was organized for 14 representatives of the state administration on "Good Practices of Cooperation and Support between the Government and the Civil Society Sector in England".



THE BEST EXAMPLE FOR THE EUROPEAN COUNTRIES

After a year of preparations, in January 2007 the Government of the Republic of Macedonia adopted the Strategy for Cooperation of the Government with the Civil Sector for 2007-2011. Besides the Civil Society Unit, also the representatives of several ministries, state institutions and experts, as well as numerous representatives of the civil society organizations were involved in the process of preparations.

"The draft-strategy is an impressive (comprehensive) document, which not only reflects the European principles of cooperation with the civil society, but is also among the best drafted documents that currently exist in Europe," said Nilda Bullain, executive director of the European Centre for Not-for-Profit Law (ECNL), voicing her opinion on the draft document. ECNL participated in the development of strategic documents for cooperation between the governments and the civil society organizations in several European

countries. Having in mind this experience, they believe that the Macedonian strategy "will serve as a best example for the European countries that should develop similar documents."

This is a first significant document regulating the relations between the Government and the civil society sector. The main goal of the strategy is to promote the cooperation of the government and the ministries with the civil society sector. Their mutual action may significantly contribute for developing numerous areas in the society in order to respond efficiently to the challenges and the current problems in the country. The Strategy includes action plan and time frame for implementation of the Strategy.

The Strategy covers the principles of cooperation, strategic goals, implementation, monitoring and evaluation and Action Plan for implementation of the strategy.

MACEDONIA WITHOUT DISCRIMINATION

The goal of the program is further development of enabling environment of equal opportunities for all people i.e. non-discrimination in Macedonia.

The program started with a campaign under the slogan "Next to Each Other – Different, but Equal". At the press conference the civil society organizations sent a request for drafting a National Strategy and general legislation on anti-discrimination in 2008 as well as establishing an independent human rights commission by 2009.

As part of the media campaign, the TV clip was broadcast 390 times, the radio clip was broadcast 510 times and there were 31 releases in the daily press. In addition, promotional and educational material (fliers, posters, postcards, calendars) was prepared for the purposes of the campaign.

NEXT TO EACH OTHER - DIFFERENT, BUT EQUAL!



How many times have you seen a newspaper advertisement requiring girls for a job? Or, girls and boys no older than 30? How do you react? Are you aware that this content is discriminating, in the first case on gender basis, while in the second case on the basis of the age?

Discrimination is forbidden in Macedonia.

But, do we as citizens have an awareness of discrimination? Can we recognize it when it happens in front of our nose? When one spreads false rumors discrediting someone else, when one uses aggressive or humiliating comments, when one makes jokes about certain groups of people...



From everyone, even you, it is expected to join in the "joke" or at least to give a silent approval. On contrary, if you are different, they will isolate you, they will not hang around with you, you will be out of the "team".

Very often these inappropriate jokes are attributed to our raising, our culture as we are inclined to be more interested in what is going on in the other people's yard and not our own. Our culture or bad raising cannot be an alibi for the discrimination contained in these jokes.

Even when we notice that there is discrimination, we fall into temptation to run away from the problem. So, the resolution of this situation may make us to feel unpleasant and uncomfortable. We believe that unless we speak of the problem, it will disappear. Unfortunately, it will only root the discrimination more deeply.

Discrimination is not always obvious and direct. The newspaper advertisement is a direct discrimination. However, it may have hidden forms. If they invite for a job interview all applicants, but the premises are not accessible for disabled persons, then what could be this but discrimination on the basis of invalidity?! The more we put pressure on those that discriminate on dif-

ferent grounds, the more the discrimination and harassment will have these hidden forms and will be more indirect.

So we should get as much information and education as possible on discrimination and harassment. So we will recognize it more easily and this is the first step in dealing with it. Think about your behavior and attitudes, whether you join the discriminatory behavior even when you think it is not tasteful? Tell the others you disapprove discrimination and harassment, learn about the other cultures and perspectives, give your support to the victims of violence and help them solve the problem. Because tomorrow this could be your problem, or a problem of your brother or sister, even your own child!

The changes start with us, side by side – different, but equal!



R

ELATIONS BETWEEN COMMUNITIES

BRIDGING RELIGIONS IN MACEDONIA



The goal of the program is to increase the mutual understanding between religious communities and the understanding of the Macedonian public about them.

visit to the Orthodox Theology Faculty, 5 visits to religious facilities, one inter-religious summer camp and also provided support for the cooperation office, the World Conference for Inter-religious and Inter-civilization Dialogue held in Ohrid, opening the church people's kitchen in Veles and two social-humanitarian activities of religious community. In the information part, a multimedia CD was developed highlighting the program achievements, three issues of the Bulletin on Inter-religious Cooperation (in Macedonian and Albanian language) were published as well as religious calendars in Macedonian, Albanian and English language. Visits were organized to the religious facilities in Kumanovo, Ohrid and Veles region, while the representatives of different faith communities visited the significant religious facilities in Turkey and Albania.

In 2007, significant cooperation between the Orthodox Theology Faculty and the Catholic Church, the Jewish Community and the United Methodist Church was achieved through the program, while at the end of the year the Islamic Religious Community also joined in some of the activities. The program realized 9 exchange lectures, one

summer camp

The religious summer camp was held from May 31 to June 3, 2007 in Ohrid. 21 participants including students from the Orthodox Theology Faculty and representatives of the Catholic and United Methodist Church attended the camp.

During the summer camp, the students attended different religious lectures. "First of all, the participants became friends, promising each other further cooperation," says Nenad In evski, student of the Orthodox Theology Faculty. "One should not forget the usefulness of the material on dialogue presented to the participants. The lecturers were

particularly satisfied as despite the discussions the religious feeling of the participants were not hurt and no one felt discriminated because of the religious or national belonging, but on contrary advocated for one's integrity. This type of discussion, as it was emphasized, is the first step towards developing multiethnic and multi-confessional society," he said.



BALKANS

BALKAN CIVIL SOCIETY DEVELOPMENT NETWORK

The goal of the program is to increase the individual and organizational capacities of the relevant civil society organizations from the Balkans and their cooperation.

Two training sessions were delivered this year. The Regional Training on Media was implemented in two rounds, in Novi Sad and Tirana, with participants from the civil society organizations from Albania, Bosnia and Herzegovina, Croatia, Kosovo, Macedonia, Montenegro and Serbia. The second training on Civic Dialogue was also delivered in Novi Sad and in Tirana. Total of 41 representatives of the civil society organizations from seven countries in the region took part in the trainings.

Two new activities were introduced – on-the-job training and help desk service. Three publications in the framework of Balcan Civic Practices were published (A Guide to European Union - Funding for NGOs, Media Relations – Guide for Civil Society Organizations and Guide to Civil Dialogue in the Balkans) and weekly newsletter was disseminated. An annual meeting of the BCSDN Steering Group was held and the program was evaluated. All activities were realized as part of the EU funded project “Partnership in Action – Strengthening BCSDN”.



ON-THE-JOB TRAINING AND HELP-DESK

The preparations for the on-the-job training started in January, while the actual implementation started in March. Five representatives from the civil society organizations from Albania, Bosnia and Herzegovina, Croatia, Macedonia, Serbia and took part in one-month training in the ECAS office based in Brussels. The reports of the participants are posted on the web-sites of ECAS and BCSDN.

The help desk included appointing of contact persons from ECAS (EU) and CNVOS (Civic dialogue) to provide assistance and tailor-made service to the partner organizations in their respective areas of expertise. This service was a follow-up to the trainings and exchange activities realized by the network in the two areas. The new service was promoted through the BCSDN's web-site, the weekly newsletter and phone contacts with the partner organizations.

All questions and answers are posted on the BCSDN web-site.

M

CIC STRUCTURE AND DEVELOPMENT

COOPERATION

MCIC cooperated with domestic organizations and institutions and agencies, members of the World Council of Churches and other international organizations.

The cooperation with the domestic civil society organizations (mainly within the Civic Platform of Macedonia) was intensified in this period and continued on a regular basis with the local government units and the state institutions.

MCIC continued the cooperation with the WCC members with the same dynamic, but this time the bilateral contacts were deepened. In July, MCIC participated at a partner meeting with NCA in Ohrid.

It is worth noting that MCIC Executive Director, Sašo Klekovski participated as an expert in developing the draft document of the joint EU-RM Economic-Social Council, on the role of the civil society.

PUBLIC RELATIONS

For the second time, MCIC organized the "Open Days of MCIC". Total of four meetings were held in order to present the main achievements in 2006 and the plan for 2007. The following publications were presented this year: "Successful Utilization of IPARD Funds", "EU Funding Sources for the Civil Society Organizations" and the Civil Society Index. The presentations took place in Štip,

Kumanovo, Prilep and Gostivar, together with MEDF and one local partner from the town in which the event was organized. 73 people visited the Open Days.

The annual report was published in Macedonian, Albanian and English language.

Throughout the year, MCIC had 171 media appearances.



FUND RAISING

This year MCIC has significantly intensified the efforts for mobilization of funds, however, to no avail in terms of Government's tenders (except for the training for the Ministry of Education). It did however registered success in attracting new partners (e.g. First significant donation from the private sector – Socotab, Switzerland, then Balkan Actie and of course the successful replacement of NCA with KS – association of Norwegian communities in VSZ) as well as with the traditional partners (EED, NCA).

MANAGEMENT BOARD

1. **Nataša Gaber–Damjanovska**,
Chairperson
PhD in Political Science, Senior
Research Fellow at the Institute for
Sociological,
Political and Juridical Research
2. **Reverend Dragi Kostadinovski**, Vice
Chairperson
Assistant of the Archbishop and
Secretary General of “Milosrdie”,
agency of the
Macedonian Orthodox Church
3. **Biljana Gerasimovska–Kitanovska**
MD, Master of Nephrology, employed at
the Clinical Center, Skopje, Chairperson
of ESE
– Skopje
4. **Muhamed Toči**
unemployed, member of the Presidency
of HDZR “Mesečina”
5. **Zejnula Efendi Fazliu**
IMAM
6. **Reverend Mihail Cekov**
Pastor of the United Methodist Church in
Strumica
7. **Sveto Stefanovski**
journalist, Editor-in-Chief of the
periodical magazine “Ekologija”
8. **Behidzudin Šehapi**,
Chairperson of El Hilal, Skopje
9. **Andon Markovski**,
Secretary of the Union of Associations of
Pensioners of Republic of Macedonia

COUNCIL

Nataša Gaber–Damjanovska
Dragi Zmijanac
Ahmet Jašarevski
Dilbera Kamberovska
Ruska Miceva
Aleksandar Mihajlovski
Abdurauf Prusi
Marija Stambolieva
Mersel Xheladini
Dušan Šurbanovski
Gjuner Ismail
Kelmend Zajazi
Ace Kocevski
Ratko Lazarevski
Dušica Perišić
Nafi Saračini
Ivan Tulevski
Teuta Krašnica– Čučkova
Dragi Kostadinovski
Muhamed Toči
Zejnula Fazliu
Mihail Cekov
Goko Gorgeski

PERSONNEL

At the end of 2007, MCIC had 28 employees. In the course of the year, two employees ended their employment upon their request due to employment in another organization, and the employment of one employee was terminated due to business reasons. Several training sessions were delivered for personnel

development. In March announcement was made for election of executive director of MCIC. Three candidates applied. The Management Board of MCIC one more time has chosen Saso Klekovski for executive director of the Macedonian Centre for International Cooperation with a four year mandate, actually until the year 2011.

EXECUTIVE OFFICE OF MCIC

EXECUTIVE DIRECTOR

Sašo Klekovski
skl@mcms.org.mk

DEVELOPMENT DEPARTMENT



Dimce Mitreski
dmt@mcms.org.mk

Miodrag Kolic
mkl@mcms.org.mk

EMPLOYMENT DEPARTMENT



Tetjana Lazarevska
tlz@mcms.org.mk

Lazar Nedanoski
lnd@mcms.org.mk

Lirim Hajredini
lhj@mcms.org.mk

Afrodita Musliu
ams@mcms.org.mk

CIVIL SOCIETY DEPARTMENT



Suncica Sazdovska
ssz@mcms.org.mk

Fatmir Bytyqi
fbt@mcms.org.mk

Emina Nuredinoska
enr@mcms.org.mk

Valentina cikleva
vch@mcms.org.mk

Gligor Mihailovski
gmh@mcms.org.mk

Krenar Kuka
kkk@mcms.org.mk

Daniela Stojanova
dsj@mcms.org.mk

Aleksandar Stamboliev

Neda Maleska-Sachmaroska

INFORMATION DEPARTMENT



Gonce Jakovleska
gjk@mcms.org.mk

Gramoz Šabani
gsb@mcms.org.mk

Adis Rahic
arh@mcms.org.mk

Suzan Šakir Sulejmani
ssh@mcms.org.mk

CROSS-SECTORAL AND INTERNATIONAL PROGRAMS



Aleksandar Krzalovski
akr@mcms.org.mk

Tanja Hafner - Ademi
thf@mcms.org.mk

Dervisa Hadzik-Rahic
dhd@mcms.org.mk

ADMINISTRATIVE GROUP

Milka Bozinovska-Miova
mmv@mcms.org.mk

Mirjana Kunovska
mkn@mcms.org.mk

Biljana Vucurevk
bvc@mcms.org.mk

Danilo Mitov
dmv@mcms.org.mk

Vesna Bogdanovska
vbg@mcms.org.mk

I

NDEPENDENT AUDITING REPORT

Deloitte.

Deloitte DOO
 Ms. Teodosa Golijanov 28
 1000 Skopje
 Republic of Macedonia
 Tel: +389 (0) 3111 300
 Fax: +389 (0) 3113 044
 contact@macedonia@deloitte.com
 www.deloitte.com/Macedonia

Central Register of RM
 Registry Number: 4551427
 Komercijalna Banka AD, Kaj Cimosir Vuhov, Skopje
 Account no. 300-0000000810-22
 VAT MK 4030964233680

INDEPENDENT AUDITORS' REPORT

To the Governing Board of Macedonian Centre for International Cooperation

We have audited the accompanying financial statements (page 3 to 26) of Macedonian Centre for International Cooperation (hereinafter referred to as "MCIC"), which comprise the balance sheet as of December 31, 2007 and the statement of revenue and expenses, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. The financial statements of MCIC as of and for the year ended December 31, 2006 were audited by another auditor whose report dated May 8, 2007 expressed an unqualified opinion on those statements.

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 misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's 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 ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from 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 the auditor's 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, the auditor considers internal control relevant to the MCIC'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 MCIC's internal control. An audit also includes evaluating the appropriateness of accounting policies 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 audit opinion.

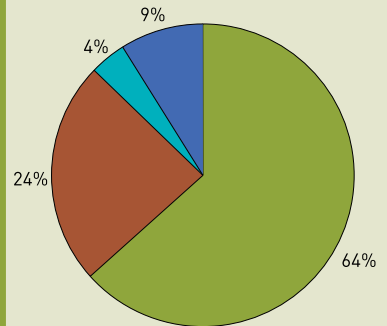
To the Governing Board of Macedonian Centre for International Cooperation (Continued)

Opinion

In our opinion the financial statements present fairly, in all material respects the financial position of Macedonian Centre for International Cooperation as of December 31, 2007, and its financial performance, changes in equity and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

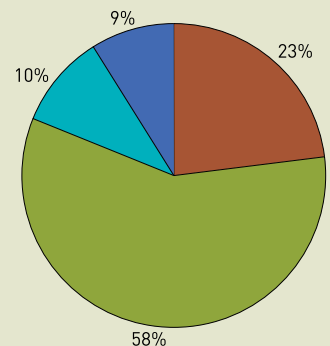
Deloitte DOO
 Skopje
 May 6, 2008

WHERE HAS MCIC SECURE THE FUNDS FROM



- Donations and grants
- Own revenues
- Interests
- Other

HOW HAS MCIC MADE USE OF THESE FUNDS



- Local development of the communities
- Civil society and democracy
- Relations between communities
- Balkan

FINANCIAL REPORT FOR 2007

The integral financial report is available for download at: www.mcms.org.mk

Description	Note	2007	2006
A. ASSETS			
Fixed assets			
Capital assets	2	14,533	13,400
Non-material investments	3	350	350
Housing found	4	8,933	8,436
Total fixed assets		23,816	22,186
Current assets			
Cash and cash equivalents	5	43,731	57,982
Inventories	6	0	802
Advanced payments	7	6,061	13,360
Accounts receivables	8	12,512	6,190
Short-term receivables	9	33,695	28,429
Other short-term receivables and taxes	10	1,365	951
Total current assets		97,364	107,714
TOTAL ASSETS		121,179	129,900
B. LIABILITIES AND FUNDS			
Short-term liabilities			
Accounts payables	11	1,916	6,573
Received advance payments, state payables and others	12	1,729	1,506
Total liabilities		3,645	8,079
Accrued expenses			
Total accrued expenses	13	11,194	17,616
Vkupno obvrski		14,839	25,695
Funds and reserves			
Income surplus transferred for the next year	14	2,540	0
Funds	15	103,800	104,205
Total funds and reserves		106,340	104,205
TOTAL LIABILITIES AND FUNDS		121,179	129,900

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2007

The amounts are presented in thousands of Macedonian Denars, 1 EUR = 61. 2016 MKD

CONSOLIDATED BALANCE ON REVENUES AND EXPENSES FOR THE PERIOD ENDING ON 31 DECEMBER 2007

The amounts are presented in thousands of Macedonian Denars, 1 EUR = 61. 2016 MKD

Description	Note	2007	2006
A. REVENUES			
Donations and grants			
Evangelische Zentr. Fur Entwickl. (EED) Germany		16,218	18,954
DCA/DANIDA, Denmark		13,395	8,908
European Agency for Reconstruction (EAR)		10,892	9,642
European Commission (EC)		7,160	4,273
Norwegian Church Aid (NCA), Norway		4,199	11,586
Sokotab, Switzerland		3,599	0
Balkanactie, Belgium		2,266	1,835
Handicap Integration		1,630	0
Macedonian Enterprise Development Foundation (MEDF)		1,359	4,159
DanChurchAid (DCA), Denmark		615	3,891
Norwegian Association of Local Authorities (KS)		603	0
Other donors		1,319	3,891
TOTAL DONATIONS AND GRANTS		63,255	66,934
Own revenues			
COWI, Denmark/EAR	18	9,032	8,064
MEDF		6,404	2,261
OSCE		5,127	2,058
Ministry of Education and Science (MoES)		595	0
Academy for Educational Development (AED), USA		437	0
Other own revenues		1,742	8,393
Total own revenues		23,336	20,776
Interests and positive foreign exchange difference	19	4,801	2,600
Extraordinary revenues	20	8,659	4,988
TOTAL REVENUES		100,051	95,298
B. EXPENSES			
Charitable expenses			
Water Supply and Sanitation of Communities (VSZ)	21	8,581	0
Local Development of the Communities (LRZ)	22	2,815	6,771
Education Modernization Project (PMO)	23	4,541	0
Institutional Development of Civil Society (IGO)	24	15,116	10,508
Organizational Development of Civil Society Actors (ORR)	25	7,238	3,148
Balkan Network for Civic Society Development (BNT)	26	4,272	9,383
Strategy of the Government for Cooperation with NGO's (SGO)	27	242	8,172
Bridging Religions in Macedonia (MSM)	28	6,265	4,440
Fund Raising Campaign (KMF)	29	2,197	627
Macedonia without Discrimination (MBD)	30	8,301	0
MEDF Management	31	184	1,862
Completed programs (JSN, RPB, SMO)	32	917	0
Total charitable expenses		60,668	52,768
Operational expenses			
Information and publications	33	1,008	792
Operational expenses	34	35,764	38,776
Total operational expenses		36,772	39,569
TOTAL EXPENSES		97,440	92,337
BALANCE		2,611	2,962

OVERVIEW OF PLANNED PROJECTS IN 2007

No.	Title	Location	Target Group	Activity	Time Period	Implementing Organization	Budget	Status
ENHANCED LOCAL DEVELOPMENT								
Water Supply and Sanitation for Communities (VSZ)								
Local Community Development (LRZ)								
LRZ 201	Training on Capacity Building of the Local Government	9 municipalities	Municipalities	Trainings, advice and consultations	May – December 2007	MCIC	655,934	Completed
LRZ 202	Sensitisation of New Focus Municipalities	4 municipalities	Communities, municipalities, PUC, NU and NGO	Trainings, advice and consultations	August – December 2007	MCIC	204,679	Completed
LRZ 203	Capacity building of ZELS and ADKOM	National	ZELS, ADKOM, municipalities, communities and PUC	Trainings, advice and consultations	August – December 2007	MCIC, ZELS and ADKOM	380,287	Completed
LRZ 204	Establishing Participatory Approach in the Local Communities	Prilep	LGU, NU and NGO	Trainings, advice and consultations	September – December 2007	MCIC, Municipality of Prilep and FRP Prilep	119,349	Completed
LRZ 301	Transparent Local Government	7 municipalities	Municipalities	Information/ Publications	March – December 2007	MCIC and 7 municipalities	881,293	Completed
LRZ 401	Initiatives for Increased Participation of Rural Communities	National	ZELS and rural communities	Advocacy	April – November 2007	MCIC and ZELS	223,089	Completed
LRZ 402	Fair of Municipalities – ZELS EXPO 2007	National	Municipalities, ZELS, ADKOM, general public	Lobbying and Information	November – December 2007	ZELS, municipalities and ADKOM	303,810	Completed
IMPROVED EDUCATIONAL STRUCTURE								
Education Modernization Projects (PMO)								
PMO 101	Renovation of the Primary School in Dobruševo village	Mogila	112 students and 18 staff	Construction of toilets in the primary school Braka Miladinovci	March – October 2007	MCIC, municipality, school board, parents council, NU	1,499,560	Completed
PMO 102	Renovation of the Primary School in Dolno Količani village	Studeničani	272 students and 21 staff	Reconstruction of toilets in the primary school J.K. - Džinot	March – December 2007	MCIC, municipality, school board, parents council, NU	1,659,690	Completed
PMO 201	Professional Development of the Teaching Staff in Primary Schools	National	6 primary schools	Training	February – December 2007	MCIC, MoES	414,659	Completed
PMO 301	Database for the Primary Schools in Macedonia	National	Students, general public	Information	May – October 2007	MCIC, AED	37,026	Completed
PMO401	Advocacy and Lobbying for Roma Education	National	Roma	Lobbying and Advocacy	July – December 2007	RNV0 "Roma" 2002	800,318	Completed
PMO402	Advocacy and Lobbying for Decentralization of Roma Decade on Local level	National	Roma	Lobbying and Advocacy	July – December 2007	DROM Kumanovo	130,000	Completed
SUPPORTING THE EMPLOYMENT AND DEVELOPMENT OPPORTUNITIES OF MSE								
Management of the Macedonian Enterprise Development Foundation								
	MEDF Management	National	Entrepreneurs	Management	January – December 2007	MCIC	7,923,000	Completed
CONTRIBUTION FOR THE CIVIL SOCIETY DEVELOPMENT								
Institutional Development of Civil Society (IGO)								
IGO 101	Civic World	Skopje	General Public	Information	January 2007 – March 2008	MCIC	3,522,371	Ongoing
IGO 102	Sustainability of the Informational Publications	Skopje	Civil Society Organizations, business sector	Survey	February – December 2007	MCIC	530,000	Completed
IGO 103	Research Publications	Skopje	General Public	Information	October 2007 – December 2008	MCIC	816,000	Ongoing
IGO 201	Coordination of the GPM programme	National	29 members of CPM	Management	January – November 2007	MCIC, FOSIM, Megjasi, Forum	1,458,676	Completed
IGO 202	Networking Training	National	29 members of CPM	Training	April – October 2007	CID	157,561	Completed
IGO 203	NGO Fair	National	General Public, business and state sector	Lobbying and Advocacy	May – December 2007	MCIC and others	4,031,317	Completed

IGO 301	Good Governance	National	29 members of CPM	Training	February – November 2007	MCIC	575,400	Completed
IGO 302	Financial Management and Administration of CSOs	National	Civil Society Organizations	Training	June – November 2007	CGI	231,970	Completed
IGO 401	Tax Benefits for CSOs	National	Civil Society Organizations	Lobbying and Advocacy	March – November 2007	MCIC	377,412	Completed
IGO 402	Conference on the Legal and Fiscal Framework	National	CSOs and other sectors	Lobbying and Advocacy	June – September 2007	MCIC and FOSIM	534,343	Completed
IGO 403	Economic Activities of CSOs	National	Civil Society Organizations	Lobbying and Advocacy	June – November 2007	MCIC	284,340	Completed
IGO 404	CSO – Service Providers	National	Civil Society Organizations, MLSP and others	Lobbying and Advocacy	June – November 2007	CID	280,560	Completed
IGO 405	Public Benefit Activities	National	Civil Society Organizations	Lobbying and Advocacy	March – November 2007	MCIC	284,340	Completed
IGO 406	Information and Promotion of the Law on Donations and Sponsorship	National	Civil Society Organizations	Lobbying and Advocacy	September – November 2007	CID and Megjasi	1,009,530	Completed
IGO 501	Cooperation with Local Government Units	National	General Public	Lobbying and Advocacy	April – November 2007	MCIC	616,388	Completed
IGO 502	Together for Transparency	National	General Public	Lobbying and Advocacy	June – November 2007	Megjasi	489,250	Completed
IGO 503	Survey on the Citizens' Perception	National	General Public	Lobbying and Advocacy	June – November 2007	MCIC	644,518	Completed
IGO 504	Cooperation with the Business Sector	National	Business sector	Lobbying and Advocacy	June – November 2007	CID and Megjasi	409,235	Completed
Organizational Development of Civil Society Actors (ORR)								
ORR 101	Regular Training for CGO actors	National	Civil Society Organizations, and other actors	Trainings	June – December 2007	MCIC	2,697,987	Ongoing
ORR 201	Research on Adult Learning	National	General target group	Survey	December 2007	MCIC	866,200	Completed
ORR 301	Tailored Training and Consultations for OSCE – Rule of Law	National	Civil Society Organizations, state institutions	Trainings and consultations	March – December 2007	MCIC	1,653,271	Completed
ORR302	Tailored Training and Consultations for OSCE – local organizations from Tetovo and Kumanovo	Skopje, Tetovo and Kumanovo	Civil Society Organizations from Tetovo and Kumanovo	Trainings and consultations	March – December 2007	MCIC	311,000	Completed
ORR 303	Tailored Training and Consultations for OSCE – Open Gate	Skopje	Staff of Open Gate	Trainings and consultations	March – October 2007	MCIC	264,177	Completed
ORR 304	Consultations for Other Actors of the Civil Society	National	Civil Society actors	Trainings and consultations	February – December 2007	MCIC	593,500	Completed
Balkan Civic Society Development Network (BNT)								
BNT 101	On-the-job Training and Help Desk Service	South East Europe	Members of the network and other relevant CSOs	Exchange activity (Training)	April – December 2007	MCIC and ECAS	662,339	Completed
BNT 102	Training and Manual on Civic Dialogue	South East Europe	Members of the network and other relevant CSOs	Capacity building (Training)	May – December 2007	MCIC, EHO and DA	1,681,262	Completed
BNT 201	Balkan Civil Practices 4: Media Relations Guide	South East Europe	Members of the network and other relevant CSOs	Information	April - September 2007	MCIC and CNVOS	419,323	Completed
BNT 202	Annual Meeting of the Steering Group	International	Members of the network and other relevant CSOs	Information	May – July 2007	MCIC and EOS	181,575	Completed
BNT 301	Partnership Implementation of the Programme	South East Europe	Members of the network and other relevant CSOs	Financial assistance	January – December 2007	DA, EHO, ECAS, CNVOS	1,340,765	Completed
ENHANCED RESPONSIBILITY								
Strategy for the Cooperation of the Government with the Civil Society Sector (SGO)								
SGO 101	Transparent Criteria	Republic of Macedonia	CSOs, Government and other line ministries	Advocacy and lobbying	February – May 2007	MCIC, Civil Society Unit	241,609	Completed

ENHANCED DIALOGUE AND TOLERANCE
Bridging Religions in Macedonia (MSM)

MSM 101	Exchange Lectures on Other Religions	International	Students of the faculties of theology and faith communities	Advocacy (exposition)	January–September 2007	Two faculties of theology	965,419	Completed
MSM 102	Strengthening the Theology Faculties	Local	Students of the faculties of theology	Financial assistance	January–September 2007	Two faculties of theology	487,250	Completed
MSM 201	Strengthening the Theology Faculties	National	Faith communities and general public	Financial assistance	July – December 2007	MCIC, MPC, Municipality of Veles	1,793,727	Completed
MSM 202	Religious Calendars	National	Faith communities and general public	Information	October – December 2007	MCIC and 5 faith communities	898,722	Completed
MSM 203	World Conference of Inter-religious and Inter-civilization Dialogue	International	Faith communities and general public	Information	August – November 2007	MCIC, Commission for faith communities	600,000	Completed
MSM 204	Support to Social and Humanitarian Activities of the Faith Communities	National	Faith communities and general public	Financial assistance	November – December 2007	MCIC, El Hital, EMC	1,000,000	Completed
MSM 301	Informational Publications of Faith Communities	National	Faith communities and general public	Information	January–September 2007	5 faith communities and 2 faculties of theology	533,475	Completed

Fund Raising Campaigns (KMF)

KMF 101	Directory of Civil Society Organizations of Immigrants	International	Immigration organizations	Information	June – December 2007	MCIC	1,457,000	Ongoing
KMF 102	Research on Social Responsibility of Citizens	National	General Public	Campaign	November – December 2007	MCIC	739,700	Ongoing

Macedonia without Discrimination (MBD)

MBD 101	Media Anti-Discrimination Campaign	National	General Public	Public awareness (Campaign)	December 2007	MCIC, Polio plus, CCPRK ...	6,103,061	Completed
MBD 102	Informational Activities on Non-Discrimination	National	General Public	Public awareness (Information)	December 2007	MCIC, Polio plus, CCPRK ...	1,203,589	Completed
MBD 103	Calendars for Tolerance	National	General Public	Public awareness (Information)	December 2007	MCIC, Polio plus, CCPRK ...	899,910	Completed

